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To Whom It May Concern

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**Notice Concerning Execution of Agreement for
Financial Flexibility Framework Provided by Toyota Motor Corporation and Daimler Truck AG**

ARCHION Corporation (the “Company”) hereby announces that, as described in the press release dated April 1, 2026, entitled “Notice Concerning Executive Structure following Transition to a Holding Company Structure, Appointment of Accounting Auditor, and Memorandum of Understanding on Financial Flexibility Framework provided by Toyota Motor Corporation and Daimler Truck AG” in connection with the business integration (the “Business Integration”) between Hino Motors, Ltd. (“Hino Motors”) and Mitsubishi Fuso Truck and Bus Corporation (“MFTBC”), on April 1, 2026, the Company entered into a memorandum of understanding (the “MOU”) with Toyota Motor Corporation (“Toyota”) and Daimler Truck AG (“Daimler Truck”) providing that the Company intends to establish a financial flexibility framework provided by Toyota and Daimler Truck under which the Company will be able to procure a certain amount of funds from Toyota and Daimler Truck, and has since engaged in related discussions and examinations.

At a meeting of the Board of Directors held today, the Company resolved, with respect to the financial flexibility framework based on the MOU, to enter into (i) a convertible bond agreement with Toyota (the “Convertible Bond Agreement”) and (ii) a bond agreement with Daimler Truck (the “Bond Agreement”), and accordingly, the Company executed the Convertible Bond Agreement and the Bond Agreement as of today. The details are as set forth below.

1. Purpose

In order to ensure the smooth operation of the Company group’s business and further enhance the financial flexibility of the Company following the Business Integration, the Company, Toyota and Daimler Truck entered into, as of today, (i) the Convertible Bond Agreement, which provides that the Company may, at the times it considers necessary, procure financing from Toyota, subject to certain conditions, through the issuance of convertible bonds convertible into class A shares, with an aggregate outstanding balance capped at 200 billion yen, and (ii) the Bond Agreement, which provides that the Company may, at the times it considers necessary, procure financing from Daimler Truck, subject to certain conditions, through the issuance of straight bonds, with an aggregate outstanding balance capped at 20 billion yen.

2. Outline of Financial Flexibility Framework for Convertible Bonds

An outline of the principal terms and the total issuance amount of the convertible bonds to be

issued under the Convertible Bond Agreement is as set forth below. The specific issuance amount, interest rate, conversion price and other terms, as well as the timing of the issuance of the convertible bonds under the Convertible Bond Agreement, have yet to be determined. The Company will, taking into account its business strategy and financial strategy and in light of market conditions, consider the optimal timing and amount of each issuance, and at each time it considers necessary, determine the specific terms of the convertible bonds by a resolution of the Board of Directors in accordance with the Convertible Bond Agreement, and plans to issue such convertible bonds accordingly.

(a)	Type of Securities	Convertible bonds
(b)	Planned Issuance Amount	The aggregate outstanding balance will be capped at 200 billion yen.
(c)	Planned Issuance Period	Until April 1, 2041 (15 years after the effective date of the Business Integration).
(d)	Redemption Date	In principle, three (3) years from the issuance date of each convertible bond. The Company may, however, at any time on or after the day immediately following the issuance date, make early redemption.
(e)	Type and Number of Shares to be Issued upon Exercise of Stock Acquisition Rights	Class A shares in the number obtained by dividing the total face value of the bonds plus unpaid accrued interest thereon by the conversion price will be issued.
(f)	Exercisable Period of Stock Acquisition Rights	Subject to satisfaction of the conditions for exercising the stock acquisition rights set forth in (g) below, any time on or after the day following the allotment date of the stock acquisition rights.
(g)	Conditions for Exercise of Stock Acquisition Rights	The stock acquisition rights may be exercised upon satisfaction of any of the following: (i) failure to redeem by the redemption date, (ii) loss of the benefit of time (acceleration), or (iii) approval by the Company's Board of Directors. Although class A shares, which are non-voting shares, will be used as the shares underlying the stock acquisition rights attached to the bonds with stock acquisition rights, considering that Toyota operates the light-duty truck business and light-duty sightseeing bus business in Japan, it is intended to maintain Toyota's voting rights ratio in the Company at less than 20% from the perspectives of respecting the Company's operational independence and complying with competition laws. Accordingly, taking into account the terms of the exercise conditions described above, it is not expected that a put option for common shares with respect to such class A shares will be exercised and Toyota's ownership ratio in respect of common shares will increase within a short period after the issuance of the bonds with stock acquisition rights.
(h)	Issuance Conditions of Convertible Bonds	Convertible bonds may be issued under the Convertible Bond Agreement only if the Company's group does not meet certain financial metrics set forth in such agreement and certain other conditions are satisfied.

3. Outline of Financial Flexibility Framework for Straight Bonds

An overview of the principal terms and the total issuance amount of the straight bonds to be

issued under the Bond Agreement are as set forth below. The specific issuance amount, interest rate and other terms, as well as the timing of the issuance of the straight bonds under the Bond Agreement, have yet to be determined. The Company will, taking into account its business strategy and financial strategy and in light of market conditions, consider the optimal timing and amount of each issuance, and at each time it considers necessary, determine the specific terms of the straight bonds by a resolution of the Board of Directors in accordance with the Bond Agreement, and plans to issue such straight bonds accordingly.

(a)	Type of Securities	Straight bonds
(b)	Planned Issuance Amount	The aggregate outstanding balance shall be capped at 20 billion yen.
(c)	Planned Issuance Period	Until April 1, 2029 (three (3) years after the effective date of the Business Integration)
(d)	Redemption Date	In principle, three (3) years from the issuance date of each straight bond. The Company may, however, at any time on or after the day immediately following the issuance date, make early redemption.

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