



May 24, 2021

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**Notice of Voluntary Recall of Stroller and Future Measures  
to Improve Product Development and Quality Control Process**

We, Pigeon Corporation ("Pigeon") announce that we have decided to carry out a voluntary recall of 3-wheeled stroller, "palskip" and "BASIS palskip" sold in Japan from May 24, 2021. We would like to express our deepest apologies for any inconvenience and concern may cause to consumers, retailers, and other stakeholders.

**1. Reason for the Recall**

It was found that the handle joint of the product may be damaged by the concentration of load on it. We are voluntarily recalling 4,607 units of products to ensure consumer safety.

**2. Recalled Models**

Recalled models were 4,607 units sold to consumers in Japan market. Here is the detailed product information.

| Name of Product            | palskip<br>Gracie Gray | palskip<br>Olivia Navy | palskip<br>Vanessa Red | BASIS palskip<br>Relax Denim |
|----------------------------|------------------------|------------------------|------------------------|------------------------------|
| Model Number<br>(JAN Code) | 4902508064156          | 4902508064163          | 4902508064170          | 4902508060370                |

**3. Recall Date**

Monday, May 24, 2021 (JST)

**4. Solution**

Consumers should stop using the recalled strollers immediately and contact Pigeon to receive a full refund as this model is already discontinued.

We will further strengthen our quality control system to prevent any recurrence (See page 2 for future measures to improve our product development and quality control.).

**5. Impact on business results**

We are currently investigating the costs associated with this recall, however, at current, approximately 400 million yen are expected to be booked as "Extraordinary Loss" into business results for the second quarter of the fiscal year ending December 31, 2021.

## **Future Measures to Improve Product Development and Quality Control for Strollers**

On April 16, 2021, we announced a voluntary recall of the “Runfee RA8” stroller, and on May 24, 2021, we announced a voluntary recall of the “palskip” and “BASIS palskip” 3-wheeled stroller. We would like to express our deepest apologies to our valued customers, retailers, and other stakeholders for the concern and inconvenience caused.

This series of voluntary recalls of strollers were involved with product durability issues. We concluded we have to have more evaluation and verification steps in the strength design of the key components and mechanism to anticipate all aspects of potential risks and problems in long-term use. We take this series of voluntary recalls very seriously and are already working on the following two improvements to prevent a recurrence, develop better products, and ensure the product safety of our customers.

### **1. Review of Existing Quality Control Standards**

To deliver products that are more safe and reliable, we have further tightened our quality control standards and added test items that especially focuses on “product durability”.

### **2. Improvement of the Product Development Process**

To strengthen our internal checking system for product development, we have set up the following two independent steps in the product development process to enable quality improvement from the earlier product development stage.

- A.) Design review: Examination of concerns from multiple perspectives at the design and prototype stages.
- B.) Negative check: Thorough verification of a wider range of potential risks in various product use case scenarios before mass production.

We deeply regret our recalls this time and will continue to further strengthen our product development and quality control to deliver safer and more reliable products for our valued customers.

President and CEO  
Norimasa Kitazawa