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Press release on May 24, 2024

Takamiya Co., Ltd.

Representative Director, President and Chairman: Kazumasa Takamiya

Listed on: Tokyo Stock Exchange Prime Market

Stock code: 2445

Notice Regarding Merger and Waiver of Receivables of Subsidiary Company

We are pleased to announce that at the Board of Directors meeting held on May 24, 2024, it was resolved to merge and absorb TAKAMIYA NO AISAI CO LTD., a subsidiary of our company, with the effective date of July 1, 2024. Please find the details below. Please note that as this merger is a simplified absorption-type merger within our company, certain disclosure items and content related to this merger have been partially omitted.

1. Purpose of the Merger

We have established 'TAKAMIYA AGRIBUSINESS PARK' at our demonstration farm in Hanyu City, Saitama Prefecture, aiming to create a comprehensive agricultural park where all aspects of agriculture are understood. At this facility, we conduct activities to disseminate and educate agricultural practitioners, create an environment for starting farming with minimal risk, lower the barriers to entry into agriculture, promote the development of new agricultural technologies using AI and robots, and contribute to further advancement in agriculture. In order to accelerate our business expansion, improve management efficiency, and expedite decision-making, we have decided to proceed with this merger, with our company as the surviving entity and TAKAMIYA NO AISAI CO LTD. as the dissolved entity.

2. Summary of the Merger

(1) Merger Schedule

Board of Directors Resolution: May 24, 2024

Merger Agreement Signing Date: May 24, 2024

Scheduled Effective Date of Merger: July 1, 2024

(2) Merger Method

This merger involves our company as the surviving entity in an absorption-type merger, with TAKAMIYA NO AISAI CO LTD. as the dissolved entity, effective on the effective date, which will result in the dissolution of TAKAMIYA NO AISAI CO LTD.

Please note that TAKAMIYA NO AISAI CO LTD. is currently in a state of liabilities exceeding assets; however, prior to this merger, our company plans to waive a portion of the receivables we hold against TAKAMIYA NO AISAI CO LTD., resolving the situation of liabilities exceeding assets before proceeding with the merger.

- Nature of Receivables to be Waived: Loans and others

- Estimated Amount of Receivables to be Waived: 162 Million Yen

- Scheduled Date for Waiver of Receivables: May 31, 2024

(3) Allocation of Stocks and Other Monetary Items Related to the Merger

There will be no issuance or allocation of stocks or other monetary items related to this merger.

(4) Treatment of Warrants and Convertible Bonds with Stock Acquisition Rights of the Dissolved Company

No relevant items.

3. Overview of the Merging Companies (as of March 31, 2024)

	Surviving Company in Merger	Dissolved Company in Merger
(1) Company Name	TAKAMIYA Co., Ltd.	TAKAMIYA NO AISAI CO LTD.
(2) Address	3-1, Ofuka-cho, Kita-ku, Osaka	3-10-5 Nihonbashi, Chuo-ku, Tokyo
(3) Title and Name of Representative Director	Kazumasa Takamiya Representative Director, President and Chairman	Hiroyuki Okamoto Representative Director, President
(4) Business Activities	Development, manufacturing, sales, and rental of temporary equipment, as well as the planning, design, construction, management, and logistics of temporary construction work	Production, processing, and sales of agricultural products, as well as research, development, planning, design, and consulting related to technology, facilities, and facilities for facility horticulture agriculture
(5) Capital Stock	1,052 million yen	45 million yen
(6) Date of Establishment	June 21, 1969	August 15, 2005
(7) Number of Issued Shares	46,585,600 stocks	1,600 stocks
(8) Fiscal Year End	March 31	March 31
(9) Major Shareholders and Ownership Ratios	Takamiya Ltd 16.87% The Master Trust Bank of Japan, Ltd. (Trust account) 8.33% RISE EIGHT.co 7.51% Custody Bank of Japan, Ltd. (Trust account) 4.10% Tojitsu Takamiya 3.73%	TAKAMIYA Co., Ltd. 100%
(10) Financial Performance and Position for the Previous Fiscal Year		
Fiscal Year End	FYE March 31, 2024 Consolidated	FYE March 31, 2024 Non-Consolidated
Total Assets	68,945 million yen	35 million yen
Net Assets	22,157 million yen	(123) million yen
Net Assets Per Share	460.95 yen	(77,351.31) yen
Net Sales	44,127 million yen	43 million yen
Operating income or Loss	3,404 million yen	(89) million yen
Ordinary income or Loss	3,580 million yen	(87) million yen
Profit or Loss Attributable to Owners of Parent	1,887 million yen	(87) million yen
EPS or LPS	40.53 yen	(54,785.86) yen

4. Changes Post-Merger

There are no changes to our company's name, address, title and name of the representative, business activities, capital stock, and fiscal year end.

5. Future Outlook

Prior to this merger, we will implement a waiver of receivables; however, as we have already recorded allowances for doubtful accounts in previous years, the impact on consolidated performance is expected to be minimal.

(End)