

Notice Regarding the Recognition of Extraordinary Loss (Product Compensation Expenses) and Extraordinary Gain (Insurance Proceeds Received)

DAISHINKU CORP. (hereinafter the “Company”) hereby announces that an extraordinary loss and an extraordinary gain have been recorded during the consolidated fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025), as outlined below.

1. Details of the Extraordinary Loss and Gain

Due to the occurrence of compensation expenses arising from defects in products sold by the Company, we expect to record an extraordinary loss of 571 million yen as product compensation expenses during the consolidated fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025).

In relation to this matter, we expect to record insurance proceeds of 569 million yen as an extraordinary gain, resulting from the application of insurance coverage held by the Company.

2. Impact on Financial Performance

The impact on the full-year financial performance forecast is expected to be minimal.