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April 1, 2026

To Whom It May Concern:

Company Name: **DAIKOKU DENKI CO., LTD.**
 Representative: President and Representative Director Masakatsu Kayamori
 (Code: 6430, Prime Market of the Tokyo Stock Exchange / Premier Market of the Nagoya Stock Exchange)
 Contact: Representative Senior Managing Director; Toshifumi Oonari
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Notice Regarding Establishment of a Subsidiary and Launch of New Business

DAIKOKU DENKI CO., LTD. (the “Company”) announces that its Board of Directors resolved on March 23, 2026 to establish a subsidiary and launch a new business, and that the subsidiary has been established and commenced operations as of today, as outlined below.

1. Purpose of Establishing the Subsidiary and Overview of the New Business

In recent years, the matcha market has continued to expand both domestically and internationally, driven by rising health consciousness, the recovery of inbound tourism demand, and growing interest in Japanese food culture. Meanwhile, at the production level of "tencha" (the raw material for matcha) there are many small-scale producers, and constraints on capital investment and securing human resources have become significant challenges.

In light of these circumstances, the Company has newly established a subsidiary with the aim of addressing issues at the production sites of "tencha", within the matcha-related field, which is a new business domain for the Group, while also building a supply system capable of responding to market expansion.

2. Overview of the New Business

- (1) Details of the New Business
Agricultural support and agri-tech business
- (2) Department Responsible for the Business
Newly established subsidiary
- (3) Amount and Details of Initial Investment Required for the Commencement of the Business
In establishing the subsidiary to conduct the new business, an investment of 100 million yen has been made.

3. Overview of the Subsidiary to be Established

(1)	Name	Chagri Co., Ltd.
(2)	Location	3rd Floor, 1-875 Sakashita-cho, Kasugai City, Aichi Prefecture
(3)	Title and Name of Representative	President and Representative Director, Kazuyuki Hiramitsu
(4)	Business Description	<ul style="list-style-type: none"> • Research and development, consulting, education, and training related to agricultural technology • Production, processing, storage, transportation, and sales of agricultural products • Manufacturing and sales of beverages and food products using agricultural products as raw materials • Contracting and outsourcing of agricultural operations • Operation of hands-on farming experiences, agritourism farms, and restaurants • Worker dispatch services and paid employment placement services • All businesses incidental and related to the above items

(5)	Capitalization	50 million yen	
(6)	Date of Establishment	April 1, 2026	
(7)	Major Shareholders and Shareholding Ratios	The Company: 100%	
(8)	Relationship between the Listed Company and the Subsidiary	Capital Relationship	The Company holds a 100% equity stake in the subsidiary.
		Personnel Relationship	Directors and employees are seconded from the Company.
		Business Relationship	There are no applicable matters at this time.

4. Schedule

(1)	Date of Board of Directors Resolution	March 23, 2026
(2)	Date of Establishment	April 1, 2026
(3)	Date of Business Commencement	April 1, 2026

5. Future Outlook

We believe that this business will contribute to the improvement of the Group's performance over the medium to long term; however, its impact on the consolidated financial results for the current fiscal year is expected to be minimal. If any matters arise that should be disclosed regarding its impact on performance, we will promptly provide notification.

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