

November 6, 2025

To Whom It May Concern:

Company name: DaikyoNishikawa Corporation
Representative: Ikuo Sugiyama, Representative
Director and President
(Securities Code: 4246, Prime of
Tokyo Stock Exchange)
Contact: Hironori Matsuo, Managing
Executive Officer and Corporate
Planning Division Manager
(Telephone: +81-82-493-5610)

Notice Concerning the Absorption-type Merger (Simplified Merger/Short-form Merger) of a Consolidated Subsidiary

DaikyoNishikawa Corporation (hereinafter, the “Company”) hereby announces that at the Board of Directors meeting held on November 6, 2025, it resolved to conduct an absorption-type merger of its consolidated subsidiary, KantoDaikyo Co., Ltd. (hereinafter, “KantoDaikyo”). The details are as follows.

Since this is an absorption-type merger (simplified merger, short-form merger) of its wholly owned subsidiary, some disclosure items and details have been omitted.

1. Purpose of the Merger

The merger is intended to improve profitability by expanding sales of products that utilize our technological capabilities, as well as to strengthen our competitiveness and market response capabilities in the Kanto region in order to improve customer satisfaction and increase orders.

To this end, we will integrate the technology, human resources, and facilities of KantoDaikyo into the Company to enhance our manufacturing capabilities and management efficiency, which will lead to business expansion and sustainable growth in the automotive and housing sectors.

2. Outline of the Merger

(1) Merger schedule

Date of resolution by the Board of Directors approving the Merger	November 6, 2025
Execution date of Merger agreement	November 6, 2025
Scheduled date of Merger (effective date)	April 1, 2026 (scheduled)

* The Merger will be conducted through simplified merger and short-form merger procedures pursuant to Article 796, Paragraph 2 and Article 784, Paragraph 1 of the Companies Act, and no general meeting of shareholders will be held.

(2) Merger method

The Merger will be conducted as an absorption-type merger, with the Company as the surviving company and KantoDaikyo as the dissolving company.

(3) Details of allocation related to the Merger

Since the Merger is with a wholly owned subsidiary of the Company, there will be no issuance of new shares or allocation of cash, etc.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights related to the Merger

Not applicable.

3. Overview of the Merging Companies

	Surviving company (As of March 31, 2025)	Dissolving company (As of March 31, 2025)
(1) Name	DaikyoNishikawa Corporation	KantoDaikyo Co., Ltd.
(2) Address	5-1 Jike-sangyodanchi, Higashihiroshima-shi, Hiroshima	130-3 Hagadai, Haga-machi, Haga- gun, Tochigi
(3) Title and name of representative	Representative Director and President Ikuo Sugiyama	Representative Director and President Teruhiko Kashihara
(4) Line of business	Manufacture, design, and development of automotive parts	Manufacture and sale of housing equipment and automotive plastic parts
(5) Capital	¥5,426,653,900	¥75,000,000
(6) Date of establishment	April 2007	December 1990
(7) Number of issued shares	73,896,400 shares	20,800 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholder and shareholding ratio	<div> <div>NISHIKAWA RUBBER CO., LTD.</div> <div>16.64%</div> </div> <div> <div>The Master Trust Bank of Japan, Ltd.</div> <div>8.83%</div> </div> <div> <div>INOAC CORPORATION</div> <div>5.52%</div> </div> <div> <div>Hiroshima Bank, Ltd.</div> <div>4.98%</div> </div> <div> <div>Mazda Motor Corporation</div> <div>4.98%</div> </div>	<div> <div>DaikyoNishikawa Corporation</div> <div>100%</div> </div>
(10) Financial position and operating results for the most recent fiscal year		
Fiscal year-end	March 31, 2025 (consolidated)	March 31, 2025 (non-consolidated)
Net assets	¥89,949 million	¥2,221 million
Total assets	¥154,554 million	¥2,857 million
Net assets per share	¥1,227.65	¥106,822.86
Net sales	¥168,561 million	¥1,546 million
Operating profit	¥10,004 million	¥297 million
Ordinary profit	¥9,688 million	¥299 million
Profit attributable to owners of parent	¥6,498 million	¥197 million
Basic earnings per share	¥91.36	¥9,507.69

4. Status after the Merger

There will be no changes to the name, address, title and name of representative, line of business, capital, or fiscal year-end of the Company as a result of the Merger.

5. Future Outlook

Since the Merger is between consolidated subsidiaries, the impact on consolidated financial results is expected to be immaterial.