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October 29, 2026

To whom it may concern

Company name: Asahi Diamond Industrial Co., Ltd.
Representative: Kazuki Kataoka,
President and Representative Director
(Stock Exchange Code: 6140,
Tokyo Prime Market)
Contact: Hitoshi Kusakabe,
Executive Officer,
Administration Division Director
(Tel: +81-3-3222-6311)

(Disclosure Update) Notice Regarding the Establishment of a Mass Production Base in Thailand and Additional Investment by a Joint Venture Company

Asahi Diamond Industrial Co., Ltd. (the "Company") hereby announces that AA Diamond Technology Co., Ltd. (hereinafter "AA Diamond"), a joint venture between the Company and Tokyo Seimitsu Co., Ltd. (hereinafter "Tokyo Seimitsu"), has decided to establish a manufacturing subsidiary in Thailand and set up a mass production facility for hub blades in order to build a mass production and supply system capable of meeting future demand growth.

1. Purpose of Establishing the Mass Production Facility and Making Additional Capital Contributions

AA Diamond was established on May 9, 2025, with the objective of developing, manufacturing, and selling hub blades—primarily used in the dicing process to cut silicon wafers into semiconductor chips—by leveraging the technology and know-how regarding diamond tools held by the Company and Tokyo Seimitsu, as well as their expertise in semiconductor manufacturing equipment and processes.

To meet future demand growth and establish a stable and efficient mass production and supply system, AA Diamond has decided to establish a manufacturing subsidiary in Thailand and set up a mass production facility for hub blades there.

In addition, the company and Tokyo Seimitsu have decided to make an additional investment of 615 million yen in AA Diamond, for a total capital increase of 1.23 billion yen, to fund the installation of manufacturing equipment and infrastructure at this mass production facility. Please note that even after this additional investment, the company's and Tokyo Seimitsu's respective ownership stakes in AA Diamond will remain unchanged at 50 percent.

2. Overview of the Additional Investment

(1)	Investee	AA Diamond Technology Co., Ltd.
(2)	Total Amount of Additional Investment	1.23 billion yen
(3)	Our Company's Additional Investment Amount	615 million yen
(4)	Tokyo Seimitsu's additional investment amount	615 million yen
(5)	Use of Funds	Development of manufacturing facilities and infrastructure at the mass production site in Thailand
(6)	Ownership Ratio After Investment	Asahi Diamond Industrial Co., Ltd.:50% Tokyo Seimitsu Co., Ltd.:50%

3. Overview of AA Diamond

(1)	Name	AA Diamond Technology Co., Ltd.
(2)	Location	787 Tabi, Ichihara, Chiba
(3)	Title and name of representative	Yoshitaka Ikeda, Representative Director Tomohiro Anami, Representative Director
(4)	Description of business	Development, manufacturing, sales of hub blades
(5)	Capital	1 billion yen
(6)	Date of establishment	May 9, 2025
(7)	Investment Ratio	Asahi Diamond Industrial Co., Ltd.:50% Tokyo Seimitsu Co., Ltd.:50%

4. Overview of the Mass Production Facility

(1)	Name of Production Subsidiary	To be determined
(2)	Location	Khlong Luang District, Pathum Thani Province, Thailand
(3)	Main Products	Hub blades for semiconductor manufacturing processes
(4)	Capital Expenditures for Facilities and Infrastructure	1.23 billion yen (planned)
(5)	Construction Start Date	January 2027 (planned)
(6)	Completion Date	December 2027 (planned)
(7)	Start of Operations	April 2028 (planned)

*The above information reflects the current plan and is subject to change.

5. Future Outlook

The impact of this matter on our consolidated financial results for the fiscal year ending March 2027 will be minimal. Furthermore, this mass production facility is scheduled to begin operations in April 2028, and we believe that, in the medium to long term, it will capture demand driven by the expansion of the semiconductor market and contribute to the growth of our Group’s semiconductor-related businesses. Should any matters requiring disclosure arise in the future, we will announce them promptly.

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