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November 10, 2026

To whom it may concern

Company name: DAIWA LTD.
Name of representative: Atsushi Ozaki, Representative Director
(Securities Code: 6459, TSE Prime)
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Notice Concerning Absorption-Type Merger of Wholly Owned Subsidiary (Simplified Merger/Short-Form Merger)

DAIWA LTD. (the "Company") hereby announces that it has resolved, at a meeting of the Board of Directors held on November 10, 2026, to carry out an absorption-type merger (hereinafter referred to as the "Merger") of MIURA DENSHI Co., Ltd. (hereinafter referred to as "MIURA DENSHI"), a wholly owned subsidiary of the Company, and that it has executed an absorption-type merger agreement with MIURA DENSHI on the same date. The details are described below.

Since the Merger is an absorption-type merger involving a wholly owned subsidiary, some disclosure items and details are omitted.

1. Purpose of the Merger

On July 1, 2026, the Company acquired all of the issued shares of MIURA DENSHI and made MIURA DENSHI a wholly owned subsidiary. The two companies have decided to conduct an absorption-type merger in which the Company will be the surviving company and MIURA DENSHI will be the disappearing company in order to improve management efficiency and speed up decision-making by integrating their management resources, accelerate business growth of both companies, and contribute to the improvement of corporate value over the medium to long term.

2. Outline of the Merger

(1) Schedule of the merger

Board of Directors meeting to resolve the merger	Tuesday, November 10, 2026
Date of execution of the merger agreement	Tuesday, November 10, 2026
Scheduled date of the merger (effective date)	Friday, January 1, 2027 (scheduled)

(Note) Since the Merger falls under a simplified merger pursuant to Article 796, Paragraph 2 of the Companies Act for the Company and a short-form merger pursuant to Article 784, Paragraph 1 of the Companies Act for MIURA DENSHI, neither company will hold a general meeting of shareholders to approve the Merger agreement.

(2) Method of the merger

Under the absorption-type merger with the Company as the surviving company, MIURA DENSHI will be dissolved on the effective date.

(3) Details of allotment related to the merger

As the Company holds all of the issued shares of MIURA DENSHI, there will be no allotment of shares or other money, etc. due to the Merger. There will be no increase in the Company's share capital or reserves due to the Merger.

(4) Handling of share acquisition rights and bonds with share acquisition rights in connection with the Merger

Not applicable

3. Overview of the companies involved in the merger

[As of November 10, 2026]

		Company surviving the absorption-type merger	Company disappearing in the absorption-type merger
(1) Name		DAIWA LTD.	MIURA DENSHI Co., Ltd.
(2) Location		3-13 Obase-cho, Tennoji-ward Osaka-city	16-4 Hirasawa Aza Sakaida, Nikaho-city, Akita
(3) Job title and name of representative		Atsushi Ozaki, Representative Director	Shinichi Ohara, Representative Director
(4) Description of business		Manufacture and sale of freezers, refrigerators, showcases, ice makers, vending machines, and other cooling system applied products, and kitchen equipment; planning, design, and construction of stores and kitchens	Manufacture and sale of electrolytic water generators and related equipment
(5) Share capital		¥9,907 million	¥30 million
(6) Date of establishment		February 24, 1950	December 27, 1973
(7) Number of issued shares		51,717,215 shares	28,000 shares
(8) Fiscal year end		December 31	November 30
(9) Major shareholders and ownership ratios		NIHONREIKI Co., Ltd. 14.1% D･R･K. Ltd. 13.0% The Master Trust Bank of Japan, Ltd. (Trust Account) 7.8% Atsushi Ozaki 7.7% Rie Ozaki 5.2% Masahiro Ozaki 4.7% Other 47.5% (As of June 30, 2026)	DAIWA LTD. 100%
(10) Relationship between the parties	Capital relationship	The Company holds all of the issued shares of MIURA DENSHI.	
	Personnel relationship	Two directors (Shinichi Ohara, Masahiro Ozaki) of the Company concurrently serve as directors of MIURA DENSHI. (Shinichi Ohara also serves as the representative director of MIURA DENSHI.)	
	Business relationship	OEM business partner for electrolytic water generators and other products	
(11) Operating results and financial positions for the most recent fiscal year	Fiscal year	Fiscal year ended December 31, 2025	Fiscal year ended November 30, 2025
	Net assets	¥70,549 million	¥833 million
	Total assets	¥93,543 million	¥891 million
	Net assets per share	¥1429.19	¥29,748.81
	Net sales	¥46,919 million	¥235 million
	Operating profit	¥7,477 million	¥14 million
	Ordinary profit	¥7,444 million	¥22 million
	Profit	¥5,076 million	¥29 million
	Basic earnings per share	¥102.83	¥1045.93

4. Status after the Merger

There will be no changes to the name, location, job title and name of the representative, business description, share capital and fiscal year end of the Company after the Merger.

5. Future outlook

As the Merger is an absorption-type merger involving a wholly owned subsidiary of the Company, the impact on the Company's consolidated financial results will be minor. We will promptly notify you of any matters that require disclosure in the future.