



April 27, 2026

To whom it may concern

Company Name: Kyokuyo Co., Ltd.
 Representative Name: Makoto Inoue, President
 (Tokyo Stock Exchange Prime Market
 Securities Code: 1301)
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Notice Concerning Commencement of Bankruptcy Proceedings Against Consolidated Subsidiary

Kyokuyo Co., Ltd. (the “Company”) hereby announces that dormant subsidiary Kyokuyo (Thailand) Co., Ltd. (Head Office: Bangkok, Thailand; “KKT”) has been issued a receivership order by a Thai court.

1. Past developments

Thailand’s Krung Thai Bank Company Limited brought a lawsuit against KKT seeking payment of factoring debt, and on October 7, 2024, the Supreme Court of Thailand issued KKT with an order for payment of 279 million baht as well as interest accrued from the date of judgment (please refer to “Notice Concerning Judgment of the Lawsuit Against Our Subsidiary” (Japanese only) dated October 25, 2024).

On April 27, 2026, a Thai court issued a receivership order to KKT, and KKT is expected to proceed with bankruptcy proceedings under the receivership.

2. Total liabilities (as of December 31, 2025)

291 million baht (approximately 1,446 million yen)

*Converted using rate of 4.97JPY/THB as of December 31, 2025

3. Overview of the consolidated subsidiary (as of December 31, 2025)

| | | | |
|-----|---|---|---|
| (1) | Name | Kyokuyo (Thailand) Co., Ltd. | |
| (2) | Location | 92/52-53, Sathorn Thani Tower 2, 18th Floor, Room no. 1816, Sathorn Nua Road, Khwaeng Silom, Khet Bangrak, Bangkok Metropolis, Thailand | |
| (3) | Job title and name of representative | Managing Director, Satoru Hayashi | |
| (4) | Description of business | Sale of marine products and processed products | |
| (5) | Share capital | 112 million baht | |
| (6) | Date of establishment | April 11, 2014 | |
| (7) | Major shareholders | Kyokuyo Co., Ltd. (100%) | |
| (8) | Relationship between the Company and said company | Capital relationship | The Company owns 100% of voting rights. |
| | | Personnel relationship | Secondment of one employee. |
| | | Business relationship | Not applicable. |

| | | | | |
|-----|---|---|-------------------|-------------------|
| | Credit/debt relationship | Not applicable. | | |
| | Related party relationship | Consolidated subsidiary of the Company. | | |
| (9) | Financial position (as of fiscal year ended; unit: million Thai baht) | December 31, 2023 | December 31, 2024 | December 31, 2025 |
| | Total assets | 70 | 80 | 80 |
| | Net assets | 11 | (201) | (210) |
| | Net sales | — | — | — |
| | Ordinary profit | (3) | 0 | (9) |
| | Profit | (3) | (222) | (9) |

4. Valuation amount of the consolidated subsidiary's shares

The Company has already completed impairment of KKT shares, with the memorandum value set at 1 yen.

5. Future outlook

Under bankruptcy proceedings managed by the receiver, KKT's assets are expected to be liquidated and distributed to the creditor upon the court's declaration of bankruptcy.

6. Impact on the Company and the Company's consolidated financial performance

The Company has no claims against KKT. Furthermore, regarding our consolidated financial results, the provision for loss on litigation recognizes the full amount, including interest accrued after the judgment date, and no new losses have arisen.

Therefore, we believe that the impact of this incident is minimal.