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August 31st, 2026

Notice Regarding Changes in Equity-Method Affiliates (Consolidation as Subsidiaries) and Acquisition of Shares of DK M-TECH CO.,LTD. (to Make It a Subsidiary)

Company name TOKYO KEIKI INC.
Representative Tsuyoshi ANDO,
Representative Director, President & CEO
(Securities code: 7721; Tokyo Stock Exchange, Prime Market)
Inquiries Hiroaki YAMASHITA,
Senior Executive Officer,
Corporate Planning & Administration Office Manager
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TOKYO KEIKI INC. (hereinafter referred to as "Company") hereby announces that at a meeting of our Board of Directors held on August 31, 2026, Company resolved to acquire additional equity in TOKIMEC KOREA POWER CONTROL CO., LTD., an equity-method affiliate of our company, thereby making it a consolidated subsidiary, and to acquire shares in DK M-TECH CO., LTD., thereby making it a consolidated subsidiary, as described below.

1. Reason for acquisition of shares

In the "TOKYO KEIKI VISION 2030," formulated in June 2021, our group aims to "realize the development of stakeholders through diverse global niche top businesses," and is working towards sustainable growth and the improvement of corporate value in the medium to long term, with "expansion of business areas," "promotion of globalization," and "continuous strengthening of existing businesses" as its basic business strategies.

By making TKP and DKM, which have supported our group's business in South Korea for many years, consolidated subsidiaries, Company will integrate their business foundations in the Korean market, including sales, manufacturing, technology, and services, to further expand our existing businesses and develop new business areas.

Furthermore, Company will position South Korea as one of our important business development regions, further strengthening our relationships with customers in the Korean market, and accelerating our globalization by expanding our group's products and technologies into the Asian market, starting from South Korea.

1-1. TOKIMEC KOREA POWER CONTROL CO.,LTD. (hereinafter referred to as "TKP")

TKP was established in December 1998 as our sales company for hydraulic equipment in the Korean hydraulic market. For approximately 30 years since then, TKP have expanded our business through the manufacturing and supply of main product, hydraulic and pneumatic equipment, and in recent years, TKP have also handled hydraulic application system and pneumatic equipment.

By making TKP a consolidated subsidiary, Company will further develop the cooperative relationship that TKP and Company have built over many years. By integrating TKP's manufacturing, sales, technology, and service systems in South Korea into our group, Company aims to further expand our existing businesses and cultivate new business areas.

Furthermore, in the South Korean shipbuilding market, where market expansion is expected, TKP and Company will strengthen the development and sales of marine hydraulic equipment. TKP and Company will also deploy technologies and products that Company are developing in Japan to the South Korean market in areas where market growth is expected, such as hydrogen, energy conservation, and environmental solutions.

Furthermore, in addition to hydraulic and pneumatic equipment and marine equipment, our group develops a wide variety of products and businesses, including flow meters, microwave power supplies for semiconductor manufacturing equipment, and railway track maintenance equipment. In recent years, Company have seen an increase in inquiries and consultations regarding these products and technologies, as well as business development opportunities, in the Korean market, opening up new business opportunities. In order to translate these business opportunities into concrete business, Company believe it is important to develop a "co-creation" business model that goes beyond simply selling products. This involves accurately understanding local customer needs, building a system that provides technical proposals, product development, and after-sales service, and creating new value together with our customers.

Through the consolidation of TKP as a subsidiary, Company will position TKP as the business base for our group in South Korea. In addition to expanding our existing businesses, TKP and Company will expand the diverse products and technologies that our group has developed in Japan into the South Korean and Asian markets. Furthermore, TKP and Company aim to create new business opportunities through co-creation with local customers.

1-2. Overview of the subsidiary (TOKIMEC KOREA POWER CONTROL CO.,LTD.) subject to change

<table>
<tr><td>（1）</td><td>Name</td><td colspan="3">TOKIMEC KOREA POWER CONTROL CO.,LTD.</td></tr>
<tr><td>（2）</td><td>Location</td><td colspan="3">803, 8th floor,Wooree venture town, 70,Seonyu-ro,
Yeongdeungpo, SEOUL 07294, KOREA</td></tr>
<tr><td>（3）</td><td>Job title and name of representative</td><td colspan="3">Cho Hong Rae (President & CEO)</td></tr>
<tr><td>（4）</td><td>Description of business</td><td colspan="3">Manufacturing and sales of hydraulic and pneumatic equipment, manufacturing and sales of measuring instruments, etc.</td></tr>
<tr><td>（5）</td><td>Share capital</td><td colspan="3">1,750,000,000 Korea won</td></tr>
<tr><td>（6）</td><td>Date of establishment</td><td colspan="3">December, 1998</td></tr>
<tr><td>（7）</td><td>Major shareholders and ownership ratios</td><td colspan="3">TOKYO KEIKI INC. 34.48％
Multiple investors, including corporations　65.52％</td></tr>
<tr><td rowspan="3">（8）</td><td rowspan="3">Relationship between the Company and said company</td><td>Capital relationship</td><td colspan="2">The Company holds 100,000 shares of the outstanding shares of TKP(34.48% ownership) and applies as the equity method.</td></tr>
<tr><td>Personnel relationship</td><td colspan="2">Three of Company's employees serve as directors (board members). In addition, one of Company's director serves as an auditor.</td></tr>
<tr><td>Business relationship</td><td colspan="2">While we have a normal business relationship with the company in question, the impact on our performance in the most recent fiscal year is minor.</td></tr>
<tr><td>（9）</td><td colspan="4">Consolidated operating results and consolidated financial positions of said company for the last three years（Millions of Korea won）</td></tr>
<tr><td colspan="2">As/of Fiscal year ended</td><td>December 31st, 2023</td><td>December 31st, 2024</td><td>December 31st, 2025</td></tr>
<tr><td colspan="2">Consolidated net assets</td><td>32,786</td><td>33,956</td><td>34,557</td></tr>
<tr><td colspan="2">Consolidated total assets</td><td>44,131</td><td>44,805</td><td>45,373</td></tr>
<tr><td colspan="2">Consolidated net sales</td><td>52,561</td><td>54,468</td><td>51,193</td></tr>
<tr><td colspan="2">Consolidated operating profit</td><td>784</td><td>933</td><td>480</td></tr>
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1-3. Overview of the counterparty to the share acquisition

The counterparty to the share acquisition will be an individual shareholder, but at the counterparty's request, their name and other details will not be disclosed.

1-4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

（1）	Number of shares held before the change	100,000 shares Number of voting rights : 100,000 units Ratio of voting rights held : 34.48％
（2）	Number of shares to be acquired	96,300 shares Number of voting rights : 96,300 units
（3）	Acquisition costs	Not disclosed
（4）	Number of shares held after the change	196,300 shares Number of voting rights : 196,300 units Ratio of voting rights held : 67.69％

1-5. Timetable

（1）	Date of resolution at the meeting of the Board of Directors	August 31st, 2026
（2）	Date of conclusion of the agreement	September, 2026 (scheduled)
（3）	Date of commencement of share transfer	October, 2026 (scheduled)

2-1. DK M-TECH CO.,LTD. (hereinafter referred to as “DKM”)

DKM has served as a major sales agent and distributor for our marine business for approximately 30 years, handling sales and service of our main marine equipment products in the Korean market. In recent years, DKM have also expanded our business into the construction of small vessels.

By making DKM a consolidated subsidiary, Company will further leverage the sales and service base that DKM has cultivated over many years in the Korean shipbuilding and marine equipment market as the business foundation of our group, and aim to expand sales of marine equipment, primarily in the Korean shipbuilding and marine equipment market.

In the South Korean shipping market, the functions and performance required of ships are becoming more sophisticated, including compliance with environmental regulations and energy conservation. Company expects further growth in demand for products utilizing the technologies possessed by our group.

Furthermore, DKM and Company will leverage our group's sales network, technological capabilities, and customer base to expand DKM's proprietary products, such as surveillance cameras and ultrasonic anti-fouling devices, into overseas markets, including Asia, in addition to the Korean market.

Through the consolidation of DKM as a subsidiary, DKM and Company will strengthen our sales and service network in Korea and aim to create new business opportunities through co-creation with customers, including technical proposals and product development based on customer needs.

2-2. Overview of the subsidiary (DK M-TECH CO.,LTD.) subject to change

（1）	Name	DK M-TECH CO.,LTD.
（2）	Location	74, Bongeunsa-ro 24-gil, Gangnam-gu, SEOUL, KOREA

（3）	Job title and name of representative	Cha Yeong Mun (President & CEO)	
（4）	Description of business	Manufacturing, wholesale, and retail of navigation and communication equipment, ship equipment, and related marine systems.	
（5）	Share capital	250,000,000 Korea won	
（6）	Date of establishment	July, 1994	
（7）	Major shareholders and ownership ratios	The identity of the party from whom the data was acquired will not be disclosed due to confidentiality obligations.	
（8）	Relationship between the Company and said company	Capital relationship	There are no applicable items.
		Personnel relationship	There are no applicable items.
		Business relationship	While we have a normal business relationship with the company in question, the impact on our performance in the most recent fiscal year is minor.
（9）	Consolidated operating results and consolidated financial positions of said company for the last three years（Millions of Korea won）		

As/of Fiscal year ended	December 31st, 2023	December 31st, 2024	December 31st, 2025
Consolidated net assets	12,419	13,027	13,864
Consolidated total assets	26,756	23,575	23,475
Consolidated net sales	21,515	22,933	22,786
Consolidated operating profit	428	1,056	367

2-3. Overview of the counterparty to the share acquisition

The counterparty to the share acquisition will be an individual shareholder, but at the counterparty's request, their name and other details will not be disclosed.

2-4. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

（1）	Number of shares held before the change	0 shares Number of voting rights : 0 unit Ratio of voting rights held : 0％
（2）	Number of shares to be acquired	34,000 shares Number of voting rights : 34,000 units
（3）	Acquisition costs	Not disclosed
（4）	Number of shares held after the change	34,000 shares Number of voting rights : 34,000 units Ratio of voting rights held : 68.0％

2-5. Timetable

（1）	Date of resolution at the meeting of the Board of Directors	August 31st, 2026
（2）	Date of conclusion of the agreement	September, 2026 (scheduled)
（3）	Date of commencement of share transfer	October, 2026 (scheduled)

3. Future outlook

Company anticipates that this matter will have a minor impact on our consolidated financial results for the current fiscal year (ending March 2027), given the limited consolidation period.

However, if any matters arise that are expected to have a significant impact on our consolidated financial results as a result of this matter, Company will promptly inform you.

End of News Release