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February 10, 2026

Announcement on Dissolution and Liquidation of Consolidated Subsidiary

Nippon Chemical Industrial Co., Ltd. (the "Company") has adopted a resolution on the dissolution and liquidation of its wholly owned subsidiary Nikka System Co., Ltd., ("Nikka System") at the meeting of the Board of Directors on February 10, 2026.

Particulars

1. Reasons for dissolution and liquidation

Nikka System was established in 1991 for the purpose of conducting data processing and aggregation operations for the Company. Thereafter, the Company changed its business focus to real estate and bookstore management. However, the bookstore business suffered from deteriorated business results under a severe business environment surrounding the bookstore sector, and in 2025 the Company withdrew from the bookstore business, leaving only its real estate management operations. Due to a significant decline in sales, the Company determined that continuing to operate Nikka System was no longer cost-effective. Accordingly, the Company adopted a resolution to consolidate the remaining business functions into the Company's administrative divisions to improve operational efficiency and to dissolve Nikka System.

2. Overview of the subsidiary to be dissolved

(1) Company name	Nikka System Co., Ltd.
(2) Location	9-11-1 Kameido, Koto-ku, Tokyo 136-8515 Japan
(3) Position and name of representative	President Toshiaki Tsuchiya
(4) Business description	Real estate management
(5) Capital	10,000,000 yen
(6) Date of foundation	March 5, 1991

(7)	Major shareholders and shareholding ratio	Nippon Chemical Industrial Co., Ltd., 100%	
(8)	Relationship between the listed company and the said company	Capital relationship	The Company owns 200 shares, or 100%, of the total number of shares issued of the said company.
		Personal relationship	Three employees of the Company concurrently serve as director of the said company and one employee of the Company concurrently serves as corporate auditor of the said company.
		Business relationship	Entrustment of the management of the Company's real estate to the said company
		Application of the related party	The said company is a consolidated subsidiary of the Company, and it is applicable to the related company of the Company.

(9)	Business results and financial position for the last three years		
Fiscal year	FY March 2023	FY March 2024	FY March 2025
Net assets	381 million yen	384 million yen	384 million yen
Total assets	519 million yen	514 million yen	505 million yen
Net assets per share	1,905,668.63 yen	1,922,536.90 yen	1,921,187.12 yen
Net sales	578 million yen	536 million yen	492 million yen
Operating income	12 million yen	2 million yen	△0 million yen
Ordinary income	15 million yen	5 million yen	1 million yen
Net income	10 million yen	3 million yen	△0 million yen
Net income per share	53,081.46 yen	16,868.27 yen	△1,349.79 yen
Dividend per share	37,500.00 yen	—	—

3. Schedule of dissolution and liquidation

Expected to be conducted in the first half of FY2026

4. Outlook

It is expected that expenses will accrue for the dissolution and liquidation. Their impact is expected to be insignificant on the full-year consolidated business results for FY March 2027, and any matters to be announced would be immediately disclosed.