



August 26, 2022

To whom it may concern

Company Name Takihyo Co., Ltd.
Representative Kazuo Taki, Representative Director,
Chief Executive Officer
(Code No. 9982 TSE Standard / NSE Premier)
Contact Atsushi Muto,
Director, Senior Managing
Executive Officer
(TEL +81-52-587-7111)

Notice regarding the recording of an extraordinary loss associated with the result of the voluntary retirement offer and the recording of an extraordinary profit associated with the sales of investment securities

We would like to announce the following as we expect to record an extraordinary loss and profit for the fiscal year ending February 2023, associated with the partial sale of the investment securities held by our company which resulted from the voluntary retirement offer announced on May 25, 2022.

1. Result of the voluntary retirement offer

(1) Overview of the offer

- (i) Persons applicable: Managerial, general office, and temporary employees (excluding sales staff) who are 40 years of age or older
- (ii) Number of offers: About 150 employees
- (iii) Offer period: From May 30, 2022 to June 30, 2022
- (iv) Retirement date: September 30, 2022
- (v) Preferential treatment: Additional special retirement allowance, reemployment support services, etc.

(2) Result of the offer

Number of voluntary retirees: 95

(3) Future outlook

Approximately 500 million yen as the costs for special retirement allowances are expected to be recorded as an extraordinary loss in the financial results for the second quarter of the fiscal year ending February 2023. Labor costs are expected to be reduced by approximately 500 million yen over the course of the year (12 months).

2. Recoding of the special profit associated with the sales of investment securities

(1) Details of the sales of investment securities

- (i) Reason for sale: To facilitate capital efficiency
- (ii) Investment securities to be sold: Investment securities held by our company
- (iii) Gain on the sales of investment securities: Approximately 500 million yen (estimated)
- (iv) Sale time: Within the current fiscal year (expected)

(2) Future outlook

An extraordinary profit of approximately 500 million yen is expected to be recorded for the fiscal year ending February 2023.

3. Full-year business performance forecast

In March and April, although the gross profit declined due to recording the sales of relatively unprofitable goods for which orders were received in the previous fiscal year, there is no change in the full-year business performance forecast announced on April 14, 2022 as profitability has been improving recently due to the ASEAN shift in production background and the progress made in sales price negotiations which include the cost increase associated with the depreciation of the yen and the rise in ocean freights.