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May 21, 2025

Company name: Nishimatsu Construction Co.,  
Ltd.  
Name of representative: Masakazu Hosokawa,  
Representative Director and  
President  
(Securities code: 1820; Tokyo  
Stock Exchange Prime Market)  
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### **Notice Concerning Capital Reduction of a Consolidated Subsidiary**

Nishimatsu Construction Co., Ltd. (the “Company”) hereby announces that it has decided today to reduce the capital of consolidated subsidiary Nishimatsu Taiwan Investment Corporation (“NTIC”), as follows.

As a result of this capital reduction, NTIC will no longer be a specified subsidiary of the Company.

#### **1. Background of the capital reduction and change in specified subsidiary**

NTIC has been involved in the asset value-added business in Taiwan, but due to the recent sale of a key investment asset, we have decided to reduce the capital of NTIC to improve capital efficiency.

As a result of this capital reduction, NTIC’s capital will be less than 10% of the amount of the Company’s capital, and therefore, NTIC will no longer be a specified subsidiary.

## 2. Overview of the consolidated subsidiary

1) Name	Nishimatsu Taiwan Investment Corporation	
2) Location	11 <sup>th</sup> Floor, No. 101, Section 2, Nanjing East Road, Zhongshan District, Taipei City, Taiwan	
3) Job title and name of representative	Chairman, Kenzo Hayaoka	
4) Description of business	General investment business	
5) Share capital	NT\$656.52 million (2,888 million yen) (Note 1)	
6) Date of establishment	October 19, 2023	
7) Relationship with the listed company	Capital relationship	NTIC is a wholly owned subsidiary of the Company.
	Personnel relationship	One employee of the Company is concurrently a director of NTIC.
	Business relationship	Not applicable.
8) Operating results and financial positions for the last two years (Note 2)		
Fiscal year ended	December 2023	December 2024
Net assets	16 million yen	3,378 million yen
Total assets	21 million yen	13,881 million yen
Net sales	- million yen	485 million yen
Operating profit	(6) million yen	477 million yen
Ordinary profit	(6) million yen	206 million yen
Profit	(6) million yen	206 million yen

(Note) 1. Calculated at the exchange rate as of April 30, 2025.

2. Because NTIC was established in October 2023, operating results and financial positions are shown for the last two years. Conversions to yen are as of the exchange rate for each fiscal year.

## 3. Overview of capital reduction

### (1) Amount of capital to be reduced

Capital of NT\$656.52 million (equivalent to 2,888 million yen) is to be reduced by NT\$656.47 million (2,888 million yen) to NT\$50,000 (220,000 yen).

### (2) Method of reduction

Capital of NT\$656.47million (2,888 million yen) will be returned to the Company through a paid-in capital reduction.

(Note) Capital reduction amount converted to yen at the exchange rate as of April 30, 2025.

## 4. Timetable of capital reduction

(1) Decision by the Company body	May 21, 2025
(2) Agreement to the capital reduction by NTIC Chairman	May 21, 2025
(3) Date of capital reduction	Mid-July 2025 (scheduled)

## 5. Future outlook

The impact of this capital reduction on the Company's consolidated financial results for the fiscal year ending March 2026 is insignificant.