

## **Notice Concerning Transfer of Subsidiary Shares and Change of Subsidiary**

We announce that, at the Board of Directors held today, we have decided that CTI Frontier Co., Ltd. ( “Frontier” ), a wholly owned subsidiary of us, transfers all shares of Frontier to Nakata Farm Co., Ltd. (Headquarters: Koriyama-shi, Fukushima-ken, President: Koji Nakata, "Nakata Farm Co., Ltd.") as of July 1, 2025.

### **1. Reason for the Transfer of shares**

We have decided to optimize our portfolio by transferring non-core businesses with low profitability to business operators that can operate with higher expertise and closer ties to local communities. We believe that the transfer of all shares of Frontier will enable us to maximize its corporate value by concentrating management resources in core areas while fulfilling its responsibilities to employment and the local community.

We believe that the soil analysis technology, knowledge of agricultural management, and networks with related organizations and customers cultivated by Frontier are useful assets, and we plan to utilize them appropriately in the development of related businesses and technologies of our Group in the future.

### **2. Outline of Frontier**

Company name: CTI Frontier Co., Ltd.

Head Office: 21-1 Nihombashi-hamacho 3-chome, Chuo-ku, Tokyo

Representative: Hiroshi MORIKAWA

Description of business: Agriculture-related business, consulting services on corporate management, etc.

### **3. Outline of Nakata Farm Co., Ltd.**

Company name: Nakata Farm Co., Ltd.

Head Office: 42 Fukuhara, Tomihisacho, Koriyama-shi, Fukushima

Representative: Koji NAKATA

Description of Business: Agriculture, Production, Manufacture, Sale, Processing, etc. of Agricultural Products

### **4. Future Outlook**

The impact of this matter on our consolidated financial results for the fiscal year ending December 2025 is insignificant.