



February 3, 2021

To whom it may concern,

Company: Tamagawa Holdings, Co., Ltd.
Representative: President, Toru Masuzawa
(JASDAQ Code: 6838)
Contact: Management Planning Division, Ryota Tanaka
Tel: 03-6435-6933

**Notice on establishment of an agricultural corporation
as a subsidiary of the subsidiary (sub-sub-subsidiary) of the Company**

Please be advised that Tamagawa Energy Co., Ltd, as the 100% subsidiary of the Company, resolved to establish an agricultural corporation as a new subsidiary in the board of directors' meeting held today, as detailed in the following.

1. Objective

To take the first step in the scheme to commercialize smart city infrastructure construction as the medium- to long-term vision, the Company made a resolution to establish an agricultural corporation as the subsidiary of Tamagawa Energy, the subsidiary of the Company, in order for the group company to engage in both electric power sales and farming at the solar sharing power plant to be constructed in Suwa City, Nagano Prefecture, for the purpose of verifying the business model that combines renewable energy with information and communications.

Specifically, ICT (Information and Communication Technology: cloud-type farming support system) of Appliances Company, the in-house company of Panasonic Corporation, will be implemented to scientifically and logically manage the farm field and to achieve sustainable recycling-based agriculture that will lead to high-efficiency and high-quality cultivation, as well as to visualization of soil quality.

During the busy season, harvesting, shipment, etc. will be outsourced to businesses that hire individuals with disabilities under Part B in cooperation with Nagano SELP Center as part of social contribution activities.

As we announced in the "Notice on commencement of electric power sales at Shimada Solar Sharing Power Plant" dated March 20, 2018, Shimada Solar Sharing Power Plant has already been in operation and is performing well with approximately 6% higher FY2019 power sales than originally expected. Although Shimada Solar Sharing Power Plant is currently outsourcing farming to another company, the solar sharing power plant to be constructed in Suwa City will incorporate ICT and welfare activities into farming by adding value to renewable energy, aiming to become a next-generation model of agricultural corporation that utilizes accumulated information and know-how.

In the course of considerable changes in needs of the times and society, our group company plans to expand our business by discovering issues and new needs and by expanding the existing territory into a new territory.

2. Overview of the subsidiary

(1)	Name	TAMAGAWA ENERGY CO., LTD.	
(2)	Location	VORT HAMAMATSUCHO I, 1-6-15, Hamamatsucho, Minato-ku, Tokyo	
(3)	Title/name of the representative	President: Michiyo Nakachi	
(4)	Description of business	Sales business of renewable energy system	
(5)	Capital fund	10 mil. yen	
(6)	Date of foundation	February 5, 2013	
(7)	Investment ratio	Tamagawa Holdings Co., Ltd. 100%	
(8)	Relation between the listed company and the company	Capital relationship	A subsidiary 100% invested by Tamagawa Holdings Co., Ltd.
		Personnel relationship	Representative Director/President, an outside director, a part-time director, full-time auditor, and an employee of Tamagawa Holdings Co., Ltd. also hold these posts.
		Business relationship	No relationship

3. Overview of subsidiary (our sub-sub-subsidiary) to be newly established

(1)	Name	TAMAGAWA ESG NAC CO., LTD.	
(2)	Location	VORT HAMAMATSUCHO I, 1-6-15, Hamamatsucho, Minato-ku, Tokyo	
(3)	Title/name of the representative	President: Michiyo Nakachi	
(4)	Description of business	Farming business	
(5)	Capital fund	3 mil. yen	
(6)	Date of foundation	February 5, 2021 (scheduled)	
(7)	Investment ratio	TAMAGAWA ENERGY CO., LTD. 100%	
(8)	Relation between the listed company and the company	Capital relationship	A subsidiary 100% invested by TAMAGAWA ENERGY CO., LTD., which is a 100% subsidiary of Tamagawa Holdings Co., Ltd.
		Personnel relationship	An employee of Tamagawa Holdings Co., Ltd. also hold the post of the company.
		Business relationship	No relationship

4. Outlook

The relevant subsidiary to be newly established (sub-sub-subsidiary of the Company) will become a consolidated subsidiary of the Company, while the influence on consolidated results is minor for the first year of establishment.

If the influence on consolidated results is expected to become important in the future, the effect shall be disclosed accordingly.