

December 20, 2021

Company Name: Nihon Dempa Kogyo Co., Ltd.

Representative: Hiromi Katoh, Representative Director and President  
(Code 6779 Tokyo Stock Exchange, 1st Section)

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### **Notice Concerning Factory Flooding due to Heavy Rains in Malaysia**

Nihon Dempa Kogyo Co., Ltd. (the "Company") hereby announces that the factory facilities of the Company's subsidiaries in Malaysia, Asia NDK Crystal SDN. BHD. and NDK Quartz Malaysia SDN. BHD., have incurred flooding damages due to heavy rains which had lasted till December 18, 2021, as described below.

#### 1. Overview of the manufacturing subsidiaries in Malaysia

- (1) Name : Asian NDK Crystal SDN. BHD.
- (2) Location: Selangor Darul Ehsan, Malaysia
- (3) Main activities: Manufacturing and sales of crystal units
- (4) Share capital: MYR62,188 thousand
- (5) Ownership interest: 100%

- (1) Name : NDK Quartz Malaysia SDN. BHD.
- (2) Location: Selangor Darul Ehsan, Malaysia
- (3) Main activities: Manufacturing of crystal blank
- (4) Share capital: MYR30,000 thousand
- (5) Ownership interest: 100% (Indirect ownership: 26.7%)

#### 2. The date of occurrence

December 18, 2021 (Sat.)

#### 3. Overview of the damages

No human damage has been reported. Water has receded and recovery efforts are ongoing. The Company however expects that it will take some time before production is resumed, since a number of manufacturing lines got flooded.

#### 4. Impact on the financial results

The Company is investigating the impact of the flooding on our consolidated financial results at present. We will make a swift announcement in case it turns out that the flooding damages will incur a material impact on our consolidated financial results.

Asian NDK Crystal SDN. BHD. accounts for around 10% of the Group's production, manufacturing products primarily for automotive and consumer applications. NDK Quartz Malaysia SDN. BHD. supplies 20% of crystal blank used by the whole Group to its manufacturing subsidiaries.