



January 29, 2024

Listed Company Name: ESPEC CORP.
Representative: Satoshi Arata, President
Listed Stock Exchange: Tokyo Stock Exchanges, Prime Market
Securities Code: 6859
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Notice Concerning an Absorption-Type Merger Between Two Wholly Owned Subsidiaries

ESPEC CORP. (“the Company”) hereby announces that it resolved at the Board of Directors meeting held on December 7, 2023, to conduct an absorption-type merger (“the merger”) effective October 1, 2024 between ESPEC THERMAL TECH SYSTEM CORP. (“TTS”) and ESPEC TEST SYSTEM CORP. (“ETS”), two wholly owned and consolidated subsidiaries of the Company, with TTS as the surviving company and ETS as the dissolving company. Details of the merger are as follows.

As the merger is an absorption-type merger between wholly owned subsidiaries of the Company and does not fall under the timely disclosure rules of the Tokyo Stock Exchange, certain disclosure items and details have been omitted.

Description

1. Reason for the Business Transfer

The Company made TTS a consolidated subsidiary in July 2021 to further enhance its environmental test field, and in December 2023, TTS became a wholly owned subsidiary of the Company through an additional acquisition of shares. Taking this opportunity, the Company has decided to merge TTS and ETS, which have highly compatible business operations, in order to strengthen group governance by improving customer convenience and ease of management.

2. Summary of the merger

(1) Merger date

Meeting of the Board of Directors to resolve the merger (the Company)	December 7, 2023
Scheduled date of merger (Effective date)	October 1, 2024

(2) Method of the merger

The merger will be an absorption-type merger that makes TTS the surviving company and dissolves ETS.

(3) Details of allocation related to the merger

There will be no issuance of new shares or cash allocation, etc. in the merger.

(4) Treatment of share acquisition rights and bonds with share acquisition rights of the dissolved company

Not applicable

3. Overview of the companies involved in the merger

	The surviving company	The dissolving company
(1) Name	ESPEC THERMAL TECH SYSTEM CORP.	ESPEC TEST SYSTEM CORP.
(2) Location	1-2-15 Bijogihigashi, Toda, Saitama	5-10-18 Sumiyoshimiyamachi, Higashinada-ku, Kobe
(3) Job title and name of representative	Kazuhiro Suehisa, President	Kazuhiro Suehisa, President
(4) Description of business	Manufacture, sale, of environmental testing equipment, etc.	Manufacture, sale, of environmental testing equipment, etc.
(5) Share Capital	90 million yen	170 million yen
(6) Date of establishment	July 1, 2021	April 4, 1969
(7) Number of issued shares	1,800 Shares	290,000 Shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and ownership ratios	ESPEC CORP., 100%	ESPEC CORP., 100%

4. Situation after the merger (planned)

There will be no change in the name, Location, Job title and name of representative, Description of business, share capital, or fiscal year-end of the surviving company as a result of the merger.

5. Future Outlook

Since the merger is an absorption-type merger between wholly owned subsidiaries of the Company, the impact of the merger on the Company's consolidated financial results is negligible. The Company will promptly disclose any matters requiring disclosure should they arise.