



September 13, 2024

Company name: YAMASHIN-FILTER CORP.
Name of representative: Atsuhiko Yamazaki,
Representative Director and
President
(Securities code: 6240; TSE Prime
Market)
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Notice Concerning Dissolution and Liquidation of a Subsidiary, YAMASHIN FILTER(SIP) TECHNOLOGY INC.

YAMASHIN-FILTER CORP. (the “Company”) hereby announces that, it has resolved, at a meeting of the Board of Directors held on September 13, 2024, to dissolve and liquidate YAMASHIN FILTER(SIP) TECHNOLOGY INC., a subsidiary of the Company, as described below.

1. Overview of subsidiary to be dissolved

(1) Name	YAMASHIN FILTER(SIP) TECHNOLOGY INC.	
(2) Location	G Unit SIP Science Industrial Square Phase II No.1 Ke Zhi Road, Suzhou 215121, China	
(3) Job title and name of representative	Yutaka Tani, Chairman of directors	
(4) Description of business	Sales of the Company's products and contracted research and development related to the Company's products	
(5) Share capital	10,000,000 CNY	
(6) Date of establishment	September 19, 2010	
(7) Major shareholders and ownership ratios	YAMASHIN-FILTER CORP, 100%	
(8) Relationship between the Company and said company	Capital relationship	100% owned by the Company
	Personnel relationship	An employee of the Company is the Chairman of said company, and a director of the Company concurrently serves as a director of said company.
	Business relationship	The Company sells products to said company. It also outsources research and development related to its products to said company.
	Related party relationship	Said company is a consolidated subsidiary of the Company

(9) Operating results and financial positions for the last three years (Unit: 1,000 CNY)			
As of / Fiscal year ended	March 31, 2022	March 31, 2023	March 31, 2024
Net assets	34,381	37,071	35,262
Total assets	47,964	50,118	43,908
Net sales	79,562	54,880	51,967
Operating profit	6,164	7,358	3,708
Ordinary profit	6,696	7,604	3,738
Profit attributable to owners of parent	4,982	5,674	2,755

2. Reason for the dissolution

Our overseas subsidiary YAMASHIN FILTER(SIP) TECHNOLOGY INC. is engaged in sales of our products and contracted research and development of our products in China, but the business environment surrounding the company has deteriorated due to stagnant economic activities caused by the real estate recession, and there is no prospect of recovery even now. Therefore, the Company has decided to dissolve the subsidiary as part of our business restructuring efforts aimed at improving management efficiency.

3. Date of dissolution

The liquidation is scheduled to be completed as soon as the necessary procedures in accordance with local laws are completed, but the specific schedule has not been determined at this time.

4. Loss arising from the dissolution and future outlook

In the consolidated financial statements for the fiscal year ending March 31, 2025, the Company plans to record the expenses to be incurred in connection with the dissolution as business restructuring expenses under extraordinary losses. Details are currently under scrutiny and will be announced as soon as there are matters that need to be disclosed.

5. Others

The Company plans to establish a new subsidiary in China to continue sales to customers of YAMASHIN FILTER (SIP) TECHNOLOGY INC. even after the termination of its business activities.