



October 29, 2021

For Immediate Release

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### **Notice on Absorption (Simplified Merger/Short-Form Merger) of Two Second-Tier Subsidiaries by Our Consolidated Subsidiary**

It was resolved at our Board of Directors' meeting held today that Ahresty Die Mold Hamamatsu Corporation, a consolidated subsidiary of Ahresty Corporation, will absorb Ahresty Die Mold Tochigi Corporation and Ahresty Die Mold Kumamoto Corporation, both of which are 100%-owned subsidiaries of Ahresty Die Mold Hamamatsu, on April 1, 2022 as the date of entry into effect.

Since this is a merger between a consolidated first-tier subsidiary and two second-tier subsidiaries (simplified merger/short-form merger), some of the matters for disclosure are omitted.

#### **1. Purpose of the merger**

Ahresty has decided to merge its consolidated subsidiary and two second-tier subsidiaries in Japan to enhance competitiveness and improve the management efficiency of the Group. The purpose of this merger is to integrate our die-casting mold manufacturing operations in Japan into one site and thereby enhance our competitiveness in die manufacturing in Japan and improve the management efficiency, and to eventually improve the corporate value of the entire Ahresty Group.

Moreover, by also utilizing the Group's overseas die-casting mold manufacturing network, we will advance division of labor for die production on a global scale, aiming to further enhance our competitiveness and improve efficiency.

## 2. Summary of the merger

### (1) Schedule

Resolution at the Board of Directors' meeting (each company) October 29, 2021

Conclusion of the merger agreement October 29, 2021

Merger agreement to take effect April 1, 2022

(Note) For this merger, Ahresty Die Mold Hamamatsu Corporation will follow the procedure of a simplified merger pursuant to the provision of Article 796 (2) of the Companies Act and Ahresty Die Mold Tochigi Corporation and Ahresty Die Mold Kumamoto Corporation will follow the procedure of a short-form merger pursuant to the provision of Article 784 (1) of the Companies Act, thus both without obtaining approval at the shareholders' meeting.

### (2) Type of merger

This will be an absorption-type merger with Ahresty Die Mold Hamamatsu Corporation as the surviving company, and Ahresty Die Mold Tochigi and Ahresty Die Mold Kumamoto as the absorbed companies.

### (3) Allotment of shares associated with the merger

Since Ahresty Die Mold Hamamatsu Corporation owns all shares of Ahresty Die Mold Tochigi Corporation and Ahresty Die Mold Kumamoto Corporation, there will be no consideration provided due to this merger.

### 4) Handling of share warrants and bonds with share warrants associated with this merger

Not applicable.

## 3. Overview of the companies involved in the merger

	Surviving company	Absorbed company	Absorbed company
Name	Ahresty Die Mold Hamamatsu Corporation	Ahresty Die Mold Tochigi Corporation	Ahresty Die Mold Kumamoto Corporation
Location	5-3-10 Sakuradai, Nishi-ku, Hamamatsu City, Shizuoka	4060 Mibuotsu, Mibumachi, Shimotsuga-gun, Tochigi	12 Urakawachi, Matsubase-machi, Uki City, Kumamoto
Name and title of representative	Koichi Asai, President	Koichi Asai, President	Koichi Asai, President
Business activities	Manufacturing dies for die-cast products	Manufacturing dies for die-cast products	Manufacturing dies for die-cast products
Common stock	266 million yen	93 million yen	50 million yen
Date of foundation	March 1960	March 1972	March 1981

Number of shares outstanding	304,000 shares	96,400 shares	964 shares
Fiscal year end	March 31	March 31	March 31
Major shareholders and their ownership ratio	Ahresty Corporation 100%	Ahresty Die Mold Hamamatsu Corporation 100%	Ahresty Die Mold Hamamatsu Corporation 100%

#### 4. Conditions after the merger

After this merger, there will be no change in the surviving company's name, location, name and title of representative, business activities, common stock and fiscal year end.

The business sites of Ahresty Die Mold Tochigi Corporation and Ahresty Die Mold Kumamoto Corporation will continue operations as the Tochigi Office and Kumamoto Office of the Ahresty Die Mold Hamamatsu Corporation until March 31, 2023, when they are scheduled to be closed.

#### 5. Future outlook

Since this is a merger between a first-tier subsidiary and second-tier subsidiaries, it will have just a minor impact on the consolidated financial results for the year ending March 2022.