



September 8, 2022

Listed Company Name: ESPEC CORP.
 Representative: Satoshi Arata, President
 Listed Stock Exchange: Tokyo Stock Exchanges, Prime Market
 Securities Code: 6859
 Contact: Keiji Oshima, Director and Executive Officer
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Notice Concerning the Conclusion of a Basic Agreement for the Partial Acquisition of Business

ESPEC CORP. (“the Company”) hereby announces that it resolved at the Board of Directors meeting held on September 8, 2022, to conclude a basic agreement with Johnson Controls-Hitachi Air Conditioning Inc. (“Johnson Controls-Hitachi Air Conditioning”) for the transfer of its environmental testing business. Details are as follows.

Description

1. Reason for the Business Transfer

The Company has stated that one of the Basic Policies of the medium-term management plan “Progressive Plan 2025” is the “aggressive investment in growth fields to provide products and services that contribute to the IoT and next-generation automobile markets.” The Company has determined that as demand for environmental testing rises in IoT and automobile-related advanced development fields, synergies can be expected by integrating Johnson Controls-Hitachi Air Conditioning’s development technologies and expertise with the Company’s existing technologies.

2. Details of the Business Transfer

Johnson Controls-Hitachi Air Conditioning’s environmental testing business

3. Overview of the Counterparty

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|--|---|----------------|
| (1) Name | Johnson Controls-Hitachi Air Conditioning Inc. | |
| (2) Location | 1-16-1 Kaigan, Minato-ku, Tokyo | |
| (3) Name of Representative | Shoji Akiyama, Chief Executive Officer | |
| (4) Share Capital | ¥1.865 billion | |
| (5) Description of Business | Manufacture, sale, etc. of heating and air conditioning equipment and refrigeration equipment | |
| (6) Establishment | October 2015 | |
| (7) Relationship Between the Company and Johnson Controls-Hitachi Air Conditioning | Capital Relationship | Not applicable |
| | Personnel Relationship | Not applicable |
| | Business Relationship | Not applicable |
| | Related party relationship | Not applicable |

4. Future Outlook

Going forward, discussions will continue with Johnson Controls-Hitachi Air Conditioning, but depending on circumstances, these discussions may be terminated. In the event of a matter arising that should be publicly disclosed, the Company will make prompt notification.