

NEWS RELEASE

May 28, 2024



Company name: ALCONIX CORPORATION
Representative: Hiroshi Teshirogi, Representative
Director, President and COO
Listing: Tokyo Stock Exchange, Prime Market
Stock code: 3036
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Managing Executive Officer and CSO,
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Notice of Merger and Reorganization of Consolidated Subsidiaries

Note: The original announcement in Japanese was released on May 28, 2024.

The Board of Directors of ALCONIX CORPORATION approved a resolution today for the merger of ALCONIX MT CORPORATION (ALX-MT) and ALCONIX TOHOKU CHEMICAL INDUSTRIES CORPORATION (ALX-TCI), which are both wholly owned consolidated subsidiaries as part of measures to reorganize ALCONIX Group companies. Following the merger, ALX-MT will remain and ALX-TCI will be dissolved. Both companies that will merge are intermediate holding companies of the ALCONIX Group that hold all of the stock of MARKTEC CORPORATION and Tohoku Chemical Industries, Ltd. Due to this merger, in accordance with a resolution approved by the ALCONIX Board of Directors, ALX-MT will acquire all of the stock of Tohoku Chemical Industries and then use an exchange of stock to make the company a wholly owned subsidiary of MARKTEC. Some of disclosure items have been omitted from this announcement because this is a merger of consolidated subsidiaries.

1. Objectives of this absorption-type merger

The objective of this merger is to increase synergies and reinforce the management structure of the Equipment and Materials segment of the ALCONIX Group.

2. Summary of merger and reorganization

(1) Schedule

Board of Directors resolution for the merger and reorganization	May 28, 2024
Conclusion of merger agreement between ALX-MT and ALX-TCI	May 28, 2024
Signing of agreement for exchange of stock between MARKTEC and Tohoku Chemical Industries	June 4, 2024
Shareholders meetings of ALX-MT and ALX-TCI (Resolution for merger)	June 28, 2024
Date of merger and reorganization	July 2, 2024

(2) Methods

An absorption-type merger between ALX-MT, the surviving company, and ALX-TCI and an exchange of stock to make Tohoku Chemical Industries a wholly owned subsidiary of MARKTEC.

(3) Allocation of stock or cash for the merger

There are no allocations of stock or cash for this merger and reorganization because these activities involve consolidated subsidiaries of ALCONIX.

(4) Treatment of subscription rights to shares and bonds with subscription rights to shares of the dissolved company

Not applicable.

3. Profile of the merging companies (as of May 28, 2024)

(1) Name	ALCONIX MT CORPORATION (surviving company)	ALCONIX TOHOKU CHEMICAL INDUSTRIES CORPORATION (dissolving company)
(2) Head office	Chiyoda-ku, Tokyo	Chiyoda-ku, Tokyo
(3) Representative	Takumi Suzuki, President	Takumi Suzuki, President
(4) Business	Manufacture and sale of non- destructive testing equipment, marking devices and related items Intermediate holding company which holds all shares of MARKTEC	Manufacture and sale of chemical products using cashew resin-based materials, radio wave absorbing materials and other items Intermediate holding company which holds all shares of Tohoku Chemical Industries
(5) Establishment	January 2016	December 2018
(6) Capital	50 million yen	50 million yen
(7) Main shareholders	ALCONIX 100%	ALCONIX 100%

4. Post-merger profile

(1) Name	ALCONIX MT CORPORATION
(2) Head office	Chiyoda-ku, Tokyo
(3) Representative	Takumi Suzuki, President
(4) Business	Manufacture and sale of non-destructive testing equipment, marking devices and related items, chemical products using cashew resin-based materials, radio wave absorbing materials and other items Intermediate holding company which holds all shares of MARKTEC
(5) Capital	50 million yen
(6) Main shareholders	ALCONIX 100%

5. Profile of companies to be reorganized (as of May 28, 2024)

(1) Name	MARKTEC CORPORATION	Tohoku Chemical Industries, Ltd.
(2) Head office	Ota-ku, Tokyo	Nasukarasuyama-shi, Tochigi
(3) Representative	Keigo Nishimoto, President	Satoshi Yoshiuchi, President
(4) Business	Manufacture and sale of non-destructive testing equipment, marking devices and related items	Manufacture and sale of chemical products using cashew resin-based materials, radio wave absorbing materials and other items
(5) Establishment	March 1955	October 1961
(6) Capital	2,078 million yen	125 million yen
(7) Main shareholders	ALCONIX MT CORPORATION 100%	ALCONIX TOHOKU CHEMICAL INDUSTRIES CORPORATION 100%
(8) Other	This company will be a wholly owning parent company of Tohoku Chemical Industries after the reorganization.	This company will be a wholly owned company of MARKTEC after the reorganization. One foreign subsidiary will also be a wholly owned company of MARKTEC.

6. Effect on the earnings forecast for the current fiscal year

This matter will have only a negligible effect on the consolidated results of operations because it is a merger of ALCONIX's consolidated subsidiaries. An announcement will be made promptly if ALCONIX subsequently determines that there is an effect on results of operations.