

October 25, 2023

To whom it may concern

Company name: ORGANO CORPORATION
Representative name: Masayuki Yamada
Representative Director and President
(Securities Code: 6368, Stock Exchange: TSE Prime Market)
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Notice Regarding an Absorption-Type Merger (Simplified Merger and Short-Form Merger) of a Consolidated Subsidiary

ORGANO CORPORATION (the “Company”) hereby announces that, at its Board of Directors meeting held on October 25, 2023, the Company has resolved to conduct an absorption-type merger (the “Merger”) with the Company’s consolidated subsidiary ORGANO ECO TECH CORPORATION.

As the Merger is a simplified merger and short-form merger with a wholly owned subsidiary, some disclosure items and their content have been omitted.

1. Purpose of the Merger

To strengthen the engineering structure as set forth in the Medium-Term Management Plan, concentrate management resources and build an efficient delivery system, the Company decided to conduct the absorption-type merger with the consolidated subsidiary.

2. Overview of the Merger

(1) Schedule of the Merger

Date of Board of Directors resolution approving the merger agreement	October 25, 2023
Date of conclusion of the merger agreement	October 25, 2023
Date of merger (effective date)	April 1, 2024 (scheduled)

Note: For the Company, the Merger is a simplified merger pursuant to the provisions of Article 796, paragraph (2) of the Companies Act. For ORGANO ECO TECH CORPORATION, the Merger is a short-form merger pursuant to the provision of Article 784, paragraph (1) of the Companies Act. Therefore, neither company will hold a general meeting of shareholders concerning the approval of the merger agreement.

(2) Method of the Merger

In the absorption-type merger, the Company will be the surviving company and ORGANO ECO TECH CORPORATION will be dissolved.

(3) Details of allotments concerning the Merger

As the Merger is an absorption-type merger with a wholly owned subsidiary, it will not involve allotments of shares, money, etc.

(4) Handling of share acquisition rights and bonds with share acquisition rights associated with the Merger

There are no matters to report.

3. Overview of companies involved in the Merger (as of March 31, 2023)

	Surviving company in the absorption-type merger	Disappearing company in the absorption-type merger
(1) Name	ORGANO CORPORATION	ORGANO ECO TECH CORPORATION
(2) Location	1-2-8, Shinsuna, Koto-ku, Tokyo	1-2-8, Shinsuna, Koto-ku, Tokyo
(3) Name and title of representative	Masayuki Yamada, Representative Director and President	Kazuhisa Fukuda, Representative Director and President
(4) Business description	Manufacture, sale and maintenance of water treatment facilities and systems, and sale of water treatment chemicals and food processing materials	Manufacture, sale and maintenance of water treatment facilities and systems, and sale of water treatment chemicals
(5) Share capital	¥8,225 million	¥50 million
(6) Date of establishment	May 1, 1946	October 1, 2009
(7) Number of issued shares	46,359,700 shares	200 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholder and holding ratio	Tosoh Corporation, 43.96%	ORGANO CORPORATION, 100%
(10) Financial position and operating results for the most recent fiscal year		
Fiscal year-end	Fiscal year ended March 31, 2023 (consolidated)	Fiscal year ended March 31, 2023 (non-consolidated)
Net assets	¥86,371 million	¥1,195 million
Total assets	¥164,854 million	¥4,389 million
Net assets per share	¥1,877.80	¥5,978,189.33
Net sales	¥132,426 million	¥6,689 million
Operating profit	¥15,212 million	¥1,140 million
Ordinary profit	¥16,020 million	¥1,141 million
Profit attributable to owners of parent	¥11,730 million	¥745 million
Basic earnings per share	¥255.77	¥3,728,583.88

4. Situation after the Merger

After the Merger, there will be no changes to the Company's name, location, name and title of representative, business description, share capital and fiscal year-end.

5. Future outlook

As the Merger is a merger with a wholly owned consolidated subsidiary, it will have a negligible impact on consolidated operating results.