

November 25, 2021

MODEC, INC.
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Notice concerning change in parent company

MODEC, INC. (hereinafter, referred to as “MODEC”) hereby announces the change in parent company from November 25, 2021 as below.

1. Background to change

MODEC is aiming to be listed on the Prime Market as mentioned in the “Plan to comply with the criteria to maintain listing under new Tokyo Stock Exchange (TSE) market categories” (hereinafter, referred to as “Plan”) disclosed on November 18, 2021.

However MODEC didn’t fulfill the requirement to be listed on the Prime Market as of the reference date (June 30, 2021).

In response to the submission of Plan, Mitsui E&S Holdings Co., Ltd (hereinafter, referred to as “MES”) carefully considered our Plan and judged that increasing MODEC’s floating stock ratio to be listed on the Prime Market contributes to the improvement of our enterprise value and shareholder value, and notified MODEC that MES sold a part of MODEC’s share.

As a result of the sale of shares, MES is no longer a parent company but other affiliated company.

2. Outline of MES

(1)	Name	Mitsui E&S Holdings Co., Ltd	
(2)	Address	6-4 Tsukiji 5-chome, Chuo-ku, Tokyo 104-8439, Japan	
(3)	Name and title of representative	Ryoichi Oka, President and CEO	
(4)	Description of business	Holding of shares, etc	
(5)	Capital amount	44,384 million yen (as of March 31, 2021)	
(6)	Date of incorporation	July 31, 1937	
(7)	Net assets	95,901 million yen (as of March 31, 2021)	
(8)	Total assets	766,449 million yen (as of March 31, 2021)	
(9)	Major shareholders and shareholding ratio (as of March 31, 2021)	The Master Trust Bank of Japan, Ltd.(Trust Account)	7.96%
		IMABARI SHIPBUILDING CO., LTD.	3.58%
		Custody Bank of Japan, Ltd.(Trust Account)	3.36%
		Mitsui & Co., Ltd.	3.15%
		The Hyakujushi Bank, Ltd.	3.09%
(10)	Relationship between MODEC and MES	Capital relationship	MES is our parent company which holds 28,261,000 shares of our common stock.
		Personnel relationship	One director from MES concurrently serve as a director of MODEC. Eight employees are dispatched from MES.
		Business relationship	There is no material business transaction.

3. The number of voting right held by MES and percentage of voting right held by all shareholders before and after the transfer

	Relationship	Number of voting rights(ratio of voting rights held)		
		Direct	Indirect	Total
Before transfer	Parent company	282,610 (50.1%)	—	282,610 (50.1%)
After transfer	Other affiliated company	276,970 (49.1%)	—	276,970 (49.1%)

4. Changes in unlisted parent company, etc. subject to disclosure

There will be no unlisted parent company, etc which is subject to disclosure requirement.

5. Future Outlook

The abovementioned change have no impact to MODEC's business performance.