

## News Release

July 19, 2023

### Notice of change of consolidated subsidiary (transfer of shares)

Nabtesco Corporation (headquarters: Chiyoda-ku, Tokyo, President & CEO: Kazumasa Kimura; hereinafter 'the Company') hereby announces it has resolved to transfer all shares of TS Precision Co., Ltd. (Head office: Iwakuni City, Yamaguchi Prefecture; President: Yasuhiro Tsukuda; hereinafter 'TS Precision') held by the Company to Maruka Corporation (Head office: Osaka City, Osaka Prefecture; President & CEO: Kunihiko Iida; hereinafter 'Maruka').

#### 1. Reason for transfer of shares

TS Precision is strong in the design and manufacture of forming machines and constant velocity joint processing machines, and its products are used by many customers in Japan and abroad, mainly in the automotive industry. In recent years, the rapid growth of the EV market in the automotive industry has led to significant changes in the market structure, products required and customer needs.

Maruka is a machinery trading company with a global sales network and excellent proposal capabilities, with the automotive industry at the forefront. In addition to its trading company functions, Maruka aims to further strengthen its engineering functions and enhance its ability to make proposals to customers in EV-related fields.

The Company is promoting selection and concentration in the allocation of group management resources, and has decided to transfer TS Precision's shares to Maruka as it believes that Maruka, which has customers and a sales network that the Company does not have, could be the best owner of TS Precision for its growth.

We are confident that the machine design and manufacturing technology possessed by TS Precision and Maruka's strong sales network, mainly in the automotive industry, and its ability to make proposals for entire production lines, will enable both companies to provide even greater value to their customers in the future.

#### 2. Outline of the subsidiary to be transferred

Company name	TS Precision Co., Ltd.
Location	2-36 Hinode-cho, Iwakuni, Yamaguchi, Japan
President	Yasuhiro Tsukuda
Establishment	December 6, 1995
Paid-in Capital	50 million yen
Number of employee	74 (As of June 30, 2023)
Business details	Design, manufacture, sales and maintenance of forming machines, constant velocity joint processing machines and special purpose machine tools.
URL	<a href="http://www.tsprecision.co.jp/en/index.html">http://www.tsprecision.co.jp/en/index.html</a>

### 3. Outline of the counterparty to the share transfer

Company name	Maruka Corporation
Location	2-2-5 Minamishinmachi Chuo-ku, Osaka, Japan
President	Kunihiko Iida
Establishment	December 1946
Paid-in Capital	400 million yen
Number of employee	698 (As of December 31, 2022)
Business details	Sales of industrial and construction machinery
URL	<a href="http://www.maruka.co.jp/en/">http://www.maruka.co.jp/en/</a>

### 4. Schedule

Resolution of the Board of Directors of the Company: 30 June 2023

Share transfer agreement concluded: 18 July 2023

Scheduled date of share transfer: 31 August 2023

### 5. Future outlook

Following this share transfer, TS Precision will no longer be consolidated by the Company. The impact of this transfer on the Company's results for the year ending 31 December 2023 will be insignificant.

Ends