



December 10, 2021

Company name: ESPEC CORP.
Representative: Masaaki Ishida, President
Listing: Tokyo, Stock Exchange, First section
Securities code: 6859
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Notice of Transition to a Company with Audit & Supervisory Committee

ESPEC CORP. (the “Company”) hereby announces that by resolution of the Board of Directors meeting held today, the Company will transition from a “Company with Audit & Supervisory Board” to a “Company with Audit & Supervisory Committee” subject to approval at the 69th Ordinary General Meeting of Shareholders to be held in June 2022.

Description

1. Purpose of Transition

The Company has long been working to strengthen its corporate governance, aiming to achieve sustainable growth and improve its corporate value over the medium to long term. Seeking to enhance deliberations in the Board of Directors meetings and further strengthen the Board of Directors’ supervisory functions, the Company has now decided to transition to a Company with Audit & Supervisory Committee. Under this structure, directors who are Audit & Supervisory Committee members hold voting rights in the Board of Directors.

2. Timing of Transition

The Company will transition to a Company with Audit & Supervisory Committee upon the approval of the necessary amendments to the Article of Incorporation at the 69th Ordinary General Meeting of Shareholders to be held in June 2022.

3. Other

Details regarding the transition to a Company with Audit & Supervisory Committee including amendments to the Articles of Incorporation and officers structure after the transition will be announced as soon as they are determined.