

May 24, 2021

To whom it may concern,

Company name: Meiko Electronics Co., Ltd.  
Name of representative: Yuichiro Naya, President and CEO  
(Code: 6787 JASDAQ)  
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## **Notice Concerning Conclusion of Capital and Business Alliance with Kyosha**

MEIKO ELECTRONICS CO., LTD. announces that it has concluded a capital and business alliance agreement with KYOSHA CO., LTD. (Head office in Kuse-gun, Kyoto, President: Kazuto Kojima, hereinafter “Kyosha”) on May 24, 2021. Details are as follows.

### 1. Reason for the capital and business alliance

Meiko focuses on the HDI and multi-layer PCB business, and it is expanding its operation in the field of module PCB and EMS business to strengthen its business base. Kyosha operates globally with focus on the single-sided and double-sided PCB business, and it plans to strengthen its operation in the field of carrier jigs for mounting electrical components that are related to PCB business. Recently, Kyosha has established a new manufacturing base in Vietnam in January 2021.

Meiko and Kyosha are able to complement each other with different specialty products, though both of their main businesses are PCB manufacturing. Furthermore, this alliance will enable them to utilize the unique manufacturing infrastructure, technology, sales network and other management resources of each company by collaborating globally since their production sites are common in Japan, China and Vietnam.

Considering the above, Meiko and Kyosha have reached an agreement on the Capital and Business Alliance, aiming to enhance synergistic effects and contribute to mutual growth.

### 2. Details of the capital and business alliance

#### (1) Overview of the business alliance

Meiko and Kyosha will work on a detailed study and discussion for the following operations.

- a) Manufacturing and sales cooperation in the PBC business that both companies specialize
- b) Cooperation in design, technology, production and procurement
- c) Sales cooperation of carrier jigs
- d) Cooperation in EMS business

#### (2) Overview of the capital alliance

Meiko and Kyosha will acquire 100 million yen mutual shares from the stock market to promote this alliance closely and strongly. The acquisition period is scheduled for the next six months.

## (3) Outline of the Capital and Business Alliance Partner

(1) Name	KYOSHA CO., LTD.		
(2) Address	300 Morimurahigashi, Kumiyama-cho, Kuse-gun Kyoto, Japan		
(3) Representative name	Kazuto Kojima, President		
(4) Line of business	Manufacturing / sales of Printed Wiring Boards (PWB) Manufacturing / sales of carrier jigs for mounting electrical components		
(5) Capital	1,102 million JPY		
(6) Founded	February 14, 1959		
(7) Major shareholders and shareholding ratio	Kojima Corporation		14.3%
	Yuji Kojima		8.1%
	NBC Co., Ltd.		3.7%
	Jumpei Kojima		3.3%
	Kazuto Kojima		3.0%
	Toru Kojima		3.0%
	Tomoko Ikeda		2.7%
	Kyoto Chuo Shinkin Bank		2.7%
	MSIP Client Securities		2.1%
	MUFG Bank, Ltd.		1.8%
(8) Relationship with Meiko	Capital relationship	None	
	Personnel relationship	None	
	Business relationship	Meiko and Kyosha engage in transactions related to product sales	
	Related party Status	None	
(9) Business and financial performance for the last three years (unit: million JPY)			
Fiscal Year (Consolidated)	Year ended Mach 2019	Year ended March 2020	Year ended March 2021
Net assets	6,887	6,616	6,433
Total assets	15,558	17,025	17,885
Net assets per share (yen)	471.18	452.82	434.76
Net sales	21,035	19,022	17,334
Operating income	498	79	98
Ordinary income	471	98	159
Net income attribute to owners of parent	293	1	△135
Net income per share (yen)	20.48	0.08	△9.46
Dividend per share (yen)	8.00	4.00	-

## 3. Schedule of the capital and business alliance

Execution of the capital and business alliance agreement      May 24, 2021

Start date of share purchase      May 25, 2021

## 4. Future Outlook

The impact of this alliance on financial results will be minimal. We believe that it will contribute to the enhancement of the corporate value over the medium to long term. We will promptly announce any matters that require disclosure in the future.