

April 30, 2021

Electric Power Development Co., Ltd. (J-POWER)

**Notice Concerning Absorption-type Merger of Wholly Owned Subsidiary**  
**(Simplified Merger and Short-form Merger)**

Electric Power Development Co., Ltd. (“J-POWER”) hereby announces that at the meeting of Board of Directors held on April 30, 2021 J-POWER resolved as a basic policy to carry out an absorption-type merger (hereinafter, the “Merger”) of its wholly owned subsidiary, J-POWER Supply & Trading Co., Ltd. (hereinafter, the “JPST”) and decided to start the necessary procedures. J-POWER would like to inform you as follows.

Some disclosure items and details have been omitted because the Merger is a simplified absorption-type merger of a wholly owned subsidiary.

1 . Purpose of the Merger

In the J-POWER Group, J-POWER mainly sells part of the electricity generated by power plants on the Japan Electric Power Exchange (hereinafter referred to as "JEPX"), and JPST procures electricity from JEPX to sell to retailers.

When the electricity price of JEPX soars like January 2021, J-POWER’s sales revenue increases sharply, while JPST runs out of funds due to the rapid increase in electricity purchase costs from JEPX and will be difficult to continue business without financial support from J-POWER. By absorbing and merging JPST, J-POWER will take charge of the retail business directly, strengthening the cooperation between electric power generation and sales functions, improving business mobility and strengthening governance.

2 . Outline of the Merger

( 1 ) Schedule of the Merger

Date of the resolution of the Board of Directors to decide basic Merger policy	April 30, 2021
Date of the resolution of the Board of directors to decide Merger	September 30, 2021 (planned)
Date of signing of the Merger agreement	September 30, 2021 (planned)
Effective date of the Merger	December 1, 2021 (planned)

- This merger corresponds to a simplified absorption-type merger stipulated in Article 796,

Paragraph 2 of the Companies Act for J-POWER, and a short-form merger stipulated in Article 784, Paragraph 1 of the same Act, for JPST. The Merger will be approved without a resolution at the general meeting of shareholders of either company.

( 2 ) Method of Merger

The Merger will be an absorption-type merger, whereby J-POWER is the surviving company and JPST is the dissolved company.

( 3 ) Details of allotment related to the Merger

As JPST is a wholly owned subsidiary of J-POWER, no shares or money will be allotted as a result of the Merger.

( 4 ) Handling of stock acquisition rights and bonds with stock acquisition rights upon the Merger

No applicable items.

3. Overview of the companies involved in the Merger

	J-POWER (Surviving company) as of March 31, 2021	JPST (Dissolved company) as of March 31, 2021
Company name	Electric Power Development Co., Ltd.	J-POWER Supply & Trading Co., Ltd.
Headquarters	6-15-1 Ginza, Chuo-ku, Tokyo	6-15-1 Ginza, Chuo-ku, Tokyo
Representative	Toshifumi Watanabe President & CEO	Ryouji Sekine President
Business activities	Electricity power business, etc.	Power supply business, etc.
Capital	JPY 180,502 million	JPY 2,400 million
Date of establishment	September 16, 1952	March 12, 2002
Number of shares of common stock issued	183,051,100	48,000
Fiscal year end	March 31	March 31
Major shareholders (%)	Japan Trustee Services Bank (Trust account, 7.18%) Nippon Life Insurance Company ( 5.00%)	J-POWER (100%)

Recent financial results	Fiscal year ended March 31, 2021 (Consolidated)	Fiscal year ended March 31, 2021 (Non-consolidated)
Net assets	JPY 853,685 million	JPY 1,027 million
Total assets	JPY 2,841,960 million	JPY 24,635 million
Net assets per share	JPY 4,420.39	JPY 21,400.74
Sales /Operating revenue	JPY 909,144 million	JPY 74,960 million
Operating income (loss)	JPY 77,775 million	JPY (64,775) million
Ordinary income (loss)	JPY 60,903 million	JPY (64,792) million
Profit (loss) attributable to owners of parent/ Profit (loss)	JPY 22,304 million	JPY (8,369) million
Earnings (loss) per share	JPY 121.85 円	JPY (174,359.63)

#### 4. Expected Status Following the Merger

There will be no changes in trade name, address, name and title of representative, nature of business, share capital, or fiscal year end of the J-POWER.

#### 5. Outlook for J-POWER

Since this is a merger of a wholly owned subsidiary of J-POWER, it is expected to have a negligible impact on J-POWER's consolidated results of operations.