

31st January 2023

JDC, inc.

Representative Director : Naoto Hashikawa, President

Announcement regarding Filed Lawsuit against ex-employees and BT Japan Inc.

JDC, inc. ("JDC") hereby announces that JDC has filed a lawsuit against two ex-employees of JDC and BT Japan Inc. ("BT Japan", Sasebo-shi, Nagasaki, Japan) at the Tokyo District Court, Japan on 27th December 2022, seeking an injunction of unfair competition and compensation for damages, etc.

1. Background and reasons for filing the lawsuit

"A", an ex-employee of JDC had established BT Japan on 27 July 2021, and hold the position of representative director of BT Japan since its establishment. "B", another ex-employee of JDC had started to serve as a director of BT Japan since the establishment of BT Japan (B has already resigned from the board to date.). A, B and BT Japan has been selling imitation parts for JDC's belt tension machine and providing maintenance to JDC's customers that purchased JDC's belt tension machine. At least, A and BT now continues to sell such imitation parts and provide such maintenance.

A and B are prohibited to use JDC's any trade secret and any technical and business information because they had committed us in writing, upon retiring from JDC, not to use JDC's any trade secret and any technical and business information thereafter. So far, JDC has determined that they have been using JDC's trade secret and/or technical and/or business information.

After considering the circumstances above, JDC has filed the lawsuit against A, B and BT Japan seeking injunction against selling imitation parts and providing maintenance for JDC's belt tension machine and compensation for damages, according to Unfair Competition Prevention Act and obligation stipulated by written pledges by A and B, etc.

2. Others

JDC handles technical and business information with the highest level of care and will take firm action against any illegal acts, such as unfair competition.

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