



May 17, 2024

Company Name: NISSO HOLDINGS Co., Ltd.
Representative: Ryuichi Shimizu,
Representative Director, President & CEO
(Securities Code: 9332, TSE Prime Market)
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**Notice of Capital and Business Alliance with TSUNAGU GROUP HOLDINGS Inc.
(Securities Code: 6551) and Acquisition of Shares that
Constitutes an Act of Purchase
(Conversion to an Equity-method Affiliate)**

NISSO HOLDINGS Co., Ltd. (hereinafter, the "Company") hereby announces that it has resolved to conclude a capital and business alliance agreement (hereinafter, the "Capital and Business Alliance Agreement"; the alliance based on the Capital and Business Alliance Agreement, the "Capital and Business Alliance") with TSUNAGU GROUP HOLDINGS Inc. (President: Mitsuhiro Yoneda, Chiyodaku, Tokyo, hereinafter, the "TSUNAGU GROUP") and to make the TSUNAGU GROUP an equity-method affiliate of the Company through the acquisition of shares (hereinafter, the "Share Acquisition") of the TSUNAGU GROUP, at the Board of Directors' Meeting held today, as follows.

Furthermore, the Company also announces that the Share Acquisition constitutes an act of purchase as stipulated in Article 167, Paragraph 1 of the Financial Instruments and Exchange Act and Article 31 of the Order for Enforcement of the Financial Instruments and Exchange Act.

1. Reasons for the Capital and Business Alliance

As announced by NISSO CORPORATION (hereinafter, "NISSO"), a consolidated subsidiary of the Company, in a press release dated January 18, 2022 titled "Notice of Capital and Business Alliance with TSUNAGU GROUP HOLDINGS Inc. (Conversion of TSUNAGU's Subsidiary as a Joint Venture Company)", NISSO and the TSUNAGU GROUP are collaborating through a joint investment in Leaf Nxt Inc., and have begun initiatives that leverage the strengths of both parties.

The TSUNAGU GROUP is a company that aims to solve the recruitment issues of its clients by providing consulting and high-quality solutions for each client's recruitment issues, and the Company believes that these initiatives have a high affinity with the Group's mission of "Creating opportunities and hopes for people to work."

The Company has decided to conclude the Capital and Business Alliance Agreement based on the judgment that by further integrating and developing the strengths of both companies, including their respective client bases as well as the business expertise they have accumulated over the years, it will be possible to provide high-quality services that can solve the challenges of responding to the diversifying human resources needs of Japanese companies.

2. Details of the Capital and Business Alliance, etc.

(1) Details of the Business Alliance

The market size of the human resources industry is said to be around 10 trillion yen, and it is expected that it will continue to maintain and grow while changing its structure in the future. On the other hand, the labor supply-demand gap in the labor market has been widening among industries, particularly in the medical and nursing care, manufacturing, and service industries. Under such circumstances, by strengthening the collaboration between the two company groups, it will be possible to form a business alliance that includes ① collaboration on recruitment projects of both companies, ② joint recruitment support for manufacturers, and ③ collaboration in the global area, thereby accelerating initiatives that utilize the resources of both company groups. Furthermore, the two company groups will work to establish a collaborative sales structure and create a framework for it.

(2) Details of the Capital Alliance

As of today, the Company has concluded a share transfer agreement with Mitsuhiro Yoneda, a shareholder of the TSUNAGU GROUP, Yoneda Jimusho Co., Ltd., and Tokihisa Kamibayashi (Hereinafter collectively, the "Sellers"), to acquire a total of 1,560,899 shares (ratio to the number voting rights of all shareholders: 18.14%) of the common shares of the TSUNAGU GROUP held by the Sellers through off-market relative transactions.

(3) Dispatching of Corporate Officers

In the Capital and Business Alliance Agreement, the Company and the TSUNAGU GROUP have agreed on the dispatching of corporate officers from the Company to the TSUNAGU GROUP. Based on this agreement, the TSUNAGU GROUP plans to submit a proposal for the election of Directors at its 18th Ordinary General Meeting of Shareholders scheduled to be held in December 2024, including 1 person nominated by the Company as a candidate for Director.

In addition, under the Capital and Business Alliance Agreement, the Company has also agreed to accept the dispatching of 1 director from the TSUNAGU GROUP to NISSO CORPORATION, a subsidiary of the Company. Furthermore, the Director to be dispatched from the TSUNAGU GROUP to NISSO is scheduled to be a part-time Director, and the dispatching is scheduled to begin around December 2024.

Furthermore, as a result of this, the TSUNAGU GROUP is scheduled to become an equity-method affiliate of the Company.

3. Overview of the Capital and Business Alliance Partner

(1) Company name	TSUNAGU GROUP HOLDINGS Inc.		
(2) Location	3-1-16 Kandamisaki-cho, Chiyoda-ku, Tokyo		
(3) Representative	President & Representative Director Mitsuhiro Yoneda		
(4) Business description	Group management strategy formulation, business management and related operations		
(5) Capital	701 Million JPY		
(6) Date of establishment	February 28, 2007		
(7) Major Shareholders and Shareholding Ratio (As of March 31, 2024)	Mitsuhiro Yoneda	16.86%	
	Yoneda Jimusho Co., Ltd.	9.95%	
	TSUNAGU GROUP HOLDINGS Employee Shareholding Association	4.35%	
	NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB)	3.99%	
	Bansei Research Institute Co., Ltd.	2.79%	
	The Master Trust Bank of Japan, Ltd. (Trust Account)	2.70%	
	SBI SECURITIES Co.,Ltd.	2.21%	
	Takaharu Yano	2.03%	
	Masahiro Ohkubo	2.00%	
	JAPAN SECURITIES FINANCE CO., LTD.	1.93%	
(8) Relationship between listed company and company concerned	Capital ties	Not applicable.	
	Personal relations	Not applicable.	
	Business relations	Not applicable.	
	Applicable status to related parties	Not applicable.	
(9) The consolidated results of operations and consolidated financial position of the company concerned over the last 3 years	(Unit: Million yen)		
Fiscal year-end	FY 9/2021	FY 9/2022	FY 9/2023
Consolidated net assets	843	1,537	1,633
Consolidated total assets	4,620	5,209	4,555
Consolidated net assets per share (Yen)	98.83	167.88	178.24
Consolidated net sales	11,026	12,722	15,027
Consolidated operating profit (loss)	(105)	216	443
Consolidated ordinary profit (loss)	(99)	213	448
Profit (loss) attributable to owners of parent	(213)	492	132

Consolidated net income (loss) per share (Yen)	(26.53)	57.70	15.46
Dividend per share (Yen)	—	5	8

4. Number of Shares to be Acquired, Acquisition Price, and Status of Shares Held Before and After Acquisition

(1)	Number of shares held before acquisition	0 shares (Percentage of voting rights held: 0%)
(2)	Number of shares to be acquired	1,560,899 shares
(3)	Acquisition price	1,463 Million JPY
(4)	Number of shares to be held after acquisition	1,560,899 shares (Percentage of voting rights held: 18.14%)

(Note) The percentage of voting rights held is calculated using the number of voting rights of all shareholders as of March 31, 2024 (86,022) as the denominator and rounded to the second decimal place.

5. Schedule

(1)	Date of Resolution of Board of Directors	May 17, 2024
(2)	Date of Conclusion of Capital and Business Alliance Agreement and Share Transfer Agreement	May 17, 2024
(3)	Date of Completion of Share Transfer Procedures for Share Acquisition	May 24, 2024 (Scheduled)

6. Future Prospects

As a result of the Share Acquisition, although the Company plans to make the TSUNAGU GROUP an equity-method affiliate, the Company believes that the impact of the Share Acquisition and the Capital and Business Alliance on the Company's consolidated financial results will be minor.

In the event that any matters that require disclosure arise in the future, the Company will promptly notify you.