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September 30, 2020

To whom it may concern

Company name: Valuence Holdings Inc.
Representative: Shinsuke Sakimoto,
Representative Director and President
(Securities Code: 9270 TSE Mothers)
Contact: Shinichiro Sato, Executive Officer and General
Manager, Business Administration Division
(Phone +81-3-4580-9983)

(Progress Disclosure) Notice Concerning Acquisition of Shares by Company Consolidated Subsidiary (New Sub-Subsidiary)

Valuence Holdings Inc. (“Company” hereinafter) has completed the procedures required to purchase all shares of stock in NEO-STANDARD Co., Ltd. (“NEO-STANDARD” hereinafter), as announced in the Notice Concerning Acquisition of Shares by a Company Consolidated Subsidiary (New Sub-Subsidiary) dated August 20, 2020. Details are as follows.

1. Reasons for this purchase of shares

The Group is engaged in the business of reusable merchandise, mainly through the purchase and sale of branded products, precious metals, watches, bullion, jewelry and antiques, and works of art. It has adopted a C2B2B business model under which it purchases products from consumers and wholesales them to vendors, chiefly through its own auctions.

It is currently enhancing its purchasing operations by progressively opening new outlets, most of which are Nanboya buying offices. It operates 83 outlets across Japan as of the end of May 2020.

NEO-STANDARD operates buying offices for used merchandise in six prefectures, including the Tokyo Metropolitan Area. The Board of Directors has determined that this shares acquisition may strengthen the Group’s buying structure.

2. Overview of subsidiary acquiring shares

(1) Name	Valuence Japan Inc.
(2) Headquarters	28F, Shinagawa Season Terrace, 2-70 Konan 1-chome, Minato-ku, Tokyo
(3) Name and title of representative	Susumu Muguruma, Representative Director
(4) Lines of business	Purchase and sale of branded products, precious metals, jewelry, etc.
(5) Capital	10 million yen
(6) Date established	September 2019

3. Overview of new subsidiary (sub-subsubsidiary)

(1) Name	NEO-STANDARD Co., Ltd.
(2) Headquarters	25-17 Oshiage 3-chome, Sumida-ku, Tokyo
(3) Name and title of representative	Masaru Goto, Representative Director
(4) Lines of business	<ul style="list-style-type: none">• Purchasing of used branded items and reusable items• Auction listing agency services• Watch repair and overhaul services

(5) Capital	5 million yen	
(6) Date established	January 2004	
(7) Major shareholder and percentage of shares held	Nakago, Y.K.: 100%	
(8) Relationships between the listed company and the company concerned	Capital relationships	Not applicable
	Human relationships	Not applicable
	Transaction relationships	Not applicable

4. Number of shares to be acquired, purchase price, and ownership share before and after acquisition

(1) Number of shares owned before acquisition	0 shares (percentage of voting rights held: 0.0%)
(2) Number of shares to be acquired	1,000 shares (percentage of voting rights: 100.0%)
(3) Purchase price	While the purchase price will not be disclosed in accordance with the consultation with the counterparty, an independent agency undertook the due diligence to calculate the purchase price. The price determined reflects estimates of future profitability and current asset conditions.
(4) Number of shares owned after acquisition	1,000 shares (percentage of voting rights held: 100.0%)

5. Future outlook

The consolidation of NEO-STANDARD will be effective as of the end of the first quarter of the fiscal year ending in August 2021. This shares acquisition will have no impact on consolidated financial results for the fiscal year ending in August 2020.