

January 29, 2021

To whom it may concern,

Company name: Nihon M&A Center Inc.
Representative: Seguro Miyake, President and Representative
Director
(Stock exchange code: 2127, TSE First Section)
Contact: Takamaro Naraki,
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Manager, Administration Division
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Establishment of Split Preparation Company pursuant to Transition to a Holding Company Structure through a Company Restructure

(Please note: This is a translation from our original Japanese text.)

At its Board of Directors Meeting held today, Nihon M&A Center Inc. (hereinafter, the “Company” or “we”/”us”/”our”) resolved to establish a Split Preparation Company (hereinafter, the “Split Preparation Company”) as a wholly-owned subsidiary in early April 2021 (tentative). This is in order to transition to a holding company structure through a company split on October 1, 2021 (tentative).

In addition, the Company will continue to be listed as a holding company after the company split. The transition to a holding company structure through a company split etc. is subject to a resolution approving of these matters being passed at the Company’s ordinary general meeting of shareholders scheduled to be held in late June 2021, and to being granted any approvals, permits, licenses and the like as may be required by the supervisory authorities.

1. Purpose of Transition to a Holding Company Structure

To date, the Company Group (hereinafter, the “Group”) has been aiming to become the "world's No.1 comprehensive M&A company," and has continued to expand its business domains within the Group by establishing subsidiaries and affiliates specializing in each domain, such as corporate evaluation, asset succession, PMI, online business succession matching services, media for SME managers, and PE funds, in addition to the main field of the M&A intermediary business.

Against this backdrop, as we celebrate our 30th anniversary, we have decided to shift to a pure holding company structure with the following objectives in order to further grow and develop the Group going forward.

(1) Further development of Group companies

Each Group company will aim to achieve further growth and development, with faster decision making processes, once the responsibilities and authority are clarified.

(2) Develop outstanding management personnel at each Group Company

By delegating authority to the separate Group companies, each company will develop talented management personnel through their management, with the aim of increasing the overall value of human resources throughout the Group.

(3) To maximize the corporate value of our Group

The Group aims to maximize the corporate value by formulating unified strategies for the Group as a whole, allocating management resources efficiently, and by leveraging Group synergies.

(4) Further development of our group at home and abroad

The Group aims to further develop domestically and overseas by expanding through M&A and entering new business fields.

2. Summary of Transition to a Holding Company Structure

(1) Transition method

As a result of the company split, the Company will transfer the divided business to a wholly-owned subsidiary of the Company (the Split Preparation Company). After the corporate split, the Company will maintain its listing as a holding company.

(2) Schedule for company split

Board of Directors Meetings to Approve the establishment of the Split Preparation Company: January 29, 2021

Establishment of the Split Preparation Company: Early April 2021 (tentative)

Board of Directors Meetings to Approve of the Agreement Regarding Absorption-type Company Split: Late April 2021 (tentative)

Execution of the Agreement Regarding Absorption-type Company Split: Late April 2021 (tentative)

General Meeting of Shareholders to Approve of the Agreement Regarding Absorption-type Company Split: Late June 2021 (tentative)

Effective Date of the Absorption-type Company Split: October 1, 2021 (tentative)

3. Overview of the Split Preparation Company to be Established upon Transition to a Holding Company Structure

(1) Company name: Nihon M&A Center Split Preparation Company Inc.

(Company name to be changed to Nihon M&A Center Inc. on October 1, 2021 (tentative))

(2) Location of head office: 8-2, Marunouchi 1-chome, Chiyoda-ku, Tokyo

(3) Name and title of representative: Suguru Miyake, President and Representative Director

(4) Main business: M&A intermediary business

(5) Paid-in capital: JPY 100 million

(6) Establishment: Early April 2021 (tentative)

(7) No. of shares issued: 10,000 shares

(8) Fiscal year end: March 31

(9) Major shareholders and shareholding ratio: Nihon M&A Center Inc. 100%

(10) Relationships and

Capital relationship: to be established as a 100% owned subsidiary of Nihon M&A Center Inc.

Personnel Relations: Nihon M&A Center Inc. plans to dispatch directors to the Split Preparation Company.

Business Relations: There is no business relationship between Nihon M&A Center Inc. and the Split Preparation Company because the Split Preparation Company has not commenced any business operations.

4. Other

There is no particular impact on the consolidated results of operations as the Split Preparation Company that will succeed the business through the company split is a wholly owned subsidiary of the Company.

We will announce the details of the company split once finalised.

End of release