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July 14, 2021

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, Director and CFO  
(Phone +81-3-4580-9983)

### **Announcement Concerning Acquisition Shares of the Common Stock of (Invest in) Nankatsu SC Co., Ltd.**

Valuence Holdings Inc. (the “Company”) announces that at a meeting of the Board of Directors held on July 14, 2021, the Company resolved to acquire shares of the common stock of (invest in) Nankatsu SC Co., Ltd., by subscribing to a capital increase through third-party allotment to be conducted by Nankatsu SC Co., Ltd. As a result of this acquisition of shares, the investment ratio of the Company becomes 33.5%, and Nankatsu SC Co., Ltd. is expected to become an equity-method affiliate of the Company. The details of this investment are as follows.

#### **1. Objective of investment**

The Company operates a reuse business, in which it mainly purchases and sells brand products, precious metals, watches, bullion, and jewels, as well as antiques, art, and other products. Additionally, the Company is also working to solve various social issues through its business activities, as it looks to achieve its mission of “Encouraging people to live true to themselves.” Since September 2020, the Company has been offering “dual career employment for athletes,” and it is working to create an environment where athletes can earnestly focus both on their sports and their work, by offering solutions to uncertainties in relation to their career after retirement and unstable lifestyles.

On the other hand, Nankatsu SC Co., Ltd.’s mainstay business centers on the operation and management of its soccer team and sports league. Yoichi Takahashi, the creator of *Captain Tsubasa*, a world-famous soccer manga, serves as Representative Director of Nankatsu SC Co., Ltd. *Captain Tsubasa* boasts strong brand recognition, with the manga retaining a large fanbase to this day, and the animated television series having been broadcast not just in Japan, but in numerous countries around the world. Nankatsu SC Co., Ltd. contributes to the development of soccer and sports culture, with its aim of operating its club in a way that share “dreams”, “hopes”, and “pride” with people. In 2020, Nankatsu SC Co., Ltd. achieved net sales of over 100 million yen, and its soccer team, “Nankatsu SC,” was promoted to the Kanto Soccer League.

With this investment, the Company will be able to participate in the management of an actual sports team, enabling it to further promote its existing dual career employment and contribute to the development of local communities and culture through sports, while also contributing to the enhancement of corporate value. For these reasons, the Company resolved to invest in Nankatsu SC Co., Ltd.

In addition, the Company also believes that it will be able to utilize the strong brand recognition and global influence of *Captain Tsubasa* in a wide range of areas, including expanding the Company's purchase, which it is developing at an accelerated pace both in Japan and overseas, and identifying more new partners for auctions.

## 2. Details of investment target

(1)	Name	Nankatsu SC Co., Ltd.		
(2)	Location	6-18-20 Tateishi, Katsushika-ku, Tokyo		
(3)	Name and title of representative	Yoichi Takahashi, Representative Director		
(4)	Main businesses	Professional soccer team operation		
(5)	Capital stock	10 million yen		
(6)	Date of establishment	January 25, 2019		
(7)	Major shareholders and shareholding ratios	Yoichi Takahashi 100%		
(8)	Relationship with the Company	Capital relationship	None	
		Personnel relationship	None	
		Transactional relationship	The Company has entered into a partner agreement with Nankatsu SC Co., Ltd.	
		Applicable situation to related parties	None	
(9) Operating results and financial position of Nankatsu SC Co., Ltd. in the most recent three fiscal years (Thousands of yen)				
Fiscal year		Fiscal year ended December 31, 2018	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Net assets		—	8,356	13,104
Total assets		—	35,557	55,357
Net assets per share		—	41	65
Net sales		—	58,965	129,561
Operating profit		—	(1,754)	5,739
Ordinary profit		—	(1,579)	5,776
Net income		—	(1,643)	4,748
Net income per share		—	(8)	23
Dividend per share		—	—	—

\* Data for the fiscal year ended December 31, 2018, does not exist because Nankatsu SC Co., Ltd. was established on January 25, 2019.

### 3. Number of shares to be acquired, acquisition amount, and shares held before and after the acquisition

(1) Number of shares held prior to investment	0 shares (Number of voting rights: 0) (Ownership ratio of voting rights: 0%)
(2) Number of shares to be acquired	101 shares (Number of voting rights: 101) (Ownership ratio of voting rights: 33.5%)
(3) Acquisition amount	Shares of common stock of Nankatsu SC Co., Ltd. 303 million yen Advisory expenses, etc. (estimate) 15 million yen Total (estimate) 318 million yen
(4) Number of shares to be held after investment	101 shares (Number of voting rights: 101) (Ownership ratio of voting rights: 33.5%)
(5) Ownership ratio after capital increase	Yoichi Takahashi 66.5% Valuence Holdings Inc. 33.5%

### 4. Timeline

(1) Board of Directors resolution date	July 14, 2021
(2) Contract execution date	July 14, 2021
(3) Payment date	August 2021 (expected)

### 5. Future outlook

The deemed acquisition date for the application of the equity-method is scheduled for the end of August 2021. In addition, one officer of the Company will be appointed as an officer of Nankatsu SC Co., Ltd. This investment will have a limited effect on the Company's consolidated financial results for the fiscal year ending August 31, 2021, but the Company believes that the utilization of the strong brand recognition of *Captain Tsubasa* in the future may be expected to lead to the expansion of the Company's purchasing business and the identification of new partners for auctions, thereby fulfilling a significant role in the Company's business development.

The Company will promptly disclose information related to future developments when necessary.