



May 18, 2023

Company Name: NISSO CORPORATION
Representative: Ryuichi Shimizu,
Representative Director, President & CEO
(Securities Code: 6569, TSE Prime Market)
Contact Person: Naoki Hayakawa,
Managing Executive Officer & CFO
(TEL. +81-45-514-4323)

Notice of Transition to Pure Holding Company Structure through Single Share Transfer

NISSO CORPORATION (hereinafter, the "Company") hereby announces that it has resolved to establish a pure holding company (wholly owning parent company), "NISSO HOLDINGS Co., Ltd." (hereinafter, the "Holding Company") through a single share transfer (hereinafter, the "Share Transfer") with the Company as a wholly owned subsidiary in the share transfer with an effective date of October 2, 2023 (scheduled), after following the prescribed procedures, such as approval at the 43rd Ordinary General Meeting of Shareholders scheduled to be held on June 28, 2023, at the Board of Directors' Meeting held today, as follows.

Furthermore, since the Share Transfer is a single share transfer by the Company as a listed company, some disclosure items and contents have been omitted.

1. Transition to a Pure Holding Company Structure through a Single Share Transfer

(1) Background and purpose

Since its founding in 1971, the Nisso Group (hereinafter, the "Group") has been aiming to provide high-quality services that enable continuous growth as a company that "*Creates opportunities and hopes for people to work*" as its mission based on its founding philosophy of "*Nurturing and Bringing Out the Best in People*".

With technological innovation and globalization, the needs of clients and workers are diversifying, and the business environment surrounding the Group is changing rapidly, such as the progress of Society 5.0.

Under these circumstances, as the Group aims for further growth, it will strengthen its corporate governance structure and its compliance risk management systems that are specialized in each field by highly specialized operating companies while ensuring appropriate systems for the entire Group, and will expedite decision-making at each operating company in order to respond to the rapidly changing market environment. Therefore, the Group has decided to shift to a pure holding company structure as the optimal system for this purpose.

Through this, the Group will aim for further business expansion and sustainable growth.

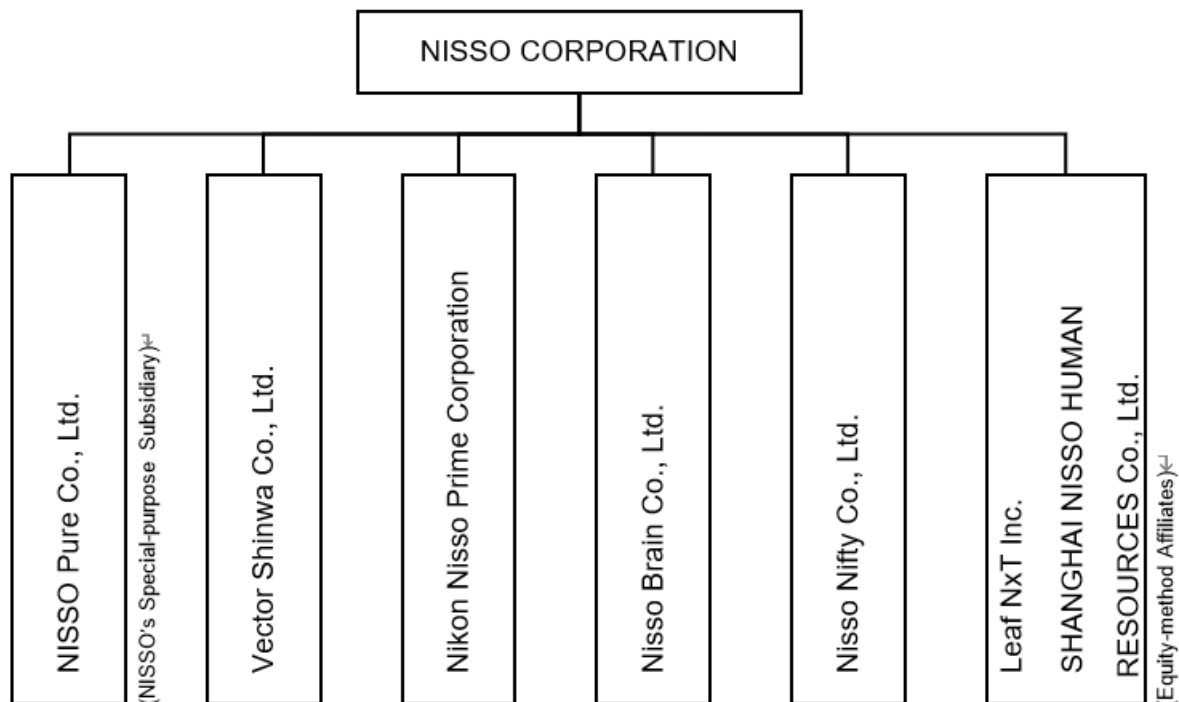
In addition, the Holding Company will be established as a company with an Audit and Supervisory Committee to further strengthen and enhance its corporate governance structure, including strengthening the supervisory function of the Board of Directors and the audit function of the Audit and Supervisory Committee.

Furthermore, the transition to a holding company structure through the Share Transfer is subject to approval at the 43rd Ordinary General Meeting of Shareholders scheduled to be held on June 28, 2023. As a result of the Share Transfer, the Company will become a wholly owned subsidiary of the Holding Company, and therefore, although the Company's shares will be delisted, the Holding Company plans to apply for listing on the Prime Market of the Tokyo Stock Exchange, Inc. (hereinafter, the "Tokyo Stock Exchange").

The listing date is scheduled for October 2, 2023, which is the date of registration of the establishment of the Holding Company (effective date of the share transfer), subject to examination by the Prime Market of the Tokyo Stock Exchange.

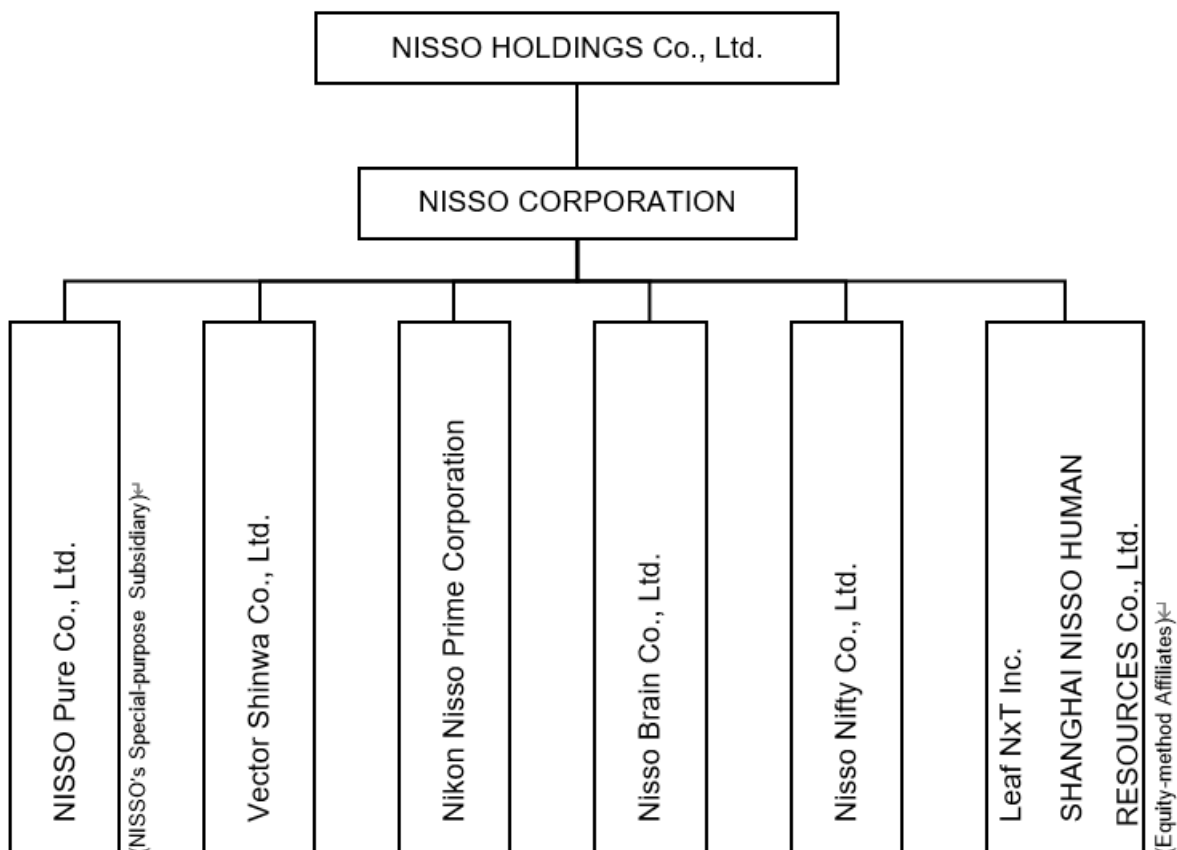
- (2) Procedures for transitioning to a pure holding company structure
The Company plans to implement the transition to a pure holding company in the following manner:

【As of today】



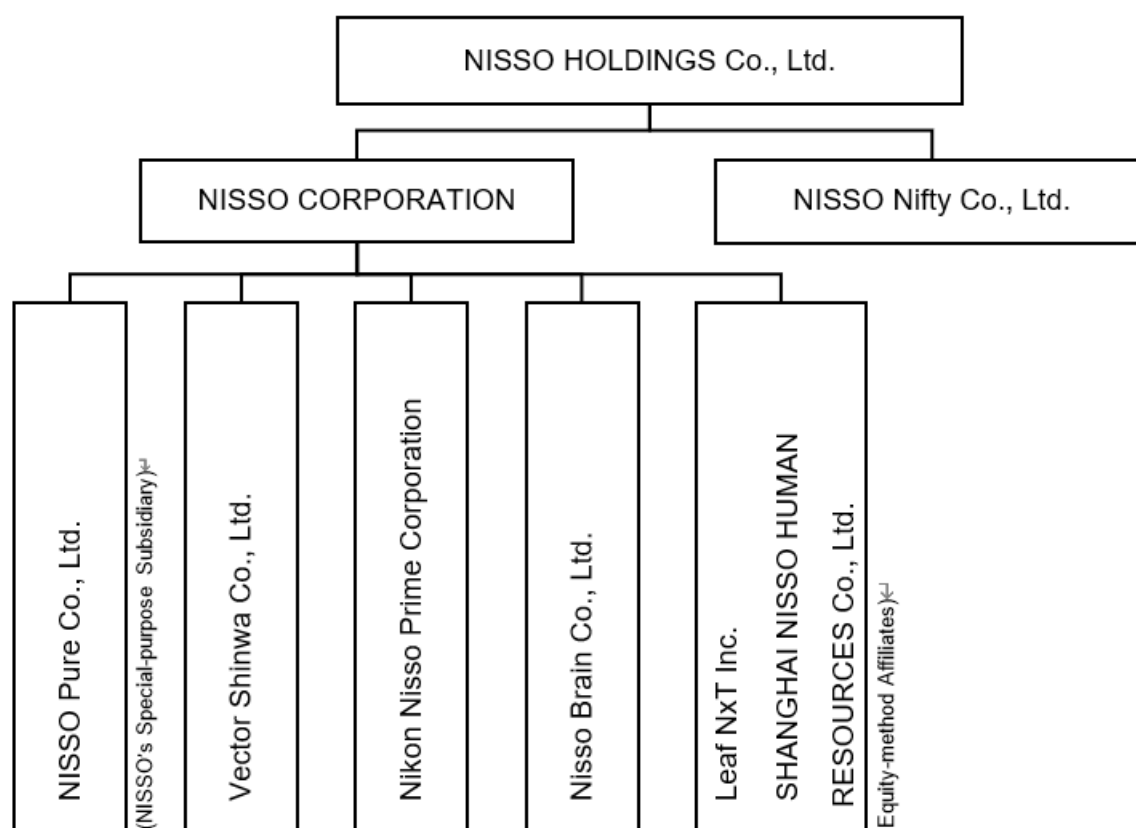
【Step 1】 Establishment of pure holding company through the share transfer
(Implementation of the Share Transfer)

By establishing the Holding Company through the Share Transfer on the date of October 2, 2023, the Company will become a wholly owned subsidiary of the Holding Company.



【Step 2】 Structure after establishment of the Holding Company

Nisso Nifty Co., Ltd., a subsidiary of the Company, is scheduled to become a subsidiary of the Holding Company. In addition, the specific contents, method, and timing will be announced as soon as they are determined.



2. Summary of the Share Transfer

(1) Schedule

Record date for Ordinary General Meeting of Shareholders	March 31, 2023
Board of Directors' Meeting for approval of share transfer plan	May 18, 2023
Ordinary General Meeting of Shareholders for approval of share transfer plan	June 28, 2023 (Scheduled)
Date of delisting of the Company's shares	September 28, 2023 (Scheduled)
Date of registration of establishment of Holding Company (effective date)	October 2, 2023 (Scheduled)
Date of listing of shares of Holding Company	October 2, 2023 (Scheduled)

However, the schedule may be changed due to the necessity of the progress of the procedures for the Share Transfer or other reasons.

(2) Method of share transfer

This is a single share transfer in which the Company is a wholly owned subsidiary and the Holding Company is the wholly owning parent company established by the share transfer.

(3) Details of allotment related to the share transfer (Share transfer ratio)

Company name	NISSO HOLDINGS Co., Ltd. (Wholly owning parent company established through share transfer · Holding Company)	NISSO CORPORATION (Wholly owned subsidiary through share transfer · the Company)
Share transfer ratio	1	1

① Share transfer ratio

Shareholders of the Company who are listed or recorded in the Company's register of shareholders immediately prior to the time when the Share Transfer becomes effective will be allotted 1 share of common stock of the holding company to be established for each share of common stock of the Company held by such shareholders.

② Number of shares per share unit

The Holding Company will adopt a share unit system in which the number of shares per share unit will be 100.

③ Basis for calculation of share transfer ratio

The Share Transfer will establish 1 wholly owning parent company through a single share transfer of the Company, and since there will be no change in the shareholder composition of the Company and the shareholder composition of the Holding Company at the time of the Share Transfer, 1 share of common stock of the Holding Company will be allotted for 1 share of common stock of the Company held by the shareholders of the Company, with the primary purpose of not causing disadvantage to the shareholders of the company.

④ Results, method and basis of calculation by a third-party organization

For the reason described in ③ above, the share transfer ratio will not be calculated by a third-party organization.

⑤ Number of new shares to be delivered through the Share Transfer (Scheduled)

Common stock 34,024,720 shares (Scheduled)

The number of new shares above is based on the total number of shares outstanding of the Company, which is 34,353,200 shares (as of the end of March 2023). In the event that the total number of shares outstanding of the Company changes prior to the Share Transfer taking effect, the number of new shares above to be delivered by the Holding Company will change. Furthermore, as a result of the Share Transfer, the number of treasury shares of the Company as of March 31, 2023 (328,480 shares) is excluded from the scope of new share delivery in the calculation above because the Holding Company plans to cancel the shares held by the Company to the extent that they can be cancelled in practice by the time immediately prior to the time when the Holding Company acquires all of the shares outstanding of the Company.

(4) Handling of share acquisition rights and bonds with share acquisition rights in connection with the Share Transfer

The Company has not issued share acquisition rights or bonds with share acquisition rights.

(5) Matters related to the application for listing of the Holding Company

The Company plans to apply for listing of shares of the newly established Holding Company on the Prime Market of the Tokyo Stock Exchange, and the listing date of the Holding Company is scheduled for October 2, 2023. In addition, since the Company will become a wholly owned subsidiary of the Holding Company through the Share Transfer, it is scheduled to be delisted on September 28, 2023, prior to the listing of the Holding Company.

Furthermore, the delisting date is subject to change as it is determined in accordance with the rules of the Tokyo Stock Exchange.

3. Overview of the Company Involved in the Share Transfer
(Wholly owned subsidiary through share transfer • the Company)

(1) Company name	NISSO CORPORATION
(2) Location	1-4-1 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
(3) Representative	Representative Director, President & CEO Ryuichi Shimizu
(4) Business description	Manufacturing-related Human Resources Services Business
(5) Capital	2,016 Million JPY (As of March 31, 2023)
(6) Date of establishment	February 3, 1971
(7) Total number of shares outstanding	34,353,200 shares (As of March 31, 2023)
(8) Fiscal year-end	March 31
(9) Major shareholders and shareholding ratio	NS Holdings Co., Ltd. 40.90%
	The Master Trust Bank of Japan, Ltd. (Trust Account) 7.94%
	Custody Bank of Japan, Ltd. (Trust Account) 7.33%
	Tadao Shimizu 3.01%
	Chikako Shimizu 2.86%
	NOMURA PB NOMINEES LIMITED OMNIBUS—
	MARGIN(CASHPB) 1.49%
	Shoichi Iwashige 1.27%
	NISSO CORPORATION Employee Shareholding Association 1.27%
	STATE STREET BANK AND TRUST COMPANY 505103 0.90%
	MSIP CLIENT SECURITIES 0.78%

(10) Consolidated operating results and consolidated financial position for the last three years (Unit: Million yen)			
Fiscal year-end	FY 3/2021	FY 3/2022	FY 3/2023
Net assets	12,763	13,559	14,807
Total assets	21,631	27,462	30,092
Net assets per share (Yen)	357.90	399.01	435.20
Net sales	68,213	77,549	90,827
Operating profit	2,599	2,087	2,268
Ordinary profit	2,949	2,369	2,349
Profit attributable to owners of parent	1,592	1,696	1,622
Net income per share (Yen)	47.08	49.94	47.71
Dividend per share (Yen)	20.10	18.00	16.00

(Note) 1. The total number of shares outstanding includes 328,480 treasury shares.
2. The shareholding ratio is calculated after deducting treasury shares (328,480 shares).

4. Overview of the Company to be Newly Established through the Share Transfer
(Wholly owning parent company established through share transfer • Holding Company) (Scheduled)

(1) Company name	NISSO HOLDINGS Co., Ltd.
(2) Location	1-4-1 Shin Yokohama, Kohoku-ku, Yokohama, Kanagawa
(3) Representative	Representative Director, President & CEO Ryuichi Shimizu
(4) Business description	Business management of group companies and related operations
(5) Capital	2,016 Million JPY
(6) Date of establishment	October 2, 2023
(7) Fiscal year-end	March 31
(8) Net assets	*TBD
(9) Total assets	*TBD

*TBD=To be determined

5. Overview of Accounting Treatment

Since it falls under the category of "transactions under common control" in corporate accounting, there is no impact on profit and loss.

Furthermore, no goodwill is expected to arise from the Share Transfer.

6. Future Prospects

Following the Share Transfer, the Company will become a wholly owned subsidiary of the Holding Company. As a result, the Company's business results will be reflected in the consolidated financial results of the Holding Company, which is the wholly owning parent company.

Furthermore, the impact of the Share Transfer on business performance will be minor.