



October 18, 2023

Tsubaki Nakashima Co., Ltd.
Koji Hirota
Director and Representative Executive Officer CEO
(Code:6464, Prime, Tokyo Stock Exchange)
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Notice of Business Alliance

Tsubaki Nakashima Co., Ltd. (the “Company”) hereby announces that our Board of Directors, at a meeting held on October 18, 2023, resolved to execute a business alliance agreement with Advantage Advisors Co., Ltd. (“Advantage Advisors”).

1. Purpose of Business Alliance

The Company’s group (the “Group”) consists of the Company and 22 domestic and overseas consolidated subsidiaries that manufacture and sell precision balls, precision rollers, ball screws, blowers, and other precision components. As a manufacturing company, the Group places “safety, quality, and environment” at the top of its management priorities and seeks to carry out its business activities in harmony with society, local communities, and nature. The Group is accelerating the globalization of medical products and other products that meet the needs for high-quality healthcare in response to the COVID-19 and the aging of the population toward the realization of a decarbonized society in the future. The Group is working daily to steadily implement its management strategy, achieve further profitable growth, and become a shining company that continues to create corporate value. In addition, the Group has formulated a Mid-Term Strategy "Transform Next 2023," which ends in the fiscal year ending December 31, 2023, and aims to become a "Best in Class" manufacturing company that engages in "base technology innovation," "Monozukuri innovation," "generating cash to execute strategic investments," and other initiatives.

Under these circumstances, the Group's current management policies include: (A) strengthening sales by reviewing unprofitable products and other measures and restoring earning power by rebuilding the U.S. and linear businesses, and (B) improving development speed, streamlining and strengthening development resources, investing in human resources, and strengthening DX initiatives in order to become a "Best in Class" manufacturing company. The Group believes that the realization of these goals will lead to an increase in the corporate value of the Group.

Under these circumstances, as released today in the "Notice of Offering of 17th Share Acquisition Rights and 1st Series Unsecured Convertible Bonds with Share Acquisition Rights to be Issued Through Third-Party Allotment", the Company has selected Advantage Advisors, which has a track record of providing strategic advice to several listed companies, as a business partner with which we believe we can receive advanced management support regarding our initiatives such as recruiting, strengthening business management systems, promoting M&A, in addition to fundraising, and thus enhance our corporate value. The Company plans to issue 17th Share Acquisition Rights and 1st Series Unsecured Convertible Bonds with Share Acquisition Rights to the funds serviced by Advantage Advisors, and has decided to enter into a business alliance agreement with Advantage Advisors as of today. By utilizing the know-how received from Advantage Advisors, the Company will actively promote the consideration and steady implementation of various measures to improve its business performance.

2. Description of Business Alliance

In this business alliance, the Company will receive support from Advantage Advisors, including each of the following. As announced today in the "Notice of Offering of 17th Share Acquisition Rights and 1st Series

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Unsecured Convertible Bonds with Share Acquisition Rights to be Issued Through Third-Party Allotment", the Company will allot 17th Share Acquisition Rights and 1st Series Unsecured Convertible Bonds with Share Acquisition Rights to the fund serviced by Advantage Advisors.

- (1) Recruiting
- (2) Strengthening business management systems
- (3) Promotion M&A (including capital tie-ups)
- (4) Other services as separately agreed upon by the Company and Advantage Advisors

3. Outline of Advantage Advisors

5. Outline of Advantage Advisors

(1)	Trade name	Advantage Advisors Co., Ltd.	
(2)	Location	Toranomom Towers Office 4-1-28 Toranomom, Minato-ku, Tokyo	
(3)	Title and name of representative	Taisuke Sasanuma, Representative Director	
(4)	Description of business	Management consulting business	
(5)	Stated capital	500 thousand yen	
(6)	Date of establishment	January 5, 2018	
(7)	Major Shareholders and Ownership Ratio	Advantage Partners Pte. Ltd. 100%	
(8)	Relationship with the Company	Capital relationship	Not applicable.
		Business relationship	Not applicable.
		Personal relationship	Not applicable.
		Status as a related party	Not applicable.
(9)	Consolidated operating results and consolidated financial conditions for the last three years		
At the request of Advantage Advisors, consolidated operating results and consolidated financial conditions for the last three years will not be disclosed.			

4. Schedule

(1) Resolution of Board of Directors for the execution of the Business Alliance Agreement	October 18, 2023
(2) Execution date of the Business Alliance Agreement	October 18, 2023
(3) Commencement date of business alliance	November 9, 2023 (scheduled)

5. Future Outlook

The Company believes that the impact of the business alliance on its business performance for the fiscal year ending December 31, 2023 will be negligible, but the Company will promptly announce any matters which require announcement based on the facts.