

November 27, 2023

Company name	Open Up Group Inc.
Name of Representative	Yutaka Nishida Chairman and Representative Director, CEO (Code: 2154 Prime Market of TSE)
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Announcement Regarding Personnel Changes in Consolidated Subsidiaries (Stock Transfer) and Acquisition of Shares (Subsidiarization)

Our company, at the Board of Directors meeting held on November 27, 2023, has resolved to transfer all shares of our consolidated subsidiary, BeNEXT Partners Inc. (hereinafter 'BeNEXT Partners'), to UT Group Co., Ltd. (hereinafter 'UT Group'), and to acquire all shares of UT Construction Co., Ltd. (hereinafter 'UT Construction') and UT Technology Co., Ltd. (hereinafter 'UT Technology') from UT Group, thereby making them our subsidiaries. We hereby make this announcement.

I. Reason for the Transfer and Acquisition of Shares

Under the purpose of 'realizing a society that opens up the potential of each individual through fulfilling work,' our company has achieved high growth in the technical staffing industry through our unique business model of training inexperienced individuals into skilled engineers.

Our company has three business segments: technical staffing, manufacturing staffing, and overseas operations. While we have focused on technical staffing so far, to further optimize our business portfolio, we have been engaging in strategic discussions with UT Group, a leading company that has long been at the forefront of the manufacturing staffing industry. Believing that concentrating on each other's areas of expertise will lead to further efficiency and growth in our businesses, we have agreed to acquire UT Group's technical staffing business and transfer our manufacturing staffing business to UT Group.

UT Group operates under the purpose of 'providing equal opportunities for skill development and career formation to all those who are willing to work, aiming for a society where everyone is treated fairly.' Both companies are focused on enhancing the value of 'working people' and are committed to employee development. The business transfer between our companies, which share common values, is expected to progress in a favorable direction.

II. About the Share Transfer

Overview of the Subsidiary Undergoing Transfer (BeNEXT Partners)

(1)	Name	BeNEXT Partners Inc.
(2)	Location	2-14-1 Higashishinbashi, Minato-ku, Tokyo
(3)	Position and Name of Representative	Representative director and President, Seiki Haruta
(4)	Business Content	Outsourcing services and worker dispatch services related to manufacturing operations
(5)	Capital	235 million yen
(6)	Date of Establishment	January 15, 2009
(7)	Major Shareholder and Shareholding Ratio	Open Up Group Inc. 100.0%

(8)	Relationship between the Listed Company and the Subsidiary	Capital Relationship	Our company holds 100% of the issued shares of the subsidiary.	
		Personal Relationship	Officers of our company also serve as officers of the subsidiary.	
		Trading Relationship	There are financial transactions related to borrowing and office leasing contracts between our company and the subsidiary.	
(9) Business Performance and Financial Position of the Subsidiary for the Last Three Years				
	Fiscal Year	FY2021, ended in June	FY2022, ended in June	FY2023, ended in June
	Net Assets	803million yen	1,136million yen	1,399million yen
	Total Assets	1,968million yen	2,370million yen	2,756million yen
	Net Assets per Share	87,316 yen	123,513 yen	152,157.2 yen
	Sales Revenue	8,662million yen	9,682million yen	10,997million yen
	Operating Profit	550million yen	547million yen	588million yen
	Ordinary Profit	470million yen	454million yen	388million yen
	Net Income	320million yen	333million yen	263million yen
	Net Income per Share	34,868 yen	36,237 yen	28,610 yen
	Dividend per Share	141,305 yen	0 yen	0 yen

2. Overview of the Counterparty in the Share Transfer

(1)	Name	UT Group Co., Ltd.	
(2)	Location	1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo	
(3)	Position and Name of Representative	Representative director, President and CEO Yoichi Wakayama	
(4)	Business Content	Indefinite employment staffing in manufacturing, design, development, and construction fields	
(5)	Capital	680 million yen (as of the end of July 2023)	
(6)	Date of Establishment	April 2, 2007	
(7)	Net Assets	29,928 million yen (as of the end of March 2023)	
(8)	Total Assets	71,630 million yen (as of the end of March 2023)	
(9)	Major Shareholder and Shareholding Ratio	Yoichi Wakayama 22.38% Japan Master Trust Bank (Trust Account) 10.75% The Bank of Japan Custody Bank (Trust Account) 10.63%	
(10)	Relationship with Listed Companies	Capital Relationship	Not applicable
		Personnel Relationship	Not applicable
		Trading Relationship	Not applicable
		Related Party Status	Not applicable

3. Number of Transferred Shares, Transfer Price, and Status of Owned Shares Before and After the Change

(1)	Number of Owned Shares Before the Change	9,200 shares (Voting Rights Ownership Ratio: 100.0%)
(2)	Number of Transferred Shares	9,200 shares
(3)	Transfer Price	3,185 million yen (Estimated amount)
(4)	Number of Owned Shares After the Change	0 shares (Voting Rights Ownership Ratio: 0.0%)

4. Schedule

(1)	Date of contract determination	November 27, 2023
(2)	Date of Contract Conclusion	November 27, 2023
(3)	Date of Stock Transfer Execution	April 1, 2024 (planned)

III. About the Acquisition of Shares

1. Overview of the Subsidiary to be Acquired

① UT Construction

(1)	Name	UT Construction Co., Ltd.		
(2)	Location	2-14-1 Higashi-Shinbashi, Minato-ku, Tokyo		
(3)	Position and Name of Representative	President and Representative Director: Hiroshi Hokari		
(4)	Business	Dispatching of construction technicians, paid professional placement services		
(5)	Capital	40 million yen		
(6)	Date of Establishment	April 17, 2012		
(7)	Major Shareholder and Shareholding Ratio	UT Group Co., Ltd. 100%		
(8)	Relationship with Listed Companies	Capital Relationship	Not applicable	
		Personnel Relationship	Not applicable	
		Trading Relationship	Not applicable	
(9)	Business Performance and Financial Position of the Company for the Last Three Years			
	Fiscal Year	FY2021, ended in March	FY2022, ended in March	FY2023, ended in March
	Net Assets	401million yen	314 million yen	490 million yen
	Total Assets	1,247 million yen	1,097 million yen	1,306 million yen
	Net Assets per Share	501,737yen	392,688yen	612,690yen
	Sales Revenue	4,583 million yen	4,922 million yen	5,263 million yen
	Operating Profit	440 million yen	301 million yen	536 million yen
	Ordinary Profit	442 million yen	304 million yen	535 million yen
	Net Income	290 million yen	202 million yen	350 million yen
	Net Income per Share	363,548yen	253,451yen	437,502yen

② UT Construction

(1)	Name	UT Technology Co., Ltd.	
(2)	Location	1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo	
(3)	Position and Name of Representative	President and Representative Director: Reiko Fumura	
(4)	Business	On-site contracting services and outsourced development in technology development, etc.	
(5)	Capital	45 million yen	
(6)	Date of Establishment	September 30, 2005	
(7)	Major Shareholder and Shareholding Ratio	UT Group Co., Ltd. 100%	
(8)	Relationship with Listed Companies	Capital Relationship	Not applicable
		Personnel Relationship	Not applicable

	Trading Relationship	Not applicable	
(9) Business Performance and Financial Position of the Company for the Last Three Years			
Fiscal Year	FY2021, ended in March	FY2022, ended in March	FY2023, ended in March
Net Assets	469 million yen	448 million yen	564 million yen
Total Assets	1,916 million yen	981 million yen	1,277 million yen
Net Assets per Share	551,749yen	526,517yen	663,534yen
Sales Revenue	3,873 million yen	3,010 million yen	3,772 million yen
Operating Profit	366 million yen	223 million yen	392 million yen
Ordinary Profit	365 million yen	229 million yen	391 million yen
Net Income	208 million yen	148 million yen	259 million yen
Net Income per Share	244,815yen	174,533yen	305,054yen

2. Overview of the Party from Whom Shares are Acquired

(1)	Name	UT Group Co., Ltd.	
(2)	Location	1-11-15 Higashi-Gotanda, Shinagawa-ku, Tokyo	
(3)	Position and Name of Representative	Representative director, President and CEO Yoichi Wakayama	
(4)	Business Content	Indefinite employment staffing in manufacturing, design, development, and construction fields	
(5)	Capital	680 million yen (as of the end of July 2023)	
(6)	Date of Establishment	April 2, 2007	
(7)	Net Assets	29,928 million yen (as of the end of March 2023)	
(8)	Total Assets	71,630 million yen (as of the end of March 2023)	
(9)	Major Shareholder and Shareholding Ratio	Yoichi Wakayama 22.38% Japan Master Trust Bank (Trust Account) 10.75% The Bank of Japan Custody Bank (Trust Account) 10.63%	
(10)	Relationship with Listed Companies	Capital Relationship	Not applicable
		Personnel Relationship	Not applicable
		Trading Relationship	Not applicable
		Related Party Status	Not applicable

3. Number of Shares Acquired, Acquisition Cost, and Ownership Status of Shares Before and After Acquisition

(1)	Number of shares owned before the change	UT Technology: 0 shares (Number of voting rights: 0) (Voting rights ownership percentage: 0.0%) UT Construction: 0 shares (Number of voting rights: 0) (Voting rights ownership percentage: 0.0%)
(2)	Number of shares acquired	UT Technology: 851 shares (Voting rights ownership percentage: 100%) UT Construction: 800 shares (Voting rights ownership percentage: 100%)
(3)	Acquisition cost	Total ordinary shares of both companies (approximate amount): 7,372 million yen Advisory fees related to acquisition and transfer (approximate amount): 27 million yen
(4)	Number of shares owned after the change	UT Technology: 851 shares (Voting rights ownership percentage: 100%) UT Construction: 800 shares (Voting rights ownership percentage: 100%)

4. Schedule

(1)	Date of contract decision	November 27, 2023 (Conditional approval at the counterparty's board of directors meeting)
(2)	Contract signing date	November 27, 2023
(3)	Share transfer execution date	April 1, 2024 (planned)

IV. Future Outlook

The impact of this share transfer and acquisition on our consolidated financial forecasts for the fiscal year ending June 2024 is currently under review. Should any matters requiring disclosure arise, we will promptly make an announcement.