

April 20, 2023

Company name: WORLD HOLDINGS CO., LTD.
 Representative: Eikichi Iida, Chairman and President
 Listing: Tokyo Stock Exchange, Prime Market
 Stock code: 2429
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Notice of Acquisition of Nippon Gijutsu Center

The Board of Directors of World Holdings Co., Ltd. today approved a resolution to purchase all of the shares of Nippon Gijutsu Center Co., Ltd. and make it a subsidiary, tentatively on May 22, 2023.

1. Reason for the Acquisition

The core Human Resources and Education Business of World Holdings has developed human resources services in the manufacturing sector that cover a wide range of areas from upstream to downstream and include R&D, technology, manufacturing and after service. The goals are to continue creating the “ways we live” and provide places in a variety of sectors for people to enable them to realize their full potential while supporting Japan’s manufacturing sector.

Nippon Gijutsu Center Co., Ltd., with a history going back 55 years, has a large staff of engineers specializing in advanced machinery design, and is also developing staffing service for major companies in the manufacturing and technology sectors. Nippon Gijutsu Center also provides outsourcing service in technical areas such as machinery, electricity, electronics, and software. The company has a particularly strong presence in the Kansai region.

The acquisition will create synergy in various areas. The knowhow and business network of World Holdings will help Nippon Gijutsu Center to expand its business while at the same time strengthen our core Human Resources and Education Business, particularly technical services in the products HR business. We are confident that the acquisition will also strengthen our presence in Western Japan and become a driver of further growth of both companies.

All activities of the World Holdings Group will continue to be guided by the group’s purpose of “contributing to happiness and a sustainable society through the creation of a variety of ways we live worldwide.” We will ensure that people working at Nippon Gijutsu Center will be able to fully demonstrate their skills and experience, play an active role, and contribute to the further development of the manufacturing industry in Japan.

2. Profile of Nippon Gijutsu Center

(1) Name	Nippon Gijutsu Center Co., Ltd.
(2) Location	4-73 Higashinobusue, Himeji, Hyogo
(3) Representative	Tetsuya Hiraoka, President and Representative Director
(4) Business	Technology support business (technology services outsourcing service, staffing for manufacturing and engineering companies)
(5) Capital	50 million yen
(6) Established	May, 1967
(7) Major shareholder and shareholding ratio	Yukon No. 1 Investment Limited Partnership: 85.2% Three other shareholders and the shareholding association: 14.8%
(8) Relationships between World holdings and Nippon Gijutsu Center	There are no capital, personnel or business relationships

(9) Financial highlights for the last three years [Japanese GAAP] (Millions of yen)			
Fiscal years ended	March 2020	March 2021	March 2022
Net assets	858	1,204	1,308
Total assets	1,815	2,771	2,514
Net assets per share (Yen)	17,622.63	50,199.29	54,517.87
Net sales	6,414	6,310	6,772
Operating profit	59	212	163
Ordinary profit	53	224	168
Profit	35	152	103
Net income per share (Yen)	32.42	6,362.51	4,318.58
Dividends per share (Yen)	0	0	0

Note: Results of operations for the fiscal year ended March 2020 is pre-merger non-consolidated basis (merged with the parent company in July 2020)

3. Profile of Yukon No. 1 Investment Limited Partnership

(1) Name	Yukon No. 1 Investment Limited Partnership
(2) Location	Atlas Bldg., 5 Ichibancho, Chiyoda-ku, Tokyo
(3) Relationships between World holdings and Yukon No. I Investment Limited Partnership	There are no capital, personnel or business relationships

Note: All the shares currently held by the three other shareholders and the shareholding association shall be acquired. (There are no capital, personnel or business relationships between World Holdings and the parties.)

4. Number of Shares to be Acquired and Status of Ownership Before and After Acquisition

(1) Number of shares held before acquisition	0 (Number of voting rights: 0; Percentage of voting rights: 0%)
(2) Number of shares to be acquired	24,200
(3) Acquisition cost	The acquisition price exceeds the timely disclosure standard of 15% of the Company's net assets at the end of the previous fiscal year. However, the Company will refrain from disclosing the acquisition price in accordance with the confidentiality agreement between companies. The acquisition price was determined based on the results of due diligence by third-party experts and at an amount that we deem fair and reasonable by comprehensively taking into account the results of stock valuation based on the DCF and the EV/EBITDA Multiple methods.
(4) Number of shares to be held after acquisition	24,200 (Number of voting rights: 24,200; Percentage of voting rights: 100%)

5. Schedule

(1) Resolution of the Board of Directors	April 20, 2023
(2) Contract signing	April 20, 2023
(3) Stock acquisition date	May 22, 2023 (tentative)

6. Outlook

World Holdings plans to classify Nippon Gijutsu Center as a consolidated subsidiary following the purchase of this stock. The impact of the acquisition on World Holdings 's business performance is currently being assessed. An announcement will be made promptly if subsequent events require disclosure.

7. For More Information

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