

February 20, 2025

To Whom It May Concern

Company Name: NAGASE & CO., LTD.
 Representative: Hiroyuki Ueshima
 Representative Director,
 President and CEO
 Stock Exchange Listings:
 Tokyo (Prime Market) Code 8012
 Contact: Kazuhiro Hanba,
 Executive Officer, General Manager,
 Corporate Management Dept.
 Tel: +81-3-3665-3028

Notice Regarding Establishment of a Subsidiary and Investment Limited Partnership **(Change in Subsidiary)**

At a meeting held today, the NAGASE & CO., LTD. (the "Company") Board of Directors resolved to establish a Company subsidiary and an investment limited partnership ("Fund") with said subsidiary serving as general partner. Further, the Board resolved that the Company and newly created subsidiary will make an investment in the Fund. The Company intends to designate the Fund as a specified subsidiary, since the total investment in the Fund is expected to be equivalent to 10% or greater of the Company's capital.

1. Purpose of Establishment

The Company launched a CVC initiative in fiscal 2023 to create businesses from a different perspective than existing businesses. We have a proven record of startup investment focusing primarily on building a foundation for next-generation business development through the acquisition of advanced technologies, business model information, and knowledge. To facilitate more agile decision-making and the acquisition of optimal human resources, we established a wholly owned subsidiary to specialize in investment projects under a unique organizational system. Further, we established an investment limited partnership (LPS Fund) with the Company serving as limited partner and aforementioned subsidiary serving as general partner. This new organization will accelerate efficient investment activity, support startup companies, and foster a greater culture of new business creation within the NAGASE Group.

2. Overview of the Subsidiary

(1) Name	Nagase Future Investments Co., Ltd. (tentative)	
(2) Location	2-6-4, Otemachi, Chiyoda-Ku, Tokyo	
(3) Representative name and title	Kiyomi Yoshida, president and representative director (tentative)	
(4) Business lines	Fund operations and management	
(5) Capital	50 million yen	
(6) Date of establishment	April 1, 2025(tentative)	
(7) Shareholders	NAGASE & CO., LTD. 100%	
(8) Fiscal year end	March 31	
(9) Relationship with the Company	Equity relationship	The subsidiary will be a wholly owned subsidiary of the Company.
	Personal relationships	An employee of the Company will also serve as president and representative director of the subsidiary.
	Business relationships	Outsourcing of management

3. Overview of the Fund

(1) Name	Nagase Future Fund 1 Investment Limited Partnership	
(2) Location	2-6-4, Otemachi, Chiyoda-Ku, Tokyo	
(3) Basis of establishment, etc.	Investment limited partnership under the Limited Partnership Act for Investment	
(4) Purpose of organization	To invest in small- and medium-sized enterprises under the <i>Act on the Organization for Small & Medium Enterprises and Regional Innovation, Japan, Independent Administrative Agency</i> , as well as other small- and medium-sized enterprises, that are in the early stages of growth, as well as to recover invested capital through hands-on support of new business development for investee companies.	
(5) Date of organization	May 1, 2025(tentative)	
(6) Total organization funds	3.2 billion yen	
(7) Investors and ownership ratios	Nagase Future Investments Co., Ltd.	0.3%
	NAGASE & CO., LTD.	99.7%
(8) General partner	Name	Nagase Future Investments Co., Ltd.
	Location	2-6-4, Otemachi, Chiyoda-Ku, Tokyo
	Representative name and title	Kiyomi Yoshida, president and representative director (tentative)
	Business lines	Fund operations and management
	Investment	10 million yen
(9) Relationship between the Company and the Fund	Equity relationship	The Company intends to make an investment in the Fund.
	Personal relationships	The Company will serve as a limited partner in the Fund.
	Business relationships	Not applicable.

4. Schedule

Board of Director Resolution	February 20, 2025
Date of Fund Organization	May 1, 2025 (tentative)

5. Future Outlook

The Company expects the impact of this matter to be immaterial with respect to the consolidated financial results for the fiscal year ending March 31, 2025. We will disclose any future matters requiring public announced in a timely and appropriate manner.

End