August 7, 2020

Company Name: N I S S O C O R P O R A T I O N
Representative: Ryuichi Shimizu,
Chairman, President,
CEO & Representative Director
(Securities Code: 6569, TSE First Section)
Contact Person: Kenichi Nomura, Senior Executive Officer,
Corporate Planning Department Director
(TEL. +81-45-514-4323)

Notice of Conclusion of Basic Agreement for Capital and Business Alliance with Cross Compass Ltd.

NISSO CORPORATION (hereinafter, the "Company") hereby announces that it has resolved to conclude a basic agreement for a capital and business alliance (hereinafter, the "Capital/Business Alliance") with Cross Compass Ltd. (hereinafter, "Cross Compass"), and to begin cooperative discussions, at the Board of Directors' Meeting held on August 7, 2020, as follows.

1. Purpose and Reason for Capital and Business Alliance

Based on its founding philosophy of "*Nurturing and Bringing Out the Best in People*", the Company will create an environment where workers can gain a sense of fulfillment and flourish, as well as upholding its vision of "*To Be the Finest Professional Organization Supporting Made-in-Japan*". In addition, the Company has aimed to provide high-quality services that enables it to continuously grow as a company.

On the other hand, with the vision of "*AI Closer to You*", Cross Compass has gathered talented AI-related engineers from all over the world and is engaged in the development and technical consulting of AI mainly aimed at solving problems for clients in the manufacturing sector.

While it is required to respond to changes in the environment, such as the normalization of new behavioral patterns due to the progress of digital technology and the spread of the new coronavirus infections, by leveraging the strengths and expertise of both companies, the Company and Cross Compass have determined that creating high value-added services for the manufacturing industry referred to as "*Worksite Solutions by Humans and AI*", with the aim of improving the productivity and quality of manufacturing sites through digitalization, will contribute to the enhancement of corporate value for both companies.

Furthermore, the Company has decided to conclude a basic agreement for the Capital/Business Alliance, and has considered capital participation in order to build a medium- to long-term relationship with Cross Compass to achieve synergy.

2. Overview of Cross Compass Ltd.

(1) Company name	Cross Compass Ltd.	
(2) Location	2-9-11-9F Shinkawa, Chuo-ku, Tokyo	
(3) Representative	CEO Katsunobu Suzuki	
(4) Business description	Digital technology consulting for manufacturing industry centered on artificial intelligence Development and provision of products	
(5) Capital	134 Million JPY	
(6) Date of establishment	April 10, 2015 (Founded: October 17, 2011)	
(7) Relationship between listed company and company concerned	Capital ties	Not applicable.
	Personal relations	Not applicable.
	Business relations	Not applicable.
	Applicable status to related parties	Not applicable.

(Note) The "major shareholders and shareholding ratio", as well as the "results of operations and financial position for the previous 3 years" for the company concerned, is not being disclosed at the discretion of the company concerned.

3. Content of Business Alliance

The two companies will consider and implement the business alliance mainly related to the following matters. The specific contents, conditions, timing of the implementation, etc., will be discussed between the parties in the future.

- Sales expansion/promotion of services utilizing both client bases and sales networks
- Joint development of platforms for the manufacturing industry
- Human resources exchanges for the purpose of training/development
- Other contents discussed by both parties that will contribute to the enhancement of corporate value

4. Content of Capital Alliance

As part of the Capital/Business Alliance, Cross Compass will implement a third-party allotment of shares, and the Company will underwrite a portion thereof to the extent that it is not considered an equity method affiliate. Details such as the contents of shares and the amount of the underwriting will be discussed by the two companies hereafter, and will be disclosed as soon as soon as they are decided.

(1) No. of shares held before change	0 shares (No. of voting rights: 0) (Percentage of voting rights held: 0.0%)
(2) No. of shares to be acquired	TBD*
(3) Acquisition value	TBD*
(4) No. of shares to be held after change	TBD*

5. Schedule

(1) Date of resolution of Board of Directors	August 7, 2020
(2) Date of conclusion of basic agreement	August 7, 2020
(3) Date of conclusion of contract	September 17, 2020 (Scheduled)
(4) Date of transfer of shares	TBD*

*TBD = To be determined

6. Impact on Future Business Performance

The impact on future business performance will be announced as deemed necessary based on the progress of this alliance.