February 10, 2022

For Immediate Release

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Notice Regarding Acquisition of Shares of Grow Up Co., Ltd. and Capital and Business Alliance Agreement

Plus Alpha Consulting Co., Ltd. ("the Company") hereby announces that at a meeting held on February 10, 2022, the Board of Directors passed a resolution to conclude a capital and business alliance agreement with Grow Up Co., Ltd. ("GU") and acquire part of the shares issued by GU.

1. Reasons for Acquisition of Shares

GU (head office: Shinjuku-ku, Tokyo; Representative Director: Yoshihiro Nakama) operates the "Kimisuka" direct recruiting service for new graduates. Kimisuka is a platform for connecting companies with students, providing a service that enables students to register their profiles in a database for free, and user companies to view registered student profiles and directly approach candidates that match their recruiting needs. The service allows user companies to approach students other than "entry-type" applicants, namely those who apply to companies via job navigation sites and the like. It also enables "reverse recruitment" for students who seek companies that will recognize their own strengths, skills, values, experiences and other elements. Kimisuka is expanding both the number of registered students and the number of user companies.

The Talent Palette business, which is the Company's core service, provides a platform for consolidating, analyzing and visualizing human resource information present throughout a company, including employee skills, aptitude test results, work experience, personnel evaluations, employee surveys and hiring information. The service is based on the concept of "scientific human resources" realizing personnel strategy from an analytical viewpoint by visualizing human resource information as data. The number of companies using the service is rapidly increasing with the objective of improving the quality of personnel

utilization processes (hiring, training, assignment, evaluation) and increasing efficiency.

Through this capital and business alliance, we aim to improve the added value of each other's services by creating a new axis of services in the area of personnel recruitment through the linkage of Talent Palette and Kimisuka. We also further improve growth capacity by promoting partnerships in sales activities and other initiatives.

2. Details of the Capital and Business Alliance

(1) Details of the Capital Alliance

The Company has agreed with GU's existing shareholders to receive the transfer of part (17,483 shares) of their GU shareholdings. The acquisition is scheduled to be executed on April 1, 2022, and the Company will hold 35.0% of the total number of shares issued by GU as of the time of the conclusion of the capital and business alliance agreement.

The entire amount of the funding for the share acquisition will be allocated from the Company's own funds.

(2) Details of the Business Alliance

The Company and GU have entered into a business alliance as follows for the creation of synergies through the utilization of infrastructures such as each other's customers, services, technologies and others by seeking to link Talent Palette and Kimisuka.

(i) Provision of added value through enhancement of recruitment matching

The Company and GU optimize the hiring management and employee analysis functions of Talent Palette to provide new added value. This includes sharing advanced analytical functions enabling detailed analysis of hiring candidates with Kimisuka user companies and providing Talent Palette user companies with the ability to recommend candidates that match recruitment specifications.

(ii) Promotion of expansion of sales through cross-selling

The Company and GU conduct sales activities targeting the personnel divisions of companies and will promote the expansion of sales through cross-selling of each other's products utilizing their respective customer bases.

(iii) Sharing of functional development and recruitment business knowhow

In addition to seeking to share knowhow on the promotion of functional development processes and recruitment business promotion spanning from understanding customer needs to service implementation, it is assumed that the companies will partner in a wat that enables a high level of business cooperation in each other's services in the medium term.

(iv) Dispatch of officers and others

The Company is entitled to nominate one candidate for outside director of GU, and a proposal to elect one candidate nominated by the Company is scheduled to be submitted to an extraordinary general meeting of shareholders of GU to be held on April 1, 2022.

3. Overview of GU

Name	Grow Up Co., Ltd.			
Location	5F Seika Building, 1-18-2 Nishishinjuku, Shinjuku-ku, Tokyo			
Name and position of representative	Yoshihiro Nakama, Representative Director			
Business content	Direct recruiting service for new graduates, other			
Capital	1 million yen			
Established	February 2008			
Major shareholders and shareholding ratios	Naciel Holdings, Inc. 100.0%			
Relationships between the listed company and the target company	Capital relationships	Not applicable.		
	Personal relationships	Not applicable.		
	Business relationships	Not applicable.		
Management performance and financial standing of the target company over the past three years (millions of yen)				
Fiscal period	Period ended July 31, 2019 (6 months)		Period ended July 31, 2020 (12 months)	Period ended July 31, 2021 (12 months)
Net assets	(27)		(26)	(92)
Total assets	356		513	433
Net assets per share	(1,545) yen		(525) yen	(1,846) yen
Net sales	247		525	625
Operating profit	(74)		(192)	(121)
Ordinary profit	(76)		(193)	(117)
Profit	(77)		(106)	(118)
Earnings per share	(4,319) yen		(2,122) yen	(2,371) yen
Dividend per share	0 yen		0 yen	0 yen

*1 Prior to the acquisition of shares by the Company, GU intends to perform a company split and business transfer of business other than Kimisuka, and change its structure to focus on the Kimisuka business.

*2 The target company's management performance and financial standing for the past three years are figures prior to the carve-out.

*3 With regard to the performance after the carve-out, it is expected that net sales will decrease by approximately 20% and profit at each level will increase for the period ending July 31, 2022. Furthermore, net assets and total assets are not expected to change significantly.

4. Overview of the Counterparty in the Acquisition of Shares

Name	Naciel Holdings, Inc.	
Location	4F Seika Building, 1-18-2 Nishishinjuku, Shinjuku-ku, Tokyo	
Name and position of representatives	Shunsuke Goto, Representative Director; Koji Nakamura, Representative Director	
Business content	Management of group companies, other	
Capital	100, 000 yen	
Established	April 2009	
Major shareholders	Shunsuke Goto, Koji Nakamura, other	
Relationships between the listed company and the target company	Capital relationships	Not applicable.
	Personal relationships	Not applicable.
	Business relationships	Not applicable.

5. Number of Shares to be Acquired, Acquisition Price and Status of Shareholdings Before and After Acquisition

Number of shares held before acquisition	0 (Number of voting rights: 0) (Percentage of voting rights: 0%)
Number of shares acquired	17,483 (Number of voting rights: 17,483)
Acquisition price	525 million yen
Number of shares acquired	17,483 (Number of voting rights: 17,483) (Percentage of voting rights: 35%)

6. Schedule

(1) Date of Resolution of the Board of Directors February 10, 2022

(2) Date of Conclusion of Agreement February 10, 2022

(3) Date of Acquisition of Shares April 1, 2022 (scheduled)

7. Future Outlook

The Company has not applied the equity method as a result of this share acquisition because it has not prepared consolidated financial statements. This deal and initiatives through this alliance are expected to contribute to the Company's performance in the medium to long term, and the impact on performance during the current fiscal year is negligible.

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