October 13, 2022

NEWS RELEASE

Company name: SG Holdings Co., Ltd
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(Code number: 9143 TSE Prime Market)
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Notice Regarding Execution of Sale of a Portion of Shares in Hitachi Transport System, Ltd. and Extraordinary Income

SG Holdings Co., Ltd. (the "Company") hereby announces that it sold shares of Hitachi Transport System, Ltd. ("Hitachi Transport System") that the Company owns.

1. Reasons for sale

The Company and Sagawa Express Co., Ltd. have executed the capital and business alliance agreement with Hitachi Transport System since March 30, 2016 and the Company holds common shares of Hitachi Transport System based on this alliance.
The Company reduced its holding levels for Hitachi Transport System shares three times in the past in September 2020, April 2021 and July 2022 regarding the review over the capital alliance with Hitachi Transport System

On the other hand, on April 28, 2022, announcement regarding shares of Hitachi Transport System was released that HTSK Co., Ltd., indirectly owned and operated by Kohlberg Kravis Roberts & Co. L.P., aims to commence the Tender Offer for the common shares of Hitachi Transport System in late September 2022.Thereafter on September 29, 2022, it was announced that the commencement of the Tender Offer was postponed to early November. In the announcement, procedures and actions regarding approvals and authorizations required of the Tender Offer under domestic and overseas competition laws and domestic and overseas laws in connection with inward direct investments are continuously coped with especially in Russia.

Under the circumstance, we assume that fluctuation of Hitachi Transport System share's price due to postponement and other risks regarding the Tender Offer will possibly have certain impacts to the Company in aspects including financial condition and performance. We have sold Hitachi Transport System's shares partially in order to reduce such risks.

2. Details of Transaction

The company sold 1,100,000 shares of the Hitachi Transports System's shares （1.3% of total shares issued, excluding treasury stocks) that the Company owns in off-market trading.

3. Impact on the business performance

Approximately 4 billion yens of gain on sales of investment securities regarding the sale of shares hereby released will be appropriated as Extraordinary Income in third quarter earnings announcement of the year ending March 31, 2023. Although full year forecast for performance of the Company in the year ending March 31, 2023 is currently under investigation including other factors, we will disclose immediately if any revisions are required.

4. Future Alliance

Both companies will continue the alliance and make greater efforts to promote collaboration such as cooperation in the area of sales activities, joint use of infrastructure by sharing locations/vehicles, with the aim of creating synergies in business activities and achieving business

growth for both companies

5. Schedule

(1) Date of Board of Directors' approval	October 11, 2022
(2) Date of sales execution of Hitachi Transport System shares	October 12, 2022