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May 12, 2025

Company: ZIGExN Co., Ltd.
Representative: Joe Hirao, Representative Director, Operating Officer and CEO
(Security code: 3679: Prime Market of the Tokyo Stock Exchange)
Contact: Sachiko Hatano, Director and Operating Officer
(E-mail: ir@zigexn.co.jp)

Notice of Acquisition of “Ultimate Resources Group Co., Ltd.” (making it a wholly owned subsidiary) by a Consolidated Subsidiary of ZIGExN Co., Ltd.

ZIGExN Co., Ltd. (hereinafter referred to as “the Company”) hereby announces that its consolidated subsidiary, Ties Co.,Ltd. (hereinafter referred to as "Ties"), has today resolved to acquire all shares of Ultimate Resources Group Co., Ltd. (Head Office: Dai-ni Oishi Building 4F, 4-1-6 Toranomon, Minato-ku, Tokyo, Representative Director: Alan Yuto Katsura, hereinafter referred to as "URG"), making it a subsidiary.

1. Purpose of the Acquisition

(1) Overview and Business Strategy

URG primarily serves consulting firms and manufacturers, offering Recruitment Process Outsourcing (RPO) and job placement services. Amidst intensifying competition for talent acquisition, URG's strength lies particularly in its hands-on support, from developing clients' recruitment strategies to building their recruitment operations. Furthermore, by integrating job placement services, URG has aimed to provide comprehensive talent acquisition support to its clients.
This acquisition of shares aims to build a strong partnership between Ties Co., Ltd., which focuses on job placement services emphasizing a deep understanding of client needs and a high degree of compatibility between clients and job seekers, and URG, with the goal of realizing comprehensive talent acquisition support for clients. While Ties also currently operates an RPO business, this partnership is expected to generate significant synergies for each company's respective businesses by leveraging URG's RPO expertise and Ties' job placement know-how. Moreover, we believe that building comprehensive talent acquisition support can be expanded to other areas within Vertical HR, contributing to the further growth of our group's Vertical HR business. Following the execution of this partnership, we will flexibly utilize the resources of the ZIGExN Group to promptly enhance URG's personnel and expand its RPO customer base. At the same time, we aim to further expand URG's job placement business by applying the business operation know-how, including the consultant hiring and development processes, cultivated by Ties. Additionally, we will promote the strengthening of Ties' RPO functions to accelerate the company's growth.
Regarding the target company's performance, revenue of 655 million yen and operating profit of 42 million yen are expected for the fiscal year ending April 2025.

(2) Market Environment

According to the "Survey on the Human Resources and General Affairs Related Outsourcing Market (2025)" by Yano Research Institute Ltd., the market size of human resources and general affairs related outsourcing (total of 14 major fields) in the fiscal year ended March 31, 2024 was approximately 11.7 trillion yen on a business revenue basis, up 5.9% year-on-year, and is expected to reach approximately 12.3 trillion yen in the fiscal year ended March 31, 2025, up 5.2% year-on-year. The HR outsourcing market in the fiscal year ended March 31, 2024 was 1.1 trillion yen, up 4.8% year-on-year.

Amidst the anticipated medium- to long-term decline in the working population, we expect companies' difficulties in securing human resources to continue, and accordingly, the trend towards outsourcing recruitment operations is expected to further increase.

2. Method of Acquisition

The entire acquisition amount is planned to be covered by cash on hand. As of the end of March 2025, the ratio of equity attributable to owners of the parent to total assets on a consolidated basis is 53.2%, and the goodwill-to-equity ratio is 0.5 times, which are healthy levels within the financial targets (ratio of equity attributable to owners of the parent to total assets: 40% or more, and goodwill-to-equity ratio: about 1.0 times or less). This transaction will have no impact on our financial condition.

3. Overview of the Subsidiary that Conducts the Acquisition of Shares

(1)	Company name	Ties Co., Ltd.
(2)	Address	23F Harbis ENT Office Tower, 2-2-22 Umeda, Kita-ku, Osaka-shi, Osaka
(3)	Representative	Representative Director Ryosuke Imai
(4)	Business Description	Human fee-charging job placement business, recruitment outsourcing business, and other businesses related to recruitment in general
(5)	Capital Stock	15 millions of yen
(6)	Date of incorporation	July 2005
(7)	Major Shareholders	ZIGExN Co., Ltd. (100.0%)

4. Outline of the Subject Company

(1)	Company name	Ultimate Resources Group Co., Ltd.	
(2)	Address	Dai-ni Oishi Building 4F, 4-1-6 Toranomon, Minato-ku, Tokyo	
(3)	Representative	Representative Director: Alan Yuto Katsura	
(4)	Business Description	Recruitment Business RPO (Recruitment Process Outsourcing) Business	
(5)	Capital Stock	9 million yen	
(6)	Date of incorporation	May 2021	
(7)	Major Shareholders	Alan Yuto Katsura (100%)	
(8)	Relationship with the Company	Capital relationship	None
		Personal relationship	None
		Business relationship	None

(9) Operating results and financial position of the company for the past three years

Fiscal Year End	FY4/2022	FY4/2023	FY4/2024
Net Assets	11 millions of yen	11 millions of yen	(1) million of yen
Total Assets	12 millions of yen	14 millions of yen	142 millions of yen
Net assets per share	11,910.45 yen	12,475.51 yen	(1,601.05) yen
Sales	3 millions of yen	14 millions of yen	642 millions of yen
Operating income	2 millions of yen	1 million of yen	(13) millions of yen
Ordinary income	2 millions of yen	1 million of yen	(13) millions of yen
Net Income	2 millions of yen	1 million of yen	(13) millions of yen
Earnings per share	1,910.45 yen	565.06 yen	(14,076.56) yen
Dividend per share	-	-	-

5. Outline of the counterparty of the acquisition

(1)	Name	Alan Yuto Katsura	
(2)	Address	Shibuya-ku, Tokyo	
(3)	Relationship with the Company	Capital relationship	None
		Personal relationship	None
		Business relationship	None

6. Number of shares to be acquired, acquisition price, and status of shares held before and after the acquisition.

(1)	Number of shares held before the acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights held: -%)	
(2)	Number of shares acquired	900 Shares (Number of voting rights: 900)	
(3)	Acquisition price	Stock acquisition price Advisory fees, etc. (estimated amount) Total (estimated amount)	400 millions of yen 19 millions of yen 419 millions of yen
(4)	Number of shares held after the acquisition	900 shares (Number of voting rights: 900) (Percentage of voting rights held: 100%)	

7. Schedule

(1) Date of the Operating Officers' Meeting: May 8, 2025
(2) Date of Resolution by the Board of Directors of the Subsidiary: May 12, 2025
(3) Date of Resolution by the Representative: May 12, 2025
(4) Date of Conclusion of the Agreement: May 12, 2025
(5) Date of Share Transfer: May 22, 2025 (scheduled)

8. Future Outlook

The impact of this transaction on the Company's consolidated financial results for the fiscal year ending March 2026 will be incorporated into the consolidated financial forecast announced in the "Consolidated Financial Statements for the FY3/2025 [IFRS]" released on May 13, 2025.