

September 30, 2022

To whom it may concern
(This is an English translation of the Japanese original)

Company: SOHGO SECURITY SERVICES CO., LTD.
Representative: Ikuji Kayaki,
Representative Director Group COO
(Securities Code: 2331, TSE Prime Market)
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Notice Concerning the Joint Investment with SBI Regional Business Fund in TOBU Co., Ltd.

SOHGO SECURITY SERVICES CO., LTD. ("ALSOK") is pleased to announce that the Company made an investment in TOBU Co., Ltd. (three companies with the same name, headquartered in Sendai, Fukushima and Tokyo; "TOBU") jointly with SBI Regional Business Investment No.1 LPS ("SBI Fund") operated by SBI Regional Business Investment Co., Ltd. on September 30, 2022.

1. Purpose of the investment

ALSOK aims to become a resilient integrated safety and security solutions provider by promoting the innovation of security business model as to correspond to expanding safe and secure needs in the society with risks diversifying, as set forth in our medium-term management plan "Grand Design 2025." In order to meet the safety and security needs of our customers and society, ALSOK is working to provide new services that combine various service functions such as security, equipment, and long-term care.

As an initiative to expand the business domain starting from the security business, in 1966 ALSOK entered the building maintenance business with the establishment of ALSOK Building Service Co., Ltd. After that, we made efforts to improve the service quality of building maintenance business by making Nippon Building Maintenance Co., Ltd. a subsidiary and merging the subsidiaries.

On the other hand, for companies that operate building maintenance businesses, the business environment is such that they face challenges such as securing human resources, countermeasures against the aging of employees, business succession of companies with successor problems, and streamlining labor-intensive operations through the introduction of IT.

After the joint investment, ALSOK will cooperate with TOBU to address these issues and work to improve customer satisfaction and expansion of customer base in order to further develop its business and increase the corporate value of the entire group.

2. Profile of the company

	Miyagi	Fukushima	Tokyo
(1) Company name	TOBU Co., Ltd.	TOBU Co., Ltd.	TOBU Co., Ltd.
(2) Head office address	1-2 Tachimachi, Aoba-ku, Sendai-shi, Miyagi	2-51 Honjinmae, Haramachi-ku, Minamisoma-shi, Fukushima	1-16-7 Kamiochiai, Shinjuku-ku, Tokyo

(3) Capital Date established	¥40 million December 1986	¥20 million October 2016	¥10 million October 2016
(4) Representative	President and Representative Director Teruo Nakajima		
(5) Net sales *1	¥14,122 million	¥1,049 million	¥2,175 million
(6) Operating income *1	¥296 million	¥49 million	¥14 million
(7) Main lines of business	Building maintenance business (cleaning work, facility management work, environmental hygiene work), security business, catering business, other business (legal affairs bureau counter business, temporary staffing, etc.)		
(8) Employees *2 (Full-time employees)	1,301 (51)	532 (33)	615 (25)

*1 Fiscal year ended September 30, 2021

(The investee company is a company without an accounting auditor)

*2 As of October 2021

3. Share acquisition ratio

The acquisition is through a special purpose company (“SPC”) established by SBI Fund, and the Company indirectly owns 35% of the voting rights.

4. Acquisition date

September 30, 2022

5. Future outlook

The impact of the share acquisition on the business results for the fiscal year ending March 31, 2023 will be minor.