Mission Framework



Corporate Mission

An enduring and unwavering corporate mission

Contributing to the preservation and sustainable growth of businesses through M&A

Purpose

Our social value and reason for being

To bring best-in-class M&A ever closer

Vision

The vision we aim to realize through our second founding

Starting with regional revitalization, driving the renewal of Japan, and ultimately becoming the top global integrated M&A company

Core Values

The company's core values and beliefs

Be a professional

It means taking responsibility not merely for outcomes, but for the lives entrusted to us.

1. Utmost respect for our clients	A company is a place where lives are woven together. That is why we face our clients with absolute commitment, even accepting the possibility of walking away when necessary, in order to realize truly meaningful M&A.
2. Swing the pendulum in full	If you are truly serious, elevate your actions and thinking to the point of swinging the pendulum to its limit. A fully swung pendulum will eventually become a great sphere, maximizing human potential.
3. The right things in the right way	The drive to push to the extreme becomes reckless without what is right. When you sense something is wrong, raise your voice. As members of society, as human beings, and as a company, we commit to doing the right thing, in the right way.

Respect, the courage to swing the pendulum fully, and righteousness
Only those who uphold this trinity are true professionals.

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What is the M&A Market for SMEs?

With regard to the SME M&A market, we anticipate that business-succession type M&A will continue to drive market expansion through around 2035, while the proportion of industry-restructuring type and growth-strategy type M&As will gradually increase.
Beyond that, we expect industry-restructuring type and growth-strategy type M&As to assume a central role in the market, sustaining continuous growth alongside a shift in the nature of demand.

Business Environment

Four paradigm shifts in the M&A market for SMEs

Business-succession type M&A drives market growth

- Number of SMEs approx. 3,020,000 companies
  Of which, companies with business owners aged 70 or older approx. 1,000,000*1
- Rate of successor absence 50.1%*2
- In 2025, there were roughly 68,000 business suspensions, closures, and dissolutions, approximately 10,000 bankruptcies, with a total decline of around 80,000 companies*3

Industry-restructuring type and growth-strategy type M&As sustain and elevate the market

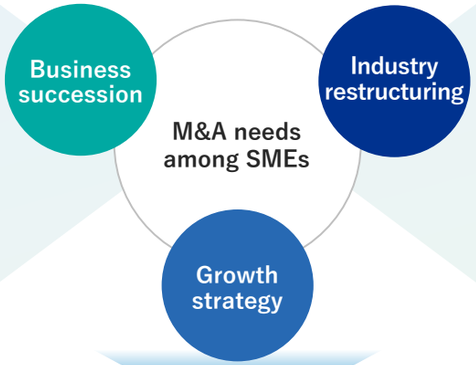
- Labor force will shrink to roughly 80% of current levels by 2040*4
- Jobs-to-applicants ratio hovering in the low 1.0s, approximately 10x for some job categories*5

Profit contraction caused by weak yen and inflation

Delayed response to AI

SMEs

Three M&A needs steadily expanding backed by the business environment and government support



Government

Government also strongly supporting M&A

- Seller: Business succession and M&A subsidies
- Buyer: Tax measures encouraging the consolidation of SME management resources (M&A)
- Growth strategy: SME growth acceleration subsidies

etc.

Background information

Current state of SMEs*6

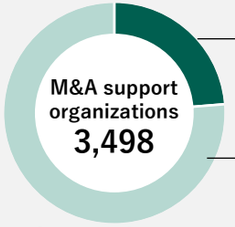
- Number of SMEs: approx. 3,370,000
- SMEs account for 99.7% of all companies and 69.7% of employment

Challenges emerging in the SME M&A industry

New entrants have surged, increasing the number of M&A support organizations

- As the industry expands, issues have surfaced in the ethics and quality of sales practices
- Problems involving inappropriate buyers have also emerged

Number of M&A support organizations*7 (as of July 2026)



Increase in new market entrants

M&A specialist companies – intermediaries Approx.830

Total includes

- Companies with **4 or less** specialist M&A support staff **87.3%**
- Companies founded in or after 2020 **61.5%**

The industry is required to improve moral standards and operational quality

M&A Advisors Association

Accelerating efforts towards soundness

*1 "2023 Basic Survey on Small and Medium Enterprises (Final Report: performance results based on the FY2022 closing accounts)" by the Small and Medium Enterprise Agency (released July 30, 2024)
*2 Survey results regarding successor decision-making status among approximately 270,000 companies (nationwide, across all industries) available for analyzing business succession trends, "Survey of Trends in "Rate of Successor Absence" of Companies Nationwide (2025)" by Teikoku Databank (released November 21, 2025)
*3 "Survey of Trends in 'Suspensions, Closures and Dissolutions' of Companies Nationwide (2025)" by Teikoku Databank (released January 9, 2026)
*4 "The Impact of an 11-million Worker Shortage: the Crisis and 'Hope' Japan will Face in 2040" by Shoto Furuya and Recruit Works Institute. PRESIDENT Inc.
*5 "Regarding Employment Referrals for General Workers (March 2025 and FY2024)" by the Ministry of Health, Labour and Welfare (released May 2, 2025)
*6 "White Paper on Small and Medium Enterprises in Japan" and "White Paper on Small Enterprises in Japan" by the Small and Medium Enterprise Agency
*7 "Disclosure of registered financial advisors and intermediaries providing institutional support for M&A" (registered as of May-June 2026)" by the Small and Medium Enterprise Agency

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Supplementary Materials Concerning the Market

Business-succession type M&A

- **Until 2035: Potential demand increases**
- **After 2035: Will remain stable**
  Although succession among the baby boomer generation has run its course,
  - Demand for third-party succession among companies where succession within the family is difficult, including unexpected succession needs, will persist

Industry-restructuring type M&A

- **Market contraction caused by population decline and labor shortages are structural issues that will continue beyond 2035**
  - By 2040, Japan's labor force (workers aged 15 to 64) will contract to approximately 80% of current levels, resulting in an estimated labor supply shortage of roughly 11 million workers relative to labor demand*4
- **Consolidation driven by scale and efficiency demands becomes a permanent feature**
  - Of domestic and cross-border mergers and acquisitions involving Japanese companies in 2025, business restructuring by listed companies accounted for approximately 30%*8

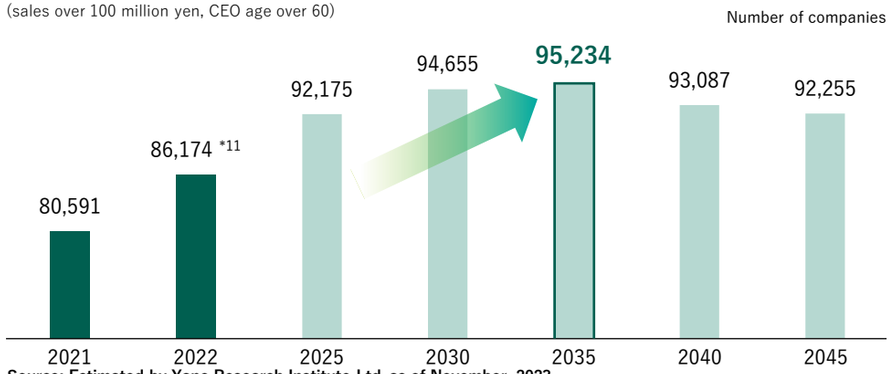
Growth-strategy type M&A

- **Due to the limits to organic growth/ challenges in internalizing digital transformation, human resources, and new business development/ spread of scaling strategies (such as the "10 Billion Yen Sales Declaration," etc., M&A has shifted from a defensive measure to a strategic investment**
  - Companies that have executed M&A, compared to non-executing companies, tend to maintain relatively high levels of sales, profit margins, and productivity*9

*8 "2025 M&A Review (M&A Trends among Japanese Companies in Jan. - Dec. 2025)" by RECOFDATA
*9 Part 2: SMEs Adapting to Environmental Changes, Chapter 3: Growth of SMEs, Section 2: Initiatives for SME Growth, Figures 2-3-20 through 2-3-22 of the 2024 "White Paper on Small and Medium Enterprises in Japan" by the Small and Medium Enterprise Agency

Projection of potential demand for M&A of SMEs lacking successors*10

(sales over 100 million yen, CEO age over 60)



Source: Estimated by Yano Research Institute Ltd. as of November, 2023

*10 Those companies with undermined succession or closure plans are included, except for those that already have a family or employee succession plan and those that are planning for closure or liquidation (The above inclusion assumes that the same percentage as those that have been revealed by business closures, business succession, etc. of potential companies exist)
*11 The discrepancy in the potential number of M&A of SMEs lacking a successor (estimated) on the below-mentioned is due to differences in categorization and the assumptions at the time of estimation

M&A potential market size

Sales size	Number SMEs*12	Number of potential M&A target companies*13		Potential market size*14
		Business-succession focused (CEO age over 60)	Non-business-succession focused (CEO age under 60)	
Over ¥1 billion	100,012	13,821	16,758	¥4.0 trillion
Over ¥100 million and below ¥1 billion	577,149	79,715	90,724	¥9.5 trillion
Total	677,161	93,536 *15	107,482	¥13.5 trillion

Source: Estimated by Yano Research Institute Ltd. as of January, 2024

*12 Yano Research Institute estimates based on data in "Survey of SME status (2022 edition)"
*13 In calculating the estimated number of potential M&A target companies, it has been assumed that those companies with a CEO aged over 60 are considered to aim for business succession, while those with a CEO aged under 60 are not. Because it is an estimate, the number of companies with a CEO aged over 60 may include those companies that do not aim for business succession. Likewise, the number of companies with a CEO under 60 may include those that do aim for business succession.
"Non-business-succession M&A" are classified into industry-restructuring and growth-strategy types
*14 Based on the Company's average historical success fees within each sales size category, multiplied by the number of potential M&A target companies
*15 The discrepancy in the projection of potential demand for M&A of SMEs lacking successors above is due to differences in categorization and the assumptions at the time of estimation.

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Trends in the M&A Industry for SMEs and Our Initiatives

The M&A industry for SMEs has been undergoing rapid changes in recent years. Amid an increase in the number of small M&A support organizations and reports of troubles caused by unethical buyers, the Small and Medium Enterprise Agency and self-regulatory body are establishing and implementing rules to improve the soundness of the industry.

*Major events with regard to M&A industry trends are also summarized below in chronological order.

01 Major Initiatives by the Small and Medium Enterprise Agency

■ Establishment of a registration system

August 2021

- A registration system for M&A support organizations was established to promote and establish M&A Guidelines for SMEs.

■ Revised the M&A Guidelines for SMEs

September 2023 and August 2024

- Introduced frameworks including explanation of important matters at the time of entering a contract. The revised version includes clarification of prohibitions on inappropriate advertising and sales, and provisions for dealing with issues regarding inappropriate buyers.

■ Publication of a skill map

April 2025

- A “Skill Map for SME M&A Professionals (Individuals)” was published with the aim of improving the soundness and credibility of the industry as a whole.

Reference “M&A Guidelines for SMEs” and “Skill Map for SME M&A Professionals (Individuals)” by the Small and Medium Enterprise Agency
https://www.chusho.meti.go.jp/zaimu/shoukei/m_and_a_guideline.html (only available in Japanese)

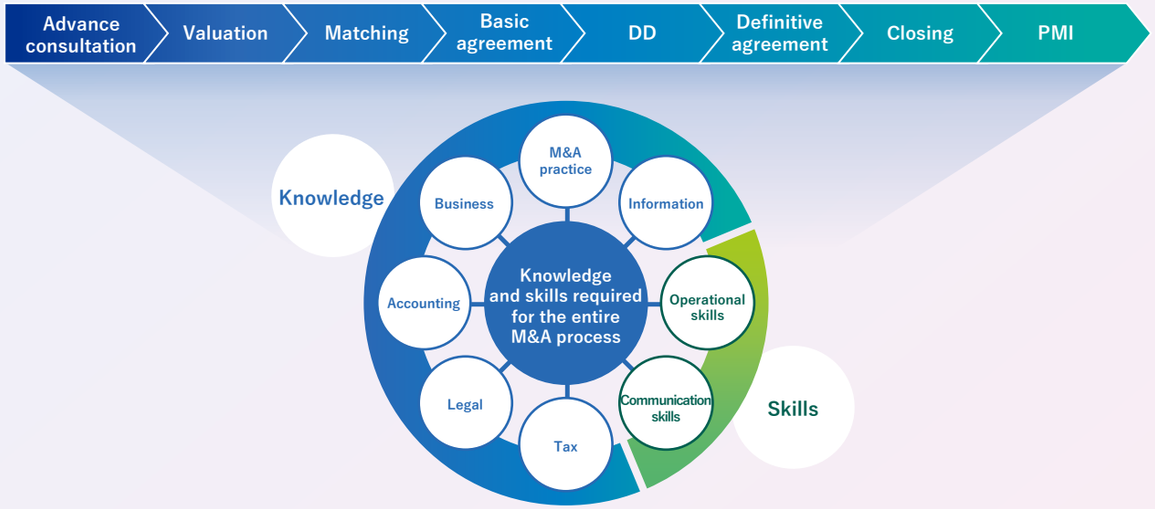
■ Reform Plan for the M&A Market for SMEs

August 2025

- Compiled an interim summary of measures to promote reform of the M&A market for SMEs. At the fourth meeting of the study group held in March 2026, an outline regarding the establishment of a qualification system related to the knowledge and skills of individual M&A advisors was deliberated and released.

Reference Small and Medium Enterprise Agency, “Reform Plan for the M&A Market for SMEs”
https://www.meti.go.jp/press/2025/08/20250805002/20250805002.html

<Overview of Knowledge and Skills>



Source: SME Agency. Extract from " Skill Map for SME M&A Specialists (Individuals) on the Mission, Ethics and Code of Conduct, and Knowledge"

<Overview of qualification system (SME M&A Advisor Qualification (Tentative))>

Positioning of the qualification system	Examination subjects	Relationship with existing frameworks
● Planned establishment of the “SME M&A Qualification Examination (Tentative)” administered by the Small and Medium Enterprise Agency ● For successful examinees, a registration system (individual registration) will be operated in conjunction (periodic training planned for registrants) ● Registrants’ names will be made public, and in cases of violations, disclosure of names and revocation of registration, etc. are anticipated	● Based on the skills map, four examination subjects are planned: M&A practice, finance and tax, legal, and ethics and code of conduct ● For exam questions of ethics and code of conduct, setting absolute disqualifying choices is under consideration	● Under the SME M&A Guidelines, considerations are underway to encourage registered agencies under the M&A Support Organization Registration System to have personnel obtain qualifications ● In the future, the initiative envisions the visualization of the ratio of qualification holders for each registered support organization, and enhancing the credibility of the market as a whole

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02 Major Initiatives of the Self-Regulatory Body

In October 2021, the M&A Advisors Association (formerly the M&A Intermediaries Association) was established as a self-regulatory body. It has since implemented the following initiatives with the aim of preventing problems and improving the quality of M&A support. As of June 2026, the number of members has reached 261 companies, and Nihon M&A Center also participates as an executive member.



Formulation of a code of ethics and self-regulatory rules
from December 2023

Formulation of the code of ethics, which defines the ideal state of the M&A industry for SMEs, and self-regulatory rules for three key areas (compliance, advertising and sales, and explanation of important agreement matters). Revised as necessary.

Systematic training for talent development
from August 2025

Conducted training aimed at upskilling the industry as a whole.

Operation of the List of Designated Acquirers
from October 2024

Started operation of the List of Designated Acquirers to register and share unethical buyers information within the industry. In April 2025, established requirements for automatic registration on the list and tightened enforcement to prevent unethical M&A transactions. Enhanced security and complied with FISC standards in October 2025.

Publication of sample agreements
from June 2025

Published sample agreements on the website with the aim of promoting appropriate agreement clauses that comprehensively cover all M&A agreements.

Name and structural changes
January 2025

Appointed members from financial institutions and professional services, etc. as board members to become a more open and effective self-regulatory body. Additionally, established a Self-Regulatory Rules Review Committee, consisting of experts and specialists, and a Qualification System Committee, which considers the qualification system for M&A advisors to strengthen the structure.

PR activities geared toward improving the reputation of the industry, and hosting of the M&A Awards

Regularly shares information on the M&A Advisors Association's stance, cautionary reminders for business owners, and requests information through newspapers and other media. In December 2026, an awards ceremony celebrating socially significant M&A is scheduled to be held for the first time.

Information sharing with members
from July 2025

Monthly letters are issued to all members by Representative Suguru Miyake. Timely information sharing and alerts are conducted based on industry trends.

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03 Our Response to Industry Changes

Addressing inappropriate buyers and internal initiatives

Adherence to guidelines and establishing transparency
- Strict compliance with the latest guidelines and self-regulatory rules
- Maintain and improve service quality through transparent fee structures and internal training

A multi-layered risk check system for potential buyers
- Checks are conducted from the three perspectives of involvement with anti-social forces, fund adequacy, and scheme validity during mandate screening, at the conclusion of initial agreements, at the conclusion of definitive agreements, and after the deal has been concluded

Post-closing support
- After the conclusion of an M&A deal, we contact the owner of the seller to confirm the cancellation status of management guarantees and personal guarantees. If guarantees have not been cancelled, we support them through the cancellation process

Quality control that incorporates client feedback
- Client satisfaction surveys are conducted for both buyers and sellers

Clarifying the framework for handling client inquiries
- We provide clear information regarding a consultation desk for clients (claims and complaints hotline) in various sales materials

Change in system to pursue accountability for results and responsibility for social value
- We reviewed eligibility requirements for M&A consultants' incentive payments
- Employee evaluation system designed based on our Purpose

Industry-academia-government collaboration initiatives

Improving the quality of SME M&A through industry-academia-government collaboration
- Strengthening industry-academia-government collaboration for the healthy development and quality improvement of the industry
- Established the "Office for Promotion of M&A Research with Academic, Industry and Government Collaboration" under the direct control of the President (January 2024)

Research and talent development through collaboration with academia
- Established the Small and Medium Sized M&A Research and Education Center (MAREC) in collaboration with the Graduate School of Business Administration of Kobe University (2022)
- Operating research and endowed courses together with dedicated researchers, driving the expansion of the research field

Joint research and endowed courses with universities
- Graduate School of Management, Kyoto University: research and endowed courses in the field of corporate valuation (from 2024)
- Department of Business Law, Graduate School of Law, Hitotsubashi University: endowed course (from 2025)
- School of Commerce, Waseda University: endowed course (from 2021)
- Kwansei Gakuin University: research in the PMI field (from 2026)

Participation in academic and industry groups
- Joined the Japan Academic Society for M&A Research (JASMAR) as a corporate member and supporting member
- Suguru Miyake, President and Representative Director of the Company, was appointed as Board Member, promoting the integration of research outcomes to practical applications

Enhancement of public affairs and collaborative functions
- New establishment of the Chief Public Affairs Officer (CPAO) position that oversees industry-academia-government collaboration (April 2025)

We are working to create standards for the SME M&A industry that are in line with the changing times

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About Nihon M&A Center Holdings

As the leader of Japan's SME M&A support industry, the Nihon M&A Center Group has established industry standards.
From M&A information provision to strategy development, company valuation and post-merger integration (PMI), we offer a successful M&A process with a seamless structure.

(as of March 31, 2026 for all)

PMI support **Japan PMI consulting Inc.**
A consulting firm specializing in post-merger integration (PMI) support, the key to successful M&A

Consulting service after transactions
Next-Navi Inc.
A comprehensive consulting firm for business succession, asset management, and life planning. Jointly established with Aoyama Zaisan Networks. Mainly supporting owners who sold their companies through M&A.

Company valuation
Corporate Value Laboratory Inc.
A company specializing in company valuation.
It estimates and proposes neutral M&A transaction prices.

Company valuation
Special People Association co., ltd
Handling the creation of company profiles, financial data entry, and other M&A BPO services. Became a subsidiary in October 2020.

Market research
Yano Research Institute Ltd.
A leading company of market research.

Human resources with digitalization skills
Nihon DX Human Resources Center Inc.
Offering support for digitalization initiatives of SMEs and learning contents to develop human resources with digitalization skills, as well as human resource referrals.



M&A intermediary
Nihon M&A Center Holdings Inc.
Established in 1991. The top company for closed deals in the M&A intermediary services industry.

Small-scale M&As
Batonz Co., Ltd.
Operating Company of BATONZ, M&A and business succession support platform utilizing the internet.

Fund management **J-Capital**
An intermediate holding company overseeing the fund business.

Private equity funds
Japan Investment Fund Inc.
A private equity fund management company that aims to be a fund which plays roles of social infrastructure for the foundation for SMEs' growth. Jointly established with Development Bank of Japan.

Private equity funds
J-Search
A regional search fund* management company that solves business succession and management talent issues faced by regional companies.

Private equity funds
AtoG Capital
A problem-solving bridge fund management company that bridges governance gaps in ASEAN companies, leading to successful cross-border M&A.

Private equity funds
Japan Private Equity Co., Ltd.
A company that operates business succession and restructuring funds for SMEs and MBO (management buyout) funds. Joint venture company with Development Bank of Japan.

Private equity funds
Search Fund Japan, Inc.
The first M&A investment fund management company in Japan to operate a nationwide search fund.*

*Search fund: Activities in which individuals who are prospective business owners take the lead in business succession of SMEs and engage in business management themselves.

Network

Nationwide and overseas network



Other 15 satellite offices and 5 local representative offices with discussion desk are located throughout Japan

Overseas M&As

Remarkable advancement as a pioneer of overseas M&As for SMEs

With 5 offices in major ASEAN countries, working with local staff, we are supporting clients with expansion into and withdrawal from overseas markets as well as the entrance to the Japanese market. In FY2025, we assisted with 17 overseas company-related M&A transactions, and invested in Korea M&A Exchange co., LTD., a Korean M&A intermediary company.

Member of World M&A Alliance

We became a member of one of the largest M&A alliance in the world for a foothold in the U.S. and European markets.
Launched a business alliance with U.S.-based M&A advisory firm Generational Group. (August 2026)

WORLD M&A ALLIANCE

IPO support

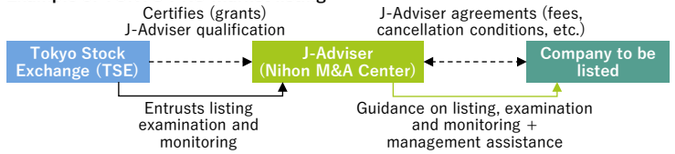
IPO support business aimed at creating "star companies" nationwide

Leveraging the growth support expertise cultivated as a leading M&A company, we provide seamless support for companies aspiring to go public, from strengthening their management foundation prior to IPO to achieving sustainable growth post-listing.

<Qualifications held>
J-Adviser qualification for the Tokyo Stock Exchange "TOKYO PRO Market" (acquired July 2019)
F-Adviser qualification for the Fukuoka Stock Exchange "Fukuoka PRO Market" (acquired December 2024)
S-Adviser qualification for the Sapporo Securities Exchange "Sapporo PRO Frontier Market" (acquired June 2026)

Through IPO support tailored to the characteristics of each regional market and corporate growth stages, we will contribute to the creation of next-generation "star companies."

Example of TOKYO PRO Market listing



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Why Nihon M&A Center Can Provide the Best M&A Services

Nihon M&A Center, a core subsidiary of Nihon M&A Center Holdings, has established itself as an industry leader in supporting M&A for SMEs. Here are some of the initiatives we are implementing to provide the best-in-class M&A services. We will introduce our comprehensive support system that includes basic elements such as retainer fees and exclusive contracts, thorough company analysis, optimal matching, and safe and secure M&A, as well as synergy creation and trouble prevention measures that support success after the deal is concluded. These initiatives are key to improving customer satisfaction and supporting sustainable growth.

Four reasons why we are No.1 in closed deals



Five types of support from closure to success

*Options

P.15

Reason 1 Increasing the success rate and enhancing information management with the combination of retainer fees and exclusive contracts

■ Increasing the probability of closing M&A transactions

The Company receives retainer fees from both the seller and buyer at the advisory agreement stage. Through this approach, we promote effective matching among companies that are seriously considering M&A.

■ Reducing the risk of information leaks

By entering into exclusive contracts and unifying the contact point for information handling, the risk of information leaks can be mitigated.

■ Speedy and thorough matching

Exclusive contracts allow for speedy and highly precise selection of candidate companies.

Sellers	Both companies are serious about M&A	Buyers
Retainer fees upon signing of advisory agreement ● Strong commitment to sell ● Corporate valuation report and company profiles after completion of risk identification	● Little risk in considering the other party ● Both parties can proceed with considerations in a positive manner ● Leads to high-quality matching	Retainer fees upon signing of advisory agreement ● Strong commitment to buy

Reason 2 Thorough corporate valuation and company profile preparation to reach initial agreements

■ Neutral corporate valuation based on accumulated know-how

Corporate Value Laboratory, a specialized group company, conducts neutral and precise corporate valuation based on a cumulative track record of over 20,000 cases.

■ Preparation of company overview documents that highlight corporate value beyond numbers

Through interviews, we identify and organize the strengths, features, and potential of companies, including proprietary technologies, product characteristics, and advantages, to prepare company overview documents.

■ All company overview documents reviewed by experts

Experts such as certified public accountants review all company overview documents to ensure that the company's actual situation and appeal are properly reflected.



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Why Nihon M&A Center Can Provide the Best M&A Services



Four reasons why we are No.1 in closed deals

Reason3 Nationwide matching across all industries utilizing the largest workforce in the industry and DX leveraging over 35 years of data utilization

- **Matching conferences with over 600 consultants, the largest number of consultants in the industry**
  Sale projects are shared across the Company to select potential buyers that can create synergies from multifaceted perspectives.
- **Network of over 1,400 accounting firms and financial institutions nationwide**
  We leverage our nationwide network with accounting firms and financial institutions to accurately capture the information and needs of SMEs. We are strengthening our execution capabilities across Japan.
- **Database of over 30,000 potential buyers**
  We have NDAs in place with potential buyers, and our staff update the needs of each company on a daily basis. Based on this up-to-date database, we achieve speedy and accurate extraction of candidate companies.
- **Matching using our AI-driven recommendation system**
  We perform AI-driven matching based on hundreds of thousands of past matching data, efficiently presenting candidates with a high fit through a data-driven approach.

Furthermore, if a customer is unable to find a suitable match within a specified period, our specialist team will conduct individual matching to maximize closing opportunities and maintain and enhance client satisfaction.

Reason4 Risk management framework for the realization of safe and secure M&A

- **Risk analysis and issue identification by experts**
  Before concluding a basic agreement, we organize obstacles and identify key issues. Issues are thoroughly examined until definitive agreements are reached to rigorously prevent potential disputes.
- **Strengthening the check system with the new establishment of the Operations Management Headquarters**
  Multiple departments responsible for operational process management and risk checks were integrated into the Operations Management Headquarters, established in April 2026, enabling seamless risk oversight from mandate to closing.
- **High-level security and strict confidentiality**
  We maintain an information management system based on ISMS certification. Additionally, we mitigate information exposure risks through practices such as tracking printed materials using identification numbers and using separate business cards based on the context of a visit.
- **Compliance with the SME M&A Guidelines and industry self-regulatory rules**
  In addition to compliance with the SME M&A Guidelines, as a board member of the M&A Advisors Association, we contribute to enhancing industry soundness by participating in the formulation of ethical codes and industry self-regulatory rules.

Preparatory phase/ Support by experts

We assemble a dedicated support team for each individual project to assist with conducting safe and secure M&A at each key phase.

Example of initiatives

Sellers

- Signing of M&A intermediary advisory agreement
- Management meeting
- Conclusion of initial agreements (securing exclusive negotiating rights)
- Signing of definitive agreement/ Document exchange/Settlement

Preview meetings
- Identifying risks that could impede M&A deal closures
- Deciding on preparatory policies

* Preparatory process: Corporate valuation reports and company profiles after completion of risk identification

Kick-off meetings
- Confirming key points for closing deals before the management meeting
- Confirming schemes
- Confirming the desired conditions of both companies
- Confirming the way to gain consent of stakeholders

Initial agreement Legal review meeting
- Confirming the validity of agreements and schemes
- Identifying legal risks
- Identifying points of debate before performing DD

Definitive agreement Legal review meeting
- Sharing changes made after concluding initial agreement and items reflected in definitive agreement

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Why Nihon M&A Center Can Provide the Best M&A Services

Five types of support from closure to success



Support 1 Fostering a sense of unity through completion ceremonies

An M&A Deal Closing Ceremony is held upon execution of the definitive agreement to provide a platform where both the buyer and seller can share a milestone and build a common understanding toward integration.

This ceremony serves as a key milestone for the seller's management, and offers the buyer an opportunity to clarify their commitment to a successful integration. Our dedicated staff support the event operations, facilitating the establishment of a strong cooperative relationship.



Support 2 Optional Comprehensive support for the integration process by a PMI support specialist company

To ensure and maximize M&A value creation after closing, our dedicated group company Japan PMI Consulting provides a support framework throughout the integration process.

By leveraging practical PMI know-how specializing in SMEs, we offer systematic support, from pre-closing integration planning and relationship-building to synergy realization, enabling smooth management integration and rapid value creation.

Japan PMI Consulting

Support 3 "The WAY," documenting the journey of the seller's owner

We produce a memoir-style booklet "The WAY" free of charge as an initiative to preserve the legacy of the seller's owner into the future.

By organizing the history of the business and core values built up by the owner and sharing them with their families and stakeholders, we help provide psychological closure after business succession. By keeping a record of the management journey, we support a positive transition toward a new chapter in life post-sale.



Support 5 Optional Next Navi, which supports asset succession and owners' second lives

We provide "Next Navi," a service designed to support asset management and life planning after business succession. Through "TOMORROWS," our asset diagnostic service that visualizes big shifts in assets after selling and enables expert analysis, we propose appropriate solutions for issues such as asset allocation, inheritance, and income planning. Furthermore, we operate the members-only club "Next Club," providing newsletters, seminars, and events for former business owners, providing a framework that supports a stable livelihood and an enriching second life after business succession.

Next Navi

Support 4 Representation and warranty insurance for peace of mind after M&A

To ensure peace of mind in building a good cooperative relationship with the buyer after the deal is closed, Nihon M&A Center is the first in Japan to implement the automatic inclusion of representation and warranty insurance in its M&A intermediary service. This insurance compensates for unexpected losses that may occur to buyers in the event of representation and warranty violations after the M&A, with the insurance company providing coverage on behalf of the prior owner. This allows for smoother negotiations during the definitive agreement and in the event of loss recovery negotiations, enabling a consistent and seamless M&A process all the way through to PMI.



* This applies to buyers that meet certain conditions, such as having an audit conducted by an expert. Insurance coverage is limited to a certain extent.

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History of Value Creation

Nihon M&A Center Group has led the expansion of SMEs M&A market and established know-how since its foundation in 1991. We consider the 35th anniversary of our foundation in 2026 as an opportunity of "Second Founding," and continue to pursue our aim of becoming the "top global integrated M&A company."

1991-2000 *Founding phase*

Building a nationwide network to expand the M&A market for SMEs Establishment of know-how

1991

Foundation of the Company and network of accounting firms P.39-40 ▶

Nihon M&A Center was established by eminent CPAs and tax accountants nationwide.
Networked accounting firms nationwide.

2000

Formation of network of regional financial institutions

Established the National Financial M&A Study Group, whose members comprise regional banks.
We also gradually expanded business alliances with credit unions throughout Japan.

2001-2025 *Growth phase Original GENESIS*

Aiming to become an integrated M&A company by establishing overseas locations and group companies

2006

First TSE Mothers listing of a company in Japan specializing in intermediary M&A services for SMEs

2007

First listing on the TSE 1st Section as a company specializing in intermediary M&A services for SMEs



2008

Start of cooperation with major financial institutions

As of March 31, 2026, we have partnerships with Nomura Securities, Daiwa Securities, MUFG Bank, Mitsubishi UFJ Morgan Stanley Securities, Sumitomo Mitsui Banking Corporation, Okasan Securities, Tokai Tokyo Securities, SMBC Nikko Securities, and SBI SECURITIES.
(in chronological order based on the start of partnerships)



2010-18

Expansion of domestic locations P.12 ▶

Sequential opening of locations in Hokkaido, Nagoya, Fukuoka, Hiroshima and Okinawa following the Osaka location, opened in 1991.

2016

Opening of Singapore office as the first overseas location P.12 ▶

Five locations in the ASEAN region as of March 2026
(Singapore, Indonesia, Vietnam, Malaysia, Thailand)

History of the M&A industry

1980s

Bubble economy

Many large corporations went through outbound cross-border M&A.

1990s

Burst of bubble economy

Cross-border M&As involving large corporations decreased sharply. Meanwhile,
SMEs faced challenges in the succession of management rights.

2000s

Stock prices rose due to the IT bubble

The number of M&A deals also increased.

Violations of securities trading laws and other related incidents

While M&A became better known, it did not penetrate due to a negative impression associated with these incidents.

Small and Medium Enterprise Agency

Formulation and publishing of the Business Succession Guidelines

Formulated and published in 2006 to facilitate smooth business succession to the next generation and invigorate SMEs' businesses.

Change in perception toward M&A

The guidelines stated that M&A can be a means of business succession, which triggered a change in perception toward M&A.

2010s

"Rapid growth phase" of SME M&A

M&A started to take root as a method used in management strategy, and the number of M&A by SMEs increased dramatically.

Small and Medium Enterprise Agency

Published "Guidelines for Business Succession"

Published in 2015 to promote SME owners' understanding of M&A.
Published an outline of the "SME M&A Qualification Examination (Tentative)" based on the skill map (March 2026)

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History of Value Creation

2016-18 **Sequential establishment of subsidiaries and affiliates offering specialized services**
Corporate Value Laboratory, Next Navi, Japan PMI Consulting, Batonz, etc.

2018-24 **Enhancement of fund business** P.30-32 ▶
In addition to Japan Private Equity established in 2000, we sequentially established Japan Investment Fund, Search Fund Japan, AtoG Capital, and J-Search.

2018 **Joint management of Yano Research Institute with Kyodo News**

2019 **Acquisition of J-Adviser qualification and launch of IPO support services for the TOKYO PRO Market** P.12 ▶
In December 2024, we obtained the F-Adviser qualification and launched our Fukuoka PRO Market Listing Support Service.
In June 2026, we obtained the S-Adviser qualification and launched our Sapporo PRO Frontier Market Listing Support Service.

2021
- **Transitioned to a pure holding company structure.**
  Changing the company name to Nihon M&A Center Holdings
- **Participation in the establishment of self-regulatory industry body M&A Advisors Association**
- **Number of M&A transactions closed recognized by Guinness World Records**
  Recognized as the best-selling mergers and acquisitions advisory company in 2024
- **Launch of M&A representation and warranty insurance service**

2022 **Transition to the Tokyo Stock Exchange Prime Market**
Creation of our Purpose

2023 **Further development of alliances with regional financial institutions** P.41-42 ▶
Established a joint venture company with Juroku Financial Group, Inc. (Gifu Prefecture).
Established a joint venture company with The Higo Bank, Ltd. (Kumamoto Prefecture) and E.SUN Venture Capital (Taiwan) in 2024, and The Bank of Okinawa, Ltd. (Okinawa Prefecture) in 2025.

2024
- **Promotion of industry-academia-government collaboration** P.11 ▶
  Launched the Office for promotion of M&A research with academic, industry & government collaboration.
- **Further enhancement of relevant services** P.12 ▶
  Established Nihon DX HR Center
- **Establishment of respective meeting bodies in M&A and financial domains** P.27 ▶ P.30 ▶
- **Nihon M&A Center Group's corporate character "MA★PY" was born**

2026-2032 *Second Founding Phase: Next GENESIS*

With our 35th anniversary as the catalyst, the Second Founding Phase is in full swing

2026
- **J-Capital, an intermediate holding company overseeing the fund business, established**
- **"Vision" and "Core Values" established**



2020s **Aging of business owners and lack of successors have become increasingly serious.**

Small and Medium Enterprise Agency
"Plan to Promote M&A for SMEs" announced
Compiled in April 2021, redefining the importance of M&A.

Registration system for M&A support institutions created
(August 2021)

Self-Regulatory Body
"M&A Intermediaries Association" established
Established in October 2021 as a self-regulatory body by M&A intermediaries.
As SMEs M&A popularized, challenges faced by support organizations had become apparent.

Small and Medium Enterprise Agency
"SME M&A Guidelines" revised
In September 2023, the guidelines were revised for the first time in three years.

Self-Regulatory Body
Formulation of a code of ethics and self-regulatory rules
(December 2023)

Trouble occurred within the industry
In May 2024, there were reports of industry troubles with inappropriate buyers, which became a social issue.

Small and Medium Enterprise Agency
"SME M&A Guidelines" further revised
In August 2024, the guidelines were revised for the second time.
The revised guideline clarifies fee transparency and measures to address inappropriate buyers.

Self-Regulatory Body
Operation of the "List of Designated Acquirers"
In October 2024, the "List of Designated Acquirers" was launched to register and share information on inappropriate buyers within the industry.

Name change to the M&A Advisors Association
In January 2025, the organization's name was changed to the M&A Advisors Association.
The organization strengthened its structure and governance by appointing new directors and establishing committees.

"List of Designated Acquirers" revised
In April 2025, the List of Designated Acquirers was revised, and operation was tightened.

Small and Medium Enterprise Agency
"Skill Map for SME M&A Professionals (Individuals)" published
(April 2025)

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Value Creation Process

Nihon M&A Center Group, guided by management based on our Corporate Mission and Purpose,
will leverage its strengths as a comprehensive M&A support company for SMEs to create sustainable value through solving social issues.

Environment recognition → **Capital investment** → **Business activities** → **Output and outcome (FY2025)** → **Our vision**

Social and economic environment

Declining population

Low growth of the domestic market and GDP

Issues surrounding SMEs

Progressive aging of business owners

Many companies with no successor

Increasing number of companies going out of business

Low labor productivity and profitability

Industry and business environment

Diversification of values and needs

Rapid shift toward digitalization

Increase in M&A support companies

M&A becoming more commonplace

Systems and rules

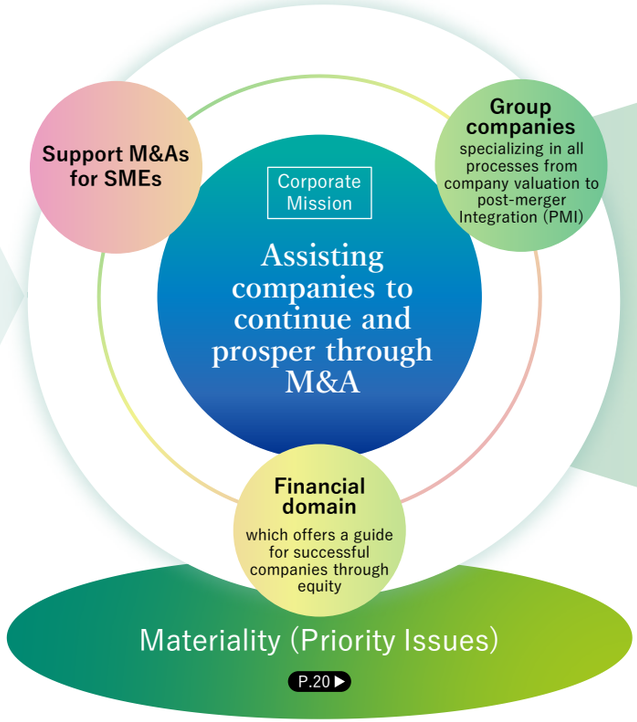
Changes in guidelines and self-regulatory rules

Capital investment

- Human capital
- Intellectual capital
- Social and relationship capital
- Financial capital

P.19 ▶

Business activities



Output and outcome (FY2025)

Output

Transactions closed by Nihon M&A Center	Of which related to overseas M&As	BATONZ annual number of closed deals
1,061	17	753

Sell-side mandates gained by Nihon M&A Center	Buy-side mandates gained by Nihon M&A Center
1,283	1,405

Companies we supported in TOKYO PRO Market listing	PMI services offered
8 companies	132

Results of client satisfaction surveys	Number of portfolio exit cases in fund business
88/100 points	7

Outcome

Compound annual growth rate of sales (past 15 years) Approx.16% | Ordinary profit ratio 38.1%

Reference: Payout ratio 73.7% | ROE 25.7% | PBR 3.98

Improving the productivity of employees

M&A sales per employee with a sales budget at Nihon M&A Center(Based on average number of employees at start and end of period; excludes referral fees and outsourcing expenses) ¥87.5 million

Contribution to regional revitalization

- Resolving SMEs' business succession issues
- Sustaining and creating employment
- Improving corporate productivity
- Reducing M&A risks
- Creating regional core companies
- Developing management personnel
- Expanding partnerships

Effects of M&A contracts supported by Nihon M&A Center (FY2025)

Number of M&A contracts supported by Nihon M&A Center: 487 companies

Total revenues for the companies involved in the left M&A contracts: ¥419.7 billion

Preventive effects on economic-losses	Preventive effects on job losses	Preventive effects on economic losses for the next decade
¥778.1 billion	64,995	¥5.6266 trillion

Source: Estimated by Yano Research Institute Ltd. as of May, 2026

Our vision

To connect hopes and dreams

for the best M&A experience

in Japan and then the world

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Accumulated Capital

Capital that Nihon M&A Center Group has accumulated since its founding is the foundation that supports its competitiveness and is its strength itself.
We aim to realize our Purpose “To bring best-in-class M&A ever closer” and achieve sustainable value creation by mutually leveraging four types of capital: human capital, intellectual capital, social and relationship capital and financial capital.

Human capital
The talent foundation that supports M&A

Through cooperation between the largest workforce in the industry and experts, we provide a high-quality M&A support framework.

- **Number of employees (consolidated)**
  1,062
- **M&A consultants**
  626
- **Staff and other positions**
  436
- **Employees with legal, accounting and tax qualifications (Lawyers, notaries, certified public accountants, tax accountants, etc.) About 40**

Intellectual capital
Over 35 years of knowledge and know-how

Advanced knowledge and know-how related to M&A for SMEs, which have been accumulated for over 35 years, are important capital unique to the Company. Moreover, with a proprietary system that utilizes data from hundreds of thousands of matches in the past, we are able to realize higher operational efficiency and lead time reduction.

- **Cumulative number of transactions closed**
  over 11,000 cases
- **Creation of specialized teams by industry (medical, nursing care, dispensing pharmacies, IT, logistics, manufacturing, food, etc.)**
- **Database containing information accumulated over a long period**
  - Qualitative information interviews with over 3,000 sellers
  - M&A needs interviews with over 9,000 potential buyers
- **Development and utilization of highly accurate M&A systems**

Social and relationship capital
Nationwide and overseas network

We have created a nationwide network with accounting firms and financial institutions since the Company’s founding to create a database of M&A information. We have built a system capable of responding to diverse M&A needs through our network spanning across Japan and overseas, combined with group cooperation.

Strong brand built over 35 years

Alliance partners

- **Accounting firms**
  1,111 firms
- **Regional banks**
  94 out of 96
- **Credit unions**
  223 out of 254
- **Major financial institutions**
  Nomura Securities, Daiwa Securities, MUFG Bank, Mitsubishi UFJ Morgan Stanley Securities, Sumitomo Mitsui Banking Corporation, Okasan Securities, Tokai Tokyo Securities, SMBC Nikko Securities, and SBI SECURITIES

*Listed in chronological order based on the commencement of each partnership

Over **60**% of mandates are via alliance partners

Member of World M&A Alliance

Number of locations

7 domestic locations **5 overseas locations**

Domestic：Tokyo, Osaka, Aichi, Hiroshima, Fukuoka, Hokkaido, Okinawa
Overseas：Singapore, Indonesia, Vietnam, Malaysia, Thailand

Satellite offices **15** locations

Local representative offices with discussion desk **5** locations

Number of group companies

Consolidated subsidiaries **18**

Equity-method affiliates **19**

Of which, 3 M&A advisory companies jointly established by us and regional banks

Financial capital
Financial foundation with soundness and flexibility

**We have a sound financial foundation backed by a high capital adequacy ratio and abundant cash.
While ensuring stability that can weather changes in the external environment, we are committed to sustainable value creation by prioritizing business growth and utilizing funds in a way that balances financial soundness with shareholder returns.**

- **Capital adequacy ratio**
  75.8%

High level of investment capacity centered on cash and deposits

- **Cash and deposits ratio (to total assets)**
  59.6%

Stable fundraising capability supported by virtually debt-free financial structure

- **Debt-to-equity ratio**
  Under 0.1x

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Materiality (Priority Issues)

Nihon M&A Center Group positions social issues as the theme of its business and creates value by resolving these issues. Taking into consideration the impacts of these social issues on society and the Group, the Group has identified materiality (priority issues) as themes we must focus on to resolve and address those issues.
Based on this materiality (priority issues), the Group will contribute to the resolving of social issues through its business activities and work to exert a positive impact on its stakeholders with the aims of the continuous enhancement of its corporate value and the sustainable development of society.

Materiality

See the following pages for information on the status of the main initiatives for addressing each materiality item.

1 **Further advancement as an integrated M&A company** P.12 P.22-32

2 **Innovation** P.35-37

3 **Secure and safe M&A** P.09-11 P.38 P.39-40 P.41-42 P.82

4 **Contribution to society** P.09-11 P.18

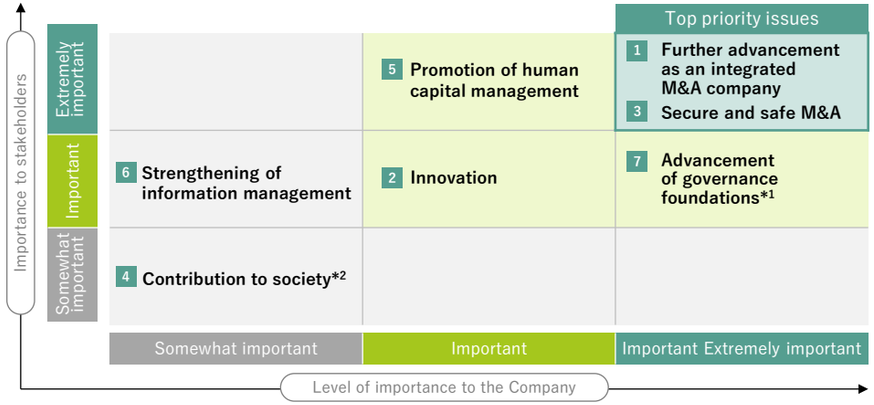
5 **Promotion of human capital management** P.44-51 P.52-53

6 **Strengthening of information management** P.70-71

7 **Advancement of governance foundations*1** P.6 P.33-34 P.38 P.54-65 P.66-68 P.69

Materiality matrix

*No difference in degree of importance within each quadrant



Materiality identification process

Materiality (priority issues) are finalized annually: the IR Department, the division responsible for sustainability, submits materiality items to the Management Meeting for discussion, after which they are deliberated and approved by the Board of Directors.
In the materiality assessment, results are plotted on a matrix with the horizontal axis representing “Level of importance to the Company” (discussed at the Management Meeting), and the vertical axis representing “Level of importance to stakeholders” (based on interviews with institutional investors, securities analysts and Outside Directors serving as representatives of minority shareholders).

FY2022	FY2023	From FY2024
Initial settings ● Priority issues are extracted based on stakeholder expectations and requests, while taking into account international guidelines such as SASB Standards. First year of materiality identification	**Review and re-identification** ● As the materiality items of the previous fiscal year centered on compliance, and in light of the progress made to an extent for the establishment of compliance foundations, the content of the materiality was revised to reflect our growth strategy through backcasting from medium-term management plan and our Purpose.	**Ongoing review** ● Each year, the IR Department continues the process of submitting reviews to the Management Meeting and Board of Directors for approval.

*1 One of the issues, “Strengthening of governance foundations,” has been changed to “Advancement of governance foundations.” This is due to the fact that four years have passed since the inappropriate accounting incident came to light, and given that a certain level of progress has been made in establishing the governance structure, we have moved into a phase of promoting further advancement.
*2 We recognize that one of the issues, “Contribution to society,” is extremely important. On the other hand, given the steady progress observed in initiatives in this area, we have positioned it as “somewhat important” in this matrix, taking into account a balanced spread of evaluations.

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