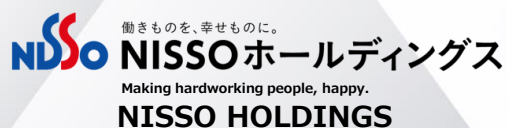


February 9, 2024

First Nine Months of FY 3/2024

Financial Results Briefing Materials



TSE Prime Market Code:9332

NISSO HD's, consolidated operating profit increased 46.5% year-on-year. Both net sales and profits grew due to an increase in the number of enrolled staff and higher unit-costs of orders received.

Ryuichi Shimizu Representative Director, President & CEO.

We would like to express our deepest sympathies to all those affected by the 2024 Noto Peninsula Earthquake.

We would also like to express our deepest condolences to the victims of the 2024 Noto Peninsula Earthquake, and our deepest sympathies to all those affected by the disaster. We would also like to express our deepest respect to those who are working tirelessly to provide relief, recovery, and reconstruction support in the disaster-stricken areas.

We pray that the safety of the people in the affected areas will be ensured and that the lives of those affected by the disaster will return to normal as soon as possible.

**Mr. Ryuichi Shimizu (hereinafter, "Shimizu"):** Thank you very much for watching our third quarter financial results briefing today. I am Ryuichi Shimizu, Representative Director, President & CEO.

On January 1 of this year, a very large earthquake struck the Noto Peninsula and surrounding areas. We would like to express our deepest condolences to the victims of the earthquake and express our heartfelt sympathy to all those affected by the disaster. We would also like to express our deepest respect to those who are working tirelessly to provide relief, recovery and reconstruction support in the disaster-stricken areas.

More than a dozen of our group's employees work in the Anamizu area of Ishikawa Prefecture. We have heard that more than a dozen people who commuted from their homes to work are still staying in shelters because they are reluctant to leave their hometowns. We hope they will be able to move into temporary housing and other facilities as soon as possible.

- 1** First Nine Months of FY 3/2024 **Financial Results Summary**
- 2** First Nine Months of FY 3/2024 **Financial Results by Service**
- 3** **Toward the Growth of the Nisso Group**
- 4** **Nisso Group Topics**
- 5** **Future Prospects (FY 3/2024)**
- 6** **Shareholder Return Policy**
- 7** First Nine Months of FY 3/2024 **Financial Condition**
- 8** **Glossary**

Today, I will proceed according to the table of contents.

1

## Financial Results Summary (First Nine Months of FY 3/2024 (3Q))

## FY 3/2024 3Q Results

- Consolidated net sales increased by 7.9% year-on-year
- Consolidated operating profit increased by 46.5% year-on-year
- Although the Automotive Industry is on a recovery trend, the impact of repeated suspension of operations by manufacturers increased
- Engineering Human Resources Services were sluggish due in part to the impact of the Semiconductor Industry
- Nursing Care · Welfare Services increased revenue and profits year-on-year

The summary is as shown on the slide.

## FY 3/2024 3Q Consolidated Financial Results Highlights

(Unit: Million yen)

### Points

#### Operating profit increased by 46.5% YoY

- Net sales increased by 7.9% YoY, partly due to an increase in the number of enrolled staff.
- Nursing Care · Welfare Services increased revenue and profits YoY.
- The SG&A expense ratio decreased by 0.3% YoY, partly due to net sales growth.

	FY 3/23 3Q		FY 3/24 3Q		Year-on-Year	
	Results	% of Total	Results	% of Total	Increase (Decrease)	% Change
Net sales	67,201	100.0%	72,534	100.0%	5,333	7.9%
Gross profit	10,576	15.7%	11,774	16.2%	1,198	11.3%
SG&A expenses	9,177	13.7%	9,726	13.4%	548	6.0%
Operating profit	1,398	2.1%	2,048	2.8%	650	46.5%
Ordinary profit	1,501	2.2%	2,129	2.9%	627	41.8%
Profit attributable to owners of parent	937	1.4%	1,395	1.9%	458	48.9%

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5

Here are our consolidated financial results highlights.

Operating profit and net sales increased by 46.5% and 7.9%, respectively, year-on-year.

The effects of the COVID-19 pandemic have weakened considerably. Currently, in the Semiconductor Industry area (semiconductor·semiconductor manufacturing equipment-related), operating conditions are not very favorable due to memory inventory adjustments and production cuts in front-end semiconductor manufacturing equipment, which have led to a decrease in the number of enrolled engineers.

As a result, production in the Electronics Industry (communication equipment·electronic components) has not yet been normalized.

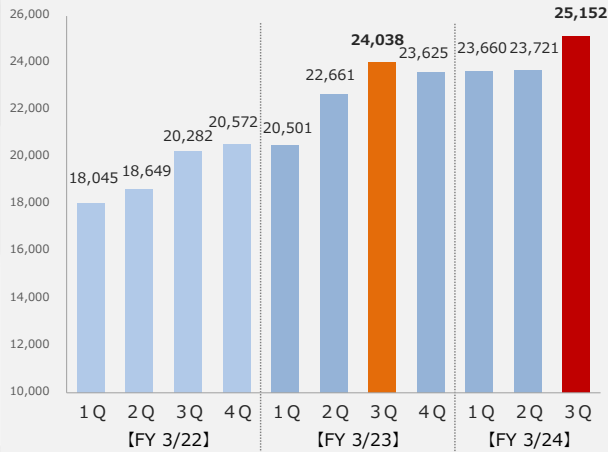
In this environment, we have been pursuing a strategy to catch up by actively responding to the Automotive Industry (automobiles·EV-related) in particular.

However, as a result of frequent suspension of operations for various reasons this fiscal year, monthly operating hours per capita were almost at the same level as last year.

The first factor that contributed to the growth in sales and profits was the increase in the number of staff, or in other words, the number of people working. Second, as a result of negotiations with clients, the unit-costs of orders received increased by about 3% from last year. In addition, the SG&A expense ratio decreased by 0.3%, and we believe that the above results are reflected in the figures.

(Unit: Million yen)

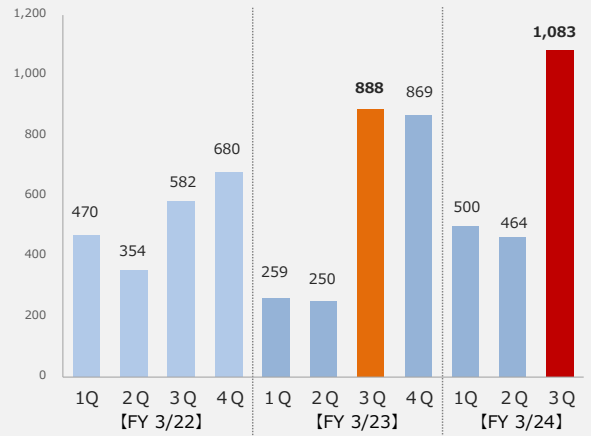
**Net sales**



(Unit: Million yen)

**Operating profit**

Up 22.0% YoY in 3Q



Here are the trends in quarterly net sales and operating profit.

There is no change in the fact that profits have increased in each quarter compared to the previous year, and that profits will be concentrated in the second half of the year as originally expected.

2

Financial Results by Service (First Nine Months of FY 3/2024 (3Q))





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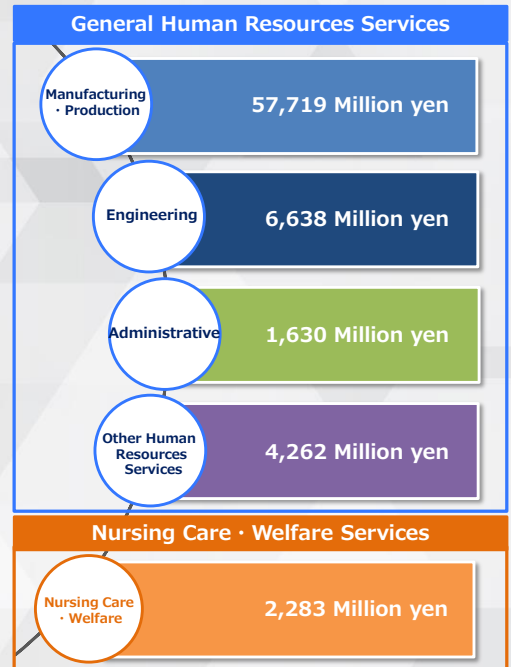
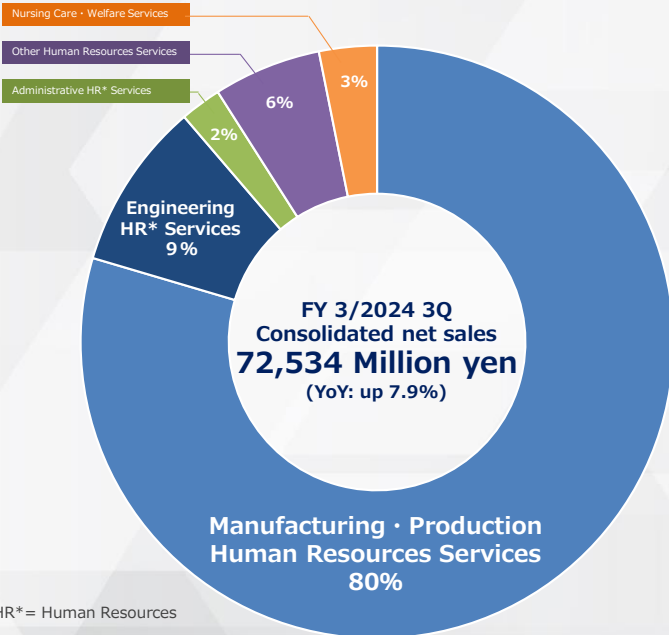
Our company transitioned to a holding company in October of last year. The slide shows the organization of each operating company under the Holdings umbrella.

Under the NISSO HOLDINGS umbrella are NISSO CORPORATION, which provides General Human Resources Services, and Nisso Nifty, which provides Nursing Care·Welfare Services.

NISSO CORPORATION and Vector Shinwa, which provide General Human Resources Services, provide Manufacturing·Production Human Resources Services and Engineering Human Resources Services.

Nisso Brain is engaged in Administrative Human Resources Services, while Nikon Nisso Prime and Nisso Pure are engaged in Other Human Resources Services. Please refer to the slide for more information on each of our human resources services.

# Net Sales by Service ※Internal transactions have been eliminated



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Shown here are our net sales by service.

The pie chart on the left side of the slide shows the composition ratio of services. The figure on the right side of the slide shows net sales by service through the third quarter.

In the future, we would like to drive our company's growth by particularly strengthening the area of Engineering Human Resources Services.

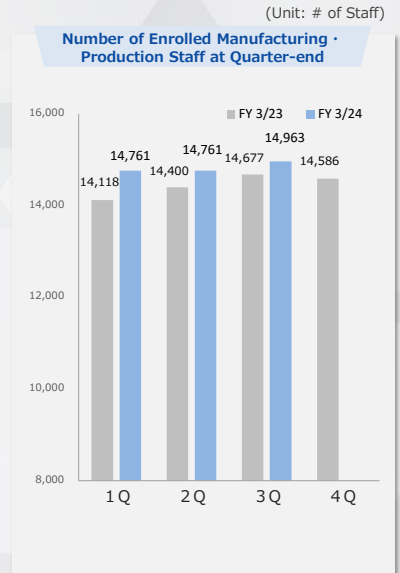
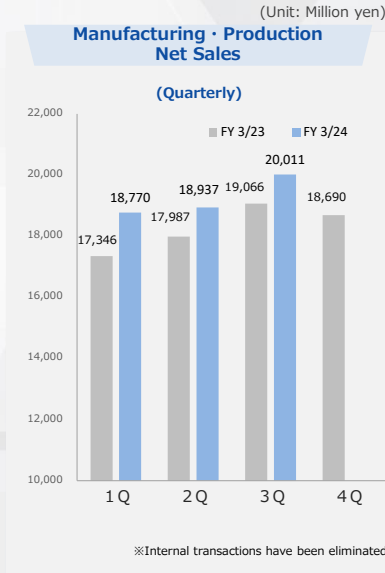
# General Human Resources Services

**Net Sales**

In 3Q, manufacturing · production net sales increased by 5.0% YoY, partly due to an increase in the number of enrolled manufacturing · production staff.

**Number of Enrolled Staff**

The number of enrolled manufacturing · production staff increased by 286 YoY.



Here, I would like to provide an explanation about our Manufacturing · Production Human Resources Services.

As I briefly mentioned earlier, although the Automotive Industry is on a recovery path as originally expected, some manufacturers have experienced production shutdowns due to various reasons.

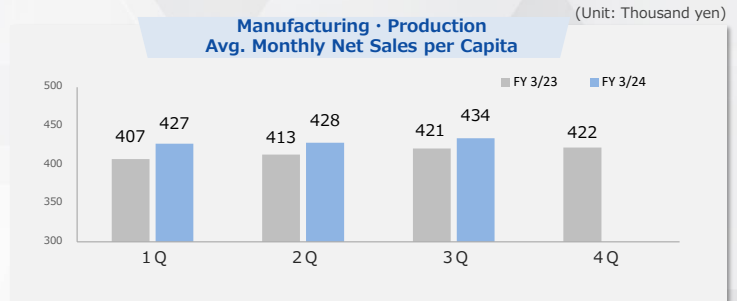
The situation in the Semiconductor Industry was as I mentioned earlier. The Electronics Industry has been affected by these developments and has yet to normalize.

Regarding the trends in the Automotive Industry, the Semiconductor Industry, as well as the Electronics Industry, which I mentioned at the beginning, operating hours per capita were generally the same as last year.

The number of enrolled staff increased by 286 year-on-year and finally began to increase in the third quarter. Please understand that the 5% increase in net sales compared to the 1.9% increase in the number of enrolled staff was due to the 3% increase in the unit-costs of orders received, as I mentioned earlier.

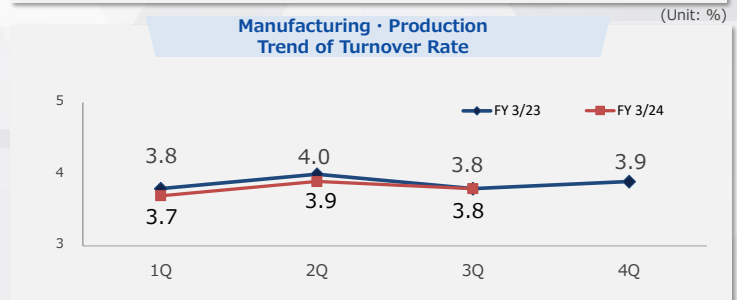
**Avg. Monthly Net Sales per Capita**

Manufacturing · production net sales per capita increased by 3.2% YoY.



**Turnover Rate**

The manufacturing · production turnover rate was at the same level YoY, and remained below 4%.



Shown here are the average monthly net sales per capita.

Although automobiles overall were on a recovery trend, the average, including so-called shutdowns, was as shown in the graph on the slide. However, even under these circumstances, we were able to maintain a turnover rate of less than 4%, which I believe was due to our effective people management.

## Net Sales

- In 3Q, although engineering net sales decreased by 1.0% YoY due to the delay in recovery in the Semiconductor Industry, the rate of decline decreased compared to 2Q, and showed signs of recovery.
- The YTD total increased by 4.8% YoY.

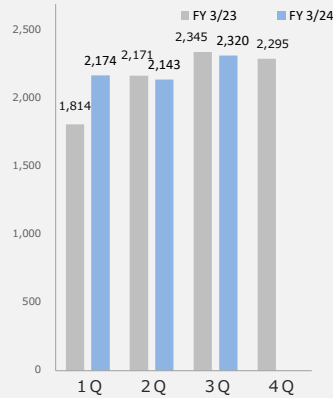
## Number of Enrolled Engineers

As with net sales, although the number of enrolled engineers decreased by 37 YoY due to the delay in recovery, there were signs of recovery compared to 2Q.

(Unit: Million yen)

## Engineering Net Sales

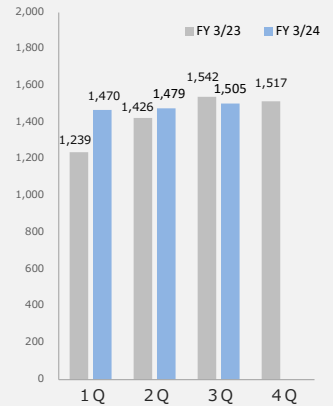
(Quarterly)



※Internal transactions have been eliminated

(Unit: # of Engineers)

## Number of Enrolled Engineers at Quarter-end



Shown here are our Engineering Human Resources Services.

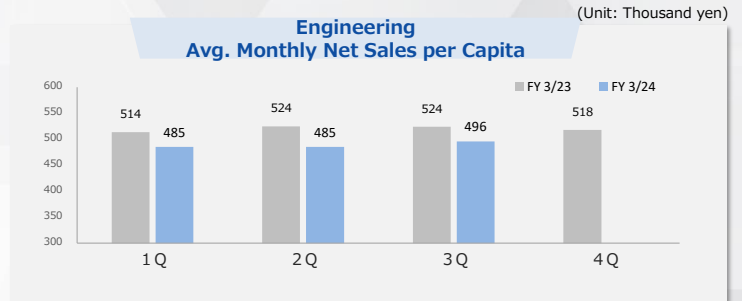
Although net sales decreased by 1% year-on-year in the third quarter, we recognize that there are signs of recovery when compared to the year-on-year decline in the second quarter.

The reason for this was the lifting of overtime restrictions at semiconductor factories, centered on memory, from the third quarter, which we believe had a significant positive effect. The first quarter of this fiscal year was relatively strong, and the year-to-date net sales through the third quarter increased by 4.8% year-on-year.

Although the number of enrolled engineers has been on a downward trend since the end of last year, it has finally reversed and started to increase. Although the number of enrolled engineers decreased by 37 year-on-year, we believe that the improvement from the second quarter and the introduction of human resources to new semiconductor clients, especially in the Kumamoto area, are factors that drove up the figures for the third quarter.

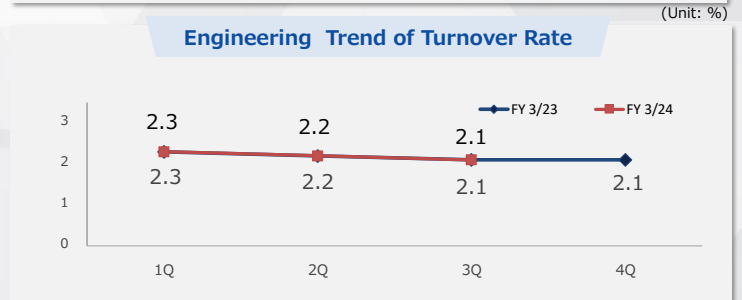
**Avg. Monthly Net Sales per Capita**

Although engineering net sales per capita decreased YoY partly due to sluggish production activities in the Semiconductor Industry, there were signs of recovery compared to 2Q.



**Turnover Rate**

The engineering turnover rate remained at a low level as in the previous year.



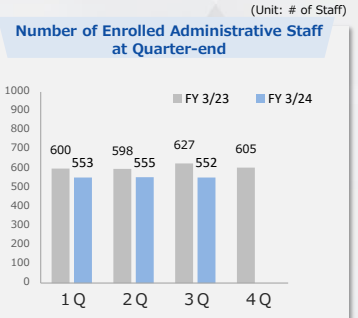
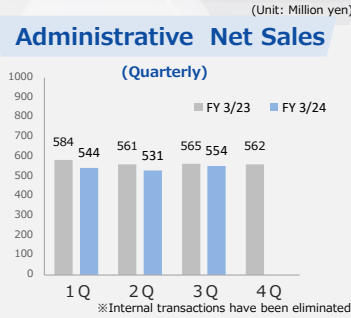
Shown here are the average monthly net sales per capita and turnover rate for our Engineering Human Resources Services.

As I mentioned earlier, we believe that the slight increase in net sales per capita in the third quarter was due to the lifting of overtime restrictions.

The turnover rate for Engineering Human Resources Services remained at a low level, as it was in the previous year. There are many engineers at semiconductor manufacturers or equipment manufacturers that focus on front-end processes for semiconductors, and we believe that the fact that the turnover rate has been kept at the same level as the previous year, even in extremely difficult circumstances, is a sign of good management.

**Administrative Human Resources Services**

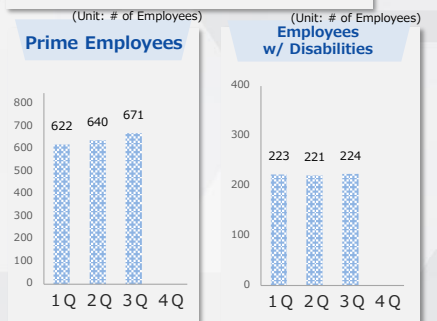
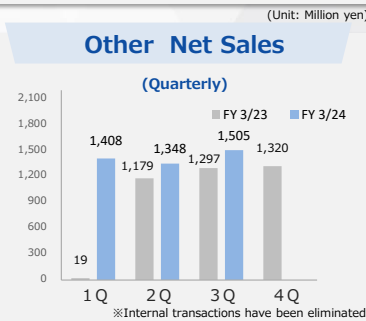
In 3Q, administrative net sales decreased by 1.9% YoY, partly due to a decrease in the number of enrolled administrative staff.



**Other Human Resources Services**

- Nikon Nisso Prime Corporation supports the active participation Prime employees, and the number of such employees was 671.
- Nisso Pure Co., Ltd. has created a workplace environment where diverse human resources can flourish, and the number of employees with disabilities was 224.

※Prime employees: Senior employees



Shown here are our Administrative·Other Human Resources Services.

Most of our Administrative Human Resources Services are general office work, which is decreasing due to recent replacement by new technologies, such as AI. However, we do not believe that the overall impact will be significant.

Regarding Other Human Resources Services, Nikon Nisso Prime creates opportunities for senior employees called "Prime Employees" at our company, to flourish. In other words, we have a diversity-like mindset. In addition, Nisso Pure creates opportunities for people with various disabilities to flourish while refining their skills. We recognize that these services are also progressing appropriately.



# Nursing Care • Welfare Services

## Nursing Care · Welfare Services provide facility nursing care and home-based nursing care

### Facility Nursing Care

In Yokohama, Kanagawa, we operate 6 fee-based nursing homes and provide nursing care services to residents.

With the motto of providing high-quality services, the occupancy rate at the facilities remain at a high level.

Sweetpea Shin Yokohama



Sweetpea Konandai mio



Sweetpea Kanazawa Hakkei



Sweetpea Honmoku Sankeien



### Home-based Nursing Care

We have 1 nursing care station in Yokohama, Kanagawa Prefecture, 2 in Iwaki City, Fukushima, and 2 outpatient care facilities in Iwaki City, Fukushima.

### Human Resources Development

Aiming for high-quality nursing care, we focus on human resources development. Employees of Sweetpea Kanazawa Hakkei participated in the 13th All Japan Care Contest, a nursing care technology contest, and won an award for excellence in the bathing category.

Sweetpea Mitsukyo



Sweetpea Higashi Totsuka



I would now like to provide a detailed explanation of Nisso Nifty, which operates in parallel with NISSO CORPORATION and provides Nursing Care·Welfare Services.

In facility nursing care, we have 6 facilities, as shown on the right side of the slide. As a group of human resources services companies, we are developing our business with the motto of providing high quality services while developing the skills of those who provide nursing care services and training them to improve their skills. Therefore, we maintain a high occupancy rate at our facilities.

Regarding home-based nursing care, we have 1 nursing care station in Yokohama, Kanagawa, 2 in Iwaki City, Fukushima, and 2 outpatient care facilities in Iwaki City, Fukushima. I will refer to this for a bit later, but we are also putting a great deal of effort into human resources development.

In addition, we received encouraging news that employees of Sweetpea Kanazawa Hakkei won an award for excellence in the bathing category of the "13th All Japan Care Contest", a nursing care technology contest.

※Internal transactions have been eliminated  
(Unit: Million yen)

**Points**

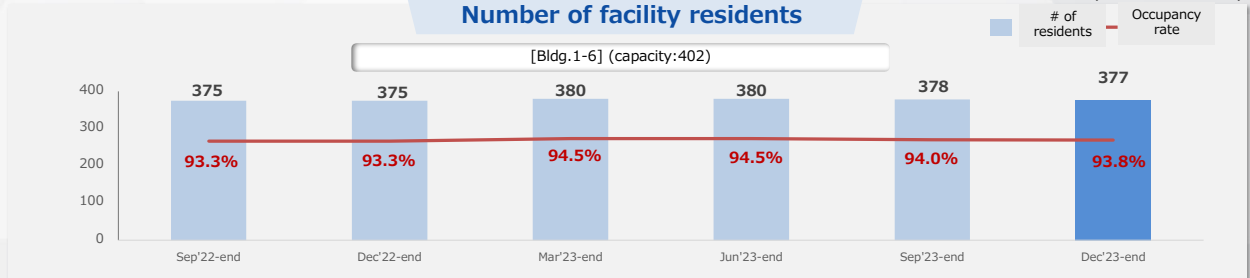
- The overall occupancy rate of nursing care facilities remained at a high level of 93.8%.
- Net sales increased by 1.0% YoY.
- Total sales increased by 9.7% YoY.
- In December 2023, a basic agreement was signed with Kanagawa Prefecture for a project related to the improvement pre-symptomatic diseases.

● Results of Nursing Care · Welfare Services

	FY 3/23 3Q	FY 3/24 3Q	Year-on-Year	
	Results	Results	Increase (Decrease)	% Change
<b>Net sales</b>	2,261	2,283	22	1.0%
<b>Total sales</b>	230	253	22	9.7%

**Number of facility residents**

(Unit: # of residents)



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Here are the net sales and gross profit (total sales) of Nursing Care · Welfare Services.

Although the scale was not very large, revenue and profits increased. As you can see in the graph at the bottom of the slide, we believe that the fact that we have maintained an occupancy rate of around 94% is proof that we are highly regarded.

Last December, we signed a basic agreement with Kanagawa Prefecture for a project related to the improvement of pre-symptomatic diseases. We are developing a model facility in order to steadily work together with Kanagawa Prefecture on various functional recovery training, etc., to prevent people from having conditions that require nursing care.

3

Toward the Growth of the Nisso Group

**Nisso Group Growth Cycle Image**



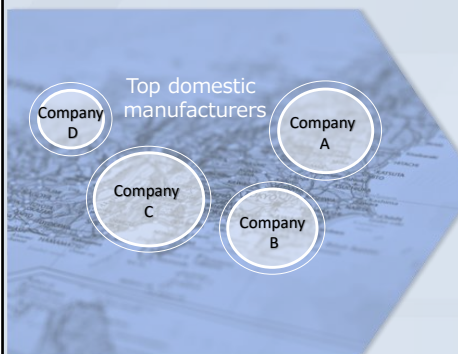
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The diagram on the slide shows an image of the realization of the Nisso Group growth cycle. We are a group that provides human resources services, and we are take various measures to achieve ES (employee satisfaction), CS (customer/client satisfaction), and SS (shareholder, etc., satisfaction).

The slide lists 8 keywords such as "Flexible M&A" and "Strengthening of Recruitment Structures". In each of these areas, we are implementing specific initiatives necessary to achieve growth and gain the trust of our customers/clients. I would like to explain the details of this later.

**Contributing to industries that drive Society 5.0  
through the development and production of human resources**

**Account Strategy**



**Industry Strategy** Industries driving Society 5.0

	<b>Automotive Industry</b>	Automobiles/ EV-related
	<b>Semiconductor Industry</b>	Semiconductors/ semiconductor manufacturing equipment
	<b>Electronics Industry</b>	Communication equipment/ electronic components

Next, let me explain our strategy for expanding our General Human Resources Services.

The Automotive Industry, Semiconductor Industry and Electronics Industry account for 65% of our total sales.

Although our company had an account strategy until last fiscal year, from this fiscal year, we have switched to an industry strategy.

In the future, the number of clients we will have to cover will increase rapidly. Although it will be difficult to conduct sales strategies and client management, we have switched to this strategy from this fiscal year in order to achieve stable growth in the future.

Within each industry, we will take action to dig deeper into the needs of our clients, who are expected to grow significantly in the coming years. Our strategy is to expand our client base by sufficiently ensuring the quality and quantity of human resources we secure, while committing to the systematic assignment of high value-added and highly skilled human resources to our clients who cannot be immediately assigned, while delving deeper into client needs.

		Automotive Industry (Automobile manufacturing · EV-related manufacturing industry)	Semiconductor Industry (Semiconductor manufacturing industry)	Electronics Industry (Electronic equipment manufacturing industry)
1 H	Capital Investment	Will gradually expand	Will expand	Will be flat
	Production Trends	Production growth will stall	Manufacturing equipment · memory will be sluggish Power semiconductors will be strong	Will be sluggish in conjunction with semiconductors
	Operational Trends	Impact of parts shortages will continue	Operations will be sluggish	Operations will be sluggish
	Personnel Trends	Will be steady	Will be sluggish	Will be sluggish
2 H	Capital Investment	Will expand	Will expand further	Will gradually expand
	Production Trends	Although parts shortages were resolved, production did not increase due to certification issues, etc.	Manufacturing equipment recovery will be delayed Memory will be sluggish	Will recover after the Semiconductor Industry
	Operational Trends	Impact of repeated suspension of operations by manufacturers will increase	Manufacturing equipment recovery will be delayed Memory will be sluggish	Will recover after the Semiconductor Industry
	Personnel Trends	Will be steady	Will be sluggish	Will gradually increase following the Semiconductor Industry

Here is a summary of our industry trends.

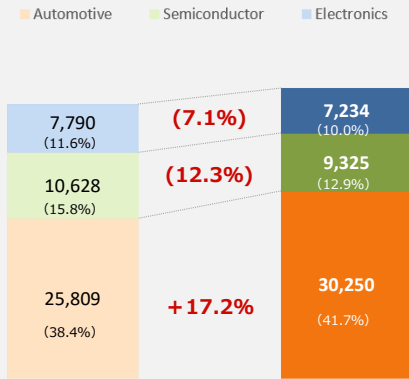
As I mentioned earlier, the Automotive Industry has been performing steadily as the supply chain and the shortage of semiconductors, including power semiconductors, have been resolved.

However, since the middle of the third quarter, it has been affected by repeated suspension of operations.

In the Semiconductor Industry, although the recovery has been delayed by about one quarter from what was expected at the beginning of the fiscal year, some semiconductor manufacturers have begun to perform well in the fourth quarter. The Electronics Industry, for example, will be strongly influenced by semiconductors that will be implemented in automobiles, communications equipment, and other devices.

Although communication devices, including smartphones, have been stagnant, the progress in replacing conventional engines to hybrid engines and EVs has been considerable in recent years. As a result, the number of factories in the Electronics Industry for automobiles is gradually starting to increase, and we believe that they will continue to be in full swing in the future.

**Consolidated Net Sales Composition Ratios**



※ ( ) = % of consolidated net sales, Red = % of Year-on-Year growth

	Net Sales	Operational Trends	Personnel Trends
<b>Electronics</b> (Electronic equipment manufacturing industry)	Down 7.1% YoY	Sluggish but some signs of partial recovery	Sluggish but partly recovered
<b>Semiconductor</b> (Semiconductor manufacturing industry)	Down 12.3% YoY	Manufacturing equipment and semiconductor memory were sluggish · power semiconductors were steady	Sluggish
<b>Automotive</b> (Automobile manufacturing · EV-related manufacturing industry)	Up 17.2% YoY	Operations did not increase due to certification issues, etc.	Steady

This slide shows the net sales composition by industry.

We have long been aware of the information that a large-scale factory will be established in Japan between 2026 and 2027, and we have been formulating a strategy for almost a year to ensure that we can receive orders for the human resources needs associated with this project.

Especially in the field of semiconductors, the movement of new factories that started in Kumamoto has spread to various locations, and there are also movements toward the start of construction of a second factory in Kumamoto in 2024 and a new semiconductor manufacturer in Chitose City, Hokkaido, for the start of mass production. We have been taking action and making preparations to respond to such developments.

The other factor are batteries. This is also a Japanese national policy manufacturing item. Recently, the Ministry of Economy, Trade and Industry (METI) has also set aside a large budget this item, and we have received information that large battery factories will be deployed in various parts of Japan from the second half of 2026. In addition, it is said that the market for stationary batteries will become quite active as measures for renewable energy and zero-carbon progress.

To achieve the above, we would like to promote measures for human resources development and/or sales responses.



# Toward the Strengthening of Recruitment

## Strengthening of client attraction and matching capabilities

Logistics 2024



Human resources mismatch



**Social issues**

**Diversification of human resources needs**



Declining birthrate and aging population



Service industry human resources shortage



Urban population concentration



**Job seeker needs**

Vector Shinwa

NissoBrain

NISSO 日総工業株式会社

Leaf NxT

株式会社ニコン日総プライム

日総ひのあ株式会社

日総ニフティ株式会社

**Client needs**

**In order to respond to social issues and diversifying human resource needs, we will develop recruitment methods that take advantage of group synergies, leading to business expansion**

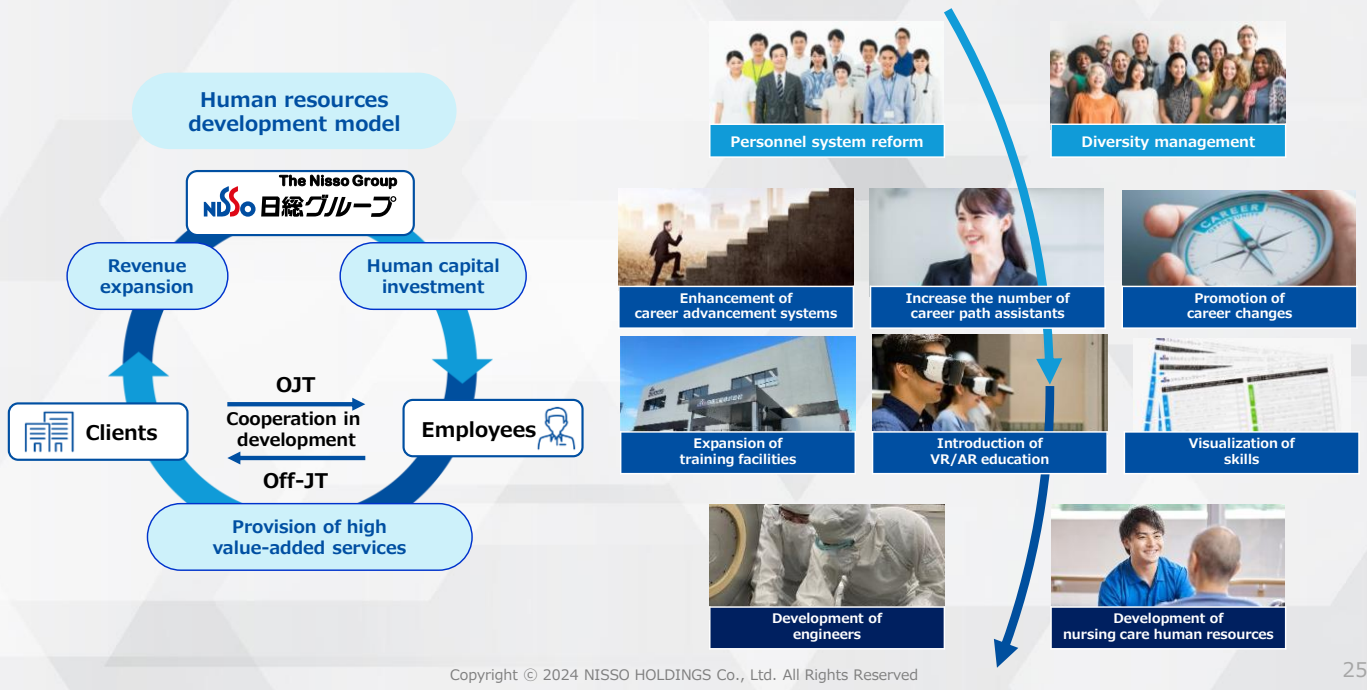
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This slide shows one idea for acquiring human resources in order to secure big projects in 2026 and 2027.

By actively utilizing our own website, we have been able to significantly reduce recruitment costs compared to other companies. Half of the more than 800 people we hire each month come through our own website, which is a big part of our recruiting arsenal. We plan to further expand this website in the future.

In addition, we have begun to expand our new initiative, a "recruitment consortium centered on human resources companies that provide mutual accommodation for those who cannot be matched well", which we have been conducting for about two years, to include other industries with which we have a high affinity, and to create a platform for its efficient implementation.

Furthermore, in order to further improve the accuracy of matching, we plan to actively utilize AI technology.



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Shown here is the strategy to improve the quality of human resources.

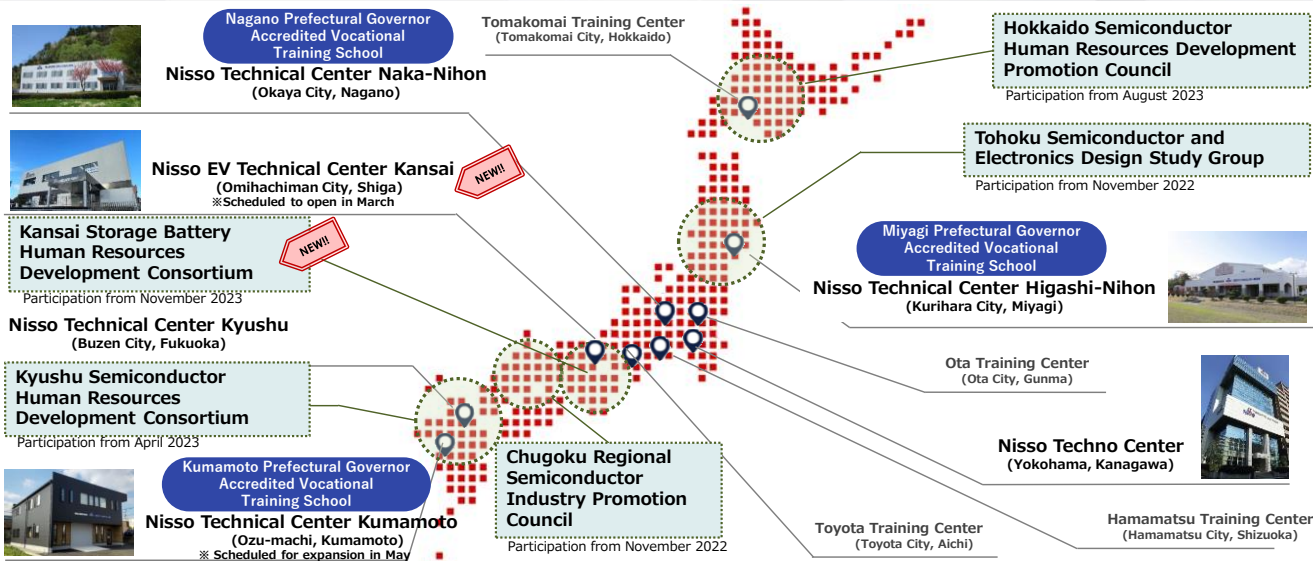
As shown on the slide, we have enhanced our career advancement systems for those working at our sites, and in recent years, we have career path assistants, or so-called career counseling, to provide generous support to workers with regard to "in what direction they want to improve their skills".

In addition, we have implemented a system to encourage those working at our manufacturing sites to change their careers to engineers, and have enhanced our training facilities. As I will explain in more detail later, in addition to the existing equipment engineers for semiconductors, we will also expand our training facilities for equipment engineers for storage batteries, which will be expanding in the future.

As for training structures, we are also developing new educational methods such as VR/AR and e-learning.

# Toward the Practice of Human Capital Management

Producing high value-added human resources through nationwide expansion of training facilities and industry-government-academia collaboration



I will now like to provide an explanation about our training facilities.

Until now, we have participated in industry-government-academia consortiums focused on semiconductors in the Kyushu region, Chugoku region, Tohoku region, and Hokkaido. Our role in those was "how to develop the human resources necessary to establish mass production technology and assign them to our clients".

Last November, we newly joined the "Kansai Storage Battery Human Resources Development Consortium", and we are preparing to open a new Nisso EV Technical Center Kansai for storage batteries in Shiga Prefecture next month.

With regard to semiconductors, for example, as the situation of factories in the Hokkaido area becomes clear, there will be a need for another center for the development of human resources for semiconductors in Hokkaido. In addition, in the case of storage batteries, we believe that due to their characteristics, we will be able to attract factories not too far from where auto body manufacturers are located. For example, I think it will be necessary to open Technical Centers for storage batteries in areas such as Aichi Prefecture and Kyushu.

# Nisso Group's Educational Achievements

## ● FY 3/2024 3Q Educational achievements (total # of participants)

### Points

- The Nisso Group has established our own "Human Resources Development Model". We provide high value-added services through advanced Off-JT.
- In Nursing Care · Welfare Services, the we have established a system that allows not only OJT but also regular Off-JT to ensure service quality.
- The Nisso Group also carries out external development of education and training. We provide educational content tailored to the needs of our clients.

Classification	Training content	FY 3/24 3Q YTD
<b>(Direct) Engineer training</b>	Manufacturing equipment maintenance · manufacturing equipment technology Mechanical design · production technology Special education for industrial robots, etc.	1,057
<b>(Direct) Manufacturing · production training</b>	MONOZUKURI (manufacturing) education Foreman education Hazard simulation education, etc.	13,209
<b>(Direct) Other training</b>	Regular compliance education Career support training Qualification (enhancement) training, etc.	1,371
<b>Nursing care · welfare training</b>	Elder abuse prevention · physical restraint abolition training Accident prevention risk management training Infectious disease · food poisoning prevention training, etc.	1,480
<b>Total</b>		17,117
<b>External employee training (Entrusted)</b>	Fundamentals of mechanical maintenance Fundamentals of manufacturing equipment Hazard simulation education, etc.	148

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27

Here are the Nisso Group's educational achievements.

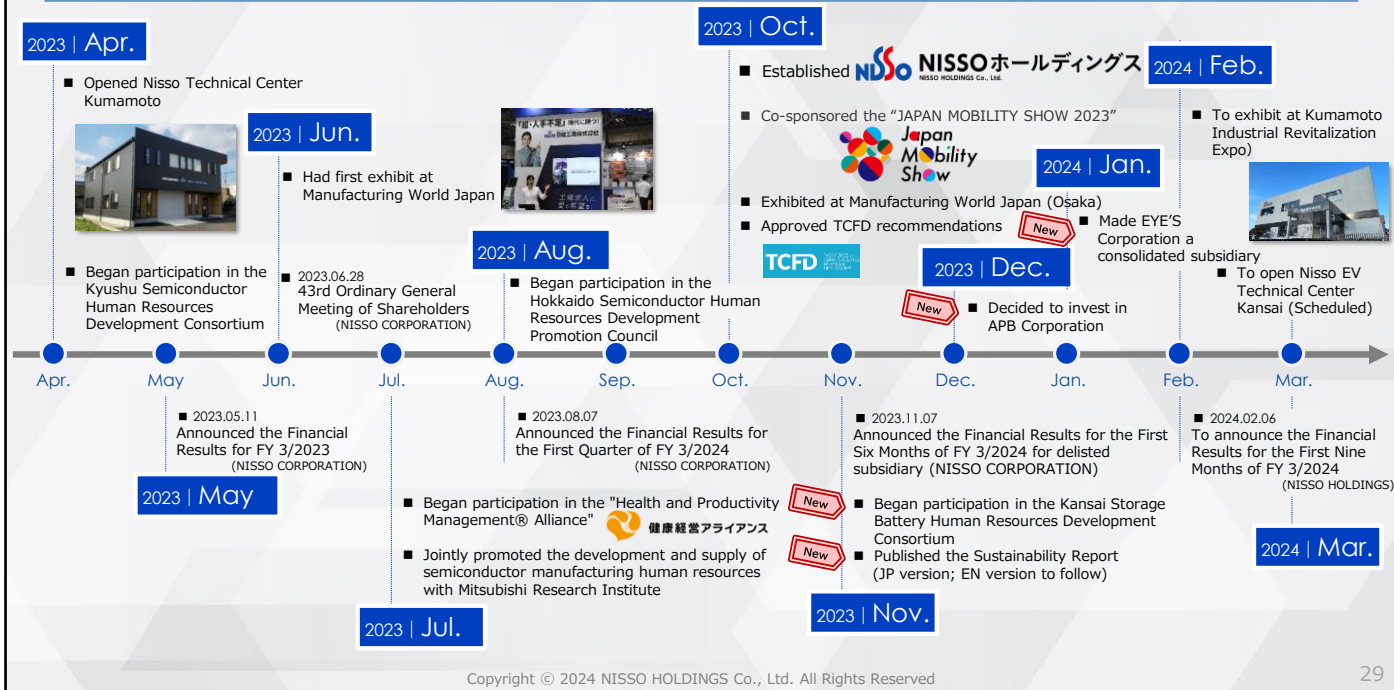
In the current fiscal year, the Semiconductor Industry, where we have produced many of our engineers, has not perform well, and projects have been delayed. Therefore, the number of eligible employees has decreased slightly compared to last year. However, since things are starting to move again, we are looking to put the drive back on in our business.

Nursing Care·Welfare Services are very important jobs where we are entrusted with people's lives. Therefore, as a human resources company, we would like to further strengthen our commitment to OJT by ensuring that training participants acquire a solid foundation not only through OJT, but also through pre-introduction training and Off-JT.

With regard to external employee training (entrusted), we have already been entrusted by several of our clients in the Semiconductor Industry to provide education and training. We believe that this is proof that our level of education has reached a level that is sufficient to accommodate our clients' employees.

4

## Nisso Group Topics



The slide lists our topics for the current fiscal year.

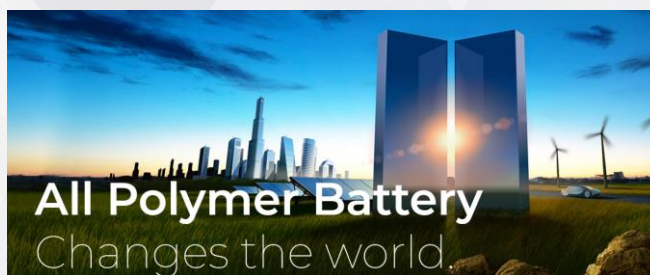
You can see that since the establishment of Holdings in October 2023, we have been implementing various initiatives aimed at growth in rapid succession.

In the future, we will continue to actively pursue acquisitions, capital and business alliances, and capital participation in order to achieve growth.



### EYE'S Corporation becomes a subsidiary

- EYE'S Corporation is developing a dispatching and outsourcing business in the IT domain, mainly in the Tokyo metropolitan area.
- EYE'S also engages in the manufacturing dispatching and contracting business to machine tool manufacturers.
- We are aiming to expand manufacturing · production and engineering services by acquiring a revenue base in new business areas (IT infrastructure and system engineering areas) that the Nisso Group does not currently hold.



### Decision made to invest in APB Corporation, an All Polymer Battery manufacturer

- APB develops and manufactures All Polymer Batteries with the mission of "Creating a sustainable future where all people are connected to energy".
- All Polymer Batteries are free-form, next-generation lithium-ion batteries that can be applied to large-scale storage batteries.
- We have decided to invest in APB with the aim of providing technical support for mass production in order to expand the production of All Polymer Batteries.

Here, I would like to introduce 4 topics.

First, we made EYE'S Corporation a subsidiary. They are a company that is developing their business in the IT area, which has been our weakness, and we aim to strengthen the IT area by having them join us.

In addition, they are engaged in manufacturing contracting and the dispatching of workers to machine tool manufacturers in the production equipment field that we would like to focus on in the future. We would like to further increase customer/client satisfaction while creating synergies with our group. It is also a measure to create an environment where people can build their careers in various areas, or change their careers and take on new challenges.

The second is the decision to invest in APB Corporation. This is a company that develops and manufactures the All Polymer Battery, a very unique and new technology. I hope you will see this as one of our efforts to expand into the area of storage batteries.



### Announced the opening of "Nisso EV Technical Center Kansai"

- NISSO CORPORATION plans to open the "Nisso EV Technical Center Kansai" in mid-March 2024.
- Established as a core training base for developing storage battery human resources in the Kansai region.
- Participated in the "Kansai Storage Battery Human Resources Development Consortium" established by the Kansai (Kinki) Bureau of Economy, Trade and Industry and strengthened cooperation.



### Announced the expansion of Nisso Technical Center Kumamoto

- The expansion is scheduled to be completed in May 2024. A new building will be constructed adjacent to the Nisso Technical Center Kumamoto, which specializes in the development of human resources for semiconductor manufacturing. The total floor area of the building will be approximately twice that of the existing facility.
- The number of training participants is expected to exceed 300 per year, including that of existing facilities, which will be 3 times the current number.

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31

The third is the opening of the "Nisso EV Technical Center Kansai". This facility is scheduled to open in Shiga Prefecture as a new EV Technical Center in mid-March.

Fourth, we announced the expansion of the "Nisso Technical Center Kumamoto". Until now, the Center in Kumamoto has only been able to produce about 100 engineers per year, but with the completion of the expansion of this Center in May, the training capacity will be tripled, and it is assumed that it will be possible to produce 300 equipment engineers per year.



5

Future Prospects (FY 3/2024)

## FY 3/2024 Revision of Full-year Consolidated Forecasts

Based on recent business performance trends, NISSO HOLDINGS has revised the Full-year Consolidated Forecast for FY 3/2024 (April 1, 2023 ~ March 31, 2024) which was announced on October 2, 2023. For details, please refer to the "Notice of Revisions of Full-year Consolidated Forecast for the Fiscal Year Ending March 31, 2024" announced on February 6, 2024.

● FY 3/2024 Full-year Consolidated Forecast (April 1, 2023 ~ March 31, 2024)

(Unit: Million yen)

	Previous Forecast		Present Revised Forecast		Change from Previous Forecast	
	Forecast	% of Total	Forecast	% of Total	Increase (Decrease)	% Change
<b>Net sales</b>	<b>100,000</b>	100.0%	<b>97,000</b>	100.0%	<b>(3,000)</b>	(3.0%)
<b>Operating profit</b>	<b>3,600</b>	3.6%	<b>2,800</b>	2.9%	<b>(800)</b>	(22.2%)
<b>Ordinary profit</b>	<b>3,600</b>	3.6%	<b>2,800</b>	2.9%	<b>(800)</b>	(22.2%)
<b>Profit attributable to owners of parent</b>	<b>2,300</b>	2.3%	<b>1,800</b>	1.9%	<b>(500)</b>	(21.7%)

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33

The following is an explanation of the downward revision.

One of the major reasons for the downward revision is the frequent shutdown problem in the automotive area, which I mentioned earlier.

At this stage, we do not have reliable information on the trends for the fourth quarter. Depending on the judgment of the Ministry of Land, Infrastructure, Transport and Tourism (MLIT), which is currently conducting on-site inspections, we believe it could have a considerable impact. Therefore, we have made a downward revision of about 800 million yen on an operating profit basis from the initial forecast.

## 6 Shareholder Return Policy

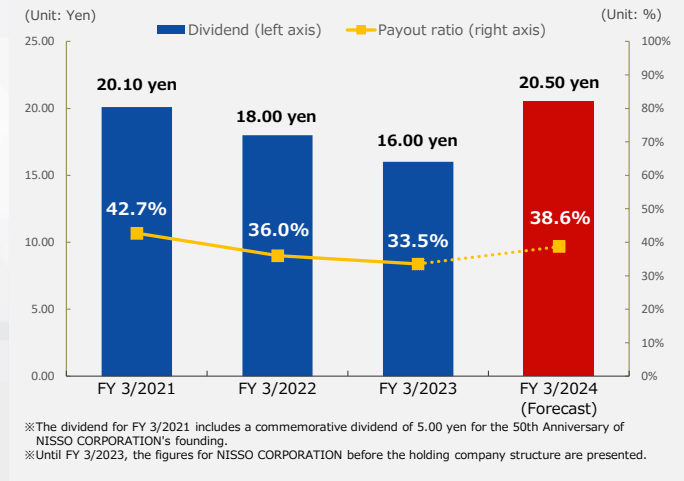
## Basic Policy

NISSO HOLDINGS considers the redistribution of profits to shareholders and the enhancement of corporate value as key management issues. In addition, by setting the consolidated dividend payout ratio of 30% or more as a general standard, NISSO's basic policy is to continue to steadily redistribute profits to all of our shareholders.

## FY 3/2024 Dividend Forecast

Although NISSO HOLDINGS has revised the earnings forecast, the dividends per share forecast (20.50 yen) remains unchanged. This will result in a dividend payout ratio of 38.6%.

## Dividend and Payout Ratio



Shown here is our shareholder return policy.

The dividend forecast of 20.50 yen remains unchanged. As a result, revenues were 800 million yen lower than originally planned, resulting in a dividend payout ratio of 38.6%.

7

Financial Condition (First Nine Months of FY 3/2024 (3Q))

# Consolidated Balance Sheet

(Unit: Million yen, %)

	Mar. 2023-end		Dec. 2023-end		Increase (Decrease)
	Amount	% of Total	Amount	% of Total	
<b>Current assets</b>	<b>21,747</b>	<b>72.3</b>	<b>21,608</b>	<b>71.5</b>	<b>(138)</b>
Cash and deposits	9,800	32.6	9,061	30.0	(738)
Accounts receivable - trade	10,986	36.5	11,293	37.4	306
<b>Non-current assets</b>	<b>8,344</b>	<b>27.7</b>	<b>8,624</b>	<b>28.5</b>	<b>279</b>
Property, plant and equipment	4,660	15.5	4,935	16.3	274
Intangible assets	1,514	5.0	1,383	4.6	(130)
Investments and other assets	2,169	7.2	2,305	7.6	135
<b>Total assets</b>	<b>30,092</b>	<b>100.0</b>	<b>30,233</b>	<b>100.0</b>	<b>140</b>
<b>Current liabilities</b>	<b>12,187</b>	<b>40.5</b>	<b>12,041</b>	<b>39.8</b>	<b>(145)</b>
Accrued expenses	6,119	20.3	6,655	22.0	536
Income taxes payable	555	1.8	32	0.1	(522)
Provision for bonuses	1,395	4.6	781	2.6	(614)
<b>Non-current liabilities</b>	<b>3,097</b>	<b>10.3</b>	<b>2,758</b>	<b>9.1</b>	<b>(338)</b>
Long-term loans payable	2,019	6.7	1,651	5.5	(367)
<b>Total liabilities</b>	<b>15,284</b>	<b>50.8</b>	<b>14,800</b>	<b>49.0</b>	<b>(484)</b>
<b>Shareholders' equity</b>	<b>14,563</b>	<b>48.4</b>	<b>15,161</b>	<b>50.1</b>	<b>597</b>
<b>Non-controlling interests</b>	<b>239</b>	<b>0.8</b>	<b>262</b>	<b>0.9</b>	<b>23</b>
<b>Total net assets</b>	<b>14,807</b>	<b>49.2</b>	<b>15,432</b>	<b>51.0</b>	<b>624</b>
<b>Total liabilities and net assets</b>	<b>30,092</b>	<b>100.0</b>	<b>30,233</b>	<b>100.0</b>	<b>140</b>

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## Point

### ① Increase due to expansion of the number of staff in operation

Due to the expansion of the number of staff in operation in the manufacturing-related human resources services, etc., "accounts receivable (trade)" of current assets and "accrued expenses" of current liabilities increased.

### ② Repayments

current assets and "long-term loans payable" of non-current liabilities decreased.

### ③ Tax payments

"Income taxes payable" of current liabilities decreased due to the payment of income taxes and other taxes.

### ④ Bonus payments

Due to the payment of summer and winter bonuses, "provision for bonuses" of current liabilities decreased.

### ⑤ Overall

As a result of the above, total assets increased by 0.5%, total liabilities decreased by 3.2%, and total net assets increased by 4.2%, resulting in an equity ratio of 50.2% compared to the end of the previous fiscal year.

37

Here is our balance sheet.

The items that affected the balance sheet are shown on the right side of the slide.

8

Glossary

## Glossary

Word/Term	Explanation
Manufacturing dispatching	Manufacturing dispatching is conducted in accordance with the "Act for Securing the Proper Operation of Worker Dispatching Undertakings and Protection of Dispatched Workers", and dispatching services are provided to manufacturers including automobiles manufacturing, semiconductor manufacturing, and electronic equipment manufacturing. The right to instruct and order the work lies with the manufacturer, which is the dispatching destination, and the employer is the dispatching company. Procedures related to labor management, such as recruitment and payroll, are carried out by the employer, the dispatching company.
Manufacturing contracting	Manufacturing contracting provides services to manufacturers including automobiles manufacturing, semiconductor manufacturing, and electronic equipment manufacturing. The contracting company uses part or all of the manufacturer's processes - equipment to establish production, quality control, labor management, and workplace management systems. In response to orders from the ordering party (manufacturers), the contracting company conducts manufacturing, processing and inspections under a management system, and delivers the finished products (deliverables) to the ordering party upon completion.
Human Resources Development Model	A model for developing high value-added human resources. By developing human resources using the Nisso Group's unique advanced Off-JT, we provide our clients with human resources who can quickly acquire skills and establish themselves after being assigned to a workplace.
Industry Strategy	A strategy for proactively and speedily responding to the needs of each industry that the Nisso Group focuses on, in order to expand our General Human Resources Services business.
Turnover rate	The cumulative (YTD) number of resignations divided by the total average number of enrolled staff each month. It represents the average withdrawal rate for the relevant period.
Nisso Technical Centers	Large-scale education and training facilities that educate highly specialized technical staff in various industries such as automobiles, electricity, and semiconductors. The Technical Centers provide a wider range of education than the Training Centers, and can also provide contracted training services.
Nisso Training Centers	Education and training facilities that provide specialized skills education for specific industries. Education and training are provided on the premise of assignment to specific manufacturers.

Shown here is a glossary explaining some terms that are not very common to the general public.

Please refer to this if you have any questions as you go through the material.

This concludes my explanation of our financial results. Thank you very much for your undivided attention.





The forward-looking statements and performance forecasts contained in this document are forecasts determined by NISSO HOLDINGS based on information available at the time of preparation, and include potential risks and uncertainties. Therefore, please be aware that the actual results may differ greatly from the forward-looking statements described due to changes in various factors.

**<For future IR-related inquiries>**

IR Division, NISSO HOLDINGS Co., Ltd.

TEL 045-777-7630

E-mail [ir@nisso-ir.com](mailto:ir@nisso-ir.com)

URL <https://www.nisso-hd.com>

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