



2022 3rd Quarter Financial Results

July 29th, 2022

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1. Management Philosophy and Company Overview



Aiming to be the world's leading investment bank seeking maximum contributions to clients and the happiness of all employees

Wholeheartedly responding to decisions.

1

We will continually pursue higher knowledge, service levels, teamwork and new fields as one of the world's leading groups of professionals and, above all, will work to achieve the solutions and gains our customers expect with earnestness and passion that far exceeds our competitors.

2

Our employees will achieve personal growth, economic prosperity and happy family lives through work at a broader and higher level. We understand that our business results and future depend on the success of our employees.

3

We are not a small-scale boutique but will continually move forward and expand into an investment bank with the world's top brand, human resources and capabilities. We will maintain thorough confidentiality and legal compliance to protect our credibility and high profitability to strengthen our capital and attract the top human resources.

Trade Name	M&A Capital Partners Co., Ltd.
Listed Market	Tokyo Stock Exchange Prime Market (Securities Code: 6080)
Head Office Location	38F, Gran Tokyo North Tower, 1-9-1 Marunouchi, Chiyoda-ku, Tokyo
Business Content	M&A-related services
Representative	Satoru Nakamura, President and Representative Director
Established	October 2005
Capital	2.8 billion yen (as of June 30, 2022)
Employees	Consolidated: 217 Non-consolidated: 145 (as of June 30, 2022)
Affiliates	RECOF Corporation, RECOF DATA Corporation, Mirai Financial Planning Co., Ltd. MARR MATCHING Co., Ltd.

Business Content

M&A-related services

We provide advisory services for the realization of M&A standing between the transferor (seller) and the transferee (buyer) from an independent and impartial position.

Characteristics

We propose M&A-focused solutions and support them to implementation for company owners who have concerns about finding a successor for the business.



M&A coverage spanning a wide range of industries and businesses

Pharmacy

Pharmacy

Construction/ engineering works

Air-conditioning facility construction
 Water supply/drainage facility construction
 Electrical facilities construction
 Telecommunications construction
 General contractor construction
 Public works
 Reinforcing steel construction
 Building metal construction
 Residential construction
 Interior work
 Construction-related surveys
 Building structural design
 Building structural diagnostics
 Painting
 Temporary material rental

Wholesaling

Building materials wholesaling
 Wooden building materials wholesaling
 Processed lumber products wholesaling
 Chemicals wholesaling
 Fuel wholesaling
 Cosmetics wholesaling
 Lifestyle products wholesaling
 Machinery and appliances wholesaling
 Electronic materials wholesaling
 Dental materials/pharmaceuticals wholesaling
 Solar power wholesaling
 Textiles/clothing wholesaling
 Miscellaneous goods wholesaling
 Food ingredient wholesaling
 Food import wholesaling
 Fishery product wholesaling
 Agricultural and livestock wholesaling
 Wholesaling of confectionery
 Second-hand machinery wholesaling

Manufacturing industry

Metal products manufacture/processing
 Chemical industry
 Industrial machinery manufacture
 Tool manufacture
 Precision parts manufacture
 Electrical machinery/appliance manufacture
 Steel fabrication
 Rolled-copper product processing
 Electronic components manufacture/processing
 Transportation machinery/appliance manufacture
 Automotive parts manufacture
 Air-conditioning equipment
 Energy-saving machinery design/manufacture
 Cleaning/drying equipment manufacture
 Machinery repair
 Concrete products manufacture
 Medical appliance manufacture
 Supplement planning/manufacture
 Women's clothing manufacture
 Daily goods planning/manufacture
 Textile product manufacture
 Fishery product processing
 Confectionery manufacture
 Food manufacture/processing
 Pharmaceutical manufacture
 Beauty products manufacture

IT/ information services

Data mining
 Information services
 Outsourced software development
 System development
 Consulting
 Research/analysis

Distribution

General freight transportation
 Newspaper delivery
 Distribution processing
 Truck rental
 Warehousing

Eating out

Eating out
 Home-delivered meals

Real estate

Real estate brokerage
 Multi-unit apartment maintenance
 Investment real estate development
 Building maintenance
 Lease management

Nursing care/healthcare/welfare

Nursing care business
 Clinical study support
 Medical corporations
 Daycare

Retail and distribution

Supermarkets
 Discount stores
 Mail order
 Apparel
 Supplements
 Health food products
 OA equipment
 Interiors
 Daily goods
 Outdoor
 Vehicle sales/servicing
 Gas and fuel sales

Advertising/printing/ media

Printing
 Advertising agency
 Paper bag manufacture
 Event planning/preparation
 Design
 Video creation
 Package software development
 Game development

Other

Lease/rental
 Temporary staffing
 Temporary engineer staffing
 BPO
 Medical preparatory school
 Preparatory school
 Hotspring resorts
 Hotels
 Operation of amusement facilities
 Facilities security
 Insurance/Insurance agency
 Buying/selling of tickets
 Sales promotion
 Trading company
 Waste processing
 Funerals
 Translation

Established the No.1 brand in Japan among M&A intermediary companies
against a backdrop of unparalleled awareness

M&Aキャピタルパートナーズは、
M&A仲介業界
主要5部門で

No.1※

認知度

First place

支払手数料率の
低さ

First place

取扱案件の
平均譲渡価格

First place

法令遵守
イメージ

First place

コンサルタント1人あたり
売上高・経常利益

First place

* Research conducted by TOKYO SHOKO RESEARCH, LTD.

Survey overview: As of March 31, 2022

Competitive survey for specified area of listed and major unlisted M&A intermediary companies, and others

* The above is referenced from M&A capital website

Japan's leading professional group able to provide optimal M&A for all clients

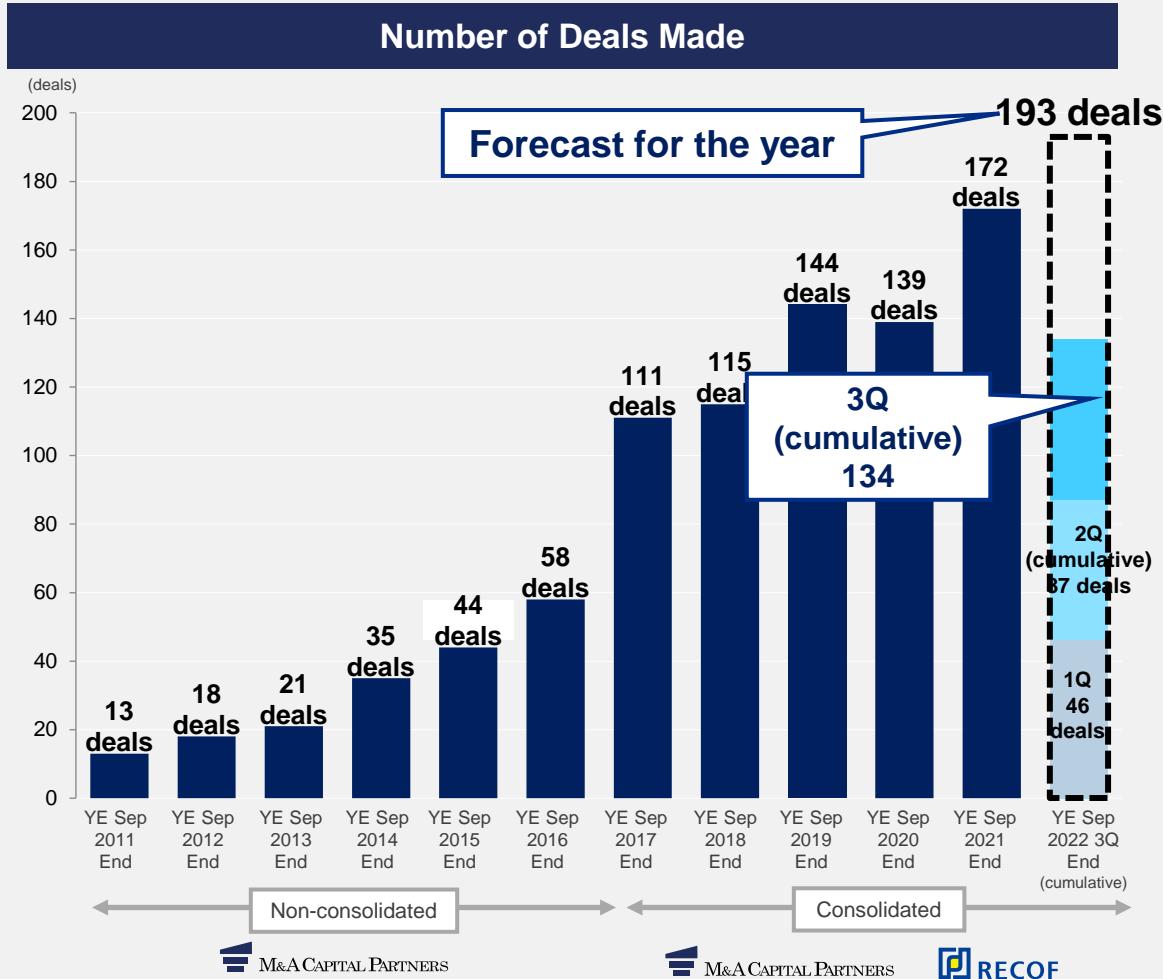


Coverage of all service areas related to a variety of forms of M&A by 5 group companies

2. Results



Record high of 134 deals made in 3Q (cumulative) (up 9.8% year on year)
Reached record level of 36 large deals* (+63.6% year-on-year) achieving the full-year target of 33 deals at the end of 3Q



	3Q (cumulative)	Forecast for the year	Progress for Entire Year
Number of deals (consolidated)	134	193	69.4%

Non-consolidated

M&A Capital Partners Co., Ltd.
 34 of the 119 deals closed (+9.2% year on year) were large deals

- Record number of deals closed in first nine months at 119
- Reached record level of 34 large deals achieving the full-year target of 30 deals at the end of 3Q

RECOF
 2 of the 15 deals closed (+15.4% year on year) were large deals

* Deals with a commission of 100 million yen or more

Achieved record number of deals and record results in 3Q (cumulative)
 Despite the number of consultants decreasing by one, strong performance continued with an increase of large deals

Net sales

14,155 million yen

(+33.4% year-on-year)

Ordinary income

6,799 million yen

(+49.5% year-on-year)

Number of Deals

134 deals

(+9.8% year-on-year)

Large deals

Record number of

36 deals

(+63.6% year-on-year)

Number of consultants

153

(-1 year-on-year)

Contract liabilities (previously advances received)*, which is a useful indicator of order backlog, also increased steadily to ¥941 million (+12.1% YoY)

*The change in presentation from "advances received" to "contract liabilities" is due to revision of accounting policies.

	M&A Capital Partners Co., Ltd.		RECOF	
	Result	Year-on-year Change	Result	Year-on-year Change
Net sales	12,702 million yen	+33.1%	1,154 million yen	+28.5%
Ordinary income	6,812 million yen	+44.8%	186 million yen	+1475.8%
Number of Deals	119 deals	+9.2%	15 deals	+15.4%
Large deals	34 deals	+70.0%	2 deals	0.0%
Number of consultants	113	+2	40	-3

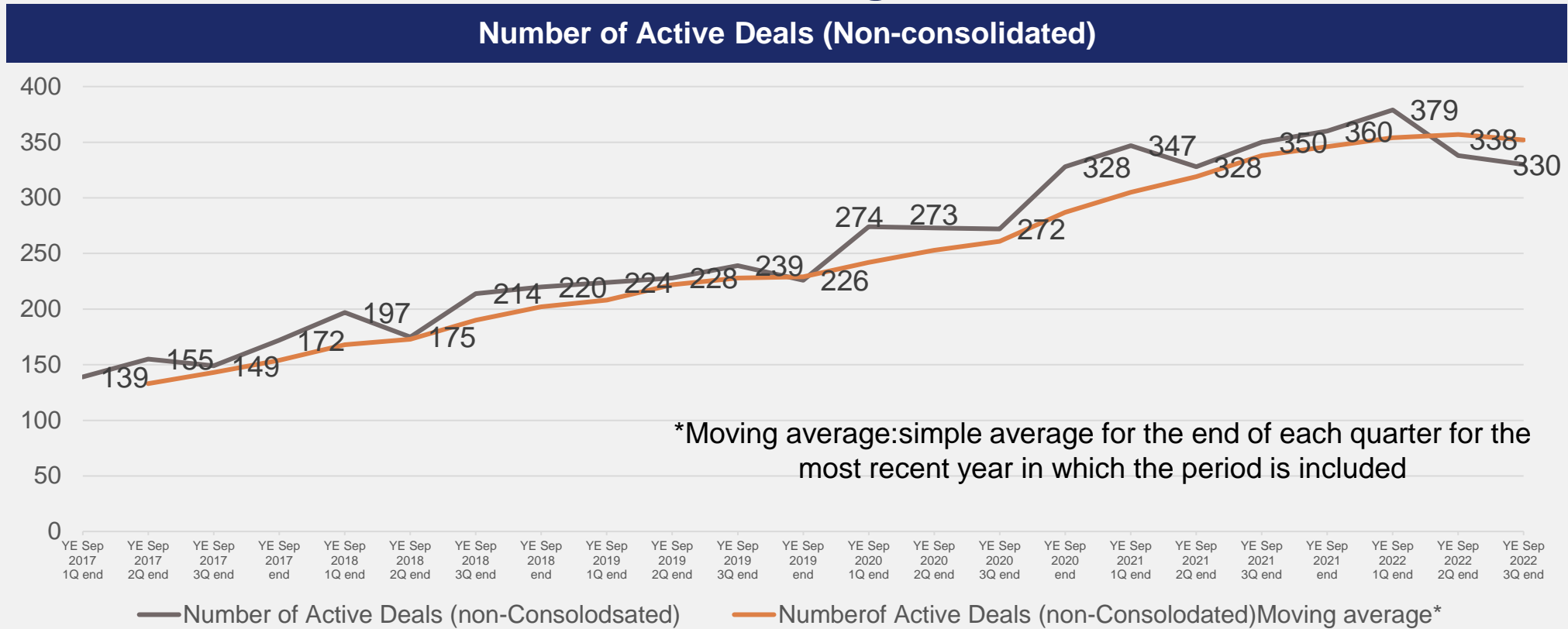
*Because non-consolidated information is shown, amortization (178 million yen) due to business integration is not included.

*We have omitted listing Group companies of relatively low importance.

*The figures for RECOF are simple aggregate figures including RECOF Vietnam Co., Ltd.

330 active deals (-5.7% year on year)

Although there was a slight decrease in normal deals, highly profitable large deals are increasing



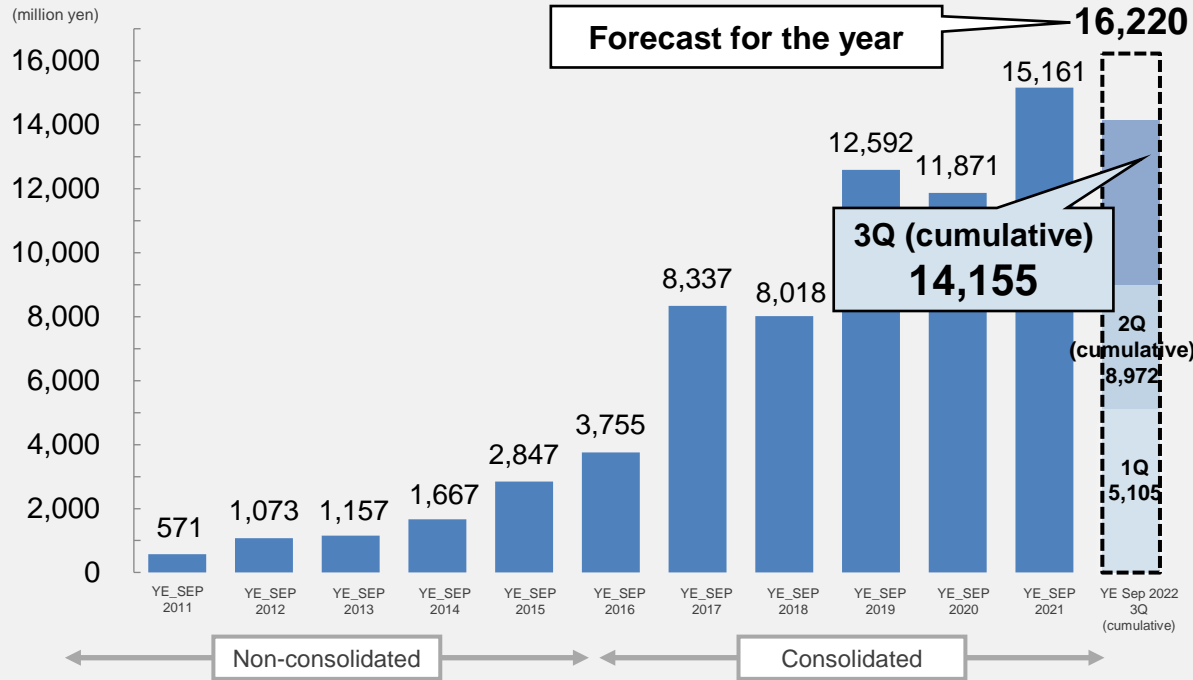
In 8 years since listing (year ended September 2013), sales have increased rapidly by more than 13x.

Units: Millions of yen

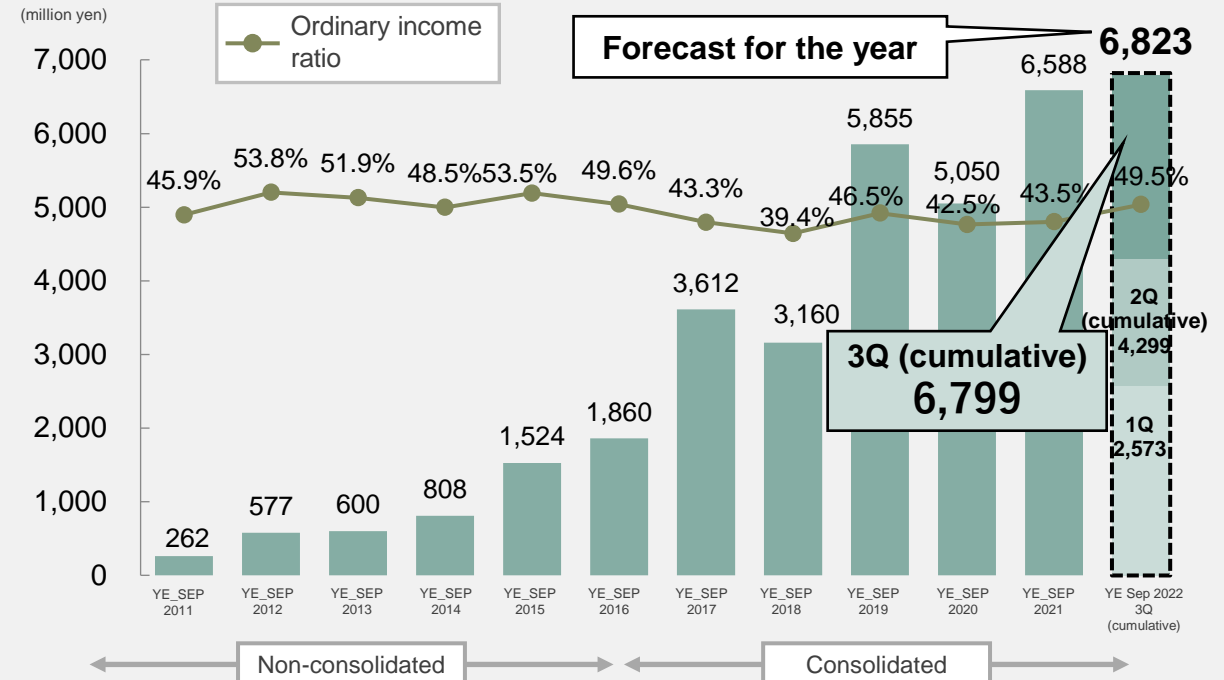
	3Q (cumulative)	Forecast for the year	Progress for Entire Year
Net sales	14,155	16,220	87.3%
Ordinary income	6,799	6,823	99.6%

Ordinary income almost reached the full-year forecast at the end of 3Q

Net sales



Ordinary income



Achieved record net sales, operating income and ordinary income in 3Q

(Units: millions of yen, second line is composition ratio)

	3Q FY09/21 (Consolidated)	3Q FY09/22 (Consolidated)		
			Year-on-year Change	Main Factors Causing Change
Net sales	10,614 (100.0%)	14,155 (100%)	+33.4%	<ul style="list-style-type: none"> At non-consolidated level, closed record number of deals in 3Q (cumulative) Closed 36 large deals
Gross profit	6,926 (65.3%)	9,374 (66.2%)	+35.3%	<ul style="list-style-type: none"> Impact of higher revenue
SG&A	2,389 (22.5%)	2,627 (18.6%)	+10.0%	
Operating income	4,536 (42.7%)	6,746 (47.7%)	+48.7%	<ul style="list-style-type: none"> Impact of higher revenue
Ordinary income	4,547 (42.8%)	6,799 (48.0%)	+49.5%	
Net income	3,006 (28.3%)	4,601 (32.5%)	+53.0%	

Solid financial condition backed by stable shareholders equity

(Units: millions of yen, second line is composition ratio)

	September 30, 2021 (Consolidated)	FY09/22 3Q-end (Consolidated)		
			Change	Main Factors Causing Change
Current assets	27,720 (90.0%)	31,865 (92.2%)	+4,144	<ul style="list-style-type: none"> ▪ Cash and deposits +3,161
Noncurrent assets	3,076 (10.0%)	2,684 (7.8%)	-391	<ul style="list-style-type: none"> ▪ Deferred tax assets -157 ▪ Goodwill -145 (Amortization of goodwill)
Total assets	30,796 (100.0%)	34,550 (100.0%)	+3,753	
Current liabilities	4,690 (15.2%)	3,939 (11.4%)	-751	<ul style="list-style-type: none"> ▪ Provision for bonuses +505 ▪ Contract liabilities (previously “advances received”) +104 ▪ Accounts payable - other -787 ▪ Income taxes payable -679
Noncurrent liabilities	264 (0.9%)	216 (0.6%)	-48	
Total liabilities	4,954 (16.1%)	4,155 (12.0%)	-799	
Total net assets	25,841 (83.9%)	30,394 (88.0%)	+4,552	
Total liabilities and net assets	30,796 (100.0%)	34,550 (100.0%)	+3,753	

Highest rate of growth among M&A intermediary companies listed on TSE Prime Market capitalization has increased about 10 times over the 8 years since listing.

Market Capitalization



*As of July 28, 2022

Earnings
Forecasts

The number of active deals will remain strong, and
the best performance on record is forecast
Forecast number of consultants revised from 203 to 168

Net sales

16,220 million yen

(+7.0% year on year)

Ordinary income

6,823 million yen

(+3.6% year on year)

Number of Deals

193 deals

(+12.2% year on year)

Large deals

33 deals

(-8.3% year on year)



Number of consultants

168

(±0 year on year)

Non-consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2022

Earnings Forecasts

The forecast number of consultants was revised from 154 to 125 on a non-consolidated basis and from 49 to 43 for RECOF

	M&A Capital Partners Co., Ltd.		RECOF	
	Forecast	Year-on-year Change	Forecast	Year-on-year Change
Net sales	14,368 million yen	+3.9%	1,448 million yen	+34.3%
Ordinary income	7,083 million yen	+2.8%	104 million yen	—
Number of Deals	168 deals	+8.4%	25 deals	+47.1%
Large deals	30 deals	-11.8%	3 deals	+50.0%
Number of consultants	125	+2	43	-2

*Because non-consolidated information is shown, amortization (226 million yen) due to business integration is not included.

*We have omitted listing Group companies of relatively low importance.

*The figures for RECOF are simple aggregate figures including RECOF Vietnam Co., Ltd.



3. Characteristics and Strengths of the Company

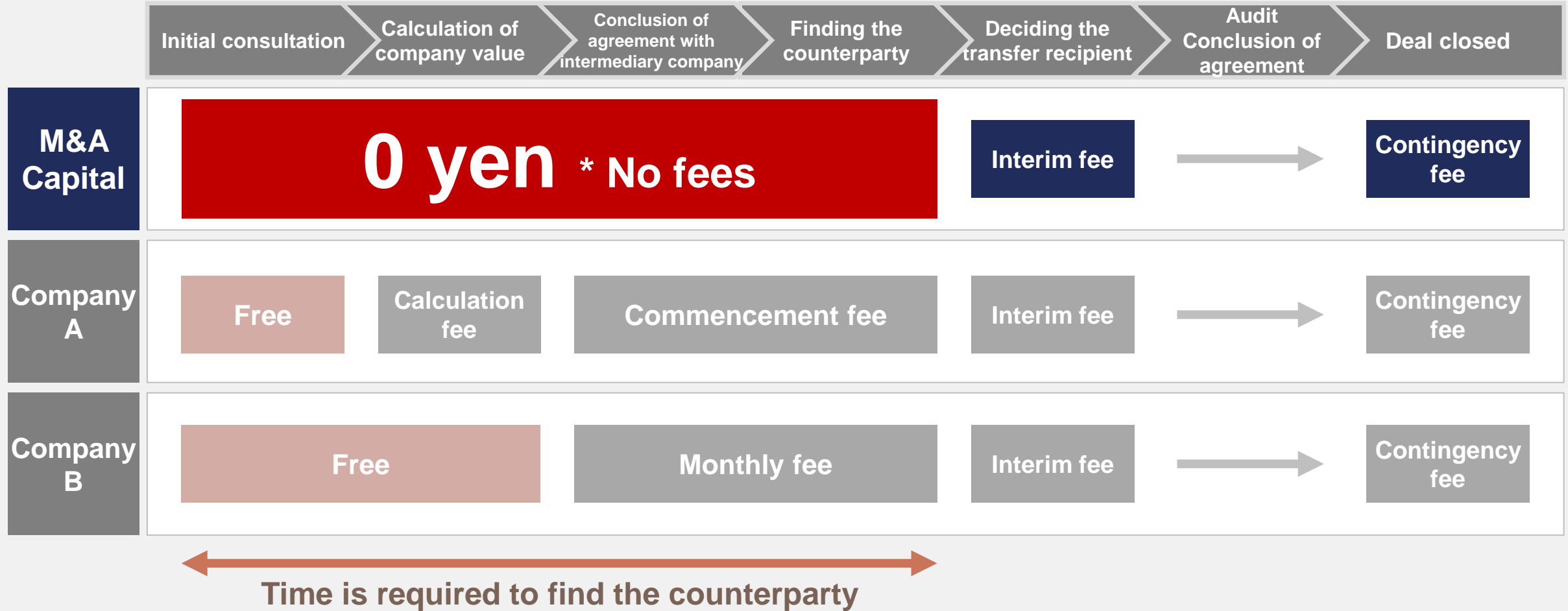
M&A CAPITAL PARTNERS CORPORATE IDENTITY



Aiming to be the world's leading investment bank
seeking **maximum contributions to clients**
and the happiness of all employees

Clear Fee Structure Maintained Since the Company Was Founded

The clear “no commencement fee” system enabling customers to consult with peace of mind has continued since the company was founded



We use the “Lehman Formula based on share value” that leads to overwhelmingly lower costs as the formula for calculating fees in a way that convinces customers

What is the Lehman Formula?

- ✓ A general calculation formula used for M&A intermediary contingency fees. Calculating fees according to a fixed commission rate against the value of the transaction
- ✓ Typical examples are the “Lehman formula based on the total assets moved” multiplying the total assets moved by a commission rate and the “Lehman Formula based on share value” multiplying the share value by a commission rate

* It is a calculation formula created by referring to the fee structure used by the U.S. investment bank Lehman Brothers. The M&A team of the former Yamaichi Securities led by RECOF Corporation founder Masaaki Yoshida first adopted it in the Japanese market in 1974, and it has been widely used by RECOF Corporation to calculate contingency fees in the M&A industry since then. It is also referred to as the “Lehman Scale.”

MACP using the Lehman Formula based on share value

Lehman Formula based on the total assets moved used by other companies

2 billion yen x
commission rate

Balance Sheet	
Total assets moved 2.0 billion yen	Debt 1.5 billion yen
	Equity value 500 million yen

Lehman Formula based on share value used by MACP

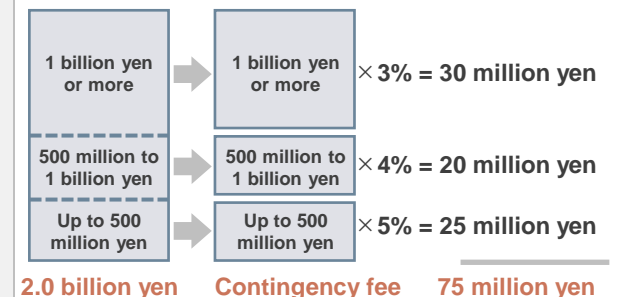
500 million yen x
commission rate

Examples of Lehman Formula rates

Transaction value, etc.	Commission rate
Over 10 billion yen	1%
5 billion yen up to 10 billion yen	2%
1 billion yen up to 5 billion yen	3%
500 million yen up to 1 billion yen	4%
Up to 500 million yen	5%

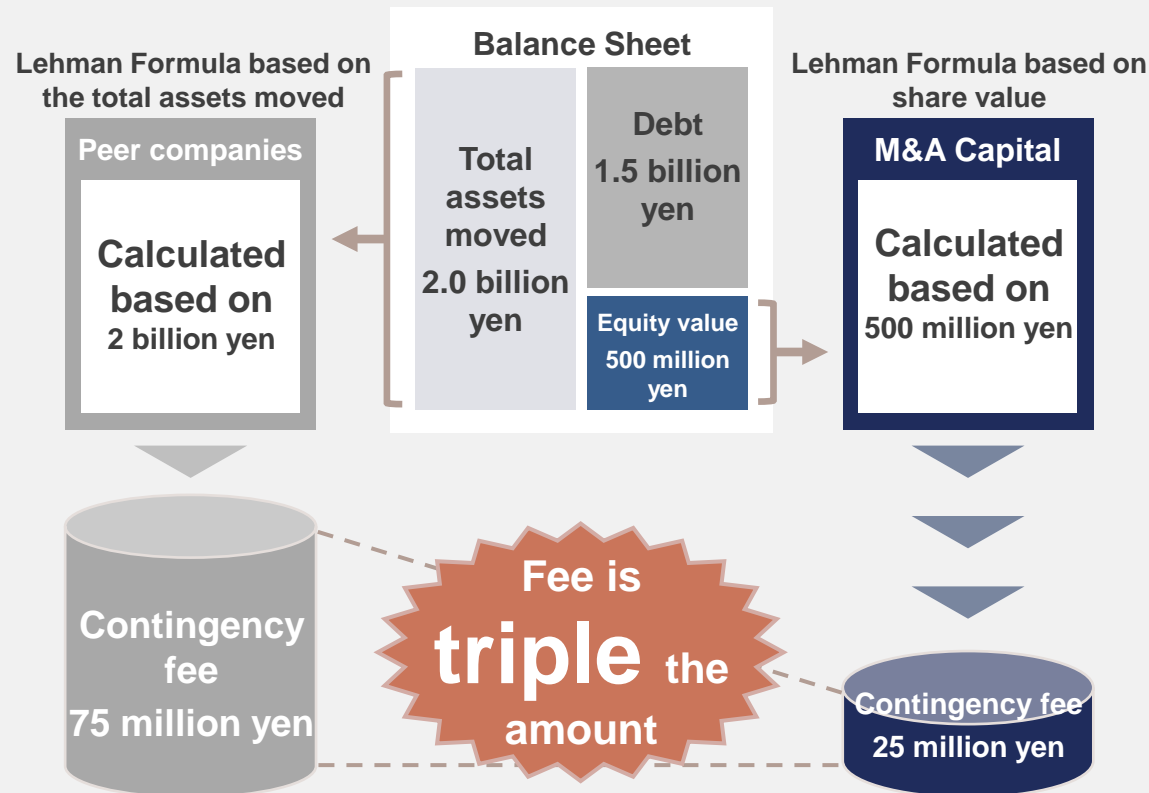
Calculation using the Lehman Formula

If the transaction value of 2 billion yen is estimated using the Lehman Formula based on the total assets moved



Overwhelmingly low commission rate within the M&A intermediary industry

Lehman Formula based on share value devised with the customer in mind



Use of the “Lehman Formula based on share value” resulting in overwhelmingly low cost

Intermediary commission rate

2.9% *

* Fiscal year ended September 30, 2021

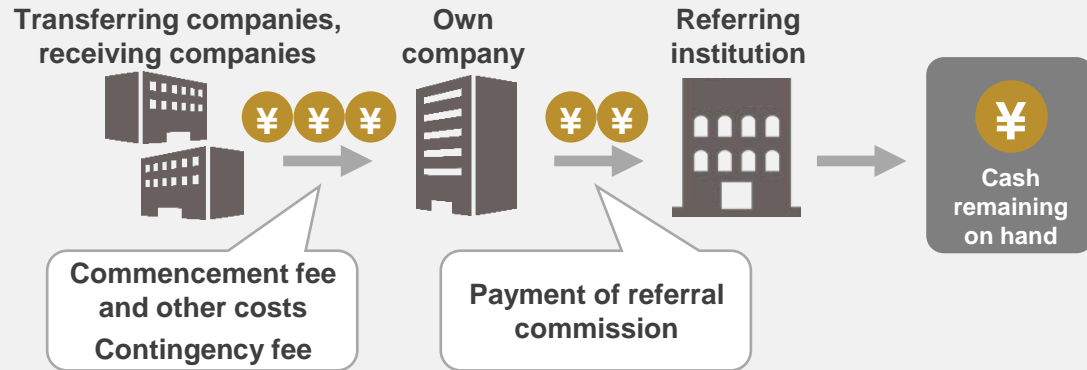
* Intermediary commission rate

Effective intermediary commission rate per client calculated by multiplying the total commission value ratio for the share transfer value by 0.5.

A “true M&A intermediary” that does not rely on just referrals A unique business model in the industry made possible by overwhelming ability to make direct proposals

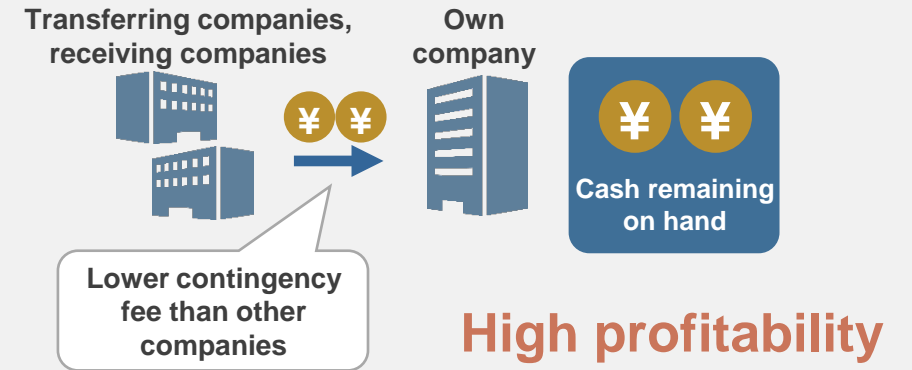
[Other companies] Business model based on “referrals”

Serves as an intermediary for companies considering M&A who are referred by accounting firms and financial institutions



[MACP] Business model based on “ability to make direct proposals”

Ability to make direct proposals by conducting sales directed at transferring companies requiring M&A without relying on referrals

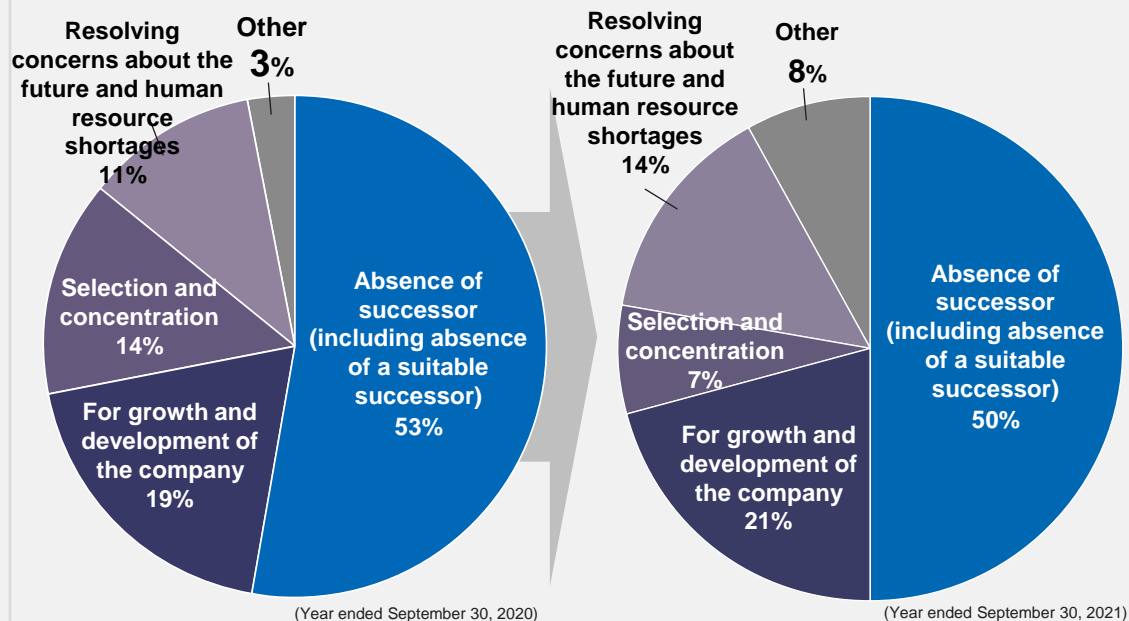


Realization of not only conventional “business succession M&A” deals where the transferring company emerges, but also latent “business succession M&A” and “business growth M&A”

“Business succession M&A” resolving the absence of successor, which continues to be in demand and “business growth M&A” leading to growth with an eye to the future that has been increasing in recent years

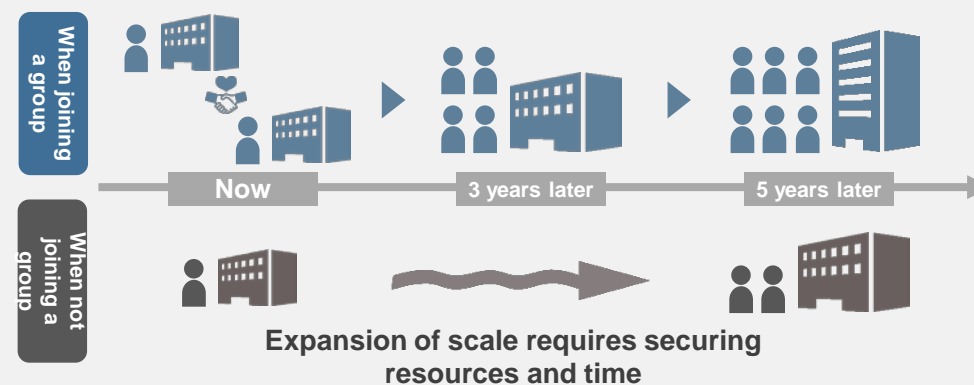
Management’s reasons for transferring the business

“For future growth of the company” has increased to 21% as a reason for transferring the company
Heightened needs for “business growth M&A”



What is “business growth M&A”?

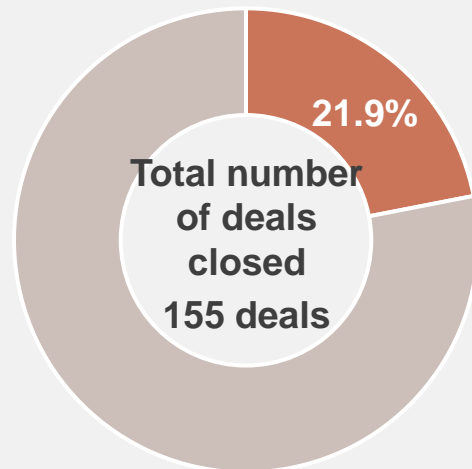
M&A utilizing the resources of the buyer company by joining the group of the buyer company with the aim of business growth



- ✓ The seller company often survives without changing its name, and with the president continuing to manage the company
- ✓ Shortening of time required for company growth
- ✓ Strengthening of company’s base
- ✓ Creation of synergies

Realizing an extraordinary average value of share transfer in the M&A intermediary industry by working on many difficult large deals

Handling difficult large deals



34 large M&A deals



Up by 13 deals year-on-year

1 in 5 deals are large deals with a commission of 100 million yen or more

Average value of share transfer: **Approx. 1.33 billion yen**

* Non-consolidated for the year ended September 30, 2021

M&A CAPITAL PARTNERS CORPORATE IDENTITY



Aiming to be the world's leading investment bank seeking
maximum contributions to clients and
the happiness of all employees

The highest level of compensation in Japan attracts the best talent in the country, enabling the company to provide the highest level of M&A services

■ 2021 ranking of companies by annual income (top 5)

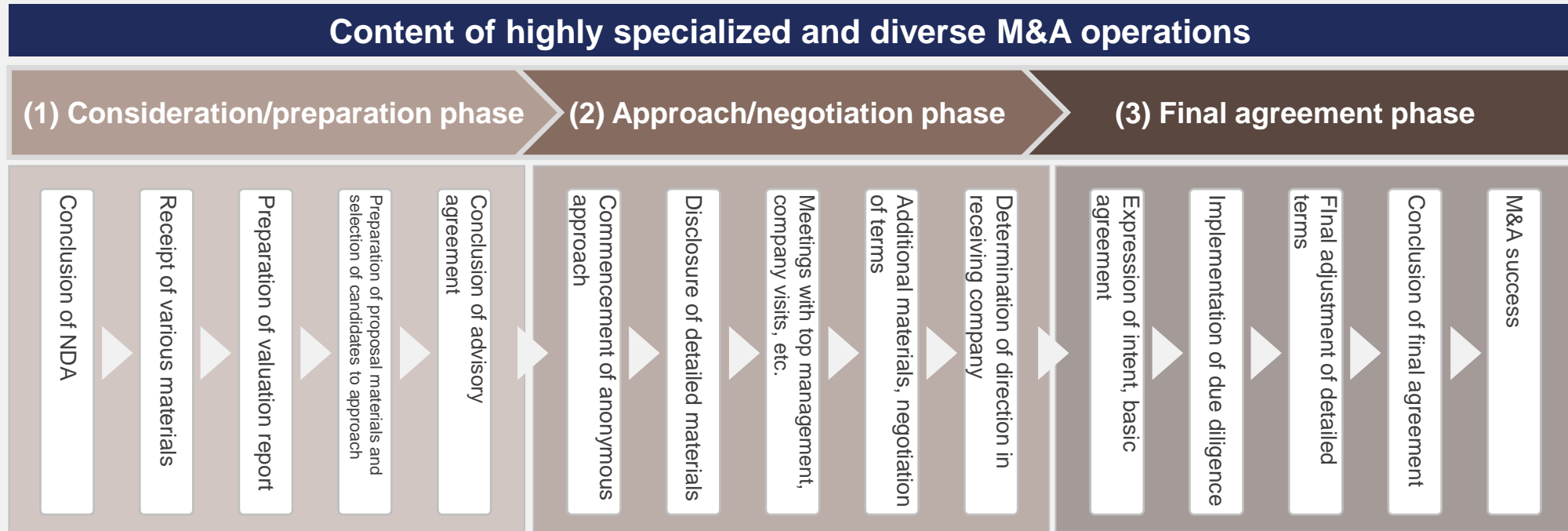
Rank	Company name	Average annual income (10,000 yen)	Average age (years)
1	M&A Capital Partners Co., Ltd.	2,269.90	31.4
2	Company A	1,751.80	35.8
3	Company B	1,708.20	39.4
4	Company C	1,678.40	42.7
5	Company D	1,627.80	42

Source: Diamond Online (July 19, 2021)

The most important element in an M&A intermediary company is “human resources” and the abilities of M&A consultants are very important in particular

Highly specialized and diverse M&A operations

Importance of a sense of responsibility and mission to growth the Japanese economy



The skills required of an M&A consultant include not only a wide range of specialized knowledge on M&A, but it is also important to be able to make proposals that match the customer’s feelings

We have created a training program for further developing the best talent in Japan into the best talent in the world

Generous training



OJT roadmap

Systematic organization of when to learn from whom



Role playing

Guidance by superiors and senior staff for six months after joining the company

Accumulation of knowledge



Creation of database

Stock of knowledge on successful cases through companywide meetings and workshops

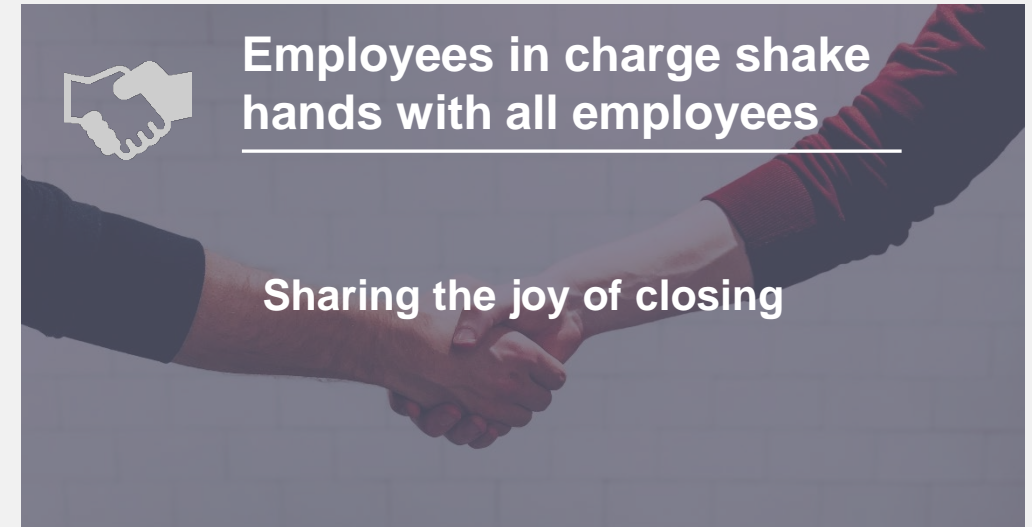


Open atmosphere

Collection of information from throughout the company whenever someone wants to know something

Individual growth leads to growth of the organization as a whole

Individual growth is a source of growth of the organization as a whole
Corporate culture emphasizing deep-rooted teamwork since the company was founded



Toward “happiness for all employees” envisaged by M&A Capital Partners

Overwhelming productivity per person in the M&A industry proving that we have the best consultants in Japan

Net sales per consultant

135.61 million yen

(+10.4% year-on-year)

Ordinary income per consultant

67.54 million yen

(+13.1% year-on-year)

* Non-consolidated fiscal year ended September 30, 2021 (number of consultants is based on the start of the fiscal year)

Wholeheartedly responding to customers' resolutions.

M&A Capital Partners' passion for customers since the company was founded
Satoru Nakamura

M&A with heart

Passion for customers that has continued since the company was founded in 1987
RECOF founder Masaaki Yoshida

DNA passed on from the founders of M&A in Japan





4. The Company's Social Mission and Role in the M&A Industry

Save as many SMEs as possible from closure, and contribute to growth of the Japanese economy through M&A

A social issue in the headlines

大廃業時代の足音
中小「後継未定」127万社

優良技術断絶も

Source: The Nikkei, October 6, 2017

Omitted

Absence of approximately 1.27 million successors

2.45 million company owners over the age of 70

Approx. 1.27 have not determined their successors

Source: Small and Medium Enterprise Agency SME Business Succession Support Package (December 20, 2019)

Approx. 60,000 companies require support each year

Approx. 1.27 have not determined their successors

600,000 companies | **670,000 companies**

Companies at risk of black-ink bankruptcy in the decade until 2025

Approx. 60,000 business operators require M&A support each year

Source: Small and Medium Enterprise Agency (December 20, 2019)

The Company’s social mission of “business succession” and “creating new growth opportunities” for the next generation of SMEs

Increase in SMEs choosing to close business Further accelerated by uncertainty caused by COVID-19

Trend of suspensions, closures and dissolutions of SMEs

	Incidents per year	Total net sales (100 million yen)	Employees
2017	59,702	25,890	87,922
2018	58,519	24,641	81,548
2019	59,225	25,934	88,810
2020	56,103	25,499	87,366
2021	54,709	22,325	78,411

Source: Survey of Trends in "Suspensions, Closures and Dissolutions" of Companies Nationwide (2021) (Teikoku Databank)

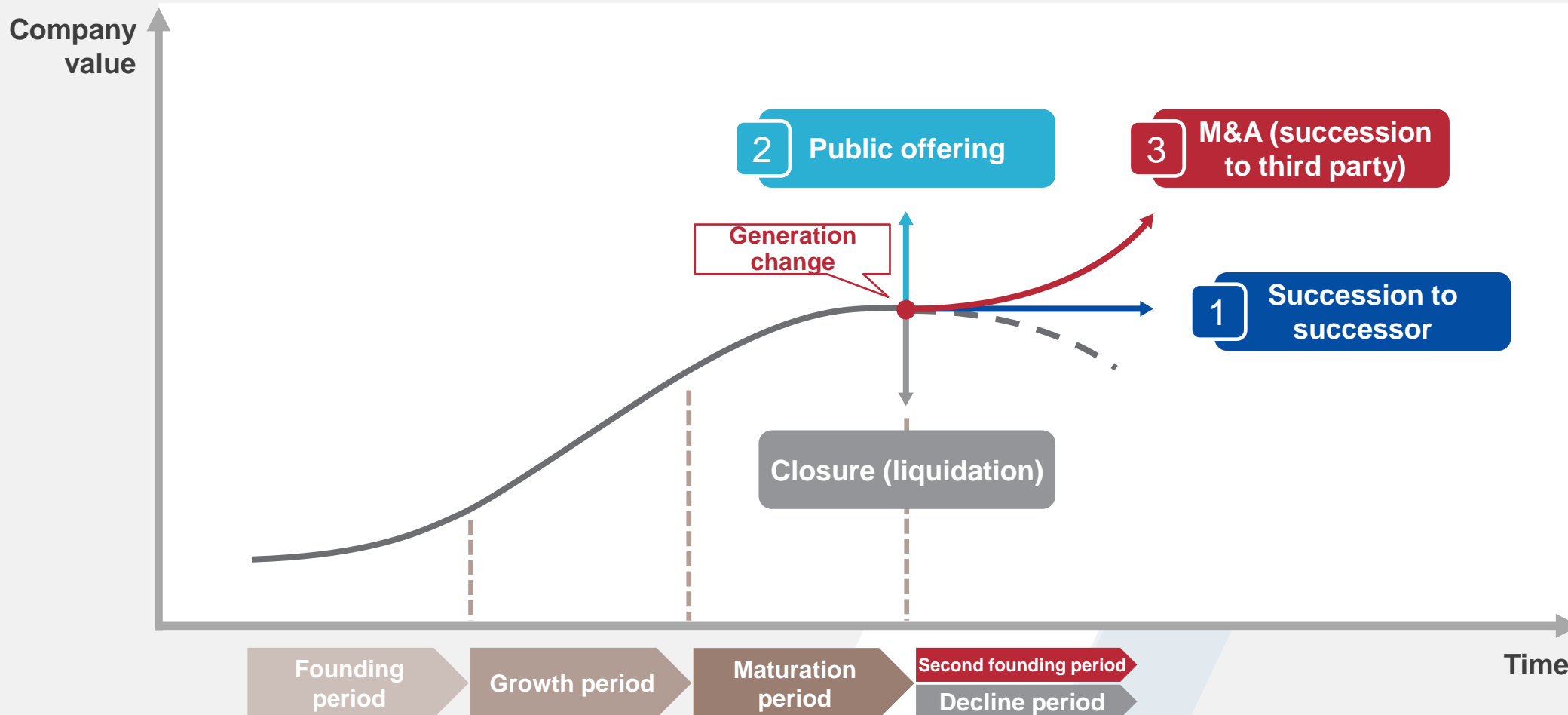
Economic loss caused by suspensions and closures in 2021

Loss in net sales
2.2325 trillion yen

Jobs lost
78,411

Closures have an extremely large impact on regional economies and the Japanese economy, such as the loss of employees' jobs and the impact on business partners

Company owners are faced with three options when determining business succession



M&A maintains employees' jobs and relationships with business partners

The personal suretyship is also lifted, making it the optimal means of maximizing founder's profit

Option		● Advantages	▲ Disadvantages
Closure (liquidation)		<ul style="list-style-type: none"> ● Securing profit for founder (less than other options) 	<ul style="list-style-type: none"> ▲ Termination of business (inconveniencing business partners) ▲ Dismissal of all employees ▲ Risk of being unable to repay debt during closure
1 Succession to successor	Relatives	<ul style="list-style-type: none"> ● Continue status as owner's family 	<ul style="list-style-type: none"> ▲ Absence of successor ▲ Time required for share transfer ▲ Takes on risks including personal suretyship ▲ Need to consider suitability of successor
	Officers and employees	<ul style="list-style-type: none"> ● Passed on to officers and employee who understand the business 	<ul style="list-style-type: none"> ▲ Lack of funds to purchase shares ▲ Risk of being unable to remove president's personal suretyship
2 Public offering		<ul style="list-style-type: none"> ● Separation of management and capital ● Improvement of recruiting and funding capabilities 	<ul style="list-style-type: none"> ▲ Stricter listing criteria ▲ Requires years of time ▲ Does not lead to succession of capital (shares cannot be converted into cash)
3 M&A (succession to third party)		<ul style="list-style-type: none"> ● Company: Growth with stronger operating base ● Owner: Securing profit for the founder, removal of personal suretyship ● Employees: Stability of employment 	<ul style="list-style-type: none"> ▲ Time may be required for consideration

Our Contribution to Sustainability of Japanese Economy through M&A

Our contribution to sustainability of the Japanese economy ever since the Company was founded is over 1.2144 trillion yen

In the 16th fiscal year, the level of contribution was 260.2 billion yen and 7,716 jobs in terms of sustainability of the economy and jobs, respectively

Contribution to sustainability of Japanese economy since the Company was founded

Over **1.2144**
trillion yen

(Cumulative sales of transferred companies)

Contribution to sustainability of Japanese economy in the 16th fiscal year

260.2 billion yen

(Cumulative sales of transferred companies)

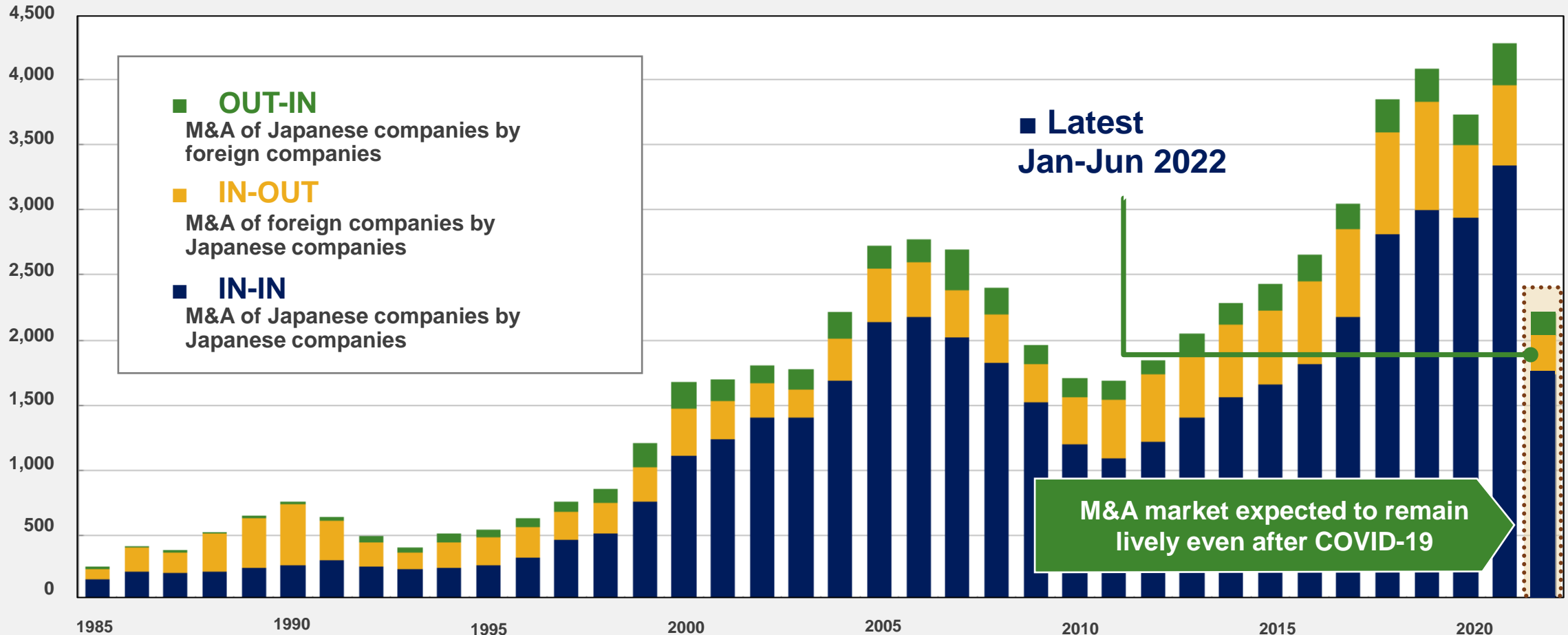
Contribution to sustainability of jobs in the 16th fiscal year

7,716 jobs

(Cumulative number of employees of transferred companies)

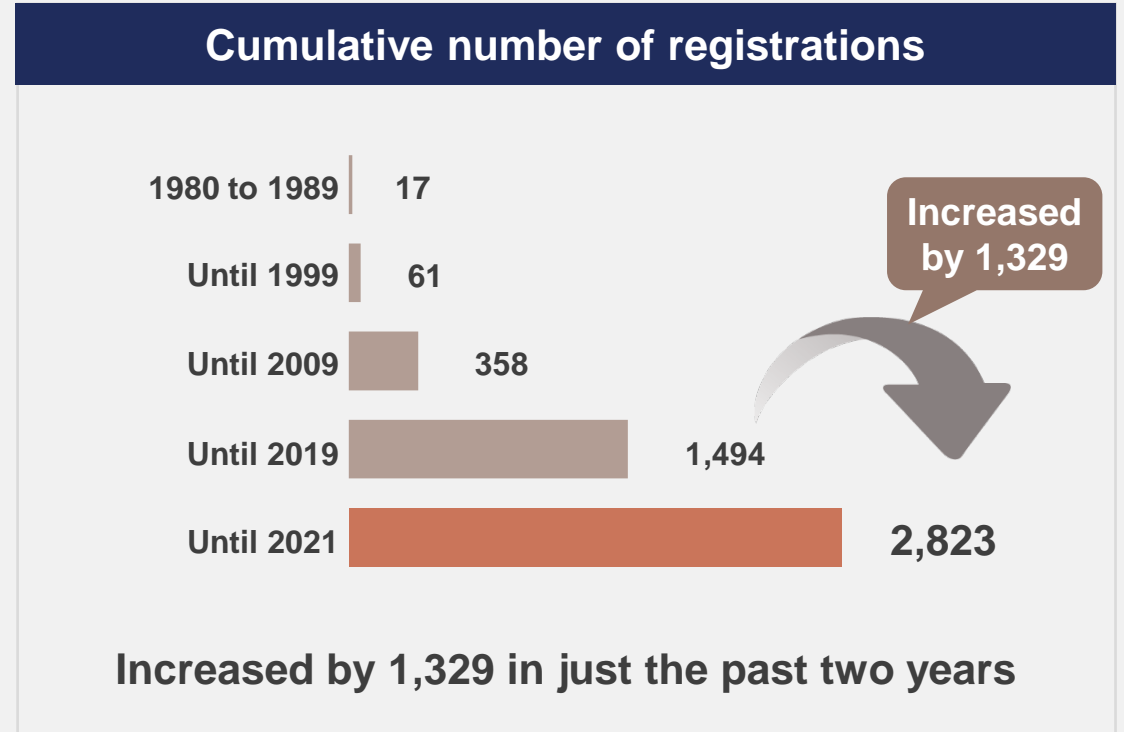
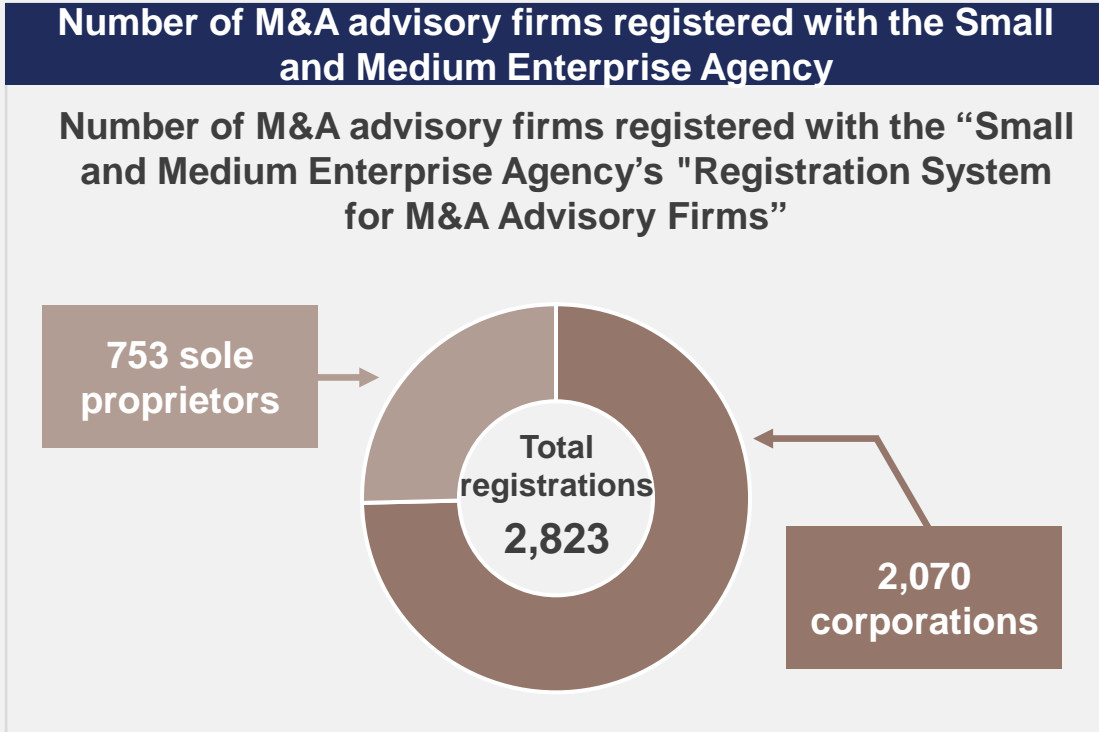
* Estimates based on internal research (as of September 30, 2021)

January-June 2022: M&A deals involving Japanese companies reached record high Year-on-year increase of 4.5% for IN-IN and 11.7% for OUT-IN, respectively



Source: RCOF M&A Database

M&A advisory firms have rapidly increased since 2020



Source: Small and Medium Enterprise Agency “Final Announcement of Registered Financial Advisors and Brokers for the M&A Support Institution Registration System” (as of March 10, 2022)

There is an urgent need to establish a foundation for increasing M&A advisory firms to enable SMEs to engage in M&A with confidence

We have begun working with the Small and Medium Enterprise Agency to provide managers of SMEs with understanding of M&A and enable M&A advisory firms to conduct appropriate M&A in order to resolve the business succession problem

SME M&A Guidelines established on March 31, 2020

中小 M&A ガイドライン

—第三者への円滑な事業引継ぎに向けて—

令和2年3月

中小企業庁

Publication of basic matters to encourage understanding of M&A among SMEs without successors and ensure the appropriate execution of M&A by M&A advisory firms

“Business Succession Guidelines” Review Committee
Two people from the MACP Group participated in drafting

Toward resolution of (1) lack of knowledge and experience, (2) concerns about cost, and (3) distrust of M&A support that cause SMEs hesitate to engage in M&A

- Other coordinated support activities by government and the private sector
- “SME and Small Business Operator Policy Study Group” (December 3, 2019)
 - “Establishment of M&A Support Institution Registration System” (August 2, 2021)

Strong coordination between government and the private sector continues to be vital going forward for addressing the progressing problem of absence of successors

The M&A Intermediary Industry Is Moving from Competition to a New Era of Cooperation

The “M&A Intermediaries Association” was established on October 1, 2021 as an industry group aimed at the sound advancement of the M&A industry and developing and maintaining the Japanese economy, starting in earnest in April 2022



Directors of the M&A Intermediaries Association at the launch press conference, MACP President Nakamura is at the center of the photo



MACP President Nakamura commenting on his appointment as a director at the launch press conference

Our greatest mission as a leading company in the M&A industry is the creation of a sound M&A industry

Toward the creation of a sound M&A industry to save approximately 60,000 business operators per year from black-ink bankruptcy

Number of suspensions, closures and dissolutions

Approximately 60,000 business operators choose to closure or bankruptcy every year



Source: Survey of Trends in "Suspensions, Closures and Dissolutions" of Companies Nationwide (2021) (Teikoku Databank)

Number of bankruptcies related to COVID-19



3,734 businesses went bankrupt due to COVID-19

Source: Survey of Trends in "Bankruptcies Related to COVID-19" (July 25, 2022) (Teikoku Databank)

Owners of SMEs need an environment in which they can utilize M&A with confidence

Philosophy and visual symbol of RECOF since it was founded in 1987



We hope every M&A deal we have been involved in to be the best M&A for our clients.



**Drive “fair M&A” to realize a sound future
for the Japanese economy**

Social significance (purpose)

Drive **“fair M&A”**
to realize a sound future
for the Japanese economy

Ever since the founding of the Company, our concept of “Fair M&A” has been that of a **“client-first M&A”** that prioritizes the interests of the customer.

Our role is to guide clients to the best option through high-quality M&A that addresses the issues and dreams that customers wish to resolve or achieve, such as business succession or corporate expansion, and that takes a serious approach to the new lives of business owners and employees both in the transferor company and the receiving company.

In addition, by engaging as a leading company in M&A that provides a model for the M&A intermediary industry, we hope to contribute to a sound future for the Japanese economy.

**Through this “Fair M&A,” we will
contribute to sustainability and fulfill
our social responsibilities.**

5. The Company's Sustainability Initiatives





SDGs

SDGs (Sustainable Development Goals): shared goals for international society to create a more sustainable world, adopted at the United Nations Sustainable Development Summit held in September 2015.

We will contribute to a sustainable future by encouraging the development of the Japanese economy and working to solve social problems.

At a meeting held in November 2021, the Company's Board of Directors set material ESG issues that incorporate an SDGs perspective.



End poverty everywhere, ensure healthy lives for all

Implementing business succession M&A to maintain employment based on a stable platform by ensuring the continuation of the business



Build a base for infrastructure and technological innovation, and develop sustainable human settlements

Develop industry through synergistic M&A, and create M&A nationwide to contribute to local economies



Decent work and economic growth

Workplace environment that supports sustainable growth and self-realization for outstanding consultants



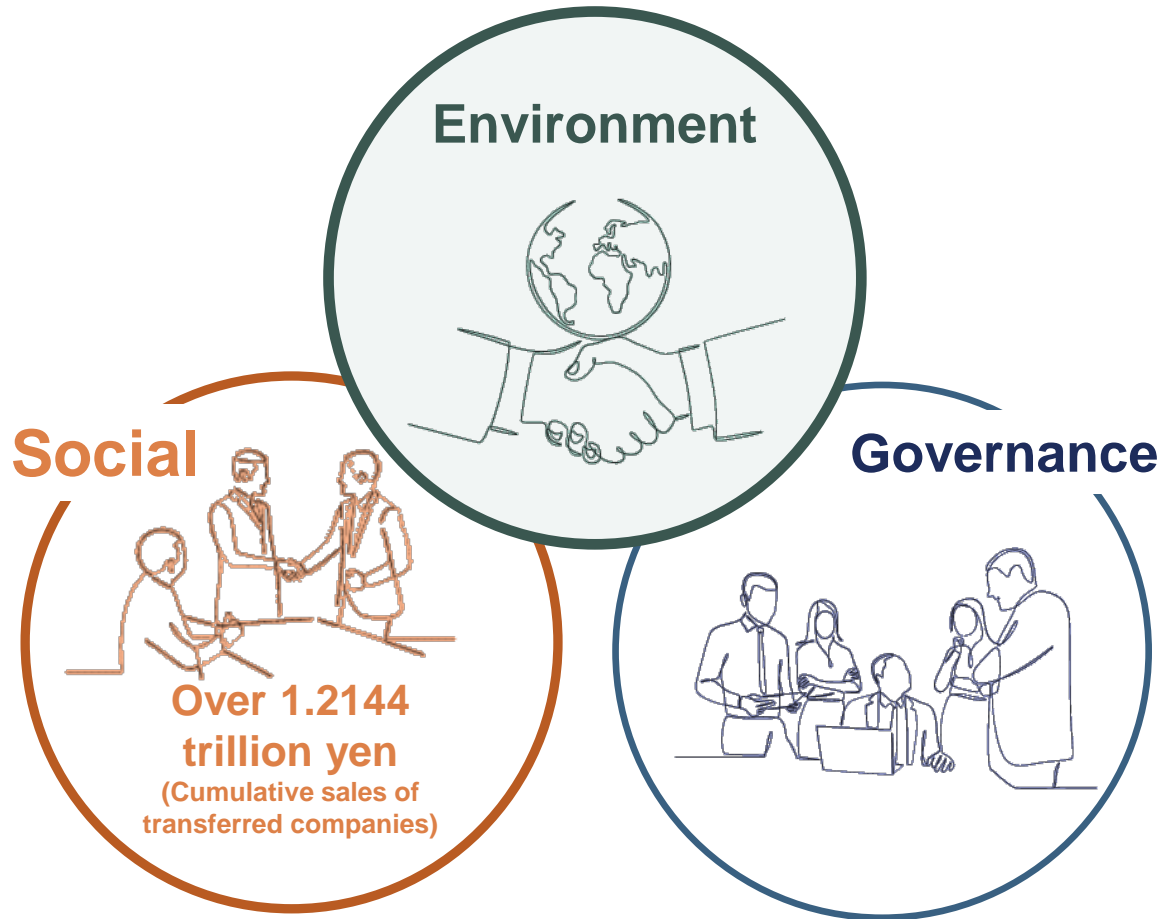
Work together in partnership to achieve goals

Fulfilling our social responsibilities through cooperation with government agencies, and contributing to sustainability by facilitating business succession



Maintaining a robust system of governance as one of the industry's leading companies

Implement ESG initiatives through M&A-related service business



Our approach to ESG

The sharp rise in suspensions and closures of SMEs in Japan is widely recognized to be an important issue.

According to calculations made by the Small and Medium Enterprise Agency, if it is left to continue it could lead to a loss of as much as ¥22 trillion in GDP by 2025. There is an urgent need for companies to contribute to resolving this serious social problem through the use of M&A for business succession.

Since the founding of the company, we at M&A Capital Partners have made contributions to the sustainability of the Japanese economy of more than ¥1.2144 trillion. Going forward, by implementing ESG initiatives through our M&A-related service business, we will continue to help achieve a sustainable society.

Going forward, we will continue to help achieve a sustainable society.

February 2022 Forbes JAPAN

Selected in the potential ranking for
“Growth stocks expected to improve performance due to promotion of SDGs/ESG”



COMPANIES WITH POTENTIAL RANKING

“Growth stocks expected to improve performance due to promotion of SDGs/ESG” published by Forbes JAPAN
Ranked 8th in the Potential Ranking.

▼ About the Forbes JAPAN “Growth stocks expected to improve performance due to promotion of SDGs/ESG” .

Identifies SDGs/ESG elements that may have an impact on results growth in n years. Selects companies expected to be likely to grow.

Covers all 2,189 companies listed on the First Section of the Tokyo Stock Exchange. Financial data, non-financial data and global indicators for ESG and SDGs are added into the calculation. Market capitalization is as of August 31, 2021.

Source: Forbes JAPAN news site

“Evaluated as a company expected to be likely to grow”

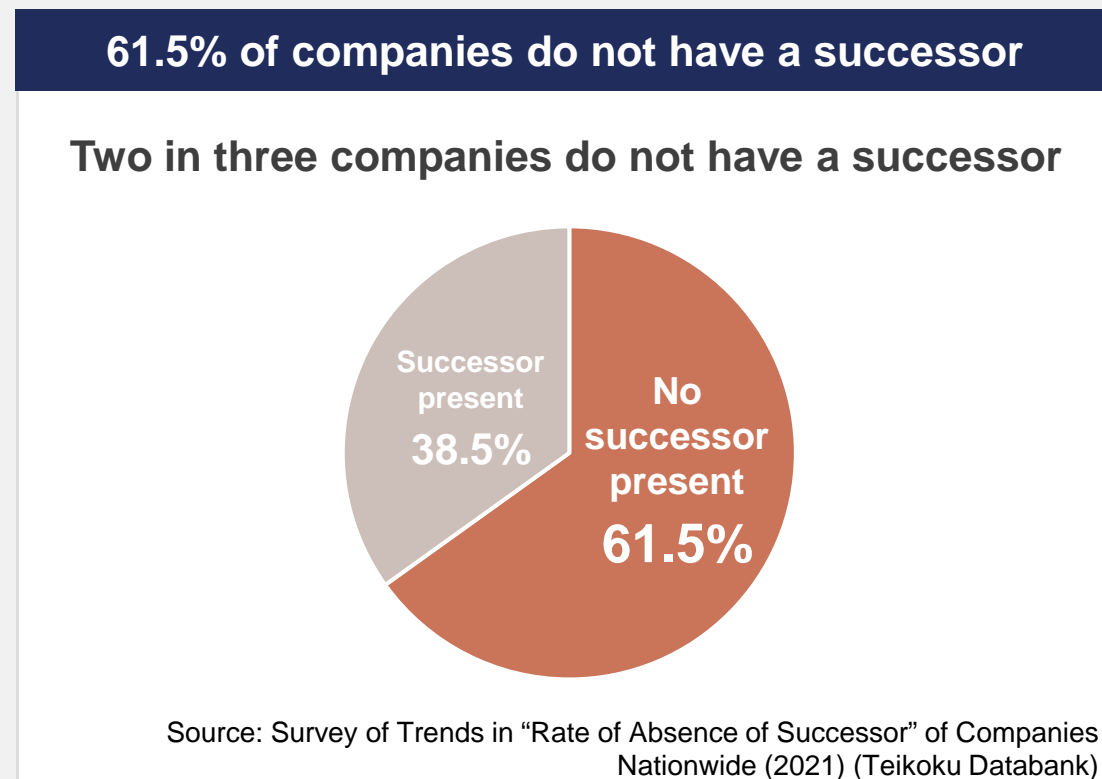
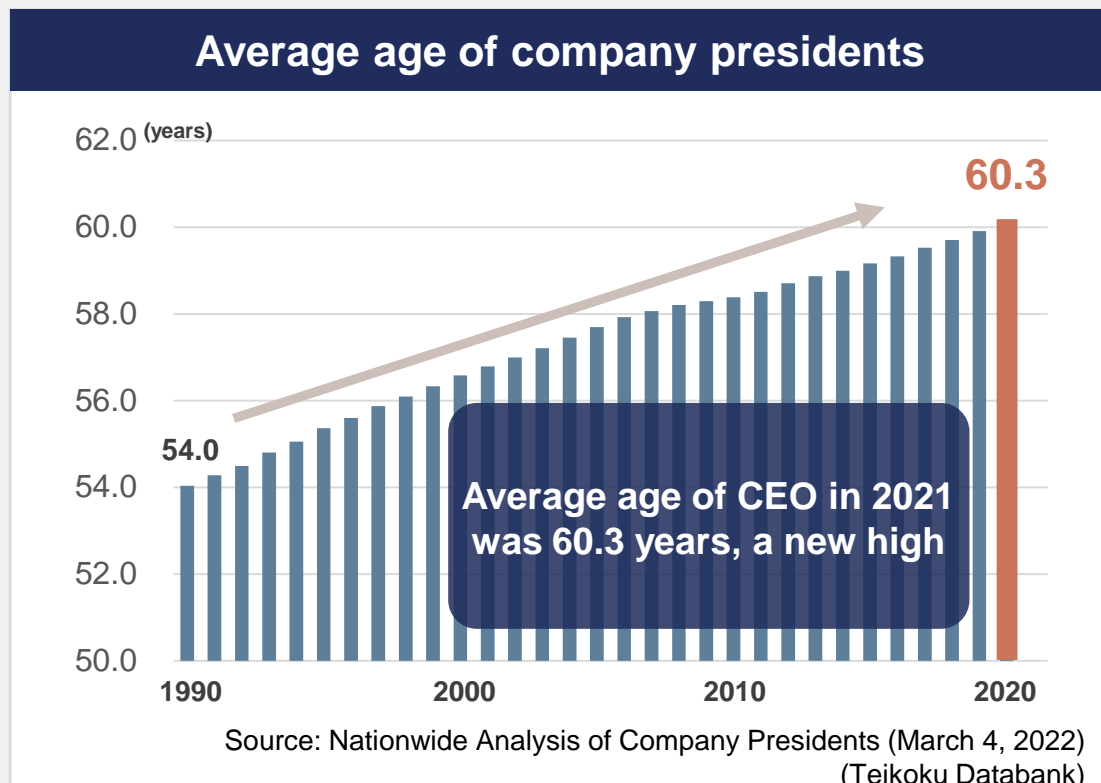
6. Growth Strategy



M&A CAPITAL PARTNERS CORPORATE IDENTITY

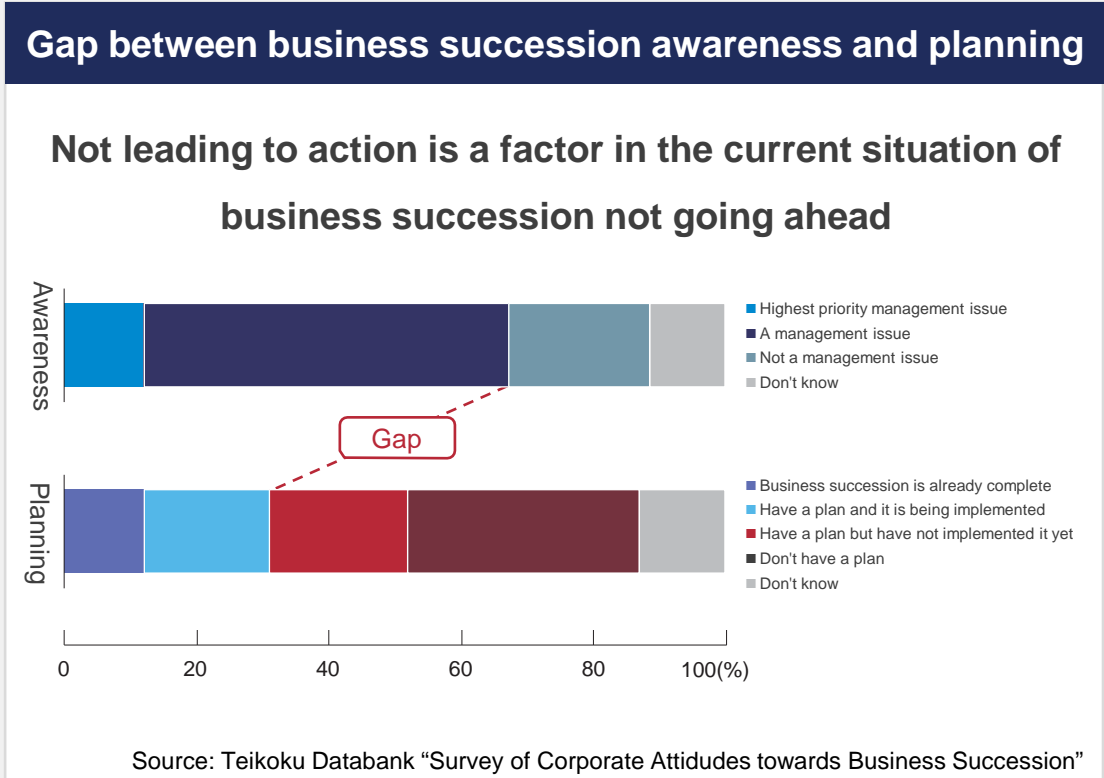
Aiming to be the world's leading investment bank
seeking maximum contributions to clients and the happiness of all
employees

Ages of company presidents are higher than ever The number of companies without successors also remains high



Business succession by companies without a successor is a major key for the future growth of the Japanese economy

70% of company owners are conscious of business succession but have not reached the point of planning
It is necessary to dig up latent needs for M&A



Issues in implementation of business succession

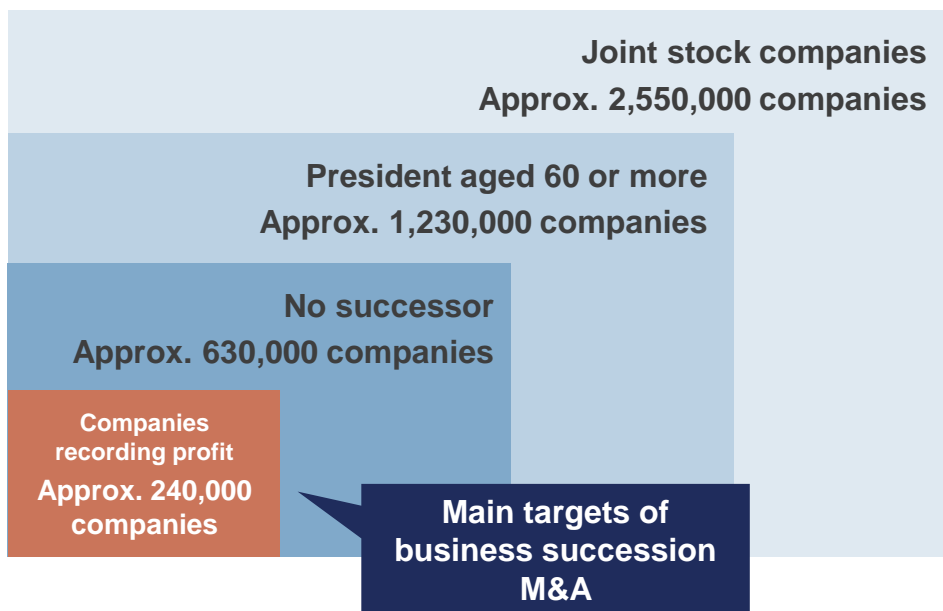
	Past difficulties	%		Potential difficulties	%
1	Development of successor	48.3	1	Development of successor	55.4
2	Tax measures such as inheritance tax and gift tax	31.7	2	Determination of successor	44.6
3	Handling of assets such as the company's shares	30.5	3	Understanding of employees	25.5
4	Determination of successor	28.2	4	Enhancement of future potential and appeal of business	22.3
5	Transfer of authority to successor	26.4	5	Handling of assets such as the company's shares	19.6

Source: Teikoku Databank "Survey of Corporate Attitudes towards Business Succession"

Latent needs can be approached through the ability to make direct proposals, which is MACP's strength

There is still a large business succession M&A market, and approaches will continue to be made to companies with business succession needs

Targets of Business Succession M&A



Sources: Estimated by M&A Capital Partners based on Teikoku Databank "Nationwide Analysis of Company Presidents," Teikoku Databank "Nationwide Analysis of Owner-operated Companies" and National Tax Agency "Results of Sample Survey of Companies"

It is estimated that the targets for business succession M&A number **around 240,000**

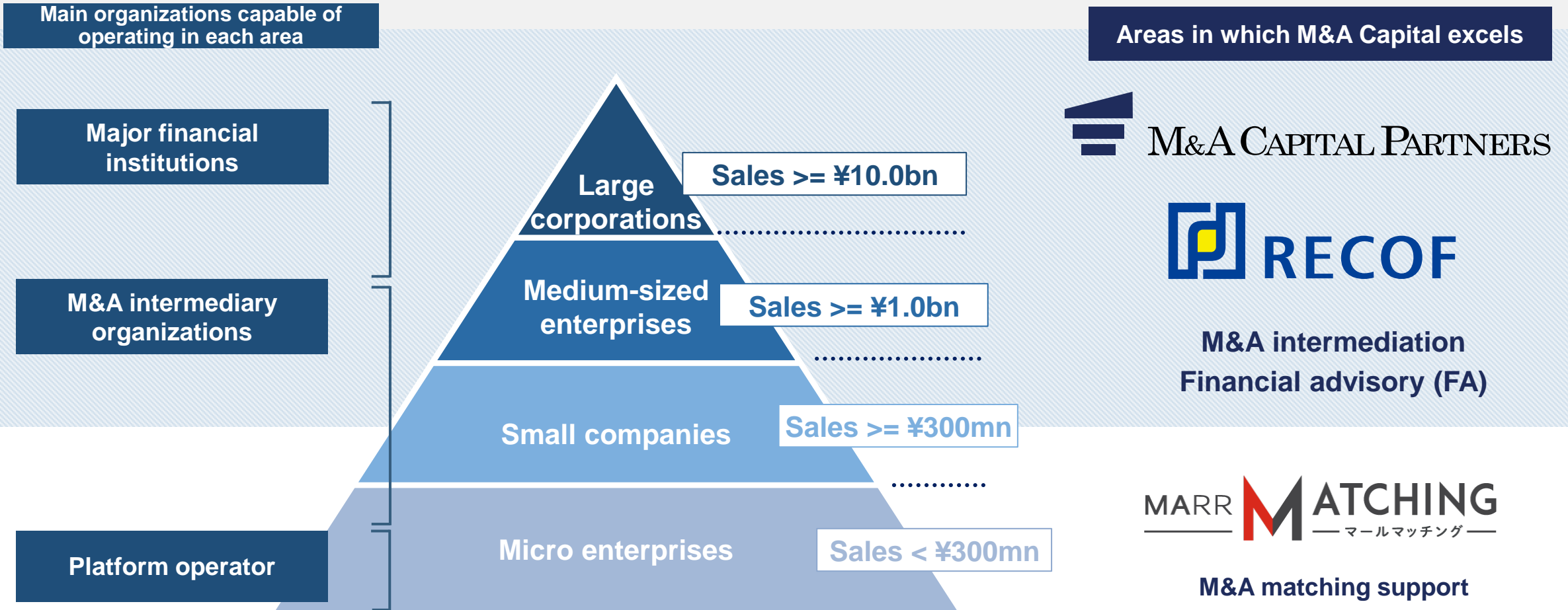
The Company has handled **172** business succession M&A deals (full year in 2016)

The business succession M&A **market is extremely large**

Able to grow steadily by continually hiring consultants

Focus on M&A intermediary business centered on business succession M&A

We support every client from small to large corporations with group synergy



To be the world's leading investment bank

Resolve the business succession problem and support the growth of SMEs for the development of the Japanese economy



Flagship company supporting the Japanese economy

One of the world's leading M&A companies

To be the world's leading investment bank

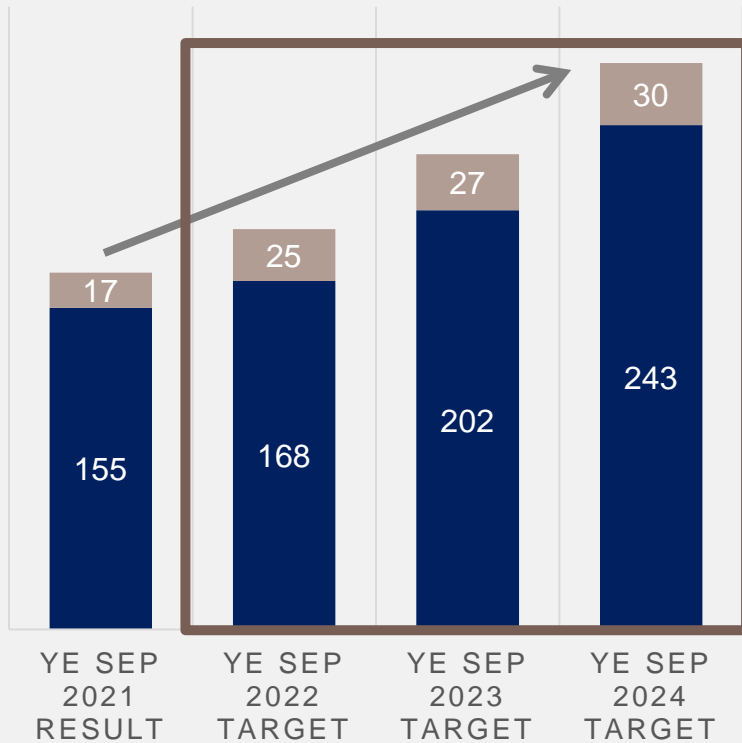
The MACP Group's Medium-term Vision

Three-year plan for the number of deals and the number of consultants required to fulfill our social mission
(Year Ending September 2022 to Year Ending September 2024)

Due to the revision of forecast number of consultants for the fiscal year ending September 30, 2022, the three-year plan of the number of consultants was also revised.

Number of Deals

■ M&A Capital Partners ■ RECOF



M&A CAPITAL PARTNERS

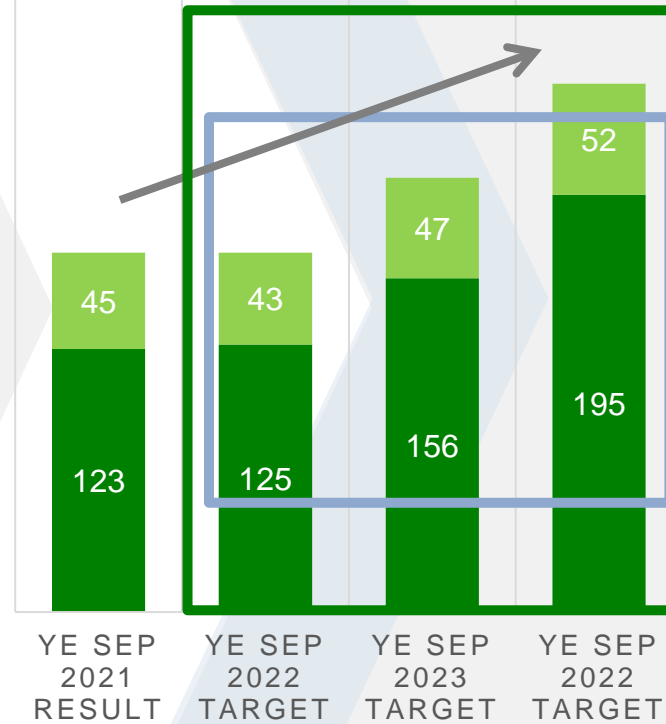
Average increase of 20% per year

RECOF
Average increase of 10% per year

will be maintained

Number of consultants

■ M&A Capital Partners ■ RECOF



M&A CAPITAL PARTNERS

Average increase of 25% per year

RECOF
Average increase of 10% per year

will be maintained

The head office will be relocated to Tokyo Midtown Yaesu on January 1, 2023 to expand business in pace with growth and lead to further development



Depiction of completed Tokyo Midtown Yaesu



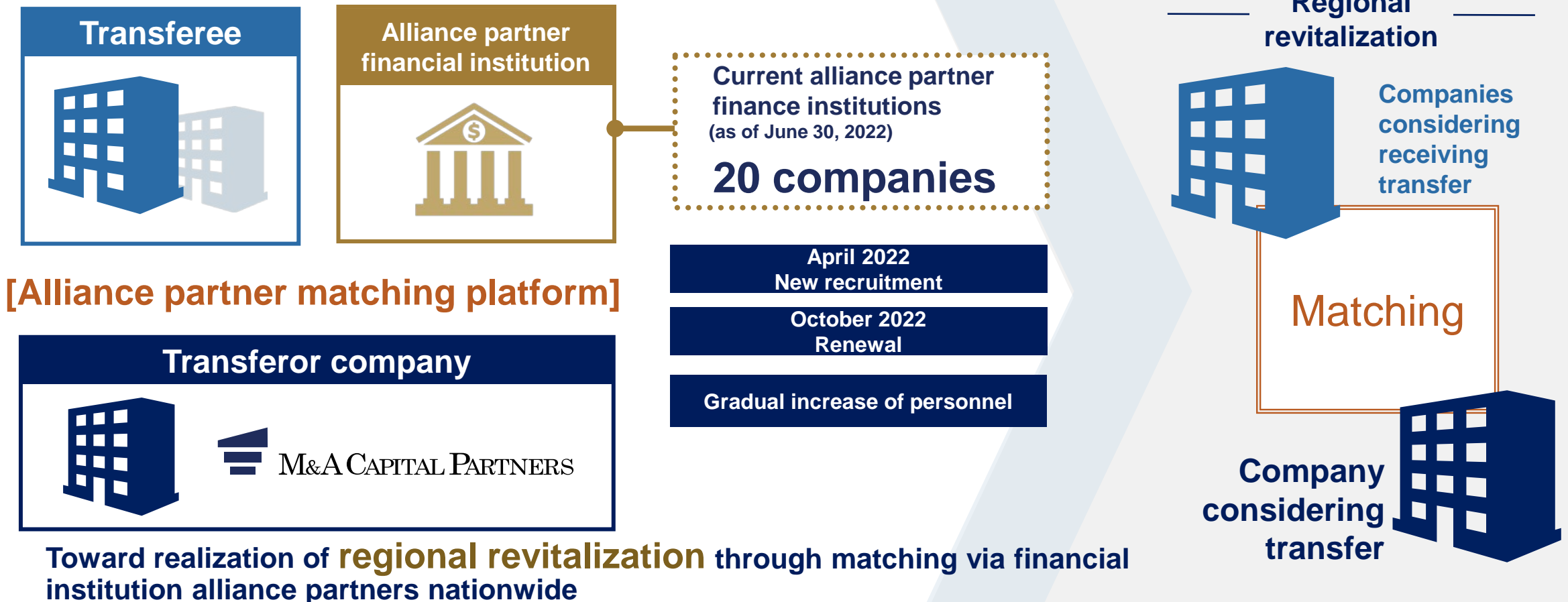
Good access directly connected to Tokyo Station

Source: Mitsui Fudosan Co., Ltd.

“Alliance partner matching business” aimed at building nationwide M&A network

Multiple major media outlets covered the initiatives, and there has been much interest from financial institutions nationwide.

Strengthening the “alliance partner matching platform” that forms the core of the business



Role of communicating “M&A” to the public as a leading company in the industry

Increased awareness of “M&A” through the popular “lion president” commercials

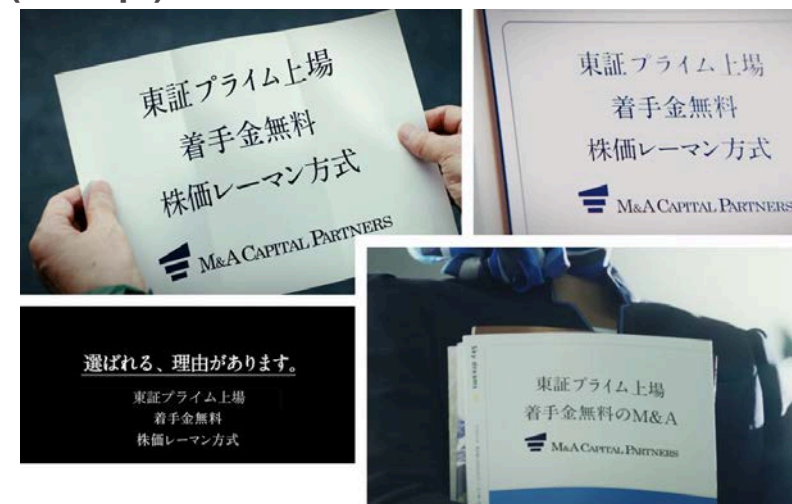
Television commercial lineup

Recent history of commercial spots from April 2022

- TV Asahi Network Hodo Station ■ Fuji Television Network Nichiyo Hodo THE PRIME
- TV TOKYO World Business Satellite (WBS) ■ TV TOKYO Morning Satellite
- TV TOKYO Cambria Kyuden ■ TV TOKYO Gaia no Yoake
- TV TOKYO Naze Soko? Special ■ NTV “Rugby - Japan vs. Uruguay”



“TSE Prime” version, from April 2022 onward (excerpt)



Interviews with business owners who have actually experienced M&A: “owner's choices”

Web content that depicts the feelings of business owners as they come to a decision about M&A

Examples of most recent deals



IT x business transfer

Sought M&A creating synergies exceeding expectations for the future of the company

#39

IT & software development x business transfer

M&A that is equal and mutually respectful for the transferor company and the transferee

#38

Real estate x business transfer

Letting go of a company one has worked on all their life. It is important to read the times to decide with whom to entrust it.

#37

Teaching people about **the realities of M&A** through interviews, packed with different emotions, conducted with those who have completed deals

Seminars providing information on “correct M&A” will be held

Strengthen seminars to advocate for “Fair M&A” and drive a sound M&A industry

“Business succession” seminar

“Corporate revitalization” x M&A seminar

Seminar objectives

Using seminars to advocate for “Fair M&A” for all those involved in the process

M&A seminar aimed at hospital administrators

**Aiming to be the world's leading investment bank
seeking maximum contributions to clients and
the happiness of all employees**



<Handling of These Materials>

The plans, forecasts and strategies, etc. contained in these materials are forecasts on future performance based on information available at the time the materials were prepared, and these include inherent risk and uncertainty. Actual performance may differ from forecasts and predictions due to such risk and uncertainty.

Information considered useful for explaining our business environment has been provided in these materials. The results in the data may vary depending on the method or timing of the survey.

Information within these materials on other topics besides the Company is quoted from published information and other sources. As such, the accuracy, appropriateness, etc. of the information has not been verified, nor are any guarantees provided thereof.