



April 16, 2024

To whom it may concern,

Company: Core Concept Technologies Inc.
Representative: Takeshi Kaneko,
Representative Director, President, CEO
(Stock Code: 4371, Growth Market of TSE)
Contact: Yoshiyuki Umeda,
Executive Officer, General Manager of Business
Administration Division
(Tel: +81 3-6457-4344)

Notice of Acquisition of Shares of Digital Design Services Co., Ltd. (Making it a Subsidiary)

Our company hereby announces that, at the meeting of the Board of Directors held on April 16, 2024, we decided to acquire 220 outstanding shares of Digital Design Services Co., Ltd. (hereinafter referred to as “Digital Design Services”) on April 19, 2024 in order to make it a subsidiary of our company.

This is a voluntary disclosure that does not exceed the timely disclosure standards.

1. Reason for and purpose of the acquisition of shares

Headquartered in Osaka City, Digital Design Services comprehensively provides such services as software development, software sales and dispatch of engineers mainly for the manufacturing industry. The company excels at providing a support for the adoption of 3D design CAD software and PLM software.

We considered that we will be able to achieve the growth of the two companies by utilizing the expertise and technology cultivated by Digital Design Services over many years in the DX field for the manufacturing industry in which we operate our business.

2. Method for making Digital Design Services a subsidiary

Our company will acquire 220 outstanding shares of Digital Design Services on April 19, 2024, making it a wholly owned subsidiary.

3. Overview of a subsidiary to be acquired

(1) Name	Digital Design Services Co., Ltd.
(2) Address	2-1-31 Dojima, Kita Ward, Osaka City, Osaka Prefecture
(3) Representative	Hiroshi Kato, Representative Director and President
(4) Outline of business	CAD/CAM/CAE solution

	Software and system development Dispatch of engineers		
(5) Capital	11,000 thousand yen		
(6) Date of establishment	September 18, 1998		
(7) Major shareholders and shareholding ratio	Hiroschi Kato (100%)		
(8) Relationship between CCT and the company	Capital relationship	None applicable.	
	Personnel relationship	None applicable.	
	Transaction relationship	None applicable.	
	Related parties or not	None applicable.	
(9) Financial standing and business performance in the past 3 years			
Fiscal year	FY 7/2021	FY 7/2022	FY 7/2023
Net asset* ¹	31,914	40,018	49,964
Total assets* ¹	255,574	221,563	150,039
Net asset per share* ²	145,066.75	181,903.90	227,109.77
Net sales* ¹	349,025	377,690	310,448
Operating profit* ¹	5,025	12,914	7,407
Ordinary profit* ¹	3,529	11,509	13,667
Profit* ¹	2,571	8,104	9,945
Profit per share* ²	11,690.05	36,837.15	45,205.87
Dividend per share	-	-	-

*1: Unit: thousand yen

*2: Unit: yen

4. Outline of the transferer

We keep the outline confidential due to a confidentiality agreement. No items are applicable to the capital, personnel, and transaction relationships with the transferer.

5. No. of shares we will acquire, the acquisition price, and the shares we hold before or after the acquisition

(1) No. of shares held before the transfer	- (No. of voting rights: -) (Ownership ratio for voting rights: -%)
(2) No. of shares we will acquire	220 (No. of voting rights: 220)
(3) Acquisition price	Price for acquiring shares: 200,000 thousand yen

	<p>Advisory fee, etc.: 21,000 thousand yen (rough estimate)</p> <p>Total: 221,000 thousand yen (rough estimate)</p> <p>*The price for acquiring shares was determined through discussions with the other party, while considering the results of due diligence by external experts and stock value evaluation.</p>
(4) No. of shares we hold after the acquisition	<p>220</p> <p>(No. of voting rights: 220)</p> <p>(Ownership ratio for voting rights: 100%)</p>

6. Schedule

(1) Date of resolution by the Board of Directors	April 16, 2024
(2) Date of conclusion of share transfer agreement	April 16, 2024
(3) Date of share transfer	April 19 2024

7. Future outlook

We recognize that the impact on our business performance in the term ending December 2024 is minor. However, if there emerges any item that should be disclosed, we will notify you swiftly.