

Press Release



TOKAI TOKYO FINANCIAL HOLDINGS, INC.

5-1, NIHONBASHI 2-CHOME, CHUO-KU, TOKYO 103-6130 JAPAN

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(8616; PRIME Market, PREMIER Market)

April 25, 2024

Re: Notice of Absorption-type Merger between Consolidated Subsidiaries (Tokai Tokyo Securities Co., Ltd. and TT Solution Inc.)

We, Tokai Tokyo Financial Holdings, Inc. (“the Company” hereinafter) announce that we have resolved as follows regarding the absorption-type merger (the “Merger” hereinafter) between Tokai Tokyo Securities Co., Ltd. (“Tokai Tokyo Securities” hereinafter) and TT Solution Inc. (“TT Solution” hereinafter), which are both wholly owned subsidiaries of the Company, with Tokai Tokyo Securities being the surviving company. The effective date of this merger is June 13, 2024. Since we execute the Merger between our consolidated subsidiaries, we will omit some information and details of the Merger to be disclosed otherwise.

1. Purpose of the Merger

We are getting increasingly exposed to intensifying competition caused by new entrants to our industry from non-financial industries and to changing market circumstances and other surrounding conditions. So, we pursue our caliber enhancement as a financial service provider in line with one of our current strategic goals. Our idea is to take into Tokai Tokyo Securities the resources related to business succession and M&A advisory services that TT Solution has been providing thus far. We believe that the Merger should help us to create new value-added as well as improve the operating efficiency of the subject service provision and then ultimately raise our corporate value.

2. Summary of the Merger

(1) Schedule of the Merger

Resolution on the Merger	April 25, 2024
Conclusion of the Merger agreement	April 25, 2024
Approval of the Merger (general meeting of shareholders of the companies involved in the Merger)	In June 2024 (scheduled)
Date of the Merger	June 13, 2024 (scheduled)

(2) Method of the Merger

The Merger will be an absorption-type merger, with Tokai Tokyo Securities as the surviving company and TT Solution as the absorbed company.

(3) Method of share allocation

Not applicable.

- (4) Treatment of share acquisition rights and bonds with share acquisition rights of the absorbed company
Not applicable.

3. Overview of the companies involved in the Merger (as of April 25, 2024)

	Surviving company	Absorbed company
(1) Trade name	Tokai Tokyo Securities Co., Ltd.	TT Solution Inc.
(2) Location	7-1, Meieki 4-chome, Nakamura-ku, Nagoya-shi, Aichi	5-1, Nihonbashi 2-chome, Chuo-ku, Tokyo
(3) President and Representative Director	Naoko Kitagawa	Satoshi Sera
(4) Business description	Financial instruments business	Business Succession and M&A Advisory
(5) Capital	6 billion yen	60,999,985 yen
(6) Date of establishment	October 8, 2008	December 7, 2018
(7) Number of shares issued	120,000 shares	1,667 shares
(7) Fiscal year end	March 31	March 31
(8) Major shareholders and shareholding ratio	Tokai Tokyo Financial Holdings, Inc. 100%	Tokai Tokyo Financial Holdings, Inc. 100%

4. Status after the Merger

(1) Trade name	Tokai Tokyo Securities Co., Ltd.
(2) Location	7-1, Meieki 4-chome, Nakamura-ku, Nagoya-shi, Aichi
(3) President and Representative Director	Naoko Kitagawa
(4) Business description	Financial instruments business
(5) Capital	6 billion yen
(6) Date of establishment	October 8, 2008
(7) Number of shares issued	120,000 shares
(8) Fiscal year end	March 31
(9) Major shareholders and shareholding ratio	Tokai Tokyo Financial Holdings, Inc. 100%

5. Others

The impact of the Merger on the Company's consolidated financial results is expected to be insignificant.

(end)

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