



June 1, 2021

Nissei Technology Corporation
Ryugo Tsujihana
President and CEO

Notice of Transfer of the Shares of Subsidiary in China

Nissei Technology Corporation (hereinafter, Nissei) hereby announces that it has transferred the shares of its consolidated subsidiary, Nissei Technology (Dong Guan) Ltd. (hereinafter China factory) to Dong Guan Zhuo Yuan Mould Hardware Electron Co., Ltd. (hereinafter Zhuo Yuan Mould).

1. Background

Nissei group has been revisiting the global manufacturing location strategy considering the latest international trade trends. While selecting the key business for investment on Japan, Vietnam and Malaysia factories, Nissei has decided to transfer the shares of China factory.

2. Share transfer

Percentage of shares transferred	100%
Execution date	June 1, 2021

3. Name of company after the transfer

China factory is to continue to use the company name "Nissei Technology (Dong Guan) Ltd." for the time being after the transfer.

4. Relationship with China factory after the transfer

Zhuo Yuan Mould is a mould manufacturer. By integrating precision injection molding and assembly capability, China factory expects to establish a consistent value chain from mould to assembly. Nissei expects to build a collaborative relationship in China with China factory after the transfer.

5. Future outlook

Although this event will have a minor impact on our consolidated financial results for the fiscal year ending December 31, 2021, Nissei believes that it will contribute to its group's profitability growth.

6. Global location strategy

Nissei will strengthen R&D capabilities in Japan (Kobe and Yokohama) and production capacity in both Vietnam factory which has built 3rd factory in 2019 and Malaysia factory.

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