



June 15, 2023

Company name: WORLD HOLDINGS CO., LTD.  
 Representative: Eikichi Iida, Chairman and President  
 Listing: Tokyo Stock Exchange, Prime Market  
 Stock code: 2429  
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## **Exchange of Stock to Make World Staffing a Wholly Owned Subsidiary**

The Board of Directors of World Holdings Co., Ltd. approved a resolution on June 15, 2023 to conduct an exchange of stock to make World Holdings the sole parent company and World Staffing Co., Ltd. a wholly owned subsidiary of World Holdings, with an effective date of July 31, 2023. An agreement for the exchange of stock between World Holdings and World Staffing was signed on the same day.

World Holdings plans to conduct this exchange of stock without the approval of a resolution at a shareholders meeting by using the simple procedure for the exchange of stock prescribed in Article 796, Paragraph 2 of the Companies Act. Furthermore, as prescribed in Article 784, Paragraph 1 of the Companies Act, World Staffing does not plan to receive the approval of a resolution at a shareholders meeting due to the use of a short-form procedure for this exchange of stock. Some items concerning this transaction are not disclosed because this is a simple exchange of stock to convert a consolidated subsidiary into a wholly owned subsidiary.

### **1. Purpose of the Stock Exchange**

The Medium-term Management Plan 2026 that was announced in February 2022 has the goal of the growth of the Services Human Resources Business to become the second main component along with the Products Human Resources Business (manufacturing) of the Human Resources and Education Business, which is the core business of World Holdings.

Due to the increasing importance of World Staffing as the core company of the Services Human Resources Business, the decision was made to use an exchange of stock to change this company from a subsidiary of a subsidiary of World Holdings to a directly owned subsidiary. Making this change is expected to allow taking strategic actions with even greater speed and flexibility.

### **2. Outline of the Stock Exchange**

#### (1) Schedule

Resolution of the Board of Directors (World Holdings and World Staffing)	June 15, 2023
Signing of stock exchange agreement (World Holdings and World Staffing)	June 15, 2023
Effective date of the stock exchange	July 31, 2023

Note: World Holdings plans to conduct this exchange of stock without the approval of a resolution at a shareholders meeting by using the simple procedure for the exchange of stock prescribed in Article 796, Paragraph 2 of the Companies Act. Furthermore, as prescribed in Article 784, Paragraph 1 of the Companies Act, World Staffing does not plan to receive the approval of a resolution at a shareholders meeting due to the use of a short-form procedure for this exchange of stock.

(2) Method of the stock exchange

A stock exchange to make World Holdings the sole parent company and World Staffing a wholly owned subsidiary of World Holdings.

The exchange of stock is to take place on July 31, 2023 and will not require the approval of the shareholders of World Holdings or World Staffing. Shareholder approval is not needed due to the use of a simple procedure for the exchange of stock as prescribed in Article 796, Paragraph 2 of the Companies Act for World Holdings and a short-form procedure as prescribed in Article 784, Paragraph 1 of the Companies Act for World Staffing.

(3) Allotment in the stock exchange

For this exchange of stock, World Holdings will not give any World Holdings stock to World Intec Co., Ltd., which is currently the sole parent company of World Staffing, because World Intec is a wholly owned subsidiary of World Holdings.

(4) Treatment of share acquisition rights and bonds with share acquisition rights in association with the stock exchange

World Staffing has not issued share acquisition rights and bonds with s share acquisition rights.

### 3. Overview of the Companies Involved

	Sole parent company	Wholly owned subsidiary				
(1) Name	WORLD HOLDINGS CO., LTD.	WORLD STAFFING CO., LTD.				
(2) Location	11-2 Otemachi, Kokurakita-ku, Kitakyushu-shi	2-1-1 Hakata Ekimae, Hakata-ku, Fukuoka-shi				
(3) Representative	Eikichi Iida, Chairman and President	Shinji Honda, President and Representative Director				
(4) Business	Pure holding company	Human resources services (logistics/ light-duty jobs/ call centers)				
(5) Capital	1,323 million yen (as of March 31, 2023)	100 million yen (as of March 31, 2023)				
(6) Established	February 12, 1993	June 5, 2017				
(7) Number of shares issued	17,653,300 shares (as of March 31, 2023)	5,001 shares (as of March 31, 2023)				
(8) Fiscal year end	December 31	December 31				
(9) Major shareholders and shareholding ratios	(As of December 31, 2022) Mirai Research Institute, Limited 45.44% BBH FOR FIDELITY LOW-PRICED STOCK FUND (PRINCIPAL ALL SECTOR SOBPORTFOLIO) 7.50% The Master Trust Bank of Japan, Ltd 6.78%	(As of June 15, 2023) WORLD INTEC CO., LTD. 100%				
(10) Relationships between World holdings and World Staffing						
Capital	World Staffing is a consolidated subsidiary of World Holdings (100% indirect ownership)					
Personnel	Three concurrent directors					
Business	Loans					
(11) Financial highlights for the last three years (Millions of yen)						
	WORLD HOLDINGS CO., LTD. (consolidated)			WORLD STAFFING CO., LTD.		
Fiscal years ended	Dec. 2020	Dec. 2021	Dec. 2022	Dec. 2020	Dec. 2021	Dec. 2022
Net assets	30,061	33,226	37,195	400	651	1,064
Total assets	79,157	97,269	123,591	1,326	7,231	7,181
Net assets per share (Yen)	1,638.03	1,803.96	2,019.89	80,098.67	130,351.54	212,946.69
Net sales	143,571	154,704	183,640	4,052	21,684	33,066
Operating profit	6,251	7,481	8,929	106	384	784
Ordinary profit	6,786	7,738	8,933	125	386	761
Profit attributable to owners of parent	5,913	4,626	5,341	82	308	510
Net income per share (Yen)	341.35	265.02	305.50	16,561.76	61,638.29	101,991.27
Dividends per share (Yen)	101.70	79.50	91.50	4,800.00	19,396.12	30,993.80

### 4. Overview of Corporate Group after the Stock Exchange

At World Holdings, which is the sole parent company for the exchange of stock, there will be no change in the company name, location, representative, business activities, capital or fiscal year.

### 5. Impact on Performance and Outlook

As a transaction within the World Holdings Group, this exchange of stock will not change the net assets of World Holdings or its consolidated net assets and will have no effect on results of operations.