



March 30, 2023

To whom it may concern

Corporate Name: Nishimoto Co., Ltd.  
 Representative: Yoshiro Susaki, Chairman & CEO  
 (Code No.: 9260 Prime Market of the Tokyo Stock Exchange)  
 Contact: Yuji Sasa, President, Director of the board, Managing Executive Officer, COO, CFO  
 (Phone: 03-6870-2015)

### Progress Status Based on the Plan to Meet the Continued Listing Requirements

Nishimoto Co., Ltd. (the "Company") submitted a plan to meet the continued listing requirements of the Prime Market on December 27, 2021 and has disclosed its content.

The progress status of the plan as of the end of December 2022 is as follows:

1. Change in the status of the Company's compliance with the continued listing requirements and the target period:

The table below shows the status of the Company's compliance with the continued listing requirements of the Prime Market as of the end of December 2022, including the change thereof.

As shown in the table, the Company does not meet the requirements for the tradable share ratio and will continue to take various measures to meet the continued listing requirements by December 2025.

		No. of Shareholders	No. of Tradable Shares (Units)	Tradable Share Market Cap	Tradable Share Ratio	Average Daily Trading Value
The Company's Status and Change Thereof	As of June 30, 2021 (Record date for transition)*1	4,907	38,488	JPY 10.76 billion	26.8%	JPY 0.028 billion
	December 31, 2022*1, 2	8,268	37,877	JPY 14.47 billion	26.3%	JPY 0.133 billion
Continued Listing Requirements		800	20,000	JPY 10.0 billion	35%	JPY 0.02 billion
Target Period		-	-	-	End of December 2025	-
Compliance		Yes	Yes	Yes	No	Yes

\*1 The Company's compliance status as of each record date is calculated based on information on the distribution of ownership of share certificates of the Company and other relevant information available to Tokyo Stock Exchange, Inc. (the "TSE") as of the respective record date.

\*2 The average daily trading volume shown in this row is based on the "Status of Compliance with Continued Listing Requirements (Trading Volume Requirements)," a notice received from the TSE on January 11, 2023.

## 2. Status and evaluation of measures that have been taken to meet the continued listing requirements:

The Company established a basic policy, issues, and measures to be taken to meet the continued listing requirements of the Prime Market in the "Application to Select Prime Market in New Market Segments and Submission of Plan to Meet the Continued Listing Requirements" announced on December 27, 2021 (the "Initial Plan").

Based on the policy, the Company has diligently implemented measures to further enhance its corporate value during the fiscal year ended December 2022. In terms of financial results, the Company executed various measures steadily to achieve the full-year consolidated financial results forecast. As a result, the Company achieved a record profit with significant increases in both net sales and profit from the previous fiscal year. The Company has also worked to enhance its IR activities, including actively holding meetings with investors, in order to improve their recognition of the Company and its businesses, promote their understanding of the Company's growth strategy, and increase the trading volume of the Company's shares and improve their liquidity. At the same time, the Company has worked to improve its corporate governance in order to maintain discipline and fulfill the social mission required as a company listed in the Prime Market.

With these measures and strong financial results, the number of meetings with investors during the fiscal year ended December 2022 has increased significantly from the previous fiscal year. In addition, the number of shareholders, market capitalization of tradable shares, and average daily trading volume as of the end of December 2022 have all increased since the record date for transition.

The Company has also had internal discussions on specific measures to increase the tradable share ratio, including their potential impact, while considering proposals from external parties, such as securities companies and trust banks. Based on such discussions, the Company has made proposals, such as recommending a major corporate shareholder, Tatsumi Industries Co., Ltd., and a major individual shareholder, Yoshiro Susaki, to sell part of the Company's shares that they own. However, these efforts have not resulted in an increase in the tradable share ratio as of the end of December 2022.

## 3. Issues and measures to be taken going forward

As mentioned above, achieving a tradable share ratio of 35% or more is an issue that the Company needs to resolve to maintain its listing in the Prime Market.

Going forward, the Company will continue to enhance its corporate value over the medium to long term by implementing measures to achieve sustainable growth. At the same time, as stated in the Initial Plan, we will continue discussing the implementation of measures to improve the distribution of shareholdings and the liquidity of shares, such as proposing a partial sale of the Company's shares by major shareholders. We aim to meet the continued listing requirements by December 2025.