

June 6, 2022

To whom it may concern
(This is an English translation of the Japanese original)

Company: SOHGO SECURITY SERVICES CO., LTD.
Representative: Yukiyasu Aoyama,
President and Representative Director
(Securities Code: 2331, TSE Prime Market)
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Notice Concerning the Acquisition of Shares of Kanden Joy Life Co., Ltd. and
Kanden Life Support Co., Ltd.

SOHGO SECURITY SERVICES CO., LTD. (“ALSOK”) is pleased to announce the agreement which ALSOK will acquire the whole share of Kanden Joy Life Co., Ltd. (“Joy Life”) and Kanden Life Support Co., Ltd. (“Life Support”) on June 6, 2022, which operates long-term care business. The details are as outlined below.

Matters to be disclosed are partially omitted, since it does not apply to the Timely Disclosure Standards concerning the change of subsidiaries.

1. Rationale of share acquisition

ALSOK advance efforts towards providing safety, security, and convenience besides providing various security services for individual and corporate cutomers.

ALSOK has been approaching in business expansion, especially to provide safety and security for the elderly. ALSOK has entered into long-term care business with the establishment of ALSOK CARE CO., LTD. in 2012, and afterward acquired HCM Corporation in 2014, ALSOK Care & Support Co., Ltd. in 2015, Wisnet Co., Ltd. in 2016, Care Plus Co., Ltd. in 2018, and Life Holdings Co., Ltd. in 2020. Furthermore in 2020, through a capital and business alliance with Mitsubishi Corporation, Nippon Care Supply Co., Ltd., which provides life support services for the elderly, became an equity-method affiliate and has been strengthening long-term care and related businesses.

Joy Life and Life Support, which will become new subsidiaries, have developed a facility for the elderly and housing business with more than 1,200 rooms, mainly in specified facilities. Both companies have established a strong brand power that boasts top class in the four prefectures of Kansai (Kyoto, Osaka, Hyogo, Nara). In addition, the long-term care business of both companies is based on business management policies such as "realization of a lively aging society" and "three principles of care (continuity of life, respect for self-determination, utilization of potential)". It has the characteristic of continuing to provide high-quality long-term care services, including those for independent people, with an emphasis on being able to live one's own life. We believe that the participation of both companies will not only expand and strengthen the Group's long-term care

business, but will also contribute to strengthening our comprehensive strength by expanding our new lineup.

ALSOK will work to improve customer satisfaction and expansion of customer base in order to further develop its business and increase the corporate value of the entire group.

2. Profile of the new company

Joy Life

(1) Company name	Kanden Joy Life Co., Ltd. (The name will be changed to ALSOK JOYLIFE CO., LTD. on the share acquisition date)		
(2) Head office address	4-14-3 Nishitenma, Kita-ku, Osaka-shi, Osaka		
(3) Representative	Kouichirou Nishiura, Representative Executive Officer, President		
(4) Main lines of business	Fee based long-term care facilities, serviced housing for the elderly, group homes, home-visit long-term care / nursing services etc.		
(5) Capital	¥100 million		
(6) Date established	October 6, 2000		
(7) Major shareholders and shareholding ratio	The Kansai Electric Power Company, Incorporated (99.41%) The Kanden L&A Co., Ltd. (0.59%)		
(8) Relationship with ALSOK	There is no capital, personal and business relationship to note.		
(9) Financial figures for the three most recent years			
Fiscal year	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net assets	¥1,177 million	¥1,114 million	¥255 million
Total assets	¥10,224 million	¥9,651 million	¥9,622 million
Net assets per share	¥34,642.82	¥32,790.75	¥7,500.24
Net Sales	¥4,830 million	¥4,833 million	¥4,786 million
Operating income	(¥6 million)	(¥5 million)	¥37 million
Ordinary income	(¥84 million)	(¥51 million)	(¥11 million)
Net income	(¥163 million)	(¥62 million)	¥2 million
Net income per share	(¥4,815.58)	(¥1,852.07)	¥66.36
Dividends per share	¥0.00	¥0.00	¥0.00

Life Support

(1) Company name	Kanden Life Support Co., Ltd. (The name will be changed to ALSOK LIFESUPPORT CO., LTD. on the share acquisition date)
(2) Head office address	14-10 Kuzuhahanazono-cho, Hirakata-shi, Osaka
(3) Representative	Hideki Matsumoto, Representative Executive Officer, President
(4) Main lines of business	Fee based long-term care facilities, home-visit long-term care / nursing services etc.
(5) Capital	¥100 million

(6) Date established	June 3, 2002		
(7) Major shareholders and shareholding ratio	The Kansai Electric Power Company, Incorporated (99.57%) Kanden Security of Society, Inc. (0.43%)		
(8) Relationship with ALSOK	There is no capital, personal and business relationship to note.		
(9) Financial figures for the three most recent years			
Fiscal year	Fiscal year ended March 31, 2020	Fiscal year ended March 31, 2021	Fiscal year ended March 31, 2022
Net assets	¥519 million	¥570 million	¥319 million
Total assets	¥4,080 million	¥3,818 million	¥3,500 million
Net assets per share	¥110,991.71	¥121,939.01	¥68,335.63
Net Sales	¥2,515 million	¥2,435 million	¥2,286 million
Operating profit (loss)	¥84 million	¥37 million	(¥86 million)
Ordinary profit (loss)	¥84 million	¥79 million	(¥69 million)
Profit (loss)	¥55 million	¥51 million	(¥76 million)
Profit (loss) per share	¥11,926.16	¥10,947.29	(¥16,384.63)
Dividends per share	¥0.00	¥0.00	¥0.00

3. Share transferee

(1) Company name	The Kansai Electric Power Company, Incorporated
(2) Head office address	3-6-16 Nakanoshima, Kita-ku, Osaka-shi, Osaka
(3) Representative	Takashi Morimoto, Representative Executive Officer, President
(4) Main lines of business	Electric power, heat supply, telecommunications, gas supply etc.
(5) Capital	¥489,320 million
(6) Establishment	May 1, 1951
(7) Net assets	¥1,725,557 million
(8) Total assets	¥8,075,755 million
(9) Major shareholders and shareholding ratio	Osaka City(7.64%)
(10) Relationship with ALSOK	There is no capital, personal and business relationship to note.

4. Number of shares to be acquired and shareholding status before and after acquisition

Joy Life

(1) Number of shares held before acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0.00%)
(2) Number of shares to be acquired	34,000 shares (Number of voting rights: 34,000)
(3) Number of shares held after acquisition	34,000 shares (Number of voting rights: 34,000) (Percentage of voting rights: 100.00%)

Life Support

(1) Number of shares held before acquisition	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0.00%)
(2) Number of shares to be acquired	4,680 shares (Number of voting rights: 4,680)
(3) Number of shares held after acquisition	4,680 shares (Number of voting rights: 4,680) (Percentage of voting rights: 100.00%)

* Acquisition cost is non-disclosure due to the consultation, although the decision of the consideration is based on reference materials of the results by independent calculation agent using fairness and appropriate method.

5. Schedule

(1) Contract date of agreement	June 6, 2022
(2) Date of share acquisition	June 22, 2022 (plan)

6. Future outlook

Although the impact of the share acquisition on the business results for the fiscal year ending March 31, 2023 will be minor, as explained in "1. Rationale of share acquisition," this will not only expand and strengthen the Group's long-term care business, but also expand the new lineup. We believe that this will contribute to the strengthening of our comprehensive strength and will contribute to our business performance on a long-term basis.