



2021 Financial Results

October 29th, 2021

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A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are dark, and many windows are illuminated with warm yellow light, suggesting dusk or dawn. The sky is a pale, overcast blue. The perspective creates a sense of height and scale.

1. Management Philosophy and Company Overview



Aiming to be the world's leading investment bank seeking maximum contributions to clients and the happiness of all employees

Wholeheartedly responding to decisions.

1

We will continually pursue higher knowledge, service levels, teamwork and new fields as one of the world's leading groups of professionals and, above all, will work to achieve the solutions and gains our customers expect with earnestness and passion that far exceeds our competitors.

2

Our employees will achieve personal growth, economic prosperity and happy family lives through work at a broader and higher level. We understand that our business results and future depend on the success of our employees.

3

We are not a small-scale boutique but will continually move forward and expand into an investment bank with the world's top brand, human resources and capabilities. We will maintain thorough confidentiality and legal compliance to protect our credibility and high profitability to strengthen our capital and attract the top human resources.

Trade Name	M&A Capital Partners Co., Ltd.
Listed Market	Tokyo Stock Exchange First Section (Securities Code: 6080)
Head Office Location	38F, Gran Tokyo North Tower, 1-9-1 Marunouchi, Chiyoda-ku, Tokyo
Business Content	M&A-related services
Representative	Satoru Nakamura, President and Representative Director
Established	October 2005
Capital	2.8 billion yen (as of September 30, 2021)
Employees	Consolidated: 222 Non-consolidated: 150 (as of September 30, 2021)
Affiliates	RECOF Corporation, RECOF DATA Corporation, Mirai Financial Planning Co., Ltd.

Business Content

M&A-related services

We provide advisory services for the realization of M&A standing between the transferor (seller) and the transferee (buyer) from an independent and impartial position.

Characteristics

We propose M&A-focused solutions and support them to implementation for company owners who have concerns about finding a successor for the business.



M&A coverage spanning a wide range of industries and businesses

Pharmacy

Pharmacy

Construction/ engineering works

Air-conditioning facility construction
Water supply/drainage facility construction
Electrical facilities construction
Telecommunications construction
General contractor construction
Public works
Reinforcing steel construction
Building metal construction
Residential construction
Interior work
Construction-related surveys
Building structural design
Building structural diagnostics
Painting
Temporary material rental

Wholesaling

Building materials wholesaling
Wooden building materials wholesaling
Processed lumber products wholesaling
Chemicals wholesaling
Fuel wholesaling
Cosmetics wholesaling
Lifestyle products wholesaling
Machinery and appliances wholesaling
Electronic materials wholesaling
Dental materials/pharmaceuticals wholesaling
Solar power wholesaling
Textiles/clothing wholesaling
Miscellaneous goods wholesaling
Food ingredient wholesaling
Food import wholesaling
Fishery product wholesaling
Wholesaling of confectionery
Second-hand machinery wholesaling

Manufacturing industry

Metal products manufacture/processing
Chemical industry
Industrial machinery manufacture
Tool manufacture
Precision parts manufacture
Electrical machinery/appliance manufacture
Steel fabrication
Rolled-copper product processing
Electronic components manufacture/processing
Transportation machinery/appliance manufacture
Automotive parts manufacture
Air-conditioning equipment
Energy-saving machinery design/manufacture
Cleaning/drying equipment manufacture
Machinery repair
Concrete products manufacture
Medical appliance manufacture
Supplement planning/manufacture
Women's clothing manufacture
Daily goods planning/manufacture
Textile product manufacture
Fishery product processing
Confectionery manufacture
Food manufacture/processing
Pharmaceutical manufacture
Beauty products manufacture

IT/ information services

Data mining
Information services
Outsourced software development
System development
Consulting

Distribution

General freight transportation
Newspaper delivery
Distribution processing
Truck rental
Warehousing

Eating out

Eating out
Home-delivered meals

Real estate

Real estate brokerage
Multi-unit apartment maintenance
Investment real estate development
Building maintenance
Lease management

Nursing care/healthcare/welfare

Nursing care business
Clinical study support
Medical corporations
Daycare

Retail and distribution

Supermarkets
Discount stores
Mail order
Apparel
Supplements
Health food products
OA equipment
Interiors
Daily goods
Outdoor
Vehicle sales/servicing
Gas and fuel sales

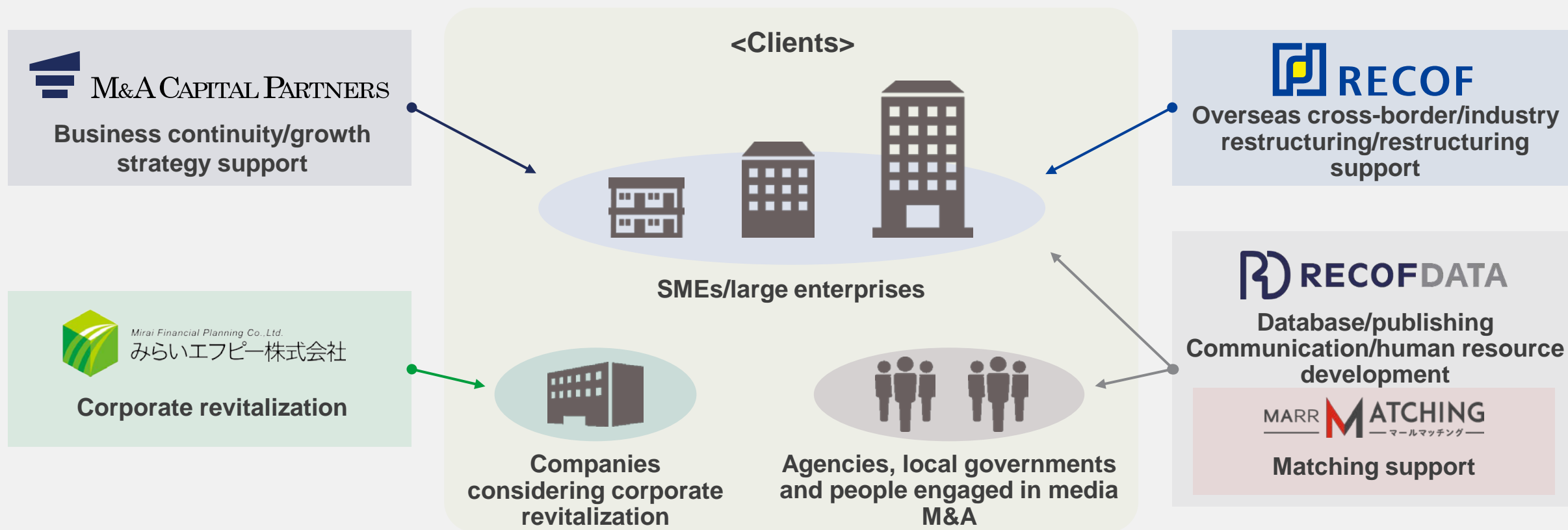
Advertising/printing/ media

Printing
Advertising agency
Paper bag manufacture
Event planning/preparation
Design
Video creation
Package software development
Game development

Other

Lease/rental
Temporary staffing
Temporary engineer staffing
BPO
Medical preparatory school
Childcare facilities
Preparatory school
Hot spring resorts
Hotels
Operation of amusement facilities
Facilities security
Insurance agency
Buying/selling of tickets
Sales promotion
Trading company
Waste processing
Funerals

Japan's leading professional group able to provide optimal M&A for all clients



Coverage of all service areas related to a variety of forms of M&A by 4 group companies

Mirai Financial Planning joined the MACP Group as corporate revitalization and business revitalization professionals



Mirai Financial Planning Co., Ltd.

みらいエフピー株式会社

Trade Name	Mirai Financial Planning Co., Ltd.
Head Office Location	9F Saiwai Building, 1-3-1 Uchisaiwaicho, Chiyoda-ku, Tokyo
Business Content	Corporate revitalization consulting service
Representative	Yasuo Nakatsu, President and Representative Director
Established	March 2002
Capital	100 million yen (as of September 30, 2021)
Number of officers and employees	8 (as of September 30, 2021)

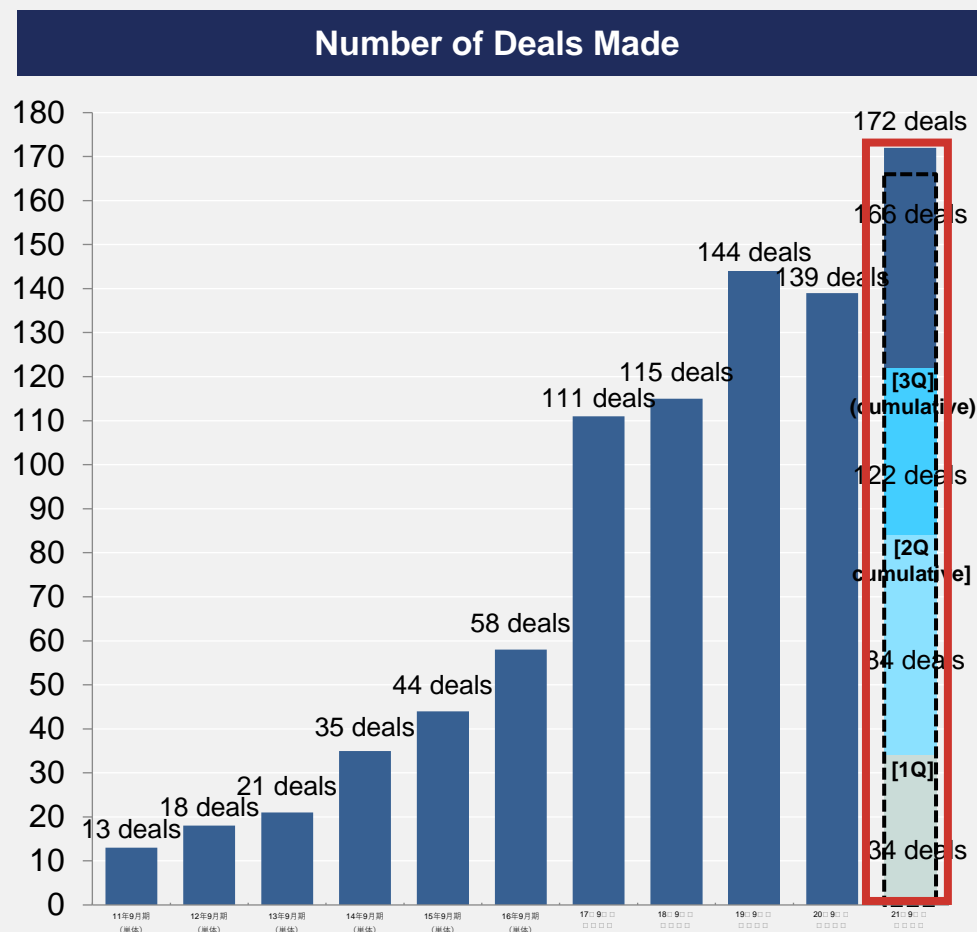
Enables corporate revitalization and business revitalization projects for which consultations have increased due to COVID-19 to be handled in one stop within the Group, providing a greater contribution to society

A nighttime photograph of a city skyline across a body of water. In the foreground, a multi-lane bridge with curved ramps spans the water, with several cars visible on it. The background is filled with numerous high-rise buildings, many of which are illuminated with lights. The sky is a deep blue with some clouds, and the water reflects the city lights.

2. Results for the Fiscal Year Ended September 30, 2021

The number of deals made exceeded forecasts and reached the highest level on record at 172 (up 23.7% year on year)

Large deals* were also at the highest level on record at 36 (up 50.0% year on year)



	Result for the year	Forecast for the year	vs. Forecast for the year
Number of deals (consolidated)	172	166	103.6%

Non-consolidated

M&A Capital Partners Co., Ltd.

34 of the 155 deals closed (+31.4% year on year) were large deals



- Closed a record 50 deals in 4Q
- Record number of deals closed for the full year

RECOF

2 of the 17 deals closed (-19.0% year on year) were large deals



* Deals with a commission of 100 million yen or more

Achieved the best performance and highest number of deals closed since
the company was founded

Net sales

15,161 million yen
(+27.7% year-on-year)

Ordinary income

6,588 million yen
(+30.4% year-on-year)

Number of Deals

172 deals
(+23.7% year-on-year)



Large deals

Record number of
36 deals
(+50.0% year-on-year)

Number of consultants

168
(+17 year-on-year)

In addition, advances received, which is a useful indicator of order backlog, increased steadily to 837 million yen (+33.3% year on year).

Non-consolidated Financial Highlights for the Fiscal Year Ended September 30, 2021

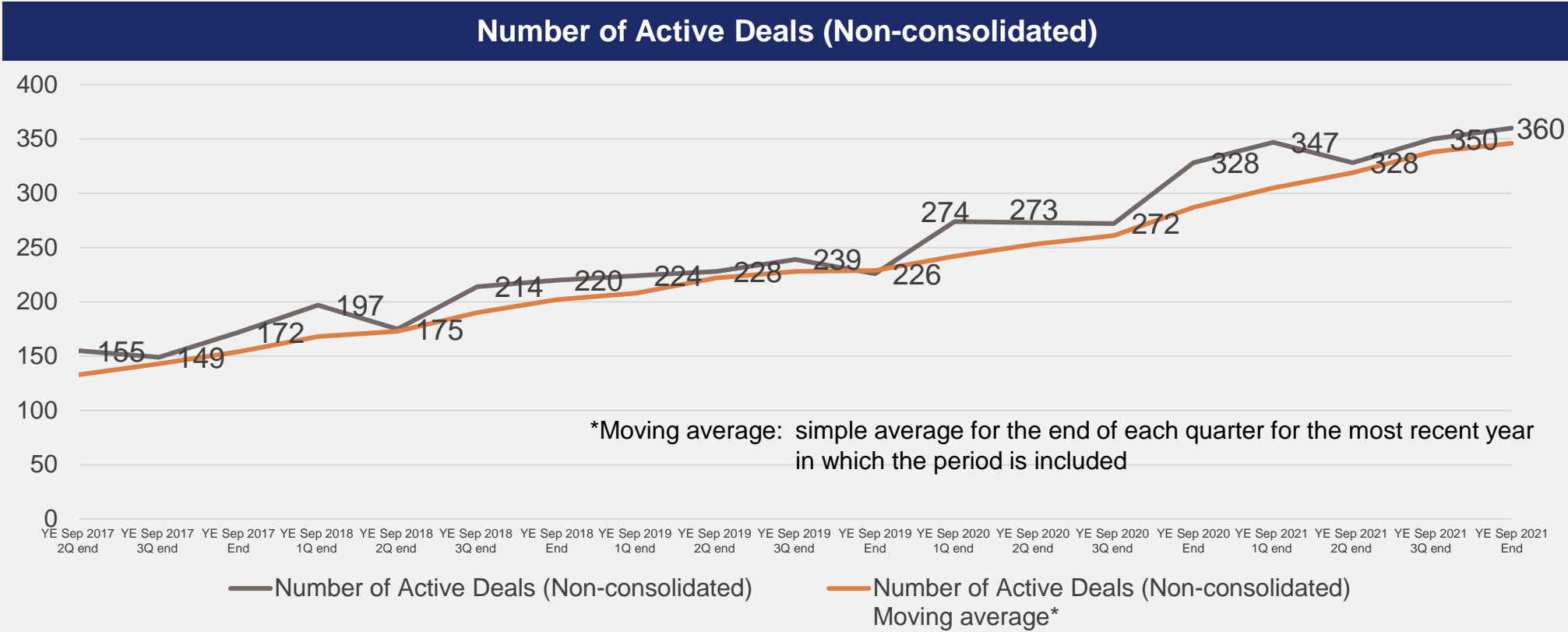
	M&A Capital Partners Co., Ltd.		RECOF	
	Result	Year-on-year Change	Result	Year-on-year Change
Net sales	13,833 million yen	+35.7%	1,079 million yen	-32.3%
Ordinary income	6,889 million yen	+39.0%	-89 million yen	-
Number of Deals	155 deals	+31.4%	17 deals	-19.0%
Large deals	34 deals	+61.9%	2 deals	-33.3%
Number of consultants	123	+23	45	-6

*Because non-consolidated information is shown, amortization (226 million yen) due to business integration is not included.

*We have omitted listing Group companies of relatively low importance.

*The figures for RECOF are simple aggregate figures including RECOF Vietnam Co., Ltd.

The number of active deals was the highest on record at 360 (+9.8% year on year)
There was a significant increase in new deals, and the number of deals is expected to remain stable in the 17th fiscal period



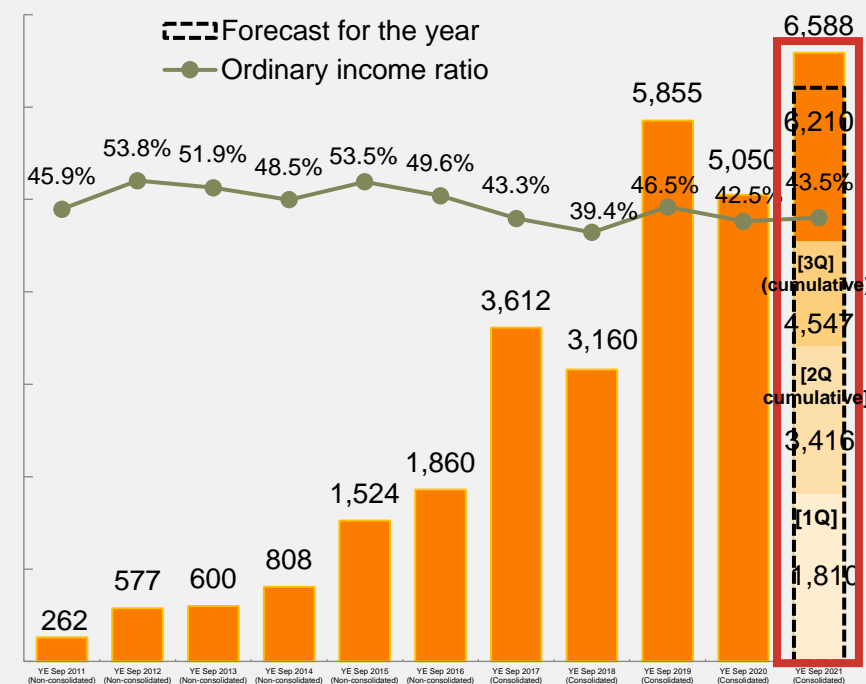
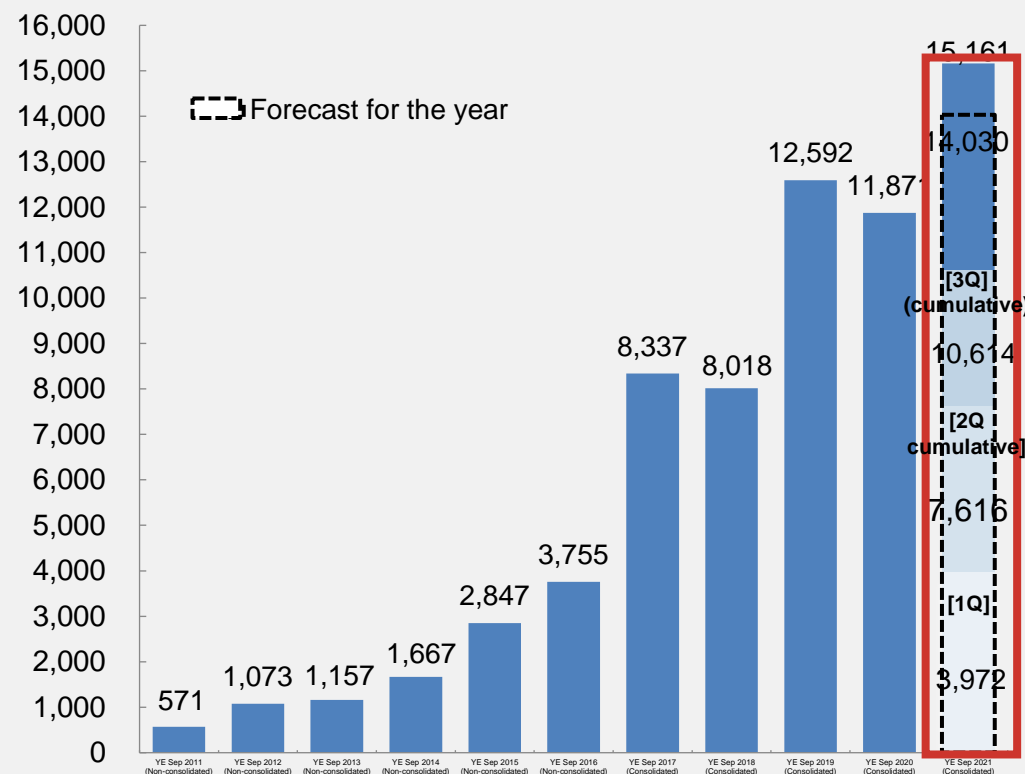
**In 8 years since listing (year ended September 2013),
sales have increased rapidly by more than 13x.**

Units: Millions of yen

	Result for the year	Forecast for the year	Progress for Entire Year
Net sales	15,161	14,030	108.1%
Ordinary income	6,588	6,210	106.1%

Net sales

Ordinary income



Overview of Statements of Income (Consolidated) for the Fiscal Year End September 30, 2021

Achieved record net sales, operating income and ordinary income

(Units: millions of yen, second line is composition ratio)

	Year Ended September 2021	Year Ended September 2021		
			Year-on-year Change	Main Factors Causing Change
Net sales	11,871 (100.0%)	15,161 (100%)	+27.7%	<ul style="list-style-type: none"> Record number of deals closed Closed 36 large deals
Gross profit	7,968 (67.1%)	9,770 (64.4%)	+22.6%	<ul style="list-style-type: none"> Impact of higher revenue
SG&A	2,916 (24.6%)	3,198 (21.1%)	+9.7%	<ul style="list-style-type: none"> Rents +89 (mostly related to satellite offices) Commission expenses +73 Taxes and dues +49
Operating income	5,051 (42.6%)	6,572 (43.3%)	+30.1%	<ul style="list-style-type: none"> Impact of higher revenue
Ordinary income	5,050 (42.5%)	6,588 (43.5%)	+30.4%	
Net income	3,407 (28.7%)	4,311 (28.4%)	+26.5%	

Overview of Balance Sheets (Consolidated) for the Fiscal Year Ended September 30, 2021

Solid financial condition backed by stable shareholders equity

(Units: millions of yen, second line is composition ratio)

		September 30, 2021		September 30, 2021	
				Change	Main Factors Causing Change
	Current assets	21,673 (90.1%)	27,720 (90.0%)	+6,047	<div><div></div>Cash and deposits +5,899</div> <div><div></div>Accounts receivable - trade +47</div>
	Noncurrent assets	2,386 (9.9%)	3,076 (10.0%)	+689	<div><div></div>Goodwill -193 (Amortization of goodwill)</div> <div><div></div>Lease and guarantee deposits +827</div>
	Total assets	24,060 (100.0%)	30,796 (100.0%)	+6,736	
	Current liabilities	3,199 (13.3%)	4,690 (15.2%)	+1,491	<div><div></div>Income taxes payable +779</div> <div><div></div>Accounts payable - other +288</div> <div><div></div>Advances received +209</div> <div><div></div>Accrued consumption taxes +204</div>
	Noncurrent liabilities	229 (1.0%)	264 (0.9%)	+35	
	Total liabilities	3,428 (14.2%)	4,954 (16.1%)	+1,526	
Total net assets		20,632 (85.8%)	25,841 (83.9%)	+5,209	
Total liabilities and net assets		24,060 (100.0%)	30,796 (100.0%)	+6,736	

Highest growth rate among M&A intermediation companies listed on the Tokyo Stock Exchange First Section
Market capitalization has increased more than 15 times over the 8 years since listing.

Market Capitalization



*As of October 28, 2021

Earnings Forecasts

The number of active deals will remain strong, and
the best performance on record is forecast

Net sales

16,220 million yen

(+7.0% year on year)

Ordinary income

6,823 million yen

(+3.6% year on year)

Number of Deals

193 deals

(+12.2% year on year)

Large deals

33 deals

(-8.3% year on year)



Number of consultants

203

(+35 year on year)

Non-consolidated Earnings Forecasts for the Fiscal Year Ending September 30, 2022

Earnings Forecasts

	M&A Capital Partners Co., Ltd.		RECOF	
		Year-on-year Change		Year-on-year Change
Net sales	14,368 million yen	+3.9%	1,448 million yen	+34.3
Ordinary income	7,083 million yen	+2.8%	104 million yen	-
Number of Deals	168 deals	+8.4%	25 deals	+47.1%
Large deals	30 deals	-11.8%	3 deals	+50.0%
Number of consultants	154	+31	49	+4

*Because non-consolidated information is shown, amortization (226 million yen) due to business integration is not included.

*We have omitted listing Group companies of relatively low importance.

*The figures for RECOF are simple aggregate figures including RECOF Vietnam Co., Ltd.



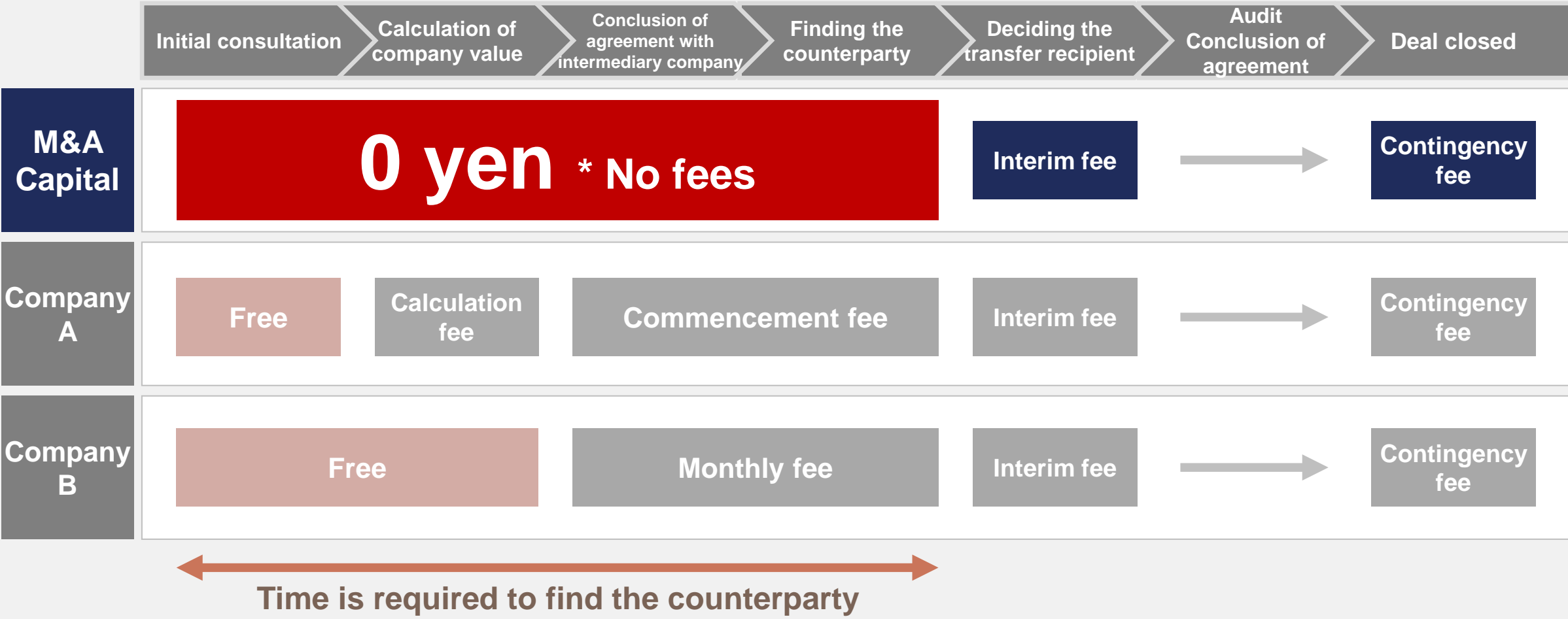
3. Characteristics and Strengths of the Company

A background image showing two business people shaking hands. The person on the left is wearing a grey and red checkered blazer, and the person on the right is wearing a dark grey blazer. The background is blurred, showing what appears to be a modern office or building interior.

M&A CAPITAL PARTNERS CORPORATE IDENTITY

Aiming to be the world's leading investment bank
seeking **maximum contributions to clients**
and the happiness of all employees

The clear “no commencement fee” system enabling customers to consult with peace of mind has continued since the company was founded



The Fee Amount Is Determined Using the “Lehman Formula Based on Share Value”

We use the “Lehman Formula based on share value” that leads to overwhelmingly lower costs as the formula for calculating fees in a way that convinces customers

What is the Lehman Formula?

- ✓ A general calculation formula used for M&A intermediary contingency fees. Calculating fees according to a fixed commission rate against the value of the transaction
- ✓ Typical examples are the “Lehman formula based on the total assets moved” multiplying the total assets moved by a commission rate and the “Lehman Formula based on share value” multiplying the share value by a commission rate

* It is a calculation formula created by referring to the fee structure used by the U.S. investment bank Lehman Brothers. The M&A team of the former Yamaichi Securities led by RECOF Corporation founder Masaaki Yoshida first adopted it in the Japanese market in 1974, and it has been widely used by RECOF Corporation to calculate contingency fees in the M&A industry since then. It is also referred to as the “Lehman Scale.”

MACP using the Lehman Formula based on share value

Lehman Formula based on the total assets moved used by other companies

2 billion yen x
commission rate

Balance Sheet	
Total assets moved	Debt
2.0 billion yen	1.5 billion yen
	Equity value
	500 million yen

Lehman Formula based on share value used by MACP

500 million yen x
commission rate

Examples of Lehman Formula rates

Transaction value, etc.	Commission rate
Over 10 billion yen	1%
5 billion yen up to 10 billion yen	2%
1 billion yen up to 5 billion yen	3%
500 million yen up to 1 billion yen	4%
Up to 500 million yen	5%

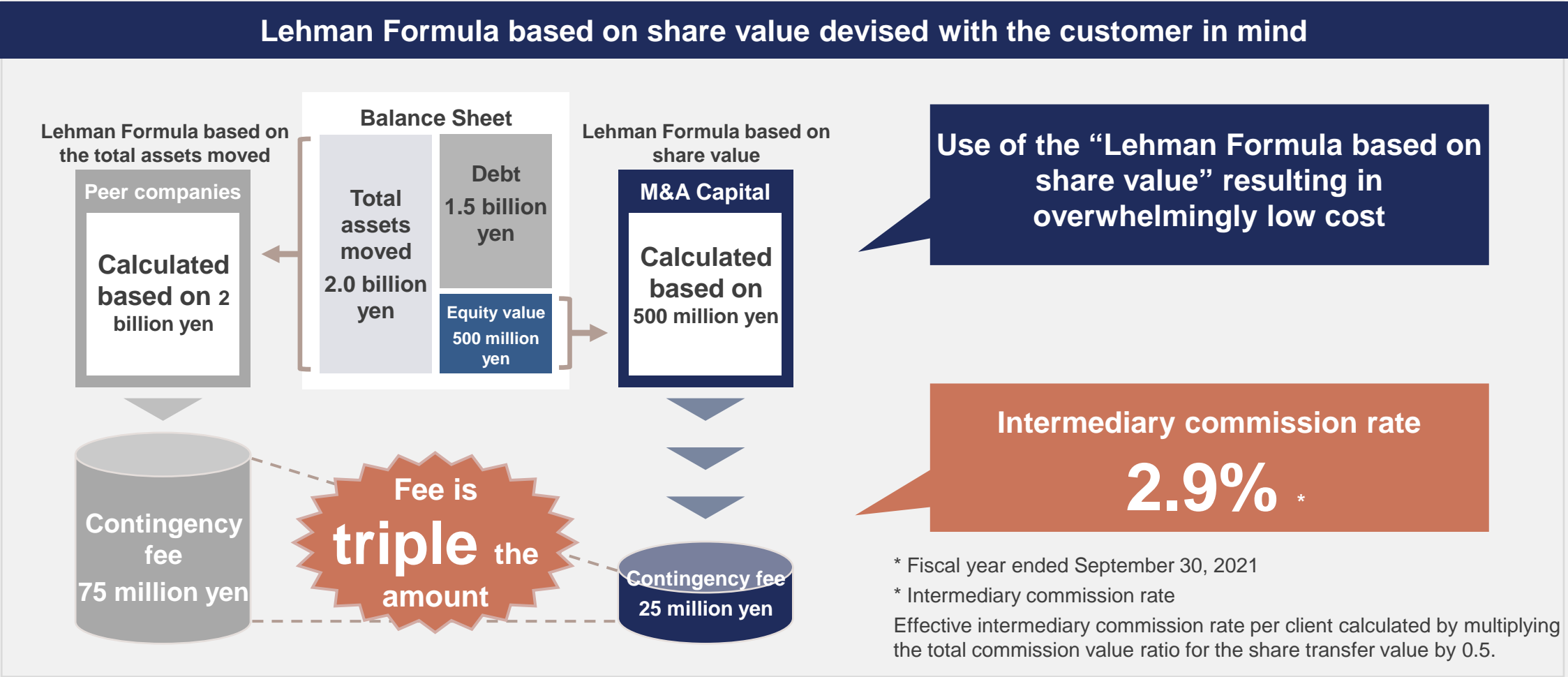
Calculation using the Lehman Formula

If the transaction value of 2 billion yen is estimated using the Lehman Formula based on the total assets moved

1 billion yen or more	→	1 billion yen or more	× 3% = 30 million yen
500 million to 1 billion yen	→	500 million to 1 billion yen	× 4% = 20 million yen
Up to 500 million yen	→	Up to 500 million yen	× 5% = 25 million yen

2.0 billion yen **Contingency fee** **75 million yen**

Overwhelmingly low commission rate within the M&A intermediary industry

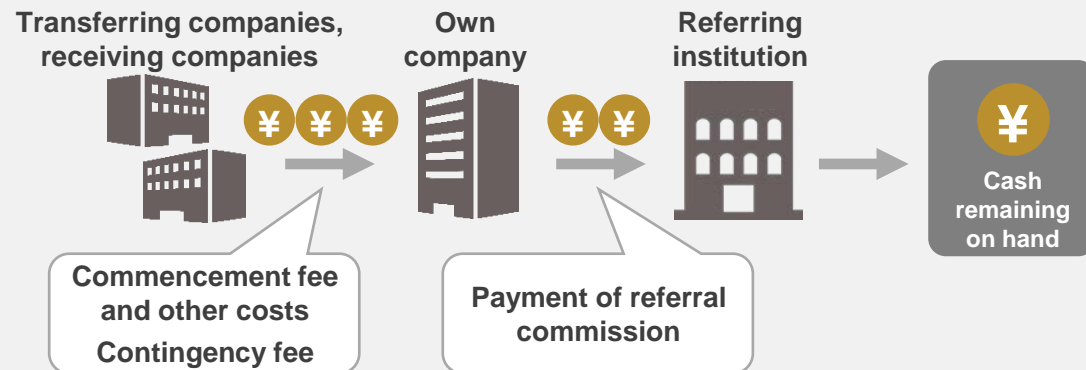


A “true M&A intermediary” that does not rely on just referrals

A unique business model in the industry made possible by overwhelming ability to make direct proposals

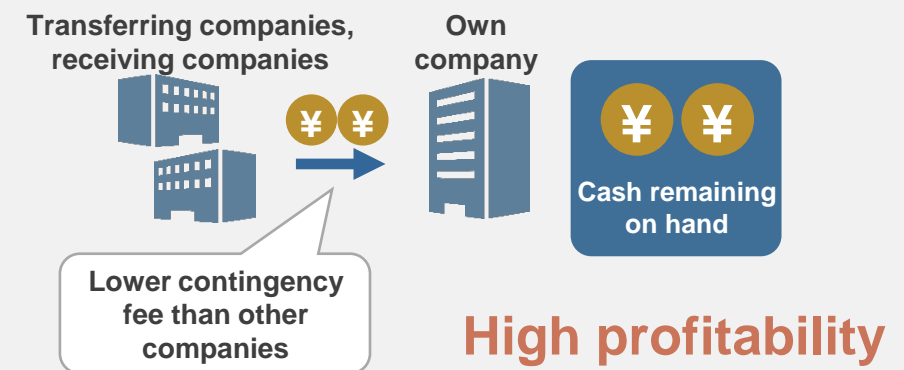
[Other companies] Business model based on “referrals”

Serves as an intermediary for companies considering M&A who are referred by accounting firms and financial institutions



[MACP] Business model based on “ability to make direct proposals”

Ability to make direct proposals by conducting sales directed at transferring companies requiring M&A without relying on referrals

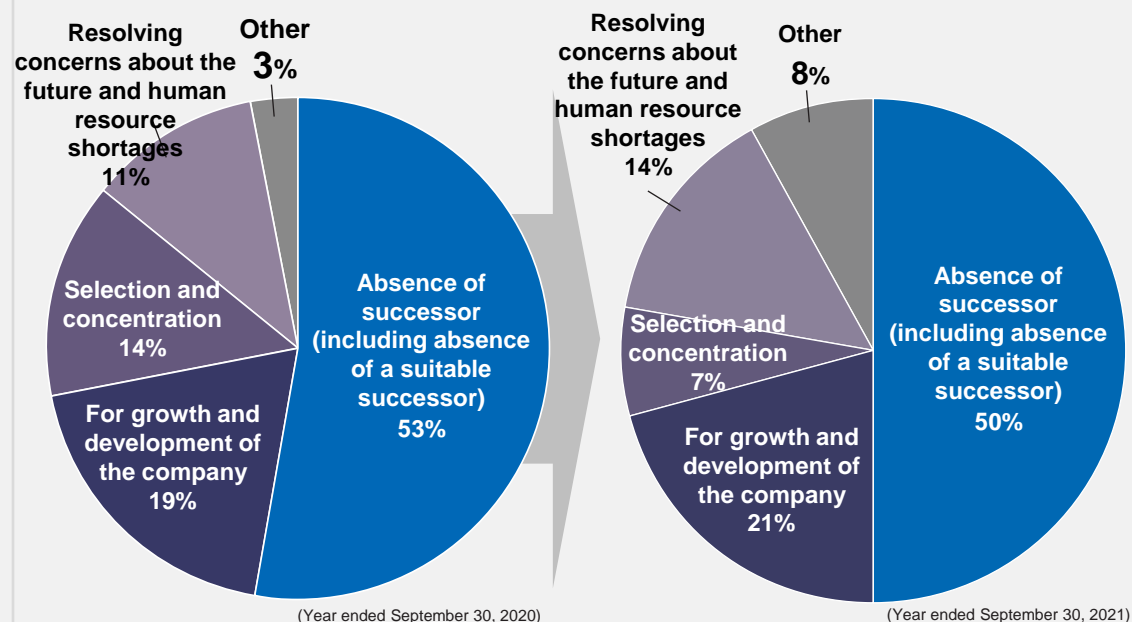


Realization of not only conventional “business succession M&A” deals where the transferring company emerges, but also latent “business succession M&A” and “business growth M&A”

“Business succession M&A” resolving the absence of successor, which continues to be in demand and “business growth M&A” leading to growth with an eye to the future that has been increasing in recent years

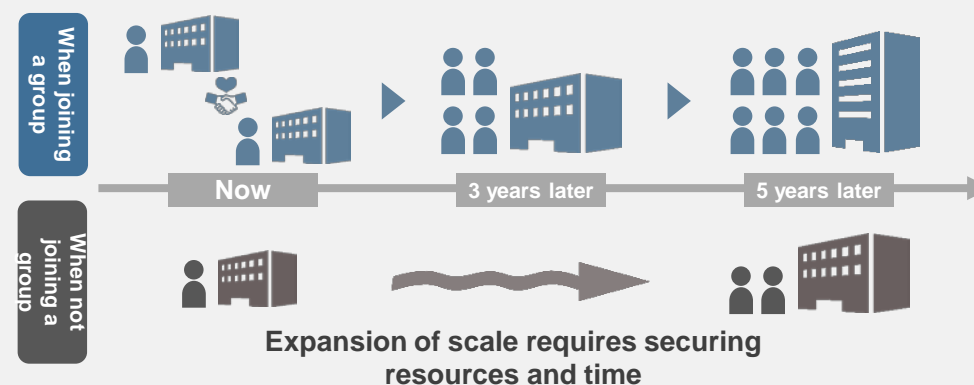
Management’s reasons for transferring the business

“For future growth of the company” has increased to 21% as a reason for transferring the company
Heightened needs for “business growth M&A”



What is “business growth M&A”?

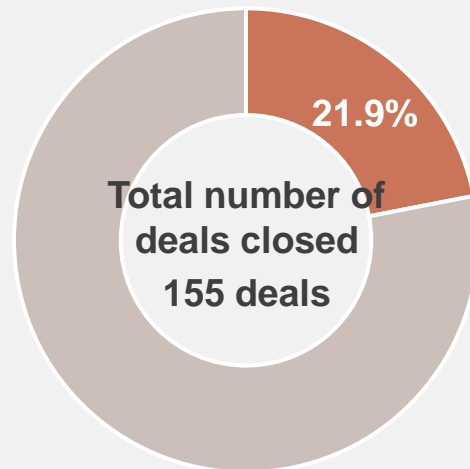
M&A utilizing the resources of the buyer company by joining the group of the buyer company with the aim of business growth



- ✓ The seller company often survives without changing its name, and with the president continuing to manage the company
- ✓ Shortening of time required for company growth
- ✓ Strengthening of company’s base
- ✓ Creation of synergies

Realizing an extraordinary average value of share transfer in the M&A intermediary industry by working on many difficult large deals

Handling difficult large deals



34 large M&A deals



Up by 13 deals year-on-year

1 in 5 deals are
large deals with a commission
of 100 million yen or more

Average value of share transfer: **Approx. 1.33 billion yen**

* Non-consolidated for the year ended September 30, 2021

A background image showing a close-up of two hands shaking in a firm grip, symbolizing a business deal or partnership. The hands are wearing suit sleeves, one with a checkered pattern and the other with a solid dark color. The background is blurred, showing what appears to be a modern office interior with large windows.

M&A CAPITAL PARTNERS CORPORATE IDENTITY

Aiming to be the world's leading investment bank
seeking maximum contributions to clients and the
happiness of all employees

The highest level of compensation in Japan attracts the best talent in the country, enabling the company to provide the highest level of M&A services

■ 2021 ranking of companies by annual income (top 5)

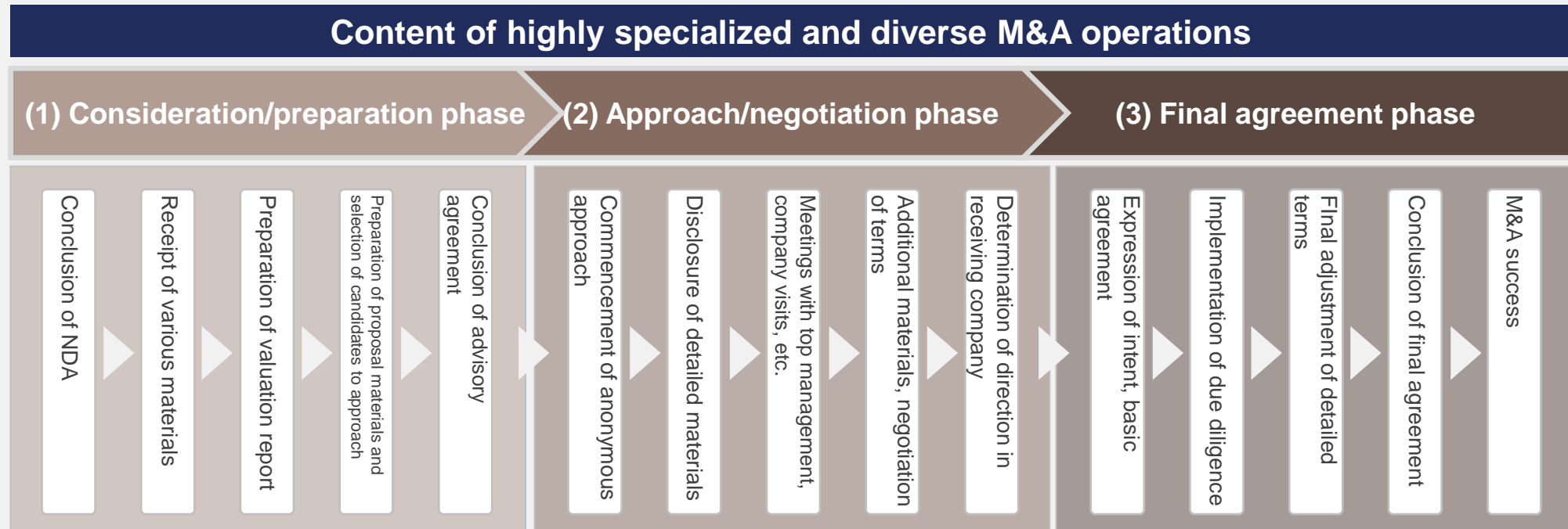
Rank	Company name	Average annual income (10,000 yen)	Average age (years)
1	M&A Capital Partners Co., Ltd.	2,269.90	31.4
2	Company A	1,751.80	35.8
3	Company B	1,708.20	39.4
4	Company C	1,678.40	42.7
5	Company D	1,627.80	42

Source: Diamond Online (July 19, 2021)

The most important element in an M&A intermediary company is “human resources” and the abilities of M&A consultants are very important in particular

Highly specialized and diverse M&A operations

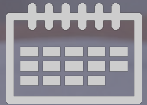
Importance of a sense of responsibility and mission to growth the Japanese economy



The skills required of an M&A consultant include not only a wide range of specialized knowledge on M&A, but it is also important to be able to make proposals that match the customer's feelings

We have created a training program for further developing the best talent in Japan into the best talent in the world

Generous training



OJT roadmap

Systematic organization of when to learn from whom



Role playing

Guidance by superiors and senior staff for six months after joining the company

Accumulation of knowledge



Creation of database

Stock of knowledge on successful cases through companywide meetings and workshops

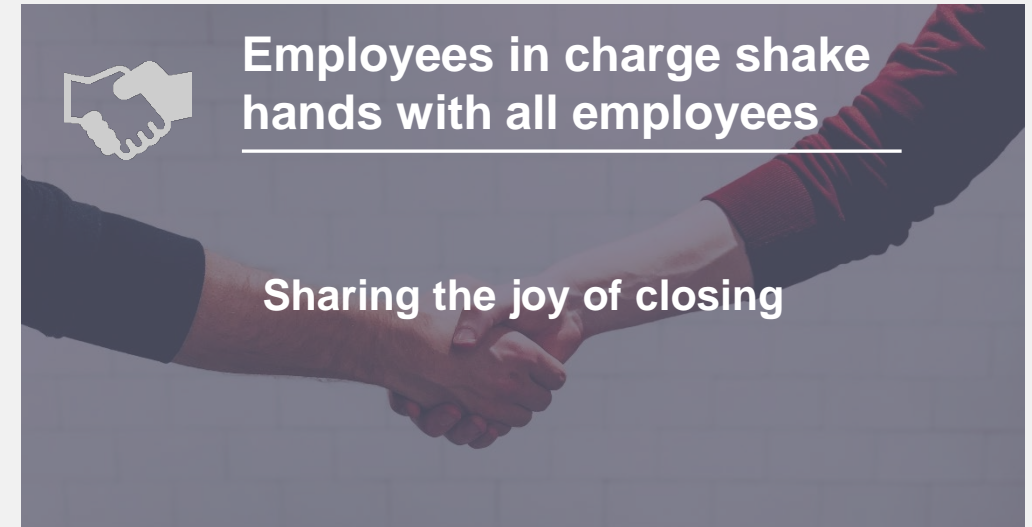


Open atmosphere

Collection of information from throughout the company whenever someone wants to know something

Individual growth leads to growth of the organization as a whole

Individual growth is a source of growth of the organization as a whole
Corporate culture emphasizing deep-rooted teamwork since the company was founded



Toward “happiness for all employees” envisaged by M&A Capital Partners

Overwhelming productivity per person in the M&A industry proving that we have the best consultants in Japan

Net sales per consultant

135.61 million yen

(+10.4% year-on-year)

Ordinary income per consultant

67.54 million yen

(+13.1% year-on-year)

* Non-consolidated fiscal year ended September 30, 2021 (number of consultants is based on the start of the fiscal year)

Wholeheartedly responding to customers' resolutions.

M&A Capital Partners' passion for customers since the company was founded
Satoru Nakamura

M&A with heart

Passion for customers that has continued since the company was founded in 1987
RECOF founder Masaaki Yoshida

DNA passed on from the founders of M&A in Japan





4. The Company's Social Mission and Role in the M&A Industry

A social issue in the headlines



Source: Small and Medium Enterprise Agency SME Business Succession Support Package (December 20, 2019)

Source: Small and Medium Enterprise Agency
(December 20, 2019)

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Increase in SMEs choosing to close business
Further accelerated by uncertainty caused by COVID-19

Trend of suspensions, closures and dissolutions of SMEs

	Incidents per year	Total net sales (100 million yen)	Employees
2016	60,168	34,119	89,377
2017	59,702	25,890	87,922
2018	58,519	24,641	81,548
2019	59,225	25,934	88,810
2020	56,103	25,499	87,366

Source: Survey of Trends in “Suspensions, Closures and Dissolutions” of Companies Nationwide (2020) (Teikoku Databank)

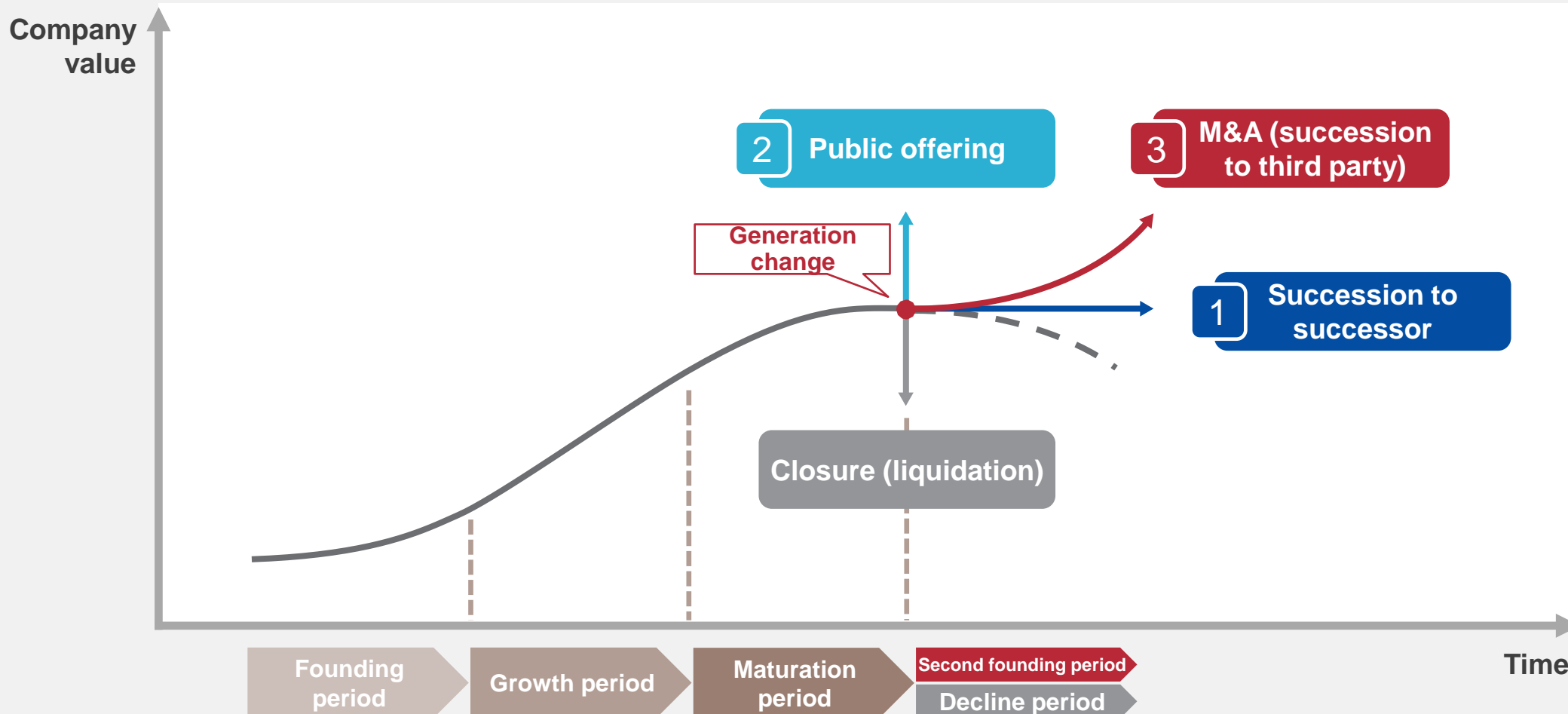
Economic loss caused by suspensions and closures in 2020

Loss in net sales
2.5499 trillion yen

Jobs lost
87,366

Closures have an extremely large impact on regional economies and the Japanese economy, such as the loss of employees’ jobs and the impact on business partners

Company owners are faced with four options when determining business succession



M&A maintains employees' jobs and relationships with business partners

The personal suretyship is also lifted, making it the optimal means of maximizing founder's profit

Option		● Advantages	▲ Disadvantages
Closure (liquidation)		● Securing profit for founder (less than other options)	▲ Termination of business (inconveniencing business partners) ▲ Dismissal of all employees ▲ Risk of being unable to repay debt during closure
1	Succession to successor	● Continue status as owner's family ● Passed on to officers and employee who understand the business	▲ Absence of successor ▲ Time required for share transfer ▲ Takes on risks including personal suretyship ▲ Need to consider suitability of successor ▲ Lack of funds to purchase shares ▲ Risk of being unable to remove president's personal suretyship
	Relatives Officers and employees		
2	Public offering	● Separation of management and capital ● Improvement of recruiting and funding capabilities	▲ Stricter listing criteria ▲ Requires years of time ▲ Does not lead to succession of capital (shares cannot be converted into cash)
3	M&A (succession to third party)	● Company: Growth with stronger operating base ● Owner: Securing profit for the founder, removal of personal suretyship ● Employees: Stability of employment	▲ Time may be required for consideration

Our Contribution to Sustainability of Japanese Economy through M&A

Our contribution to sustainability of the Japanese economy ever since the Company was founded is over
1.2144 trillion yen

In the 16th fiscal year, the level of contribution was 260.2 billion yen and 7,716 jobs in terms of sustainability
of the economy and jobs, respectively

Contribution to sustainability of Japanese economy
since the Company was founded

Over **1.2144**
trillion yen

(Cumulative sales of transferred companies)

Contribution to sustainability of Japanese
economy in the 16th fiscal year

260.2 billion yen

(Cumulative sales of transferred companies)

Contribution to sustainability of jobs in the 16th
fiscal year

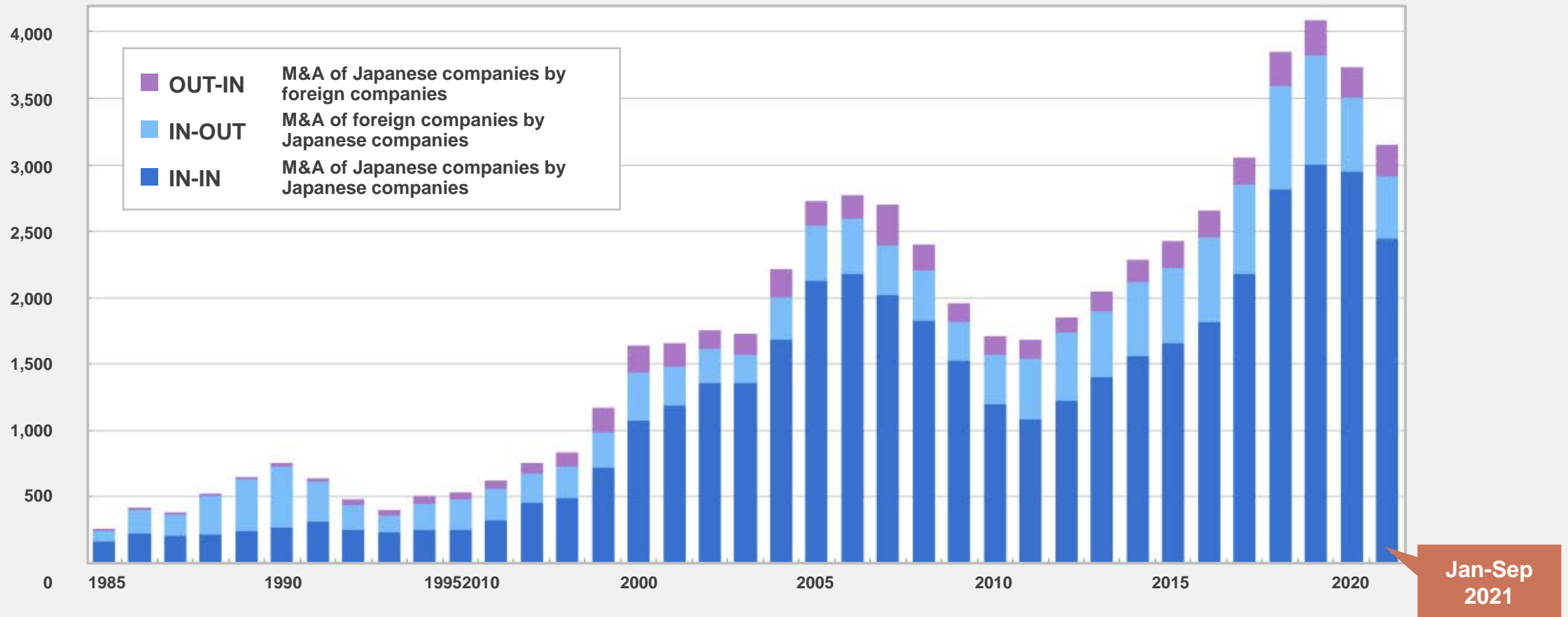
7,716 jobs

(Cumulative number of employees of transferred companies)

* Estimates based on internal research (as of September 30, 2021)

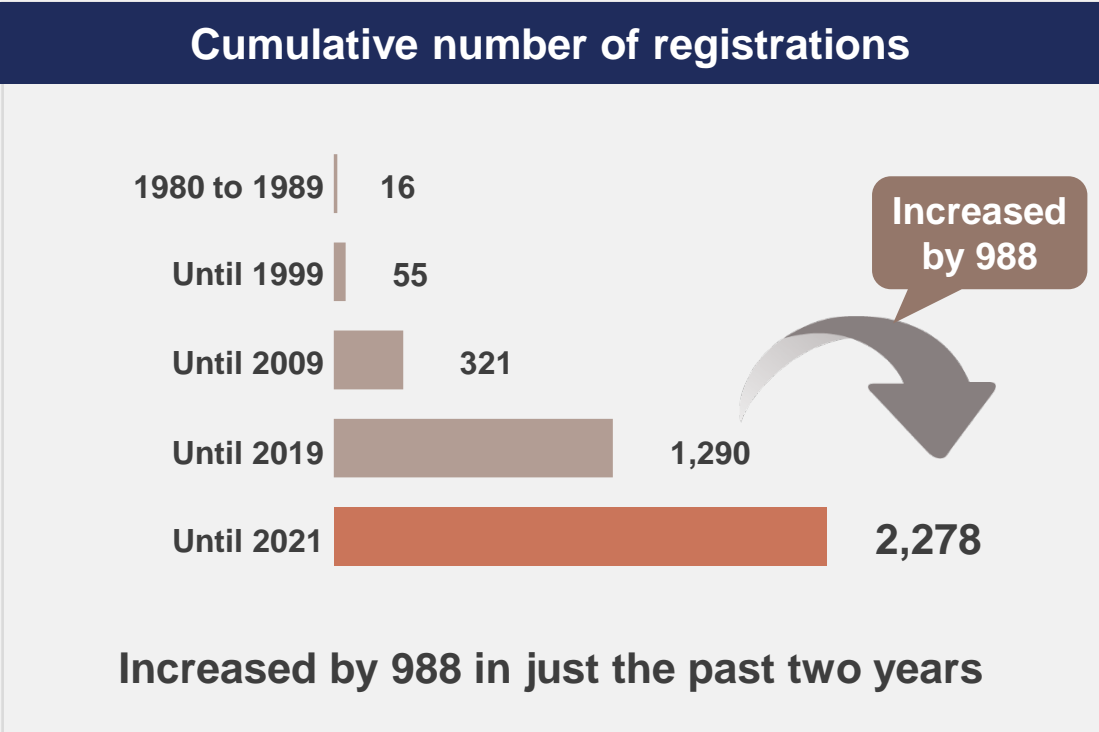
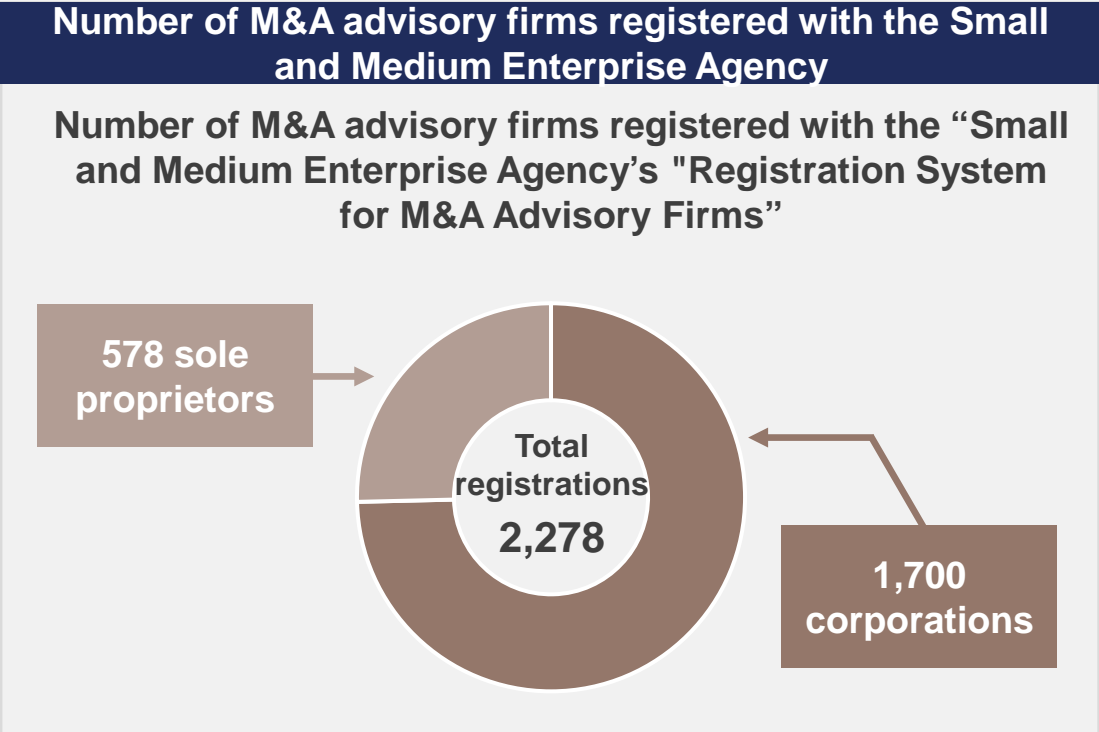
M&A deals involving Japanese companies are at the highest level on record

The M&A market is expected to be lively after COVID-19



Source: RCOF M&A Database

M&A advisory firms have rapidly increased since 2020



Source: Small and Medium Enterprise Agency “Final Announcement of Registered Financial Advisors and Brokers for the M&A Support Institution Registration System” (as of October 15, 2021)

There is an urgent need to establish a foundation for increasing M&A advisory firms to enable SMEs to engage in M&A with confidence

We have begun working with the Small and Medium Enterprise Agency to provide managers of SMEs with understanding of M&A and enable M&A advisory firms to conduct appropriate M&A in order to resolve the business succession problem

SME M&A Guidelines established on March 31, 2020

中小 M&A ガイドライン

- 第三者への円滑な事業引継ぎに向けて -

令和2年3月

中小企業庁

2. レーマン方式

以上の組織を基に報酬を算定する手立てとして、レーマン方式が採られることが多い。レーマン方式は、「基準となる報酬」に応じて算定する各報酬が異なる割合、各報酬の「基準となる報酬」に該当する各部分にそれぞれ乗じた金額を合算して、報酬を算定する手立てである。特にM&A専門業者において広く用いられている。

例えば、下記のような割合を用いて報酬を算定するが、決められた各報酬における「基準となる報酬」割合は必ずしも下記の通りには固定されるものではない。各部分の「A」により異なる。そもそも、レーマン方式を採用せず、「基準となる報酬」により一律の割合を算定するケースも、定額とするケースもある。

また、報酬として「レーマン方式」によるもの、譲渡した割合が小規模である場合には、「基準となる報酬」が小さく、十分な成功報酬を確保できないケースもあり得るため、これに補てきとして手数料を設けている種々の「A」は多い。最終手数料の金額は、各部分の「A」により異なるため、各部分の「A」に留意し、算定する中小企業は、最終手数料を含め、手数料の算出方法を明確に確認しておく必要がある。

記	
基準となる報酬 (円)	乗じる割合 (%)
5億円以下の部分	5
5億円超10億円以下の部分	4
10億円超50億円以下の部分	3
50億円超100億円以下の部分	2
100億円超の部分	1

※あくまで一例であり、各報酬における「基準となる報酬」は各部分の「A」により異なる。

3. 具体例

以下では、仮に、M&A専門業者が中小M&Aのマッチング支援等を行った場合に、譲渡した割合は「譲渡した割合」であることが多い譲渡した割合と見做すこととなる手数料について、具体的な事例を示す。なお、消費税及び地方消費税は合計10%を算定する。

“Business Succession Guidelines” Review Committee

Two people from the MACP Group participated in drafting

Toward resolution of (1) lack of knowledge and experience, (2) concerns about cost, and (3) distrust of M&A support that cause SMEs hesitate to engage in M&A

- Other coordinated support activities by government and the private sector
- “SME and Small Business Operator Policy Study Group” (December 3, 2019)
 - “Establishment of M&A Support Institution Registration System” (October 7, 2021)

Publication of basic matters to encourage understanding of M&A among SMEs without successors and ensure the appropriate execution of M&A by M&A advisory firms

Strong coordination between government and the private sector continues to be vital going forward for addressing the progressing problem of absence of successors

The M&A Intermediary Industry Is Moving from Competition to a New Era of Cooperation

The “M&A Intermediaries Association” was established on October 1, 2021 as an industry group aimed at the sound advancement of the M&A industry and developing and maintaining the Japanese economy



Directors of the M&A Intermediaries Association at the launch press conference, MACP President Nakamura is at the center of the photo



MACP President Nakamura commenting on his appointment as a director at the launch press conference

Our greatest mission as a leading company in the M&A industry is the creation of a sound M&A industry

Toward the creation of a sound M&A industry to save approximately 60,000 business operators per year from black-ink bankruptcy

Number of suspensions, closures and dissolutions

Approximately 60,000 business operators choose to closure or bankruptcy every year



Source: Survey of Trends in "Suspensions, Closures and Dissolutions" of Companies Nationwide (2020) (Teikoku Databank)

Number of bankruptcies related to COVID-19



Source: Survey of Trends in "Bankruptcies Related to COVID-19" (October 5, 2021) (Teikoku Databank)

Owners of SMEs need an environment in which they can utilize M&A with confidence

Philosophy and visual symbol of RECOF since it was founded in 1987



**We hope every M&A
deal we have been
involved in to be the
best M&A for our
clients.**



Drive “fair M&A” to realize a sound future for the Japanese economy

5. Growth Strategy



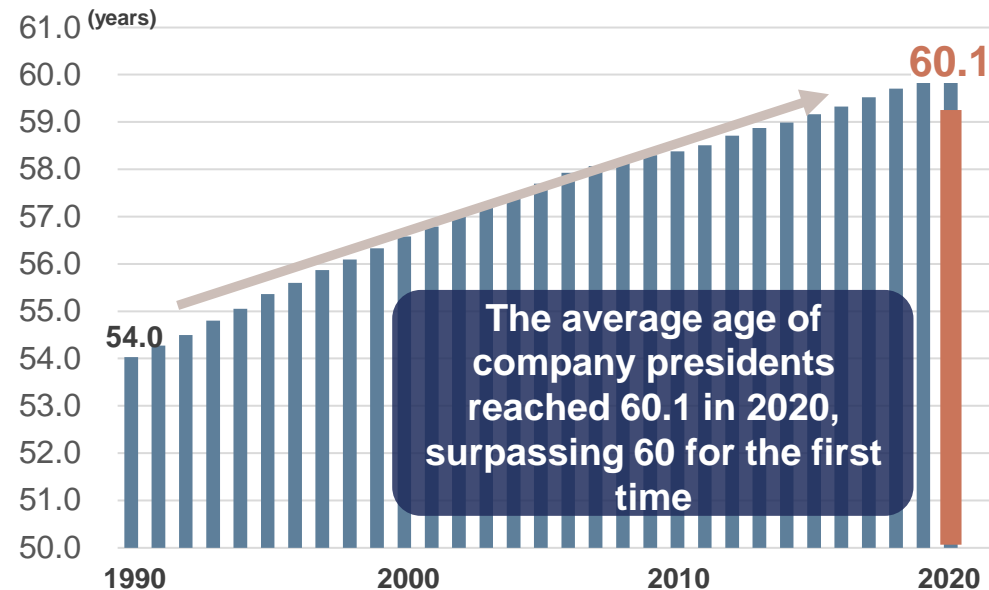
A background image showing two business people in suits shaking hands, symbolizing a partnership or agreement. The image is slightly blurred and has a light gray overlay.

M&A CAPITAL PARTNERS CORPORATE IDENTITY

Aiming to be the **world's leading investment bank** seeking maximum contributions to clients and the happiness of all employees

Ages of company presidents are higher than ever The number of companies without successors also remains high

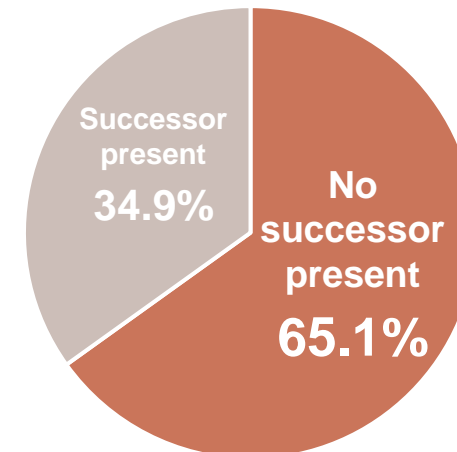
Average age of company presidents



Source: Nationwide Analysis of Company Presidents (February 5, 2021)
(Teikoku Databank)

65.1% of companies do not have a successor

Two in three companies do not have a successor

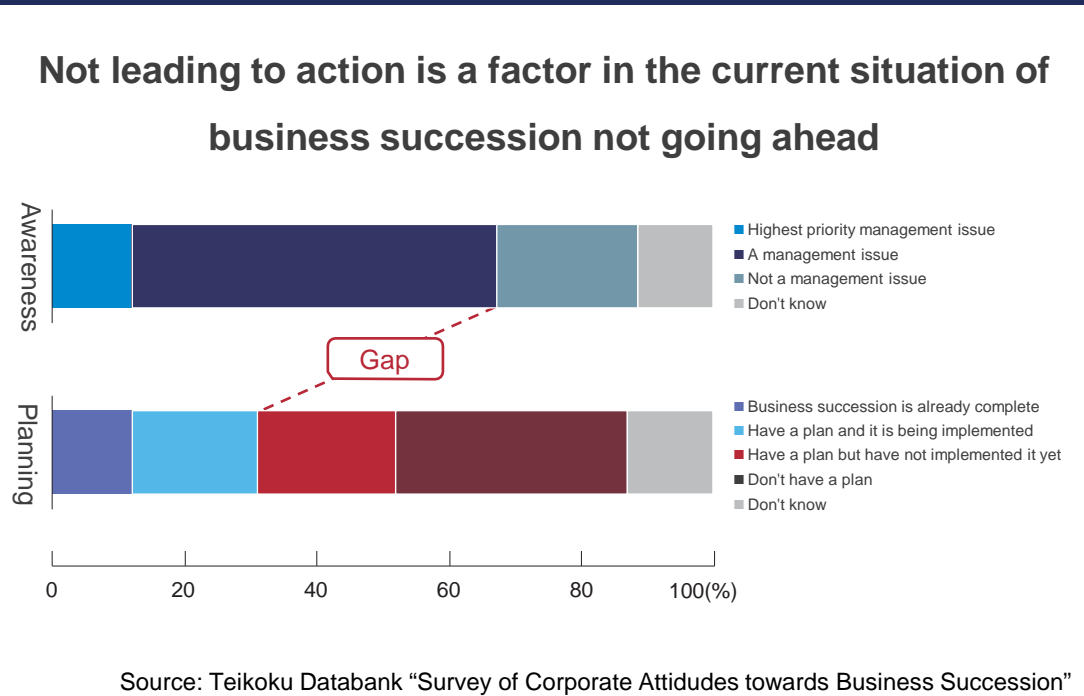


Source: Survey of Trends in "Rate of Absence of Successor" of Companies Nationwide (2020) (Teikoku Databank)

**Business succession by companies without a successor is a major key
for the future growth of the Japanese economy**

**70% of company owners are conscious of business succession
but have not reached the point of planning
It is necessary to dig up latent needs for M&A**

Gap between business succession awareness and planning



Issues in implementation of business succession

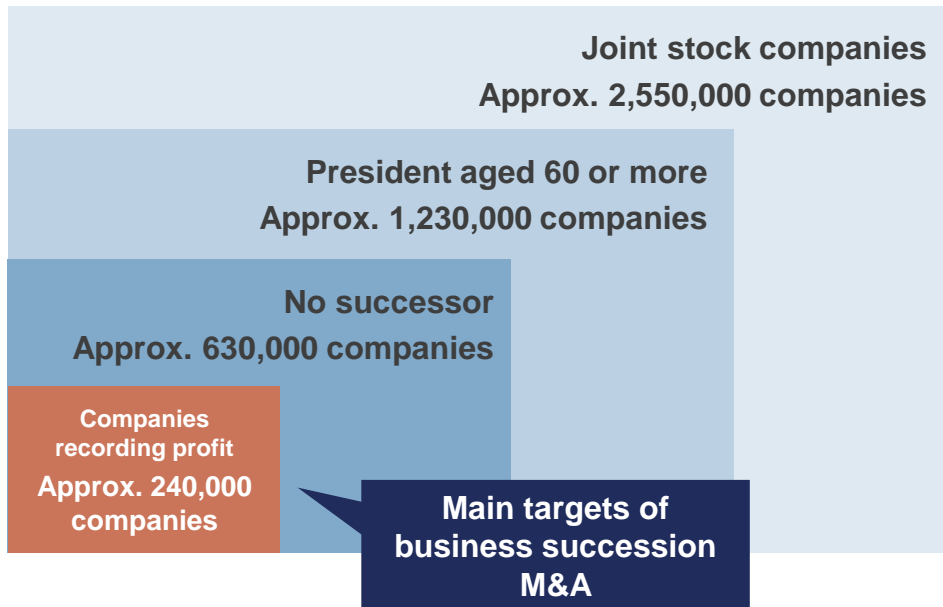
	Past difficulties	%		Potential difficulties	%
1	Development of successor	48.3	1	Development of successor	55.4
2	Tax measures such as inheritance tax and gift tax	31.7	2	Determination of successor	44.6
3	Handling of assets such as the company's shares	30.5	3	Understanding of employees	25.5
4	Determination of successor	28.2	4	Enhancement of future potential and appeal of business	22.3
5	Transfer of authority to successor	26.4	5	Handling of assets such as the company's shares	19.6

Source: Teikoku Databank “Survey of Corporate Attitudes towards Business Succession”

**Latent needs can be approached through the ability to make direct proposals,
which is MACP’s strength**

There is still a large business succession M&A market, and approaches will continue to be made to companies with business succession needs

Targets of Business Succession M&A



Sources: Estimated by M&A Capital Partners based on Teikoku Databank "Nationwide Analysis of Company Presidents," Teikoku Databank "Nationwide Analysis of Owner-operated Companies" and National Tax Agency "Results of Sample Survey of Companies"

It is estimated that the targets for business succession M&A number **around 240,000**

The Company has handled **172** business succession M&A deals (per year)

The business succession M&A **market is extremely large**

Able to grow steadily by continually hiring consultants

Focus on M&A intermediary business centered on business succession M&A

To be the world's leading investment bank

Resolve the business succession problem and support the growth of SMEs for the development of the Japanese economy

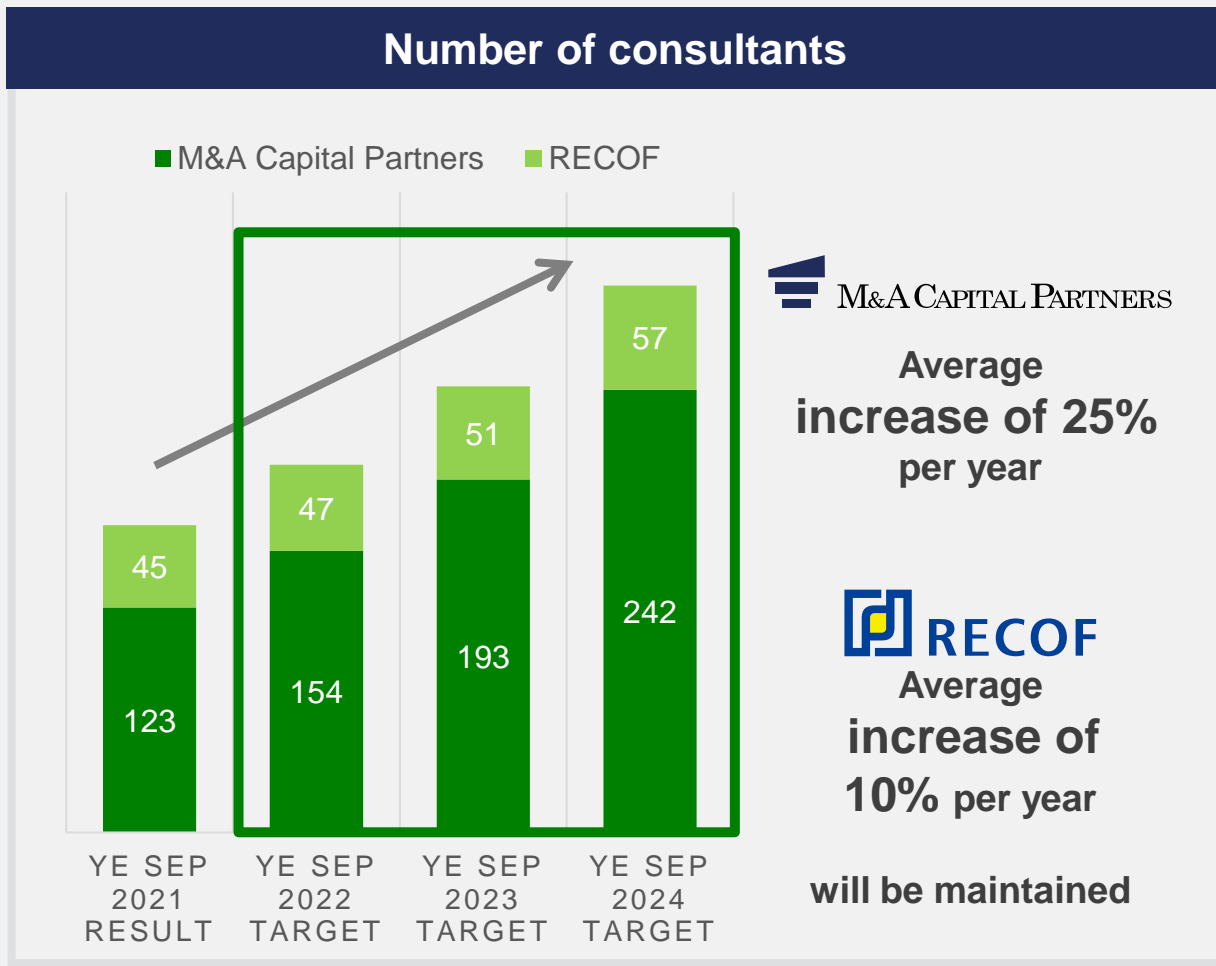
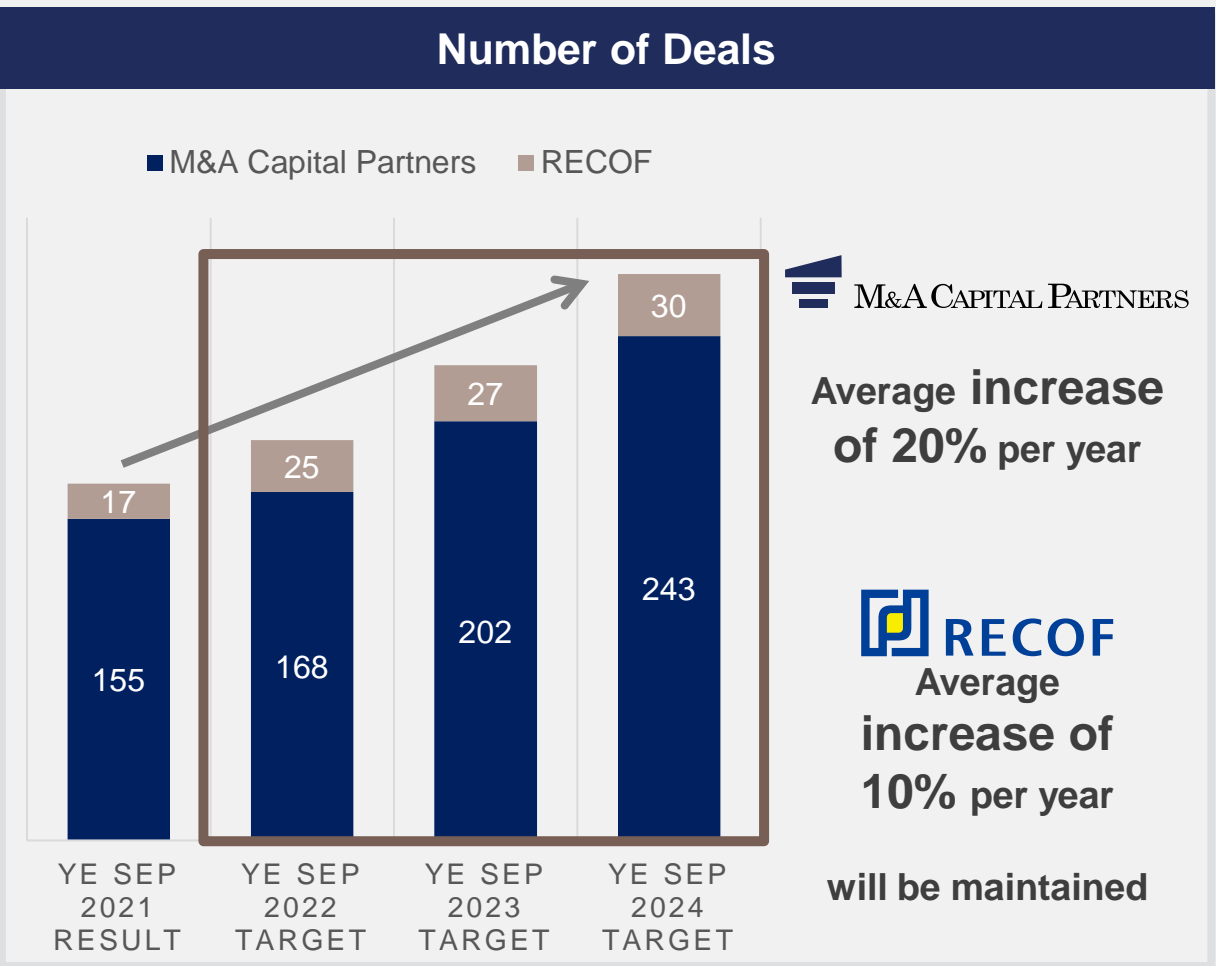


Flagship company supporting the Japanese economy

One of the world's leading M&A companies

To be the world's leading investment bank

Three-year plan for the number of deals and the number of consultants required to fulfill our social mission (Year Ending September 2022 to Year Ending September 2024)



The head office will be relocated to Tokyo Midtown Yaesu on January 1, 2023 to expand business in pace with growth and lead to further development



Depiction of completed Tokyo Midtown Yaesu



Good access directly connected to Tokyo Station

Source: Mitsui Fudosan Co., Ltd.

Role of communicating “M&A” to the public as a leading company in the industry

Television commercial lineup

<Regular commercial slots>

TV TOKYO World Business Satellite (WBS), Fuji Television Nichiyo Hodo THE PRIME, TBS Hodo Tokushu



Increased awareness of “M&A” through the popular “lion president” commercials

Drive a sound M&A industry and strengthen seminars communicating “fair M&A” to owners of SMEs

Seminars providing information on “fair M&A” will be held on November 12 (Fri) and 19 (Fri)

オンラインでLIVE配信 参加者からのご質問に生回答

事業拡大・事業承継のための

M&A活用法

11月12日(金) 15:00～16:00



M&Aキャピタルパートナーズ株式会社
代表取締役社長 中村 悟

事業承継問題の解決と、新たな成長のチャンスへ。

正しいM&Aセミナー

11月19日(金) 15:00～16:00

名古屋会場 ミッドランドホール × WEB ZOOM 同時LIVE配信 受講費 無料

ミッドランドスクエア オフィスタワー 5F [会議室 B]

Communication of “fair M&A” to owners of SMEs through seminars

**Aiming to be the world's leading investment bank
seeking maximum contributions to clients and
the happiness of all employees**



<Handling of These Materials>

The plans, forecasts and strategies, etc. contained in these materials are forecasts on future performance based on information available at the time the materials were prepared, and these include inherent risk and uncertainty. Actual performance may differ from forecasts and predictions due to such risk and uncertainty.

Information considered useful for explaining our business environment has been provided in these materials. The results in the data may vary depending on the method or timing of the survey.

Information within these materials on other topics besides the Company is quoted from published information and other sources. As such, the accuracy, appropriateness, etc. of the information has not been verified, nor are any guarantees provided thereof.