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July 14, 2023

To whom it may concern:

Listed company name:	Pasona Group Inc.
Listing stock exchange:	Tokyo Stock Exchange Prime Market
Securities code number:	2168
Representative:	Yasuyuki Nambu, Group CEO and President
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## **Notice Concerning the Recording of Loss on Valuation of Shares of Subsidiaries and Associates (Non-consolidated Financial Results)**

Pasona Group Inc. (hereinafter “the Company”) hereby announces that it has recorded a loss on valuation of shares of subsidiaries and associates as an extraordinary loss in its non-consolidated financial statements for the fiscal year ended May 31, 2023. In the non-consolidated financial statements for the fiscal year ended May 31, 2022, the Company also recorded a loss on valuation of shares of subsidiaries and associates as an extraordinary loss. We would like to inform you of the following after-the-fact information.

### **1. Details of loss on valuation of shares of subsidiaries and associates**

As a result of a valuation based on the "Accounting Standard for Financial Instruments" of the shares of consolidated subsidiaries held by the Company, the Company has decided to record an extraordinary loss of ¥983 million for the fiscal year ended May 31, 2023 as a loss on valuation of shares of subsidiaries and associates, in which a significant decline in the real value was recognized due to a decline in their operating results and financial position.

Similarly, ¥748 million was recorded for the fiscal year ended May 31, 2022.

### **2. Impact on consolidated financial results**

Since this loss on valuation of shares of subsidiaries and associates will be eliminated in the consolidated financial statements, there will be no impact on consolidated business results for the fiscal year ended May 31, 2022 and the fiscal year ended May 31, 2023.

End