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October 29, 2025

To whom it may concern,

Listed company name:	Pasona Group Inc.
Listing stock exchange:	Tokyo Stock Exchange Prime Market
Securities code number:	2168
Representative:	Hiroataka Wakamoto, Representative Director, Chairperson and CEO
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Notice Regarding the Company Split (Simplified Absorption-type Company Split)

Pasona Group Inc. (hereinafter, “the Company”) hereby announces that at a meeting of its Board of Directors held today, it resolved to transfer part of its DX talent development business and AI solutions business (hereinafter, “the Business”) to Smart Style CO.,Ltd. (hereinafter, “Smart Style”), a consolidated subsidiary of the Company, through a company split (simplified absorption-type company split), with an effective date scheduled for January 5, 2026. (hereinafter referred to as “the Company Split”).

Additionally, following the Company Split, Smart Style will change its trade name to “Pasona Data & Design Inc.” on the same date. Since its founding, Smart Style has leveraged its strength in providing high-level technical services in the database technology field. In recent years, it has expanded its business scope to include cloud infrastructure and AI database construction. This corporate split will accelerate the development of DX talent, advance the group's DX strategy, and drive further business growth.

Since the Company Split is simplified absorption-type company split involving our consolidated subsidiaries, certain disclosure items and details have been omitted.

1. Purpose of the Company Split

Our group is working to strengthen its management and business foundations while responding swiftly to societal changes and needs to enable rapid business expansion.

To achieve faster decision-making and more agile execution of measures for certain aspects of our DX talent development business and AI solutions business, we have decided to implement this corporate split and transfer these operations to Smart Style, our consolidated subsidiary. By having Smart Style, an operating company, directly manage and operate these businesses, we aim to further develop and accelerate their growth, thereby strengthening our overall business capabilities.

2. Summary of the Company Split

(1) Time table for the Company Split

Date of board resolution to conclude absorption split agreement	October 29, 2025 (Wednesday)
Date of execution of absorption-type company split agreement	October 29, 2025 (Wednesday)
effective date of company split	January 5, 2026 (Monday) (Planned)

(Note) The Company Split constitutes a simplified split under Article 784, Paragraph 2 of the Companies Act for our company and a summary split under Article 796, Paragraph 1 of the Companies Act for Smart Style. Therefore, it will be executed without requiring approval resolutions at the shareholders' meetings of either company.

(2) Method of the Company Split

This is an absorption-type company split (simplified absorption-type company split) with our company as the splitting company and Smart Style as the successor company.

(3) Details of allotment related to the Company Split

Upon this company split, the Company is scheduled to receive a payment of 1 yen (nominal value) from Smart Style as consideration for the rights and obligations being transferred.

(4) Handling of share acquisition rights and bonds with share acquisition rights related to the Company Split

There are no applicable items.

(5) Increase or decrease in share capital due to the Company Split

There will be no increase or decrease in the Company's share capital as a result of the Company Split.

(6) Rights and obligations to be assumed by the successor company

Smart Style will assume the rights and obligations pertaining to the business covered by this company split, as specified in the absorption-type company split agreement.

(7) Prospects of fulfillment of obligations

We judge that there are no issues regarding the prospects of fulfillment of obligations to be borne by the Company and Smart Style after the effective date of the Company Split.

3. Basis for Calculating the Allocation Details Related to the Company Split

The calculation of the monetary consideration to be received by the Company in the Company Split was determined through sincere discussions between both parties. This calculation was based on the status of assets and liabilities related to the Target Business and the profitability of the Target Business, taking into account the future outlook for the Target Business and the effects expected from the Company Split.

4. Overview of the companies involved in the Corporate Split (as of October 29, 2025)

	Splitting Company		Succeeding Company	
(1) Name	Pasona Group Inc.		Smart Style CO.,Ltd.	
(2) Location	1-5-1 Marunouchi Chiyoda-ku, Tokyo		3-1-30 Minami-Aoyama, Minato-ku, Tokyo	
(3) Title and Name of Representative	Hirotaka Wakamoto, Representative Director, Chairperson and CEO		Hajime Kono Representative Director	
(4) Business Activities	<ul style="list-style-type: none"> • Formulation of group management strategies and support for operational execution • Implementation of management control and optimal allocation of management resources • New business development related to job creation, etc. 		<ul style="list-style-type: none"> • Database-related consulting • Outsourcing and contracting services for design, development, and maintenance support • Tool sales, etc. 	
(5) Capital	¥5,000 million		¥10 million	
(6) Date of Establishment	December 3, 2007		October 2, 1987	
(7) Total Number of Shares Issued	40,190,300shares		1,113shares	
(8) Fiscal Year-End	May 31		March 31	
(9) Major Shareholders and Shareholding Ratios ※ Split Company as of May 31, 2025	Yasuyuki Nambu	37.45%	Pasona Group Inc.	99.91%
	Nambu Enterprise Inc.	9.48%	Pasona HR Solution Inc.	0.09%
	Master Trust Bank of Japan Ltd. (Trust account)	7.97%		
	Custody Bank of Japan, Ltd. (Trust E account)	2.67%		
	Custody Bank of Japan, Ltd. (Trust account)	2.29%		
(10) Financial position and operating results for the latest fiscal year				
	Fiscal Year-End	May 2025 (Consolidated)	March 2025	
	Net assets	¥141,134 million	¥(1) million	
	Total assets	¥265,038 million	¥318 million	
	Net assets per share	¥3,517.00	¥(971.66)	
	Net sales	¥309,240 million	¥738 million	
	Operating profit	¥(1,237) million	¥(11) million	
	Ordinary profit	¥(460) million	¥(11) million	
	Net	—	¥(15) million	
	Profit attributable to owners of parent	¥(8,658) million	—	
	Net profit per share	¥(221.80)	¥13,828.98	

(Note) The shareholding ratio of the split company is calculated excluding treasury shares.

5. Overview of the business to be split

(1) Content of the Business to be split

DX talent development business and AI solutions business

(2) Operating results of the business to be split (Fiscal year ending May 2025)

Net sales 32.8 million yen

(3) Items and price of assets and liabilities to be split (Estimated as of January 5, 2026)

There are no assets or liabilities to be split through the Corporate Split.

6. Status after the Company Split

There will be no changes to the name, location, representative titles/names, business activities, capital, or fiscal year end of our company or Smart Style as a result of this company split. Smart Style plans to change its trade name to Pasona Data & Design Inc. on the same date.

7. Future Outlook

As Smart Style is a consolidated subsidiary of the Company, the impact of the Company Split on the Company's consolidated results will be minimal.