

For Immediate Release

Notice regarding Capital and Business Alliance with MISUMI Group Inc.

Punch Industry Co., Ltd. hereby announces that at its Board of Directors' meeting, held on October 7, 2024, has resolve to enter into a capital and business alliance agreement (the "Alliance Agreement") with MISUMI Group Inc. ("MISUMI Group", Headquarters: Chiyoda-ku, Tokyo, Japan; Representative Director and President: Ryusei Ono.)

**■Alliance Rationale**

Punch Group, guided by their corporate purpose of "Shaping a Prosperous Future for the Next Generation with Trust through Manufacturing, Sincerity in Technology and Free Creative Power," supports the manufacturing industry in a wide range of fields with our highly reliable, exceptionally responsive services, utilizing the global network we have built up to date. Based on our advanced precision machining technology, Punch Group has established a manufacturing system that seamlessly covers the entire manufacturing process from start to finish.

In addition to our diverse product line, which includes Die and Mold parts, automation equipment and peripheral components, and custom machine parts, Punch Group also provides services in 3D measurement and participates in joint research with the aerospace industry.

We constantly take on new challenges and responds to a wide range of customer needs with an attentive and responsive approach.

MISUMI Group provides its customers in the industrial automation (IA) industry with "reliable, quick delivery" and "reduction of customer's wasted work and tasks" to create "time value" for automation and labor savings.

In the manufacturing business, we develop, manufacture and sell automation equipment, automation equipment parts, Die and Mold parts and automation-related indirect materials; in the distribution business, it handles a wide range of products from automation-related indirect materials to consumables (MRO, Maintenance Repair and Operations), including products from other companies. Leveraging this unique Business MODEL, MISUMI Group is accelerating business expansion and global development through various channels and advanced digital technologies, namely catalogs, e-commerce websites, and "meviy," an online machine parts procurement service.

As equal partners, Punch Group and MISUMI Group have entered into the Alliance Agreement with the aim of continuously coexisting and prospering, thereby contributing to the prosperity of the entire industry and society.

Going forward, both groups will fully leverage their respective advantages; Punch Group will draw on its advanced precision machining technology and attentive responsiveness to customer needs, while MISUMI Group will capitalize on its leading digital technologies and supply chain capabilities of globally reliable, quick delivery.

Together, we will continue to grow and develop, complementing and strengthening each other in a wide range of metal processing, from standardized to custom parts, and to not be limited to the field of automated equipment and its peripheral parts, and Die and Mold components.

■Alliance Overview**(1) Business Alliance Overview**

Punch Industry Co., Ltd. will allot 3,000,000 ordinary shares (10.93% of the total number of shares issued) of the company to MISUMI Group Inc. through a third-party allotment conducted by Punch Group.

MISUMI Group intends to continue to hold the company's shares and we have determined that the number of shares to be issued, the scale of the resulting dilution and the impact on the market are reasonable to achieve these objectives.

Punch Group has obtained a written undertaking from MISUMI Group that if MISUMI Group transfers all or part of the new shares to be issued under a third-party allotment within two years of the payment date, it will report the details of such transfer in writing to Punch group, that Punch Group will report the details of such report to the Tokyo Stock Exchange, and that the details of such report will be available for public inspection.

In accordance with the Alliance Agreement, Punch Group will issue new shares to MISUMI Group as the allottee and purchase MISUMI Group shares in an amount equivalent to the total amount to be paid in under a third-party allotment from October 24, 2024 to December 27, 2024 on the Tokyo Stock Exchange Prime Market.

(2) Capital Alliance Overview

Punch Group and MISUMI Group endeavors to ensure that the Alliance Agreement will create synergies that will contribute to improving the business performance for both companies. To help realize the synergies as soon as possible, we will start by supplying each other's products within Japan.

For international opportunities, where growth is expected, we will jointly explore new markets to create new business opportunities by leveraging our overseas networks.

Related information disclosed through the Tokyo Stock Exchange's TDnet (Timely Disclosure network):

<https://www.punch.co.jp/ir/2024/>

■Alliance Partner Overview

(1) Company Name : MISUMI Group Inc.

(2) Location : 6-5,Kudanminami 1-Chome, Chiyoda-ku, Tokyo,Japan

(3) Established : February 1963

(4) Representative : Kosuke Nishimoto, Representative Director and Chairman

(5) Business : Manufacturing Business(For automation equipment and Die and Mold parts), distribution business, and formulation, management and operation of business strategies for the group of companies mainly engaged in these businesses

(6) Capital : 14,146 million yen

(7) Official Website : <https://www.misumi.co.jp/english/>

About MISUMI :

MISUMI sells mechanical components required on-site for factory automation, as well as tools, consumables, and other products to more than 318,000 companies worldwide (as of March 2024.) It wears two hats: a manufacturer with manufacturing functions and a distributor of other companies' branded products. With this unique business model, supported by a solid business foundation, MISUMI achieves "globally reliable on-time delivery" for greater customer convenience.

【Company Overview】

Company Name : Punch Industry Co., Ltd.

Representative : Tetsuji Morikubo, Representative Director, President & CEO

Location : 22-7, 6-Chome, Minami-Oi, Shinagawa-ku, Tokyo, Japan

Stock Listing : Tokyo Stock Exchange Standard Section (6165)

Established : March 1975

Sales : 38 billion yen (Fiscal Year ended March 31, 2024)

Employees : 3,575 (as of March 31, 2024)

URL : <https://www.punch.co.jp/english/>

Business : Manufacture and sale of Die and Mold components, automation equipment and peripherals, custom machine parts



Meaning behind our corporate name :

"Punch" signifies our original "punch" product for making holes in printed circuit boards yet also mean an effective "punch" overflowing with power and vitality.

Concepts embedded in our logo mark :

The clenched fist represents its products –punches and pins – and the company's growing power.

The oblique line stands for a streak of lightning, with the company slogan being "making innovations in the industry, like lightning."

<For all inquiries contact>

Punch Industry Co., Ltd.

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