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January 26, 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 "Awaji Island Iwaya Area Hotel Development Project" (Acquisition of Non-current Assets)

Pasona Group Inc. (hereinafter "the Company") hereby announces that our Board of Directors has resolved, at a meeting held on January 26, 2023, to start the "Awaji Island Iwaya Area Hotel Development Project" in the Iwaya area of Awaji City, Hyogo Prefecture as follows. In conjunction with this resolution, the Company also resolved to acquire non-current assets.

1. About the Project

The Company is engaged in regional development projects to create new industries and employment in rural areas in cooperation and collaboration with local residents, local companies, and local governments, and is developing its business in Awaji Island, Hyogo Prefecture, as well as other locations throughout Japan.

In particular, in Awaji Island, Hyogo Prefecture, the Company started with a farming support program in 2008, opened "Nojima Scuola," a complex facility that renovated a closed elementary school in 2012, and in 2017 opened

"NIJIGEN NO MORI", an amusement park centering on animation. The Company currently operates 17 facilities on Awaji Island. (As of January 2023)

We are also working on the creation of new industries related to "well-being" which aims for mental, physical, and social health, in order to develop the health (healthcare) domain as a new business pillar. We have resolved to launch the "Awaji Island Iwaya Area Hotel Development Project" as part of our regional development projects and as a place where people can experience "well-being". This project is also expected to have high synergy with each of the facilities operated by our group.

In the Kansai region, where tourists from Japan and abroad will gather for the 2025 Japan International Exposition (the Expo 2025 Osaka, Kansai, Japan), we will work to realize further regional development by offering stay-and-work health programs on Awaji Island, which has convenient access to Osaka and Kobe, utilizing the rich natural environment and food of the island.

2. Details of the Acquired Assets

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|---------------------------------|--|
| (1) Name | Awaji Island Iwaya Area Hotel Development Project |
| (2) Location | 2942-39 Iwaya, Awaji City, Hyogo Prefecture, etc. |
| (3) Building area | 3468.2 m ² |
| (4) Gross floor area | 11184.4 m ² (planned) |
| (5) Outline of facilities | Five-story reinforced concrete building (planned)
Hotel, food and beverage facilities, etc. (planned) |
| (6) Acquisition price | Approx. ¥13-14 billion |
| (7) Acquisition financing | Cash on hand and borrowings from financial institutions (planned) |
| (8) Construction & installation | OBAYASHI CORPORATION |
| (9) Construction design | SHIGERU BAN ARCHITECTS |

3. Schedule

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|---|------------------|
| (1) Date of resolution by the Board of Directors: | January 26, 2023 |
| (2) Scheduled start of construction: | November 2023 |
| (3) Scheduled completion | March 2025 |
| (4) Scheduled opening | May 2025 |

4. Outlook for the future

The impact on our consolidated business performance for the current fiscal year is expected to be minor. We will consider the details of the impact of the 2025 opening on the next fiscal year's performance and incorporate it into the forecast for the next fiscal year and beyond. We will promptly announce any matters that should be disclosed in the future.

5. Reference

Please refer to the following for information on our group's initiatives for local development projects on Awaji Island.
<https://www.pasonagroup.co.jp/awaji.html>