

October 26th, 2020

Sojitz Corporation

Sojitz Forms Capital and Business Tie-up with Impact HD Inc.

Sojitz Corporation (“Sojitz”) has announced it has formed a capital and business tie-up with Impact HD Inc. (“Impact HD”), as of the resolution on October 23rd, 2020. Impact HD provides in-store sales promotion solutions, operating under a three-segment structure that includes HR solutions, IoT solutions, and MR solutions. Sojitz has not only concluded the capital and business tie-up agreement with Impact HD on this date, but as per the resolution Sojitz will also acquire 2.4 % of newly-issued shares of Impact HD through third party allotment.

Impact HD offers one-stop, integrated services to its customers with sales solutions involving temporary staffing (HR solutions business); digital signage and other IT services (IoT solutions business); and comprehensive research, mystery shopping, and other marketing services (MR solutions business). Sojitz recognizes Impact HD’s diverse service menu in the sales promotion industry. Impact HD is involved in the data science business, with the ability to analyze large volumes of data obtained from contact with customers, and applies the solutions found through this analysis in real stores through its analog experience.

Sojitz considers that in the retail industry, consumer market-based initiatives will become increasingly more important in the future. Working in cooperation with Impact HD, Sojitz aims to accelerate the digital transformation (DX) even further, providing new services to a host of consumers both in Japan and abroad.

Specifically, Sojitz Group is planning to install a large number of cameras and sensors to collect and analyze digital data at its multiple shopping malls. In addition, Sojitz strives to promote the digital transformation (DX) in its retail business both inside and outside Japan.

■ Description of Capital and Business Tie-up

(1) Capital Tie-up

1. Through third-party allotment, Sojitz will acquire 156,000 shares of Impact HD's common stock (2.44% of the total number of voting rights following third-party allotment; 2.40% of total outstanding shares).
2. At Impact HD's Ordinary General Shareholders' Meeting scheduled for March 2021, the company is expected to appoint a director named by Sojitz Corporation.

(2) Business Tie-up

Leveraging Impact HD's retail-related business and its IoT and DX business with Sojitz's information networks in Japan and overseas, both companies will pursue collaborative business in Japan as well as abroad. In addition, Impact HD and Sojitz will seek opportunities for further business expansion through M&A projects.

Utilizing Sojitz's networks both in Japan and overseas, Sojitz and Impact HD will create new opportunities with high business compatibility. At the same time, Sojitz will further strengthen in-store sales promotion solutions at its shopping malls and real stores through DX initiatives in collaboration with Impact HD. Through these activities, both companies aim to improve their corporate value and contribute to the improvement of people's lifestyles and the realization of a prosperous society.

[Related Information]

[Company Overview – Impact HD Inc.]

Established : February 2004

Head Office : Totate-International Bldg 6th Floor,
Shibuya 2, 12-19 Shibuya-ku, Tokyo

Representative

Director : Yasuo Fukui

Main Business : HR solutions, IoT solutions, and MR solutions aimed at consumer goods manufacturers, retail distributors, and dealers; convenience store business in India

[For questions regarding this press release, contact:]

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