



Notice Regarding Transfer of Business Rights from Distributor to Consolidated Subsidiary and Change of its Trade Name

KANUMA, August 25, 2021

Nakanishi Inc. (the "Company") hereby announces that through its consolidated subsidiary Integration Diagnostics Sweden AB (hereinafter referred to as "IDSAB") located in Sweden, has entered into an agreement with TS Dental Sales AB (hereinafter referred to as "TSD"), its sales agent in Sweden, regarding the acquisition of its business rights in Sweden. In addition, IDSAB will change its trade name to NSK Dental Nordic AB after the completion of the transfer.

1. Reasons for transfer of business rights and change of trade name of consolidated subsidiary

In Sweden, TSD has been our exclusive local distributor for many years, but its market share has been sluggish. We will build a direct sales system through the transfer of the sales rights from TSD, and we will be able to sell the products directly to our customers. In addition to dental drills (handpieces), which have been the mainstay of the Company's sales, the Company will fully expand sales of the Company's product lineup, including implant treatment-related products, preventive dentistry-related products, and high-pressure steam sterilizers.

In parallel with the transfer, IDSAB will change its trade name to NSK Dental Nordic AB and strengthen its structure as a core sales base in the Nordic region, expanding its area of activity to Norway and Denmark. NSK Dental Nordic AB will further penetrate the NSK brand and expand its market share in the Nordic region through its aggressive sales and marketing activities and excellent after-sales service.

2. Overview of the transfer of business rights

Sales rights of NSK products in Sweden and tender and sales contracts held by TSD

3. Overview of the counterparty to be transferred

(1) Name	TS Dental Sales AB	
(2) Location	Köpmangatan 29, 911 31 Vännäs, Sweden	
(3) Job title and name of representative	President & CEO Niklas Nordström	
(4) Description of business	Sales of the Company's products (NSK brand products), etc.	
(5) Relationship between the Company and said company	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Business relationship as a sales distributor of the Company's products

Contact

Investors

Daisuke Suzuki
Corporate Vice President & Group CFO

Masatoshi Akiya
Head of Corporate Communication

ir@nsk-nakanishi.co.jp

Media

Wakako Uesawa
Corporate Communication Specialist

Nobue Ebihara
Corporate Communication Specialist

pr@nsk-nakanishi.co.jp

About Nakanishi Inc.

To achieve the mission of "To create brilliant progress via innovative grinding technology," NSK has continued to hone the three core technologies of high-speed rotary technology, ultrasound technology and micro motor technology.

Using these core technologies, NSK will continue to provide innovative products in the dental, medical and industrial fields, and keep contributing toward the creation of all kinds of progress, such as bringing inspiration, happiness, benefits and joy to society and people.

NSK has two main locations for development and production: headquarters and A1 factory in Kanuma, Japan that handle the main ultra-high speed rotating equipment and ultrasonic equipment.

The company's shares are listed in the Tokyo Stock Exchange.

Visit www.en.nakanishi-inc.jp for more information about Nakanishi Inc. and NSK products.

4. Overview of the consolidated subsidiary to the transfer

(1) Name	Integration Diagnostics Sweden AB
(2) Location	Furstenbergsgatan 4, 416 64 Göteborg, Sweden
(3) Job title and name of representative	CEO Martin Hillsten
(4) Name after the transfer of business rights	NSK Dental Nordic AB
(5) Description of business after the transfer of business rights	Sales of the Company's products in the Nordic region (Sweden, Norway and Denmark) and development, manufacture and sales of implant stability measuring instruments

5. Timetable

(1) Date of conclusion of the agreement	August 24, 2021
(2) Date of commencement of business right transfer	November 1, 2021 (scheduled)

6. Future outlook

The Company recognizes that the impact of this matter on its consolidated business results for the fiscal year ending December 31, 2021 will be minimal, but will promptly announce any matters that need to be disclosed in the future.

Note:

This document is a translation of the original Japanese document and is only for reference purposes. All readers are recommended to refer to the original version in Japanese of the release for complete information.

source:

Nakanishi Inc. <https://www.nakanishi-inc.jp/ir/irnews/>