



May 6, 2022

For Immediate Release

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Notice of Change in Consolidated Subsidiaries (Share Transfer) and Commencement of Joint Management of the Global Relocation Business

Based on its vision of becoming a top global relocation company, Relo Group, Inc. (the “Company”) resolved at a meeting of the Board of Directors held on May 6, 2022 to enter into an agreement with Global Relocation and Moving Services, LP, an affiliate of SIRVA Holdings, Inc. (“SIRVA”). Details are as follows.

(1) Integration of the BGRS Group (collective term for BGRS, LLC, BRPS LLC, Brer Services INC., and their group companies) owned by the Company and the SIRVA Group (collective term for the entities owned by SIRVA) to begin the joint management of a combined organization to be initially named SIRVA-BGRS Holdings, Inc. (“SIRVA-BGRS”) upon closing.

(2) For the integration above, shares of the BGRS Group owned by the Company will be transferred to the SIRVA Group in exchange for preferred stock to be issued by SIRVA-BGRS.

The transaction is subject to customary closing conditions, including regulatory approvals.

1. Reason for the change

For its “Second Start-Up Period” that commenced in April 2011, the Company has the new missions of providing client companies with support in their non-core operations so that they can concentrate on their core operations in global competition, and supporting the global expansion of Japanese companies so that they can perform to their full potential, thereby becoming indispensable in Japan’s future major changes. It has adopted the vision of becoming a top global relocation company.

The Company has achieved significant growth during the First Olympic Plan and the Second Olympic Plan, its four-year medium-term business plan. To achieve its mission and vision, the Company is currently working under the New Third Olympic Plan that began with the fiscal year ending March 2022 to enhance the domestic business with the aim of being a top player in the domestic market while laying the foundations to reach the global market.

As part of the process, in June 2019 the Company acquired shares of the BGRS Group whose customer base is composed of a variety of customers including global Fortune 500 companies and the Company commenced initiatives for the realization of its mission and vision. However, the world was soon reeling from the COVID-19 pandemic.

The global economy became stagnant and restrictions on people’s movements still continue. Considering the expected shrinkage of the domestic market, which is an issue specific to Japan in the post-COVID-19 world, and Japanese companies’ acceleration of global expansion, the Company has been focusing on the restructuring and digitalization of the BGRS Group and building the foundation for its business.

To establish its position as a top global relocation company in the post-COVID-19 world, it is also necessary to develop services for a wider range of companies across the globe.

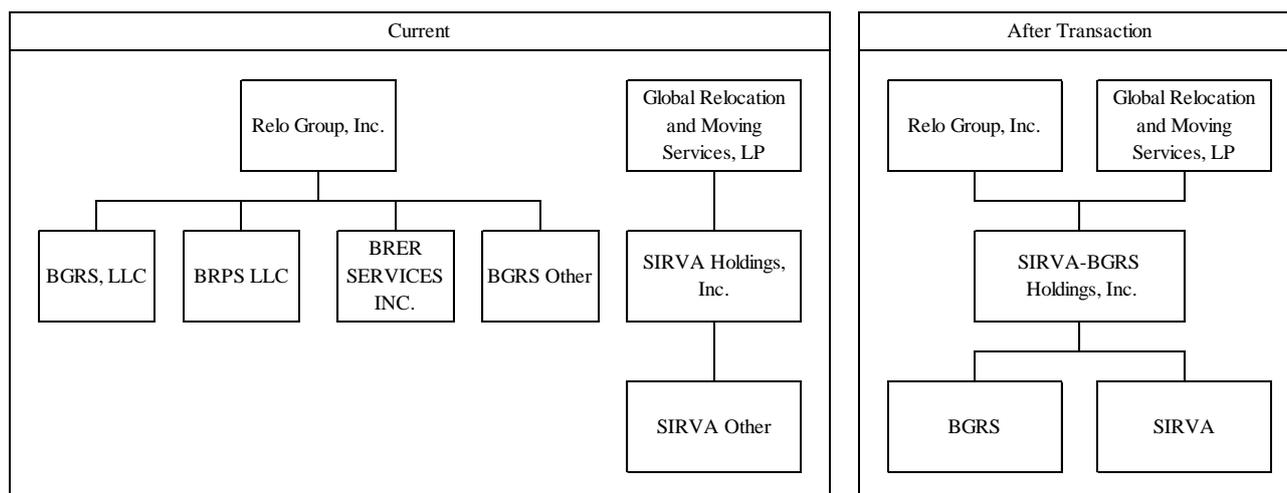
SIRVA is owned by Madison Dearborn Partners, LLC, an investment fund in the United States that has abundant corporate management expertise. In addition, the SIRVA Group which will be a part of this integration is a leading global relocation company that has clients ranging from large companies to middle market companies and small and medium companies, and a solid management foundation that includes a leading movers' networks in the United States.

Based on the situation above and the future prospects of both parties, the BGRS Group and the SIRVA Group agreed on their proposed integration and will together pursue profit through the expansion of the scale of business and the pursuit of operational and cost efficiencies.

To fulfill the potential of both parties, the BGRS Group and the SIRVA Group agree integration expansion of the scale of business and streamlining redundant systems will allow for greater focus in pursuit of a stronger mobility and relocation provider.

The proportion of voting rights will be 0% after the acquisition of shares in SIRVA-BGRS, and the Company will be granted the right to convert the shares to common shares equivalent to 23% ownership at any time. Moreover, it is possible for the Company to exercise a call option for the purchase of shares to maximum of 100% by April 1, 2025. As a result of the above, the Company believes that the transaction will greatly contribute to its vision of becoming a leading global relocation company.

(Reference chart)



2. About BGRS

(1) Company Name	BGRS, LLC	BRPS LLC	BRER SERVICES INC.
(2) Headquarters	150 Harvester Drive Suite 201, Burr Ridge, IL 60527 USA		
(3) Representative	Traci Morris President, Chief Executive Officer		
(4) Business	<ul style="list-style-type: none"> • Providing relocation management services and systems • Consulting relocation program and policies • Comprehensive support for overseas assignments, etc. 		
(5) Year of Establishment	June 16, 1998	June 16, 1998	February 24, 1987
(6) Shareholders and ownership	Relo Group, Inc. 100%		
(7) Relationships to the	Capital relationships	The company is a wholly owned subsidiary of the	

Group		Company.	
	Personnel relationships	Four managers of the Company and its subsidiaries concurrently serve as officers of the BGRS Group.	
	Trade relationships	The Company and BGRS have business relationships, including the provision of loans, employee transfer management services and other business.	
(8) Financial results in the past 3 years			
BGRS, LLC			(1,000 USD)
Fiscal year	Dec 2019	Dec 2020	Dec 2021
Net Assets	(25,582)	124,036	115,940
Total Assets	62,210	150,610	152,524
Revenue	71,236	55,723	67,591
Operating Profit	(8,302)	1,179	1,757
Net income attributable to parent	(16,721)	(4,320)	(2,537)
BRPS LLC			(1,000 USD)
Fiscal year	Dec 2019	Dec 2020	Dec 2021
Net Assets	67,556	228,123	235,999
Total Assets	67,668	228,549	237,986
Revenue	0	0	0
Operating Profit	(197)	(51)	(103)
Net income attributable to parent	(2,528)	8,657	7,916
BRER SERVICES INC.			(1,000 USD)
Fiscal year	Dec 2019	Dec 2020	Dec 2021
Net Assets	169,434	169,813	169,755
Total Assets	169,431	169,812	169,755
Revenue	0	0	0
Operating Profit	(118)	(114)	(76)
Net income attributable to parent	(118)	(118)	(76)

3. About SIRVA

(1) Company Name	SIRVA Holdings, Inc.	
(2) Headquarters	One Parkview Plaza, Oakbrook Terrace, IL 60181	
(3) Representative	Tom Oberdorf Chief Executive Officer and President	
(4) Business	Global, end-to-end moving and relocation services provide	
(5) Year of Establishment	May 7, 2002	
(6) Shareholders and ownership	Global Relocation and Moving Services, LP 100%	
(7) Relationships to the Group	Capital relationships	n.a.
	Personnel relationships	n.a.
	Trade relationships	n.a.

(8) Consolidated financial results in the past 3 years			(1,000 USD)
Fiscal year	Dec 2019	Dec 2020	Dec 2021
Net Assets	192,617	55,893	(8,000)
Total Assets	1,209,794	1,091,377	1,041,000
Revenue	1,575,510	1,395,146	1,680,077
Operating Profit	(17,063)	(93,430)	(19,400)
Net income attributable to parent	(60,407)	(137,357)	(72,663)
Adjusted EBITDA	105,038	77,191	81,839

4. Status of voting rights before and after change

	BGRS	SIRVA
(1) Number of shares held before the transfer	Shareholding ratio: 100%	Shareholding ratio: 0%
(2) Number of shares to be transferred	Shareholding ratio: 100%	
(3) Number of shares acquired		Shareholding ratio: 0%
(4) Number of shares held after the transfer	Shareholding ratio: 0%	Shareholding ratio: 0%

(Note) The Company will transfer shares in the BGRS Group to an affiliate of SIRVA and acquire preferred stock to be issued by SIRVA-BGRS. Although the proportion of voting rights will be 0% after the acquisition of shares in SIRVA-BGRS, the Company will be granted the right to convert its shares to common shares equivalent to 23% ownership at any time.

5. Schedule

(1) Board resolution	May 6, 2022
(2) Signing of share purchase agreement	May 6, 2022
(3) Closing of the transaction	July 29, 2022 (subject to customary closing conditions, including regulatory approvals)

6. Effect on financial performance for the current fiscal year

Regarding the impact of the subject transaction on the Company's consolidated business performance, the BGRS Group will be treated as discontinued operations in accordance with the International Financial Reporting Standards (IFRS), and the revenue, earnings, etc. of the BGRS Group will be excluded from the Company's consolidated business performance. Moreover, although realized gain or loss is expected to be posted as gain or loss of discontinued operations, the Company is currently reviewing the details of the matter. The Company will promptly disclose any matter arising in the future that requires disclosure.