

For Reference Only

November 9, 2023

## **Acquisition of ITAD Company in Malaysia by CSI Leasing Malaysia, Sdn. Bhd. (CSI Malaysia) —First ITAD Service Base in Asia**

Tokyo Century Corporation (“TC”) hereby announces that its wholly owned subsidiary CSI Leasing, Inc. (“CSI,” headquartered in Missouri, USA), through its subsidiary CSI Leasing Malaysia, Sdn. Bhd. (“CSI Malaysia,” headquartered in Kuala Lumpur, Malaysia), has acquired all shares of ExportXcel, Sdn. (“ExportXcel,” headquartered in Kuala Lumpur, Malaysia), a leading ITAD services<sup>\*1</sup> company in Malaysia that provides appropriate disposal of IT equipment. This acquisition created CSI’s first ITAD service base in Asia.

Operating in more than 50 countries, CSI is a major global leasing company, providing IT lifecycle management services that combine offerings such as fair market value (FMV) leasing<sup>\*2</sup> and data destruction. The demand for ITAD services is growing, especially among global companies that place a high priority on governance and compliance regarding their IT equipment. CSI has been providing high-quality ITAD services, including data destruction and proper IT disposal through EPC, Inc. (“EPC,” headquartered in Missouri, USA), CSI’s wholly owned subsidiary. With 22 facilities worldwide, EPC processes more than 1.5 million assets per year.

ExportXcel, with all shares having now been acquired by CSI Malaysia, is a leading company with excellent service expertise and processing capabilities that has been serving as an ITAD partner for several major IT manufacturers.

As CSI’s first ITAD service base in Asia, ExportXcel will expand its business foundation and earnings by handling more equipment from CSI Malaysia with expired leases, expanding its service lineup, and strengthening its sales capabilities through collaboration with EPC. As a result of this acquisition and gaining ITAD service capability, CSI Malaysia will contribute to improving CSI’s competitiveness and further expanding its operations throughout Asia.

This acquisition will have no significant impact on TC’s consolidated performance and does not change the consolidated results forecast for the fiscal year ending March 31, 2024, announced on May 12, 2023.

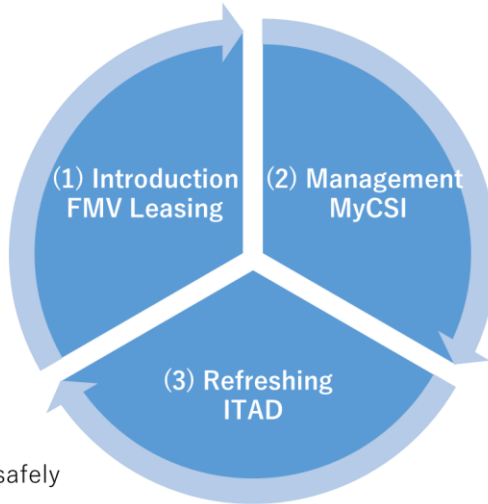
\*1: IT asset disposition (“ITAD”) is the process of disposing of IT assets through safe and environmentally appropriate methods in accordance with applicable law and regulations.

\*2: Fair market value (“FMV”) leasing is a form of highly flexible equipment leasing that offers customers multiple options such as returning the asset, purchasing the asset, or extending the lease of the asset at the end of the original lease period. As customers are not required to make a commitment regarding their plans for the asset at the time the lease is signed, they can make a considered decision in accordance with their particular business needs at the end of the lease term. This form of leasing is a very efficient means of procuring IT assets in a time of rapid technological advancement.

(Reference 1) CSI's IT lifecycle management

**FMV (Fair Market Value)**  
Leasing of IT equipment with residual value

Offering customers multiple options such as returning the asset, purchasing the asset, or extending the lease of the asset at the end of the original lease period



**MyCSI**  
Multi-regional and multilingual online asset management system

All properties and their recycling status can be managed

**ITAD (IT Asset Disposition)**  
Services for disposing of IT assets safely and appropriately

Safe and environmentally appropriate processes in accordance with applicable laws and regulations

(Reference 2) ITAD services process



(Reference 3) Capital relationship of each company concerned



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