

This English translation is for reference purposes only. In the event a difference or inconsistency arises regarding the meaning herein, the original Japanese version shall prevail as the official version.



August 15, 2022

For Immediate Release

Company	CHANGE Inc.
CEO	Hiroshi Fukudome (Code: 3962, Prime Market of the Tokyo Stock Exchange)
Contact	Yutaka Yamada CFO (TEL.03-6435-7347)

Announcement about the Acquisition of DFA Robotics Inc. (Making it a Subsidiary)

We hereby announce that we decided to acquire the shares of DFA Robotics Inc. ("DFA Robotics") and consolidate it into our subsidiary by the resolution of the Board of Directors' meeting held on August 15, 2022. The details are as follows:

1. Reason for acquiring shares

In the future, it is predicted that about 1 out of 2.5 citizens will be older than 65 in 2060, resulting in a super-aged society. Under such circumstances, CHANGE Group (hereinafter, the "Group" or simply, "we") has set the mission of "Change People, Change Business, Change Japan", and we are developing our business to make Japan a sustainable society in a declining population under the vision of "Change Productivity."

In addition, we advocate "Digitize & Digitalize Japan" and are promoting our business to spread the benefits of digital to areas other than Tokyo, which account for approximately 70% of Japan's GDP. Specifically, we will promote DX for the private sector in the NEW-IT Transformation Business and DX for the public sector in the Publitech Business. In this approach to the public and private sectors, we will provide solutions for the shortage of human resources, which is a bottleneck when expanding DX in the region.

DFA Robotics is working to reduce and optimize the workload in industries such as the restaurant industry, where human-power operations are intensive, by introducing food-delivery robots as well as providing operation-related consulting services.

In the "New Service Robot Business", which is developed for the restaurant industry, DFA Robotics not only sells robots but also provides 3D mapping, inside-shop delivery-route designing, and repair maintenance services based on its accumulated know-how. Its strength exists in a system that it can provide one stop services from the introduction of robots to actual operations and maintenance. In addition, by monitoring the operating status of the robot, it is developing proactive data-based services, such as detecting failures in advance. It is also considering robot-based advertising business by developing dedicated LEDs and using wrapping of robots. It will not only expand the robot market in Japan but also introduce these robots in the overseas market, both which are faced with the serious lack of workforce.

With the consolidation of DFA Robotics, we will focus on resolving the manpower shortage issue in every field in Japan, including hospitals, nursing care facilities, factories, commercial facilities, and public facilities, starting with the restaurant industry. In addition to sales, maintenance, and operation of robots, we will be able to create new business opportunities, such as the development of a consulting business based on big data, such as behavioral data and location data collected from on-site robots.

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■ About CHANGE Inc.

Under the mission of “Change People, Change Business, Change Japan” and under the vision of “Change Productivity”, we are promoting and expanding three business areas consisting of the “NEW-IT Transformation Business”, which supports the development of digital human resources, innovations in business processes, and digitization, the “Investment Businesses”, which creates new businesses and builds business models through investment in businesses that are synergistic with the NEW-IT Transformation Business, and the Publitech Business, whose mission is to promote regional creation by DX.

■ About DFA Robotics

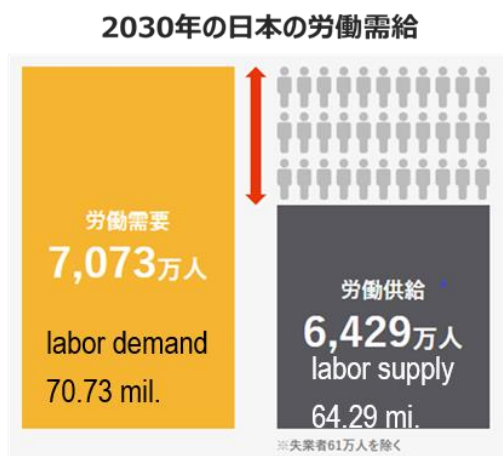
DFA Robotics is a robotics company with the aim of building social infrastructures to realize better lives by leveraging the world's most advanced robotics technologies, based on its vision of "creating the next generation social infrastructures." By taking advantage of its global robotics, including demonstration testing and implementation supports, training and sales regarding delivery robots.

■ Expansion of our business by consolidating it into our subsidiary

In 2030, Japan's labor market is forecasted to be short of 6.44 million people, and especially, there will be 4 million shortage in the service industry. We have been working mainly to improve the productivity of Japan through human resource development and software technology. We believe that by adding the robots, namely hardware, to the software that we have developed so far, we will be able to solve human resource shortage problems from both the software and hardware sides.

For example, in the restaurant industry, where manpower shortage is the most serious, we expect that robots fill the shortage of workforce and, furthermore, strong synergies, such as developing software services, will make operations on the site more efficient by using data collected from robots.

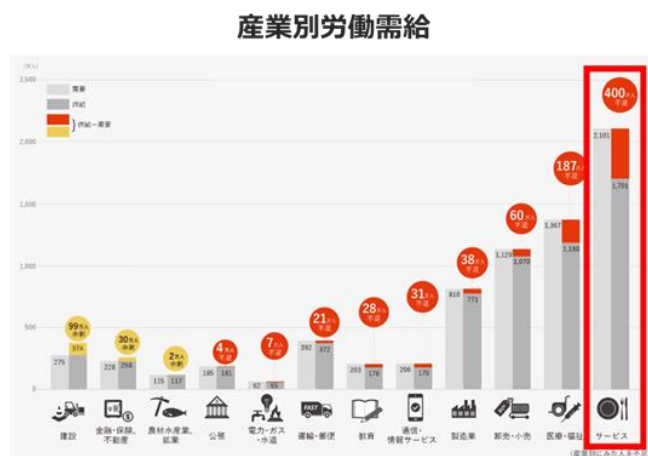
Labor demand and supply in Japan in 2030



644万人の不足

shortage of 6.44 mil.

Labor demand and supply per industry



400万人がサービス業における不足

出典：パーソル総合研究所 労働市場の未来推計 2030

4 mil is short especially for service industry

サービス業における圧倒的な人手不足への、解決策を提示する必要性に迫られている。

The service industry is faced with the serious labor shortage and needs solutions

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2. Overview of the subsidiary to be acquired

(1)	Name	DFA Robotics Inc.		
(2)	Address	Aoyama Seven Heights 2F, 7-5, Shibuya 1-chome, Shibuya-ku, Tokyo		
(3)	Job Title/Name of Representative	Masaaki Hatano, President		
(4)	Description of Businesses	Import, sales, launch support, after-sales service, etc. for mobile robots		
(5)	Paid-in Capital	56 million yen		
(6)	Date of Incorporation	September 2017		
(7)	Major shareholders and percentage of shares	Waveland and Company Inc.:48.9% Samurai Incubate Fund 5 Limited Partnership: 12.3% Chiba Road Drone Department No.2 Limited Liability Partnership: 10.0%		
(8)	Relationship between the listed company and this company	Capital relationship	Not applicable.	
		Human relationships	Not applicable.	
		Business relationship	Not applicable.	
(9)	Consolidated operating results and financial position of the subject company for the past three years			
	Fiscal year end	FY2019, December	FY2020, December	FY2021, October
	Net assets	81 million yen	59 million yen	128 million yen
	Total assets	278 million yen	71 million yen	380 million yen
	Net assets per share	664.02 yen	483.74 yen	1,048.03 yen
	Net sales	67 million yen	220 million yen	369 million yen
	Operating income (▲ means loss)	▲ 26 million yen	▲ 24 million yen	74 million yen
	Ordinary income (▲ means loss)	▲ 26 million yen	▲ 22 million yen	75 million yen
	Net income (▲ means loss)	▲ 26 million yen	▲ 22 million yen	69 million yen
	Net income per share	▲239.40 yen	▲180.27 yen	564.28 yen
	Dividend per share	-	-	-

(Note) This period is an irregular 10-month period due to a change in the fiscal year ending October 2021.

3. Overview of the counterparty for the share acquisition

(1)	Name	Masaaki Hatano
(2)	Address	Eden Island Mahe Seychelles
(10)	With listed companies Relationship of such individual	Not applicable.

(Note) Masaaki Hatano will acquire the shares of DFA Robotics held by some other stockholders in advance, and we plan to acquire the shares from him.

4. Number of shares acquired, acquisition cost, and status of owned shares before and after the acquisition

(1)	Shares owned prior to the transaction	—
(2)	Shares acquired	96,500 shares(Description: common shares 84,300 , class A shares 12,200) (Number of voting rights: 96,500) (Percentage of voting rights: 79.27%)
(3)	Acquisition cost	We do not disclose the acquisition cost in accordance with the confidentiality obligation in the share transfer agreement with the subject company. Such value is determined through the negotiations with the subject company and a fair process based on third-party valuation. Accordingly, we recognize it as the fair

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	value. Acquisition-related expenses: 126 million yen
(4) Shares owned after the transaction	96,500 shares(Description: common shares 84,300 , class A shares 12,200) (Number of voting rights: 96,500) (Percentage of voting rights: 79.27%)

5.Schedule

(1) Date of resolution by the Board of Directors	August 15, 2022
(2) Agreement date	August 15, 2022
(3) Share transfer date	October 3, 2022 (Scheduled)

6.Future Outlook

Along with the acquisition of the shares, DFA Robotics will become our affiliate on the acquisition date of October 3, 2022. The impact of this acquisition on our consolidated results for the year ending March 31, 2023 is currently under review, and we will promptly inform you of any issues that should be disclosed in the future.

End