



January 16, 2023

For Immediate Release

Company	CHANGE Inc.
CEO	Hiroshi Fukudome (Code: 3962, Prime Market of the Tokyo Stock Exchange)
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**Announcement of the Execution of the Absorption-type Company Split Agreement and the Accompanying Partial Amendment to the Articles of Incorporation (Change of the Trade Name and the Purpose of the Business) and the Establishment of the Record Date for Calling an Extraordinary General Meeting of Shareholder Due to Transition to a Holding Company Structure**

On December 14, 2022, CHANE Inc. (hereinafter, the “Company” or “we”) announced that we would begin preparations for the transition to a holding company structure around April 2023 in the “Announcement on Decision to Start Preparations for Transition to a Holding Company Structure and Establishment of a Company for Preparing Split.”

We hereby announce that the meeting of our Board of Directors held today has resolved to approve the execution of the absorption-type company split agreement (hereinafter referred to as the "Split Agreement") to carry out this absorption-type company split (hereinafter, the “Split”) so that a company which will prepare for the Split (hereinafter, the “Split Preparation Company” whose trade name will be changed to “CHANGE Inc.” on January 17, 2023, hereinafter the “Successor Company”) will succeed the NEW-IT Transformation Business (hereinafter referred to as the "Business") and to make a partial amendment to the Articles of Incorporation to change the purpose of part of our business and to change our trade name to “CHANGE Holdings, Inc.”. The partial amendment to the Articles of Incorporation will be subject to the approval at the extraordinary general meeting of shareholders (hereinafter, the “Extraordinary General Meeting of Shareholders”), which is scheduled to be held on March 23, 2023, and approval of the other necessary predetermined internal procedures, etc., and approval or permit of the related government agencies if necessary. We also announce that the meeting of the Board of Directors held today has resolved to set the record date for the convocation of the Extraordinary General Meeting of Shareholders.

The disclosure and details of the Split have been partially omitted because the Split is an absorption-type split in which a business shall be simply succeeded by our wholly owned subsidiary.

**I. Transition to a Holding Company Structure through Company Split**

**1. Background and Purpose of the Transition to a Holding Company Structure**

We have developed our businesses under the mission of "Change People, Change Business, Change Japan" and based on the vision of “Change Productivity.” Our business consists of the following three key businesses: the “NEW-IT Transformation Business”, which is responsible for supporting the development of digital human resources and for the innovation and the digitization of business processes; the “Investments Business”, which is responsible for the creation of new businesses and the construction of business models through the investment in businesses that are synergistic with the NEW-IT Transformation Business; and the “Publitech Business”, which is responsible for the promotion of regional creation through DX.

In a business environment that demands rapid change, we have determined that it is the best for the Group to shift

to a holding company structure in order to achieve further growth in the future.

Through the transition to a holding company structure, the holding company will focus on group management centered on formulating management strategies, supporting subsidiaries, strengthening governance, and expanding strategic investments such as M&A. Subsidiaries will strive to sustainably increase the corporate value of the Group by focusing on their own businesses.

## 2. Overview of the Company Split

### (1) Schedule of the Split

Approval at the Board of Directors for the Split Agreement	January 16, 2023
Conclusion of the Split Agreement	January 16, 2023
Effective Date of the Split	April 1, 2023 (planned)

※ The Split falls under the “simple split” stipulated in Paragraph 2 of Article 784 of the Companies Acts, and the Successor Company falls under the simple split stipulated in Paragraph 2 of Article 796 thereof and the “informal split” stipulated in Paragraph 1 of the same Article. Therefore, we and the Successor Company plan to do it without obtaining approval for the Split Agreement at the general meeting of our shareholders.

### (2) Method of the Split

This is an absorption-type company split in which we are a splitting company (the “Splitting Company”) and the Split Preparation Company, our wholly owned subsidiary, is the Successor Company.

### (3) Details of the allocation pertaining to the Split

Upon the Split, the Successor Company shall not allocate shares or any other money to the Company as a consideration for the assumption of its rights and obligations.

### (4) Treatment of new share subscription rights and bonds with new share subscription rights upon the Split

There is no change in the treatment of our new share subscription rights due to the Split. We have not issued any bond with new share subscription rights.

### (5) Change of the amount of shareholders' equity due to the Split

There is no change in our share capital upon the Split.

### (6) Rights and obligations to be assumed by the Successor Company

The Successor Company will assume the rights and obligations relating to the Business as set forth in the Split Agreement from the Company.

### (7) Prospects of performance of debt obligations

As a result of examining the amount of the assets and debts and revenue status of both the Company and the Successor Company that are expected after the Split, we have determined that there will be no problem in the performance with respect to the debt obligations that the Company and the Successor Company will assume after the Split.

## 3. Overview of the Parties to the Split

	Splitting Company (As of September 30, 2022)	Successor Company
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(1)Trade Name	CHANGE Inc.	CHANGE Split Preparation Company (Kabushiki kaisha CHANGE bunkatsu jumbi kaisha)
(2)Head office	17-1, Toranomom 3-chome, Minato-ku, Tokyo	17-1, Toranomom 3-chome, Minato-ku, Tokyo
(3)Representative Title/Name	Representative Director and CEO Hiroshi Fukudome	Representative Director and President Hiroshi Fukudome
(4)Description of Businesses	NEW-IT Transformation Business Publitech Business Investment Business	NEW-IT Transformation Business (however, before the Split, no business has been conducted.)
(5)Ordinary share	1,002 million yen	10 million yen
(6)Date of establishment	April 10, 2003	December 23, 2022
(7)Number of shares outstanding	72,959,562 shares	200 shares
(8)Fiscal year end	March 31	March 31
(9)Major shareholders and percentage of shares held	SBI Holdings, Inc. 27.30% The Master Trust Bank of Japan (trust account) 7.67% Hiroshi Fukudome 4.86% Yoshihisa Jimbo 4.07% Tamayo Sunaga 3.74%	CHANGE Inc. 100%

(10)Financial position and operating results for the most recent fiscal year

CHANGE Inc. (Consolidated and IFRS) (Year Ending March 31, 2022)		<i>Kabushiki kaisha CHANGE bunkatsu jumbi kaisha</i> (CHANGE Split Preparation Company) (Non-consolidated and JGAAP) (As of December 23, 2022)	
Total shareholders' equity (millions of yen)	35,506	Total net assets (millions of yen)	10
Total assets (millions of yen)	42,728	Total assets (millions of yen)	10
Equity attributable to owners of the parent per share (yen)	462.84	Net assets per share (yen)	50,000.00
Revenue (millions of yen)	10,140	Net sales (millions of yen)	-
Operating profit (millions of yen)	4,582	Operating income (millions of yen)	-
Net profit (millions of yen)	3,156	Net income (millions of yen)	-

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Profit attributable to owners of the parent (millions of yen)	3,093		
Net profit per share (yen)	42.81	Net income per share (yen)	-

(Note) CHANGE Split Preparation Company (the Successor Company) was established on December 23, 2022, and no business year has ended.

By the resolution of the 19th Ordinary General Meeting of Shareholders held on December 24, 2021, CHANGE Inc. (the Splitting Company) changed the fiscal year ending date from September 30 to March 31 of each year. As a result, the fiscal year ended March 2022 (transitional period) was an irregular accounting period of six months from October 1, 2021 to March 31, 2022.

#### 4. Outline of the Business to be Split

##### (1) Description of the business to be split

NEW-IT Transformation Business

##### (2) Operating results of divisions to be split (fiscal year ended March 2022)

Revenue: 831 million yen

(Note) By the resolution of the 19th Ordinary General Meeting of Shareholders held on December 24, 2021, CHANGE Inc. (the Splitting Company) changed the fiscal year ending date from September 30 to March 31 of each year. As a result, the fiscal year ended March 2022 (transitional period) was an irregular accounting period of six months from October 1, 2021 to March 31, 2022.

##### (3) Items and book value of assets and liabilities to be split (September 2022)

(millions of yen)

Assets		Liabilities	
Current assets	72	Current liabilities	55
Fixed assets	51	Long-term liabilities	0
Total	123	Total	55

(Note) The above amount is calculated based on the balance sheet as of March 31, 2022 and is therefore the amount to be actually succeeded will be calculated by adjusting the above amount to reflect the changes prior to the effective date.

#### 5. Status of the Company and the Successor Company after the Split

	Splitting Company	Successor Company
(1) Trade Name	CHANGE Holdings, Inc. (the trade name to be changed from CHANGE Inc. on April 1, 2023)	CHANGE Inc. (the trade name to be changed from "kabushiki kaisha CHANGE bunkatsu jumbi kaisha (CHANGE Split Preparation Company)." on January 17, 2023)
(2) Head office	17-1, Toranomom 3-chome, Minato-ku, Tokyo	24-12, Shibuya 2-chome, Shibuya-ku, Tokyo (the location of the head office will be changed hereto from "17-1, Toranomom 3-chome, Minato-ku, Tokyo" on January 17, 2023)
(3) Representative Title/Name	Representative Director and CEO Hiroshi Fukudome	Representative Director and President, Hiroshi Fukudome

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(4) Description of Businesses	Formulation of the Group's management strategies, and the overall management (governance) of Group operating companies	NEW-IT Transformation Business
(5) Ordinary share	1,002 million yen	10 million yen
(6) Fiscal year end	March 31	March 31

## 6. Future Outlook

Because the Successor Company who will succeed the Business through the Split is a wholly owned subsidiary of the Company, the impact on the consolidated business results in and after the current fiscal year is negligible.

(reference) Forecast for the consolidated results for the current fiscal year (released on May 13, 2022) and the actual consolidated results of the previous fiscal year:

	Revenue (millions of yen)	Operating profit (millions of yen)	Pretax profit (millions of yen)	Net profit (millions of yen)	Net profit attributable to owners of the parent (millions of yen)
Forecast for the current FY (ending March 31, 2023)	21,000	7,000	6,967	4,806	4,669
The actual result of the previous FY (ended March 31, 2022)	10,140	4,582	4,564	3,156	3,093

(Note) By the resolution of the 19th Ordinary General Meeting of Shareholders held on December 24, 2021, CHANGE Inc. (the Splitting Company) changed the fiscal year ending date from September 30 to March 31 of each year. As a result, the fiscal year ended March 2022 (transitional period) was an irregular accounting period of six months from October 1, 2021 to March 31, 2022.

## II. Change of the Trade Name and the Amendment of Articles of Incorporation

### 1. Reason for the Change of the Trade Name

Because we change our trade name on the effective date of the amendment to the Articles of Incorporation, subject to the effectuation of the Split and the approval at the Extraordinary General Meeting of Shareholders, due to the transition to the holding company structure.

### 2. New Trade Name

The Splitting Company: CHANGE Holdings Inc.

The Successor Company: CHANGE Inc.

### 3. Scheduled Date of the Change of the Trade Name

The date of the change of the trade name change of the Splitting Company is April 1, 2023.

The date of the change of the new name of the Successor Company is January 17, 2023.

### 4. Purpose of Amendment to the Articles of Incorporation

Upon the transition to a holding company structure, our trade name will be changed to “CHANGE Holdings Inc.” and our business objectives will be changed to management as a holding company, etc. This amendment is made on

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the condition that this proposal is approved at our Extraordinary General Meeting of Shareholders to be held on March 23, 2023.

5. Amendment to the Articles of Incorporation

The details of the change is as shown in the Appendix.

6. Schedule of the Amendment to the Articles of Incorporation

Approval at the General Meeting of Shareholders	March 23, 2023 (planned)
Effective Date of the Amendment to the Articles of Incorporation	April 1, 2023 (planned)

III. Record Date for the Extraordinary General Meeting of Shareholders

We will set the record date as January 31 (Tuesday), 2023 for the determination of a shareholder who can exercise voting rights at the Extraordinary General Meeting of Shareholders scheduled for March 23, 2023 and designate the shareholder who is listed or recorded in the most recent shareholder registry on the same day as the shareholder who can exercise the voting rights.

(1) Record date: January 31, 2023

(2) Publication date: January 16, 2023

(3) This information will be posted on our website through electronic public notices.

<https://www.change-jp.com/ir/>

We will inform you of the details of the Extraordinary General Meeting of Shareholders such as agenda, date, venue as soon as those are resolved by the Board of Directors to be held in the near future.

End

Amendment to the Articles of Incorporation

Current Articles of Incorporation	Proposed amendment
<p>(Trade Name) Article 1: The Company shall be referred to as “<i>kabushiki kaisha CHANGE</i>” and shall be marked as “CHANGE Inc.” in English.</p> <p>(Purpose) Article 2: The purpose of the Company shall be to engaged in the following businesses:</p> <ol style="list-style-type: none"> <li>1. Planning, development and sales of various applications</li> <li>2. Planning, development, and sales of mobile applications utilizing sensing technology</li> <li>3. Deployment, planning, maintenance and management of cloud security solutions</li> <li>4. Introduction, planning, maintenance and management of mobile and wearable devices</li> <li>5. Data-gathering, analyses, provision, and sales using IoT techniques</li> <li>6. Planning, proposing, providing and selling solution services, utilizing VR, AR techniques</li> <li>7. Planning, development, operation, and consulting of businesses, utilizing advanced technologies</li> <li>8. Planning, development and sales of computer systems and software</li> <li>9. Planning, operation and consulting services of courses, seminars and training sessions for human resources development, using advanced technologies, tools and methodologies</li> <li>10. Planning, development, and implementation of transformation services for all industries, using cutting-edge technologies</li> <li>11. Worker dispatching undertakings, fee-charging employment placement businesses, and training and guidance for the development of vocational aptitude for human resources and educational services</li> <li>12. M&amp;A brokerage, intermediation, consulting and advisory services, and investment businesses</li> </ol>	<p>(Trade Name) Article 1: The Company shall be referred to as “<i>kabushiki kaisha CHANGE Holdings</i>” and shall be referred to as “<u>CHANGE Holdings, Inc.</u>” in English.</p> <p>(Purpose) Article 2: The purpose of the Company is to be engaged in the following businesses <u>and to control and manage the business activities of the following operating companies (including foreign companies), partnerships (including those equivalent to partnerships in foreign countries) or other entities equivalent thereto by holding shares or equity thereof.</u></p> <ol style="list-style-type: none"> <li>1. Planning, development and sales of various applications</li> <li>2. Planning, development, and sales of mobile applications, utilizing sensing technology</li> <li>3. Deployment, planning, maintenance and management of cloud security solutions</li> <li>4. Introduction, planning, maintenance and management of mobile and wearable devices</li> <li>5. Data-gathering, analyses, provision, and sales using IoT techniques</li> <li>6. Planning, proposing, providing and selling solution services utilizing VR, AR techniques</li> <li>7. Planning, development, operation, and consulting of businesses, utilizing advanced technologies</li> <li>8. Planning, development and sales of computer systems and software</li> <li>9. Planning, operation and consulting services of courses, seminars and training sessions for human resources development, using advanced technologies, tools and methodologies</li> <li>10. Planning, development, and implementation of transformation services for all industries using cutting-edge technologies</li> <li>11. Worker dispatching undertakings, fee-charging employment placement businesses, and training and guidance for the development of vocational aptitude for human resources and educational services</li> <li>12. M&amp;A brokerage, intermediation, consulting and advisory services, and investment businesses</li> </ol>

<p>13. Investments in various businesses and development services &lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p>&lt;Newly set forth&gt;</p> <p><u>14.</u>Any and all businesses incidental or related to any of the preceding items.</p> <p style="text-align: center;">(Omission of Articles)</p> <p>(Method of Election and Dismissal of Directors)</p> <p>Article 20 (Omission of Articles)</p> <p>2 Resolutions for the election of directors shall be adopted by a majority of the votes of the shareholders who are present at a shareholders meeting and hold not less than one-third of the voting rights of all</p>	<p>13. Investments in various businesses and development services</p> <p><u>14. Consulting services related to support for operating reforms of local governments, planning and implementation of various seminars, training, and receiving of outsourcing services, such as delegated administration</u></p> <p><u>15. Development, manufacture, sale, lease, repair, and maintenance of products and information systems related to support for operating reforms of local governments</u></p> <p><u>16. Development and operation of systems, consulting services, and the provision and management of products and services in the environmental and energy fields in the region</u></p> <p><u>17. Planning and operation of portal sites related to regional co-creation</u></p> <p><u>18. Internet-based services such as WEB and EC websites related to regional co-creation and the planning, production, development/sales, operation/management of digital contents</u></p> <p><u>19. Planning, developing, issuing, remitting, operating, managing, and maintaining QR codes, digital coupons, and other electronic payment systems, and consulting services for these systems</u></p> <p><u>20. Training, e-learning, guidance and education for the development of vocational aptitude of DX human resources</u></p> <p><u>21. Planning, development, operation and consulting of business, using beacon and various sensor technologies and various mobile terminals</u></p> <p><u>22. Development, consulting for introduction and operation, and product sale of delivery infrastructure, using robotics technology and drones</u></p> <p><u>23. Development of learning software and the provision of services for use on the Internet, and the production and sale of related electronic publications</u></p> <p><u>24.</u>Any and all businesses incidental or related to any of the preceding items.</p> <p style="text-align: center;">(as current)</p> <p>(Method of Election and Dismissal of Directors)</p> <p>Article 20 (as current)</p> <p>2 Resolutions for the election of directors shall be adopted by a majority of the votes of the shareholders who are present at a shareholders meeting and hold not less than one-third of the voting rights of all</p>
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shareholders entitled to vote.	shareholders entitled to vote.
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