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February 14, 2023

## Consolidated Financial Results for the nine months ended December 31, 2022 (Under Japanese GAAP)



Company name: MINKABU THE INFONOID, INC.  
 Listing: Growth Market, Tokyo  
 Securities code: 4436  
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 Scheduled date to file quarterly securities report: February 14, 2023  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions unless otherwise noted.)

### 1. Consolidated financial results for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

#### (1) Consolidated operating results (cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended										
December 31, 2022	4,285	18.6	740	(17.4)	167	(59.2)	(113)	(59.2)	(234)	-
December 31, 2021	3,614	31.2	897	18.2	409	55.1	367	5.1	203	11.6

Note: Comprehensive income For the nine months ended December 31, 2022: ¥(204) million [-%]  
 For the nine months ended December 31, 2021: ¥231 million [(3.1%)]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2022	(15.73)	-
December 31, 2021	13.89	13.63

Notes:

- The Company acquired MINKABU WEB3 WALLET, Inc., making the company a consolidated subsidiary, on May 1, 2022. The operating results of ALIS Co., Ltd. and livedoor Co., Ltd. are not included in the above figures since deemed acquisition date of December 31, 2022 is applied.
- EBITDA is calculated as 'Operating profit + Depreciation + Amortization of goodwill'

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Book value per share
	Million yen	Million yen	%	Yen
December 31, 2022	16,825	7,017	40.5	454.63
March 31, 2022	9,757	7,443	75.2	492.54

Reference: Equity

As of December 31, 2022: ¥6,806 million  
 As of March 31, 2022: ¥7,342million

## 2. Dividends

	Annual dividends per share				
	End of the first quarter	End of the second quarter	End of the third quarter	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	-	0.00	-	24.00	24.00
Fiscal year ending March 31, 2023	-	0.00			
Fiscal year ending March 31, 2023 (Forecast)			-	24.00	24.00

Note: Revisions to the forecast of cash dividends most recently announced: None

## 3. Earnings Forecast of Consolidated Financial Results for Fiscal Year Ending March 31, 2023 (From April 1, 2022 to March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Net income attributable to owners of the parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
Full year	—	—	—	—	—	—	—	—	—	—	—

Notes:

- Revisions to the forecast of financial results most recently announced: Yes
- EBITDA is calculated as 'Operating profit + Depreciation + Amortization of goodwill'
- The forecast of consolidated financial results for the fiscal year ending March 31, 2023 is not disclosed. For further details, please see page 4 in "1. Qualitative Information on Quarterly Financial Results (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information", attached material of the Consolidated Financial Results for the nine months ended December 31, 2022, and "Notice of Revised Forecast of Consolidated Financial Results", both of which were released on February 14, 2023.
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## Notes

- (1) Changes in significant subsidiaries during the period (changes in the subsidiary resulting in the change in scope of consolidation): livedoor Co., Ltd.

The details are described in “(4) Notes to Quarterly Consolidated Financial Statements (Changes in major subsidiaries during the period)” under the “2. Quarterly Consolidated Financial Statements and Principal Notes” section on page 12.

- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes

The details are described in “(4) Notes to Quarterly Consolidated Financial Statements (Adoption of Accounting Treatment Specific to Quarterly Consolidated Financial Statements)” under the “2. Quarterly Consolidated Financial Statements and Principal Notes” section on page 12.

- (3) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2022	14,970,700 shares
As of March 31, 2022	14,907,700 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2022	23 shares
As of March 31, 2022	23 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2022	14,938,012 shares
Nine months ended December 31, 2021	14,666,673 shares

\* Quarterly financial results reports are exempt from the quarterly review conducted by certified public accountants or an audit corporation.

\* Proper use of earnings forecasts, and other special matters:

1. The statements regarding the forecast of financial results in this report are based on the information that is available to the Company, as well as certain assumptions that are deemed to be reasonable by management, and they are not meant to be a commitment by the Company. Therefore, there might be cases in which actual results differ materially from forecast values due to various factors. For notes on using earnings projections and assumptions for premises thereof, please refer to “(3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information” under the “1. Qualitative Information on Quarterly Financial Results” section on page 4.
2. We plan to hold a financial result briefing for institutional investors and analysts on November 11, 2022. Supplementary materials for financial results will be published on our website on the day of the event.

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## Qualitative Information on Quarterly Financial Results

### (1) Explanation of Results of Operations

On a consolidated basis, MINKABU THE INFONOID, INC. (hereinafter “the Company”) raised 4,285,495 thousand yen in sales (18.6% increase YoY), 167,190 thousand yen in operating profit (59.2% decrease YoY), 113,763 thousand yen in ordinary loss (367,314 thousand yen of ordinary profit for the nine months ended December 31, 2021), and 234,928 thousand yen in net loss attributable to shareholders of the parent company (203,757 thousand yen of net income attributable to shareholders for the nine months ended December 31, 2021) for the nine months ended December 31, 2022. The Company also recorded 740,913 thousand yen (17.4 % decrease YoY) in EBITDA (operating profit + depreciation and amortization + amortization of goodwill,) which is one of the key measurements of the Company’s continuous growth. For net sales, media business suffered from downturn trends of advertising market worldwide, and affiliate advertising revenue was hit by the change of search engine algorithm etc, while solution business showed steady growth year-on-year, but in addition to worsen sales mix, some factors pressured the short-term periodic profits which includes the upfront investments such as recruiting, the introduction of new services, and initial developments for expanding the services to achieve mid-term growth and data/license fees. In this third quarter, the acquisitions of ALIS Co., Ltd. (hereinafter “Alis”) and livedoor Co., Ltd. (hereinafter “livedoor”) were completed on October 4, 2022 and December 28, 2022, respectively, and the Company and its consolidated subsidiaries (hereinafter “the Group”) became one of the largest internet media group with an 80 million user-base including the Company’s existing users. The advisory fee of the acquisition of livedoor and arrangement fee for syndicated loan to fund the livedoor acquisition were accounted for as non operating cost. The deemed acquisition date of Alis and livedoor was December 31, 2022.

Results by business segment are as follows. For the first quarter of the current fiscal year, the Company acquired MINKABU WEB3 WALLET, Inc. as a consolidated subsidiary on May 1, 2022

#### (Media)

The media business records advertising revenue from the information media of “MINKABU,” an asset building information media, “Kabutan,” a stock information specialized media, and advertising revenue from the sites in which the Company involves through the business alliances. The media business also records billing services revenue.

For the nine months ended December 31, 2022, the total monthly average unique users and visitors of media sites that the Company operates was 8.29 million, and 25.65 million, respectively. The weak market condition pressed these figures by 0.64 million (7.2%) and 2.07 million (7.4%), compared to the nine months ended December 31, 2021, but having livedoor’s monthly average UU (\*) of about 70 million, the total monthly UU of the Group reaches about 80 million. Pure advertising revenue from corporates showed stable growth. However, operating results is less than the same period of the last fiscal year mainly due to drop in profitable affiliate advertising revenue as cannibalization between the two core affiliate sites (minkabu.co.jp and mikabu.jp) lowered search ranking for both site which impacted of change of search engine algorithm. In December 2022, the Company launched "livedoor Choice," an affiliate site targeting all aspects of lifestyle, and transfer the affiliates of minkabu.co.jp to "livedoor Choice" to eliminate this cannibalization. The effect of these measures has already been confirmed. For the subscription-type revenue, monthly fees from paid services showed healthy growth and implementation service revenue for asset building management tool, “MINKABU ASSET PLANNER” for the corporate user is recorded. On the other hand, fixed costs such as human resource costs for mid-term growth, depreciation of software derived from new functionalities like US stock information and server costs pressed the profit. As a result, consolidated sales for the nine months ended December 31, 2022 was 1,485,768 thousand yen (4.1% decrease YoY) and segment profit was 197,457 thousand yen (58.4% decrease YoY).

\*Total average users in “livedoor Blog”, “livedoor NEWS”, and “Kstyle” from April 2022 to November 2022. More specifically, for “livedoor Blog”, average figures of daily visitors for the above period, and for “livedoor NEWS” and “Kstyle”, average figures of monthly users fro the above period.

#### (Solution)

The solution business includes revenues from AI driven software utilizing the know-how of the media business and the initial and monthly fee of ASP services providing information based on the fintech solution content derived from crowd inputs of media sites which the Company operates. Also, by leveraging the Company’s assets, the Company provides consulting services, system installation, and subsequent maintenance services targeting the financial institutions, etc., that are already enjoying the Company’s information solutions.

For the nine months ended December 31, 2022, in addition to the continued organic growth, the acquisition of a large-sized consulting project for system solutions utilizing the Company’s assets that started during

the first quarter of the fiscal year and Prop Tech Plus Inc., a consolidated subsidiary, contributed favourable performance. The profitability, however, temporarily lowered due to worsen sales mix, i.e., while system solution push the total net sales of solution business, its profitability is lower than that of information solution. Information solution revenue was narrowed by the upfront investments such as depreciation of new services including US stock solution, data/license fees and outsourcing expenses, and the delay of service launch to clients than expected due to their performance deterioration. As a result, consolidated sales for nine months ended December 31, 2022 was 2,832,641 thousand yen (36.2% increase YoY) and segment profit was 552,855 thousand yen (35.1% increase YoY).

(2) Explanation of Financial Position  
Assets, Liabilities, and Net Assets  
(Assets)

Current assets at the end of the third quarter were 4,964,015 thousand yen with a increase of 138,282 thousand yen from the end of the previous fiscal year. This was due to increases of account receivables and other current assets by 438,884 thousand yen and 414,889 thousand yen, respectively, mainly caused by the acquisition of livedoor, partially offset by a decrease of cash and cash equivalents by 552,138 thousand yen and an increase of allowance of doubtful accounts by 204,852 thousand yen.

Total fixed assets was 11,861,927 thousand yen with an increase of 6,929,823 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 4,429,371 thousand yen in goodwill due to the acquisition of livedoor and ALIS Co., Ltd., an increase of software and software in progress by 383,412 thousand yen due to the investment in software development.

Investments and other assets was 3,531,957 thousand yen with a increase of 2,131,201 thousand yen from the end of the previous fiscal year. This was mainly due to the recognition of long-term deferred tax assets, increased 2,271,945 thousand yen, derived from the tax effect of asset adjustment account recorded as a result of tax ineligible company split.

As a result, total assets was 16,825,943 thousand yen, a decrease of 7,068,106 thousand yen from 9,757,836 thousand yen at the end of the previous fiscal year.

(Liability)

Current liabilities at the end of the third quarter of the current fiscal year was 1,694,058 thousand yen with an increase of 751,895 thousand yen compared to the end of the previous fiscal year. This was mainly due to increases of 547,283 thousand yen in current portion of long-term borrowings due to the funding of syndicated loan and 274,978 thousand yen in accounts payables due to the acquisition of livedoor.

Fixed liabilities increased by 6,742,474 thousand yen to 8,114,644 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 6,748,380 thousand yen in long-term debt due to the execution of funding of syndicated loan to acquire livedoor.

As a result, total liabilities amounted to 9,808,702 thousand yen, an increase of 7,494,370 thousand yen from 2,314,332 thousand yen at the end of the previous fiscal year.

(Net Assets)

Total equity at the end of the third quarter of the current fiscal year was 7,017,240 thousand yen, a decrease of 426,264 thousand yen from the previous fiscal year at 7,443,504 thousand yen. This was mainly due to a decrease in capital surplus by 357,784 thousand yen resulting from the payment of ordinary dividends and 234,928 of quarterly profit attributable to owners of the parent, which was partially offset by the increases in share capital and capital surplus amounted to 17,225 thousand yen, respectively due to the exercise of share options, increases in unrealized profit in investment securities by 21,843 thousand yen and non-controlling interests by 110,159 thousand yen.

As a result, the equity ratio was 40.5% (75.2% at the end of the previous fiscal year).

### (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information

For the fiscal year ending March 31, 2023, solution business showed stable growth due to the increase of stock revenue from the existing information solutions, the commencement of large size general information solution service, entries of high added value system solution area which expand workscope retaining scales, and the growth of Prop Tech Plus Inc. acquired last consolidated fiscal year. However, the profitability temporarily lowered due to worsen sales mix, i.e., while system solution push the total net sales of solution business, its profitability is lower than that of information solution. information solution revenue was narrowed by the upfront investments such as depreciation of new services including US stock solution, data/license fees and outsourcing expenses, and the delay of service launch to clients than expected due to their performance deterioration. Moreover, in the media business, in addition to the slowdown in the growth of the global advertising market, the stable, high-positioning strategy through optimization of web search engines, which had been our main route to acquire users for our affiliate advertising, to be adversely affected due to changes in search engine algorithm. We experienced cannibalization between the two core affiliate sites (minkabu.co.jp and mikabu.jp) which lowered search ranking for both site and affect the performance of high-margin affiliate advertising revenue.. In addition, although billing revenues from subscription-type services, such as “Kabutan Premium,” remained steady compared to the same period of the previous fiscal year, for the fiscal year ending March 31, 2023, the Company anticipated expansion of the business through aggressive user acquisition policies, but in addition to the sluggish stock market conditions, the global rise in prices of raw materials, fuel, and other commodities has had a negative impact on the domestic market. Accordingly, the various user acquisition measures have not yet produced the initially anticipated results.

As for the consolidated earnings forecast, considering the situation up to the third quarter of the current fiscal year, the Company is taking swift and steady steps to reduce the temporary impact of changes in the business environment, including eliminating cannibalism in affiliate sites, breaking away from financial dependency and strengthening services, and reducing expenses by utilizing the expanding group's assets. In the fourth quarter, the Company is assessing the effects of these various measures, seasonal factors, and the progress of various measures related to the reorganization of the Group for future sustainable growth, as well as the accounting treatment of these measures. At this point however, it is difficult to estimate precisely and therefore the Company is not disclosing the results of the current fiscal year at this time, but will disclose them by late March. Livedoor Co., Ltd., which became a subsidiary of the Company on December 28, 2022, the deemed acquisition date is December 31, 2022, which is expected to contribute with an amount of 940 million yen on consolidated net sales and 70 million yen on consolidated operating profit. The year-end dividend forecast for the fiscal year ending March 31, 2023 (24 yen per share) remains unchanged.

The Group's recognition of the business environment and its future business strategy for re-growth are as follows.

#### 1. Perceptions of the financial industry

In response to the "Grand Design and Action Plan for a New Form of Capitalism" and the "Basic Policy on Economic and Fiscal Management and Reform 2022" approved by the Cabinet on June 7, 2022, the Council of New Form of Capitalism Realization, established in the Cabinet Secretariat on November 28, 2022, compiled a concrete plan for the "Asset Income Doubling Plan". It is expected that the permanent establishment and fundamental expansion of the small investment tax exemption (NISA), which encourages the shift from savings to investment, will lead to the expansion of a new asset-building class and significant progress in asset building by households in Japan. In support of this objective, The Company has developed a digital platform for financial and economic education with the aim of creating an environment that promotes innovation and growth in the corporate sector, improving financial literacy among households, and supporting asset formation initiatives. The Company believes that the need for new information solution services will increase as the base of asset formation expands.

At the same time, as the major online securities companies accelerate their efforts to waive stock trading fees in Japan, competition is expected to intensify further to lock in customers. On the other hand, in addition to measures to expand the new asset-building segment by making NISA permanent, etc., as competition to acquire customers becomes more intense due to the introduction of no commissions, there are concerns that the deterioration of profitability per customer will lead to lower acquisition costs per customer and impact advertising revenue in our media business, including affiliate advertising. In addition, since the elimination of stock trading fees will, in a sense, return those costs to investors, it is expected that the billing capacity of individual investors will recover to a certain degree. For this reason, the Company assumes that a new growth strategy can be drawn for subscription-type services in the future. In addition, the Company expects that brokers will become more aware of cost-effectiveness in diversifying profitability and improving the efficiency of system operation and system construction, and the Company believes that the trend of steadily expanding needs in the solutions business will continue for the time being.

## 2. Perceptions of the internet industry

In an environment of continuing uncertainty, including the global economic downturn, soaring consumer prices, and the resulting decline in personal consumption activities, the digital advertising market is also expected to experience a slowdown in growth over the medium term. The effects of higher inflation rates and rising interest rates are also affecting global giant high-tech companies, which are experiencing a marked trend of deteriorating business performance and restructuring through drastic cutbacks in personnel. On the other hand, in addition to the intensifying competitive environment and expanding global legislation on personal information protection, a shift to the so-called "Web3" decentralized Internet using blockchain technology is attracting attention, and a wide range of new internet services in various fields are expected to develop in the future.

With the increase in the amount of time spent on the internet due to the Covid-19 disaster, there is a noticeable trend for internet users, who were previously viewers, to become creators and senders, creating added value through information transmission and actions in the digital space. These new economic activities are rapidly expanding on the internet media as the creator economy (a digital market where individuals provide products and services as creators on the Internet and generate revenue). This creator economy is expected to create a new Web 3.0 economic sphere in the Web 3.0 world as well, where people earn crypto assets in return for their actions on the internet as "x to Earn" (economic value by doing x).

## 3. Future business strategies of the Group

### (1) Media business

On December 28, 2022, livedoor became a wholly owned subsidiary of the Company, and together with the asset-building information media "MINKABU" and the stock information media "Kabutan," the Company group became one of the leading online media groups in Japan with 80 million monthly users. livedoor is developing online media services that combine UGC (User Generated Content) media centered on "livedoor Blog" and PGC (Professionally Generated Content) media centered on "livedoor NEWS", "Peachy" and "Kstyle". livedoor has more than 30 million SNS followers. In the future, the Company will position livedoor media, which can expect synergistic effects in the media business growth strategy through the integrated model of UGC and PGC media and the spreading power of SNS, as the core of the Group's media business, and will position specialized media such as asset building, entertainment, gourmet, and sports as "vertical media. The Group's basic strategy for its media business is to position livedoor media as the core of the Group's media business, and to deploy the content spreading power of "livedoor NEWS" to each of the vertical media.

Taking above strategies into account, on 14<sup>th</sup> February, 2022, the Company concluded the basic agreements to acquire CWS Brains, LTD. by livedoor, which operates sports information media "Ultra WORLD Soccer! (<https://web.ultra-soccer.jp/>), a subsidiary of KOEI TECMO HOLDINGS CO., LTD., and the Web3 gourmet SNS business "Synchrolife (<https://www.synchrolife.org/>)" operated by GINKAN, Inc. (For further details, please refer to the press releases "Concluded Basic Agreement to Acquire Shares by a Consolidated Subsidiary, Web Media Company Specializing in Sports to Join Minkabu group" and "Concluded Basic Agreement to Acquire Business by a Consolidated Subsidiary, "SynchroLife", Web3 token economy based social restaurant review app business"). As a result of the above transaction, the number of monthly users of the Group's media business will reach 90 million.

The Group's media business mainly generates advertising revenues from pure advertising mainly pay-per impression type of posting advertisement and affiliate advertising, which is tied to the willingness of individuals to invest in financial institutions trading accounts, etc., and the business model is affected by the number of users acquired through stable, high-positioned advertising through optimization of web search engines. In the livedoor business, advertising revenue is also the main source of revenue, but it is centered on relatively stable ad network advertising. In addition, since the 90 million TAM (Total Addressable Market) of the livedoor business can be utilized as the Group's media, future advertising revenues from the Company's media business are expected to expand in scale and stabilize profitability by building on the livedoor Business, while at the same time, with aggressive inducement of users within the group media, advertising revenues from the Company's media business are less likely to be affected by the changes of algorithm of web search engines.

In addition, advertising revenue from livedoor's business is smaller per unique user than advertising revenue from the Group's existing media business. The Company believes that this leaves a great deal of room for revenue expansion measures, including the introduction of affiliate advertising. For this reason, the Company launched "livedoor Choice," a comparison site targeting all aspects of lifestyle, in December 2022 as a affiliate advertising business within the Group's media that does not require web search engine optimization measures. The Company will continue to take measures to expand earnings in the livedoor business, including the integration of technology with the Group's existing media business.

Further, the Group will establish a nurturing process for majoring information submitters, which is indispensable for the creator economy, through UGC/PGC collaboration and SNS spreading capabilities that do not rely solely on advertising revenues, and develop its business as a creator platform. On October 4, 2022,



the Company made ALIS Co., Ltd. a subsidiary, which has know-how in token issuance and token economy operation, and will introduce P2P incentives such as user-to-user incentives for good content contributors using tokens and digital incentives for sharing distributed news on SNSs, etc. In the future, the Company will promote Web 3 business model strategies such as P2P incentives for good content contributors using tokens and digital incentives for sharing distributed news on SNS, etc., as well as activation of the creator economy through C2B and B2C incentives and enhancement of media and creator stickiness. In addition, the Company will promote further collaboration with vertical media that have a high affinity with Web 3.0, such as sports and gourmet food information media.

## (2) Solution business

In the financial industry, the performance of brokers has been deteriorating due to a decline in the willingness of individual investors to invest due to the global market slump, concerns about the economic recession, and the unstable market environment. On the other hand, it is expected that there will be an increase in moves toward the elimination of commissions on Japanese stock trading, diversification of earning power, further cost reductions, and more efficient system investment and operation. Recognizing this environment, the Company is working to diversify its earning power and further reduce costs and improve operational efficiency by providing U.S. stock information solutions and introducing comprehensive Japanese stock investment information tools in its information solutions services.

In addition, existing IT systems have been built for different organizational units, and have not been able to utilize data across the entire company, or have been overly customized and complicated. In addition to information solution services, the Company is strengthening its efforts in system solution services to help financial companies achieve DX. In the current fiscal year, the Company began by providing consulting services to online securities firms and online banking financial institutions regarding the construction of systems that utilize APIs (Application Programming Interface), etc. However, the needs of the industry exceeded the Company's expectations, and the Company has already begun providing services for API integration. The Company has already begun providing solutions in the development and operation support phase in addition to consultation, such as marketplace development based on API linkage, marketing support, and digital payment infrastructure system development, thereby expanding the scope of system solution services the Company provides. In addition to consulting services, the Company has begun providing solutions at the development and operation support stage.

In addition, in December 2022, the Company's subsidiary Minkabu Asset Partners Inc. completed its registration as a Financial Instruments Intermediary Service Provider. Under the "Asset Income Doubling Plan," which is also a government policy, the Company plans to develop a financial products intermediary business by leveraging the customer base of over 400 financial institutions, which the Group has built through its information media business and financial information solutions business for asset building individuals and investors, and the user base of 80 million individual users, including livedoor.

As described above, in the solutions business domain, the Company plans to continue to achieve stable growth in information solution services against the backdrop of needs for cost reduction and diversification of profitability, and in system solution services in line with the continuing trend of DX needs, as well as to newly develop B2C solution services to expand the base of asset builders. In addition, the Company will newly develop B2C solution services to expand the base of asset-forming customers.

In May 2022, the Company made MINKABU Web3 Wallet Inc., a consolidated subsidiary for the purpose of developing NFT solutions utilizing Web3, a blockchain based network. In the future, the solutions business will develop business in a wide range of areas not limited to the financial industry, while pursuing synergies between the new media business as a comprehensive media group and the solutions business.

## 4. Group promotion structure to enable growth and profit improvement scenarios

In the media business, the Company will develop the business by leveraging a scale, such as overwhelming traffic and SNS spreading power. In the solution business, in addition to the further evolution of information solutions and system solutions, the Company has positioned the development of new financial information solutions services to contribute to the expansion of the asset building segment as a basic growth strategy for the future, and the Company will work to build a group structure to promote this.

As mentioned above, the Company has positioned livedoor media as the core of the Group's media business, with specialized media such as financial, gourmet, and sports media as vertical media, and have positioned the deployment of the content marketing capabilities of the livedoor business to each vertical media as the basic strategy of the Group's media business. The Company will position the content marketing capabilities of the livedoor business to each vertical media as the basic strategy of the Group's media business. In order to promote this basic strategy, the Company will first integrate the media business division of the Company into livedoor and also integrate the management of all planned vertical media operating companies into livedoor. In the solutions business, the basic policy is to reorganize the group organization centered on a new preparatory company to be established, and the Company will adjust the reorganization scheme and establish the organization as soon as possible.

As for measures to improve profitability in the next fiscal year and beyond, in the media business, based on a significant increase in revenue and profit from the full-year contribution of livedoor to earnings, the Company will improve the profitability of affiliate advertising revenue by elimination of cannibalization, and the solutions business, a full-year contribution of large-sized project acquired in the 2<sup>nd</sup> quarter this fiscal year and strong market needs of system solution services on the back of continuing DX trends are expected. . The Company will implement significant cost reductions through readjustment and optimization of the entire group, including the reallocation of human resources, based on the aforementioned basic policy of group reorganization. Specifically, the Company will curb future personnel increases by rebalancing human resources in the financial media business within the Group, drastically reduce advertising costs by developing marketing and promotions within the Group utilizing the media power of approximately 90 million, integrate and reorganize the functions of Group assets, slim the data/license fees, and reduce depreciation and amortization costs by curbing development investment in the financial media business. The Company will immediately implement above measures to thoroughly improve profitability which will ensure a V-shaped recovery from the next fiscal year onward.

In addition, the Company has established a dedicated department directly under the CEO to oversee the web3 strategy for the entire group, and has built a strategic promotion structure to maximize both the media and solutions businesses with web3 technology. The Group will shift its growth phase to the Next Stage and further increase its corporate value by "providing a mechanism to realize the value of information" in a variety of fields beyond the financial industry.

# 1. Quarterly Consolidated Financial Statements and Principal Notes

## (1) Quarterly Consolidated Balance Sheets

(Thousands of yen)

	As of March 31, 2022	As of December 31, 2022
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	3,526,165	2,974,027
Account receivables	1,127,845	1,566,729
Work in process	15,218	56,761
Supplies	4,338	4,296
Others	156,836	571,725
Allowance for doubtful accounts	(4,672)	(209,524)
Total current assets	<u>4,825,732</u>	<u>4,964,015</u>
Non-current Assets:		
Property, plant, and equipment	86,771	113,283
Intangible assets:		
Goodwill	931,751	5,361,122
Clients' asset	432,086	401,535
Technology assets	67,647	59,257
Software	1,592,391	2,020,187
Software in progress	387,280	342,896
Others	33,419	31,685
Total intangible assets	<u>3,444,576</u>	<u>8,216,686</u>
Investments and other assets:		
Investment securities	1,107,015	963,814
Guarantee deposits	130,472	129,748
Deferred tax assets	161,411	2,433,356
Others	6,479	12,344
Allowance for doubtful accounts	(4,621)	(7,307)
Total investment and other assets	<u>1,400,756</u>	<u>3,531,957</u>
Total fixed assets	<u>4,932,104</u>	<u>11,861,927</u>
Total assets	<u>9,757,836</u>	<u>16,825,943</u>

Note: Amounts are rounded down to the nearest thousand yen.

(Thousands of yen)

	As of March 31, 2021	As of December 31, 2022
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payables	383,890	428,880
Current portion of long-term borrowings	159,816	707,099
Income tax payable	158,368	62,510
Other allowances	21,610	2,112
Others	218,476	493,454
Total current liabilities	942,162	1,694,058
Non-current liabilities:		
Long-term borrowings	1,296,203	8,044,583
Deferred tax liabilities	75,967	70,061
Total non-current liabilities	1,372,170	8,114,644
Total liabilities	2,314,332	9,808,702
<b>NET ASSETS</b>		
Shareholders' equity		
Share capital	3,514,020	3,531,745
Capital surplus	4,533,849	4,192,785
Retained earnings	(745,034)	(979,963)
Treasury shares	(93)	(93)
Total shareholders' equity	7,302,741	6,744,473
Accumulated other comprehensive income:		
Valuation difference on available-for-sale securities	39,841	61,684
Total accumulated other comprehensive income	39,841	61,684
Non-controlling interests	100,922	211,081
Total net assets	7,443,504	7,017,240
Total liabilities and net assets	9,757,836	16,825,943

Note: Amounts are rounded down to the nearest thousand yen.

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
(Quarterly Consolidated Statements of Income)

(Thousands of yen)

	From April 1, 2021 to December 31, 2021	From April 1, 2022 to December 31, 2022
Net Sales	3,614,388	4,285,495
Cost of Sales	1,984,643	2,680,943
Gross Profit	1,629,745	1,604,552
Selling, general and administrative expenses	1,220,189	1,437,361
Operating profit	409,555	167,190
Non-operating income		
Interest income	15	38
Dividend income	805	3,480
Reversal of allowance for doubtful accounts	1,399	1,824
Others	58	129
Total non-operating income	2,277	5,472
Non-operating expenses		
Interest expense	8,506	8,523
Financing expenses	25,729	207,417
Merger related costs	—	62,290
Foreign exchange losses	160	145
Others	10,121	8,050
Total non-operating expenses	44,518	286,426
Ordinary profit	367,314	(113,763)
Extraordinary gains		
Gain on sale of non-current assets	—	10,187
Gain on sale of investment securities	—	2,746
Total extraordinary gains	—	12,933
Extraordinary losses		
Settlement payment	—	28,000
Loss on disposal of non-current assets	369	56
Loss on impairment of investment securities	—	11,542
Total extraordinary losses	369	39,598
Profit before income taxes	366,945	(140,428)
Income taxes (Corporate, residential, enterprise taxes)	144,007	86,181
Quarterly Profit	222,937	(226,610)
Quarterly profit (loss) attributable to non-controlling interests	19,180	8,318
Quarterly profit attributable to owners of the parent	203,757	(234,928)

Note: Amounts are rounded down to the nearest thousand yen.

(Quarterly Consolidated Statements of Comprehensive Income)

(Thousands of yen)

	From April 1, 2021 to December 31, 2021	From April 1, 2022 to December 31, 2022
Quarterly profit	222,937	(226,610)
Other comprehensive income		
Valuation difference on available-for-sale securities	8,842	21,843
Total other comprehensive income	8,842	21,843
Quarterly comprehensive income	231,780	(204,766)
Quarterly comprehensive income attributable to;		
Owners of parent	212,599	(213,085)
Non-controlling interests	19,180	8,318

Note: Amounts are rounded down to the nearest thousand yen.

(4) Notes to Quarterly Consolidated Financial Statements  
(Notes to Going Concern Assumption)

None

(Notes to Significant Changes in the Amount of Shareholders' Equity)

I. For the nine months ended September 31, 2020 (From April 1, 2021 to December 31, 2021)

1. Dividend payment amount

Resolutions	Type of stock	Total amount of dividends (Thousands of JPY)	Dividends per share (JPY)	Record date	Effective Date	Source of dividends
Board of Directors meeting on May 21, 2021	Common stock	248,754	18	March 31, 2021	June 8, 2021	Capital surplus

2. Significant Changes in the Amount of Shareholders' Equity

On May 31, 2021, the company received payment from QUICK Corp. and Nikkei Inc. in the form of the third-party allotment of new shares, with capital and capital reserve increases of 1,749,762 thousand yen, respectively. As a result, as of December 31, 2021, the capital stock was 3,512,030 thousand yen and the capital surplus was 2,712,030 thousand yen.

II. For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

1. Dividend payment amount

Resolutions	Type of stock	Total amount of dividends (Thousands of JPY)	Dividends per share (JPY)	Record date	Effective Date	Source of dividends
Board of Directors meeting on May 20, 2022	Common stock	357,784	24	March 31, 2022	June 8, 2022	Capital surplus

2. Significant Changes in the Amount of Shareholders' Equity

None

(Changes in major subsidiaries during the period)

The Company made livedoor Co., Ltd. a subsidiary by acquiring the shares, the Company has included it in the consolidated subsidiaries in the first quarter of the current fiscal year.

While it does not meet the changes in major subsidiaries, the Company made MINKABU WEB3 WALLET, Inc. a subsidiary by acquiring the shares for the three months ended June 30, 2022 and made ALIS Co., Ltd. a subsidiary by acquiring the shares for the nine months ended December 31, 2022, the Company has included MINKABU WEB3 WALLET, Inc. in the consolidated subsidiaries in the first quarter of the current fiscal year and has included ALIS Co., Ltd. in the consolidated subsidiaries in the third quarter of the current fiscal year, respectively.

(Adoption of Accounting Treatment Specific to Quarterly Consolidated Financial Statements)

(Calculation of tax expenses)

We reasonably estimate an effective tax rate after applying tax effect accounting to income before income taxes for the consolidated fiscal year under review and adopt a method to calculate tax expenses by multiplying quarter income before taxes by the estimated effective tax rate.

(Changes in Accounting Policies)

(Application of Accounting Standard for Fair Value Measurement)

The Company has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan Guidance No.31, June 17, 2021, hereinafter "Guidance for the Standard for Fair Value Measurement") since the beginning of the first quarter of the current fiscal year. Following the transitional measures specified in Paragraph 27-2 of the Guidance for the Standard for Fair Value Measurement, the Company has decided to apply the new accounting policy stipulated by the Guidance on the Standard for Fair Value Measurement prospectively.

The adoption of the accounting standards has no impact on the consolidated financial statements.

(Segment Information)

[Segment Information]

I. For the nine months ended December 31, 2021 (From April 1, 2021 to December 31, 2021)

1. Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments			Adjusted amounts (Note 1)	Posted amount to the consolidated statements of income (Note 2)
	Media Business	Solution Business	Total		
Net sales					
Revenue from contracts with customers	1,548,671	2,065,717	3,614,388	—	3,614,388
Other revenue	—	—	—	—	—
Net sales to external customers	1,548,671	2,065,717	3,614,388	—	3,614,388
Intersegment net sales and transfer	—	13,702	13,702	(13,702)	—
Total	1,548,671	2,079,420	3,628,091	(13,702)	3,614,388
Segment profit	474,320	409,190	883,510	(473,954)	409,555

Notes:

1. Segment profit adjustment of (473,954) thousand yen is corporate expenses that are not allocated to each reporting segment and are mainly general and administrative expenses that do not belong to the reporting segment.
2. Segment profit is adjusted with operating income on the quarterly consolidated income statement.

2. Information on impairment loss or goodwill of fixed assets by reporting segment  
(Significant impairment loss on fixed assets)

None.

(Significant changes in the amount of goodwill)

None

(Significant gain on negative goodwill)

None



II. For the nine months ended December 31, 2022 (From April 1, 2022 to December 31, 2022)

1. Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments			Adjusted amounts (Note 1)	Posted amount to the consolidated statements of income (Note 2)
	Media Business	Solution Business	Total		
Net sales					
Advertising	1,162,283	—	1,162,283	—	1,162,283
Subscription	298,139	—	298,139	—	298,139
Media and others	25,345	—	25,345	—	25,345
Recurring revenue	—	1,996,512	1,996,512	—	1,996,512
Initial/one-time revenue	—	803,215	803,215	—	803,215
Revenue from contracts with customers	1,485,768	2,799,727	4,285,495	—	4,285,495
Other revenue	—	—	—	—	—
Net sales to external customers	1,485,768	2,799,727	4,285,495	—	4,285,495
Intersegment net sales and transfer	—	32,913	32,913	(32,913)	—
Total	1,485,768	2,832,641	4,318,409	(32,913)	4,285,495
Segment profit	197,457	552,855	750,312	(583,121)	167,190

Notes:

1. Segment profit adjustment of (583,121) thousand yen is corporate expenses that are not allocated to each reporting segment and are mainly general and administrative expenses that do not belong to the reporting segment.
2. Segment profit is adjusted with operating income on the quarterly consolidated income statement.

2. Information on impairment loss or goodwill of fixed assets by reporting segment  
(Significant impairment loss on fixed assets)

None

(Significant changes in the amount of goodwill)

In the Solution business segment, the Company recognized goodwill since it consolidated MINKABU WEB3 WALLET, Inc. due to the acquisition of the shares. The amount of goodwill derived from the acquisition was 93,065 thousand yen for the three months ended June 30, 2022.

While the amount of the goodwill was tentative as of June 2022 because the purchase price allocation was not completed, it was fixed as of September 30, 2022 without any change of figure.

In the Media business segment, the Company recognized goodwill since it consolidated ALIS Co., Ltd. and livedoor Co., Ltd. due to the acquisition of the shares. The amount of goodwill derived from the acquisition was 86,620 thousand yen and 4,323,830 thousand yen, respectively for the nine months ended December 31, 2022.

The amount of the goodwill was tentative because the purchase price allocation was not completed.

(Significant gain on negative goodwill)

None

(Business Combinations)

(Business Combinations through the acquisition of shares)

I. livedoor Co., Ltd.

The Company and LINE Corporation (hereinafter “LINE”, President and Representative Director: Takeshi Idezawa) reached an agreement in which the Company acquires “livedoor Blog”, “livedoor NEWS” and “Kstyle” (hereinafter “livedoor Business”) operated by LINE. The acquisition was executed with the process that LINE established livedoor Co., Ltd., a fully owned subsidiary, and transferred its livedoor Business to livedoor Co., Ltd. by absorption-type company split, and then the Company purchased all shares of livedoor Co., Ltd. The two companies signed the Share Transfer Agreement dated September 28th, 2022 and the Company acquired all shares of Livedoor and made Livedoor a consolidated subsidiary.

1. Overview of the business combination

(1) Name of the acquired company and its business

Company Name: livedoor Co., Ltd.

Business: Operation of blogging platforms and news sites etc.

(2) The main reason for the business combination

As a result of the business combination, the Company becomes a leading internet media group with an 80 million sizes user base along with “MINKABU,” an asset building information media and “Kabutan,” stock information specialized media. the Company believes the business combination of the Company and livedoor Co., Ltd. is a strong synergy in the expansion of the user basis from individual investors to ordinary citizens, strengthening the power of the acquisition of new users, expanding of contents for both companies, etc. Synergies are also expected for the effective use of resources such as having a common basis of advertisement marketing, sharing the expertise of internet media operation, content auto generation engine and NFT technology.

(3) Date of the business combination

December 28, 2022

(4) The legal form of the business combination

Acquisition with a cash consideration

(5) Name of the subsidiary after the business combination

livedoor Co., Ltd.

(6) Rate of voting rights acquired

100%

(7) The basis for determining the acquiring company

Acquisition of an equity stake through a cash consideration.

2. Acquisition cost of the acquired company and breakdown by type of consideration

Since the deemed acquisition date of December 31, 2022, the consolidated statements of income for the nine months ended December 31, 2022 does not include the operating results of the acquired company.

3. Acquisition cost of the acquired company and breakdown by type of consideration

Payment for the acquisition (Cash): 7,100,000 thousand yen

Acquisition cost: 7,100,000 thousand yen

4. Details of major acquisition-related costs

Advisory fee etc. 32,520 thousand yen

5. Goodwill recognized by acquisition, reason, amortization method, and period

(1) Goodwill recognized on acquisition 4,323,830 thousand yen

The amount of the goodwill is tentative as of December 31, 2022 because the purchase price allocation was not completed

(2) The reason for the recognition

Excess earning power to be expected in the future development of the business

(3) Amortization method and period

At the end of the fiscal quarter, the Company is specifying the identifiable assets at the date of the business combination, and purchase price allocation is not completed yet. Accordingly, the amount of goodwill is tentative, and the amortization method and period are also under investigation.

## II. ALIS Co., Ltd.

On October 4, the Company purchased all shares of ALIS Co., Ltd. (hereinafter “ALIS”, Minato-ku, Co-founder/CMO, Takashi Mizusawa, and Co-founder/CTO, Sota Ishii) and made ALIS a fully owned subsidiary.

### 1. Overview of the business combination

#### (1) Name of the acquired company and its business

Company Name: ALIS Co., Ltd.

Business: Operation of social media platforms etc.

#### (2) The main reason for the business combination

ALIS has expertise in advanced technology such as blockchain. Moreover, ALIS’s operational know-how of the token economy including boosting user communications and incubating paid content is proven in “ALIS.to”, social media platform using blockchain technology. As described in “1. Qualitative Information on Quarterly Financial Results (3) Explanation of Forecast of Consolidated Financial Results and Other Forward-Looking Information” in the development of livedoor business, the Company seeks to create new user experiences of internet media in the Web-3.0-era by utilizing ALIS’s expertise in token issuance and the operation of the token economy. The expected new user experiences will be providing incentives between users for good posting contributors, including, social function featured asset building information media, “MINKABU”, introducing digital incentives when users share the news delivered with SNS, making posted content as NFT in alliance with MINKABU Web3 Wallet Inc. acquired by the Company in May 2022, deploying a marketplace in social media based on the NFT., and so on.

#### (3) Date of the business combination

October 4, 2022

#### (4) The legal form of the business combination

Acquisition with a cash consideration

#### (5) Name of the subsidiary after the business combination

ALIS Co., Ltd.

#### (6) Rate of voting rights acquired

100%

#### (7) The basis for determining the acquiring company

Acquisition of an equity stake through a cash consideration.

### 2. Acquisition cost of the acquired company and breakdown by type of consideration

Since the deemed acquisition date of December 31, 2022, the consolidated statements of income for the nine months ended December 31, 2022 does not include the operating results of the acquired company.

### 3. Acquisition cost of the acquired company and breakdown by type of consideration

Payment for the acquisition (Cash): 240,000 thousand yen

Acquisition cost: 240,000 thousand yen

### 4. Details of major acquisition-related costs

Advisory fee etc. 28,373 thousand yen

### 5. Goodwill recognized by acquisition, reason, amortization method, and period

#### (1) Goodwill recognized on acquisition 86,620 thousand yen

The amount of the goodwill is tentative as of December 31, 2022 because the purchase price allocation was not completed

#### (2) The reason for the recognition

Excess earning power to be expected in the future development of the business

#### (3) Amortization method and period

At the end of the fiscal quarter, the Company is specifying the identifiable assets at the date of the business combination, and purchase price allocation is not completed yet. Accordingly, the amount of goodwill is tentative, and the amortization method and period are also under investigation.

(Subsequent Events)

(Business Combinations)

I. Conclusion of the basic agreement to acquire CWS Brains, LTD.

On February 14 the Company and its wholly owned subsidiary, livedoor Co., Ltd., concluded the basic agreement with KOEI TECMO HOLDINGS CO., LTD. (hereinafter “KT”, Yokohama, Representative: Yoichi Erikawa, President & CEO), to transfer all shares of CWS Brains, LTD. (hereinafter “CWS”, Chiyoda-ku, Representative: Kazumi Fujita, President) held by KT to Livedoor, and make it a wholly owned subsidiary of Livedoor.review app business, to Livedoor.

1. Overview of the business combination

(1) Name of the acquired company

Company Name: CWS Brains, LTD.

Business: Operation of sports information media sites etc.

(2) The main reason for the business combination

Minkabu made livedoor a wholly owned subsidiary on December 28, 2022, resulting Minkabu Group one of the largest internet media groups with an 80 million sizes monthly user base together with asset building media, “MINKABU” and “Kabutan”. Livedoor integrally operates UGC (User Generated Content) media mainly consisting of “livedoor Blog” and PGC (Professionally Generated Content) media such as “livedoor NEWS”, “Peachy”, and “Kstyle”, and has over 30 million SNS followers. Minkabu expects synergy in growth strategies of media business through this integrated media service combined UGC/ PGC media with the spreading power of SNS, and therefore, will place Livedoor media as the core of Minkabu group’s media business, and specialty media such as asset building, entertainment, gourmet, sports etc., as vertical media and expanding the spreading power of “livedoor NEWS” to each vertical media, which will be the basic strategy of Minkabu group’s media business from now on.

livedoor, as a part of Minkabu’s group strategy above, reached a basic agreement to acquire CWS as a consolidated subsidiary, which operates, “Ultra WORLD soccer!” (<https://web.ultra-soccer.jp/>), a major soccer information specialized media with one of top ranked soccer-related news distributions in number in the industry and 8.6 million monthly unique users.

(3) Date of the business combination

March 31, 2023 (Planned)

(4) The legal form of the business combination

Acquisition with a cash consideration

(5) Name of the subsidiary after the business combination

Not changed

(6) Rate of voting rights acquired

100%

(7) The basis for determining the acquiring company

This is due to the acquisition of shares by the Company in consideration of cash.

2. Acquisition cost of the business and breakdown by type of consideration

Not disclosed due to the agreement with the counterparty.

3. Details of major acquisition-related costs

Not determined

4. Goodwill recognized by acquisition, reason, amortization method, and period

Not determined

5. Amounts of assets received, and liabilities assumed on the date of business combination and their breakdown

Not determined

## II. Conclusion of the basic agreement to acquire “SynchroLife” business

On February 14 the Company and its wholly owned subsidiary, livedoor Co., Ltd., concluded the basic agreement with GINKAN, Inc. (hereinafter “GINKAN”, Chiyoda-ku, Representative: Tomochika Kamiya, CEO) to transfer “SynchroLife”, GINKAN’s Web3 token economy based social restaurant review app business, to Livedoor.

### 1. Overview of the business combination

#### (1) Name of the acquired its business

Seller Company Name: GINKAN, Inc.

Business: Web3 token economy based social restaurant review app business

#### (2) The main reason for the business combination

Minkabu made Livedoor a wholly owned subsidiary on December 28, 2022, resulting Minkabu Group one of the largest internet media groups with an 80 million sizes monthly user base together with asset building media, “MINKABU” and “Kabutan”. Livedoor integrally operates UGC (User Generated Content) media mainly consisting of “livedoor Blog” and PGC (Professionally Generated Content) media such as “livedoor NEWS”, “Peachy”, and “Kstyle”, and has over 30 million SNS followers. Minkabu expects synergy in growth strategies of media business through this integrated UGC/ PGC media with the spreading power of SNS, and therefore, will place Livedoor media as the core of Minkabu group’s media business, and specialty media such as asset building, entertainment, gourmet, sports etc., as vertical media and expanding the spreading power of “livedoor NEWS” to each vertical media, which will be the basic strategy of Minkabu group’s media business from now on.

“SynchroLife” is an Eat to earn platform where users can earn digital assets by posting reviews and visits to restaurants. “SynchroLife” is characterized by a business model which supports to improve customers’ loyalty, PR, and digital transformation of visitor promotion through providing member restaurants customer analysis tools (CRM) on a pay-per-performance basis, while almost all the gourmet sites currently apply business model to focus on visitor promotion.

Livedoor, as a part of the Minkabu’s group strategy above, acquires “SynchroLife” business to expand vertical media service in gourmet and encourages the expansion of the users of “SynchroLife” by making use of the spreading power of “livedoor NEWS” and the cooperation with the other vertical media including “livedoor Blog”. Further, Minkabu group accelerates the Web3 strategy through the acquisition of “SynchroLife” which already realizes the Web3 world close to the view and strategy of Minkabu group media which provides a new customer experience and improvement of customer loyalty by utilizing token economy.

#### (3) Date of the business combination

March 31, 2023 (Planned)

#### (4) The legal form of the business combination

Acquisition with a cash consideration

#### (5) Name of the subsidiary after the business combination

Not changed

#### (6) Rate of voting rights acquired

100%

#### (7) The basis for determining the acquiring business

This is due to the acquisition of shares by the Company in consideration of cash.

### 2. Acquisition cost of the business and breakdown by type of consideration

Not disclosed due to the agreement with the counterparty.

### 3. Details of major acquisition-related costs

Not determined

### 4. Goodwill recognized by acquisition, reason, amortization method, and period

Not determined

### 5. Amounts of assets received, and liabilities assumed on the date of business combination and their breakdown

Not determined