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March 20, 2023

Company name: MINKABU THE INFONOID INC.
Representative: President and CEO/CFO Ken Uryu
Listing: Growth Market, Tokyo (4436)
Contact: Executive Officer Yosuke Maeda
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Notice of Transfer of Shares resulting in Change of Consolidated Subsidiary and Recording of Extraordinary Income

MINKABU THE INFONOID, Inc., (hereinafter “Minkabu”, Chiyoda-ku, Representative: Ken Uryu, Founder and CEO/CFO) hereby announces that Minkabu has decided to transfer all shares held of Prop Tech plus Inc. (hereinafter "PT+", Chiyoda-ku, Tokyo, Representative: Toshihiro Doi), a consolidated subsidiary of Minkabu, to TOKYO KANTEI Co., Ltd. This share transfer is expected to result in an extraordinary income as a gain from the sale of shares of a subsidiary for the fourth quarter of the fiscal year ending March 31, 2023.

1. The reason for the transfer

On December 27, 2019, Minkabu made PT+ a subsidiary to expand the coverage of products in the financial information field, effectively utilizing our assets and developing new businesses by leveraging PT+'s knowledge of REITs, Minkabu’s user base, and the technological development capabilities of both companies. Since then, PT+ has achieved stable business expansion centered on its core product, "T2TRComFort," a business solution service for the REIT industry, and has contributed to the earnings of the Minkabu group.

As announced in the "Determination of Basic Reorganization Policy" released on February 14, 2023, Minkabu reorganizes its group to respond to various changes in business environments, including the diminishing of individual investors' willingness to invest and concerns about economic recession due to the global market downturn in the financial industry, expectations for the expansion of new asset formation groups mainly through the permanent and drastic expansion of the small amount investment tax exemption (NISA) program, moves in the securities and financial industry toward the elimination of trading fees for Japanese stocks, diversification of the earning capacity to respond to these trends, and the need to further reduce costs and increase the efficiency of system investment and management, the use of the so-called "Web3" distributed Internet technology based on blockchain technology.

In the solutions business, in addition to information solution services, Minkabu is working on system solution

services to promote DX for financial companies, providing blockchain-based NFT solutions in collaboration with its subsidiary MINKABU Web3 Wallet, Inc., and offering new financial services to a customer base of more than 400 financial institutions and 90 million individual users base provided by its subsidiary livedoor Ltd., through its subsidiary MINKABU ASSET PARTNERS, Inc.

In promoting the reorganization of the group's business under this policy, Minkabu has determined that for PT+ to achieve further growth in the real estate tech industry in the future, with a focus on business solutions for the REIT industry, it is necessary to collaborate with resources outside the group that can generate greater synergies in the real estate industry.

In the media business, Minkabu group will develop a comprehensive media business that integrates UGC and PGC by utilizing livedoor Ltd's user base and its large traffic and information diffusion power that comes from the large user base and its Web3 technology which creates new added value. In the solutions business, in addition to the further evolution of information solution services and system solution services, Minkabu will strive to increase corporate value by developing new financial information solutions to contribute to the expansion of the asset formation segment, as Minkabu's basic growth strategy for the future.

2. The detail of the transferred subsidiary

1	Name	Prop Tech plus Inc.		
2	Location	1-8-10 Kudankita Chiyoda-ku, Tokyo		
3	Representative	Toshihiro Doi, Representative:		
4	Description of business	System development and web construction specializing in the real estate securitization (REIT industry), operation of JAPAN-REIT.COM, a J-REIT portal site, and REIT-related database business.		
5	Common stock	100 million yen		
6	Date of incorporation	July 1st, 2013		
7	Major shareholders and their rate of shareholding	MINKABU THE INFONOID, Inc. 90.3%		
8	Relationship between the concerned corporate entities	Capital relationship	Minkabu holds 90.3% of the outstanding shares of this company.	
		Human resource relationship	One director, one executive officer and one employee of Minkabu serve concurrently as directors of PT+. One member of the Audit and Supervisory Committee of Minkabu also serves concurrently as an auditor of PT+.	
		Business relationship	Minkabu outsources web design, website maintenance and management, etc., and REIT market value information provision and corporate management to PT+.	
9	Operating results and financial positions for the last 3 years (yen in million excl. per share information)			
	Fiscal year ended	March 2020	March 2021	March 2022
	Net assets	673	791	941

Total assets	871	963	1,086
Net assets per share	1,086.61	1,276.51	1,518.85
Net sales	972	1,047	1,178
Operating profit	80	214	231
Ordinary profit	80	214	231
Net income	36	117	150
Net income per share	58.20	189.90	242.34
Dividend per share	-	-	-

3. The detail of the transferee

1	Name	TOKYO KANTEI Co., Ltd.	
2	Location	3-8-3 Kamiosaki Shinagawaa-ku, Tokyo	
3	Representative	Chiemi Nagata, President and Representative Director	
4	Description of business	Real estate information services, real estate appraisal, real estate consulting, soil contamination surveys, due diligence	
5	Common stock	50 million yen	
6	Date of incorporation	October 1979	
7	Net assets	Not disclosed at the request of the counterparty	
8	Total assets	Same as above	
9	Major shareholders and their shareholding ratio	Same as above	
10	Relationship between the concerned corporate entities	Capital relationship	None
		Human resource relationship	None
		Business relationship	None
		Related Party Status	None

4. Number of shares transferred, transfer price and status of shares held before and after transfer

1	Shares before the transfer	560,000 shares (Voting rights : 560,000) (Voting rights ratio : 90.32%)
2	Shares transferred	560,000 shares (Voting rights : 560,000)
3	Transfer price	The transfer price, which is not disclosed at the request of the counterparty, was determined through discussions with the counterparty based on the appraisal value, etc. calculated by a third-party institution based on the DCF method, etc.
4	Shares after the transfer	0 share (Voting rights : 0)

	(Voting rights ratio : 0%)
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5. Schedule of the acquisition

1	Date of the decision	March 20, 2023 Based on the final letter of intention from the counterparty, it is resolved at the board of directors held on March 10, 2023 that the conclusion and execution of the contract shall be at the discretion of the representative director under certain conditions.
2	Date of the agreement	March 20, 2023
3	Date of the transfer	March 30, 2023

6. Forecast

As a result of the transfer, a gain on sales of subsidiary stock of 1,946 million yen is expected to be recorded as an extraordinary gain in the fourth quarter of the fiscal year ending March 31, 2023. Please refer to the "Notice of Revision of Consolidated Earnings Forecast" disclosed today for the impact of the above extraordinary gain on the consolidated earnings for the full fiscal year ending March 31, 2023.

END