

March 31, 2023

Company: Financial Partners Group Co., Ltd.
 Representative: Hisanaga Tanimura, CEO & Founder
 (Code 7148 on the Prime Market of the Tokyo Stock Exchange)
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Notice of Change in Consolidated Subsidiary (Transfer of Shares in FPG Technology Co., Ltd.)

Financial Partners Group Co., Ltd. (FPG) announces that FPG Technology Co., Ltd. (FPG Technology) will cease to be a subsidiary of FPG as of April 3, 2023, due to a share transfer.

1. Reason for the share transfer

FPG subsidiarised FPG Technology in April 2020 with the intention of utilizing cutting-edge IT technology for product development and sales within our group and promoting our FinTech Business. Leveraging their expertise, we have been offering salary prepayment service and IT solutions to small and medium-sized enterprise customers, while also aiming to streamline our group's operations and management by internalizing our IT processes.

However, we have concluded that it is more important for us to concentrate management resources on our thriving first pillar, the Leasing Fund Business, as well as our second and emerging third pillars, Domestic Real Estate and International Real Estate, respectively, to achieve management efficiency, as we saw a gradual emergence from under the influence of COVID-19 crisis during this period. Therefore, we have decided to transfer all issued shares of FPG Technology.

The share transfer is scheduled to be executed on April 3, 2023, and FPG Technology will cease to be a (consolidated) subsidiary of FPG as of the same date.

2. Outline of the subsidiary to be transferred

(1) Name	FPG Technology Co., Ltd.			
(2) Location	Soft99 Building 3rd Floor, 4-7-7 Sotokanda, Chiyoda-ku, Tokyo			
(3) Name and title of representative	Hisanaga Tanimura, Representative Director and Chairman Akihisa Narikawa, Representative Director and President			
(4) Business description	(1) System Integration Business (2) Chat Bot Business (3) Infrastructure Business (4) System Engineering Service Business etc.			
(5) Capital	29 million yen			
(6) Date established	May 25, 2004			
(7) Major shareholder and shareholding ratio	Financial Partners Group Co., Ltd. (100%)			
(8) Operating results and financial condition of the company for the past three years	(Unit: Thousands of yen)			
	Accounting period	March, 2020	March, 2021	March, 2022
	Net assets	59,956	93,030	99,290

Total assets	227,896	197,256	179,491
Sales	522,442	515,866	467,001
Operating income	12,051	41,701	13,507
Ordinary income	11,103	72,778	13,482
Net income (loss)	(1,426)	33,074	6,859

3. Outline of the counterparty to the share transfer

(1) Name	Katakura Industries Co., Ltd.		
(2) Location	6-4 Akashicho, Chuo-ku, Tokyo		
(3) Name and title of representative	Ryosuke Joko, President and CEO, Representative Director		
(4) Business details	Real Estate, Pharmaceuticals, Machinery, Textiles, Others		
(5) Capital	1,817 million yen		
(6) Date established	March 23, 1920		
(7) Net assets	84,475 million yen (as of December 31, 2022)		
(8) Total assets	138,114 million yen (as of December 31, 2022)		
(9) Major shareholder and shareholding ratio	ASO GROUP Limited (10.48%) Mitsui & Co., Ltd. (6.61%)		
(10) Relationship between the listed company and the relevant company	Capital relationship	Not applicable	
	Personnel relationship	Not applicable	
	Business relationship	Not applicable	
	Status as a related party	Not applicable	

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

(1) Number of shares held before change	7,800 shares (Number of voting rights 7,800) (Shareholding ratio : 100%)
(2) Number of shares to be transferred	7,800 shares (Number of voting rights 7,800)
(3) Acquisition price	Not disclosed due to confidentiality obligations with the counterparty
(4) Number of shares held after change	0 shares (Number of voting rights 0) (Shareholding ratio : 0%)

5. Schedule of transfers

(1) Date of signing of share transfer agreement	March 31, 2023
(2) Date of execution of share transfer	April 3, 2023 (planned)

6. Outlook

The impact of this share transfer on FPG's earnings forecast for the fiscal year ending September 30, 2023, is expected to be negligible.