



April 14, 2023

For Immediate Release

Company CHANGE Holdings, Inc.  
CEO Hiroshi Fukudome  
(Code: 3962,  
Prime Market of the Tokyo Stock Exchange)  
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### **Announcement of the Abolishment of the Investment Business and Change in the Reporting Segment, etc.**

On April 14, 2023, the Board of Directors of CHGANGE Holdings, Inc. (hereinafter, simply, “we”) decided to abolish the Investment Business and to change the reporting segment. The details are as follows:

#### Details

#### 1. Outline of CHANGE Holdings, Inc. (as of April 14, 2023)

(1) Trade Name	CHANGE Holdings, Inc.
(2) Head office	17-1, Toranomom 3-chome, Minato-ku, Tokyo
(3) Name of Representative/Title	Yoshihisa Jimbo, Representative Director, Chairman and Executive Officer, Horoshi Fukudome, Representative Director, President and Chief Executive Officer
(4) Businesses	Formulation of the Group's management strategies and the overall management (governance), etc. of Group companies
(5) Ordinary share	1,004 million yen
(5) Fiscal year end	March 31

#### 2. Reasons for the Abolishment of the Investment Business

The Group started the Investment Business on May 15, 2018, with the aim of investing in companies belonging to growth markets and matched to our Group's growth and business strategies and obtaining capital gains primarily through the value-up of these companies. To date, we have actively invested in many companies and expanded our Investment Business.

On the other hand, considering the fact that we announced the revised Mid-term Business Plan called "Digitize & Digitalize Japan (Phase2)" on May 13, 2022 and we have been expanding investment in the growing DX field through M&A and capital and business alliances in order to lead the Japanese DX by setting the priority areas of "Local" × "Social" × "Digital", we have determined that focusing on investment in business that would contribute to the development of the "NEW-IT Transformation Business" and the "Publitech Business" through synergies with invested companies instead of investing in companies which we could merely produce capital gains (the previous Investment Business) will further contribute to enhancing the corporate value of the Group.

Based on the above, we have decided to discontinue the Investment Business and only invest in companies which will support our NEW-IT Transformation Business and Publitech Business in the future. Although we discontinue

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the Investment Business, we will not change our policy of actively utilizing M&A and capital and business alliances as useful means for our growth.

### 3. Discontinued Business

#### (1) Business to be discontinued

Investment Business

#### (2) Operating results of the Investment Business

(millions of yen)

	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021	Fiscal year ended March 31, 2022 (Notes 1, 2 and 3)
Revenue	198	187	△216
Operating income	177	166	△226

(Note 1) The fiscal year ended March 31, 2022 was the six-month period from October 1, 2021 to March 31, 2022 due to a change in the fiscal year-end

(Note 2) Out of the amount of investment securities held as part of operations during the period from April 1, 2022 to March 31, 2023, the amount scheduled to be recognized as gain on valuation of listed shares is 189 million yen.

(Note 3) Out of the amount of investment securities held as part of operations during the period from April 1, 2023 to April 13, 2023 (the day before this discontinuation of the Investment Business), the amount scheduled to be recognized as gain on valuation of listed shares will be 127 million yen.

### 4. Schedule

Resolution of the Board of Directors: April 14, 2023

### 5. Changes in Reportable Segments

As a result of the abolishment of the Investment Business, the reporting segments will be changed as follows from April 14, 2023:

(Pre-change Reporting Segment)

- NEW-IT Transformation Business
- Investment Business
- Publitech Business

(Post-change Reported Segment)

- NEW-IT Transformation Business
- Publitech business

### 6. Change to Presentation Methods

As a result of the abolishment of the Investment Business, the presentation method has been changed as follows from April 14, 2023.

(before change)

Presentation of Consolidated Statements of Financial Position: Investment securities held as part of operations  
(current assets)

Presentation of Consolidated Statements of Income: Revenue

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(after change)

Presentation in the Consolidated Statements of Financial Position: Investment (non-current assets)

Presentation of consolidated statements of income: Finance income or finance cost (Note 4)

(Note 4) Investment securities acquired in the future will be either presented as “finance income” or “finance cost” for each acquired security or presented as “other comprehensive income”.

#### 7. Future Outlook

The abolishment of the Investment Business has no impact on the consolidated financial results for the year ended March 31, 2023. The Company will disclose its financial results, forecasts of operating results, and segment disclosure for the year ended March 31, 2024, after considering effects of the abolishment of the Investment Business on April 14, 2023.

End