



December 15, 2023

For Immediate Release

Company	CHANGE Holdings, Inc.
CEO	Hiroshi Fukudome (Code: 3962, Prime Market of the Tokyo Stock Exchange)
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(Progress of the Former Disclosure)
Announcement of Establishment of the Intermediate Holding Company

Subject to the “Announcement of the Conclusion of the Capital and Business Partnership Agreement with E-Guardian Inc., and the Commencement of the Tender Offer thereto (security Code: 6050) ,and the Subscription for Shares thereof through the Third-Party Allotment” as announced on August 2, 2023 (hereinafter, the “Announcement on August 2, 2023”), we, at the meeting of the Board of Directors held today, resolved to establish an intermediate holding company (hereinafter, the “Intermediate Holding Company”) as our subsidiary to promote M&A of cybersecurity companies and to restructure the cybersecurity industry. The details are as follows:

Details

1. Background and reasons for the establishment of the Intermediate Holding Company

Recently, it has been said that cyber security human resources are chronically insufficient in Japan. Against this backdrop, we have concluded the Capital and Business Alliance Agreement with E-Guardian Inc. (hereinafter simply, “E-Guardian”) and consolidated it in our subsidiaries. We have been actively participating in the cybersecurity industry in this way. In order to further accelerate this movement, we intend to establish CyLeague Holdings, Inc. (hereinafter “Cyleague Holdings”), the Intermediate Holding Company, as an independent entity having a management system that will enable flexible decision-making by consolidating the knowledge of group companies held by it which is necessary to promote the cybersecurity business and based on their bold ideas.

The alphabetic word “CyLeague” refers to the combination of two words, Cyber (cyber) and League (league). We are committed to providing a better service by consolidating many independent operating companies under the Intermediate Holding Company and having them work together in a competing environment. From among these league companies (our sub-group companies), we really want to produce companies that can jump into the global marketplace and cyber-security human resources who can support them.

In addition, Mr. Yasuhisa Takatani, President and CEO of E-Guardian which has already become our consolidated subsidiary, is scheduled to be appointed as the Representative Director and President of CyLeague Holdings. Going forward, he will continue to explore M&A opportunities from the Intermediate Holding Company by focusing on companies having expertise in various fields while leveraging his E-Guardian's knowledge.

As announced on August 2, 2023, we will transfer the shares of E-Guardian to the Intermediate Holding Company after establishing it (the specific transfer method and the implementation date have not been determined but it will be done sometime after one year has passed since the completion of the consolidation of E-Guardian).

2. Outline of the Intermediate Holding Company (planned)

(1) Name	CyLeague Holdings, Inc.	
(2) Head office	TOKYU REIT Toranomom Building 6F, Toranomom 3-17-1, Minato-ku, Tokyo	
(3) Job title/ Name of representative	Mr. Yasuhisa Takatani, President and Representative Director	
(4) Description of business	Cybersecurity and digital transformation-related businesses as well as shareholding of companies engaged in these businesses, and support and management of their business activities	
(5) Common share	99 million yen	
(6) Date of establishment	In December 2023,	
(7) Fiscal year end	March	
(8) Investment ratio	CHANGE Holdings, Inc.: 100%	
(9) Our relationship	Capital relationship	We will establish it as our 100% owned company.
	Personal relationship	The Representative Director of the Company is scheduled to serve a director of this subsidiary, and our full-time auditor is scheduled to serve concurrently as an auditor thereof. In addition, this subsidiary will accept a secondment person from us at its controlled company.
	Business relationship	We plan to transfer the shares of our subsidiaries to it.

3. Schedule

- (1) Date of the resolution of the Board of Directors concerning its establishment December 15, 2023
- (2) Date of the establishment In December 2023,
- (3) Operating opening day February 2024 (planned)

4. Future Outlook

Although we believe that this establishment will have a minor impact on our performance in the future, we will promptly release any issues that need to be disclosed in the future.

End