



January 12, 2024

For immediate release

Company name: kaonavi, inc.
 Representative: Hiroyuki Sato
 Representative Director, President & Co-CEO
 Code: 4435 (TSE Growth)
 Inquiries: Kimitaka Hashimoto
 Director & CFO
 Email: ir@kaonavi.jp

(Progress Regarding Disclosed Matters)
**Notice Concerning Completion of Acquisition of Shares and Subscription to Third-Party Allotment
 of Shares of Work Style Tech Ltd. to Become Our Subsidiary**

kaonavi, inc. (the “Company”) hereby announces that the acquisition of shares of Work Style Tech Ltd. (“WST”), as announced in the press release “Notice Concerning Acquisition of Shares and Subscription to Third-Party Allotment of Shares of Work Style Tech Ltd. to Become Our Subsidiary” on December 7, 2023, has been completed today and WST has become a subsidiary of the Company, as described below.

1. Overview of Work Style Tech Ltd.

(1)	Name	Work Style Tech Ltd.		
(2)	Address	FARO 1F, 2-15-5 Minami-aoyama, Minato-ku, Tokyo		
(3)	Name and title of representative	Gustavo Dore Rodrigues, CEO		
(4)	Description of business	Development, manufacturing and sales of cloud-based labor management system		
(5)	Capital	136 million yen		
(6)	Date of establishment	April 26, 2016		
(7)	Major shareholders and shareholding ratio	Gustavo Dore Rodrigues: 60.48% MF-GB2 Investment Limited Partnership: 10.32% Other shareholders: less than 10% each		
(8)	Relationship between the Company and the relevant company	Capital	Not applicable	
		Personal	Not applicable	
		Business	Not applicable	
(9)	Operating results and financial condition of the relevant company for the past three years			
	Fiscal year ended	March 2021	March 2022	March 2023
	Net assets	19 million yen	155 million yen	66 million yen
	Total assets	58 million yen	214 million yen	147 million yen
	Net assets per share	1,457.09 yen	9,157.41 yen	3,918.61 yen
	Net sales	29 million yen	64 million yen	107 million yen
	Operating profit	(37 million) yen	(33 million) yen	(89 million) yen
	Ordinary profit	(35 million) yen	(33 million) yen	(89 million) yen
	Net profit	(35 million) yen	(33 million) yen	(89 million) yen
	Net profit per share	(2,785.67) yen	(2,279.63) yen	(5,238.80) yen
	Dividends per share	—	—	—

2. Number and value of shares to be acquired and the status of share ownership before and after the share acquisition

(1)	Number of shares held before transfer	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2)	Number of shares acquired	10,682 shares (Number of voting rights: 10,682)
(3)	Acquisition value	Class A Preferred Shares and common shares of Work Style Tech Ltd.: 726 million yen Advisory fees, etc. (estimated amount): 10 million yen Total (estimated amount): 736 million yen
(4)	Number of shares held after transfer	10,682 shares (Number of voting rights: 10,682) (Percentage of voting rights held: 51.8%)

3. Schedule

(1)	Date of resolution of the board of directors	December 7, 2023
(2)	Date of the agreement	December 7, 2023
(3)	Execution date of share transfer and effective date of share subscription	January 12, 2024

4. Future outlook

As a result of this acquisition of shares, WST will become a consolidated subsidiary of the Company from the end of the fourth quarter of the fiscal year ending March 2024 and the impact of this acquisition on the Company's business results for the fiscal year ending March 2024 will be immaterial. Although goodwill is expected to arise in the consolidated financial statements of the Company, the amount and accounting treatment, etc. of goodwill have not been determined so far. We will promptly announce any matters that require disclosure in the future.