

October 31, 2022

Listed Company: LIFULL Co., Ltd.  
Representative: INOUE Takashi, President and CEO  
(Stock Code: 2120 TSE Prime)  
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## Notice Concerning a Company Split and Partial Absorption of a Business (Simplified Absorption-Type Split)

LIFULL Co., Ltd. (“the Company”) hereby announces that a meeting of its Board of Directors held on October 24, 2022, has resolved to conduct an absorption-type split of Rakuten LIFULL Stay Co., Ltd. (“RLS”) in which the Company absorbs a portion of RLS with an effective date of January 5, 2023. With this split, the Company has resolved to take over the serviced apartment rental information service which had been transferred from the Company to RLS.

### Notes

#### 1. Purpose of the Company Split

In addition to the operation of LIFULL HOME’S, one of the largest all-around services for real estate and housing information in Japan, we also operated “LIFULL HOME’S Monthly” - an information service for service apartments rented on a monthly basis. However, LIFULL HOME’S Monthly was later transferred to and operated by RLS, as RLS is working to grow the vacation rental industry and the high level of synergy between this market and monthly service apartments.

As all shares of Rakuten LIFULL STAY Pte. Ltd. previously held by the Company have been transferred to Rakuten Asia Pte. Ltd. (see the “Notice Regarding Change in Equity Method Affiliate (Transfer of Shares) and Recording Gain on Sale of Shares” disclosed on October 24, 2022 for details), the Company will reabsorb the LIFULL HOME’S Monthly business.

#### 2. Summary of the Company Split

##### (1) Schedule

Date of Resolution by Board of Directors	October 24, 2022
Effective Date of Company Split	January 5, 2023 (Planned)

\*The Company Split qualifies for the simplified absorption-type split under Article 784, Paragraph (2) of the Companies Act. Accordingly, the Company will not hold a general meeting of shareholders in regard to the split.

##### (2) Method

Transfer from RLS to the Company as the successor.

##### (3) Details of Allotment

The Company plans to pay a monetary amount of 1 yen to RLS for this Company Split.

##### (4) Treatment of Share Options and Convertible Bonds

No applicable items

### (5) Capital Increase/Reduction

No increase/reduction in capital due to the Company Split

### (6) Rights and Obligations to be Transferred

The Company, as the successor company, will receive the assets, liabilities, contracts and other rights and obligations related to the transferred business within the scope of the company split agreement concluded at the time of this Company Split.

### (7) Expected Fulfillment of Obligations

There will be no issues with the obligations of the Company after the effective date.

## 3. Basis of allotment related to Absorption-type Company Split, etc.

The calculation of the payment to be paid by the Company for this Company Split was determined through discussions and negotiations with RLS based on the market value of the assets and liabilities to be transferred to the Company.

## 4. Overview of the Parties to the Company Split (As of September 30, 2022)

	Successor Company	Split Company
(1) Name	LIFULL Co., Ltd.	Rakuten LIFULL STAY Co., Ltd.
(2) Address	1-4-4 Kojimachi, Chiyoda-ku, Tokyo, Japan	3-4-1 Marunouchi, Chiyoda-ku, Tokyo, Japan
(3) Title and Name of Representative	President and CEO INOUE Takashi	President OTA Munekatsu
(4) Description of Business	Real estate information, overseas, other businesses	Operation of vacation rental reservation website, management and operation of vacation rental facilities
(5) Capital	9,716 mil. yen	10 mil. yen
(6) Date of Foundation	March 12, 1997	March 13, 2017
(7) Number of Outstanding Shares	134,239,870	3,650
(8) Major Shareholders & Shareholding Ratio	INOUE Takashi 21.20% Rakuten Group Ltd. 18.05%	Rakuten LIFULL STAY Pte. Ltd. 100%
(9) Financial Conditions & Operating Results for the Latest Fiscal Year		
Year-End Date	September 30, 2021 (Cons.)	December 31, 2021 (Non.-Con.)
Equity	24,910 mil. yen	469 mil. yen
Total Assets	34,122 mil. yen	856 mil. yen
Equity Per Share	188.75 yen	-
Revenue	23,106 mil. yen	1,110 mil. yen
Operating Income	-6,644 mil. yen	9 mil. yen
Normal Income	1,508 mil. yen	5 mil. yen
Net Profit	-9,790 mil. yen	4 mil. yen
Basic Earnings Per Share	-74.30 yen	-

## 5. Overview of the Business to be Split

### (1) Business Operations

Business related to LIFULL HOME'S Monthly, a service for serviced apartments rented on a monthly basis

### (2) Operating Results, Assets and Liabilities

Revenue (FY 2022/9) : 34 mil. yen

Total Assets<sup>1</sup> : 0 mil. yen

Total Liabilities<sup>1</sup> : 0 mil. yen

<sup>1</sup> Changes may be made to total assets and liabilities to be succeeded up to the day before the effective date of the Company Split.

## 6. Status After Company Split

There will be no change to the name of the Company, location, representative director, business content or fiscal year-end due to this Company Split.

## 7. Outlook

The impact on consolidated performance of the Company will be minor.