

Listed Company: LIFULL Co., Ltd.
Representative: INOUE Takashi, President and CEO
(Stock Code: 2120 TSE Prime)
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Notice of Transfer of Subsidiary (Share Transfer) and Notice of Gain on Sale of Shares of Subsidiaries for the Fiscal Year Ending September 30, 2024

LIFULL Co., Ltd. (the "Company") hereby announces that a meeting of its Board of Directors held today has resolved to transfer all shares of its wholly-owned, specified subsidiary LIFULL SPACE Co., Ltd. ("LIFULL SPACE") to Arealink Co., Ltd.

With the transfer of shares, LIFULL SPACE will be removed as a consolidated subsidiary.

Notes

1. Reasoning for the Share Transfer

Under our corporate message of "Make Every LIFE FULL," the LIFULL offers a multitude of services tailored to lives of individual users both in Japan and over 60 different countries around the world in addition to its flagship real estate service, LIFULL HOME'S.

The search platform for rental storage spaces "LIFULL Trunkroom" was born out of our incubation program in 2013 as a service to enrich people's lives. In May 2021, LIFULL Trunkroom was the rental storage space portal with the most listings in Japan* and has contributed to the growth of the rental storage space industry.

The operator of the website, LIFULL SPACE, was founded as a spin-off in 2015 and has been working to contribute to the further expansion of the storage space industry by offering a number of support services. For example, LIFULL SPACE has expanded its offering beyond online listings to guarantee services for delinquent payments for rental spaces.

Meanwhile, Arealink Co., Ltd., which operates rental storage spaces nationwide under the "Hello Storage" brand, is driving market expansion as a leader in the storage services industry, with its flagship storage business continuing to increase revenues for the eighteenth fiscal year.

Through the integration of LIFULL SPACE's marketing prowess, listing volume (the largest in Japan) and website operation skills with Area Link's expertise in storage spaces, we believe that this share transfer will contribute to the further development of the rental storage industry, which is expected to continue to grow.

Therefore, we believe that this transfer will result in an improvement in our corporate value and value provided to shareholders.

2. Subsidiary to be Transferred

| | | | |
|----------------------------------|---|--|-----------|
| (1) Company Name | LIFULL SPACE Co., Ltd. | | |
| (2) Location | 1-4-4 Kojimachi, Chiyoda-ku, Tokyo 102-0083, Japan | | |
| (3) Representative (Title) | OKUMURA Shuhei (Representative Director, President) | | |
| (4) Business | <ul style="list-style-type: none"> • Operation of “LIFULL Trunkroom” a website for rental storage space, motorcycle containers and monthly parking space etc. • Provision of insurance specialized for storage space “Anshin Trunkroom Hoshō” | | |
| (5) Capital | JPY 8 mil. | | |
| (6) Establishment | Jul. 2015 | | |
| (7) Shareholders and Ownership | LIFULL Co., Ltd. (94.3%) 2 Executives of LIFULL SPACE Co., Ltd. (5.7%) | | |
| (8) Relationships to the Group | Capital Relationships | The Company owns 94.3% of shares of the subsidiary *Minority shares will be acquired by the Company before the transfer | |
| | Personnel Relationships | 3 directors and 1 auditor have been assigned by the Company, but these postings are to be dissolved as the employees also work for the Company | |
| | Trade Relationships | Rental income, outsourced management, orders and loans | |
| | FY 2020/9 | FY 2021/9 | FY 2022/9 |
| Net Assets (JPY mil.) | 147 | 190 | 236 |
| Total Assets (JPY mil.) | 171 | 242 | 277 |
| Net Asset Worth Per Share (JPY) | 463,518 | 597,927 | 745,273 |
| Sales Revenue (JPY mil.) | 218 | 234 | 242 |
| Operating Profit (JPY mil.) | 45 | 89 | 113 |
| Ordinary Income (JPY mil.) | 46 | 89 | 113 |
| Profit for the Period (JPY mil.) | 30 | 57 | 75 |
| Earnings Per Share (JPY) | 94,880 | 181,848 | 238,269 |

3. About the Recipient (As of December 31, 2022)

| | |
|--------------------------------|---|
| (1) Company Name | Arealink Co., Ltd. |
| (2) Location | Floor 20, North Wing, Akihabara UDX Bldg., 14-1 Sotokanda 4-chome, Chiyoda-ku, Tokyo, 101-0021, Japan |
| (3) Representative | Representative Director and Chairman (CEO) Naomichi Hayashi Representative Director and President (CEO) Yoshika Suzuki |
| (4) Business | Operation of "Hello Storage" rental spaces |
| (5) Capital | JPY 6,111 mil. |
| (6) Establishment | April 1995 |
| (7) Net Assets | JPY 23,072 mil. |
| (8) Total Assets | JPY 45,643 mil. |
| (9) Shareholders and Ownership | Orchestra Holdings Inc. (100%) |
| (10) Relationship to the Group | There are no capital, personnel, trade or related-party relationships to the Company |

4. Shares of Subsidiary to be Transferred, Transfer Price, Share Ownership Before/After Transfer

| | |
|---------------------------------|----------------------------------|
| (1) Shares Held Before Transfer | 318 (Voting rights ratio: 100%)* |
| (2) Shares to be Transferred | 318 |
| (3) Transfer Price | JPY 1,150 mil. |
| (4) Shares Held After Transfer | 0 (LIFULL holding ratio: 0%) |

* Minority shares will be acquired by the Company before the transfer

5. Schedule

| | |
|-----------------------------------|------------------------------|
| (1) Board of Directors Resolution | September 22, 2023 |
| (2) Closing Date | September 25, 2023 (Planned) |
| (3) Transfer of Shares | February 29, 2024 (Planned) |

6. Effects on Financial Performance

We currently expect a gain from this share transfer during the fiscal year ending September 30, 2024, and are calculating the exact amount. We will make an announcement as soon as the gain has been determined.

Any gains resulting from this transfer of shares of the equity method affiliate will be reflected in the Earnings Forecast for the fiscal year ending September 30, 2024, to be released along with the Earnings Report for the fiscal year ended September 30, 2023, on November 13, 2023.