



March 12, 2021

Company Name: Ateam Inc.

Representative: Takao Hayashi, President

(Code Number: 3662)

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Notice of Transition to a Holding Company Structure through Company Split and Establishment of Subsidiaries

Upon the Board of Directors meeting held on March 12, 2021, Ateam Inc. (hereafter Ateam) hereby announces a transition to a holding company structure via a company split method will be effective as of August 1, 2021 (tentative), and two wholly-owned subsidiaries will be established as preparatory companies for the split as mentioned below.

In addition, Ateam will continue to be listed as a holding company without a change in trade name.

Because this company split is a simplified absorption-type split targeting wholly-owned consolidated subsidiaries, some disclosure items and details are omitted.

1. Reason for the Company Split

Based on the corporate philosophy “to be a company where all can achieve happiness together” and “to be a company that continues 100 years from today”, Ateam aims to provide content and services for smart devices in various technological and business fields centered around the internet.

Based on this policy, A.T. Brides Inc. (currently Ateam Brides Inc.) was established as the first subsidiary in 2013, and since then, has established numerous other subsidiaries mainly in the Lifestyle Support Business to aspire to build a strong group management system. As for the third business axis which started as a new challenge, the E-Commerce Business was finally able to achieve profitability in FY2020, and the Entertainment Business which has potential for explosive growth, is preparing for its next growth stage.

Ateam has promoted the growth of each business by cultivating the technologies and management know-how necessary for business growth through multiple business models and successful experiences in business areas and sharing them within the entire group. In the future, we have decided to transition to a holding company and change to a business entity that does not have individual businesses but rather concentrates on new business creation, M&A and investment, business management after establishment/integration, and growth promotion. With this change to a holding company structure, we aim to be a platform for business creation, and while supporting subsidiaries, aim to promote transfer of authority to subsidiaries, improve business speed, and provide presidents with management experience, thus striving to improve corporate value while enhancing management of the entire group.

2. Overview of the Company Split

(1) Schedule of Company Split

Board of Directors Approval for Establishment of Split Preparation Company	March 12, 2021
Establishment of Split Preparation Company	April 22, 2021 (tentative)
Board of Directors Approval for Absorption-type Company Split Agreement	May 13, 2021 (tentative)
Conclusion of Absorption-Type Split Agreement	May 13, 2021 (tentative)
Effective Date of Absorption-Type Split	August 1, 2021 (tentative)

(Note) Because this company split is a simple absorption-type split stipulated in Article 784, Paragraph 2 of the Companies Act, along with the successor companies “Ateam Entertainment Inc.” and “Ateam Commercetech Inc.” falling under the abbreviated absorption-type company split stipulated in Article 796, Paragraph 1 of the Companies Act, obtaining a resolution at the general meeting of shareholders is not required.

(2) Method of Company Split

By means of the absorption-type split method, Ateam is scheduled to establish two split preparation companies, and succeed the Entertainment Business to the newly established wholly-owned subsidiary “Ateam Entertainment Inc.”, and succeed the E-Commerce Business to the newly established wholly-owned subsidiary “Ateam Commercetech Inc.”. In addition, Ateam will continue to be listed as a holding company.

(3) Details of Allocation Related to Company Split

The details of the allocation related to the company split are undecided, and will be disclosed once determined.

(4) Handling of the Company’s Stock Acquisition Rights and Bonds

Not applicable.

(5) Capital Increase/Decrease Due to this Absorption-Type Split

There are no plans to increase or decrease the capital of the Company due to the company split.

(6) Rights and Obligations to be Succeeded by the Successor Company

The details of the rights and obligations that the successor company will succeed are undecided, and will be disclosed once determined.

(7) Expected Debt Fulfillment

The above is undecided, and will be disclosed once determined.

The following English translation is for reference purposes only, as it was originally prepared and published by the Company in Japanese and is qualified in its entirety by the original Japanese version submitted to the Tokyo Stock Exchange. Please refer to the Japanese version in the event of any discrepancy between the English and Japanese versions.

3. Overview of the Split Preparation Companies to be Established

(1) Company to succeed the Entertainment Business

① Company Name	Ateam Entertainment Inc.	
② Location	Nagoya, Aichi, Japan	
③ Representative	President, Yukimasa Nakauchi	
④ Business Overview	Entertainment Business	
⑤ Capital	50 million JPY	
⑥ Date of Establishment	April 22, 2021 (tentative)	
⑦ Issued Shares	100,000 shares (tentative)	
⑧ Fiscal Year Ending	July 31	
⑨ Major Shareholders	Ateam Inc. 100%	
⑩ Relationship with Company	Capital Ties	Wholly-owned subsidiary
	Personnel	Plan to deploy director(s)
	Transactions	No business relationship as operations have not begun

(2) Company to succeed the E-Commerce Business

⑪ Company Name	Ateam Commercetech Inc.	
⑫ Location	Nagoya, Aichi, Japan	
⑬ Representative	President, Kazuhiro Mochizuki	
⑭ Business Overview	E-Commerce Business	
⑮ Capital	50 million JPY	
⑯ Date of Establishment	April 22, 2021 (tentative)	
⑰ Issued Shares	100,000 shares (tentative)	
⑱ Fiscal Year Ending	July 31	
⑲ Major Shareholders	Ateam Inc. 100%	
⑳ Relationship with Company	Capital Ties	Wholly-owned subsidiary
	Personnel	Plan to deploy director(s)
	Transactions	No business relationship as operations have not begun

4. Impact on Financial Results

Because the split preparation companies to succeed the businesses are wholly-owned subsidiaries of Ateam, there will be no impact on the consolidated financial forecast.

Further information of the company split will be announced once determined.