



July 30, 2021

Company Name: Ateam Inc.

Representative: Takao Hayashi, President

(Code Number: 3662)

Contact: Akinori Mitsuoka, Corporate Officer/IR Officer, General Manager of Corporate Development Division

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Notice Regarding Company Split (Absorption-Type Split)

Upon the Board of Directors meeting held on March 12, 2021, Ateam Inc. (hereafter Ateam) hereby announced that the business operating the “Lalune” application will be transferred to Ateam Lifestyle Inc. via a company split method effective as of August 1, 2021, as mentioned below.

Thus, due to this company split being a simple absorption-type split with a wholly-owned subsidiary, some disclosure items and details are omitted.

1. Reason for the Company Split

The purpose of this company split is to transition to a holding company structure 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.

Additionally, we apologize for not having been able to disclose regarding this company split upon resolution.

2. Overview of the Company Split

(1) Schedule of Company Split

| | |
|---|----------------------------|
| Board of Directors Approval for Company Split | March 12, 2021 |
| Board of Directors Approval for Absorption-type Company Split Agreement | May 13, 2021 |
| Conclusion of Absorption-Type Split Agreement | May 13, 2021 |
| 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, and “Ateam Lifestyle Inc.” falls 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 succeed the business operating the “Lalune” application to the wholly-owned subsidiary “Ateam Lifestyle Inc.”.

(3) Details of Allocation Related to Company Split

Due to Ateam owning all the shares of its subsidiaries, there will be no allocation or delivery of shares or other money related to the company split.

(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

| Successor Company | Rights and Obligations to be Succeeded |
|----------------------|---|
| Ateam Lifestyle Inc. | Assets, debts, and other rights and obligations related to the business operating the “Lalune” application will be specified in the absorption-type company split agreement |

(7) Expected Debt Fulfillment

Ateam and its subsidiaries have determined that debts that are due after the effective date of the company split are expected to be fulfilled by the subsidiaries.

3. Overview of Companies Upon Company Split

| | Company to Undergo Company Split | Successor Company |
|-------------------------|---|--|
| ① Company Name | Ateam Inc. | Ateam Lifestyle Inc. |
| ② Location | 28-12 Meieki 3-chome, Nakamura-ku, Nagoya, Japan | 28-12 Meieki 3-chome, Nakamura-ku, Nagoya, Japan |
| ③ Representative | President, Takao Hayashi | President, Fumio Mase |
| ④ Business Overview | Business management of Group companies | Digital Marketing Support Business, Platform Business, Business operating the “Lalune” application |
| ⑤ Capital | 838 million JPY (as of April 30, 2021) | 50 million JPY |
| ⑥ Date of Establishment | February 29, 2000 | August 22, 2013 |
| ⑦ Issued Shares | 19,789,200 shares (as of April 30, 2021) | 100,000 shares |

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| | | |
|---|--|--|
| ⑧ Major Shareholders (as of January 31, 2021) | HAYASHI FAMILY INC. 28.3% | Ateam Inc. 100% |
| | Ateam Employees' Stockholding 4.8% | |
| | Master Trust Bank of Japan, Ltd. (Trustee) 4.3% | |
| | Takao Hayashi 3.5% | |
| | Takahiro Makino 2.9% | |
| | Custody Bank of Japan, Ltd. (Trustee) 2.3% | |
| | Yukimasa Nakauchi 1.1% | |
| | JPMBL RE J.P. MORGAN SECURITIES LLC COLL EQUITY 1.1% | |
| | Custody Bank of Japan, Ltd. (Trustee 5) 1.0% | |
| | BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) 1.0% | |
| ⑨ Financial Status and Operating Results for the Previous Fiscal Year | | |
| Fiscal Year Ending | Fiscal Year Ending July 2020 (Consolidated) | Fiscal Year Ending July 2020 (Non-consolidated) |
| Net Assets | 11,722 million JPY | 517 million JPY |
| Total Assets | 16,063 million JPY | 937 million JPY |
| Net Assets Per Share | 594.54 JPY | 5,179.63 JPY |
| Revenue | 31,739 million JPY | 3,721 million JPY |
| Operating Income | 1,273 million JPY | -258 million JPY |
| Ordinary Income | 1,249 million JPY | -253 million JPY |
| Net Loss Attributable to Shareholders of Parent Company | -519 million JPY | -165 million JPY |
| Net Income Per Share-Basic | -26.59 JPY | -1,659.69 JPY |

4. Overview of the Business Division to be Split

(1) Business Content of the Division to be Split

Business operating the “Lalune” application

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(2) Business Results of the Division to be Split

Revenue (Fiscal Year Ending July 2020)

(million JPY)

| Revenue of Business to be Split (A) | Revenue of Company to Undergo Company Split (B) | Ratio (A/B) |
|--|--|----------------|
| 291 | 31,739 | 0.9% |

(3) Items and Amounts of Assets and Liabilities to be Split

(million JPY)

| Assets | | Liabilities | |
|--------------------|----|----------------------------|---|
| Current Assets | 19 | Current Liabilities | 5 |
| Non-Current Assets | 0 | Non-Current Liabilities | 0 |
| Total | 19 | Total | 5 |

5. Status After the Company Split

Upon the company split, there will be no change in company name, location, representative, business overview, capital and fiscal year ending for both Ateam Inc. and Ateam Lifestyle Inc.

6. Impact on Financial Results

The impact on the consolidated financial results of Ateam regarding this matter is minimal.