



December 16, 2022

Company Name	Chatwork Co., Ltd.
Representative	Masaki Yamamoto Representative Director, CEO
Securities code	4448, Tokyo Stock Exchange Growth Market
Contact	Naoki Inoue Director, CFO & Executive Officer (E-mail: <a href="mailto:ir@chatwork.com">ir@chatwork.com</a> )

### **Notice of Share Acquisition (Conversion into Subsidiary) of MINAGINE Co., Ltd.**

At a Board of Directors meeting on December 16, 2022, Chatwork Co., Ltd. resolved to acquire shares of MINAGINE Co., Ltd. and make it a consolidated subsidiary.

#### **1. Purpose of the Share Acquisition**

We develop and market Chatwork, a business chat service that provides “everyone with a way of working that is one step ahead,” with the mission of “making working more fun and creative.” In line with our medium-term management plan, we are currently working on three strategies, “the Product-Led Growth Strategy,” “Horizontal + Vertical Strategy,” and “DX Solution Strategy,” with the aim of making Chatwork the leading business chat service for small and medium-sized businesses (SMBs) in the medium term and a “super app for business” in the long term.

Meanwhile, MINAGINE Co., Ltd. (“MINAGINE”; Representative Director: Hideaki Sato) engages in the human resources (HR) business, primarily for SMBs, with a focus on the planning and marketing of cloud-based work management and personnel evaluation systems, as well as the outsourcing of payroll and other labor-related operations.

The agreement was reached due to a convergence of interests between Chatwork Co., Ltd., which wants to expand its service offerings in order to make Chatwork into a super app, and MINAGINE, which is looking for a partner to promote digital transformation (DX) in the HR domain, such as payroll and attendance management. Following the acquisition, MINAGINE will become a wholly owned subsidiary of Chatwork Co., Ltd.

By converting MINAGINE into a wholly owned subsidiary, we will be able to expand our services in the HR domain in order to realize a super app for business in accordance with our medium-term management plan. By connecting the business chat communication tool with HR services, the two companies aim to provide customers with high value-added services and deliver more value to customers. Because both companies’ services primarily target SMBs, we believe that revenue contribution and cost efficiency can be expected by expanding our mutual customer bases. Furthermore, we believe that in the future, MINAGINE’s expertise can be applied in other areas where IT tools alone cannot solve the problem.

To maximize the value we provide to Chatwork users, we will continue to invest actively in the expansion of highly compatible services while maintaining sound financial discipline.

## 2. Overview of the Subsidiary to be Transferred (MINAGINE Co., Ltd.)

Overview of the subsidiary to be transferred (MINAGINE Co., Ltd.)

(1)	Name	MINAGINE Co., Ltd.		
(2)	Address	6F Dojima Grand Building 1-5-17 Dojima, Kita-ku, Osaka, Osaka		
(3)	Name and title of representative	Hideaki Sato, President		
(4)	Description of business	Payroll outsourcing Work management systems and others		
(5)	Share capital (including capital reserve)	90 million yen		
(6)	Date of establishment	October 9, 1976		
(7)	Major shareholders and ownership ratio	Hideaki Sato 35.4%, Tomokuni Nozaki 13.7%, Eishin Co., Ltd. 50.9% *		
(8)	Relationship between the Company and said company	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	Provided working capital loans	
(9)	Consolidated operating results and financial position of said company for the last three years			
	Fiscal year	FY10/20	FY10/21	FY10/22
	Consolidated net assets	-162 million yen	-256 million yen	-316 million yen
	Consolidated total assets	334 million yen	368 million yen	287 million yen
	Consolidated net assets per share	-2,033.13 yen	-2,774.95 yen	-3,344.06 yen
	Consolidated revenue	282 million yen	354 million yen	481 million yen
	Consolidated operating profit	-120 million yen	-143 million yen	-57 million yen

Consolidated ordinary profit	-132 million yen	-143 million yen	-59 million yen
Profit attributable to owners of the parent	-163 million yen	-144 million yen	-59 million yen
Consolidated profit per share	-2,039.59 yen	-1,557.10 yen	-630.71 yen
Dividend per share	0 yen	0 yen	0 yen

\* Expected shareholding ratios as of January 31, 2023

### 3. Overview of the Counterparty to the Acquisition of Shares

(1)	Name	Eishin Co., Ltd.	
(2)	Address	Osaka City, Osaka	
(3)	Name and title of representative	Hideaki Sato	
(4)	Description of business	Asset management company	
(5)	Share capital (including capital reserve)	6.7 million yen	
(6)	Date of establishment	November 10, 2019	
(7)	Net assets	6 million yen	
(8)	Total assets	6 million yen	
(9)	Major shareholders and ownership ratio	Hideaki Sato, 100%	
(10)	Relationship between the Company and said company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable
		Related party status	Not applicable

(1)	Name	Hideaki Sato
(2)	Address	Osaka City, Osaka
(3)	Relationship between the Company and said individual	Not applicable

(1)	Name	Tomokuni Nozaki
(2)	Address	Setagaya-ku, Tokyo
(3)	Relationship between the Company and said individual	Not applicable

#### 4. Number of Shares to be Acquired, Acquisition Price, and Shareholding Before and After Acquisition

(1)	Number of shares held before the change	0 shares (Number of voting rights: 0) (Percentage of voting rights owned: 0%)
(2)	Number of shares to be acquired	94,600 shares (Number of voting rights: 94,600)
(3)	Acquisition costs	Minimum 600 million yen Maximum 1,000 million yen *1*2 Advisory and other fees (estimated) 10 million yen
(4)	Number of shares held after the change	94,600 shares (Number of voting rights: 94,600) (Percentage of voting rights owned: 100.0%)

\*1 The acquisition price is decently calculated based on a valuation using the DCF method, etc. by an independent third party.

\*2 We have agreed to an earnout linked to performance, with the possibility of up to a total of 1,000 million yen depending on the achievement of MINAGINE Co., Ltd. over the next three years.

#### 5. Schedule

(1)	Date of resolution at the meeting of the Board of Directors	December 16, 2022
(2)	Date of conclusion of the agreement	December 16, 2022
(3)	Date of execution of share transfer	January 31, 2023 (scheduled)

#### 6. Future Outlook

We expect this share acquisition to have a minor impact on our consolidated financial results for the fiscal year ending December 31, 2022. We will promptly announce any matters that should be disclosed.