



October 23, 2023

Company name: Net Protections Holdings, Inc.
Representative: Shin Shibata, President and Representative Director
(Security code: 7383 the Prime Market of TSE)
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Notice Regarding Floor Space Reduction at the Head Office of a Consolidated Subsidiary

Net Protections Inc., a consolidated subsidiary of Net Protections Holdings, Inc. (the Company), hereby announces that its Board of Directors has decided today to reduce the floor space in the office of the Sumitomo Fudosan Kojimachi First Building (the subsidiary head office building), which the Company occupies, as of the end of April 2024, as follows.

Description

1. Outline of the consolidated subsidiary

(1) Company name	Net Protections Inc.
(2) Location	4-2-6 Kojimachi, Chiyoda-ku, Tokyo, Japan
(3) Representative	Shin Shibata, President and Representative Director
(4) Business description	Payment solution business
(5) Capital	JPY 100 million

2. Details of the floor space reduction at the subsidiary head office building

Three floors are currently under contract as the head office building of the subsidiary company, but one of the three floors' contract will be terminated on 30 April 2024.

3. Reason

The Company's subsidiary moved its head office to its current location in 2018. Since that time, the Company group has partially introduced remote work as one of the means to support the diverse work styles for team members. While experiencing the spread of COVID-19, the Company group further promoted the development of its work environment and now has achieved a company-wide remote work style while maintaining operational efficiency.

The Company group has been promoting various measures to improve profitability and curb the SG&A as an important management theme. Therefore, the Company has reviewed the office strategy and decided to reduce the floor space at the head office of the consolidated subsidiary due to the changes in work styles.

4. Impact on financial results

This decision will result in one-off costs such as restoration costs for the floor to be canceled and increased depreciation costs due to changes in the estimated useful lives of fixed assets. The impact of these costs on the financial results for the fiscal year ending March 31, 2024 is under scrutiny and will be disclosed promptly if any matters arise that should be announced in the future.

The total amount of costs that can be contained by this decision from the fiscal year ending March 31, 2025 onwards is expected to be approximately JPY 100 million per year.