

March 17, 2020

Company name	Livesense Inc.
Representative	Taichi Murakami, President and Representative Director
(Code number: 6054 TSE)	
Contact	Motoi Nakazato, Director
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## **Notice of Incorporation-type Company Split of Syukatsu Kaigi and Signing of Basic Agreement on Transfer of Shares of New Company**

Livesense Inc. (“the Company”) announced today that the Board of Directors resolved at the meeting held today to split the Syukatsu Kaigi new graduate employment support service (“the Business”) via simple split and enter into a basic agreement with Port Inc. (“Port”) for the transfer of all shares of the new company (“the Transaction”).

As the split constitutes a simple incorporation-type company split solely pertaining to the Company, some items and details are not disclosed in this announcement.

### **I. The Transaction**

#### **1. Reasons for the Transaction**

In line with our corporate vision, "Invent the next common." the Company operates multiple online media businesses.

Syukatsu Kaigi is an information site for new graduates launched in 2015. It provides company reviews, company application forms, the status of screening at each company, and other information and offers services that support new graduates engaged in job hunting activities in finding employment with a company that suits them.

The Company continually considers optimization of policies and resources to invent the next common and realize future growth. Our belief is that restructuring our business portfolio through higher investment in new businesses that will become the next common and the requisite selection and concentration of existing businesses are necessary in the current phase.

Used by around half of all new graduates, the Business is one with high user value, delivering information not found anywhere else, including company reviews, company application forms, the status of screening at each company, and more. At the same time, based on the oligopolistic conditions and changes in the current market environment, we recognize that further investment will be required to capture market opportunities and achieve discontinuous growth. Believing that management of operations by a company possessing strengths in the job hunting market to be better than the Company’s own independent operations, we have been looking into transferring the Business.

On the other hand, Port operates multiple services for new graduates, including Career Park!, which boasts of more than 280,000 users registered yearly. The job hunting domain is one of their focuses, and they had been looking into ways to improve corporate value by enhancing their user base.

The strategies of both companies came together under these circumstances, and the decision was made to carry out the Transaction.

## 2. Overview of the Transaction

### (1) Schedule of company split and share transfer

Date of resolution by Board of Directors to approve plan for incorporation-type company split	Mid-April 2020 (tentative)
Effective date of split	May 1, 2020 (tentative)
Date of signing of share transfer agreement	Mid-April 2020 (tentative)
Date of share transfer	May 1, 2020 (tentative)

Note: The company split is a simple split pursuant to Article 805 of the Companies Act of Japan and does not require approval of the General Meeting of Shareholders, so it will be implemented by resolution of the Board of Directors.

### (2) Type of company split

An incorporation-type company split (simple split) with the Company as the demerged company and the new company as the successor company.

### (3) Allocation of shares for the company split

100 common shares will be issued for the new company in the split, and all of them will be allocated to the Company. On May 1, 2020, the Company plans to transfer all shares to Port.

### (4) Handling of share acquisition rights and bond subscription warrants associated with company split

There are no changes to handling of already issued share acquisition rights with the split. The Company also has not issued bond subscription warrants.

### (5) Changes in capital associated with company split

There will be no change to the Company's capital as a result of the company split.

### (6) Rights and obligations assumed by new company

The new company will take over assets, liabilities, and other rights and obligations belonging to the Business from the Company as of the effective date as set forth in the incorporation-type company split plan to be voted on in mid-April 2020.

### (7) Likelihood of performing obligations

It has been determined that neither the Company nor the new company will have any problems performing their obligations on or after the effective date of the company split.

### (8) Overview of share transfer

The Company plans to transfer all shares of the new company to Port on May 1, 2020. Refer to "3. Overview of companies involved in split" for an overview of the new company. Refer to "7. Overview of share transferee" for an overview of Port.

### 3. Overview of companies involved in split

	Demerged company (As of December 31, 2019)	New company (Scheduled for May 1, 2020)
(1) Company name	Livesense Inc.	Syukatsu Kaigi Inc.
(2) Address	5F Shin-meguro Tokyu Bldg., 2-25-2 Kamiosaki, Shinagawa-ku, Tokyo	Shinagawa-ku, Tokyo
(3) Representatives	Taichi Murakami, President and Representative Director	Taichi Murakami, President and Representative Director
(4) Business	Internet media operations	Internet-based employment information provision service for new graduates
(5) Capital	235 million yen	TBD
(6) Established	February 8, 2006	May 1, 2020
(7) Number of issued shares	28,144,000	TBD
(8) Fiscal year	End of December	TBD
(9) Major Shareholders	Taichi Murakami (48.7%) Daisuke Katsura (9.6%)	Livesense Inc. (100.0%)
(10) Relationship between relevant companies		
Capital relationship	On the effective date of the incorporation-type company split, the Company will hold 100% of the new company's shares, but all of them will be transferred to Port on May 1, 2020.	
Human relationship	None	
Business relationship	None	

### 4. Financial position and results of demerged company over past three years

(Millions of JPY)

	Livesense Inc.		
	Year ended December 2017	Year ended December 2018	Year ended December 2019
Net assets	3,441	3,707	4,940
Total assets	4,348	4,322	6,240
Net assets per share (yen)	121.25	130.88	175.28
Net sales	6,350	6,791	6,189
Operating income	222	122	-5
Ordinary income	457	261	94
Profit attributable to owners of parent	306	285	1,250
Net income per share (yen)	10.91	10.14	44.42

### 5. Overview of business division to be split off

#### (1) Overview of business division to be split off

Syukatsu Kaigi new graduate employment support service

#### (2) Financial results of division (fiscal year ended December 31, 2019)

Net sales: 217 million yen

#### (3) Assets and liabilities to be split and amounts thereof

TBD

### 6. Post-split conditions of the Company and new company

Refer to "3. Overview of companies involved in split" for details on the names, addresses, names and titles of representatives, business description, capital, and fiscal terms of the Company and the new company after the company split. The Company plans to transfer all shares of the new company to Port on the effective date of the share transfer pertaining to the new company.

## 7. Overview of share transferee

(1)	Company name	Port Inc.	
(2)	Address	12F Sumitomo Fudosan Shinjuku Grand Tower, 8-17-1 Nishi-shinjuku, Shinjuku-ku, Tokyo	
(3)	Representative	Hirofumi Kasuga, President and CEO	
(4)	Business	Internet media business	
(5)	Capital	816 million yen (as of December 31, 2019)	
(6)	Established	April 18, 2011	
(7)	Net assets	2,020 million yen (as of December 31, 2019)	
(8)	Total assets	3,682 million yen (as of December 31, 2019)	
(9)	Major Shareholders	Hirofumi Kasuga (36.4%)	
(10)	Relationships between the listed company and the company	Capital relationship	None
		Human relationship	None
		Business relationship	There are transactions in the HR information media business.
		Status of relationship with related parties	None

## 8. Number of shares to be transferred, transfer price, and shares held before and after the transfer

(1)	Number of shares held prior to change	TBD (Number of voting rights: TBD, percentage of voting rights: 100%)
(2)	Number of shares to be transferred	All issued shares (Number of voting rights: TBD)
(3)	Transfer price	1,500 million yen
(4)	Number of shares held after change	— shares (Number of voting rights: -, percentage of voting rights: -%)

## 9. Forecast

The impact of the transfer on consolidated earnings for the year ending December 31, 2020 is currently under careful review. Any matters arising that should be published will be promptly disclosed.