

March 31, 2022

Company name: Meiko Network Japan Co., Ltd.  
Representative: Kazuhito Yamashita,  
President & Representative Director  
Stock code: 4668 (TSE First Section)  
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### **Notice Concerning Acquisition of Shares of Simple Inc. (a new subsidiary)**

Meiko Network Japan Co., Ltd. (the “Company”) hereby announces that, at the meeting of the Board of Directors held on March 31, 2022, the Company resolved to acquire shares of Simple Inc. as its new subsidiary.

#### 1. Reason for share acquisition

The Company has established two Management Philosophy: "We aim to nurture human resources through our contribution to educational and cultural programs" and "We help achieve goals through our development and diffusion of franchise know-how". We also have an Educational Philosophy: "To nurture creative, independently-minded human resources for 21st century society through an individual tutoring service that promotes self-motivated learning". Since the Company's foundation, the Company has cherished these principles and has worked to directly run the "Meiko Gijuku", an individual tutoring cram school based on "self-motivated learning" and "individual tutoring", and to expand its franchise system nationwide.

While inheriting this "founding spirit", we will respond to rapid changes in the social environment and create a business to provide valuable services that anticipate the needs of the times, starting from the Company's Purpose: "Create a memory of "You Can if You Think You Can"". We aim to grow into a "corporate group that extracts the potential in people".

On the other hand, Simple Inc. based on the philosophy of "Leading to a better future for all through our involvement", has developed career change support services: (a) "SIMPLE NURSERY" for nursery and kindergarten teachers and (b) "SIMPLE DIETITIAN" for dietitians. Simple Inc. is highly regarded as a human resource placement company that puts job seekers, nursery schools, and kindergartens first.

In addition, the corporate culture of Simple Inc., which is dedicated to maintaining a better state for the future than when we first met, has a strong affinity with the Company's Vision: "Bright Light for the Future: We will realize a bright future by becoming a corporate group that extracts the potential in people".

Therefore, we believe that the acquisition of shares in Simple Inc. will generate synergistic effects and drive the growth of the corporate group that extracts the potential in people.

Moreover, in the "Fan Fun Innovation" announced on October 14, 2021, the Company stated that it is an important

business strategy for the Company to "create the educational business and transform the business portfolio into one that is resilient to changes in the social environment by strengthening initiatives in the new human resources business". As part of the implementation of this strategy, we will strengthen our human resource placement business in the childcare industry to resolve the social issue of job losses and accelerate our transformation into a business portfolio that is resilient to changes in the social environment.

## 2. Overview of the subsidiary to be transferred (Simple Inc.)

(1) Name	Simple Inc.		
(2) Location	U's-1 building 7F, 7-1-10 Gotanda, Shinagawa-ku, Tokyo, Japan		
(3) Title and name of representative	Hiroshi Sato, Representative Director		
(4) Business	Fee-based employment placement services		
(5) Share capital	23,300,000 yen		
(6) Date of establishment	May 17, 2019		
(7) Major shareholders and shareholding ratios	Hiroshi Sato 100%		
(8) Relationship between the listed company and the subsidiary	Capital relationship	Not applicable.	
	Human relationship	Not applicable.	
	Business relationship	Not applicable.	
(9) The company's operating results and financial position in the last two years			
	Fiscal year end	April 2020	April 2021
	Net assets	18,797,000 yen	20,911,000 yen
	Total assets	55,024,000 yen	144,145,000 yen
	Net assets per share	8,067 yen	8,974 yen
	Net sales	63,494,000 yen	205,443,000 yen
	Operating profit	- 3,847,000 yen	2,691,000 yen
	Ordinary profit	- 4,352,000 yen	2,293,000 yen
	Profit	- 4,502,000 yen	2,113,000 yen
	Profit per share	- 1,932 yen	907 yen
	Dividend per share	-	-

## 3. Overview of the counterparty to the share acquisition

(1) Name	Hiroshi Sato
(2) Address	Shinagawa-ku, Tokyo
(3) Relationship between the listed company and the individual	Not applicable.

4. Number of shares to be acquired, acquisition price and status of shares held before and after the acquisition

(1) Number of shares held before transfer	0 shares (0% owned, 0 voting rights)
(2) Number of shares acquired	2,330 shares (Number of voting rights: 2,330)
(3) Acquisition price	The acquisition price is not disclosed based on the confidentiality obligation under the share transfer agreement. However, in order to ensure fairness and appropriateness, the acquisition price is determined in consideration of the results of financial, tax, legal and labor due diligence conducted by external organizations.
(4) Number of shares held after the change	2,330 shares (Number of voting rights: 2,330) (Percentage of voting rights held: 100%)

5. Schedule

(1) Date of resolution by the Board	March 31, 2022
(2) Date of contract	March 31, 2022
(3) Date of share transfer	April 1, 2022 (scheduled)

6. Future Outlook

The impact of this matter on the Company's consolidated financial results is expected to be minimal. However, the Company will promptly notify any matters that should be disclosed in the future.