



June 13, 2024

(For translation purposes only)

Raccoon Holdings, Inc.
1-14-14 Nihonbashi-Kakigaracho, Chuo-ku Tokyo
President: Isao Ogata, Representative Director
(Code: 3031, Tokyo Stock Exchange Prime Market)
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Notice Concerning Conclusion of Memorandum of Understanding on Transfer of Consolidated Subsidiary (Share Transfer)

Raccoon Holdings, Inc. (“Raccoon”) announces that at the Board of Directors meeting held on June 13, 2024, it decided to conclude a memorandum of understanding with Entrust Inc. (“Entrust”) to proceed with concrete discussions regarding transfer of all shares in RACCOON RENT, Inc. (“RACCOON RENT”), Raccoon’s consolidated subsidiary, to Entrust, as follows.

Although this information does not fall under the criteria for timely disclosure, Raccoon makes this voluntary disclosure since it is judged as useful information.

1. Reason for share transfer

RACCOON RENT, which has provided rent guarantee services for mainly personal residential property in the Kanto region since its foundation in 2009, joined the Raccoon Group in December 2018, aiming to provide more convenient rent guarantee services available for both residential and business property by adding the Group’s knowhow on corporate credit for business properties and IT technologies. Since joining the Group, it has provided convenient and unique services for real estate companies which manage various types of property such as the “Simple Plan” with lower initial guarantee commission fees occurring on renting property and “RACUHO,” an industry-first rent guarantee service which covers costs exceeding the guarantee.

Recently, we reviewed a policy for allocating management resources of the Raccoon Group. As a result, we decided to transfer shares in RACCOON RENT, determining that, following the selection and concentration of the business fields, we will be able to improve capital efficiency by concentrating management resources to the growing business. For selecting a transferee, we carefully and repeatedly discussed on whether business synergies are expected for continued development of RACCOON RENT’s rent guarantee services and furthermore, whether real estate companies that have used RACCOON RENT’s rent guarantee services and deepened relationships of trust with us can continue to use such services without any concerns in future. As a result, we determined it best to transfer the shares to Entrust and decided to conclude the memorandum of understanding.

2. Overview of transferred subsidiary

(1)	Name	RACCOON RENT, Inc.		
(2)	Location	1-14-14 Nihonbashi-Kakigaracho, Chuo-ku Tokyo		
(3)	Position and name of representative	Kazuto Nakayama, President & Representative Director		
(4)	Business description	Rent guarantee business		
(5)	Capital stock	100,000 thousand yen		
(6)	Date of foundation	December 22, 2009		
(7)	Major shareholder and shareholding ratio	Raccoon Holdings, Inc. 100%		
(8)	Relationships between the listed company and the company in question	Capital relationship	Raccoon has a 100% stake in the company in question.	
		Personnel relationship	Two Directors of Raccoon are concurrently serving as officers of the company in question. In addition, officers and employees of the company in question are seconded from Raccoon.	
		Business relationship	Raccoon undertakes the system development and other operations for the company in question. In addition, the company in question guarantees borrowing obligations of Raccoon.	
(9)	Business results and financial position of the company in question for the latest three years			
	Fiscal year	FY 4/2022	FY 4/2023	FY 4/2024
	Net asset	168 million yen	169 million yen	170 million yen
	Total assets	533 million yen	545 million yen	490 million yen
	Net assets per share	34,486.34 yen	34,631.93 yen	34,730.88 yen
	Net sales	426 million yen	456 million yen	439 million yen
	Operating income	(4 million yen)	3 million yen	(30 million yen)
	Ordinary income	(3 million yen)	23 million yen	(24 million yen)
	Net income	(4 million yen)	0.7 million yen	0.4 million yen
	Net income per share	(842.82 yen)	145.59 yen	98.95 yen

3. Overview of counterparty of share transfer

(1)	Name	Entrust Inc.		
(2)	Location	Hanzomon First Building 2nd Floor, 1-4 Koji-machi, Chiyoda-ku, Tokyo		
(3)	Position and name of representative	Yutaka Kuwabara, Representative Director and President		
(4)	Business description	Guarantee business and solution business		
(5)	Capital stock	1,045 million yen		
(6)	Date of foundation	March 9, 2006		
(7)	Net assets	5,209 million yen		
(8)	Total assets	7,975 million yen		
(9)	Major shareholder and shareholding ratio	Prestige International(S) Pte. Ltd. 56.83%		
(10)	Relationships between the listed company and the company in question	Capital relationship	Not applicable	
		Personnel relationship	Not applicable	
		Business relationship	Not applicable	
		Applicability to related parties	Not applicable	

4. Number of shares transferred, transfer price, and status of shares held before and after the transfer

(1)	Number of shares held before the transfer	4,900 shares (Number of voting rights: 4,900) (Percentage of voting rights: 100%)
(2)	Number of shares transferred	4,900 shares (Number of voting rights: 4,900)
(3)	Transfer price	To be determined in discussions toward conclusion of a share transfer agreement
(4)	Number of shares held after the transfer	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0%)

* The transfer price has not been determined at this point. After it is finalized, it will be promptly announced.

5. Schedule (planned)

(1)	Date of resolution at the Board of Directors meeting	June 13, 2024
(2)	Date of conclusion of the memorandum of understanding	June 13, 2024 (planned)
(3)	Date of the share transfer agreement	From August 2024 to September 2024 (planned)
(3)	Date of the share transfer	From September 2024 to October 2024 (planned)

* This transfer is to be implemented after final discussions with the counterparty of the share transfer and other related parties and therefore, in case of a change or delay of such discussions, the above schedule may change.

6. Future outlook

As a result of this share transfer, RACCOON RENT, Inc. will be excluded from consolidated subsidiaries. As terms and conditions for implementation of this share transfer are to be decided through future discussions, the transfer price of shares and the date of share transfer have not been finalized at this point; however, with regard to impact on the operating results, the estimated amounts of sales and profits from this transfer and gains or losses from sales have been reflected in “Forecast of consolidated results for the fiscal year ending April 30, 2025” stated in “Summary of Financial Results (Consolidated) For the Fiscal Year Ended April 30, 2024” disclosed today. Should any matter to be disclosed occur in the future, it will be promptly announced.