

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes.  
In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

June 25, 2024

Company Name: Money Forward, Inc.  
Representative: Yosuke Tsuji  
Representative Director, President and CEO  
(Securities Code: 3994,  
Stock Exchange: TSE Prime)  
Inquiries: Naoya Kanesaka  
Director, Group Executive Officer, CFO and CSO  
(TEL: +81-3-6453-9160)

**Notice Regarding Establishment of Subsidiary through Company Split  
(Simplified Incorporation-Type Company Split)**

Money Forward, Inc. (the “Company”) hereby announces that at today’s Board of Directors meeting, it has resolved to hand over the rights and obligations of the business deployed in the Company’s X domain (the “Business,” which involves the provision of financial services co-created with partners) to Money Forward X, Inc. (the “New Company”) to be established through an incorporation-type company split, with the effective date set to December 2, 2024 (the “Incorporation-Type Company Split”).

As the Incorporation-Type Company Split is a simplified type involving only the Company, certain items and details are omitted from this disclosure.

1. Purpose of the Incorporation-Type Company Split

The Company’s X domain provides financial services that are co-created with partners including financial institutions. Its mission is to create novel financial services and next-generation financial experiences by interweaving the technology and design capabilities fostered by the Company with the brand power and sales capabilities of its partners.

In recent years, X domain has been driving regional digital transformation (DX) in partner with 51 local financial institutions across Japan primarily through *BANKAPP*, a banking application for individuals, and the *Mikatano* series, a DX service for SMEs.

The Company is carrying out the Incorporation-Type Company Split for the purpose of pushing forward flexible and agile business strategies in X domain, including the acquisition of necessary licenses and approvals. The New Company will aim to achieve the aforementioned mission by cultivating relationships with partners and taking over the challenges of creating new financial services, while also engaging further in community-based activities in tandem with local financial institutions.

2. Outline of the Incorporation-Type Company Split

(1) Date of the Incorporation-Type Company Split

Date of board resolution for approving incorporation-type company split plan: June 25, 2024

Effective date of the company split: December 2, 2024 (plan)

\*Since the Incorporation-Type Company Split is a simplified type pursuant to Article 805 of Japan’s Companies Act, it can be carried out without the approval by the Company’s general meeting of shareholders.

(2) Method of the Incorporation-Type Company Split

The method is a simplified incorporate-type company split in which the Company is the split company and the New Company is the succeeding company, with the New Company scheduled to become a wholly owned subsidiary of the Company.

(3) Details of Allotment Related to the Incorporation-Type Company Split

The New Company will issue 100 shares of common stock accompanying the Incorporation-Type Company Split, all of which will be allotted to the Company.

(4) Handling of Share Acquisition Rights and Convertible Bonds Accompanying the Incorporation-Type Company Split

There will be no changes in the handling of share acquisition rights and convertible bonds issued by the Company as a result of the Incorporation-Type Company Split.

(5) Changes in Capital Resulting from the Incorporation-Type Company Split

There will be no changes in the Company's capital as a result of the Incorporation-Type Company Split.

(6) Rights and Obligations to Be Succeeded by the New Company

Of the assets, liabilities, contractual statuses, and other rights and obligations related to the Business, the New Company will succeed those stipulated in the incorporation-type company split plan issued on June 25 2024. Meanwhile, the employment contracts signed with employees involved in the Business will not be succeeded by the New Company. Such employees will be seconded from the Company to the New Company to engage in the Business.

(7) Prospects for Fulfillment of Obligations

The Company has determined that it does not foresee the New Company facing any problems in fulfilling the obligations it will bear after the effective date of the Incorporation-Type Company Split.

3. Overview of Companies Involved in the Incorporation-Type Company Split

	Split company (the Company) (as of November 30, 2023)	New Company (plan for December 2, 2024)
(1) Company name	Money Forward, Inc.	Money Forward X, Inc.
(2) Address	Minato-ku, Tokyo	Minato-ku, Tokyo
(3) Name and title of representative	Representative Director, President and CEO Yosuke Tsuji	Representative Director and President  Daisuke Motokawa
(4) Business description	Development and provision of PFM and cloud services	Development and provision of financial services
(5) Capital	26,716 million yen	100 million yen
(6) Date of incorporation	May 18, 2012	December 2, 2024 (plan)
(7) No. of shares issued	54,235,305 shares	100 shares
(8) Fiscal year-end	November 30	November 30
(9) Major shareholders and ownership ratio	Yosuke Tsuji 16.76% The Master Trust Bank of Japan, Ltd. (trust account) 13.42%	Money Forward, Inc. 100.00%

(10) Financial earnings and data in previous fiscal year of the split company

Fiscal year	Fiscal year ended November 30, 2023 (consolidated)
Net assets	34,660 million yen
Total assets	88,282 million yen
Net assets per share	514.09 yen
Net sales	30,380 million yen
Operating profit	-6,329 million yen
Ordinary profit	-6,738 million yen
Loss attributable to owners of parent	-6,315 million yen
Earnings per share	-116.98 yen

4. Overview of Business Unit to Be Split

(1) Details of the Business to Be Split

Business in the Company's X domain that provides financial services that are co-created with partners

(2) Financial Performance of the Business to Be Split

Net sales: 2,525 million yen (for the fiscal year ended November 2023)

(3) Accounts and Values of Assets and Liabilities to Be Split (as of February 29, 2024)

Assets		Liabilities	
Account	Book value	Account	Book value
Current assets	813 million yen	Current liabilities	1,416 million yen
Non-current assets	1,538 million yen	Non-current liabilities	0 million yen
Total	2,352 million yen	Total	1,416 million yen

Note: The actual amount of assets and liabilities to be split will be settled after reflecting the changes in the amount up to the effective date of the Incorporation-Type Company Split.

5. Status after the Incorporation-Type Company Split

The Incorporation-Type Company Split will not result in any changes in the Company's name, address, name and title of representative, business description, capital, or fiscal year-end.

6. Future Outlook

Since the New Company is scheduled to be a wholly owned subsidiary of the Company, the impact of the Incorporation-Type Company Split on the Company's financial performance will be minimal.