

UNOFFICIAL TRANSLATION  
The official press release is in Japanese.

Company Name: FinTech Global Incorporated  
Representative: Nobumitsu Tamai, President and CEO  
Stock Listing: Tokyo Stock Exchange Standard Market  
Stock Code: 8789  
Inquiries: Takashi Senda, Director,  
Senior Executive Officer  
Tel: 050-5964-3978

### **Notice regarding change in status of consolidated subsidiary to equity-method affiliate**

Tokyo, November 8, 2022—Rights and Brands Japan Co., Ltd. (hereafter, “RBJ”) is an indirectly owned consolidated subsidiary of FinTech Global (hereafter, “FGI”). At a meeting of the RBJ board of directors today, a decision was made for Moomin Characters Oy Ltd, official Moomin copyright holder (headquartered in Helsinki, Finland; hereafter, “MC”) and R&B Licensing AB, exclusive agent for MC (headquartered in Stockholm, Sweden; hereafter, “R&B”) to accept all shares in a 42.3% stake held by another existing RBJ shareholder. This transfer of shares should be completed in May 2023, and the expectation is then that MC and R&B will hold a combined 57.7% stake in RBJ, while FGI subsidiary Moomin Monogatari Ltd. (hereafter, “Moomin Monogatari”) retains its 42.3% stake. Also, as of today, one director sent to RBJ by FGI has stepped down from the position. Given these developments, RBJ will be excluded from FGI’s scope of consolidation and become an affiliate accounted for by the equity method. Details are provided below.

### **Particulars**

#### **1. Reasons for change**

Moomin Monogatari holds a 42.3% stake in RBJ, and at the present time, this makes RBJ an indirectly owned consolidated subsidiary of FGI under effective control standards\*.

RBJ is promoting a strategy to raise the value of the Moomin brand—a strategy that hinges on the One-Moomin global strategy endorsed by MC and R&B. The board of directors at RBJ approved the transfer of shares, believing the change in ownership will add momentum to the One-Moomin strategy and expand Moomin business in Japan. The transfer of shares should wrap up in May 2023, and as a result, the expectation is that the MC and R&B corporate groups will hold the majority of RBJ shares. In addition, with one director sent to RBJ by FGI stepping down from this concurrent position, directors from FGI and Moomin Monogatari no longer form the majority on the RBJ board of directors. Given these factors, RBJ will no longer be deemed a consolidated subsidiary of FGI, based on effective control standards, and the company’s status will be that of an affiliate accounted for by the equity method.

FGI and Moomin Monogatari agreed because the transfer of shares will lead to further development of the Moomin business in Japan and contribute to improved corporate value for RBJ and Moomin Monogatari.

\*Ratio of voting rights above 40% but less than 50%; majority of members on board of directors come from FGI

## 2. Outline of the subsidiary undergoing change in status (As of September 30, 2022)

(1) Name	Rights and Brands Japan Co., Ltd.		
(2) Address	Meguro Central Square, 15th Floor, 3-1-1, Kamiosaki, Shinagawa-ku, Tokyo		
(3) Name and title of representative	Kumiko Ito, President		
(4) Business activities	Activities include those of agent for transfer and use of copyrights		
(5) Paid-in capital	¥45 million		
(6) Date of establishment	March 16, 2018		
(7) Major shareholders and shareholding ratios	Moomin Monogatari, Ltd.	42.3%	
	Tuttle-Mori Agency, Inc.	42.3%	
	MC	10.4%	
	R&B	5.0%	
(8) Relationships with FGI	Capital relationship	• Moomin Monogatari holds a 42.3% stake in RBJ.	
	Personnel relationship	• Concurrently, a Moomin Monogatari director holds the position of representative director at RBJ, two Moomin Monogatari directors hold positions as directors at RBJ, one Moomin Monogatari employee holds a position as a director at RBJ, and one Moomin Monogatari employee has corporate auditor duties at RBJ.	
	Business relationship	<ul style="list-style-type: none"> <li>• FGI signed a management services agreement with RBJ and receives a consulting fee from the company. In addition, FGI subleases space in the building where it is a tenant to RBJ.</li> <li>• Moomin Monogatari pays a licensing fee to RBJ applicable mainly to the sale of Moomin character merchandise.</li> <li>• Moomin Monogatari receives a service fee for e-commerce operations from RBJ.</li> </ul>	
(9) Consolidated performance and financial position for the past three years			
Fiscal year	Ended March 31, 2020	Ended March 31, 2021	Ended March 31, 2022
Net assets	¥240 million	¥397 million	¥613 million
Total assets	¥752 million	¥966 million	¥1,122 million
Net assets per share	¥600,194	¥994,500	¥1,457,423
Net revenue	¥1,580 million	¥1,614 million	¥1,843 million
Operating income	¥214 million	¥233 million	¥250 million
Recurring profit	¥216 million	¥230 million	¥250 million

Net income	¥156 million	¥157 million	¥156 million
Net income per share	¥390,426	¥394,305	¥371,271
Dividends per share	—	¥12,500	¥37,500

### 3. Schedule

Date of decision by RBJ board of directors	November 8, 2022
Director sent to RBJ steps down	November 8, 2022
Date of change in status	November 8, 2022
Completion of RBJ share transfer	May 2023 (planned)

### 4. Outlook

This transfer of shares is part of the One-Moomin strategy in Japan. The plan is to achieve unified management between Moomin Monogatari and RBJ, effective from December 2022. Specifically, Roleff Kråkström, CEO of MC, will be appointed as Chairman of the Board at both companies, and Kumiko Ito, currently president of RBJ, will be appointed as Representative Director and President at both companies. The intent of these steps toward unified management is to forge a stronger partnership between the two companies and expand the Moomin market exponentially. At Moominvalley Park, in particular, the plan is for MC, RBJ and Moomin Monogatari to work as a cohesive team to promote business under a strategy shaped prior to the pandemic. Looking to the future, Moomin Monogatari and RBJ will explore initiatives that take into consideration the possibility of consolidating their operations in Japan.

With regard to the One-Moomin strategy, FGI will extend support, focusing on the Management Department at Moomin Monogatari, but is also keen to undertake new development and other opportunities at Metsä Village juxtaposed with Moominvalley Park, and to energize the entire Metsä site.

The change in RBJ's status from that of a consolidated subsidiary to an equity-method affiliate will take effect from the first quarter of fiscal 2023, ending September 30, 2023, but for FGI, the stockholding ratio in RBJ through Moomin Monogatari will not change and there will be no impact on profit attributable to owners of the parent. Also note that FGI has factored the change in status into its consolidated performance forecast for fiscal 2023, which appears in the summary of financial statements (Japanese version) for fiscal 2022 announced today.

END