

FOR IMMEDIATE RELEASE

Mar 30, 2021

Company Name: **Leopalace21 Corporation**
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Notice Concerning Sale of Non-current Asset at a Subsidiary Company

Pursuant to a resolution at the Board of Directors meeting held on Mar 30, 2021, Leopalace21 Corporation (Headquarters: Nakano, Tokyo; President and CEO: Bunya Miyao; the “Company”) announces that the Company determined to sell a non-current asset, which is owned by Leopalace21 Thailand Co., Ltd. as follows.

1. Outline of the subsidiary company

1	Name	Leopalace21 Thailand Co., Ltd.
2	Address	9/15 Jerm Jom Phon Road, Sriracha District, Chonburi 20110, the Kingdom of Thailand
3	Job title and name of representative	Representative Director, Yuhki Takamatsu
4	Business description	Holding and operation of a serviced apartment
5	Paid-in capital	10,000,000 baht (34,4000,000 yen)

2. Reason for the sale

The Company adopted a policy to transfer or withdraw from non-core unprofitable business in order to drastically improve its corporate value in line with the announcement of “Notice Concerning Implementing Structural Reforms based on Strategic Review Results for Drastic Business Strategies Reconstruction” which was released on June 5, 2020. The Company has determined to transfer an asset held by its subsidiary to realize the efficient utilization of the Company’s resources and to strengthen the financial base.

3. Details of the non-current asset to be sold

Name and Address	Sale value	Book value	Loss on sale*	Current State
Stellar Residence Sriracha District, Chonburi	551 million yen	802 million yen	291 million yen	Serviced apartment

* Loss on sale is the approximate amount calculated by subtracting the book value and other associated expenses from the sale value.

4. Purchaser

We are in the middle of concluding the sale contract and refrain from disclosing the name of the purchaser in accordance with the confidential agreement. There are no particularly notable capital and personal or business relationships between the Company and the purchaser. We have confirmed that the purchaser is not an anti-social organization.

5. Dates related to the sale

1.	Board resolution	Mar 30, 2021
2.	Conclusion of the sale contract	Mar 31, 2021
3.	Planned date of transfer of ownership	May 31, 2021

6. Outlook

Leopalace21 Thailand Co., Ltd. will be dissolved in June 2021 after transferring the ownership of the above non-current asset.

7. Impacts on the business forecast

Due to the sale of the above non-current asset, we will record an extraordinary loss of 291 million yen for the fiscal year ending March 2021.

End