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March 12, 2021

Dear Sir,

 SB Technology

Company Name: SB Technology Corp.
(Code No.: 4726 Tokyo Stock Exchange, First Section)
Representative: Shinichi Ata
President & CEO
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Vice President, Senior Director,
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Phone: +81-3-6892-3063

Notice of Approval for Listing of Shares of a Consolidated Subsidiary, Cybertrust Japan Co., Ltd.

SB Technology Corp. (the “Company”) hereby announces that the new stock listing of Cybertrust Japan Co., Ltd. (“CTJ”), a consolidated subsidiary of the Company (the “Stock Listing”), on the Mothers section of the Tokyo Stock Exchange was approved by Tokyo Stock Exchange, Inc. today.

1. The position of CTJ among the Company and its group companies (the “Group”)

The Company operates with a focus on ICT services, and a mission to achieve “Information Revolution, Happiness for Everyone: Technologies Design the Future.”

CTJ was consolidated as a subsidiary of the Company in 2014. Among ICT services, it has been providing authentication and security services for more than 20 years as Japan’s first commercial electronic authentication authority and Linux/OSS services for on-premises, cloud, and embedded systems, by applying the knowledge of kernel technology and open-source software (“OSS”). CTJ has been providing services to support the credibility of its customers’ services by combining these technologies and outcomes to verify the authenticity of people, objects, and events for IoT and other fields involving advanced technologies. It has strengths in specialized technologies and provides not only the Group, but a wide range of other companies with IT infrastructure and security services.

CTJ and the Company operate in separate fields based on their technologies, and cooperate with each other in providing services that combine the technologies of each while operating their own businesses. CTJ is operated independently of the Group. Its financial results for the fiscal year ended March 31, 2020 represented less than 10% of the Company’s consolidated sales, leaving it outside the Group’s core businesses.

2. Purpose of the Stock Listing

Because CTJ provides services that are typically required of a third party, such as IT infrastructure and authentication infrastructure, the Company considers that the business transparency and credibility of CTJ as a corporation are essential to its growth. CTJ has been creating its original services and customers to operate

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businesses not limited within the Group and has already achieved transparency and reliability to a certain degree. The Company expects that it will seek a further increase in corporate value through direct dialogues with stakeholders in the capital market and by further bolstering its transparency and reliability. In addition, the Company expects that CTJ's growth as a listed company will increase the Group's corporate value.

3. Profile of CTJ

Company Name	Cybertrust Japan Co., Ltd.
Representative	Yasutoshi Magara
Location	35F Ark Hills Sengokuyama Mori Tower, 1-9-10 Roppongi, Minato-ku Tokyo
Established	June 1, 2000
Capital	540,160,000 yen
Business	Provision of IoT service, OSS/Linux service, and authentication and security service

4. Overview of the Stock Listing

Listing market	Tokyo Stock Exchange (Mothers)
Date of approval for stock listing	March 12, 2021
Scheduled date of stock listing	April 15, 2021

5. Overview of stock offering and issuance of shares for subscription

(1) Issuance of shares for subscription through public offering	250,000 shares
(2) Stock offering through firm commitment underwriting	300,000 shares
(3) Stock offering with an over-allotment option	82,500 shares (maximum)

6. Number and percentage of shares held by the Company

Number of shares currently held	2,632,600 shares
	(Percentage of shares held: 71.92%; number of shares outstanding: 3,660,600)
Number of shares held after issuance of new shares for stock listing	2,332,600 shares
	(Percentage of shares held: 59.65%; number of shares outstanding: 3,910,600)

* The change in the percentage of shares held was caused by the dilution of shares due to the stock offering and by the issuance of new shares associated with the stock listing.

**The scheduled number of shares to be issued does not include shares for the capital increase through private placement related to the offering through an over-allotment option (up to 82,500 shares).

7. The Company's thinking in listing the shares of a subsidiary

(1) Significance of listing a subsidiary's shares on a stock exchange in light of the thinking and policy of Group management

Companies in the Group aim to achieve their respective corporate goals with a spirit of self-autonomy, while seeking to maximize the corporate value of the overall Group. The Company plays the roles necessary

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for ensuring appropriate synergies among the companies in the Group and maximizing the corporate value of the overall Group. It provides the support necessary for each company to achieve its corporate goals while respecting the independence of the management of each company.

When listing a subsidiary's shares on the stock exchange, the Company makes decisions after carefully examining the significance of the listing in light of the characteristics of the Group companies' businesses, the likeliness that growth is accelerated by the listing, consistency with the business portfolio strategy of the entire Group, whether the funds generated by the listing exceed the cost and constraints, whether the subsidiary will be able to build and operate appropriate internal control as a listed company, whether the subsidiary is capable of risk management, and other factors from the perspective of maximizing the corporate value of the entire Group without impairing the interests of existing and minority shareholders. While there is currently no specific plan for the listing of shares in a subsidiary other than the Stock Listing, this will apply again when listing the shares of a subsidiary in the future. Taking into account the above, the following is the significance of having each listed subsidiary.

Name of listed subsidiary	Percentage of voting rights (%)	Significance of having a listed subsidiary
Cybertrust Japan Co., Ltd.	59.63	Described in the previous section, "2. Purpose of the Stock Listing"

(2) Measures to ensure the effectiveness of the governance system of a listed subsidiary

The following are the policies of the Company as the parent to ensure the effectiveness of the governance system of the listed subsidiary.

I. When there is a listed subsidiary in the Group, the Company respects its independence based on the spirit of self-autonomy and does not engage in any act that violates the principle of shareholder equality.

II. Considering the risk of conflicts of interest between the Company and the general shareholders of listed subsidiary, the Company encourages the listed subsidiary build a governance system that effectively uses Outside Directors to guarantee the independent decisions of the listed subsidiary.

III The Company fulfills its obligation to explain the significance of maintaining the company as a listed subsidiary and the effectiveness of the governance system of the listed subsidiary.

8. Shareholding policy

The shareholding ratio of the Company will decrease to 59.63% due to the sale of part of the shares held and the new issuance of CTJ shares associated with the Stock Listing. The Company plans for the time being to maintain a shareholding that makes CTJ a consolidated company of the Group.

9. Impact on the Company's consolidated financial results

Since CTJ will continue to be a consolidated subsidiary of the Company after this offering, the amount equivalent to the gain on sale of shares in this offering (after deducting expenses and taxes) is posted as part of capital surplus in the consolidated financial statements.

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This press release generally aims to announce information and is not prepared for the purpose of soliciting investment whether in or outside Japan. In addition, this press release does not constitute the solicitation of securities in the United States. Except for registration or exemption from registration based on the Securities Act of 1933, the solicitation or sale of securities is not allowed in the United States. Prospectuses written in English and prepared based on the Securities Act of 1933 are used for public offering of securities in the United States. The prospectus provides detailed information about the issuing company and its financial statements and can be accessed through the company issuing or the party offering the securities. A public offering of these securities will not be held in the United States.