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To whom it may concern

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Progress based on the plan for compliance with Prime Market Listing Maintenance Standards, Application to the Standard Market of the Tokyo Stock Exchange and the Compliance Status

On November 15, 2021, we submitted and disclosed its "Plan for Compliance with the Listing Maintenance Criteria for the New Market Classification" and on April 18, 2023, its "Compliance with Prime Market Listing Maintenance Standards". At the moment, as there are no additional items (changes) to be noted regarding the progress submitted on April 18, 2023, this information has been omitted.

In addition, based on the rule revisions of Tokyo Stock Exchange enforced on April 1, 2023 and the recent compliance with the Prime Market's listing maintenance standards, the board members reviewed its plans for our compliance in the future. As a result, at a meeting of the Board of Directors held today, we resolved to apply for selection to the Standard Market, and we hereby announce that we have applied.

The reasons for selecting the Standard Market and the status of compliance with the criteria for maintaining listing on the Standard Market is as follows.

Notice

1. The transition and planning period of compliance with Prime Market listing maintenance standards

Takasho's compliance with the Prime Market listing maintenance standards is as follows, and as of January 20, 2023, we did not meet the criteria for "market capitalization of tradable shares".

		Number of shareholders	Number of tradable shares	Tradable share market capitalization	Tradable Share Ratio	Daily Average Trading Value
Takasho's compliance status and transition	As of June 30, 2021*1 (transition record date)	10,422 persons	101,904 units	7.9 billion yen	69.4%	0.096 billion yen
	As of December 31, 2022 *2	-	-	-	-	0.084 billion yen
	As of January 20, 2023*3	14,773 persons	131,178 units	9.1 billion yen	74.5%	-

Prime Market listing maintenance criteria	800 persons	20,000 units	10 billion yen	35%	0.020 billion yen
Compliance status	Complied	Complied	Incompatible	Complied	Complied
Planning period as stated in the original plan	-	-	January 20, 2026	-	-

*1 Takasho's compliance status as of June 30, 2021 is based on the distribution of Takasho's shares, etc. as known by The Tokyo Stock Exchange (TSE) as of the transition record date (June 30, 2021).

*2 Daily Average trading value as of December 31, 2022 is based on the notice from the Tokyo Stock Exchange's confirmation of compliance with the Prime listing maintenance standards (trading value standards) for the period from January to December 2022.

*3 Takasho's compliance status as of January 20, 2023 is based on the distribution of Takasho's shares, etc. as known by the TSE as of the record date (January 20, 2023).

2. Implementation status and evaluation of efforts to comply with Prime Market listing maintenance standards

Takasho's market capitalization of tradable shares does not meet the Prime Market listing maintenance standards. Therefore, we have been promoting various measures for improving our share price, such as enhancing IR activities and enhancing shareholder returns, while striving for Medium- to Long-term Management Strategy Initiatives to meet the criteria for market capitalization of tradable shares. However, our current stock price has not reached approximately 800 yen, which is the stock price required to meet the criteria for Prime Market listing maintenance.

3. The reasons for Standard Market selection

With respect to the "market capitalization of tradable shares" which does not meet the criteria at this time, there is a risk of delisting if we do not meet the relevant criteria during the transitional measures period. In addition, even if we meet the criteria during the transitional measures period, there is a risk of not achieving the criteria for maintaining listing in the future if we cannot keep the stable and continuous sufficiency. Hence, we determined that it is important to create an environment in which our shareholders can hold and trade our shares without anxiety.

We have decided to select the Standard Market because we believe that allocating management resources to the execution of our plan from a medium- to long-term perspective, rather than only from a short-term perspective to fulfill the criteria for maintaining listing on the Prime Market, will contribute to our growth and increase our corporate value.

4. Compliance with listing maintenance standards for the Standard Market

The status of our company's compliance with the criteria for maintaining listing on the Standard Market as of January 20, 2023 is as follows and it complies with all listing maintenance standards.

If a company complies with all of the criteria as of the judgment reference date for each item of the listing maintenance criteria, it will no longer be necessary to disclose the "plan for complying with the listing maintenance criteria of the Standard Market", and we will not disclose the progress of the plan for compliance.

	Number of shareholders	Number of tradable shares	Tradable share market capitalization	Tradable Share Ratio	Monthly Average Trading Value	Net Assets
Takasho's compliance status As of January 20, 2023*4	14,773 persons	131,178 units	9.1 billion yen	74.5%	19,171 units	13.38 billion yen
Standard Market listing maintenance criteria	400 persons	2,000 units	1.0 billion yen	25%	10 units	Positive Number

*4 The compliance status of the number of shareholders, number of tradable shares, tradable share market capitalization, and ratio of tradable shares is based on the "Compliance with Listing Maintenance Standards (Distribution Standards)" notified by the TSE. The monthly average trading value is calculated as the monthly average of the trading value in the trading session of the TSE during the six-month period from January 2023 to June 2023.

Even after shifting to the Standard Market, we will grow our business by promoting hybrid-style proposals that utilize content both online and real, because the market size of our garden and exterior business is very large, including not only general housing but also various facilities in the non-residential sector and the global market. And we will strive to reclassify the market to the Prime Market again in the future by promoting medium- to long-term corporate strategies, proactively conducting investor relations activities, and strengthening communication with investors in order to obtain an appropriate evaluation in the stock market.

5. Expected date of transition to the Standard Market

The transition to the Standard Market will be carried out on October 20, 2023. After this date, trading of our company's shares will be shifted to the Standard Market and will continue on that market.

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