

Translation: Please note that the following purports to be an accurate and complete translation of the original Japanese version prepared for the convenience of investors. However, in the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.



August 31, 2021

For Immediate Release

Corporate Name PARK24 CO., LTD.
 Shares Listed First Section of TSE : 4666 (Ticker Symbol: PKCOY)
 Representative Koichi Nishikawa
 Representative Director; President
 Contact Kenichi Sasaki
 Director, Senior Executive Corporate Officer, Senior
 General Manager of Corporate Planning Division
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Notice of Transfer of Equity Method Affiliate (Share Transfer)

PARK24 CO., LTD. (“the Company”) announces that at a meeting of the Board of Directors held today, it was resolved to transfer all shares of GS PARK24 CO., LTD. (“GS PARK24”). As a result, GS PARK24 will no longer be an equity method affiliate of the Company. In addition, the Company announces that it expects to post an extraordinary profit in its consolidated and non-consolidated financial results.

1. Reason for share transfer

The Company established GS PARK24 as a joint venture in Republic of Korea in 2006 to develop the Times Parking business model overseas, and has been responsible for developing the parking infrastructure in Republic of Korea by developing and operating 24-hour unmanned hourly parking facilities under the GS Times brand.

The Company has decided to transfer its shares to GS Retail CO., LTD. as it believes that it is desirable to pursue growth under GS Retail CO., LTD. in Republic of Korea from now on.

2. Outline of the company excluded from the equity method affiliate

(1) Name	GS PARK24. CO., LTD.
(2) Address	3 F, 4, Nonhyeon-ro 64-gil, Gangnam-gu, Seoul, Republic of Korea
(3) Name and title of representative	Representative Director Park Chi-ho Representative Director Jun Makino
(4) Business outline	Business development of GS Times, 24-hour unmanned hourly parking facility, in Republic of Korea
(5) Capital	KRW 23,000 million
(6) Date of establishment	March 8, 2006
(7) Major shareholders and ratio of	GS Retail CO., LTD. 50.0%

shareholding	PARK24 CO., LTD. 50.0%		
(8) Relationship with the Company	Capital relationship	The Company owns 2,300 thousand shares (50.0%) of GS PARK24.	
	Human relationship	Two corporate officers and one employee of the Company concurrently serve as directors of the relevant company.	
	Business relationship	The Company has received payment of license fees from the relevant company.	
	Status as a related party	The Company is a related party of the relevant company.	
(9) Last three years consolidated financials (Unit: KRW million)			
Fiscal period	Fiscal year ended December 31, 2018	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020
Net assets	20,119	19,088	11,851
Total assets	25,316	109,643	108,875
Net assets per share (KRW)	4,373	4,149	2,576
Net sales	27,539	44,956	56,566
Operating profit (loss)	383	995	-4,477
Net income (loss)	254	-892	-7,237
Net income (loss) per share (KRW)	55	-194	-1,573
Dividend per share (KRW)	-	-	-

3. Outline of the company to which the shares will be transferred

(1) Name	GS Retail CO., LTD.
(2) Address	GS Tower, 508, Nonhyeon-ro, Gangnam-gu, Seoul, Republic of Korea
(3) Name and title of representative	CEO Yeon-Soo Hur
(4) Business outline	Chain development of convenience stores, supermarkets, hotels, etc.
(5) Capital	KRW 77,000 million
(6) Date of establishment	February 13, 1971
(7) Net assets	KRW 2,304,494 million (as of December 31, 2020)
(8) Total assets	KRW 7,177,767 million (as of December 31, 2020)
(9) Major shareholders and ratio of shareholding	GS Holdings Corp. 78.7%
(10) Relationship with the Company	There is no capital, personal, or business relationship between the two companies.

4. Number of shares to be transferred, transfer price, and number of shares held before and after the

transfer

(1) Number of shares held before transfer	Common shares: 2,300 thousand shares (Voting rights ownership ratio: 50.0%)
(2) Number of shares transferred	Common shares: 2,300 thousand shares
(3) Transfer price	Common stock of GS PARK24: KRW 25,000 million (approx. JPY 2,350 million)
(4) Number of shares held after transfer	Common shares: 0 share (Voting rights ownership ratio: 0%)

5. Schedule

(1) Resolution by the Board of Directors	August 31, 2021
(2) Scheduled date of share transfer	September 15, 2021 (scheduled)

6. Outlook for the future

As a result of this share transfer, the Company expect to post an extraordinary profit as a gain on sale of shares of affiliated company in our non-consolidated financial statements. The amount of impact on the consolidated financial results is currently under scrutiny due to the consolidation adjustments related to the exclusion of the equity method. If there is any impact on our business results that needs to be disclosed, the Company will announce it as soon as possible.