



August 17, 2020

Company Name	GRACE TECHNOLOGY, INC.
Representative	President and COO Tomoya Iida Securities Code: 6541, TSE First Section
Contact Person	Director and CFO Nobuyuki Oike (TEL.03-5777-3838)

Notice of Change in Principal Shareholder and the Largest Shareholder, who is also a Principal Shareholder

GRACE TECHNOLOGY, INC. (hereinafter, “GRACE”) announces that its principal shareholder and the largest shareholder, who is also a principal shareholder, are expected to change. Details are presented as follows

1. Background of change

Today, we received notices from Yukiharu Matsumura, who is the largest shareholder and also a principal shareholder, and NMC Co., Ltd., which is a principal shareholder, that they have entered into an agreement to sell their shares to an investment bank. (hereinafter, the “Manager”). Accordingly, we expect that there will be changes to our principal shareholder and the largest shareholder as described below. The Manager will temporarily become a principal shareholder after its purchase but GRACE was notified by the Manager that the Manager plans to resell its shares immediately.

Through such transaction, further expansion of the shareholder base and constructive engagement with various shareholders are expected, which will potentially help enhance future shareholder's value. There will be no change in management structure and Yukiharu Matsumura along with NMC Co., Ltd. have agreed to a lock-up not to sell their residual shares in GRACE in any format for at least in 180 days after the settlement of such transaction.

2. Overview of the shareholders that are expected to change

(1) Person who will no longer be a principal shareholder nor the largest shareholder

Name	Yukiharu Matsumura
Address	Minato-ku, Tokyo
Relationship with GRACE	Chairman and CEO

(2) Company which will no longer be a principal shareholder

Company Name	NMC Co., Ltd.
Address	Ginza 6-6-1, Chuo-ku, Tokyo
Title and name of Representative	Director Yukiharu Matsumura
Main Business	Investment and custody of securities
Capital	1 million yen

(3) Company who will become the new largest shareholder, which is also a principal shareholder

Company Name	The Manager
Address	Omitted in English version of press release
Title and name of Representative	Omitted in English version of press release
Main Business	Brokerage business
Capital	83,616 million yen

3. Number of voting rights held (number of shares held) by the shareholders before and after the change and percentage in voting rights of all shareholders

(1) Person who will no longer be a principal shareholder nor the largest shareholder

Yukiharu Matsumura

	Attributes	Number of voting rights (number of shares held)	Number of voting rights (Percentage of voting rights)	Large shareholder rank
Before the change (as of June 30, 2020)	Largest shareholder, which is also a principal shareholder	23,608 (2,360,800 shares)	16.63%	No. 1
After the change	-	13,987 (1,398,700 shares)	9.85%	No. 2

(2) Company which will no longer be a principal shareholder

NMC Co., Ltd.

	Attributes	Number of voting rights (number of shares held)	Number of voting rights (Percentage of voting rights)	Large shareholder rank
Before the change (as of June 30, 2020)	Principal shareholder	15,400 (1,540,000 shares)	10.85%	No. 2
After the change	-	-	-	-

(3) Company who will become the new largest shareholder, which is also a principal shareholder

The Manager

	Attributes	Number of voting rights (number of shares held)	Number of voting rights (Percentage of voting rights)	Large shareholder rank
Before the change (as of June 30, 2020)	-	-	-	-
After the change	Largest shareholder, which is also a principal shareholder	26,000 (2,600,000 shares)	18.32%	No. 1

(Note)

1. The number and percentage of voting rights of Yukiharu Matsumura in the “After the change” row may be less than the above numbers, which could affect the ranking of large shareholders. GRACE will make an additional press release once the final numbers are fixed.

2. The number and percentage of voting rights of the Manager in the “After the change” row may become more than the above numbers, which could affect the ranking of large shareholders. GRACE will make an additional press release once the final numbers are fixed.

3. The percentage of voting rights is calculated based on shares outstanding as of 30th June, 2020, deducting shares without voting rights.

Shares outstanding as of 30th June, 2020: 14,199,300 shares

Number of shares without voting rights: 5,000 shares

4. The percentage of voting rights is calculated based on rounding to 2 decimal points.

5. The ranking of large shareholders is based on the shareholders list as of 31st March, 2020.

4. Scheduled Date of Change

August 20, 2020

5. Future Outlook

The changes are not expected to affect the financial performance of GRACE

Note: This document is a press release to announce a change in principal shareholder and the largest shareholder, who is also a principal shareholder, of GRACE, and it has not been prepared for the purpose of soliciting investments or other conduct of a similar nature, whether in Japan or overseas. This press release does not constitute an offer or sale of securities in the United States. The shares of common stock of GRACE have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). The securities may not be offered or sold in the United States unless the securities are registered or exempted from registration under the Securities Act. GRACE does not plan to register the securities in the United States in relation to this matter.

End.