



June 22, 2021

Company Name	Chatwork Co., Ltd.
Representative	Masaki Yamamoto Representative Director, CEO
Securities code	4448, Tokyo Stock Exchange Mothers
Contact	Naoki Inoue Director, CFO & VP of Corporate Division (E-mail: ir@chatwork.com)

**Notice Concerning Making the Cloud Storage Business Operated by StartiaRaise, Inc.
Consolidated Subsidiary and the Borrowing of Funds**

At a Board of Directors meeting on June 22, 2021, Chatwork Co., Ltd. resolved to make the cloud storage business of StartiaRaise, Inc. (“StartiaRaise”) a consolidated subsidiary.

1. Reason for Making the Cloud Storage Business a Consolidated Subsidiary

We develop and market Chatwork, a business chat service that provides “everyone with a way of working that is one step ahead” with the mission of “making working more fun and creative.” In line with our medium-term management plan, we are currently working on three strategies: “the product-led growth strategy”, “horizontal + vertical strategy”, and “DX solution strategy”, with the aim of making Chatwork the leading business chat service for small and medium-sized companies. in the medium term and a “super app for business” in the long term.

Meanwhile, StartiaRaise, Inc. (“StartiaRaise”), a consolidated subsidiary of Startia Holdings, Inc. (Representative Director: Hideyuki Hongo, Tokyo Stock Exchange 1st (Code: 3393), “Startia Holdings”), engages in RPA business and cloud storage business. Startia Holdings mainly develops Digital marketing business and IT infrastructure business. In the former, they provide marketing SaaS tools “Cloud CIRCUS” to realize an ecosystem in marketing for their customers. In the latter, they have a customer base of 25,000 small and medium-sized companies and provides improvement of the management environment through sales, construction and maintenance of information and communication equipment, and RPA tools, etc.

This transaction will make StartiaRaise’s cloud storage business, whose main service is SecureSAMBA, a cloud-based online storage service for corporate clients, a consolidated subsidiary. SecureSAMBA was launched in 2007, and as of April 2021 had been adopted by more than 3,250 companies. The service allows users to easily share and exchange files with anyone. It offers “operability no less intuitive than a regular file server” and “detailed access privilege settings and log functions.” Further, SecureSAMBA and SecureSAMBapro are highly rated for their operability, support system, pricing plan, and expertise, and have been ranked as the top product in the SaaS content collaboration market for clients with fewer than 100 employees for three consecutive years.

(Source: ITR “ITR Market View: Collaboration Market 2020,” SaaS Content Collaboration Market–Fewer than 100 Employees: Sales and Share by Vendor [FY2018–2020 Forecast])

This transaction will make it possible to incorporate SecureSAMBA into the Chatwork service since it is highly compatible with Chatwork’s open platform. Moreover, it should contribute to the expansion of the service toward the realization of our long-term vision of a “super app for business.” In addition, both services are characterized by the fact that their main customers are small and medium-sized companies, and we believe we can expect synergies in terms of revenue and cost efficiency through the expansion of the common customer base. We plan to conclude a business tie-up

with Startia Holdings in relation to this transaction, and will promote collaboration between our groups by leveraging the product, marketing, and sales capabilities of each.

Moving forward, we plan to maximize the value we provide to Chatwork users. We will actively invest in the expansion of services that have a high affinity with Chatwork while maintaining sound financial discipline.

2. Method of Making the Cloud Storage Business a Consolidated Subsidiary

StartiaRaise will spin off its cloud storage business into a new company called Chatwork Storage Technologies Co., Ltd. (“Chatwork Storage Technologies”), of which we will acquire 51.0% of the shares from StartiaRaises.

3. Shareholders’ Agreement with StartiaRaise

We and StartiaRaise have entered into a shareholders’ agreement in connection with this transaction. In addition to indicating agreement on the management policies to be followed at Chatwork Storage Technologies, the shareholders’ agreement provides that, under certain conditions, Chatwork has the right to request that StartiaRaise sell its shares in Chatwork Storage Technologies up to a certain percentage provided a certain period of time has elapsed since the completion of this transaction.

4. Overview of Chatwork Storage Technologies Co., Ltd.

Name	Chatwork Storage Technologies Co., Ltd.
Address	Shinjuku Monolith 19F, 2-3-1 Nishishinjuku, Shinjuku-ku, Tokyo
Name and title of representative	Shoji Fukuda, Representative Director
Description of business	Cloud storage service “SecureSAMBA”, “SecureSAMBApro” Individual number collection cloud service “SecureMyNUMBER”
Share Capital	JPY1,000,000 (Scheduled to capital increase to JPY56,000,000 immediately after the acquisition of shares) ^{*1}
Date of establishment	July 1, 2021 (scheduled)
Major shareholders and ownership ratios	StartiaRaise, Inc. (100%) Equity interest after this acquisition is scheduled as follows. Chatwork Co., Ltd. (51%) StartiaRaise, Inc. (49%)
Relationship between the Company and said company	
Capital relationship	Not applicable
Personnel relationship	Not applicable
Business relationship	Not applicable
Operating results and financial positions of said company for the last three years	Not applicable for a new company ^{*2}

^{*1} We and StartiaRaise plan to underwrite Chatwork Storage Technologies’ shareholder allocation after July 1, 2021.

^{*2} As set forth in the incorporation-type company split plan presented by StartiaRaise on June 9, 2021, the above newly established subsidiary will succeed to the assets, liabilities, contracts other than employment contracts, and other rights and obligations belonging to the Cloud storage business of StartiaRaise as of the effective date.

5. Overview of the Counterparty to the Acquisition of Shares

Name	StartiaRaise, Inc.
Address	Shinjuku Monolith 19F, 2-3-1 Nishishinjuku, Shinjuku-ku, Tokyo
Name and title of representative	Masakatsu Furukawa, Representative Director
Description of business	Cloud storage business PRA business
Share Capital	JPY 90,000,000
Date of establishment	November 10, 2017
Major shareholders and ownership ratios	Startia, Inc. (100%)
Relationship between the Company and said company	
Capital relationship	Not applicable
Personnel relationship	Not applicable
Business relationship	Transactions related to “Chatwork” and “SecureSAMBA”
Related party relationship	Not applicable

6. Number of Shares Acquired, and Shareholding Before and After Acquisition

Number of shares held before the change	0 shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0%)
Number of shares to be acquired	4,539 shares (Number of voting rights: 4,539 rights)
Acquisition costs	Share acquisition cost: JPY 453.9MM* Advisory fee (approximate): JPY5.5MM Total (approximate): JPY459.4MM
Number of shares held after the change	4,539 shares (Number of voting rights: 4,539 rights) (Percentage of voting rights: 51.0%)

* Chatwork has agreed with the counterparty on the above acquisition price following a thorough examination based on the results of a discounted cash flow method valuation by a third party and other information.

7. Timetable

Date of resolution at the meeting of the Board of Directors	June 22, 2021
Date of conclusion of the agreement	June 22, 2021
Date of commencement of share transfer	July 1, 2021 (scheduled)

8. Borrowing of Funds

(1) Reason for Borrowing Funds

We will borrow the necessary funds from financial institutions for the purpose of acquiring the shares related to this transaction.

(2) Overview

1. Lender: Sumitomo Mitsui Banking Corporation
2. Amount: JPY510 million
3. Interest rate: Base rate + spread
4. Borrowing date: July 1, 2021 (scheduled)
5. Borrowing period: Five years
6. Collateral: Unsecured and unguaranteed

9. Future Outlook

As a result of this transaction, Chatwork Storage Technologies will become a consolidated subsidiary of the company with the deemed acquisition date planned for June 30, 2021. As a result, it will be included in consolidated results from the third quarter of the fiscal year ending December 31, 2021. We expect the impact on consolidated business results for this fiscal year to be an increase in net sales of 190 million yen and a decrease in operating income of 41 million yen. However, regarding net income, we are currently scrutinizing the evaluation of good will generated by this transaction, so we will promptly disclose any matters that should be disclosed.