

November 9, 2022

To whom it may concern,

Company Name: Uzabase, Inc.
Names of representatives: Yusuke Inagaki, Representative Director and Co-CEO/CTO
Taira Sakuma, Representative Director and Co-CEO
(Code: 3966, TSE Growth)
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**Announcement of Opinion Supporting the Tender Offer by THE SHAPER Co.
and Recommendation of Tender**

Uzabase, Inc. (the “Company”) hereby announces that at the meeting of its Board of Directors held today, the Company resolved (i) to express its opinion to support the tender offer (the “Tender Offer”) for the Company’s common shares (the “Shares”) and the Stock Acquisition Rights (as defined in “2. Purchase, etc. Price” below) by THE SHAPER Co. (the “Offeror”); (ii) to recommend the Company’s shareholders to tender their Shares in the Tender Offer; (iii) to recommend the holders of the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights, and the 28th Series Stock Acquisition Rights among the holders of the Stock Acquisition Rights (the “Holders of Stock Acquisition Rights”) to tender their rights in the Tender Offer; and (iv) to leave the decision up to the holders of the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights among the Holders of Stock Acquisition Rights on whether to tender their rights in the Tender Offer.

The above resolutions of the Board of Directors were made based on the Offeror’s plan to delist the Shares through the Tender Offer and subsequent procedures.

1. Overview of the Offeror

(1) Name	THE SHAPER Co.
(2) Address	5-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo
(3) Name and title of representative	Kazuhiro Yamada, Representative Director
(4) Description of business	Acquisition and ownership of the Company’s shares, etc., to control and manage the Company’s business activities
(5) Capital stock	JPY 25,000
(6) Date of incorporation	October 14, 2022
(7) Major shareholders and shareholding ratios	THE SHAPER Holdings, L.P. (100.00% ownership)
(8) Relationship between the Company and the Offeror	
Capital relationship	No applicable matters
Personal relationship	No applicable matters
Business relationship	No applicable matters
Status as related parties	No applicable matters

2. Purchase, etc. Price

(1) JPY 1,500 per share of Common Stock (the “Tender Offer Price”)

(2) Stock acquisition rights (the following stock acquisition rights ① to ⑫ are collectively referred to as the “Stock Acquisition Rights”, The purchase, etc. price per one stock acquisition right is referred to as the “Stock Acquisition Right Tender Offer Price”).

- ① The fourth series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on May 3, 2013 (hereinafter referred to as the “Fourth Series Stock Acquisition Rights”) (Exercise period: from May 5, 2013 to May 3, 2023) JPY 17,160 per stock acquisition right
- ② The fifth series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on April 28, 2014 (hereinafter referred to as the “Fifth Series Stock Acquisition Rights”) (Exercise period: from May 1, 2014 to March 28, 2024) JPY 16,992 per stock acquisition right
- ③ The eighth series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on June 19, 2015 (hereinafter referred to as the “Eighth Series Stock Acquisition Rights”) (Exercise period: from July 2, 2015 to March 27, 2025) JPY 14,496 per stock acquisition right
- ④ The ninth series stock acquisition rights issued based on the resolution at the meeting of the Company’s

Board of Directors held on January 4, 2016 (hereinafter referred to as the “Ninth Series Stock Acquisition Rights”) (Exercise period: from January 6, 2016 to December 18, 2025) JPY 14,496 per stock acquisition right

- ⑤ The 11th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on July 15, 2016 (hereinafter referred to as the “11th Series Stock Acquisition Rights”) (Exercise period: from July 20, 2016 to December 18, 2025) JPY 14,496 per stock acquisition right
- ⑥ The 12th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on July 15, 2016 (hereinafter referred to as the “12th Series Stock Acquisition Rights”) (Exercise period: from July 20, 2016 to December 18, 2025) JPY 14,496 per stock acquisition right
- ⑦ The 13th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on May 22, 2017 (hereinafter referred to as the “13th Series Stock Acquisition Rights”) (Exercise period: from April 1, 2023 to June 18, 2027) JPY 1 per stock acquisition right
- ⑧ The 14th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on May 22, 2017 (hereinafter referred to as the “14th Series Stock Acquisition Rights”) (Exercise period: from April 1, 2022 to June 18, 2027) JPY 94,800 per stock acquisition right
- ⑨ The 15th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on May 22, 2017 (hereinafter referred to as the “15th Series Stock Acquisition Rights”) (Exercise period: from April 1, 2021 to June 18, 2027) JPY 94,800 per stock acquisition right
- ⑩ The 16th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on March 16, 2018 (hereinafter referred to as the “16th Series Stock Acquisition Rights”) (Exercise period: from February 15, 2019 to July 31, 2024) JPY 1 per stock acquisition right
- ⑪ The 17th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on March 16, 2018 (hereinafter referred to as the “17th Series Stock Acquisition Rights”) (Exercise period: from February 15, 2019 to July 31, 2024) JPY 1 per stock acquisition right
- ⑫ The 28th series stock acquisition rights issued based on the resolution at the meeting of the Company’s Board of Directors held on April 14, 2022 (hereinafter referred to as the “28th Series Stock Acquisition Rights”) (Exercise period: from April 30, 2022 to April 29, 2027) JPY 472 per stock acquisition right

3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer

(1) Details of the Opinion Regarding the Tender Offer

Based on the facts and reasons described below in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer”, at a meeting of its Board of Directors held today, the Company resolved (i) to express its opinion to support the Tender Offer; (ii) to recommend that the Company’s shareholders tender their Shares in the Tender Offer; (iii) to recommend that the holders of the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights, and the 28th Stock Acquisition Rights among the Holders of Stock Acquisition Rights tender their rights in the Tender Offer; and (iv) leave the decision up to the holders of the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Stock Acquisition Rights among the Holders of Stock Acquisition Rights on whether to tender their rights in the Tender Offer.

The above resolutions are passed by the method described in “⑤ Approval of All Directors (Including the Audit and Supervisory Committee Members) Without an Interest in the Company” of “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest”

(2) Basis and Reasons for the Opinion Regarding the Tender Offer

The statements relating to the Offeror in this section are based on the explanations provided by the Offeror.

① Overview of the Tender Offer

The Company has been informed that the Offeror is a joint stock company established on October 14, 2022 for the purpose of acquiring the Shares and Stock Acquisition Rights (hereinafter, the Shares and Stock Acquisition rights are collectively referred to as the “Company’s Shares, etc.”). As of today, all of the Offeror’s outstanding shares are owned by the Shaper Holdings L.P. (the “Carlyle Fund”), a limited partnership formed on June 2, 2021 under the laws of the Cayman Islands and wholly owned and managed by the Carlyle Group (including its affiliates and other related entities, hereinafter referred to as “Carlyle”). As of today, Carlyle, the Carlyle Fund, and the Offeror do not own any of the Company shares, etc.

The Company has been informed that Carlyle is a global investment firm with approximately USD 376 billion under management as of June 30, 2022, and approximately 1,900 employees in 26 offices on five continents. It is active in three investment areas: “Global Private Equity”, “Global Credit”, and “Investment Solutions” (Note 1).

(Note 1) Specifically, Carlyle is engaged in the following three areas: ① “Global Private Equity”, which includes investment activities such as buyout investments (including the privatization of listed companies), growth capital (providing growth capital to emerging companies) and strategic minority

investments as well as real asset investments such as real estate investment and energy investment, ② “Global Credit”, which primarily invests in debt securities, including loan-backed securities and mezzanine investments, and ③ “Investment Solutions”, which manages funds of funds that invest in private equity funds and real estate funds.

Of these, in corporate private equity investment activities in the “Global Private Equity” segment, Carlyle has made a cumulative total of 729 investments since its establishment in 1987. Since the start of its activities in Japan in 2000, it has made a total of 35 investments, including in Tsubaki Nakashima Co., Ltd., N.I.C. Corporation (current Solasto Corporation), Simplex Inc., ARUHI Corporation, Hitachi Metals Techno, Ltd. (current SENQICIA Corporation), WingArc1st Inc., Orion Breweries, Ltd., Rigaku Corporation, and AOI TYO Holdings Inc. Carlyle also manages assets totaling approximately USD 143 billion in the “Global Credit” and approximately USD 66.2 billion in the “Investment Solutions”.

The Offeror has made the decision on November 9, 2022 to commence the Tender Offer on November 10, 2022 as part of a transaction (the “Transaction”) to take the Company private by acquiring the Shares, etc. (including the Shares to be delivered upon exercise of the Stock Acquisition Rights and excluding treasury shares held by the Company) listed on the Growth Market of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) (the “Tokyo Stock Exchange Growth Market”).

Upon conducting the Tender Offer, on November 9, 2022, the Offeror has entered into agreements with some of the Company’s founders (the “Tendering Founders”) on tendering the Shares, etc. (the “Tender Agreements”, the Company’s Shares, etc. to be tendered under the Tender Agreements will be referred to as the “Tendering Shares, etc.” The number of shares to be the Tendering Shares, etc. will refer to the number of shares that take into consideration the potential shares that are the object of the Stock Acquisition Rights, unless stated otherwise.) (Note 2). The number of shares to be the Tendering Shares, etc. is 10,905,812 (10,705,844 Shares and 16,664 Fifth Series Stock Acquisition Rights (199,968 shares as the object of those rights) for an ownership ratio (Note 3) of 27.94%). For the details of the Tender Agreement, please refer to “4. Details of Material Agreements Between the Offeror and the Shareholders of the Company Concerning Tendering Shares”.

(Note 2) The Tendering Founders refer to one or both of the following individuals: Mr. Ryosuke Niino, the Company’s largest shareholder (Owning 6,048,156 shares (6,019,596 Shares and 2,380 Fifth Series Stock Acquisition Rights (for 28,560 shares) for an ownership ratio of 15.49% of the Company’s Shares, etc.)), and Mr. Yusuke Umeda, the Company’s part-time director and the second largest shareholder (Owning 4,857,656 shares (4,686,248 Shares and 14,284 Fifth Series Stock Acquisition Rights (for 171,408 shares) for an ownership ratio of 12.44% of the Company’s Shares, etc.). While Mr. Umeda has provided his 1,046,200 Shares (ownership ratio: 2.68%) to the Kamakura Tax Office as collateral, Mr. Umeda has agreed in the Tender Agreement with the Offeror that (i) he will make the collateral released and tender those shares in the Tender Offer as well, and (ii) if the collateral is not released during the Tender Offer Period, those shares will not be tendered in the Tender Offer and if the Company holds the Extraordinary Shareholders’ Meeting (defined in “(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” below), he will vote in favor of the proposal for a consolidation of shares at the Extraordinary Shareholders’ Meeting in accordance with the Offeror’s instructions or to grant a comprehensive proxy to the Offeror or the Offeror’s designee. Mr. Umeda is proceeding with the necessary procedures with the Kamakura Tax Office and the National Tax Agency for the release of such collateral, and the release of such collateral is expected in late November 2022. The Offeror is not aware of any circumstances that would hinder the release of such collateral during the Tender Offer Period as of today.

(Note 3) The ownership ratio hereinafter refers to the percentage (rounded to the second decimal point) of 39,035,597 (the “Company’s Total Number of Shares after considering potential shares”), which is calculated as follows: the sum of (i) 37,067,757, the number of the Company’s issued shares as of September 30, 2022, as stated in the Company’s Consolidated Financial Results for the Nine Months Ended September 30, 2022 (Japanese GAAP) (the “Company’s Consolidated Financial Results”) disclosed on November 9, 2022; (ii) 21,088, among RSU allocated to certain officers and employees of the Company and its affiliates (defined in “(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” below), the number of Shares issued as of October 11, 2022 to allocate to such officers and employees based on the second series of RSU; and (iii) 1,947,056, the number of shares that are the object of the 341,033 Stock Acquisition Rights (Note 4) remaining as of September 30, 2022, and are exercisable as of today; for a total of 39,035,901; subtracted by (iv) 304, the number of treasury shares held by the Company as of September 30, 2022 stated in the Company’s Consolidated Financial Results.

(Note 4) The details of the Stock Acquisition Rights remaining as of September 30, 2022 and exercisable as of today are as follows:

Name of Stock Acquisition Rights	Number of rights as of September 30, 2022	Number of Shares to be issued
Fourth Series Stock Acquisition Rights	9,620	115,440
Fifth Series Stock Acquisition Rights	26,202	314,424
Eighth Series Stock Acquisition Rights	4,277	51,324
Ninth Series Stock Acquisition Rights	6,375	76,500
11th Series Stock Acquisition Rights	12,700	152,400
12th Series Stock Acquisition Rights	2,494	29,928
14th Series Stock Acquisition Rights	1,133	453,200
15th Series Stock Acquisition Rights	1,192	476,800
28th Series Stock Acquisition Rights	277,040 out of 554,046 (Note 5)	277,040
Total	341,033	1,947,056

(Note 5) For 277,006 rights out of the 554,046 rights in the 28th Series Stock Acquisition Rights, the vesting date is either December 31, 2022 or March 31, 2023. Since 277,006 rights out of the 554,046 rights cannot be exercised during the Tender Offer Period, the number of shares to be issued (277,006 shares) are not included in the Company's Total Number of Shares after considering potential shares.

The Offeror has set the minimum number of shares to be purchased (Note 6) in the Tender Offer (the "Minimum Number of Shares to Be Purchased") at 26,023,700 shares (ownership ratio: 66.67%), and if the total number of shares, etc. tendered in the Tender Offer (the "Tendered Shares, etc.") (hereinafter, including the number of shares that are the object of the Stock Acquisition Rights) is less than the Minimum Number of Shares to Be Purchased, the Offeror will not purchase, etc. any of the Tendered Shares, Etc. At the same time, since the Offeror intends to purchase, etc. all of the Shares, etc. of the Company to take the Company private, the Offeror has not set a maximum number of shares to be purchased, and if the number of Tendered Shares, etc. is equal to or more than the Minimum Number of Shares to Be Purchased (26,023,700 shares), the Offeror will purchase all of the Tendered Shares, etc. The Offeror's reason for setting the Minimum Number of Shares to Be Purchased is that while the premise of the Tender Offer is to take the Company private, when conducting the procedure for consolidation of shares as described in "(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)", an extraordinary resolution will be required at the Company's General Meeting of Shareholders, as stated in article 309, paragraph 2 of the Companies Act (Act No. 86 of 2005, including subsequent revisions. The same applies hereafter.). In order to ensure the execution of the Transaction, the Offeror intends to make sure that it will own at least two-thirds of the voting rights held by the Company's shareholders after the Tender Offer.

(Note 6) The Minimum Number of Shares to Be Purchased (26,023,700 shares) is calculated by the number of voting rights (390,355) pertaining to the Company's Total Number of Shares after considering potential shares (39,035,597) multiplied by two-thirds and rounded to the closest whole number (260,237) multiplied by 100.

If the Tender Offer is successful, the Offeror plans to receive funds from the Carlyle Fund by two business days before the commencement date of the settlement of the Tender Offer, and receive JPY 7 billion in a loan from MUFG Bank, Ltd. by one business day before the commencement date of the settlement of the Tender Offer, by which the Offeror will fund the settlement for the Tender Offer.

If the Offeror is unable to purchase all of the Company's Shares, etc. in the Tender Offer, it plans to implement procedures for the Offeror to become the sole shareholder of the Company as described below in "(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)".

- ② Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer and Management Policy Following the Tender Offer
 - (i) Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer

Background, purposes, and decision-making process behind the implementation by the Offeror of the Tender Offer are as follows.

The Company was established in April 2008 with the goal of creating a platform to support global business information gathering, analysis, and decision-making for businesses through the power of people and technology, thereby increasing human productivity and unleashing creativity. In May 2009, the Company released SPEEDA, a business intelligence platform that enables corporate and industry analysis. SPEEDA provides one-stop access to a wide range of business intelligence, including financial and stock price data of companies from more than 200 countries, regional analysis reports on more than 560 industries, statistical data, economic news, M&A information, and patent trends. In addition, its proprietary content “SPEEDA Trends”, created by the Company’s own analysts, provides access to reports and other information on cutting-edge technology trends as well as commentaries on business models developed in response to these trends.

Over the years, SPEEDA’s clientele has expanded from Japanese financial institutions, consulting firms, and accounting firms at the time of its initial release to corporate planning departments of non-financial corporations. Furthermore, since 2013, SPEEDA’s customer base has been growing not only in Japan, but also abroad, particularly in Asia.

In April 2020, the Company converted into its wholly owned subsidiary Mimir, Inc. (hereinafter “Mimir”), equipped with a nationwide database of approximately 6,000 experts at the time (approximately 20,000 experts as of the end of June 2022) from a wide range of fields (such as new business development, corporate planning, marketing, human resources, sales, manufacturing, and logistics, as well as startup experts—pioneers in cutting-edge domains, academia experts with in-depth knowledge of their fields, doctors, and more). Since then, the Company has integrated Mimir’s expert network into SPEEDA, developing it into a business intelligence platform that includes human knowledge in the form of SPEEDA Expert Research, which is now part of SPEEDA’s service lineup.

While steadily expanding SPEEDA’s business, in 2013, the Company released “NewsPicks”, a business news media platform. In addition to providing curated news on business and the economy from over 100 media sources in Japan and abroad, NewsPicks offers original articles, audio and video content created by NewsPicks’ own editorial team. In addition to being a platform for distributing news and providing original content, NewsPicks also acts as a community where individual users can communicate with each other or with companies. With these features, NewsPicks has established a unique positioning as a social business media outlet. NewsPicks operates a business model with two sources of revenue: paid subscriptions, with revenue directly from users who sign a paid subscription agreement, and advertising, with revenue derived from advertisements placed by companies.

While expanding its business centered on SPEEDA and NewsPicks, the Company listed its shares on the Mothers’ section of the Tokyo Stock Exchange in October 2016. In January 2017, the Company began operating the startup information platform “entrepedia” (currently “INITIAL”) through the acquisition of Japan Venture Research Co., Ltd. In May of that same year, the Company added to its portfolio FORCAS, a customer strategy platform for B2B businesses (Note 1). Similar to SPEEDA, INITIAL’s customers include financial institutions, consulting firms, accounting firms, venture capital firms, and non-financial corporations, while FORCAS mainly caters to sales and marketing departments of non-financial corporations that provide services in the B2B domain, with both businesses steadily growing.

(Note 1) “B2B” stands for “Business to Business”: transactions or businesses conducted by companies for companies.

While diversifying and expanding its business mainly in Japan, the Company aspired to further expand its global footprint with a focus on Asia. To that end, in 2018, the Company acquired as its consolidated subsidiary the U.S.-based Quartz Media, Inc. (hereinafter “Quartz”), an economic news media company with global operations centering on the U.S., and began offering Quartz, an economic news media for the global market. Before becoming the Company’s consolidated subsidiary, Quartz’s main source of revenue came from advertisements placed on its news media, but after the acquisition, it launched a paid subscription business with revenues earned directly from users with paid contracts, similar to NewsPicks. Hence, Quartz started aggressively investing into its paid subscription business as its future pillar, and it was off to a good start, with the number of paying subscribers reaching approximately 12,000 by the end of 2019. However, the outlook for the U.S. advertising market became uncertain in 2020 as companies, especially in the U.S., were curbing their advertising spending due to the spread of COVID-19. Under such circumstances, the original goal of achieving profitability in three years post acquisition became increasingly challenging. In line with the Company group’s investment policy, the Company group decided to shift resources to the B2B SaaS business, centering on SPEEDA, and NewsPicks, both of which had higher growth potential. As a result, in November 2020, the Company group determined to withdraw from the Quartz business and transferred all shares of Quartz to its then management team. Following the withdrawal, Mr. Umeda, the Company’s representative director at the

time, retired, and his position was assumed by a director of the Company, Taira Sakuma from 2021. He became the Company's Co-CEO together with Yusuke Inagaki, one of the Company's founders, forming the current management structure.

In December 2021, following this change in management, the Company formulated its Purpose: "Awaken a world of play in business, with our insights." The "world of play in business" is a world of harmony among societal, business, and individual purposes. To realize this world, the Company group provides its SaaS products centered on SPEEDA to businesses, and NewsPicks to individuals. Against this backdrop, the Company has changed the segment classification in the disclosure of its financial results from fiscal year 2022 onward to two business segments: SaaS and NewsPicks.

(a) SaaS Business

The Company provides SaaS products that support customers in Agile Business Management (a customer-oriented, highly adaptable approach to business management). To that end, it is necessary to support customers' business, customer, and organizational strategies. The main products in each of these areas are as follows.

Business strategy: SPEEDA (including SPEEDA Expert Research, the expert network business of Mimir, a wholly owned subsidiary of the Company since April 2020), INITIAL, and SPEEDA EDGE

Customer strategy: FORCAS/FORCAS Sales

Organizational strategy: NewsPicks Enterprise and Incubation Suite provided by AlphaDrive/NewsPicks ("AD/NP")

Among these products, SPEEDA Expert Research, FORCAS, and AD/NP have achieved particularly high growth rates, with sales for fiscal year 2021 increasing 273%, 43%, and 71% year-on-year, respectively. The three products are the key areas of investment and are expected to continue growing at 50%+, 40-50%+, and 50%+, respectively. Meanwhile, INITIAL also contributed to the Company's profitability, with sales growth of 40% year-on-year and an EBITDA margin (EBITDA (Note 2) divided by revenue) of 22.8% in fiscal year 2021. SPEEDA also grew steadily in fiscal year 2021 with net sales up 24% year-on-year, and significantly contributed to profitability with its EBITDA margin of 31.3%. In the SaaS segment, the Company operates its business in accordance with a portfolio management policy which sets a target growth rate and profitability goal depending on the business environment and growth stage of each product. In order to spread Agile Business Management in companies through the SaaS business, the Company aims for a cloud-based transition and democratization of the management consulting market. The Company will continue to create new customer-oriented products and businesses, while actively promoting cross-selling among its products in order to achieve continuous high growth and stable profits in the SaaS business.

(Note 2) EBITDA refers to earnings (net income) before interest, taxes, depreciation, and amortization.

(b) NewsPicks Business

NewsPicks is a business news media platform with social media functions. In addition to providing curated news on business and the economy from over 100 media sources in Japan and abroad, NewsPicks offers original articles and video content created by NewsPicks' own editorial team. Besides being a platform for distributing news and providing original content, NewsPicks also acts as a community where individual users can communicate with each other or with companies. With these features, NewsPicks has established a unique position as a social business media outlet. Moreover, while original NewsPicks articles were initially provided as core content for SPEEDA, from 2021, they started to be published to INITIAL and FORCAS Sales.

The number of paying NewsPicks' subscribers increased by approximately 46% year-on-year in the second quarter of fiscal year 2020 on the back of the growing need for high-quality information that could help with economic forecasting at the onset of the COVID-19 pandemic in 2020. Since then, however, the growth of paying subscribers has remained sluggish, and NewsPicks' current challenge is to recover the growth rate of the paid subscriptions business through an increase in the number of paying subscribers. Another issue is the low recognition rate in Japan compared to existing business media such as Nikkei. On the other hand, the churn rate of paying subscribers has been on a downward trend from 2019 onward, decreasing by approximately 2.1% from the end of March 2019 to the end of March 2022. Therefore, the Company aimed to accelerate user acquisition by raising awareness through aggressive investments in marketing during the fiscal year 2022, including trial TV advertisement campaigns in order to recover the growth rate of the paid subscriptions business.

In order to realize its purpose through its SaaS and NewsPicks businesses, the Company announced its long-term management strategy in December 2021, where it laid out a shift to a business model that integrates the SaaS and NewsPicks businesses by 2025. The competitive advantage of the Company group is its possession of business insights, the core assets, consisting of three pillars: various data on companies and industries; content such as news, industry and trend reports; and knowledge by various experts. Such core assets will be jointly utilized across the entire group. The Company believes that this joint utilization of business insights, the core assets, allows it to efficiently invest in the expansion of business insights and efficiently improve the profitability.

In addition, the Company group's long-term business strategy sets a goal of consolidated sales growth rate of 30% per year on average and an EBITDA margin of 15% by 2025 through accelerated integration of the SaaS and NewsPicks businesses and continued business expansion based on the enhancement of its core business insight assets.

However, recent changes in the external environment, including the need to stay at home caused by the COVID-19 pandemic, prompted the expansion of online video distribution services such as Netflix and Disney+ as well as various social media and online games which compete for users' disposable time. Paired with issues such as delays in establishing a solid structure for the Advertising business, NewsPicks sales for the third quarter of fiscal year 2022 decreased 6.3% year-on-year.

As mentioned above, the growth of the NewsPicks business has slowed down significantly compared to expectations, which is the main reason for the revision of the Company's sales forecast for the fiscal year 2022 from 19.5-20.0 billion yen to 18.2 billion yen, as disclosed today in the "Notice Regarding Revision of Consolidated Earnings Forecast for the Fiscal Year Ending December 31, 2022."

Given such economic environment and business conditions, the Company believes that the following actions are required to realize its purpose announced in December 2021, "Awaken a world of play in business, with our insights." and to achieve sustainable growth: continue to invest in high-growth products—SPEEDA Expert Research, FORCAS, and AD/NP—as well as its core business insight assets; recover the growth rate of the NewsPicks segment; integrate the NewsPicks and SaaS businesses; and connect different SaaS business products. The Company also believes that in order to maintain high growth potential despite organizational expansion, it needs to strengthen its organizational structure to enable efficient and prompt decision-making, enhance recruitment, training, and retention of outstanding talents to support its future growth, and strengthen corporate functions to improve operating efficiency. Early and steady implementation of the above measures is extremely important for the management strategy, while their postponement may lead to a decline in the Company's medium-to-long-term competitiveness and profitability under the changing business environment described above. However, even if such aggressive efforts to continue investment and strengthen management and business foundations contribute to improving the Company's corporate value in the medium-to-long term, they may cause a slowdown in the sales growth rate or a temporary deterioration in profitability in the short term. On the other hand, volatility in the global capital markets has increased since the beginning of 2022, and startup companies listed on the Tokyo Stock Exchange Growth Market have seen their share prices decline due to a growing preference for securing short-term profitability over aggressive measures for medium-to-long-term growth. In such an environment, if the Company were to take the above measures while maintaining its listing on the stock exchange, there would be a gap between the Company's strategy to achieve its fundamental growth and the expectations of the capital market, and the Company would not necessarily be able to obtain sufficient recognition. This could adversely affect the Company's stock price and disadvantage its existing shareholders.

Therefore, in early March 2022, the Company considered delisting the Shares as one of the options to promote business expansion and bolster its management foundation by tackling its management issues in a flexible and agile manner without being affected by short-term fluctuations in performance. This would allow the Company to realize its Purpose without depending on short-term fluctuations in its business performance.

In the process of considering various measures to resolve management issues, including the aforementioned delisting, the Company exchanged opinions with Carlyle in early March 2022 regarding the management strategy and measures for the Company group based on the outlook of the medium-to-long-term management environment as well as the optimal capital structure for the Company, and requested Carlyle to conduct an initial review of such management strategy, capital structure, and other aspects. In parallel with discussions with Carlyle, the Company has been in contact with three other private equity funds to exchange opinions on the management strategy and measures of the Company group, taking into consideration the outlook of the medium-to-long-term business environment, as well as the Company's optimal capital structure.

Meanwhile, based on continuous discussions with the Company's management since early March 2022, in early April 2022, Carlyle came to the conclusion that, by taking the Shares private and leveraging Carlyle's knowledge and network, further strengthening of the SaaS platform and products and accelerating the integration of the Company's SaaS and NewsPicks businesses that it has been promoting, as well as steadily implementing Company-wide growth strategies from a medium-to-long-term perspective, including the strengthening of the organizational structure to improve recruiting capabilities and sales efficiency, are essential for the Company's sustainable growth and will also contribute to improving its corporate value. Carlyle therefore requested the Company's management on April 18, 2022, to consider measures to enhance its corporate value, including going private, and on the same day,

the Company informed Carlyle that it would proceed with related discussions. Given the opportunity to consider such measures to enhance its corporate value, including going private, Carlyle conducted an initial review of each of the Company's product lines' business structure, growth, and subjects from April through July of the same year. In the course of discussions in mid-July 2022, Carlyle identified two pressing management issues: (1) strengthening competitiveness through continuous investment in growth and creation of synergy between its businesses, and (2) strengthening the organizational structure. In addition, Carlyle came to regard the Company as a potential investment candidate with the ability to improve its corporate value as a leading SaaS company in Japan by addressing these issues quickly and steadily. Carlyle's track record of investments in companies of similar domains in Japan and abroad has led the Company to conclude that it would be able to contribute to the resolution of the above management issues by utilizing the support from Carlyle's knowledge and network (specifically, outside of Japan, Carlyle has invested in Zoominfo Holdings and Dealogic, and in Japan, in Simplex Inc., WingArc1st Inc., and AOI TYO Holdings, among others). In order to realize the above goals, Carlyle communicated to the Company that taking the Shares private with one stable shareholder would be effective to support the transition to the next stage of growth from a medium-to-long-term perspective, and to achieve an increase in the Company's corporate value without being dependent on its short-term results. In addition, the Company determined that going private will contribute to improving its corporate value by supporting a second founding by current employees, strengthening the recruitment, development, and retention of outstanding talent through the design of incentive plans and other measures, and addressing management issues including company-wide growth strategies with a sense of speed. As a result, in mid-July 2022, the Company came to the conclusion that the Transaction, including the Tender Offer, is the most viable option. Since early March 2022, in parallel with discussions with Carlyle, the Company has been in contact with three other private equity funds to exchange opinions on the management strategy and measures of the Company group, taking into account the outlook of the medium-to-long-term business environment, as well as the Company's optimal capital structure. In the course of exchanging opinions and holding discussions with Carlyle, the Company learned about Carlyle's extensive track record of investments in Japan and abroad, and in early September 2022, decided that Carlyle has the deepest understanding of its business and the Company may expect the early realization of its business strategy based on Carlyle's knowledge and network including its investment in domains similar to the Company's business. Therefore, the Company proceeded with discussions with Carlyle rather than with any of the other three private equity funds. Specifically, Carlyle has a track record of global investments in Zoominfo Holdings, which develops business intelligence platforms, and in Dealogic, a financial information analysis platform, as well as a track record of investments in Japan in Simplex, Inc. and WingArc1st Inc. Given its investments in Japan, the Company believes that Carlyle has a good understanding of organizations where engineers are the source of competitive advantage, and that it has a deep knowledge of the media industry through its investment in AOI TYO Holdings. Based on this track record, the Company concluded that Carlyle would be an optimal partner to promote medium-to-long-term enhancement of its corporate value, including the privatization of its shares. Upon receiving a proposal from the Offeror on September 2, 2022 to discuss and consider the Transaction, the Company decided to proceed with discussions on the Transaction with Carlyle.

In mid-July 2022, Carlyle presented its understanding of the Company's businesses and future strategies, etc. to the Company, and started a full-scale deliberation of the Transaction. On September 2, 2022, it proposed to the Company to have discussions and deliberation towards the implementation of the Transaction, and requested to conduct due diligence of the Company from early September to mid-October of 2022, to which the Company responded on September 9, 2022, to proceed with discussions towards the implementation of the Transaction. On August 30, 2022, Carlyle appointed Mitsubishi UFJ Morgan Stanley Securities to act as its financial advisor and tender offer agent in the Transaction, which is independent from the Company, the Offeror, and the Tendering Founders. While conducting due diligence to assess the feasibility of the Transaction between September 9, 2022 and October 7, 2022, in early October, it started discussions to consider the terms and conditions of the Transaction including the Tender Offer.

In addition, Carlyle established the Offeror on October 14, 2022 for the purpose of acquiring the Company's Shares, etc. in the Tender Offer, based on the awareness that it would be optimal to establish the Offeror as the main entity to implement the Tender Offer, given the method of financing the settlement funds, etc. Alongside the deliberation of specific terms and conditions of the Transaction, based on the results of due diligence and other factors, Carlyle discussed and negotiated with the Company on the terms and conditions of the Tender Offer, including the Tender Offer Price, the period of the Tender Offer, and the minimum and maximum number of shares to be purchased.

Specifically, on October 7, 2022, due to the fact that no crucial factors were found in the due diligence that would significantly undermine corporate value which may have caused deliberation of the Transaction to be cancelled, Carlyle proposed a Tender Offer Price of JPY 1,100 (a premium of 56.9% on JPY 701, the closing price of October 6, 2022, the business day immediately preceding the day of the proposal; 62.0% on JPY 679, the average closing price of the past one month; 54.5% on JPY 712, the average closing price of the past three months; and 44.2% on JPY 763, the average closing price of the past six months; all premiums above and hereinafter are rounded to one decimal place), based on the fact that it generally exceeds the level of premiums in other cases of tender offers by entities other than the issuer (specifically, the average premiums in all tender offer cases, 120 tender offers, for taking a company private (excluding discounted cases) following the announcement of "Fair M&A Guidelines" by the Ministry of Economy, Trade and Industry on June 28, 2019 were as follows: a premium of 49.2% on the average closing price for the most recent one month, 51.2% for the most recent three months, and 50.8% for the most recent six months) and it is sufficient for the protection for the Company's shareholders. Regarding the Stock Acquisition

Right Tender Offer Price for the Fourth, Fifth, Eighth, Ninth, 11th, 12th, and 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount of difference between the Tender Offer Price JPY 1,100 and exercise price per Share in each Stock Acquisition Right multiplied by the number of Shares that are the object of one Stock Acquisition Right. For the 13th, 14th, 15th, 16th, and 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact that the exercise price per Share in the Stock Acquisition Rights exceed JPY 1,100, or that the conditions for exercising the rights have not been met. The Offeror delivered the proposal of the prices given above in written document. At the same time, with regard to the terms and conditions of the Tender Offer, the Offeror proposed a timeline of 30 business days from November 10, 2022 to December 22, 2022, that the Minimum Number of Shares to Be Purchased would be set at the number equivalent to or more than two-thirds of the voting rights of the Company's Total Number of Shares after considering potential shares (rounding up any decimals to a whole number), multiplied by 100 shares, and that it would not set a limit on the maximum number of shares to be purchased.

In response, on October 11, 2022, the Company responded in a written document requesting to raise the Tender Offer Price, based on the fact that the proposed amount did not reach the acceptable level determined by the Company based on Houlihan Lokey's preliminary analysis (defined in "③ Process Leading to and Reasons for the Company's Decision to Support the Tender Offer") and the historical trends of the Company's stock price.

On October 14, 2022, Carlyle made its second proposal in written document, setting the Tender Offer Price at JPY 1,300 (a premium of 92.0% on JPY 677, the closing price of October 13, 2022, the business day immediately preceding the day of the proposal; 91.7% on JPY 678, the average closing price of the past one month; 83.6% on JPY 708, the average closing price of the past three months; and 73.8% on JPY 748, the average closing price of the past six months). For the Fourth, Fifth, Eighth, Ninth, 11th, 12th, 14th, 15th and 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount of difference between the Tender Offer Price JPY 1,300 and exercise price per Share in each Stock Acquisition Right multiplied by the number of Shares that are the object of one Stock Acquisition Right (Regarding the 14th and 15th Series of Stock Acquisition Rights, as the proposed Tender Offer Price was raised and now exceeded the exercise price per Share, the proposal was changed to be the amount of difference between the Tender Offer Price JPY 1,300 and exercise price per Share in each Stock Acquisition Right multiplied by the number of Shares that are the object of one Stock Acquisition Right). For the 13th, 16th, and 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met.

In response, on October 18, 2022, the Company responded in a written document requesting to raise the Tender Offer Price, based on the fact that the proposed amount did not reach the acceptable level determined by the Company based on Houlihan Lokey's preliminary analysis on fair stock value and the historical trends of the Company's stock price.

On October 21, 2022, Carlyle made its third proposal in written document, setting the Tender Offer Price at JPY 1,400 (a premium of 100.0% on JPY 700, the closing price of October 20, 2022, the business day immediately preceding the day of the proposal; 105.6% on JPY 681, the average closing price of the past one month; 98.0% on JPY 707, the average closing price of the past three months; and 90.0% on JPY 737, the average closing price of the past six months). For the Fourth, Fifth, Eighth, Ninth, 11th, 12th, 14th, 15th and 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount of difference between the Tender Offer Price JPY 1,400 and exercise price per Share in each Stock Acquisition Right multiplied by the number of Shares that are the object of one Stock Acquisition Right. For the 13th, 16th, and 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met.

In response, on October 28, 2022, the Company responded in a written document requesting to raise the Tender Offer Price, based on the fact that the proposed amount did not reach the acceptable level determined by the Company based on Houlihan Lokey's preliminary analysis on fair stock value, and the historical trends of the Company's stock price to which on November 2, 2022, Carlyle made its fourth proposal in written document, setting the Tender Offer Price at JPY 1,458, equivalent to the highest closing price the Shares marked on the market since the beginning of 2022 (a premium of 99.3% on JPY 745, the closing price of November 1, 2022, the business day immediately preceding the day of the proposal; 110.9% on JPY 704, the average closing price of the past one month; 112.8% on JPY 698, the average closing price of the past three months; and 102.9% on JPY 732, the average closing price of the past six months). For the Fourth, Fifth, Eighth, Ninth, 11th, 12th, 14th, 15th and 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount of difference between the Tender Offer Price JPY 1,458 and exercise price per Share in each Stock Acquisition Right multiplied by the number of Shares that are the object of one Stock Acquisition Right. For the 13th, 16th, and 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met.

In response to this proposal, on November 2, 2022, the Special Committee (defined in "③ Process Leading to and Reasons for the Company's Decision to Support the Tender Offer") requested in a written document to consider further raising the Tender Offer Price for the benefit of the Company's shareholders to which Carlyle, on November 7, 2022, proposed in written document a Tender Offer Price at JPY 1,500, a JPY 1 premium over JPY 1,499, the highest 2022 Share price (a premium of 86.3% on JPY 805, the closing price of November 4, 2022, the business day immediately preceding the day of the proposal; 108.9% on JPY 718, the average closing price of the past one month; 116.1% on JPY 694, the average closing price of the past three months; and 104.6% on JPY 733, the average closing

price of the past six months). For the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price per Share of each Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. For the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met. In response to this proposal, on November 8, 2022, the Offeror accepted via electronic mail the response that the Company agrees to a Tender Offer Price at JPY 1,500. Furthermore, on the same day, the Offeror also proposed to conduct a Tender Offer for Stock Acquisition Rights: for the Fourth, Fifth, Eighth, Ninth, 11th, 12th, 14th, 15th and 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount of difference between the Tender Offer Price JPY 1,500 and exercise price per Share in the Stock Acquisition Rights multiplied by the number of Shares that are the object of one Stock Acquisition Right; for the 13th, 16th, and 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met as of today, and these were also agreed upon by the Company. Additionally, with regard to the terms and conditions of the Tender Offer, the Offeror proposed a timeline of 30 business days from November 10, 2022 to December 22, 2022, that the Minimum Number of Shares to Be Purchased would be set at the number equivalent to or more than two-thirds of the voting rights of the Company's Total Number of Shares after considering potential shares (rounding up any decimals to a whole number), multiplied by 100 Shares, and that it would not set a limit on the maximum number of Shares to be purchased. These conditions were agreed upon by the Company as well. Based on such conditions, the Offeror made the decision to conduct the Tender Offer as part of the Transaction.

Based on the outcome of the discussion and negotiation, Carlyle decided on November 9, 2022 to conduct the Tender Offer through the Offeror as part of the Transaction at a Tender Offer Price of JPY 1,500.

Alongside discussions with the Company, on October 12, Carlyle requested the Tendering Founders to tender their Shares, etc. in the Tender Offer and to conclude a Tender Agreement, after explaining the discussions that took place with the Company on increasing corporate value, the details of the proposal by Carlyle, and the progress of negotiation with the Company. In response, respecting that the conditions of the Tender Offer were decided through sincere negotiations between the Company and Carlyle, the Tendering Founders agreed to tender their Shares, etc. in the Tender Offer and executed the Tender Agreement with the Offeror as of November 9, 2022 under the condition that on November 9, 2022, the Company's Board of Directors resolves to express its opinion to support the Tender Offer, which is publicly announced, and has not been changed or withdrawn.

(ii) Management Policy Following the Tender Offer

The Offeror has expressed its intent to keep the Company's current management at the center of execution of the management policies described in "(i) Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer" in "② Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer and Management Policy Following the Tender Offer," in which the Company further strengthens its SaaS business while leveraging the unique business foundation of NewsPicks to create synergies and strive to increase corporate value as a SaaS company that leads the Japanese market. While the Offeror is considering the appointment of one to four individuals nominated by Carlyle as officers of the Company, it intends to discuss the matter with the Company's directors and make a decision taking into consideration the governance structure of the whole Company group. Therefore, the actual number of individuals, timing, and nominees are not confirmed at this point in time. While the Offeror has not made any agreements with the Company's directors regarding the appointment of officers following the Tender Offer, the Offeror's policy at this point in time is to maintain the current management structure, including the Company's officers, and to have the incumbent officers continue executing on their responsibilities. For the details of the Company's management structure, the Offeror intends to discuss with the Company after completion of the Tender Offer. The assumption is to move forward with the company-wide growth strategy, including acceleration of the integration of the SaaS and NewsPicks businesses, and no changes in the business portfolio of the Company are envisioned at this point in time.

③ Process Leading to and Reasons for the Company's Decision to Support the Tender Offer

(i) Circumstances of Establishing a Structure for Evaluation

As described in "(i) Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer" of "② Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer and Management Policy Following the Tender Offer," the Company has examined various options, including delisting the Shares as stated above, to address management issues, such as ongoing investments in the high-growing products "SPEEDA EXPERT RESEARCH," "FORCAS," and "AD/NP"; investing in business insights, which constitutes the Company's core assets; recovering the growth rate of the NewsPicks business; executing measures towards integration of SaaS and NewsPicks businesses as well as collaboration across SaaS products; strengthening the organizational structure to enable efficient and swift

management decision-making; strengthening recruitment, training, and retention of skilled talent that drives further growth of the Company, and reinforcing the corporate function to improve efficiency of sales activities. In this process, in early March 2022, the Company exchanged opinions with Carlyle about the Company group's management strategy and measures, as well as optimal capital structure, etc. of the Company, and the Company also requested Carlyle to make a preliminary assessment of matters including the Company's management strategy and capital structure. In parallel with discussions with Carlyle, since early March 2022, the Company has been in contact with three other parties including private equity funds and has started exchanging opinions and having discussions on the management strategy and measures of the Company group, taking into account the outlook of the medium to long-term business environment, as well as the Company's optimal capital structure.

Later, on April 18, 2022, the Company received an offer from Carlyle to consider measures to increase corporate value, including to take the Company private. On the same day, the Company informed Carlyle that the Company would proceed with discussion toward such consideration and decided to give Carlyle the opportunity to consider such measures to increase corporate value including to take the Company private. After the preliminary review of the Company's businesses conducted by Carlyle from April to July 2022, the Company received an explanation of Carlyle's understanding of the businesses and future strategies in mid-July. In addition, based on the gradual progress made in the discussion with Carlyle on measures to increase corporate value, including to take the Company private, the Company appointed Nagashima Ohno & Tsunematsu as a legal advisor independent from both the Offeror and the Company in late June, 2022. Based on the legal advice on the process and method of the decision-making regarding the Transaction, and other points that should be considered in connection with the decision-making regarding the Transaction, the Company started to establish a structure independent from the Offeror to consider, negotiate, and decide matters related to the Transaction from the perspective of increasing the Company's corporate value, as well as securing benefits for its general shareholders.

On September 2, 2022, the Company received the offer to discuss and further consider the implementation of the Transaction, as well as the request to conduct due diligence on the Company from early September to mid-October 2022 in order to make a thorough examination of the Transaction. Alongside the discussion with Carlyle, from early March 2022, the Company contacted three other parties including private equity funds, and exchanged opinions and discussed the Company group's management strategy and measures, taking into account the outlook of the medium to long-term business environment, as well as the optimal capital structure for the Company, with them. As the Company engaged in various discussions and dialogue with Carlyle, given Carlyle's extensive track record of investments in and outside of Japan, the Company came to believe that Carlyle had the deepest understanding of the Company's businesses and potential for the early realization of the management strategy through insights gained from investments in areas adjacent to the Company's businesses and utilization of its network, and that it should proceed the discussions with Carlyle, not with such three other parties including private equity funds. Specifically, outside of Japan, Carlyle has invested in Zoominfo Holdings, the operator of a business intelligence platform, and Dealogic, the provider of a platform for analyzing financial information. In Japan, the Company believes that through the investments in Simplex Inc. and WingArc1st Inc., Carlyle understands organizational culture where engineers are the source of competitiveness, and through the investment in AOI TYO Holdings Inc., Carlyle has a deep understanding of the media industry. Taking these investments into consideration, the Company has determined that Carlyle was the optimal candidate as a partner for driving the Company's medium to long-term growth of corporate value, including by taking the Company private. On September 2, 2022, upon receiving a proposal from the Offeror for discussion and consideration toward the implementation of the Transaction, the Company decided to move forward with the discussion with Carlyle towards the implementation of the Transaction.

On September 9, 2022, the Company informed Carlyle that it would proceed with discussion toward the implementation of the Transaction, and in order to further organize the structure for deliberation, negotiation, and decision of the Transaction, the Company appointed Houlihan Lokey Corporation ("Houlihan Lokey") as financial advisor and third-party appraiser. Moreover, as described in "①Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest," the Company resolved at the meeting of Board of Directors of the Company held on September 9, 2022 to establish a special committee ("the Special Committee"), and asked the Special Committee to review the feasibility of the Transaction, appropriateness of the conditions, fairness of the procedure, and other related matters. (Please refer to "①Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(6) Measures to Ensure Fairness in the Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness in the Tender Offer" for the members, specific matters to be reviewed, the process of deliberation, and decisions of the Special Committee.) At the aforementioned meeting of the Board of Directors, the Company has resolved that the Board of Directors of the Company shall make a decision while respecting the decisions of the Special Committee as far as possible, and that in the case the Special Committee concludes that the conditions of the Transaction are not appropriate, the Board of Directors shall not decide to implement the Transaction (neither endorse the Tender Offer nor recommend to accept the Tender Offer).

In addition, as described in "①Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest," on September 9, 2022, the Special Committee approved the Company's appointment of Nagashima Ohno &

Tsunematsu, the legal advisor, as well as Houlihan Lokey, the financial advisor and third-party appraiser for the Company, based on the confirmation that there are no issues regarding their independence and expertise.

Moreover, as described in “④Establishment of a Structure for Independent Review by the Company” of “(6) Measures to Ensure Fairness in the Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness in the Tender Offer,” the Company has established an internal structure independent from the Offeror to deliberate, negotiate, and make decisions on the Transaction (including the scope and responsibilities of the officers and employees of the Company to be involved in the deliberation, negotiation, and decisions related to the Transaction), and the Special Committee has approved that such structure does not have any issues regarding its independence.

(ii) Process of Review Consideration and Negotiation

After establishing the structure for deliberations described above, the Company has engaged in the process of multiple discussions and negotiations with the Offeror, based on the negotiation policy as well as opinions, instructions, and requests in important phases of the negotiation confirmed by the Special Committee in advance; while receiving reports on the analysis of the fair valuation of the Shares, advice on the negotiation policy with the Offeror and other advice from financial aspects from Houlihan Lokey; as well as guidance on ensuring the fairness of procedures for the Transaction and other legal advice from Nagashima Ohno & Tsunematsu.

Regarding the conditions of the Transaction including the Tender Offer Price, on October 7, the Company received a written proposal from Carlyle, in which the Tender Offer Price was proposed at JPY 1,100 (a premium of 56.9% on JPY 701, the closing price of October 6, 2022, the business day immediately preceding the day of the proposal; 62.0% on JPY 679, the simple average closing price of the past one month; 54.5% on JPY 712, the simple average closing price of the past three months; and 44.2% on JPY 763, the simple average closing price of the past six months). Regarding the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,100) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. For the 13th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact that the exercise price per Share for each Stock Acquisition Right exceeds JPY 1,100, or that the conditions for exercising the rights have not been met. At the same time, with regard to the terms and conditions of the Tender Offer, the Offeror proposed in writing that the period for purchase, etc. would be set to 30 business days from November 10, 2022 to December 22, 2022, that the Minimum Number of Shares to Be Purchased would be set at the number equivalent to or more than two-thirds of the voting rights of the Company's Total Number of Shares after considering potential shares (rounding up any decimals to a whole number), multiplied by 100 shares, and that it would not set a limit on the maximum number of shares to be purchased.

Regarding the Stock Acquisition Right Tender Offer Prices, the Company received an explanation that when the Stock Acquisition Rights had an exercise price per Share below the Tender Offer Price of JPY 1,100 and the conditions for exercising the rights are met, the Stock Acquisition Right Tender Offer Price for such Stock Acquisition Rights including those for which the exercise period has not arrived was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,100) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. On the other hand, when the exercise price per Share for the Stock Acquisition Rights exceeds JPY 1,100, or the conditions for exercising the rights have not been met, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1. In response, after careful deliberation taking into consideration advice from Houlihan Lokey and Nagashima Ohno & Tsunematsu, as well as opinions of the Special Committee, while the Company acknowledged that the approach in setting the Stock Acquisition Right Tender Offer Prices was reasonable, it determined that the Tender Offer Price of JPY 1,100 did not meet an acceptable level for the Company, given that it was below the range of value per share based on the Discounted Cash Flow analysis (the “DCF analysis”) conducted in Houlihan Lokey's preliminary analysis regarding the fair share value of the Company, and that the year's high price of the Shares in the market was JPY 1,499. On October 11, 2022, the Company responded in written document requesting to consider raising the Tender Offer Price. Afterwards, on October 14, 2022, Carlyle made its second proposal in written document, setting the Tender Offer Price at JPY 1,300 (a premium of 92.0% on JPY 677, the closing price of October 13, 2022, the business day immediately preceding the day of the proposal; 91.7% on JPY 678, the simple average closing price of the past one month; 83.6% on JPY 708, the simple average closing price of the past three months; and 73.8% on JPY 748, the simple average closing price of the past six months). For the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,300) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right (regarding the 14th Series Stock Acquisition Rights and the 15th Series Stock Acquisition Rights, as the proposed Tender Offer Price

was raised and now exceeded the exercise price per Share for such Stock Acquisition Right, the proposal was changed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,300) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right). For the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met. In response, after careful deliberation taking into consideration advice from Houlihan Lokey and Nagashima Ohno & Tsunematsu, as well as opinions of the Special Committee, while the Company acknowledged that the approach in setting the Stock Acquisition Right Tender Offer Prices was reasonable, it determined that the Tender Offer Price of JPY 1,300 still did not meet an acceptable level for the Company, given that it was below the median of the range of value per share based on the DCF analysis conducted in Houlihan Lokey's preliminary analysis regarding the fair share value of the Company, and that the year's high price of the Shares in the market was JPY 1,499. On October 18, 2022, the Company responded in written document requesting to consider raising the Tender Offer Price. Afterwards on October 21, 2022, Carlyle made its third proposal in written document, setting the Tender Offer Price at JPY 1,400 (a premium of 100.0% on JPY 700, the closing price of October 20, 2022, the business day immediately preceding the day of the proposal; 105.6% on JPY 681, the simple average closing price of the past one month; 98.0% on JPY 707, the simple average closing price of the past three months; and 90.0% on JPY 737, the simple average closing price of the past six months). For the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,400) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. For the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met. In response, after careful deliberation taking into consideration advice from Houlihan Lokey and Nagashima Ohno & Tsunematsu, as well as opinions of the Special Committee, while the Company acknowledged that the approach in setting the Stock Acquisition Right Tender Offer Prices was reasonable, it determined that the Tender Offer Price of JPY 1,400 did not meet an acceptable level for the Company, given that it was below the median of the range of value per share based on the DCF analysis conducted in Houlihan Lokey's preliminary analysis regarding the fair share value of the Company, and that the year's high price of the Shares in the market was JPY 1,499. On October 28, 2022, the Company responded in written document requesting to consider raising the Tender Offer Price. Afterwards on November 2, 2022, Carlyle made its fourth proposal in written document, setting the Tender Offer Price at JPY 1,458 (a premium of 99.3% on JPY 745, the closing price of November 1, 2022, the business day immediately preceding the day of the proposal; 110.9% on JPY 704, the simple average closing price of the past one month; 112.8% on JPY 698, the simple average closing price of the past three months; and 102.9% on JPY 732, the simple average closing price of the past six months). For the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,458) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. For the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met. The Special Committee carefully deliberated the proposal while taking into consideration advice from Houlihan Lokey and Nagashima Ohno & Tsunematsu. It acknowledged the rationality of the approach in setting the Stock Acquisition Right Tender Offer Price and given that the Tender Offer Price of JPY 1,458 was above the median of the range of value per share based on the DCF analysis conducted in Houlihan Lokey's preliminary analysis regarding the fair share value of the Company, it believed that the Tender Offer Price of JPY 1,458 was rational to a certain degree. However, for the benefit of the Company's shareholders, on November 2, 2022, the Special Committee requested in written document to consider further raising the Tender Offer Price. Afterwards on November 7, 2022, Carlyle made its fifth proposal in written document, setting the Tender Offer Price at JPY 1,500 (a premium of 86.3% on JPY 805, the closing price of November 4, 2022, the business day immediately preceding the day of the proposal; 108.9% on JPY 718, the simple average closing price of the past one month; 116.1% on JPY 694, the simple average closing price of the past three months; and 104.6% on JPY 733, the simple average closing price of the past six months). For the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right. For the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series

Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price was proposed to be JPY 1, due to the fact the conditions for exercising the rights have not been met. In response to this proposal, the Special Committee carefully deliberated on November 8, 2022, while taking into consideration advice from Houlihan Lokey and Nagashima Ohno & Tsunematsu. Given that the Tender Offer Price of JPY 1,500 was above the median of the range of value per share based on the DCF analysis conducted in Houlihan Lokey's analysis regarding the fair share value of the Company, and that the year's high price of the Shares in the market was JPY 1,499, the Special Committee determined that this offer would provide general shareholders of the Company with a reasonable opportunity to sell the Shares at a price with an appropriate premium, and the approach in setting the Stock Acquisition Right Tender Offer Prices was reasonable. Based on such determination by the Special Committee, on November 8, 2022, the Company responded via electronic mail to the Offeror to agree to the Tender Offer Price at JPY 1,500.

The Company also agreed that regarding the Stock Acquisition Right Tender Offer Prices, with respect to the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Prices are determined to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right, and with respect to the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series of Stock Acquisition Rights, due to the fact the conditions for exercising the rights have not been met as of the date of this announcement, the Stock Acquisition Right Tender Offer Price is JPY 1. The Company also agreed that the period for purchase, etc. would be set to 30 business days from November 10, 2022 to December 22, 2022, that the Minimum Number of Shares to Be Purchased would be set at the number equivalent to or more than two-thirds of the voting rights of the Company's Total Number of Shares after considering potential shares (rounding up any decimals to a whole number), multiplied by 100 shares, and that it would not set a limit on the maximum number of shares to be purchased.

During the process of deliberation and negotiation above, the Special Committee has been substantially involved in the negotiation process regarding the terms and conditions of the Transaction, including the Tender Offer Price, by receiving reports from the Company and its advisors from time to time and providing its opinions on the terms of the Tender Offer. Moreover, when negotiating with Carlyle, the Company has responded according to the negotiation policy that was decided upon deliberation at the Special Committee. When receiving any proposals or responses to requests from Carlyle, the Company has promptly reported them to the Special Committee and responded according to the instructions of the Special Committee.

During the process of this discussion and deliberation, the Company received the Share Valuation Report from Houlihan Lokey as of November 8, 2022 (for the overview of the Share Valuation Report, please refer to "①Procurement by the Company of Share Valuation Report and Fairness Opinion from an Independent Third-Party Appraiser" in "(3) Matters Related to Calculation"). Also, the Company has received necessary legal advice from Nagashima Ohno & Tsunematsu regarding the method, process, and other matters to consider of the decision making by the Company's Board of Directors regarding the Transaction, including the procedures regarding the Transaction, and has also received a recommendation (the "Recommendation") from the Special Committee as of November 8, 2022 (for the overview of the Recommendation and the specific activities of the Special Committee, please refer to "① Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" in "(6) Measures to Ensure Fairness in the Tender Offer Price, Measures to Avoid Conflicts of Interest and Other Measures to Ensure Fairness in the Tender Offer.").

(iii) Decision

Based on the background set forth above, at the meeting of the Board of Directors of the Company held on November 9, 2022, the Company carried out a careful discussion and examination of whether the Transaction including the Tender Offer will contribute to enhancement of the corporate value of the Company and whether the terms and conditions pertaining to the Transaction including the Tender Offer Price are appropriate, based on legal advice received from Nagashima Ohno & Tsunematsu, advice received from a financial standpoint from Houlihan Lokey, and the contents of the share valuation report provided on November 8, 2022 concerning the results of the valuation of the Shares, paying maximum respect to the examination by the Special Committee and the findings of the Special Committee presented in the Recommendation.

In conclusion, as described below, the Company has determined that by becoming the Offeror's wholly owned subsidiary, the Company group will be positioned to enhance its corporate value, that the Tender Offer Price is an appropriate price that ensures the benefits that should be enjoyed by the Company's general shareholders, and that the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell the Shares at a price with an appropriate premium.

The Company has launched new businesses since its founding, such as "NewsPicks," "INITIAL," and "FORCAS," aiming to realize its mission, "We guide business people to insights that change the world," which was held by the Company until 2021. Since its founding, one of the features of the Company's business practices has been

to clearly give each business leader responsibility for business expansion and the discretion necessary for the operation of their business and operate the business with a high degree of freedom and independence. However, with multiple businesses individually pursuing business maximization with a degree of freedom and independence, it was difficult to create business synergies or unify the directions to be sought for each business. Thus, the Company concluded that it was difficult to achieve the mission, “We guide business people to insights that change the world,” held by the Company, and that in order to change the world, it is necessary to have company-wide consistent objectives and strategies, rather than those for each business. In order to establish such company-wide consistent objectives and strategies step by step, in 2020, Mr. Taira Sakuma was appointed as director and CEO of the SaaS business, which managed the businesses of “SPEEDA,” “FORCAS” and “INITIAL,” except for “NewsPicks”, which focuses on the business deployment in the B2C area (Note 1). At that time, the Company first established a common purpose and strategy for the SaaS business, which is to build a platform that supports an achievement of “the business management that is customer-oriented and adaptable to change speedily (the agile business management)” by mutually utilizing the business insights, the source of the Company’s competitive advantage, among the entire SaaS business, and the Company has been moving forward accordingly since 2021.

(Note 1) “B2C” is an abbreviation for “Business to Customer,” which means a business or transaction by a company for general consumers.

In 2021, Yusuke Inagaki and Taira Sakuma became Co-CEOs of the Company, and in December of the same year, the Company developed its purpose, “Awaken a world of play in business with our insights,” which is a common goal for all businesses, encompassing the concept of the agile business management. At the same time, in order to realize the purpose, the Company also developed its long-term management strategy to promote the circulation of human knowledge by fusing its SaaS and NewsPicks businesses by 2025, and realize a state where human knowledge (of people outside) are utilized in corporate management and individual’s decision-making.

Against this background, in the fiscal year 2022, the Company has taken efforts to operate its business to realize the purpose and the long-term management strategy. However, because the Company gave each business a degree of freedom and independence in operating the business, the corporate structure and the management of such structure, which are common foundations for business, such as the internal systems, monitoring structure, various operations, have become complex, and it has taken time to build a highly scalable structure, including the elimination of inefficiencies in various operations through the introduction of systems and the development of a monitoring structure. Under the common values of the Company’s employees, “The 7 Values” (Note 2), in order to establish a management system that balances a spirit of entrepreneurship (where all employees have a spirit of entrepreneurship and act autonomously for users’ ideal, it would lead to great results as a whole) and continuous creation of new businesses and business expansion, it is necessary to obtain knowledge of outside experts with expertise in business operations and management of companies that have achieved higher sales growth rates than the Company group. The Company recognizes that the establishment of such management system is one of the important management challenges to be addressed in order to realize the purpose and the long-term management strategy.

(Note 2) “The 7 Values” means the action guidelines for the employees of the Company group that are considered important in the Company and are set toward the realization of the purpose, which are “Be free & own it,” “Unleash ingenuity,” “Thrill the user,” “How fast? Wow fast,” “Choose brave,” “In it together. No matter what,” and “We need what you bring.”

In addition, although the Company has been developing its overseas business since 2013, the Company believes that it has not yet achieved significant results in its overseas business, since it experienced the withdrawal from the Quartz business, the sales amount of the Company’s business outside Japan accounts for only about 5% of the Company group’s total sales amount for the fiscal year 2021. Therefore, the Company recognizes that to grow its overseas business in the future as significantly as or more significantly than its domestic business and to establish a structure that would enable it to develop the global management, it also needs its management challenges to be addressed. As stated in the purpose, “Awaken a world of play in business, with our insights,” the Company aims to change “the world.” The global management is a prerequisite for realizing this purpose, and to this end, it is necessary to establish partnerships with outside experts who have experience in growing companies on a global scale, such as those who have achieved higher sales growth rates than the Company group.

On the other hand, under the current business environment, as we enter a VUCA (Note 3) era, in which it is difficult to predict the future, with the recognition that it is becoming more important for people and companies to quickly access accurate information they need and adapt to changes, the Company is, with business insights as its core assets, gradually expanding the scope of its services into the areas of business strategy, customer strategy and organizational strategy in order to support the realization of the agile business management for its customers. The Company continues to grow amid the huge market of the management consulting business - the overall number of corporate customers of the Company’s SaaS business increased by 16% year-on-year to 2,645 (as of the end of September 2022).

(Note 3) “VUCA” is an acronym for volatility, uncertainty, complexity and ambiguity.

The NewsPicks business has also grown into a business news media outlet with 193,000 paying subscribers (as of the end of September 2022) by improving the UI (user interface) of the “NewsPicks” app and strengthening the distribution of original video contents in addition to original article contents. However, the external environment is rapidly changing, such as the decline in the number of Netflix’s paying subscribers through the second quarter of the fiscal year 2022 due to the backlash to the stay-at-home demand during the COVID-19 pandemic. Coupled with delays in establishing a structure for the advertising business, the sales amount of the NewsPicks business for the third cumulative quarterly consolidated accounting period of the fiscal year 2022 decreased by 6.3% year-on-year.

In addition, in the capital markets, volatility has increased globally since the beginning of 2022, and some cases of decline in the share prices of startup companies listed on the Tokyo Stock Exchange Growth Market have been seen. There is a growing tendency that securing short-term profitability is preferred rather than aggressive growth measures from a medium to long-term standpoint. In order for the Company to achieve the purpose, it is necessary to speed up the implementation of the long-term management strategy by making the investments necessary for medium to long-term growth at an early stage, despite the risk of a temporary negative impact on its profitability. However, if the Company implements these measures while it remains listed, it may cause a gap between the strategies required to achieve primary growth of the Company and the expectations from the capital market. Therefore, in early March 2022, the Company came to consider the option of delisting the Shares as a means to enable it to implement the long-term management strategy toward the realization of the purpose. Carlyle has been active since the early days of private equity funds in Japan and boasts a track record of investments mainly in overseas companies, and it also has a track record of investments in companies engaged in businesses similar to those of the Company, and knowledge and network (for details of such investment track record, knowledge and network, please refer to “(i) Circumstances of Establishing of a Structure for Evaluation” above). The Company determined, at the meeting of the Board of Directors of the Company held on November 9, 2022, that as a result of the Transaction, the Company will be able to agilely and flexibly address the management issues from a medium to long-term perspective, without being restricted by short-term fluctuations in its business performance, and will be able to increase the feasibility of realizing the purpose and its sustainable growth, and the increase of the corporate value of the Company over the medium to long term by maximizing the use of Carlyle’s extensive experience, knowledge, and network. The supports that the Company believes it can obtain from Carlyle in order to increase the feasibility of these are as follows.

(a) Support toward the realization of the purpose of the Company and the implementation of the long-term management strategy under the investment policy centered on long-term growth

Under Carlyle’s investment philosophy of focusing on the substantive growth of business and providing support of personnel and investments necessary to achieve such growth, it is expected that the Company will be able to focus on realizing the purpose and implementing the long-term management strategy by making investments early on from a long-term perspective, despite the risk of a temporary negative impact on the profitability.

In particular, in order to realize the long-term management strategy, it is important to invest in business insights, which is the source of the Company’s competitive advantage. The Company receives data and contents from several partners with whom it has established long-term trust relationships. At the same time, in October 2021, it established UB Datatech, Inc. for the purposes of acquiring and organizing business insights centered on data that its partners do not handle, and has been focusing on in-house generation of business insights. The Company believes that going forward, while increasing the proportion of business insights generated in-house, building business insights in an optimal form by both obtaining from its partners and generating in-house and jointly utilizing it within the Company group will lead to further strengthen its competitive advantage. On the other hand, since the initial cost of in-house generation of business insights is extremely high, the Company has been making decisions on the investment in in-house generation while taking into account the profit situation of the entire Company. Delisting the Shares with Carlyle’s support will enable the Company to accelerate its investment in in-house generation of data to increase competitiveness and profitability in the medium to long term.

(b) Expertise and execution capability to update the Company’s underlying management system

One of the management challenges for the Company is to create a management system that balances a spirit of entrepreneurship with the continuous creation of new businesses and business expansion. Through Carlyle’s support for the internal systems, monitoring structure, and corporate human resource development and assistance in strengthening organizational structures and improving operations necessary for the business expansion that the Company is aiming at, which are based on Carlyle’s track record of the investments in growing companies and its network, it is expected to establish a management system balancing a spirit of entrepreneurship and business expansion to realize the purpose and the long-term management strategy.

In addition, the increase of flexibility of the incentive plan design will heighten the degree of agreement between ownership and management, increase the number of executives and employees who have a shareholder perspective and aim to increase the corporate value on a company-wide and long-term basis, and strengthen the recruitment and retention of great talent. This, in turn, will enable the Company to build a more robust management structure and address the management challenges with speed on a company-wide basis, which will increase the Company’s medium to long-term corporate value.

(c) Utilization of global management expertise based on the extensive track record of investment in global companies

As already mentioned in "(iii) Decision," the Company recognizes that to grow its overseas business in the future as significantly as or more significantly than its domestic business and to establish a structure that would enable it to develop the global management is also its management challenge to be addressed. In the long-term, cultivating the seeds of future growth and expanding existing businesses overseas are important issues from the perspective of realizing the Company's purpose, since the market growth in Japan is dubious due to its shrinking population. Carlyle has a track record of investment in overseas companies, as well as in overseas growing companies in areas similar to the Company's business. Zoominfo Holdings, which provides a business intelligence platform, and Dealogic, which provides a financial information analysis platform, the shares of which Carlyle is currently still holding, are benchmark companies for the Company's SaaS business. Thus, Carlyle has knowledge and network in the global SaaS areas, and the Company expects to be able to utilize them not only to strengthen its business foundation in Japan, but also to accelerate its global management on a medium to long-term basis.

In order to achieve medium to long-term growth and further increase the corporate value, the Company resolved at a meeting of the Board of Directors of the Company held on December 16, 2021, to advance the preparation for the application for the change of the market segment to the Tokyo Stock Exchange Prime Market, and was proceeding with such preparation. The disadvantages of delisting the Shares, as compared to maintaining the listing including the application for the change of the market segment to the Tokyo Stock Exchange Prime Market, are that the Company will no longer be able to raise funds from the capital market and that it will lose the advantages it has enjoyed as a listed company, such as improving company name recognition and social credibility. However, with respect to raising funds, considering the current financial situation of the Company, the current low interest rate environment for indirect financing, etc., the Company does not have a substantial need for fundraising, at least for the time being. The Company also believes that the company name recognition and social credibility can be improved through sincere business operations. Therefore, the Company has determined that the disadvantages associated with the delisting for the Company are limited and are outweighed by the advantages described in (a) through (c) above.

Based on the above, at the meeting of the Board of Directors of the Company held on November 9, 2022, it was determined that the best solution for the Company group that would contribute to the enhancement of its corporate value would be to become a wholly-owned subsidiary of the Offeror.

In addition, the Company has determined that the Tender Offer Price is an appropriate price that ensures the benefits that should be enjoyed by the Company's general shareholders, and that the Tender Offer provides the Company's general shareholders with a reasonable opportunity to sell the Shares at a price with an appropriate premium, mainly in terms of the following points:

- (a) The Tender Offer Price has been agreed to as a result of thorough negotiations with Carlyle, with sufficient measures taken by the Company to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as described below in "(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest."
- (b) Out of the results of the valuation of the Shares by Houlihan Lokey in the Share Valuation Report, as described in "① Procurement by the Company of Share Valuation Report and Fairness Opinion from an Independent Third-Party Appraiser" of "(3) Matters Related to Calculation" below, the Tender Offer Price is higher than the range of the results using the market price analysis and the comparable companies analysis, and is higher than the median of the ranges of the results using the DCF analysis.
- (c) The Tender Offer Price is a price that respectively adds a premium of 74.6% on the closing price of JPY 859 of the Shares on the Tokyo Stock Exchange Growth Market on November 8, 2022, the business day immediately preceding the announcement of the implementation of the Tender Offer, a premium of 104.4% on the simple average closing price over the preceding one-month period until the same date of JPY 734 (rounded to the closest whole number; the same applies to the calculation of the simple average closing prices below), a premium of 114.9% on the simple average closing price of JPY 698 for the most recent three months, and a premium of 104.4% on the simple average closing price of JPY 734 for the most recent six months. These are higher than the average prices of the premium levels (a premium of 45.6% on the closing price on the business day immediately preceding the announcement date, a premium of 48.3% on the simple average closing price over the preceding one-month period until the same date, a premium of 50.3% on the simple average closing price for the most recent three months, and a premium of 50.7% on the simple average closing price for the most recent six months) and the median of the premium levels (a premium of 41.9% on the closing price on the business day immediately preceding the announcement date, a premium of 42.7% on the simple average closing price over the preceding one-month period until the same date,

a premium of 42.3% on the simple average closing price for the most recent three months, and a premium of 46.1% on the simple average closing price for the most recent six months) of 133 cases (excluding discounted deals) of tender offers by persons other than issuers intending to take a company private implemented after the announcement of “Fair M&A Guidelines” by the Ministry of Economy, Trade and Industry on June 28, 2019, and therefore the level of the Tender Offer Price is considered to be reasonable.

- (d) As described in “①Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee” of “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest,” the Tender Offer Price is determined to be appropriate, after considering various factors comprehensively, emphasizing more that in the Recommendation the Company obtained from the Special Committee, (i) it exceeds the range of the calculation results obtained based on the market price analysis, (ii) it exceeds the maximum of the calculation results obtained based on the comparable companies analysis, and (iii) it is within the range of the calculation results and exceeds the median of the range of the calculation results obtained based on the DCF analysis.

Among the Stock Acquisition Right Tender Offer Price, with regards to the Stock Acquisition Right Tender Offer Price regarding the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15 Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, it is determined to be a reasonable price that ensures the benefits that should be enjoyed by the Holders of Stock Acquisition Rights through the Transaction, since it is the amount obtained by multiplying the difference between the Tender Offer Price and the exercise price of each Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right, and it is calculated based on the Tender Offer Price, taking into consideration the points (a) through (d) above, etc. With respect to the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights, since each of the Stock Acquisition Right Tender Offer Prices is determined to be JPY 1, the Company has decided that it is appropriate to leave the decision up to the Holders of Stock Acquisition Rights as to whether to accept the Tender Offer.

Also, the Company has determined that the other conditions related to the Transaction, such as the period for purchase, etc. and the Minimum Number of Shares to be Purchased are fair, since as described below in “⑥Ensuring an Objective Condition to Guarantee the Fairness of the Tender Offer” of “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” of “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer,” the period for purchase, etc. ensures that the Company’s shareholders and the Holders of Stock Acquisition Rights have an opportunity to make an appropriate decision on whether to accept the Tender Offer and ensures an opportunity for competing purchase proposers to make counter-offers, and with regards to the Minimum Number of Shares to be Purchased, as described below in “⑦Setting of Minimum Number to Satisfy the Majority-of-Minority Condition” of “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” of “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer,” the Minimum Number of Shares to be Purchased is set in a way that respects the intention of the minority shareholders of the Company, as the Transaction including the Tender Offer will not be implemented if the support by a majority of the Company’s shareholders who do not have an interest in the Offeror is not obtained.

Based on the above, the Company has determined that the Transaction will contribute to the increase of the Company’s corporate value, and that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, and at the meeting of the Board of Directors of the Company held today, it was resolved to declare a position in support of the Tender Offer, to recommend that the shareholders of the Company accept the Tender Offer, to recommend that the Holders of Stock Acquisition Rights regarding the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights accept the Tender Offer, and to leave the decision up to the Holders of Stock Acquisition Rights regarding the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights as to whether to accept the Tender Offer. For the method of resolution at such meeting of the Board of Directors, please refer to “⑤Approval of All Directors (Including the Audit and Supervisory Committee Members) Without an Interest in the Company” of “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest” below.

(3) Matters Related to Calculation

- ① Procurement by the Company of Share Valuation Report and Fairness Opinion from an Independent Third-

Party Appraiser

(i) Name of the Appraiser and its Relationship With the Company and the Offeror

In declaring its position regarding the Tender Offer, the Company asked Houlihan Lokey, a financial advisor and third-party appraiser independent from Carlyle, the Carlyle Fund, the Offeror, the Tendering Founders, and the Company to evaluate the Shares and obtained the valuation report (the “Share Valuation Report”) as of November 8, 2022. As described below in “(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest,” both the Offeror and the Company have taken measures to ensure fairness in the Tender Offer Price and avoid conflicts of interest, and the Company believes that the benefits of the Company’s minority shareholders are sufficiently taken into consideration. Therefore, the Company has not obtained a fairness opinion regarding the fairness of the Tender Offer Price from Houlihan Lokey. Houlihan Lokey is not a related party of either the Company or the Offeror, and has no material interest in the Transaction including the Tender Offer.

Fees paid to Houlihan Lokey in connection with the Transaction include a success fee contingent on the completion of the Transaction, etc. The Company has appointed Houlihan Lokey as its financial advisor and third-party appraiser using the aforementioned fee structure, with the belief that based on the common practice observed in similar type of transaction, the inclusion of a success fee contingent on the completion of the Transaction does not undermine its independent status. The Special Committee has also confirmed that there is no issue regarding the independent status of Houlihan Lokey.

(ii) Summary of Valuation of the Shares

Houlihan Lokey received information and explanation about the current state of its businesses and future prospects from the management of the Company in order to collect and consider information necessary to calculate the share value of the Shares, and based on such information, it has evaluated the Shares. After considering the calculation method for the Tender Offer, based on the view that it is appropriate to evaluate the share value of the Shares from various perspectives, Houlihan Lokey used (i) the market price analysis because the Shares are listed on the Tokyo Stock Exchange Growth Market and its market price is available, (ii) the comparable companies analysis because there are several listed companies engaged in relatively similar businesses to those of the Company and it is possible to infer the share value through comparison with such companies, and (iii) the DCF analysis to reflect the evaluation of the intrinsic value based on the status of the future business activities of the Company in calculating the value of the Shares.

The range of the value per share of the Shares calculated using each of the above methods is as follows:

Market price analysis: Between JPY 698 and JPY 859

Comparable companies analysis: Between JPY 1,056 and JPY 1,437

DCF analysis: Between JPY 1,221 and JPY 1,625

In the market price analysis, the reference date is set to be November 8, 2022 (the “Reference Date”), and the value per share of the Shares is calculated to be in the range of JPY 698 to JPY 859, calculating based on the following figures: JPY 859, the closing price of the Shares on the Tokyo Stock Exchange Growth Market on the Reference Date; JPY 734, the simple average closing price of the Shares for the immediately preceding one month; JPY 698, the simple average closing price of the Shares for the immediately preceding three months; and JPY 734, the simple average closing price of the Shares for the immediately preceding six months.

In the comparable companies analysis, the value per share of the Shares is calculated to be in the range of JPY 1,056 to JPY 1,437, by comparing the market share prices and financial indicators such as profitability of listed companies engaged in relatively similar businesses to those of the Company.

In the DCF analysis, the value per share of the Shares is calculated to be in the range of JPY 1,221 to JPY 1,625. This is determined by analyzing the corporate value and share value of the Company, after making certain financial adjustments, such as adding the value of cash and cash equivalents to the business value, which is calculated by discounting to the present value at a certain discount rate the free cash flow expected to be generated by the Company, which took into account various factors including the business plans prepared by the Company this time for the fiscal year ending on December 31, 2022 to the fiscal year ending on December 31, 2025 (the “Business Plans”), the recent performance trends, and publicly available information. For the calculation of going concern value, the EV/EBITDA multiple method is used.

The Business Plans used by Houlihan Lokey for the calculation in the DCF analysis have reflected the performance forecasts for the fiscal year ending December 31, 2022, as provided in “Notice on Revision of Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2022,” announced by the Company today, and the numbers in those business plans are lower than the financial target amounts for 2025 (consolidated sales amount: JPY 45,000,000,000; EBITDA rate: 15%) in the long-term management strategy announced by the Company in December 2021, since they have reflected the delays in the sales growth of the NewsPicks business, which is the main factor for such revision of financial results forecast, as well as the current status of the SaaS business, such as the delays in the development of sales personnel. The financial target amounts in such long-term management strategy were set as the target amounts to be aimed at based on the assumption that each business of the Company could achieve what it aimed to achieve at the end of 2025, but the Company determined that it was appropriate to reflect the current situations regarding the delays in the business progress in both the NewsPicks business and the SaaS business, in order for Houlihan Lokey to evaluate the share price of the Shares, and newly developed

the Business Plans, which set the consolidated sales amount for the fiscal year ending December 2025 at JPY 29,800,000,000 and EBITDA for such fiscal year at JPY 5,000,000,000. With respect to the Business Plans, after the detailed explanation on the process of the development of the Business Plans was provided to the Special Committee by the Company and Houlihan Lokey and its questions regarding the assumption of the development, the contents, etc. were answered, the Special Committee confirmed and approved the reasonableness of the Business Plans. The Special Committee has determined that the occurrence of the difference between the financial target amounts in the long-term management strategy and the Business Plans is reasonable. The Business Plans also include the fiscal years where significant increases or decreases in profit are expected. Specifically, in the fiscal year ending on December 31, 2022, EBITDA is expected to decrease by over 40% year-on-year, mainly due to the active investments in TV commercials for the NewsPicks business, as well as less-than-expected publishing and advertising sales. From the fiscal year ending on December 31, 2023 and onwards, enhanced collaboration among the Company's SaaS products and integration of the SaaS business and the NewsPicks business are expected to result in sales growth, and the sales amount is expected to increase by over 15% each fiscal year through the fiscal year ending on December 31, 2025. Based on these factors, the Company expects significant increases in EBITDA in the fiscal years ending on December 31, 2023, ending on December 31, 2024, and ending on December 31, 2025. Specifically, EBITDA is expected to increase over 90% year-on-year in the fiscal year ending on December 31, 2023, over 60% year-on-year in the fiscal year ending on December 31, 2024, and over 40% year-on-year in the fiscal year ending on December 31, 2025. The effects of synergies expected to be realized through the Transaction have not been taken into account in the business forecasts used by Houlihan Lokey for the DCF analysis, due to the difficulty of making concrete estimations at this point in time.

(iii) Summary of Valuation Related to the Stock Acquisition Rights

Since out of the Stock Acquisition Rights, with respect to the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Prices are determined to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right, and with respect to the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series of Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Price is JPY 1, the Company has not obtained a valuation report or fairness opinion from a third-party appraiser in relation to the Stock Acquisition Right Tender Offer Prices.

While the approval of the Company's Board of Directors is required for acquisition of any of the Stock Acquisition Rights by way of transfer, the Company, at the meeting of the Board of Directors of the Company held today, resolved to comprehensively approve the Holder of Stock Acquisition Rights transferring their Stock Acquisition Rights to the Offeror by accepting the Tender Offer, conditional on the Tender Offer being successful, only with respect to the Stock Acquisition Rights for which the Holder of Stock Acquisition Rights have actually accepted the Tender Offer.

② Method of Valuation by the Offeror

(i) The Shares

In determining the Tender Offer Price, the Offeror took into consideration the materials disclosed by the Company such as the financial information, as well as the findings from the due diligence it conducted from September 9, 2022 to October 7, 2022, and given the fact that the Shares are traded on a financial instrument exchange, it also referred to the trend of JPY 859, the closing price of the Shares on the Tokyo Stock Exchange Growth Market on November 8, 2022, the business day prior to the announcement date of the implementation of the Tender Offer; JPY 734, the simple average closing price for the preceding one month until such date; JPY 698, the simple average closing price for the preceding three months; and JPY 734, the simple average closing prices for the preceding six months.

After comprehensively considering whether or not the Company could endorse the Tender Offer and the prospect for completing the Tender Offer, and after the discussions and negotiations with the Company, the Offeror determined the Tender Offer Price to be JPY 1,500 on November 8, 2022. The Offeror has not obtained a share valuation report or fairness opinion from any third party appraiser.

The Tender Offer Price (JPY 1,500) is a price that adds a premium of 74.6% on the closing price of JPY 859 of the Shares on the Tokyo Stock Exchange Growth Market on November 8, 2022, the business day immediately preceding today, a premium of 104.4% on the simple average closing price for the immediately preceding one month until such date (JPY 734); a premium of 114.9% on the simple average closing price for the immediately preceding three months (JPY 698); and a premium of 104.4% on the simple average closing price for the immediately preceding six months (JPY 734), respectively.

(ii) The Stock Acquisition Rights

Of the Stock Acquisition Rights, with respect to the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition

Rights, the 15th Series Stock Acquisition Rights and the 28th Series of Stock Acquisition Rights, as of today, the exercise prices per share of the Shares (the Fourth Series Stock Acquisition Rights: JPY 70, the Fifth Series Stock Acquisition Rights: JPY 84, the Eighth Series Stock Acquisition Rights: JPY 292, the Ninth Series Stock Acquisition Rights: JPY 292, the 11th Series Stock Acquisition Rights: JPY 292, the 12th Series Stock Acquisition Rights: JPY 292, the 14th Series Stock Acquisition Rights: JPY 1,263, the 15th Series Stock Acquisition Rights: JPY 1,263, the 28th Series of Stock Acquisition Rights: JPY 1,028) are below the Tender Offer Price (JPY 1,500). Also, the beginning dates of the exercise periods have already arrived, and the conditions for exercising the rights are met. Therefore, the Offeror has decided to set the Stock Acquisition Right Tender Offer Prices at the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price of each Stock Acquisition Right by the number of the Shares that underlie each such Stock Acquisition Right (12 for the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, and the 12th Series Stock Acquisition Rights; 400 for the 14th Series Stock Acquisition Rights and the 15th Series Stock Acquisition Rights; and one for the 28th Series Stock Acquisition Rights). Specifically, the Stock Acquisition Right Tender Offer Prices have been determined as follows, respectively: the Fourth Series Stock Acquisition Rights: JPY 17,160 (difference of JPY 1,430 from the exercise price (JPY 70) per share of the Shares, multiplied by 12); the Fifth Series Stock Acquisition Rights: JPY 16,992 (difference of JPY 1,416 from the exercise price (JPY 84) per share of the Shares, multiplied by 12); the Eighth Series Stock Acquisition Rights: JPY 14,496 (difference of JPY 1,208 from the exercise price (JPY 292) per share of the Shares, multiplied by 12); the Ninth Series Stock Acquisition Rights: JPY 14,496 (difference of JPY 1,208 from the exercise price (JPY 292) per share of the Shares, multiplied by 12); the 11th Series Stock Acquisition Rights: JPY 14,496 (difference of JPY 1,208 from the exercise price (JPY 292) per share of the Shares, multiplied by 12); the 12th Series Stock Acquisition Rights: JPY 14,496 (difference of JPY 1,208 from the exercise price (JPY 292) per share of the Shares, multiplied by 12); the 14th Series Stock Acquisition Rights: JPY 94,800 (difference of JPY 237 from the exercise price (JPY 1,263) per share of the Shares, multiplied by 400); the 15th Series Stock Acquisition Rights: JPY 94,800 (difference of JPY 237 from the exercise price (JPY 1,263) per share of the Shares, multiplied by 400); and the 28th Series Stock Acquisition Rights: JPY 472 (difference of JPY 472 from the exercise price (JPY 1,028) per share of the Shares, multiplied by 1).

On the other hand, with respect to the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights, on November 8, 2022, the Offeror set the Stock Acquisition Right Tender Offer Price at JPY 1, since the conditions for exercising these rights have not been met, and therefore even in the case the Offeror acquired such Stock Acquisition Rights through the Tender Offer, such Stock Acquisition Rights cannot be exercised.

The Offeror has not obtained a valuation report or fairness opinion from a third-party appraiser in determining the Stock Acquisition Right Tender Offer Prices, since with respect to the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Prices have been determined to be the amount obtained by multiplying the difference between the Tender Offer Price (JPY 1,500) and the exercise price per Share of the Stock Acquisition Right by the number of the Shares that underlie one such Stock Acquisition Right, and with respect to the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights, and the 17th Series Stock Acquisition Rights, the Stock Acquisition Right Tender Offer Prices have been determined to be JPY 1, because the conditions for exercising these rights have not been met, and therefore even in the case the Offeror acquired such Stock Acquisition Rights through the Tender Offer, such Stock Acquisition Rights cannot be exercised.

(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)

As described above in "① Overview of the Tender Offer" of "(2) Basis and Reasons for the Opinion Regarding the Tender Offer", in the event that the Offeror cannot acquire all of the Company's Shares, etc. (excluding treasury stock owned by the Company; hereinafter the same applies in (4).) in the Tender Offer, the Offeror is going to implement the following procedures to acquire all of the Company's Shares, etc. after the completion of the Tender Offer (the "Squeeze-Out Procedure").

① Demand for Share Cash-Out

If, as a result of the completion of the Tender Offer, the total number of voting rights in the Company held by the Offeror becomes 90% or more of the number of the voting rights of all shareholders of the Company, and the Offeror becomes a special controlling shareholder as provided for in Article 179, Paragraph (1) of the Companies Act, the Offeror intends to, promptly after the completion of the settlement of the Tender Offer, demand that all of the shareholders of the Company (excluding the Offeror and the Company; hereinafter the same applies) sell all of the Shares they hold (the "Share Sale Demand"), and all of the Holders of Stock Acquisition Rights (excluding the Offeror, the "Stock Acquisition Rights Holders Subject To Sale Demand") sell all of their Stock Acquisition Rights (the "Stock Acquisition Rights Sale Demand", together with the Share Sale Demand, the "Share, Etc. Sale Demand") in accordance with the provisions of Section 4-2 of Chapter II of Part II of the Companies Act. In the case of Share Sale Demand, the Offeror intends to determine that it will deliver to each shareholder of the Company the amount of cash equal to the Tender Offer

Price as consideration for one Share. Also, in the case of Stock Acquisition Rights Sale Demand, the Offeror intends to determine that it will deliver to each of Stock Acquisition Rights Holders Subject To Sale Demand the amount of cash equal to the Stock Acquisition Right Tender Offer Price as a consideration for Stock Acquisition Rights per unit. In this case, the Offeror will notify the Company to that effect and request the Company to approve the Share, Etc. Sale Demand. If the Company approves the Share, Etc. Sale Demand by a resolution of the Board of Directors of the Company, the Offeror will acquire all of the Shares from all of the shareholders of the Company, and all of the Stock Acquisition Rights owned by Stock Acquisition Rights Holders Subject To Sale Demand, in each case, on the acquisition date specified in the Share, Etc. Sale Demand, in accordance with the procedures prescribed in the relevant laws and regulations without any individual approval of the shareholders of the Company and Stock Acquisition Rights Holders Subject To Sale Demand. Then, the Offeror will deliver the amount of cash equal to the Tender Offer Price to each shareholder of the Company as consideration for one Share held by such shareholder, and deliver to each of Stock Acquisition Rights Holders Subject To Sale Demand the amount of cash equal to the Stock Acquisition Right Tender Offer Price as a consideration for Stock Acquisition Rights per unit owned thereby. Further, if the Company receives from the Offeror a notice regarding the fact that the Offeror intends to make the Share, Etc. Sale Demand and regarding a matter set out in each item of Article 179-2, Paragraph (1) of the Companies Act, it will approve the Share, Etc. Sale Demand at a meeting of the Board of Directors of the Company.

In accordance with the provisions of the Companies Act that aim to protect the rights of minority shareholders in relation to the Share, Etc. Sale Demand, including Article 179-8 of the Companies Act, and other relevant laws and regulations, each of the shareholders of the Company and Stock Acquisition Rights Holders Subject To Sale Demand will be able to file a petition with a court for a determination of the sale price for their Shares and Stock Acquisition Rights. If such petition is filed, the sale price will be finally determined by the court.

② Consolidation of Shares

If, after the completion of the Tender Offer, the total number of voting rights in the Company held by the Offeror is less than 90% of the number of the voting rights of all shareholders of the Company, the Offeror intends to, pursuant to Article 180 of the Companies Act, request the Company to hold an extraordinary shareholders' meeting of the Company promptly after the settlement of the Tender Offer at which proposals for a consolidation of shares split with respect to the Shares (the "Share Consolidation") and an amendment to the Company's Articles of Incorporation that would abolish the share unit number provisions on the condition that the Share Consolidation becomes effective will be submitted (the "Extraordinary Shareholders' Meeting"). From the perspective of increasing the Company's corporate value, the Offeror intends to have the Extraordinary Shareholders' Meeting being held as soon as possible, and is planning to request the Company to announce the record date of the Extraordinary Shareholders' Meeting during the Tender Offer Period so that it will closely follow the commencement date of the settlement of the Tender Offer. The Extraordinary Shareholders' Meeting is planned to be held in mid-February, 2023. In the event that the Company receives such a request by the Offeror, the Company plans to comply with the request.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the shareholders of the Company will, on the effective date of the Share Consolidation, hold the number of the Shares proportionate to the ratio of the Share Consolidation that is approved at the Extraordinary Shareholders' Meeting. If, due to the Share Consolidation, the number includes a fraction less than one, each shareholder of the Company who holds such fractional shares will receive an amount of cash obtained by selling the Shares equivalent to the total number of fractional shares less than one share (with such aggregate sum rounded down to the nearest whole number; hereinafter the same applies.) to the Company or the Offeror pursuant to Article 235 of the Companies Act and other relevant laws and regulations. The purchase price for the aggregate sum of fractional shares less than one share in the Shares will be valued so that the amount of cash received by each shareholder who did not tender its shares in the Tender Offer (excluding the Offeror and the Company) as a result of the sale will be equal to the price obtained by multiplying the Tender Offer Price by the number of the Shares held by each such shareholder. The Offeror intends to request the Company to file a petition to a court for permission to purchase such Shares on this basis. Although the ratio of the consolidation of the Shares has not been determined as of today, it is intended that shareholders of the Company (excluding the Offeror and the Company) who do not tender their Shares in the Tender Offer will hold fractional shares less than one share in order for the Offeror to become the sole owner of all of the Shares (excluding treasury shares held by the Company).

In the interest of protecting the rights of minority shareholders in the event of share consolidation that results in fractional shares less than one share, in accordance with Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, each shareholder of the Company who does not tender its shares in the Tender Offer (excluding the Offeror and the Company) may request that the Company purchase all such fractional shares less than one share at a fair price, and such shareholders may file a petition to a court to determine the price of the Shares. As stated above, it is intended that, as a result of the Share Consolidation, any of the shareholders of the Company (excluding the Offeror and the Company) who do not tender its Shares in the Tender Offer will result in holding fractional shares less than one share; accordingly, it is intended that

a Company shareholder dissenting with the Share Consolidation will be eligible to file such petition to determine the price pursuant to the Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations. If such petition is filed, the purchase price will be finally determined by the court.

With regard to the procedures described in ① and ② above, it is possible that, depending on circumstances such as amendments to or the implementation and interpretation of the relevant laws and regulations by authorities, it may require time to implement the procedures, or the methods of implementation may be altered. However, even in such a case, upon completion of the Tender Offer, it is intended that the shareholders of the Company who do not tender their shares in the Tender Offer (excluding the Offeror and the Company) will ultimately receive cash consideration equal to the number of the Shares held by such shareholder multiplied by the Tender Offer Price in exchange for their Shares. Also, it is intended that, in cases where the cash will be delivered to the Holders of Stock Acquisition Rights who do not tender their stock acquisition rights in the Tender Offer, the amount of such cash will be calculated as equal to the Stock Acquisition Right Tender Offer Price multiplied by the number of Stock Acquisition Rights owned by such Holder of Stock Acquisition Rights.

The specific details and expected timing for the procedures described above will be determined through consultation with the Company and then promptly announced by the Company.

In the case the Squeeze-Out Procedure is expected to be completed by March 31, 2023, the Offeror will request the Company to, subject to completion of the Squeeze-Out Procedure, amend the Company's Articles of Incorporation to abolish the provisions about the record date for voting rights at annual shareholders' meetings, thereby allowing only the shareholder remaining after completion of the Squeeze-Out Procedure (i.e., the Offeror) to exercise rights as a shareholder at the Company's annual shareholders' meeting for the fiscal year 2022 (the "Annual Shareholders' Meeting"). Therefore, it is possible that even shareholders listed or recorded on the shareholder registry of the Company as of December 31, 2022, will not be able to exercise their rights at the Annual Shareholders' Meeting.

It is further noted that the Tender Offer is not intended to solicit shareholders of the Company to agree to the proposals at the Extraordinary Shareholders' Meeting. All shareholders of the Company are solely responsible for seeking advice from a certified tax accountant or other specialists with regard to the tax consequences of tendering their shares in the Tender Offer or the procedures outlined above.

In addition, at the meeting of the Board of Directors held on April 14, 2022, the Company resolved to provide restricted stock units ("RSUs") to certain officers and employees of the Company and its affiliates as part of its stock-based compensation system. Of the four series of RSU authorized in the resolution, conditions of the Third Series RSU and Fourth Series RSU stipulate that a predetermined number of the Shares based on the number of units will be allocated to such officers and employees after December 31, 2022 and March 31, 2023, respectively. On the condition that the Tender Offer is successful, the Company plans to provide cash equivalent to the Tender Offer Price for each share previously planned to be allocated based on the Third and Fourth Series of RSU, instead of allocating Shares, before the completion of the Squeeze-Out Procedure.

The Offeror is planning to conduct an absorption-type merger with the Company after completing the above procedure (as of today, the Offeror assumes to conduct an absorption-type merger promptly after the Squeeze-Out Procedure, with the Offeror as the merging company and the Company as the merged company. The timing of the absorption-type merger and which entity to be the merging company are still subject to further analysis and discussion between the Offeror and the Company after the completion of the Tender Offer and will be determined through consultation with the Company by the end of fiscal year 2023.).

(5) Prospects for Delisting and Reasons Therefor

While the Shares are currently listed on the Tokyo Stock Exchange Growth Market as of today, since the Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Shares may be delisted through prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange, depending on the result of the Tender Offer. Also, if the Tender Offer is completed, even in the case that the delisting criteria are not met upon the completion of the Tender Offer, the Offeror intends to subsequently implement the Squeeze-Out Procedure as described in "(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)", in which case the Shares will be delisted through the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange. When the Shares are delisted, they will no longer be traded on the Tokyo Stock Exchange.

(6) Measures to Ensure Fairness in the Tender Offer, Including Measures to Ensure Fairness of the Tender Offer Price and Measures to Avoid Conflicts of Interest

As of today, the Offeror does not hold any Shares, and the Offer does not constitute a tender offer by a controlling shareholder. In addition, the Transaction including the Tender Offer does not constitute a so-called management buy-out (MBO) transaction since no executives of the Company, whole or part, will not contribute to the Offeror, directly or indirectly. That said, the Company and the Offeror have taken the following measures in order to further enhance the fairness of the Transaction including the Tender Offer Price and Stock Acquisition Right Tender Offer Price. Of the following statements, those concerning the measures taken by the Offeror are based on the explanations received from the Offeror.

① Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee

(i) Background of the Establishment

At its meeting of the Board of Directors held on September 9, 2022, the Company resolved to form a Special Committee comprising Mr. Shinsuke Matsumoto (External Director and member of the Audit and Supervisory Committee of the Company; attorney; Partner at Nakamura, Tsunoda & Matsumoto Law Office), Mr. Shintaro Asako (External Director and member of the Audit and Supervisory Committee of the Company), and Mr. Masahiro Kotosaka (External Director and member of the Audit and Supervisory Committee of the Company; Associate Professor at Faculty of Policy Management of Keio University) in order to eliminate the risk of arbitrariness and conflict of interest and to ensure fairness, transparency, and objectiveness in the decision-making process for the deliberation and resolution related to the Transaction. The Special Committee was established on the same day, and the Company consulted the Special Committee on the following items (“Consultation Matters”):

- (a) Provide a recommendation to the Company’s Board of Directors on whether to support the Tender Offer, and whether to recommend the Company’s shareholders and the Holders of Stock Acquisition Rights to tender their shares, etc. in the Tender Offer based on deliberation and judgement of the following matters: (i) feasibility of the Transaction from the perspective of positively contributing to the Company’s corporate value, and (ii) appropriateness of the conditions and fairness of the procedures from the perspective of protecting the benefit of the Company’s ordinary shareholders.
- (b) Examine and provide opinions to the Board of Directors as to whether decisions related to the Transaction made at the meeting of the Board of Directors of the Company are not detrimental to the Company’s ordinary shareholders.

Also, the Company resolved at the above meeting of the Board of Directors that the Board of Directors of the Company shall make decisions with the utmost respect for the judgment of the Special Committee, and that if the Special Committee determines that the terms of the Transaction are not appropriate, the Board of Directors shall not decide to implement the Transaction (i.e., the Board of Directors shall not support the Tender Offer and shall not recommend tendering Shares, etc. in the Tender Offer). In addition, the Board of Directors granted the following authority to the Special Committee:

- (a) To be substantially involved in the process of negotiating the terms and conditions of the Transaction (including confirming the policy in advance of the negotiations, receiving timely reports on the status thereof, providing opinions, instructions and requests at critical junctures, and negotiating with the other party to the Transaction on its own as necessary);
- (b) In providing a recommendation on the Consultation Matters, to designate or appoint the Special Committee’s own financial advisors, legal advisors, third-party appraisers, or other advisors as necessary (in such cases, the Company shall bear the costs), or to designate or approve the Company’s advisors (including approval after the fact);
- (c) To gather information necessary for the deliberation of the Consultation Matters (including, if necessary, directly interviewing relevant persons by requesting their attendance at the Special Committee meeting or by other means); and
- (d) To conduct any other matters necessary for the deliberation and judgement on the Transaction.

The members of the Special Committee are independent of the Company and the Offeror and do not have any material interest in the success or failure of the Transaction that is different from that of the ordinary shareholders. In addition, the Company has selected these three individuals as members of the Special Committee from the beginning, and there is no fact that the Company has subsequently changed the members of the Special Committee. Furthermore, the compensation of the members of the Special Committee is only a fixed remuneration paid regardless of the content of the recommendation, and does not include success fees contingent upon the closing of the Transaction, including the Tender Offer.

(ii) Deliberation Process

The Special Committee has been held 14 times between September 9, 2022 and November 8, 2022. In addition, the Special Committee discussed and examined the Consultation Matters by reporting, sharing information, deliberating, and making decisions in between the meetings via Slack, etc.

Specifically, based on the authority granted to the Special Committee, on September 9, 2022, after confirming that there were no problems regarding independence from the Offeror and the Company and expertise, the Special Committee confirmed that there were no problems in receiving advice as the Special Committee from Nagashima Ohno & Tsunematsu, the legal advisor appointed by the Company, and Houlihan Lokey, the financial advisor and third-party appraiser appointed by the Company.

The Special Committee has approved the structure established internally by the Company to deliberate the Transaction (including the scope and duties of the Company’s officers and employees involved in the deliberation, negotiation, and decision-making process regarding the Transaction) after confirming that there were no problems from the standpoint of independence.

The Special Committee then received an explanation from Nagashima Ohno & Tsunematsu on the background to establish the Special Committee and its role, etc. Based on legal advice on the decision-

making process, methods, and other points of consideration in making decisions regarding the Transaction, the Special Committee has been deliberating measures to ensure the fairness of the procedures in the Transaction.

In addition, in the course of negotiations regarding the Transaction, the Special Committee has provided opinions to the Company on important aspects of the negotiations, including confirming the background and circumstances of the Transaction, whether or not the Transaction can be expected to make a positive contribution to corporate value, the significance and purpose of the Transaction, management policy after the Transaction, and the various conditions of the Transaction, etc. Further, based on the Offeror's proposal regarding the Transaction, the Special Committee has confirmed the Company's opinions on the Company's business situation, business environment, management issues, contents of the business plan, significance of the Transaction, positive contribution to corporate value through the Transaction, and impact on the Company's businesses, etc.

In addition, the Special Committee received from the Company an explanation of the background and contents of the Business Plan and confirmed the rationality of the contents of the Business Plan, material assumptions and the background of its preparation. Based on the explanation, as described above in "① Procurement by the Company of Share Valuation Report from an Independent Third-Party Appraiser" of "(3) Matters Related to Calculation," Houlihan Lokey conducted a valuation of the Company's Shares using the Business Plan as a basis of calculation, and the Special Committee has confirmed the rationality of the valuation after receiving an explanation on the calculation methods, the reasons for using such calculation methods, and the details of each calculation method and important assumptions (including the companies selected in the comparable companies analysis, the reasons for the selections, and other assumptions; parameters in the DCF analysis, including the discount rate (WACC); and the method of calculation of the going concern value and reasons for the selecting the method), followed by sessions to address questions, discussion, and further deliberation.

Furthermore, the Special Committee has been substantially involved in the negotiation process regarding the terms and conditions of the Transaction, including the Tender Offer Price, by receiving reports from the Company and its advisors, stating opinions on the conditions of the Tender Offer, or sending answering documents directly to the Offeror since Carlyle's initial proposal on October 7, 2022, on the Tender Offer Price and the Stock Acquisition Right Tender Offer Price.

Moreover, the Special Committee has been briefed by Nagashima Ohno & Tsunematsu on multiple occasions on the contents of drafts of the press release to be announced or filed by the Company and has confirmed that a sufficient amount of information is to be disclosed.

(iii) Decisions

Based on the above background, after careful discussion and deliberation on the Consultation Matters, the Special Committee submitted the Recommendation, which was unanimously approved by all members of the Special Committee, to the Company's Board of Directors on November 8, 2022. The summary of the Recommendation is provided below.

(a) Content of the Recommendation

- (A) As (a) it is reasonable to consider the Transaction will positively contribute to enhance the Company's corporate value, and (b) the terms of the Transaction are appropriate and reasonable and fair in procedures from the perspective of protecting the benefit of the Company's ordinary shareholders, it is appropriate that the Company's Board of Directors resolves to support the Tender Offer and recommend the shareholders of the Company to tender their Shares in the Tender Offer and, among the Holders of Stock Acquisition Rights, recommend those whose Stock Acquisition Rights are of Fourth, Fifth, Eighth, Ninth, 11th, 12th, 14th, 15th, and 28th Series to tender their Stock Acquisition Rights in the Tender Offer and advise those whose Stock Acquisition Rights are of 13th, 16th, and 17th Series to decide on their own whether to tender their Stock Acquisition Rights in the Tender Offer.
- (B) The Board of Directors' decisions on the Transaction are not detrimental to the minority shareholders of the Company.

(b) Reason for the Recommendation

- (A) Due to the following reasons, the Special Committee finds that it is reasonable to consider that the Transaction contributes to enhance the corporate value of the Company.
 - Since each of the businesses have been given the freedom and independence in operation of the Company's business, corporate structure as common business foundations, including the Company's internal systems, monitoring structure and various operations, and the operation thereof have become complicated and the difficulty of such operating has been increasing, and it has taken time to build an efficient structure. In order to establish a management system that balances entrepreneurial spirit, and continuous creation of new businesses and business expansion, it is necessary to incorporate the

knowledge of external experts. The Company recognizes that the establishment of such management system is one of the important management issues. In addition, the Company recognizes that one of its management issues is to establish a global management structure that would enable it to grow its global business in the future as significantly as or more significantly than the domestic business. Volatility in the global capital markets has increased since the beginning of 2022, and the stock prices of startup companies listed on the Tokyo Stock Exchange Growth Market have declined, so there is a growing trend toward selecting securing short-term profitability over proactive measures for medium-to-long-term growth.

- The proposal for the Transaction from the Offeror was made in the situation where the Company acknowledges such business environment. The Company explained to the Special Committee that it expects, as the effect of the Transaction on enhancing its corporate value, ① the Offeror's support in realizing the Company's purpose and implementing its long-term management strategy under an investment policy based on long-term growth; ② the Offeror's expertise and execution capability to update the Company's fundamental management system and ③ utilizing the Offeror's knowledge of global management based on the extensive track record of investments in global companies. In addition, the Offeror also explained to the Special Committee, as effects of the Transaction on enhancing corporate value, strengthening competitive power through continuous growth investment and creation of synergies between its businesses, and ② strengthening the organizational structure.
 - On the other hand, there are some disadvantages that may be caused by the Transaction, including ① the impact associated with delisting, ② the impact of becoming a wholly-owned subsidiary of a private equity fund and ③ the reduction in management freedom associated with an LBO loan. However, the Company explained to the Special Committee that ① with respect to the impact by not being able to raise funds from the capital market due to the delisting, considering the Company's current financial condition and the recent low interest rate environment for indirect financing, the Company does not recognize a high need for such indirect financing at least for a while, and the Company's name recognition and public trust can be improved through operating the business in good faith. The Company explained to the Special Committee that ② it believes that its management and Carlyle have established the trust relationship at this point and ③ with respect to the terms of the LBO loan, the ratio of debts to be owed by the Company is within the reasonable level and the impact to the business by the covenants, etc. are limited. The Offeror also provided the Special Committee with the similar explanations.
 - In light of the foregoing, the Special Committee becomes to acknowledge that the explanations by the Company and the Offeror regarding the Transactions have a certain degree of specificity, and there are no contradictions or material discrepancy of understanding between the explanations by the Company and the Offeror. The Special Committee has no discomfort with the recognition of the Company's management with respect to the management environment and the policy of the Company's management regarding the effects to enhance the corporate value by the Transaction. The Special Committee acknowledges that there are no material disadvantages caused by the Transaction, while there are multiple advantages recognized through the Transactions.
- (B) Due to the following reasons, the appropriateness and reasonableness of the terms there of the entire Transaction including the Tender Offer is ensured from the perspective of the Company's minority shareholders.
- The Company has negotiated with respect to the Tender Offer Price, while referring to the advice from Houlihan Lokey. The Company's representative and Houlihan Lokey provided the Special Committee with the detailed explanations with respect to the series of the negotiation process. The Special Committee has also expressed its opinion on the Tender Offer Price, the Company's negotiation policy and other matters in the process of such negotiation, and the Company have requested the Offeror to increase the Tender Offer Price several times considering such opinions. The final Tender Offer Price (JPY 1,500 per share) has been increased by JPY 400 (36.4%) over 4 times from the price originally offered to the Company by the Offeror (JPY 1,100 per share), and the Special Committee finds the history of negotiations during which the Company aimed at conducting M&A on the transaction terms and conditions as favorable to the minority shareholder as possible.
 - The Company and Houlihan Lokey provided the Special Committee with the detailed explanations with respect to the Business Plan of the Company underlying the Share Valuation Report, and responded to the questions from the Special Committee regarding the preparation assumption and contents, etc. of the business plan. While the Special

Committee used efforts to confirm the reasonableness of the business plan, it confirms that there are no facts that arbitrary pressures of the Offeror are intervened and the Company's business plan is reasonably prepared. In addition, while there is the difference between the figures of the Business Plan and the financial target figures of the long-term management strategy published by the Company on December 2021, such long-term management strategy set the target figures in the case where each business of the Company achieved the goal in 2025. The Special Committee considers it reasonable that the Company determined in valuation of the Shares by Houlihan Lokey that it is appropriate to reflect the current status in both NewsPicks and SaaS in which the progress seems to be delayed and newly set the Business Plan in which the consolidated sales and EBITDA in the fiscal year ending December 2025 is set as JPY 29.8 billion and 5 billion.

- Houlihan Lokey has applied the market price analysis, the comparable companies analysis and the DCF analysis in the Share Valuation Report. Houlihan Lokey provided the Special Committee with the detailed explanation with respect to the valuation analysis of the value of the Shares and the valuation process and the valuation progress, etc. and the progress reports. The Special Committee finds that there are no unreasonable points in the foregoing. In particular, the Special Committee considered the valuation methods used in the share valuation in the Share Valuation Report, comparable companies, the reasons to select such comparable companies and other assumptions in the comparable companies analysis, figures in the parameters such as discount ratio (WACC), valuation methods for continuous value, the reasons to apply this method and other assumptions in the DCF analysis, and the premiums in other cases, etc. on which the Special Committee received the explanation, but there are no arbitrary numerical manipulation or unreasonable points.
- The Tender Offer Price of JPY 1,500 per Share (i) is a price that exceeds the range of the valuation based on the market price analysis, (ii) exceeds the maximum of the range of the valuation based on the comparable companies analysis and (iii) is within the range of and exceeds the median of the valuation based on the DCF analysis.
- Compared with the average premium level in the case where the tender offer by entities other than the issuer for the purpose of taking a private company (excluding the discount deals announced following the publication of "Fair M&A Guidelines", 133 cases) (45.6% on the closing price of shares on the business day immediately preceding the announcement date, 48.3% on the simple average closing price for the most recent one month until the same date, 50.3% on the simple average closing price for the most recent three months, and 50.7% on the simple average closing price for the most recent six months) and the median premium level therein (a premium of 41.9% on the closing price of shares on the business day immediately preceding the announcement date, a premium of 42.7% on the simple average closing price for the most recent one month until the same date, a premium of 42.3% on the simple average closing price for the most recent three months, and a premium of 46.1% on the simple average closing price for the most recent six months), it is found that the premium of the Tender Offer Price, JPY 1,500 (74.6% on the closing price of shares (JPY 859) on November 8, 2022, the business day immediately preceding the announcement of the implementation of the Tender Offer, 104.4% on the simple average closing price (JPY 734) for the most recent one month, 114.9% on the simple average closing price for (JPY 698) the most recent three months, 104.4% on the simple average closing price (JPY 734) for the most recent six months), greatly exceeds the premium in the other cases.
- The purchase price of the Stock Acquisition Right is JPY 17,160 per unit for the Forth Series Stock Acquisition Right, JPY 16,992 per unit for the Fifth Series Stock Acquisition Right, JPY 14,496 per unit for the Eighth Series Stock Acquisition Right, JPY 14,496 per unit for the Ninth Series Stock Acquisition Right, JPY 14,496 per unit for the 11th Series Stock Acquisition Right, JPY 14,496 per unit for the 12th Series Stock Acquisition Right, JPY 1 per unit for the 12th Series Stock Acquisition Right, JPY 94,800 per unit for the 14th Series Stock Acquisition Right, JPY 94,800 per unit for the 15th Series Stock Acquisition Right, JPY 1 per unit for the 16th Series Stock Acquisition Right, JPY 1 per unit for the 17th Series Stock Acquisition Right and JPY 472 per unit for the 28th Series Stock Acquisition Right. It is explained that according to the written proposal from the Offeror, with respect to the Stock Acquisition Right Tender Offer Price, the price of each of the Stock Acquisition Rights other than those of which the conditions for exercising are not satisfied is the amount equivalent to the difference between the Tender Offer Price and the exercise price per Share of each Stock Acquisition Right, multiplied by the number of Shares that are the object of the Stock Acquisition Right. On the other hand, it is explained that the price of the Stock Acquisition Right of which the conditions for exercising are not satisfied is JPY 1. With respect to the Stock Acquisition Rights of

which the conditions for exercising are not satisfied, given it is obvious not to satisfy the performance requirements relating to EBITDA and the total fair market value of the corporate value as a condition for exercising and it is difficult to recognize the economic value thereof, the Special Committee finds that the idea to set such price of the Stock Acquisition Rights is reasonable.

- Subject to the successful completion of the Tender Offer, prior to the Squeeze-out Procedure, the Company plans to pay to the applicable officers and employees the amount equivalent to the Stock Acquisition Right Tender Offer Price per Share to be allocated pursuant to the third series RSU and forth series RSU, instead of allocation of the Shares pursuant to the third series RSU and forth series RSU. In light of the nature of the Transactions for the purpose of making a wholly-owned subsidiary by the Offeror and the history and background of the delivered RSUs of the Company, although it is assumed that certain measures will be taken prior to such making a wholly-owned subsidiary, it is considered reasonable to provide the same amount of money as the Tender Offer Price at the same timing of tendering in the Tender Offer in order to produce the same result as the 28th Series Stock Acquisition Rights, for which the exercise period is not yet effective.
 - Accordingly, considering as important that the Tender Offer Price (i) is a price that exceeds the range of the valuation based on the market price analysis, (ii) exceeds the maximum of the range of the valuation based on the comparable companies analysis and (iii) is within the range of and exceeds the median of the valuation based on the DCF analysis, as a result of the comprehensive consideration on several circumstances, the Tender Offer Price is considered reasonable. The other terms and conditions are also considered reasonable or equivalent as compared with the terms and conditions of similar transactions.
- (C) Due to the following reasons, the interests of the minority shareholders of the Company have been fully considered through the fair procedures in the Transaction.
- This Special Committee is composed of three external directors and the members of the Audit and Supervisory Committee of the Company. When the Company discusses the Tender Offer Price with the Offeror, the Company has requested the Special Committee to confirm in advance, whereby the Special Committee has received reports on the status of negotiations in a timely manner, provided opinions in important phases, given instructions and requests, and ensured the situation where the Special Committee is able to substantially affect the negotiation process for the transaction terms and conditions. Each measure taken from the perspective of enhancing its effectiveness is considered sufficient, in light of the measures to enhance the effectiveness of the special committee presented by the “Fair M&A Guidelines” published by the Ministry of Economy, Trade and Industry. In addition, the measure is comparable to the responses taken by other special committees established for the same purpose as the Special Committee.
 - The Tender Offer does not fall under the category of acquisition by the controlling shareholder or MBO transaction, and unless there is a special circumstance, it is assessed that there is no conflict of interest between the Company’s directors and the Company’s general shareholders. However, among the Company’s officers, Mr. Umeda entered into the Tender Agreement with the Offeror, and Mr. Masao Hirano had served as Japan Representative and managing director of Carlyle more than 10 years ago. From the perspective of avoiding conflict of interest, they would not participate in the deliberation and resolution by the Board of Directors with respect to the announcement of the Company’s support opinion for the Tender Offer and Mr. Umeda and Mr. Masao Hirano have not been involved in the project team of the Company for the consideration, negotiation, and determination regarding the Transaction. Since such treatments have continued to date and it is found that the Company has carefully responded, there is no doubt in fairness during the decision-making process of the Company.
 - Since the Board of Directors of the Company has received the advice from the legal advisor, Nagashima Ono & Tsunematsu, and it is found to have obtained independent professional advice from a legal advisor independent from the Offeror in making its decisions. In addition, the Board of Directors of the Company has obtained the Share Valuation Report as the material with respect to the share valuation of the Shares from an independent third-party valuation institution, Houlihan Lokey in order to ensure the fairness of the Tender Offer Price.
 - The offer period of the Tender Offer is set at 30 business days, and the Special Committee finds that setting a comparatively long tender offer period ensures an appropriate opportunity to consider and decide whether or not to tender shares in the Tender Offer and an opportunity for persons other than the Offeror to purchase the Company Shares. In addition, there is no agreement between the Company and the Offeror that restricts contact with any persons proposing a counterproposal including a transaction protection

clause. Given the foregoing, it can be considered that in the Transaction, the so-called indirect market checks are implemented by implementing M&A after establishing an environment in which other potential purchasers can make counterproposals after the announcement.

- No shareholder has a material interest in the Offeror, and by setting a Minimum Number to Be Purchased (26,023,700), unless the majority of the shares owned by the general shareholders (shareholders without a material interest in the Offeror) supports the Tender Offer, it will not be able to be successfully completed. Therefore, it is not necessary to consider the majority of minority condition independently, and the completion of the Tender Offer will automatically satisfy the level of majority of minority. Even if the Tendering Founder is treated as not a “shareholder without a material interests in the Offeror,” The Minimum Number to Be Purchased (26,023,700) still exceeds the level of the majority of minority (24,970,712, which is the number of shares obtained by adding the number equivalent to the majority of minority (14,064,900 shares: the number of shares pertaining to the majority of the number of voting rights (140,649 out of 281,297 rights) represented by subtracting the number of Tendering Shares, etc.(10,905,812) from the Company’s Total Number of Shares after considering potential shares (39,035,597)) and the number of Tendering Shares, etc.(10,905,812). Therefore, since it is secured that unless the majority of the shares owned by the general shareholders (shareholders without a material interest in the Offeror) supports the Tender Offer, it will not be able to be successfully completed, it is found to be conducive to ensuring opportunities for decision by the general shareholders and implementing transactions on the transaction terms in favor of the general shareholders.
 - As information regarding which sufficient disclosure is expected from the perspective of providing important materials as a basis for judgment that contribute to the minority shareholders’ judgments of the appropriateness, etc. of the transaction terms and conditions, (i) the information regarding the Special Committee, (ii) the information regarding the share valuation report, and (iii) the other information such as the process and negotiation background is planned to be disclosed in a press release by the Company. It is found that sufficient information will be provided to the minority shareholders.
 - In the Squeeze-out Procedure, shareholders will be entitled to the right to file a motion for the determination of the share price, and that fact is disclosed in the tender offer notification, etc., in addition to which it is disclosed in the tender offer notification, etc. that the cash to be paid to minority shareholders upon the Squeeze-out procedures is planned to be the same price as the Tender Offer Price. Accordingly, the Special Committee finds that measures have been taken to eliminate coerciveness in regard to the Transaction.
 - In the Transaction, from the perspectives of both (i) ensuring circumstances that can be seen as equivalent to those in an arm’s length transaction in the process of forming the transaction terms and conditions and (ii) ensuring an opportunity for appropriate judgments by the general shareholders based on sufficient information, measures to ensure fairness that are necessary and sufficient in substance for the Transaction have been adopted. Those measures to ensure fairness are actually implemented effectively. Consequently, the Special Committee finds that the interests of the minority shareholders of the Company have been reasonably considered through fair procedures in the Transaction.
- (D) Accordingly the Special Committee believes as follows: ① as (a) it is found that it is reasonable to consider that the Transaction will contribute to enhance the corporate value of the Company and (b) from the perspective of the benefit of the Company’s general shareholders, it is found that the transaction terms and conditions are appropriate and reasonable, and the procedures for the Transaction are fair, it is reasonable for the Board of Directors of the Company to resolve that it announces the opinion to support the Tender Offer and recommend the Company’s shareholders to tender in the Tender Offer; and recommend the Holders of the Forth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights and the 28th Series Stock Acquisition Rights Tender to tender in the Tender Offer and leave the decision up to the Holders of the 13th Series Stock Acquisition Rights Offer, the 16th Series Stock Acquisition Rights and the 17th Series Stock Acquisition Rights on whether to tender their rights in the Tender Offer; and ② the decision of the Company’s Board of Directors on the Transaction is not detrimental to for the Company’s minority shareholders.

② Procurement by the Company of Share Valuation Report from an Independent Third-Party Appraiser

As described above in “(3) Matters Related to Calculation”, upon expressing its opinion related to the Tender Offer, the Company requested Houlihan Lokey, as a financial advisor and third-party appraiser independent from Carlyle, the Carlyle Fund, the Offeror, the Tendering Founders, and the Company, to calculate the value of the Shares, and obtained the Share Valuation Report as of November 8, 2022. For the contents of the Share Valuation Report, please refer to “① Procurement by the Company of Share Valuation Report and Fairness Opinion from an Independent Third-Party Appraiser” of “(3) Matters Related to Calculation”. Since both the Offeror and the Company have taken measures to ensure fairness in the Tender Offer Price and avoid conflicts of interest and it is deemed that the benefit of the Company’s minority shareholders are sufficiently taken into consideration, the Company has not obtained a fairness opinion regarding the Tender Offer Price from Houlihan Lokey. Houlihan Lokey does not fall under the category of a related party of either the Company or the Offeror, and has no material interest in the Transaction including the Tender Offer.

The compensation to Houlihan Lokey in relation to the Transaction includes a success fee contingent on the consummation of the Transaction, etc. The Company has appointed Houlihan Lokey as its financial advisor and third-party appraiser with the belief that, based on common practice observed in this type of transaction, the inclusion of a success fee contingent on the completion of the Transaction does not undermine its independent status. The Special Committee has also confirmed that there is no issue regarding the independent status of Houlihan Lokey.

③ Procurement by the Company of Advice From Independent Legal Advisor

In order to ensure that the decision-making process by the Company’s Board of Directors related to the Transaction is fair and appropriate, in late June, 2022, when the Company was in its early stage of consideration of the Transaction, the Company appointed Nagashima Ohno & Tsunematsu as a legal advisor independent from both the Offeror and the Company. The Company has received an explanation on the background of the need for a Special Committee and its roles and responsibilities, as well as legal advice on the decision-making process, method, and other points to be considered when making a decision related to the Transaction.

Nagashima Ohno & Tsunematsu does not constitute a related party of the Offeror or the Company, nor does it have a material interest in the Transaction including the Tender Offer. The Special Committee has also confirmed that there is no issue regarding the independent status of Nagashima Ohno & Tsunematsu. Moreover, the compensation paid to Nagashima Ohno & Tsunematsu is to be calculated based on an hourly rate multiplied by hours of service, regardless of whether the Transaction is successfully completed, without any success fees contingent on the completion of the Transaction.

④ Establishment of a Structure for Independent Review by the Company

As described above in “(i) Circumstances of the Establishing a Structure for Evaluation” of “③ Process Leading to and Reasons for the Company’s Decision to Support the Tender Offer” of “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” on September 9, 2022, the Company established an internal structure independent from Carlyle, the Carlyle Fund, and the Offeror to deliberate, negotiate and decide on matters related to the Transaction (including the scope and duties of the Company’s officers and employees involved in the deliberation, negotiation, and decision-making process regarding the Transaction), from the perspective of increasing the Company’s corporate value and securing the benefit for Company’s general shareholders. Specifically, the Company decided that deliberations, negotiations and decisions on matters related to the Transaction would be conducted entirely by individuals independent from the Offeror, and that Mr. Umeda, a major shareholder of the Company, and Mr. Masao Hirano, who served as managing director and Japan co-head of Carlyle from 2007 to 2011, will not join the structure, which will only comprise of the five officers (including executive officers) that are deemed independent from Carlyle, the Carlyle Fund, and the Offeror. This composition has been maintained up to today.

The creation of the business plan presented to the Offeror and the business plan used by Houlihan Lokey as the basis of calculating the value of the Shares are led and created by those independent from the Offeror, with support from Houlihan Lokey when necessary. In the process of creating the plan, its contents and important assumptions have been explained to the Special Committee, and the Special Committee has confirmed and approved the finalized business plan, its important assumptions, and the rationality of the planning process, etc. In addition, the Special Committee has approved that the Company’s internal structure for deliberating the Transaction (including tasks that require a high level of independence, such as the creation of the business plan as the basis of evaluating the Company’s shares) has no problem regarding its independent status.

⑤ Approval of All Directors (Including the Audit and Supervisory Committee Members) Without an Interest in the Company

The Company made a careful discussion and deliberation on whether the Transaction including the Tender Offer would contribute to the Company’s corporate value, as well as whether the conditions of the Transaction including the Tender Offer Price are appropriate or not, taking into consideration the legal advice provided by Nagashima Ohno & Tsunematsu, advice from a financial perspective provided by Houlihan Lokey, the content of the Company’s Share Valuation Report, a continued discussions with the Offeror, and other related documents, while respecting the decision stated in the Recommendation by the Special Committee as far as possible.

As described above in “③ Process Leading to and Reasons for the Company’s Decision to Support the Tender

Offer” of “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” at the Company’s meeting of the Board of Directors held today, the Company resolved to express its support of the Tender Offer, based on the determination that from the perspective of solving the Company’s management issues and providing an opportunity to return profit to its shareholders, the Transaction will contribute to increase the Company’s corporate value, and that the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate given the calculations in the Stock Valuation Report, the level of premium of the Tender Offer Price, the process of negotiation with the Offeror, and the process of deciding on the Tender Offer Price. The Company also resolved to recommend that the, among the holders of Stock Acquisition Rights (the “Holders of Stock Acquisition Rights”), the holders of the Fourth Series Stock Acquisition Rights, the Fifth Series Stock Acquisition Rights, the Eighth Series Stock Acquisition Rights, the Ninth Series Stock Acquisition Rights, the 11th Series Stock Acquisition Rights, the 12th Series Stock Acquisition Rights, the 14th Series Stock Acquisition Rights, the 15th Series Stock Acquisition Rights, and the 28th Stock Acquisition Rights tender their rights in the Tender Offer, and that, based on the fact that the Stock Acquisition Rights Tender Offer Price is JPY 1, the Company leave the decision up to the holders of the 13th Series Stock Acquisition Rights, the 16th Series Stock Acquisition Rights and the 17th Stock Acquisition Rights on whether to tender their rights.

At the Company’s meeting of the Board of Directors described above, all of the Directors without concerned interests (those apart from Mr. Umeda and Mr. Masao Hirano) of the nine Directors of the Company participated in the discussion and resolution. The resolution described above has been supported by all of the participating Directors (including members of the Audit and Supervisory Committee). Since Mr. Umeda has entered into a Tender Agreement with the Offeror, and Mr. Masao Hirano, a Director of the Company, used to serve as Japan co-head and managing director of Carlyle from 2007 to 2011, although over 10 years have passed, in order to avoid any suspicion of conflict of interest and to ensure the fairness of the Transaction, the two are not either involved in the discussion or resolution by the Board of Directors or involved in discussions or negotiations with the Offeror in the position of the Company in any way.

⑥ Ensuring an Objective Condition to Guarantee the Fairness of the Tender Offer

The Offeror has set the Tender Offer Period at 30 business days, while the minimum period stipulated by law is 20 business days. By setting a comparatively long tender offer period, the Offeror intends to secure an appropriate opportunity for the shareholders and Holders of Stock Acquisition Rights of the Company to make a decision in regard to tender in response to the Tender Offer, while also securing an opportunity for parties other than the Offeror to make counteroffers, thus ensuring the fairness of the Tender Offer.

In addition, the Offeror and the Company have no agreements to restrict the Company from contacting other parties that may make counteroffers, such as contract clauses to prohibit the Company from contacting competing parties. Thus, the fairness of the Tender Offer is fully taken into consideration through ensuring the opportunity for counteroffers, as well as the setting of the Tender Offer period above.

⑦ Setting of Minimum Number to Satisfy the Majority-of-Minority Condition

As described above in “① Overview of the Tender Offer” of “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” in the Tender Offer, the Offeror intends to make the Company its wholly owned subsidiary. Therefore, the Minimum Number of Shares to Be Purchased is set at 26,023,700 shares (ownership ratio: 66.67%), and in the case the total number of Tendered Shares, etc. does not reach the Minimum Number of Shares to Be Purchased (26,023,700), the Offeror will not proceed with the purchase of all of the Tendered Shares, etc. Even in the case that the Tendering Founders who entered into the Tender Agreement are not classified as “shareholders without a material interest in the Offeror,” as described in “① Overview of the Tender Offer” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” the Minimum Number of Shares to Be Purchased (26,023,700) still exceeds 24,970,712, which is the number of shares obtained by adding the number equivalent to the majority of minority (14,064,900 shares: the number of shares pertaining to the majority of the number of voting rights (140,649 out of 281,297 rights) represented by subtracting the number of Tendering Shares, etc. (10,905,812) from the Company’s Total Number of Shares after considering potential shares (39,035,597)) and the number of Tendering Shares, etc. (10,905,812).

Thus, the Offeror sets the Minimum Number of Shares to Be Purchased taking into consideration of the decision of the minority shareholders of the Company, because the Tender Offer will not be consummated unless the Tender Offer is supported by the majority of the shareholders of the Company who do not have an interest in the Offeror.

4. Details of Material Agreements Between the Offeror and the Shareholders of the Company Concerning Tendering Shares

The Offeror has entered into an agreement with the Tendering Founders in which ① Mr. Niino agrees to tender all of his Company’s Shares, etc. (the number of Company’s Shares, etc.: 6,048,156 (6,019,596 Shares and 2,380 Fifth Series Stock Acquisition Rights (28,560 Shares as object of the Stock Acquisition Rights) for an ownership ratio of 15.49% of the Company’s Shares, etc.), and ② Mr. Umeda agrees to tender all of his Company’s Shares, etc. (the number of Company’s Shares, etc.: 4,857,656 Shares, etc. (4,686,248 Shares and 14,284 Fifth Series Stock Acquisition Rights (171,408 Shares as object of the Stock Acquisition Rights) for an ownership ratio of 12.44% of the Company’s Shares, etc.). (The total number of tendering Shares, etc. is 10,905,812 for an ownership ratio of

27.94%). Apart from these Tender Agreements, neither the Offeror nor Carlyle has entered into any agreements with the Tendering Founders, and there are no benefits to be provided either from the Offeror or Carlyle apart from the money to be paid in tendering in the Tender Offer. In each Tender Agreement, the conditions required for the Tendering Founders to tender all of their Shares, etc. in the Tender Offer are stipulated as follows: ① the Tender Offer is commenced lawfully and effectively on the commencement date of the Tender Offer; and ② the Company's meeting of its Board of Directors passes a resolution to support the Tender Offer, which is publicly disclosed and is not changed or withdrawn afterwards. Nevertheless, the Tendering Founders have the right to waive the above conditions at their discretion and tender in the Tender Offer. In addition, while Mr. Umeda has provided 1,046,200 of his Shares (ownership ratio: 2.68%) to Kamakura Tax Office as collateral, he has agreed in the Tender Agreement that (i) he will make the collateral released and tender those shares in the Tender Offer as well, and (ii) if the collateral is not released during the Tender Offer Period, those shares will not be tendered in the Tender Offer and if the Company holds the Extraordinary Shareholders' Meeting, he will vote in favor of the proposal for a consolidation of shares at the Extraordinary Shareholders' Meeting in accordance with the Offeror's instructions or to grant a comprehensive proxy to the Offeror or the Offeror's designee. Mr. Umeda is proceeding with the necessary procedures with the Kamakura Tax Office and the National Tax Agency for the release of such collateral, and the release of such collateral is expected in late November 2022. The Offeror is not aware of any circumstances that would hinder the release of such collateral during the Tender Offer Period as of today.

5. Details of Benefits Received From the Offeror or any of its Special Related Parties

No items are applicable.

6. Response Policy with Respect to Basic Policies Relating to the Control of the Company

No items are applicable.

7. Questions to the Offeror

No items are applicable.

8. Request for Extension of Tender Offer Period

No items are applicable.

9. Future Prospects

Please refer to “② Background, Purpose and Decision-Making Process Leading to the Offeror's Determination to Implement the Tender Offer and Management Policy Following the Tender Offer” in “(2) Basis and Reasons for the Opinion Regarding the Tender Offer”, “(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)”, and “(5) Prospects for Delisting and Reasons Therefor” of “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer”.

10. Others

(1) Announcement of Consolidated Financial Results for the Nine Months Ended September 30

The Company announced Consolidated Financial Results for the Nine Months Ended September 30, 2022 (Japanese GAAP) today. Please refer to the contents of the announcement for details.

(2) Announcement of Revision of Consolidated Earnings Forecasts for the Fiscal Year Ended December 31, 2022

The Company announced revisions to its consolidated earnings forecasts for the fiscal year ended December 31, 2022 (January 1, 2022 to December 31, 2022) today. Please refer to the contents of the announcement for details.

(3) Treatment of the shareholder benefit program

The Company has resolved at its meeting of the Board of Directors held today to abolish its shareholder benefit program (record date December 31, 2022) subject to the consummation of the Tender Offer. For details, please refer to the “Notice on Abolishment of Shareholder Benefit Program” announced today by the Company.

End of Notice

(Reference) Overview of Tender Offer, etc.

Please refer to the attached document “Notice on Commencement of Tender Offer to Acquire Shares, etc. of Uzabase, Inc. (security code: 3966)” announced by the Offeror today.