

January 6, 2023

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)  
Contact: Daisuke Chiba, Chief Financial Officer  
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**Announcement of Decision Regarding Demand for Share, etc. Cash-Out by THE SHAPER Co.,  
Approval of the Demand, and Delisting of the Company's Shares**

Uzabase, Inc. (hereinafter referred to as “the Company”) announced on December 23, 2022 in the “Notice Regarding Results of the Tender Offer by THE SHAPER Co. and Changes in the Parent Company, Largest Major Shareholder, and Major Shareholder” that as a result of a tender offer for the Company’s common shares (the “Shares”) and Stock Acquisition Rights (Note 1; together with the Shares, the “Shares, etc.”) conducted by THE SHAPER Co. (“THE SHAPER”) from November 10, 2022 (the “Tender Offer”), the ratio of the total number of voting rights in the Company held by THE SHAPER to the total number of voting rights of all shareholders of the Company (the “Ownership Ratio of Voting Rights”; Note 2) totaled 93.92%, with THE SHAPER becoming a special controlling shareholder of the Company as stipulated in Article 179, Paragraph (1) of the Companies Act (Act No. 86 of 2005, including subsequent revisions; hereinafter the same applies).

Although THE SHAPER has come to own more than 90% of the voting rights of all shareholders of the Company through the Tender Offer and has become a special controlling shareholder of the Company, it was unable to acquire all of the Shares, etc. (excluding treasury stock owned by the Company; hereinafter the same applies) through the Tender Offer. Therefore, THE SHAPER has decided to implement transactions for acquiring all of the Shares, etc. for the purpose of making the Company its wholly owned subsidiary (the “Transaction”), as set forth in “3. Details, 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)” of the “Announcement of Opinion Supporting the Tender Offer by THE SHAPER Co. and Recommendation of Tender” released by the Company on November 9, 2022 (the “Announcement of Opinion”). As part of the Transaction, in accordance with Article 179-3, Paragraph (1) of the Companies Act, THE SHAPER has decided today to issue a demand that all of the shareholders of the Company (excluding THE SHAPER and the Company; the “Shareholders Subject to Sale Demand”) sell all of the Shares they hold (the “Shares Subject to Sale Demand”) to THE SHAPER (the “Share Sale Demand”), and all of the Holders of Stock Acquisition Rights (excluding THE SHAPER, the “Stock Acquisition Rights Holders Subject to Sale Demand”) sell all of their Stock Acquisition Rights (the “Stock Acquisition Rights Subject to Sale Demand”) to THE SHAPER (the “Stock Acquisition Rights Sale Demand,” together with the Share Sale Demand, the “Demand for Share, etc. Cash-Out”). Today, the Company received a notice from THE SHAPER pertaining to the above.

The Company hereby announces that upon receipt of such notice, at a meeting of its Board of Directors held today, it resolved to approve the Demand for Share, etc. Cash-Out as detailed below.

Furthermore, as a result of the approval of the Demand for Share, etc. Cash-Out, the Shares will meet the delisting criteria of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) and will be designated as securities to be delisted from today through February 6, 2023, with delisting to take place on February 7, 2023. The Company hereby announces that after the delisting, the Shares will no longer be traded on the Growth Market of the Tokyo Stock Exchange (the “Tokyo Stock Exchange Growth Market”).

Note 1: The following stock acquisition rights ① to ⑫ are collectively referred to as the “Stock Acquisition Rights.” Hereinafter the same applies.

- 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 (the “Fourth Series Stock Acquisition Rights”) (Exercise period: from May 5, 2013 to May 3, 2023)
- 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 (the “Fifth Series Stock Acquisition Rights”) (Exercise period:

from May 1, 2014 to March 28, 2024)

- 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 (the "Eight Series Stock Acquisition Rights") (Exercise period: from July 2, 2015 to March 27, 2025)
- 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 (the "Ninth Series Stock Acquisition Rights") (Exercise period: from January 6, 2016 to December 18, 2025)
- 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 (the "11th Series Stock Acquisition Rights") (Exercise period: from July 20, 2016 to December 18, 2025)
- 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 (the "12th Series Stock Acquisition Rights") (Exercise period: from July 20, 2016 to December 18, 2025)
- 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 (the "13th Series Stock Acquisition Rights") (Exercise period: from April 1, 2023 to June 18, 2027)
- 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 (the "14th Series Stock Acquisition Rights") (Exercise period: from April 1, 2022 to June 18, 2027)
- 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 (the "15th Series Stock Acquisition Rights") (Exercise period: from April 1, 2021 to June 18, 2027)
- 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 (the "16th Series Stock Acquisition Rights") (Exercise period: from February 15, 2019 to July 31, 2024)
- 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 (the "17th Series Stock Acquisition Rights") (Exercise period: from February 15, 2019 to July 31, 2024)
- 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 (the "28th Series Stock Acquisition Rights") (Exercise period: from April 30, 2022 to April 29, 2027)

Note 2: The Ownership Ratio of Voting Rights is calculated using the number of voting rights (409,408) pertaining to 40,940,803 shares as the denominator, with percentage of voting rights rounded down to two decimal places. The 40,940,803 shares is derived by adding up (i) the total number of Shares issued as of September 30, 2022 (37,067,757 shares), as announced in the "Consolidated Financial Results for the Nine Months Ended September 30, 2022 [Japanese GAAP]" released by the Company on November 9, 2022 (the "Company's Consolidated Financial Results for Q3 of 2022"); (ii) 21,088 Shares issued by the Company on October 11, 2022; and (iii) 3,852,262 Shares as object of the Stock Acquisition Rights outstanding as of September 30, 2022; and subtracting from the above sum of (i) through (iii) totaling 40,941,107 shares (iv) the number of treasury shares held by the Company as of September 30, 2022 (304 shares), as announced in the Company's Consolidated Financial Results for Q3 of 2022. Hereinafter the same applies.

# 1. Overview of the Demand for Share, etc. Cash-Out

## (1) Overview of the Special Controlling Shareholder

(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 (As of November 10, 2022)
(6)	Date of incorporation	October 14, 2022
(7)	Major shareholders and shareholding ratios	THE SHAPER Holdings, L.P. (100.00% ownership) (As of today)

(8)	Relationship between the Company and the special controlling shareholder	
	Capital relationship	As of today, THE SHAPER owns 38,451,375 shares of the Shares (Ownership Ratio of Voting Rights: 93.92%).
	Personal relationship	No applicable matters
	Business relationship	No applicable matters
	Status as related parties	THE SHAPER is the parent company of the Company and is therefore a related party of the Company.

(2) Schedule for the Demand for Share, etc. Cash-Out

Date of Demand for Share, etc. Cash-Out	Friday, January 6, 2023
Date of approval for the Demand for Share, etc. Cash-Out	Friday, January 6, 2023
Last trading date	Monday, February 6, 2023 (Planned)
Date of delisting	Tuesday, February 7, 2023 (Planned)
Acquisition date	Thursday, February 9, 2023 (Planned)

(3) Price of Demand for Share, etc. Cash-Out

A) Common shares of the Company:

JPY 1,500 per share of the Shares

B) Stock Acquisition Rights:

- (i) The Fourth Series Stock Acquisition Rights: JPY 17,160 per unit
- (ii) The Fifth Series Stock Acquisition Rights: JPY 16,992 per unit
- (iii) The Eighth Series Stock Acquisition Rights: JPY 14,496 per unit
- (iv) The Ninth Series Stock Acquisition Rights: JPY 14,496 per unit
- (v) The 11th Series Stock Acquisition Rights: JPY 14,496 per unit
- (vi) The 12th Series Stock Acquisition Rights: JPY 14,496 per unit
- (vii) The 13th Series Stock Acquisition Rights: JPY 1 per unit
- (viii) The 14th Series Stock Acquisition Rights: JPY 94,800 per unit
- (ix) The 15th Series Stock Acquisition Rights: JPY 94,800 per unit
- (x) The 16th Series Stock Acquisition Rights: JPY 1 per unit
- (xi) The 17th Series Stock Acquisition Rights: JPY 1 per unit
- (xii) The 28th Series Stock Acquisition Rights: JPY 472 per unit

2. Details of the Demand for Share, etc. Cash-Out

Today, the Company received a notice from THE SHAPER regarding the Demand for Share, etc. Cash-Out. The details of the notice are as follows.

- (1) When choosing not to make a Demand for Share, etc. Cash-Out to a wholly owned subsidiary of the special controlling shareholder, a statement to that effect and the name of such wholly owned subsidiary of the special controlling shareholder (Article 179-2, Paragraph 1, Item 1 of the Companies Act):  
Not applicable.
- (2) The amount of money to be delivered to the Shareholders Subject to Sale Demand as value for the Shares Subject to Sale Demand and matters related to the allotment thereof (Article 179-2, Paragraph 1, Items 2 and 3 of the Companies Act):  
THE SHAPER will allot and deliver to the Shareholders Subject to Sale Demand the cash value for the Shares Subject to Sale Demand (the "Share Sale Demand Price") at the rate of 1,500 yen per share of the Shares Subject to Sale Demand held thereby.
- (3) Matters related to the Stock Acquisition Rights Sale Demand (Article 179-2, Paragraph 1, Item 4 of the Companies Act)
  - (i) When choosing not to make a Stock Acquisition Rights Sale Demand to a wholly owned subsidiary of the special controlling shareholder, a statement to that effect and the name of such wholly owned subsidiary of the special controlling shareholder (Article 179-2, Paragraph 1, Item 4 (a) of the Companies Act):  
Not applicable.

- (ii) The amount of money to be delivered to the Stock Acquisition Rights Holders Subject to Sale Demand as value for the Stock Acquisition Rights Subject to Sale Demand and matters related to the allotment thereof (Article 179-2, Paragraph 1, Items 4 (b) and (c) of the Companies Act):

THE SHAPER will allot and deliver to the Stock Acquisition Rights Holders Subject to Sale Demand the cash value for the Stock Acquisition Rights Subject to Sale Demand (the “Stock Acquisition Rights Sale Demand Prices”) at the following rates per unit of the Stock Acquisition Rights Subject to Sale Demand held thereby.

The Fourth Series Stock Acquisition Rights: JPY 17,160 per unit

The Fifth Series Stock Acquisition Rights: JPY 16,992 per unit

The Eighth Series Stock Acquisition Rights: JPY 14,496 per unit

The Ninth Series Stock Acquisition Rights: JPY 14,496 per unit

The 11th Series Stock Acquisition Rights: JPY 14,496 per unit

The 12th Series Stock Acquisition Rights: JPY 14,496 per unit

The 13th Series Stock Acquisition Rights: JPY 1 per unit

The 14th Series Stock Acquisition Rights: JPY 94,800 per unit

The 15th Series Stock Acquisition Rights: JPY 94,800 per unit

The 16th Series Stock Acquisition Rights: JPY 1 per unit

The 17th Series Stock Acquisition Rights: JPY 1 per unit

The 28th Series Stock Acquisition Rights: JPY 472 per unit

- (4) The day when a special controlling shareholder acquires Shares Subject to Sale Demand and Stock Acquisition Rights Subject to Sale Demand (the “Acquisition Day”) (Article 179-2, Paragraph 1, Item 5 of the Companies Act):

February 9, 2023

- (5) Method to secure funds for settlement of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices (Article 179-2, Paragraph 1, Item 6 of the Companies Act; Article 33-5, Paragraph 1, Item 1 of the Regulation for Enforcement of the Companies Act):

THE SHAPER has entered into a loan agreement with MUFG Bank, Ltd. to borrow funds for the settlement of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices and plans to borrow the funds based on this agreement.

- (6) Other Terms and Conditions of the Demand for Share, etc. Cash-Out (Article 179-2, Paragraph 1, Item 6 of the Companies Act and Article 33-5, Paragraph 1, Item 2 of the Regulation for Enforcement of the Companies Act):

The Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices shall be delivered within a reasonable period of time after the Acquisition Date to the addresses of the Shareholders Subject to Sale Demand and the Stock Acquisition Rights Holders Subject to Sale Demand entered or recorded in the Company’s final register of shareholders and register of stock acquisition right holders of the Company as of the day immediately preceding the Acquisition Date or to places notified to the Company by the Shareholders Subject to Sale Demand and the Stock Acquisition Rights Holders Subject to Sale Demand in the same manner as the method of delivery of dividend property by the Company. However, if the delivery cannot be made by such method, the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices shall be delivered to the Shareholders Subject to Sale Demand and the Stock Acquisition Rights Holders Subject to Sale Demand, respectively, in the manner designated by the Company at its head office (or at such place and by such method as THE SHAPER may designate with respect to the delivery of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices, if any).

3. Basis and Reasons, etc. for the Approval of the Demand for Share, etc. Cash-Out

(1) Basis and Reasons for the Approval

The Demand for Share, etc. Cash-Out is part of the Transaction, and the Share Sale Demand Price is set at the same amount as the purchase price per share of the Company’s stock in the Tender Offer (the “Tender Offer Price”), while the Stock Acquisition Rights Sale Demand Prices are set at the same level as the purchase, etc. price per one stock acquisition right of the Company in the Tender Offer (the “Stock Acquisition Right Tender Offer Prices”).

As described 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” and “③ Process Leading to and Reasons for the Company’s Decision to Support the Tender Offer,” “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, at a meeting held on November 9, 2022, the Company’s Board of Directors expressed its opinion to support the Tender Offer; to recommend the Company’s shareholders to tender their Shares in the Tender Offer; 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 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 were passed by the method described in “v. Approval of All Directors (Including the Audit and Supervisory Committee Members) Without an Interest in the Company” of “(4) Measures to Ensure Fairness and to Avoid Conflicts of Interest” below.

(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,” “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,” “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, the Company had 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 (the Carlyle Group and its affiliates and other related entities, including THE SHAPER; hereinafter the same applies) 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 was in contact with three other parties including private equity funds and 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 Carlyle 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 Carlyle 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 minority 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 had 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 believed that through the investments in Simplex Inc. and WingArc1st Inc., Carlyle understood organizational culture with engineers as the source of competitiveness, and through the investment in AOI TYO Holdings Inc., Carlyle had a deep understanding of the media industry. Taking these investments into consideration, the Company 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 Carlyle 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 "i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below, the Company resolved at the meeting of its Board of Directors 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 "i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below 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 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 "i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below, 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 were no issues regarding their independence and expertise.

Moreover, as described in "i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" of "(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest" below, the Company established an internal structure independent from Carlyle 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 approved that such structure did not have any issues regarding its independence.

#### (ii) Process of Review Consideration and Negotiation

After establishing the structure for deliberations described above, the Company engaged in the process of multiple discussions and negotiations with Carlyle, 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

Carlyle 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 (Note 3) 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 exceeded JPY 1,100, or that the conditions for exercising the rights had not been met. At the same time, with regard to the terms and conditions of the Tender Offer, Carlyle 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 (Note 4) 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 were met, the Stock Acquisition Right Tender Offer Price for such Stock Acquisition Rights including those for which the exercise period had 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 exceeded JPY 1,100, or the conditions for exercising the rights had 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 had been 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 had 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 had 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 had 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 had 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 minority 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 Carlyle to agree to the Tender Offer Price at JPY 1,500.

Note 3: A business day refers to any day excluding the days listed in each of the items of Article 1, Paragraph 1 of the Act on Holidays of Administrative Organs (Act No. 91 of 1988, including subsequent revisions).

Note 4: The ownership ratio 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 Q3 of 2022; (ii) 21,088, the number of Shares issued as of October 11, 2022 based on the second series of RSU among RSUs allocated to certain officers and employees of the Company and its affiliates; and (iii) 1,947,056, the number of shares that are the object of the 341,033 Stock Acquisition Rights (Note 5) remaining as of September 30, 2022 and exercisable as of November 9, 2022; 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 as stated in the Company's Consolidated Financial Results for Q3 of 2022.

Note 5: The details of the Stock Acquisition Rights remaining as of September 30, 2022 and exercisable as of November 9, 2022 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 6)	277,040
Total	341,033	1,947,056

Note 6: 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

could not 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 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 were 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 that the conditions for exercising the rights had not been met as of November 9, 2022, the Stock Acquisition Right Tender Offer Price was 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 was 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 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 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," "3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer" of the Announcement of Opinion). Also, the Company 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 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 "i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee" in "(4) 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" below).

### (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 would 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 were 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 determined that by becoming a wholly owned subsidiary of THE SHAPER, the Company group would be positioned to enhance its corporate value, that the Tender Offer Price was an appropriate price that ensured benefits for the Company's minority shareholders, and that the Tender Offer provided the Company's minority shareholders with a reasonable opportunity to sell the Shares at a price with an appropriate premium.

Ever since its founding, the Company has launched new businesses, such as "NewsPicks," "INITIAL," and "FORCAS," aiming to realize its mission, "We guide business people to insights that change the world," 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 7). 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 7: "B2C" is an abbreviation for "Business to Consumer," which means a business or transactions 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 to realize a state where human knowledge (of people outside of the organization) is utilized in corporate management and individual's decision-making.

Against this background, in the fiscal year 2022, the Company took 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, became complex, and it took 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 8), 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 its purpose and long-term management strategy.

Note 8: "The 7 Values" refers to the action guidelines for the employees of the Company group that are important to the Company and are set toward the realization of its purpose, namely "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 9) 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 9: "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" above, 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 SHAPER.

In addition, the Company determined that the Tender Offer Price was an appropriate price that ensured the benefits for the Company's minority shareholders, and that the Tender Offer provided the Company's minority 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 “(4) Measures to Ensure Fairness 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,” “(3) Matters Related to Calculation,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, 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 “i. Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee” of “(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, 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 in “vi. Ensuring an Objective Condition to Guarantee the Fairness of the Tender Offer” of “(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, 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 in “vii. Setting of Minimum Number to Satisfy the Majority-of-Minority Condition” of “(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest” below, 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 THE SHAPER is not obtained.

Based on the above, the Company determined that the Transaction would contribute to the increase of the Company’s corporate value, and that the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate, and at the meeting of the Board of Directors of the Company held on November 9, 2022, 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 “v. Approval of All Directors (Including the Audit and Supervisory Committee Members) Without an Interest in the Company” of “(4) 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.

On December 23, 2022, the Company received a report from THE SHAPER on the results of the Tender Offer stating that the number of the Company’s Shares, etc. tendered in the Tender Offer totaled 38,451,375 shares (for Stock Acquisition Rights, calculations are based on the number of shares as object of the Stock Acquisition Rights), exceeding the minimum number to be purchased (26,023,700 shares). Therefore, the Tender Offer had been successfully completed, and THE SHAPER would proceed to acquire all of the Company’s Shares, etc. As a result, the percentage of voting rights held by THE SHAPER was 93.92%, and THE SHAPER became the Company’s special controlling shareholder.

Following this process, the Company received a notice from THE SHAPER today with a Demand for Share, etc. Cash-Out, as described in “(4) Policy of Restructuring, Etc. After the Tender Offer (Matters Concerning So-Called Two-Step Acquisition)” in “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion.

Upon receipt of the notice, the Company carefully deliberated whether to approve the Demand for Share, etc. Cash-Out.

As a result, the Board of Directors of the Company, at its meeting held today, has determined to approve each of the following: (a) the Demand for Share, etc. Cash-Out is made as part of the Transaction, and at the meeting of the Board of Directors held on November 9, 2022, all of the Directors without concerned interests (those apart from Mr. Yusuke Umeda (“Mr. Umeda”) and Mr. Masao Hirano (“Mr. Hirano”); Note 10) of the nine Directors of the Company who participated in the deliberation and resolution, and all of the Directors who

participated in the deliberation and resolution (including members of the Audit and Supervisory Committee) unanimously resolved that becoming a wholly owned subsidiary of THE SHAPER as a result of the Transaction would contribute to the enhancement of the corporate value of the Company, and no special circumstances have arisen thereafter that would cause such determination to be changed; (b) the Share Sale Demand Price equals the Tender Offer Price, and the Stock Acquisition Rights Sale Demand Prices equal the Stock Acquisition Right Tender Offer Prices, and in determining such prices, as described in “(4) Measures to Ensure Fairness and to Avoid Conflicts of Interest” below, the Company considers that the price is reasonable for the Shareholders Subject to Sale Demand and the Stock Acquisition Rights Holders Subject to Sale Demand, including the report received on November 8, 2022, and that sufficient care has been taken to ensure that the interests of the Shareholders Subject to Sale Demand and the Stock Acquisition Rights Holders Subject to Sale Demand are not disadvantaged; (c) THE SHAPER intends to pay the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices by cash and deposits raised by THE SHAPER through a loan from MUFJ Bank, Ltd. The Company has confirmed the method by which THE SHAPER will secure funds by confirming the loan certificate to THE SHAPER prepared by MUFJ Bank, Ltd. (dated November 9, 2022) and subsequently confirming that a loan agreement for the loan had been executed between THE SHAPER and MUFJ Bank, Ltd. Furthermore, according to THE SHAPER, no event has occurred, nor is THE SHAPER aware of any possibility of such event occurring in the future that would hinder the payment of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices since the date of execution of the said loan agreement. Therefore, the Company believes that THE SHAPER has adequate means of preparing and securing funds for the payment of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices and that THE SHAPER is expected to deliver the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices; (d) no irregularities have been found in the period until the delivery of the Share Sale Demand Price and the Stock Acquisition Rights Sale Demand Prices and the method of payment, and the terms and conditions of the transaction for the Demand for Share, etc. Cash-Out are considered to be reasonable; and (e) the Company’s corporate value has not materially changed since the commencement date of the Tender Offer until today. The above points were discussed and resolved by all of the Directors of the Company without concerned interests (those apart from Mr. Umeda and Mr. Masao Hirano; Note 10) of the nine Directors of the Company who participated in the deliberation and resolution, and all of the Directors who participated in the deliberation and resolution (including members of the Audit and Supervisory Committee) unanimously agreed to approve the Demand for Share, etc. Cash-Out as notified by THE SHAPER.

Note 10: Since Mr. Umeda had entered into a Tender Agreement (Note 11) with THE SHAPER, and Mr. 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 had passed, in order to avoid any suspicion of conflict of interest and to ensure the fairness of the Transaction, the two were neither involved in the discussion or resolution by the Board of Directors nor involved in discussions or negotiations with THE SHAPER in the position of the Company in any way.

Note 11: The Tender Agreements refer to agreements entered into on November 9, 2022, between THE SHAPER and some of the Company’s founders owning the Shares, etc. (the “Tendering Founders”) (Note 12) on tendering their Shares, etc. The Shares, etc. to be tendered under the Tender Agreements are 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 12: 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), and Mr. Umeda, the Company’s part-time director and the second largest shareholder (owning 4,857,656 shares). (The shareholder ranking and the number of Shares, etc. owned are as of the commencement date of the Tender Offer.)

## (2) Matters Related to Valuation

Since the Demand for Share, etc. Cash-Out is the second step of the so-called two-step acquisition procedure following the Tender Offer, and the Share Sale Demand Price equals the Tender Offer Price, and the Stock Acquisition Rights Sale Demand Prices equal the Stock Acquisition Right Tender Offer Prices, respectively, the Company has not obtained another valuation report when deciding to give its approval for the Demand for Share, etc. Cash-Out.

## (3) Prospects for Delisting



While the Shares are currently listed on the Tokyo Stock Exchange Growth Market as of today, as a result of the approval of the Demand for Share, etc. Cash-Out, the Shares will meet the delisting criteria of the Tokyo Stock Exchange and will be designated as securities to be delisted from today through February 6, 2023, with delisting to take place on February 7, 2023. After the delisting, the Shares will no longer be traded on the Tokyo Stock Exchange Growth Market.

(4) Measures to Ensure Fairness and Measures to Avoid Conflicts of Interest

While the Demand for Share, etc. Cash-Out is part of the Transaction and is implemented as the second step of the so-called two-step acquisition procedure following the Tender Offer, as described 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” of “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, THE SHAPER and the Company 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 SHAPER are based on the explanations received from THE SHAPER.

i. 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 Carlyle 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 was 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 Carlyle 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 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 Carlyle'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 in “① Procurement by the Company of Share Valuation Report from an Independent Third-Party Appraiser,” “(3) Matters Related to Calculation,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, 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 Carlyle 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) Decision

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 Carlyle 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 Carlyle'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 Carlyle's expertise and execution capability to update the Company's fundamental management system and ③ utilizing Carlyle's knowledge of global management based on the extensive track record of investments in global companies. In addition, Carlyle 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. Carlyle 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 Carlyle regarding the Transaction have a certain degree of specificity, and there are no contradictions or material discrepancy of understanding between the explanations by the Company and Carlyle. 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 Transaction.
- (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 Carlyle 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 Carlyle (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 Carlyle 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 Carlyle, 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 Transaction for the purpose of making a wholly-owned subsidiary by THE SHAPER 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 Carlyle, 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 minority shareholders. However, among the Company’s officers, Mr. Umeda entered into the Tender Agreement with THE SHAPER, and Mr. 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. 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 Carlyle 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 SHAPER to purchase the Company Shares. In addition, there is no agreement between the Company and THE SHAPER 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 SHAPER, and by setting a Minimum Number to Be Purchased (26,023,700), unless the majority of the shares owned by the minority shareholders (shareholders without a material interest in THE SHAPER) 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 Founders are treated as not “shareholders without a material interests in THE SHAPER,” 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 minority shareholders (shareholders without a material interest in THE SHAPER) 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 minority shareholders and implementing transactions on the transaction terms in favor of the minority 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 minority 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 minority 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.
- ii. Procurement by the Company of Share Valuation Report from an Independent Third-Party Appraiser
- 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 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," "(3) Matters Related to Calculation," "3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer" of the Announcement of Opinion. Since both THE SHAPER 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 SHAPER, 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.
- iii. 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 Carlyle 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 SHAPER 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.
- iv. Establishment of a Structure for Independent Review by the Company
- On September 9, 2022, the Company established an internal structure independent from Carlyle 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 minority shareholders. Specifically, the Company decided that deliberations, negotiations and decisions on matters related to the Transaction would be conducted entirely by individuals independent from Carlyle, and that Mr. Umeda, a major shareholder of the Company, and Mr. Hirano, who served as managing director and Japan co-head of Carlyle from 2007 to 2011, would not join the structure, which would only comprise of the five officers (including executive officers) that are deemed independent from Carlyle.

The creation of the business plan presented to Carlyle and the business plan used by Houlihan Lokey as the basis of calculating the value of the Shares were led and created by those independent from Carlyle, 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.

v. 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 Carlyle, and other related documents, while respecting the decision stated in the Recommendation by the Special Committee as far as possible.

As a result, as described in “③ Process Leading to and Reasons for the Company's Decision to Support the Tender Offer,” “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, at a meeting of the Board of Directors held on November 9, 2022, 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 Carlyle, 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. 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 SHAPER, and Mr. 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 Carlyle in the position of the Company in any way.

vi. Ensuring an Objective Condition to Guarantee the Fairness of the Tender Offer

THE SHAPER 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 SHAPER 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 SHAPER to make counteroffers, thus ensuring the fairness of the Tender Offer.

In addition, THE SHAPER 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.

vii. Setting of Minimum Number to Satisfy the Majority-of-Minority Condition

As described in “① Overview of the Tender Offer,” “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, via the Tender Offer, THE SHAPER 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 SHAPER 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 SHAPER,” as described in “① Overview of the Tender Offer,” “(2) Basis and Reasons for the Opinion Regarding the Tender Offer,” “3. Details, Basis and Reasons for the Opinion Regarding the Tender Offer” of the Announcement of Opinion, 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 SHAPER 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 SHAPER.

4. Future Prospects

The schedule, policies, and plans for the Company’s management structure following the Company’s decision to approve the Demand for Share, etc. Cash-Out will be discussed and deliberated between THE SHAPER and the Company going forward.

5. Matters Related to Transactions, etc. with the Controlling Shareholder

(1) Applicability of the Transaction, etc. with the Controlling Shareholder and Status of Compliance with Guidelines to Protect Minority Shareholders

Since THE SHAPER is the controlling shareholder (parent company) of the Company, the approval by the Board of Directors of the Company for the Demand for Share, etc. Cash-Out constitutes a material transaction, etc. with the controlling shareholder. The Company’s “Guidelines on measures to protect minority shareholders in transactions with controlling shareholders,” specified in the Company’s report on its corporate governance disclosed on December 29, 2022, are as follows.

In conducting transactions with its parent company, THE SHAPER Co., the Company’s policy is to take appropriate measures so as not to disadvantage minority shareholders, such as paying particular attention to whether the transactions are necessary and reasonable for the management of the Company group and whether the terms of the transactions are appropriate compared to other external transactions. In addition, the Company appoints at least one-third of its Board of Directors as independent outside directors who are independent of the controlling shareholder.

With respect to the Transaction including the Tender Offer and the Demand for Share, etc. Cash-Out as described in “(4) Measures to Ensure Fairness and to Avoid Conflicts of Interest” of “3. Basis and reasons, etc. for the approval of the Demand for Share, etc. Cash-Out” above, the Company has taken measures to

ensure the fairness and avoid conflicts of interest and believes that it is in compliance with the above-mentioned guidelines.

(2) Matters Concerning Measures to Ensure Fairness and to Avoid Conflicts of Interest

Please refer to “(4) Measures to Ensure Fairness and to Avoid Conflicts of Interest” of “3. Basis and reasons, etc. for the approval of the Demand for Share, etc. Cash-Out” above.

(3) Outline of Opinion that the Transaction, etc. Is Not Disadvantageous to Minority Shareholders Obtained from Parties Having No Interest in the Controlling Shareholder

On November 8, 2022, the Company received the Recommendation from the Special Committee to the effect that the decision by the Board of Directors of the Company to implement the Transaction is not disadvantageous to the minority shareholders of the Company. For details, please refer to “(1) Establishment of an Independent Special Committee at the Company and Procurement of Recommendation from the Special Committee,” “(4) Measures to Ensure Fairness and to Avoid Conflicts of Interest” of “3. Basis and reasons, etc. for the approval of the Demand for Share, etc. Cash-Out” above. Since the Recommendation relates to the Transaction including the Demand for Share, etc. Cash-Out, the Company did not obtain other opinions from parties having no interest in the controlling shareholder upon approval of the Demand for Share, etc. Cash-Out.

End of Notice