

To Whom It May Concern

Company Name	IGNIS LTD.
Representative	Qian Kun, Representative Director (Securities Code: 3689, TSE Mothers Market)
Inquiries	Tomohito Matsumoto, CFO (TEL: 03-6408-6820)
Company Name	K.K. i3
Representative	Qian Kun, Representative Director

**(Change) Announcement on Partial Change to
"Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)"**

K.K. i3 hereby announces it has decided to make partial change to the "Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)" dated March 5, 2021

END

<p>This Announcement is made pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act upon a request from K.K. i3 (Offeror) to the IGNIS LTD. (Target of Tender Offer).</p>

(Attached Documents)

"(Change) Announcement on Partial Change to "Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)" " dated March 30, 2021

To Whom It May Concern

Company Name	K.K. i3
Representative	Qian Kun, Representative Director

**(Change) Announcement on Partial Change to
"Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)"**

K.K. i3 (the "Offeror") in which BCPE Wish Cayman, L.P., which is held and managed by Bain Capital Private Equity, LP and its group, has capital participation, determined to acquire ordinary shares (the "Target's Shares") and the Stock Acquisition Rights (to be defined in the "Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)" dated March 5, 2021) of IGNIS LTD. (the "Target"), which is listed on the Mothers Market, a market opened by the Tokyo Stock Exchange, Inc. (the "TSE") (the "TSE Mothers Market"), through the tender offer (the "Tender Offer") pursuant to the Financial Instrument and Exchange Act (Act No.25 of 1948, as amended; the "Act"), and has commenced the Tender Offer from March 8, 2021.

The Offeror hereby announces that effective today, the Offeror has filed the Amendment to the Tender Offer Registration Statement (the "Amendment Statement") pursuant to Article 27-8 (2) of the Act and that there were changes to the "Announcement on Commencement of Tender Offer for Shares of IGNIS LTD. (Securities Code: 3689)" dated March 5, 2021, as a result that there was a change in the name of the ownership in respect of a portion of shares owned by Mr. Qian Kun, who is a special relationship with the Offeror, which had been recorded as being held by other party under the shareholders' registry due to an error in the application and recording procedure on March 22, 2021, and a change in the number of shares owned by Mr. Qian due to an execution of pledge on the shares held by a third party and sales therefor on March 23, 2021 in respect of a portion of shares owned by Mr. Qian, and that, on March 30, 2021, the Offeror newly entered into a contract with Mr. Takuya Tanabe, a shareholder of the Target, who agreed not to accept the Tender Offer. The changes are underlined.

1 . Particulars of Tender Offer

(5) Number of shares to be purchased

(Before Change)

Number of shares to be purchased:	<u>8,761,149 shares</u>
Minimum number of shares to be purchased:	-- shares
Maximum number of shares to be purchased:	-- shares

(After Change)

Number of shares to be purchased:	<u>8,497,849 shares</u>
Minimum number of shares to be purchased:	-- shares
Maximum number of shares to be purchased:	-- shares

2 . Overview of the Tender Offer

(Before Change)

(Omitted)

The Offeror will carry out the Tender Offer by acquiring all of the Target's Shares listed on the Mothers Market, a market opened by the Tokyo Stock Exchange, Inc. ("TSE") ("TSE Mothers Market") (including the Target's Shares to be delivered upon the exercise of the Stock Acquisition Rights, but excluding the treasury shares held by the Target, all of the Target's Shares held by Mr. Qian, all of the Target's Shares held by Mr.

Suzuki, all of the Target's Shares held by K.K. QK, an asset management company of which 51.00% of its issued shares is held by Mr. Qian and the fourth largest shareholder ("QK"), all of the Target's Shares held by K.K. SY, an asset management company of which 51.00% of its issued shares is held by Mr. Qian and the eighth largest shareholder ("SY"), all of the Target's Shares held by Ms. Rie Yamada, the spouse of Mr. Qian ("Ms. Yamada"), and all of the Target's Shares held respectively by Mr. Yasuyuki Kashiwaya (the ninth largest shareholder; "Mr. Kashiwaya"), Mr. Katsuya Uenoyama ("Mr. Uenoyama"), Mr. Yusuke Sato ("Mr. Sato") and Mr. Nobusuke Akimoto ("Mr. Akimoto") who are friends of Mr. Qian (collectively, Mr. Kashiwaya, Mr. Uenoyama, Mr. Sato and Mr. Akimoto shall be referred to hereafter as the "Non-accepting Friend Shareholders"; collectively, Mr. Qian, Mr. Suzuki, QK, SY, Ms. Yamada and the Non- accepting Friend Shareholders shall be referred to hereafter as the "Non-accepting Shareholders")) and all of the Stock Acquisition Shares (excluding the Stock Acquisition Rights held by the Non-accepting Shareholders), as part of a series of transactions (the "Transaction") for the purpose of taking the Target's Shares private.

(Omitted)

(After Change)

(Omitted)

The Offeror will carry out the Tender Offer by acquiring all of the Target's Shares listed on the Mothers Market, a market opened by the Tokyo Stock Exchange, Inc. ("TSE") ("TSE Mothers Market") (including the Target's Shares to be delivered upon the exercise of the Stock Acquisition Rights, but excluding the treasury shares held by the Target, all of the Target's Shares held by Mr. Qian, all of the Target's Shares held by Mr. Suzuki, all of the Target's Shares held by K.K. QK, an asset management company of which 51.00% of its issued shares is held by Mr. Qian and the fourth largest shareholder ("QK"), all of the Target's Shares held by K.K. SY, an asset management company of which 51.00% of its issued shares is held by Mr. Qian and the eighth largest shareholder ("SY"), all of the Target's Shares held by Ms. Rie Yamada, the spouse of Mr. Qian ("Ms. Yamada"), and all of the Target's Shares held respectively by Mr. Yasuyuki Kashiwaya (the ninth largest shareholder; "Mr. Kashiwaya"), Mr. Katsuya Uenoyama ("Mr. Uenoyama"), Mr. Yusuke Sato ("Mr. Sato") and Mr. Nobusuke Akimoto ("Mr. Akimoto") who are friends of Mr. Qian (collectively, Mr. Kashiwaya, Mr. Uenoyama, Mr. Sato and Mr. Akimoto shall be referred to hereafter as the "Non-accepting Friend Shareholders"; collectively, Mr. Qian, Mr. Suzuki, QK, SY, Ms. Yamada and the Non- accepting Friend Shareholders shall be referred to hereafter as the "Non-accepting Shareholders")) and Mr. Takuya Tanabe ("Mr. Tanabe") who is a friend of Mr. Qian and all of the Stock Acquisition Shares (excluding the Stock Acquisition Rights held by the Non-accepting Shareholders), as part of a series of transactions (the "Transaction") for the purpose of taking the Target's Shares private.

(Omitted)

3 . Policy regarding reorganization, etc., following completion of the Tender Offer (so-called "two-step acquisition")

(Before Change)

(Omitted)

Specifically, the Offeror intends to request the Target to hold the Extraordinary Shareholders' Meeting to approve the Share Consolidation and to amend its Articles of Incorporation to abolish the provision concerning less than one unit shares subject to the consolidation of Target's Shares (the "Share Consolidation") becoming effective, pursuant to Article 180 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same) promptly after the settlement of the Tender Offer. The Offeror considers it desirable to hold the Extraordinary Shareholders' Meeting as early as possible from the viewpoint of improving the corporate value of the Target, and intends to request the Target to give a public notice of the record date so that the record date for the extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") will fall on the commencement date of the settlement of the Tender Offer (scheduled for April 27, 2021) or the date close thereto. The Offeror will make such request even if the voting rights of the Target held by the Offeror and Non-accepting Shareholders after the Tender Offer fall below two-thirds of the

total voting rights of the Target. According to the press release of the Target, if the Target receives such request from the Offeror, the Target intends to comply therewith. The Offeror and the Non-accepting Shareholders intend to approve the above proposals at the Extraordinary Shareholders' Meeting.

(Omitted)

Regarding the provisions under the Companies Act aimed at protecting general shareholders' interests in relation to the Share Consolidation, if there are any fractional shares when the Share Consolidation is conducted, the Target's shareholders (excluding the Offeror, the Non-accepting Shareholders and the Target) may, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, demand the Target to purchase all fractional shares of the Target's Shares that the relevant shareholders hold at a fair price, and may file a petition to determine the price under appraisal rights of such Target's Shares. As mentioned above, in the Share Consolidation, the number of the Target's Shares held by the Target's shareholders (excluding Mr. Qian, Mr. Suzuki and the Target) who did not tender their shares to the Tender Offer will be a fractional number of less than one share. The Target's shareholders who disapprove of the Share Consolidation will be able to file the above petition. The purchasing price under appraisal rights if these petitions are filed will be ultimately determined by the court.

(Omitted)

(After Change)

(Omitted)

Specifically, the Offeror intends to request the Target to hold the Extraordinary Shareholders' Meeting to approve the Share Consolidation and to amend its Articles of Incorporation to abolish the provision concerning less than one unit shares subject to the consolidation of Target's Shares (the "Share Consolidation") becoming effective, pursuant to Article 180 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same) promptly after the settlement of the Tender Offer. The Offeror considers it desirable to hold the Extraordinary Shareholders' Meeting as early as possible from the viewpoint of improving the corporate value of the Target, and intends to request the Target to give a public notice of the record date so that the record date for the extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting") will fall on the commencement date of the settlement of the Tender Offer (scheduled for April 27, 2021) or the date close thereto. The Offeror will make such request even if the voting rights of the Target held by the Offeror, and Non-accepting Shareholders and Mr. Tanabe after the Tender Offer fall below two-thirds of the total voting rights of the Target. According to the press release of the Target, if the Target receives such request from the Offeror, the Target intends to comply therewith. The Offeror, and the Non-accepting Shareholders and Mr. Tanabe intend to approve the above proposals at the Extraordinary Shareholders' Meeting.

(Omitted)

Regarding the provisions under the Companies Act aimed at protecting general shareholders' interests in relation to the Share Consolidation, if there are any fractional shares when the Share Consolidation is conducted, the Target's shareholders (excluding the Offeror, the Non-accepting Shareholders, the Target and Mr. Tanabe) may, in accordance with the provisions of Articles 182-4 and 182-5 of the Companies Act and other relevant laws and regulations, demand the Target to purchase all fractional shares of the Target's Shares that the relevant shareholders hold at a fair price, and may file a petition to determine the price under appraisal rights of such Target's Shares. As mentioned above, in the Share Consolidation, the number of the Target's Shares held by the Target's shareholders (excluding Mr. Qian, Mr. Suzuki and the Target) who did not tender their shares to the Tender Offer will be a fractional number of less than one share. The Target's shareholders who disapprove of the Share Consolidation will be able to file the above petition. The purchasing price under appraisal rights if these petitions are filed will be ultimately determined by the court.

(Omitted)

4 . Prospects for delisting and its reasons

(Before Change)

(Omitted)

The Offeror does not set any minimum number of tendered shares to be purchased in the Tender Offer. For this

reason, the total number of voting rights of the Target held by the Offeror and the Non-accepting Shareholders may fall below two-thirds of the voting rights of all shareholders of the Target after the completion of the Tender Offer. As a result, if the proposal regarding the Share Consolidation described in "(5) Policy regarding reorganization, etc., following completion of the Tender Offer (so-called "two-step acquisition")" above fails to obtain an approval at the Extraordinary Shareholders' Meeting and the Share Consolidation is not implemented, the listing of the Target's Shares will be maintained for the time being. The Offeror currently intends to make the Target's Shares go private, and even if the proposal for the Share Consolidation is rejected at the Extraordinary Shareholders' Meeting, the Offeror may consider making the Target's Shares go private in some way, including any acquisition of additional Target's Shares; however, whether or not the Offeror proceed with the additional acquisition of the Target's Shares will be considered after taking into consideration the status of the tender in the Tender Offer and the subsequent trend of the market share price, the degree of pros and cons of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting, and whether or not the Target will be able to obtain the approval of the Offeror once again; therefore, nothing is determined at this point. On the other hand, the ratio of voting rights exercised by the Target at the annual shareholders' meeting was 68.08% for the 10th Annual Shareholders' Meeting for fiscal year ended in September, 2019 and 54.39% for the 11th Annual Shareholders' Meeting for for fiscal year ended in September, 2020. Even if the total number of voting rights of the Target held by the Offeror and the Non-accepting Shareholders may fall below two-thirds of the voting rights of all shareholders of the Target after the completion of the Tender Offer, there is a possibility that the proposal for the Share Consolidation will be approved at the Extraordinary Shareholders' Meeting, and in such a case, the Target's Shares will be delisted through prescribed procedures in accordance with the delisting criteria of the TSE.

(After Change)

(Omitted)

The Offeror does not set any minimum number of tendered shares to be purchased in the Tender Offer. For this reason, the total number of voting rights of the Target held by the Offeror, and the Non-accepting Shareholders and Mr. Tanabe may fall below two-thirds of the voting rights of all shareholders of the Target after the completion of the Tender Offer. As a result, if the proposal regarding the Share Consolidation described in "(5) Policy regarding reorganization, etc., following completion of the Tender Offer (so-called "two-step acquisition")" above fails to obtain an approval at the Extraordinary Shareholders' Meeting and the Share Consolidation is not implemented, the listing of the Target's Shares will be maintained for the time being. The Offeror currently intends to make the Target's Shares go private, and even if the proposal for the Share Consolidation is rejected at the Extraordinary Shareholders' Meeting, the Offeror may consider making the Target's Shares go private in some way, including any acquisition of additional Target's Shares; however, whether or not the Offeror proceed with the additional acquisition of the Target's Shares will be considered after taking into consideration the status of the tender in the Tender Offer and the subsequent trend of the market share price, the degree of pros and cons of the proposal for the Share Consolidation at the Extraordinary Shareholders' Meeting, and whether or not the Target will be able to obtain the approval of the Offeror once again; therefore, nothing is determined at this point. On the other hand, the ratio of voting rights exercised by the Target at the annual shareholders' meeting was 68.08% for the 10th Annual Shareholders' Meeting for fiscal year ended in September, 2019 and 54.39% for the 11th Annual Shareholders' Meeting for for fiscal year ended in September, 2020. Even if the total number of voting rights of the Target held by the Offeror, and the Non-accepting Shareholders and Mr. Tanabe may fall below two-thirds of the voting rights of all shareholders of the Target after the completion of the Tender Offer, there is a possibility that the proposal for the Share Consolidation will be approved at the Extraordinary Shareholders' Meeting, and in such a case, the Target's Shares will be delisted through prescribed procedures in accordance with the delisting criteria of the TSE.

For further details of the above Tender Offer, please refer to the Amendment Statement regarding the Tender Offer to be

filed on March 30, 2021 by the Offeror.

END