

Cover sheet

Document for filing	Tender Offer Registration Statement
Addressee	Director General of the Kanto Local Finance Bureau
Date of filing	March 8, 2021
Name of the filing party (offeror)	K.K. i3
Address of the filing party (offeror)	1-1-1 Marunouchi, Chiyoda-ku, Tokyo Palace Building 5F
Closest contact place	1-1-1 Marunouchi, Chiyoda-ku, Tokyo Palace Building 5F
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Name of contact person	Qian Kun, Representative Director
Name of attorney-in-fact	N/A
Address of attorney-in-fact	N/A
Closest contact place	N/A
Telephone number	N/A
Name of contact person	N/A
Place where a copy of this statement is kept for public inspection	K.K. i3 (1-1-1 Marunouchi, Chiyoda-ku, Tokyo, Palace Building 5F) Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo, Japan)

- (Note 1) In this Statement, "Offeror" means K.K. i3.
- (Note 2) In this Statement, "Target" means IGNIS LTD.
- (Note 3) Where the figures in this Statement have been rounded or truncated, the amount recorded in the relevant "total" column may not always be equal to the sum of the relevant figures.
- (Note 4) In this Statement, "Act" means the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).
- (Note 5) In this Statement, "Enforcement Order" means the Enforcement Order of the Financial Instruments and Exchange Act (Government Ordinance No. 321 of 1965, as amended).
- (Note 6) In this Statement, "TOB Order" means the Cabinet Office Ordinance on Disclosure of Takeover Bids of Shares Conducted by Non-Issuers (Ministry of Finance Japan Ordinance No. 38 of 1990, as amended).
- (Note 7) In this Statement, "Shares, Etc." means rights pertaining to shares, etc.
- (Note 8) In this Statement, a "business day" means a day other than a day as specified in each item of Article 1, Paragraph 1 of the Act Concerning Public Holidays of Administrative Organs (Act No. 91 of 1988, as amended).
- (Note 9) Unless otherwise described in this Statement, any reference to the number of days or the date and time shall mean the number of days or the date and time in Japan.
- (Note 10) The tender offer in connection with the filing of this Statement ("Tender Offer") will be conducted in compliance with the procedures and related disclosure standards set forth under the Act, which are not necessarily the same as the procedures and standards in the U.S. In particular, the provisions of Article 13 (e) or Article 14 (d) of the U.S. Securities Exchange Act of 1934 (as amended; the same shall apply hereinafter) and the related rules stipulated thereunder do not apply to the Tender Offer, and the Tender Offer is not carried out in compliance with these procedures and standards. All financial information contained in this Statement is based on the Japanese GAAP and is not based on U.S. GAAP; therefore, such information may not be comparable in content to financial information in the U.S. Moreover, as the Offeror and the Target are corporations incorporated outside of the U.S.

and their officers are not residents of the U.S., it may become difficult for the Offeror and the Target to exercise any rights or demands that may be asserted based on the securities laws of the U.S. In addition, it may not be possible to commence legal proceedings against non-U.S. corporations and their officers in courts outside of the U.S. on the grounds of violation of U.S. securities laws, and a non-U.S. corporation and its subsidiaries and affiliates may not be subject to the jurisdiction of the courts of the U.S.

- (Note 11) Unless otherwise specified, all procedures relating to the Tender Offer are to be conducted entirely in Japanese. All or any part of the document related to the Tender Offer is prepared in the English language and if there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation shall prevail.
- (Note 12) The statements in this Statement include "forward-looking statements" as defined in Section 27A of the U.S. Securities Act of 1933 (Securities Act of 1933) (as amended) and Section 21E of the U.S. Securities Exchange Act of 1934 (Securities Exchange Act of 1934). The results may significantly differ from the predictions explicitly or implicitly indicated as "forward-looking statements" due to known or unknown risks, or uncertainties, or other causes. Neither the Offeror nor any of its affiliates can provide assurance that such explicit or implicit forecasts given as "forward-looking statements" will be realized. The "forward-looking statements" in this Statement were prepared based on the information held by the Offeror as of the date of this Statement, and unless required by laws and regulations, the Offeror or its affiliates are not obliged to update and/or modify such statements in order to reflect any event or condition in the future.
- (Note 13) The Offeror and the Offeror and Target's respective financial advisors and tender offer agents (including their affiliates) may, to the extent permitted by the Japanese laws and regulations pertaining to financial instruments and exchange and other applicable laws and regulations, and in accordance with the requirements of Rule 14e-5(b) of the U.S. Securities Exchange Act 1934 (Securities Exchange Act of 1934), purchase the Target's shares for their own account or for the account of customers before the commencement of, or during, the period of the Tender Offer ("Tender Offer Period"), make purchases by means other than the Tender Offer or take other actions toward such purchases. If information pertaining to such purchase is disclosed in Japan, said information will also be disclosed in English on the website of the purchaser (or otherwise disclosed by other means of disclosure).

PART I. Terms and Conditions of Tender Offer

1. Name of the Target

IGNIS LTD.

2. Class of Shares to be Purchased

- (1) Common Shares
- (2) Stock Acquisition Rights
 - (i) Stock acquisition rights issued pursuant to a resolution by the Target's extraordinary shareholders' meeting held on March 10, 2014 (the "Fourth Stock Acquisition Rights") (the exercise period is from March 12, 2016 to February 11, 2024)
 - (ii) Stock acquisition rights issued pursuant to a resolution by the Target's board of directors' meeting held on October 13, 2016 (the "Twelfth Stock Acquisition Rights") (the exercise period is from October 28, 2016 to October 27, 2021)
 - (iii) Stock acquisition rights issued pursuant to a resolution by the Target's board of directors' meeting held on February 16, 2017 (the "Thirteenth Stock Acquisition Rights") (the exercise period is from March 3, 2017 to March 2, 2022)
 - (iv) Stock acquisition rights issued pursuant to a resolution by the Target's board of directors' meeting held on March 5, 2018 (the "Fifteenth Stock Acquisition Rights") (the exercise period is from March 23, 2018 to March 22, 2021)
 - (v) Stock acquisition rights issued pursuant to a resolution by the Target's board of directors' meeting held on March 5, 2018 (the "Sixteenth Stock Acquisition Rights"; collectively, the Fourth Stock Acquisition Rights, Twelfth Stock Acquisition Rights, Thirteenth Stock Acquisition Rights, Fifteenth Stock Acquisition Rights and Sixteenth Stock Acquisition Rights shall be referred to hereafter as the "Stock Acquisition Rights") (the exercise period is from March 23, 2018 to March 22, 2021)

3. Purposes of Tender Offer

(1) Overview of the Tender Offer

The Offeror is a stock company incorporated on February 24, 2021 for the primary purpose of holding the common shares of the Target (the "Target's Shares") through the Tender Offer, and as of the date of filing this Statement, Mr. Qian Kun, the President and Founder and the second largest major shareholder of the Target ("Mr. Qian") holds 25.00% of the voting rights represented by the common shares, Mr. Takaaki Suzuki, CTO and Representative Director and the largest major shareholder of the Target holds 25.00% of the voting rights represented by the common shares, and BCPE Wish Cayman, L.P. ("BCPE Wish Cayman"), which is held and managed by Bain Capital Private Equity, LP and its group (collectively, "Bain Capital"), holds 50.00% of the voting rights represented by the common shares, respectively. As of the date of filing of this Statement, the Offeror does not own the Target's Shares.

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.

The Transaction falls under the so-called Management Buyout (MBO) (Note 1), in which Mr. Qian and Mr. Suzuki are involved as the offerors, and Mr. Qian and Mr. Suzuki are expected to continue to be engaged in management of the Target after the successful completion of the Tender Offer.

(Note 1) "Management Buyout (MBO)" refers to a transaction in which the offeror carries out a tender offer based on an agreement with the officers of the target, and shares a common interest with such officer of the target.

Further, Bain Capital, which invests in the Offeror jointly with Mr. Qian and Mr. Suzuki, is an international investment company that holds operating assets worldwide worth approximately 1,000 hundred million dollars. In Japan, ever since Bain Capital established its Tokyo office in 2006, approximately 40 professionals have been engaged in measures to increase the corporate value of its invested firms. It is mainly comprised of professionals who have experiences in business companies and consulting firms, and it has steadily executed growth strategies by providing on-site business operation supports in addition to capital and financial support services that are offered by general investment companies, and has a record of successfully achieving various value enhancement measures. In Japan, Bain Capital has invested in 20 companies including Kirindo Holdings Co., Ltd., hey, Inc., Nichiigakkan Co., Ltd., Showa Aircraft Industry Co., Ltd., Cheetah Digital Co., Ltd. (currently, EmberPoint Co., Ltd.), Works Human Intelligence Co., Ltd., Toshiba Memory Corporation (currently, Kioxia Corporation), Japan Wind Development Co., Ltd., Oedo-Onsen-Monogatari Co., Ltd., ASATSU-DK Inc., Jupiter Shop Channel Co., Ltd., Skylark Co., Ltd., Domino's Pizza Japan, Inc., Macromill, Inc., and BELLSYSTEM24, Inc., and on a global basis, it has invested in more than 450 companies since its incorporation in 1984.

Upon carrying out the Tender Offer, as of March 5, 2021, the Offeror entered into a basic agreement (the "Basic Agreement") with each of Mr. Qian (Number of shares held: 2,616,600 shares, Shareholding Ratio (Note 2): 15.94%) and Mr. Suzuki (Number of shares held: 3,966,600 shares, Number of Stock Acquisition Rights held: 100 rights (Number of shares subject to the stock acquisition rights: 20,000 shares), Shareholding Ratio: 24.28%), and agreed that Mr. Qian will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Qian (2,616,600 shares and Shareholding Ratio: 15.94%) and Mr. Suzuki will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Suzuki (3,966,600 shares and Shareholding Ratio: 24.16%) and the Stock Acquisition Rights (100 rights (Number of shares subject to the stock acquisition rights: 20,000 shares, Shareholding Ratio: 0.12%), respectively. Further in addition, upon carrying out the Tender Offer, as of March 5, 2021, the Offeror entered into a non-tender agreement (the "Non-tender Agreement") with each of QK (Number of shares held: 354,300 shares, Shareholding Ratio: 2.16%), SY (Number of shares held: 212,600 shares, Shareholding Ratio: 1.29%), Mr. Kashiwaya (Number of shares held: 204,800 shares, Shareholding Ratio: 1.25%), Ms. Yamada (Number of shares held: 192,200 shares, Shareholding Ratio: 1.17%), Mr. Uenoyama (Number of shares held: 36,000 shares, Shareholding Ratio: 0.22%), Mr. Sato (Number of shares held: 34,000 shares, Shareholding Ratio: 0.21%) and Mr. Akimoto (Number of shares held: 14,400 shares, Stock Acquisition Rights: 30 rights (Number of shares subject to the stock acquisition rights: 6,000 shares), Shareholding Ratio: 0.12%), and agreed that QK will not accept the Tender Offer with respect to all of the Target's Shares owned by QK (354,300 shares and Shareholding Ratio: 2.16%), SY will not accept the Tender Offer with respect to all of the Target's Shares owned by SY (212,600 shares and Shareholding Ratio: 1.29%), Mr. Kashiwaya will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Kashiwaya (204,800 shares and Shareholding Ratio: 1.25%), Ms. Yamada will not accept the Tender Offer with respect to all of the Target's Shares owned by Ms. Yamada (192,200 shares and Shareholding Ratio: 1.17%), Mr. Uenoyama will not accept the Tender Offer with respect to

all of the Target's Shares owned by Mr. Uenoyama (36,000 shares and Shareholding Ratio: 0.22%), Mr. Sato will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Sato (34,000 shares and Shareholding Ratio: 0.21%), and Mr. Akimoto will not accept the Tender Offer with respect to all of the Target's Shares (14,400 shares and Shareholding Ratio: 0.09%) and all of the Stock Acquisition Rights owned by Mr. Akimoto (30 rights (Number of shares subject to the stock acquisition rights: 6,000 shares, Shareholding Ratio: 0.04%), respectively. The above Target's Shares not tendered to the Tender Offer by the Non-accepting Shareholders (totaling 7,631,500 shares, Shareholding Ratio: 46.48%) shall be referred to hereafter as the "Non-accepted Shares for Tendering."

Furthermore, upon carrying out the Tender Offer, as of March 5, 2021, the Offeror entered into a tender offer agreement (the "Tender Offer Agreement") with K.K. SK, an asset management company of which 87.10% of its issued shares is held by Mr. Qian and the fifth largest shareholder ("SK" or "Accepting Shareholder") (Number of shares held: 269,300 shares, Shareholding Ratio: 1.64%), and agreed that SK accepts the Tender Offer with respect to all of the Target's Shares owned by SK.

With respect to the Basic Agreement, the Non-tender Agreement and the Shareholders Agreement, see "(3) Material agreements regarding the Tender Offer" under "3. Purposes of Tender Offer" under "Part I. Terms and Conditions of Tender Offer" below for details.

(Note 2) "Shareholding Ratio" refers to the ratio (rounded to the second decimal place) against 16,418,649 shares (the "Total Number of Target's Shares Based on Dilutive Share Considerations"). The 16,418,649 shares stands for (i) the total number of issued shares of the Target as of December 31, 2020 (15,676,400 shares), as stated in the "First Quarterly Securities Report for the 12th Term" submitted by the Target on February 12, 2021 (the "Target's Quarterly Securities Report"), *plus* (ii) the shares subject to the stock acquisition rights as of March 4, 2021 (10,200 rights (according to the Target, 2,800 rights of the Fourth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 5,600 shares), 250 rights of the Twelfth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 50,000 shares), 150 rights of the Thirteenth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 30,000 shares), 3,500 rights of the Fifteenth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 350,000 shares) and 3,500 rights of the Sixteenth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 350,000 shares)) (785,600 shares) (*i.e.*, all Stock Acquisition Rights as of November 30, 2020 (18,021 rights (Number of shares subject to the stock acquisition rights: 1,598,700 shares)) as stated in the Annual Securities Report for the 11th Term submitted by the Target on December 21, 2020, *less* the Shares Acquisition Rights exercised or extinguished from December 1, 2020 to March 4, 2021 (7,821 rights (Number of shares subject to the stock acquisition rights: 813,100 shares) (according to the Target, 189 rights of the Sixth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 37,800 shares), 121 rights of the Seventh Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 24,200 shares) and 7,511 rights of the Seventeenth Stock Acquisition Rights (Number of shares subject to the stock acquisition rights: 751,100 shares)) (16,462,000 shares), *less* (iii) the number of treasury shares held by the Target as of December 31, 2020 (43,351 shares), as stated in the "First Quarter Earnings Briefing for the fiscal year ending September 30, 2021 Japanese GAAP (consolidated)" published by the Target on February 12, 2021. The same shall apply hereinafter.

In the Tender Offer, the Offeror has not set the maximum and minimum number of tendered shares to be purchased in the Tender Offer, and will purchase all of the shares, etc. tendered in the Tender Offer (the "Tendered Shares").

Since the Offeror will carry out the Tender Offer to acquire all of the Target's Shares (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 and the Non-accepted Shares for Tendering) and the Stock Acquisition Rights (excluding the Stock Acquisition Rights held by the Non-accepting Shareholders) for the purpose of taking the Target's Shares private, no maximum number of shares to be purchased in the Tender Offer

has been set. Due to the reasons described below, the Offeror has decided not to set the minimum number of tendered shares to be purchased in the Tender Offer in order to respect the decisions of the shareholders of the Target and the holders of the Stock Acquisition Rights (the "Stock Acquisition Rights Holders") in the tendering and in order to cause the transaction to contribute to the interests of the shareholders of the Target and the Stock Acquisition Right Holders, while maximizing the possibility of achieving the purpose of enhancing the corporate value of the Target.

By setting the minimum number of tendered shares to be purchased in the Tender Offer, even if there are a certain number of shareholders of the Target and the Stock Acquisition Rights Holders who agree to the terms and conditions of the Transactions, including the terms and conditions of the Tender Offer, if the Tender Offer is not successfully completed as a result, the Offeror believes that this may impede the Transaction which provides the shareholders of the Target and the Stock Acquisition Rights Holders who tendered their shares with a reasonable opportunity to sell the shares at a price with a certain premium relative to the market price and therefore, it has decided not to set the minimum number of tendered shares to be purchased in the Tender Offer.

As described in "(6) Prospects for delisting and its reasons" below, 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, if the proposal for the Share Consolidation (as defined below) is approved at the Extraordinary Shareholders' Meeting (as defined below), the Target's Shares may be delisted through prescribed procedures in accordance with the delisting criteria of the TSE.

As described in "(2) Deposits or borrowings, etc. that may be appropriated to obtain the funds required for the Tender Offer" under "8. Funds Required for Tender Offer" below, if the Tender Offer is successfully completed, the Offeror will receive an investment of not more than 30 billion yen from BCPE Wish Cayman, by BCPE Wish Cayman subscribing for the class shares issued by the Offeror (the "Class Shares (i)"), and intends to allocate such funds for settlement funds of the Tender Offer. The Class Shares (i) are scheduled to be issued after the successful completion of the Tender Offer and before the commencement date of the settlement. Although the Class Shares (i) have not been issued as of the date of filing of this Statement, such Shares will have no voting rights and will be subject to the put option the consideration for which is the common shares (Note 3), and all of such shares will be subscribed for by BCPE Wish Cayman. According to BCPE Wish Cayman, the put option is not planned to be exercised before the completion of the Transaction.

If the Offeror is unable to acquire all of the Target's Shares (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 and the Non-accepted Shares for Tendering) through the Tender Offer, as described in "(5) Policy regarding reorganization, etc., following completion of the Tender Offer (so-called "two-step acquisition")" below, after the successful completion of the Tender Offer, the Offeror will request Target that the Offeror acquire all of the Target's Shares (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 and the Non-accepted Shares for Tendering), and that Target carry out the process which would make the Target's Shares go private, with the shareholders of the Target being only Mr. Qian, Mr. Suzuki and the Offeror (the "Squeeze-out Process").

According to the press release titled "Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares" made public by the Target on March 5, 2021 (the "Target Press Release"), at the Target's board of directors meeting held on March 5, 2021, it expressed its opinion in favor of the Tender Offer, and resolved to recommend that the shareholders of the Target accept the Tender Offer, and among the Stock Acquisition Rights Holders, with respect to the Stock Acquisition Rights Holders of the Fourth Stock Acquisition Rights, Twelfth Stock Acquisition Rights and Thirteenth Stock Acquisition Rights, to recommend that such Stock Acquisition Rights Holders tender in the Tender Offer, while with respect to the Stock Acquisition Rights Holders of the Fifteenth Stock Acquisition Rights and Sixteenth Stock Acquisition Rights, to leave the decision of whether or not to tender in the Tender Offer up to such Stock Acquisition Rights Holders. According to the Target's Press Release, even if the Target's Shares remains listed, the Target plans to leverage the management resources and networks that

Bain Capital possesses to the extent possible for the Target to implement management measures. If the Target's Share remains listed, it is expected that the Shareholding Ratio of shares held by the Offeror will remain at a maximum of approximately 20%. Even at such maximum Shareholding Ratio, the Offeror will only be the second largest shareholder, and in reality, it is expected that the Offeror's Shareholding Ratio will be substantially lower if the Target's Shares remain listed. Therefore, even if the possibility of the Target's Shares remaining listed is taken into account, the Target believes that implementing the series of Transactions, including the Tender Offer, will comprehensively be beneficial for the Target. For more details, see the Target's Press Release and "(iv) Approval of all disinterested directors of the Target (including auditors)" under "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" under "Process of calculation" under "(2) Price of tender offer, etc." under "4. Tender Offer Period, Price and Number of Shares to be Purchased" below.

In connection with the Tender Offer, Mr. Qian, Mr. Suzuki, BCPE Wish Cayman and the Offeror entered into the Shareholders Agreement (as defined below) as of March 5, 2021, and in the Shareholders Agreement, Mr. Qian, Mr. Suzuki, BCPE Wish Cayman and Offeror have agreed that, subject to the completion of the Tender Offer and the Squeeze-out Process, BCPE Wish Cayman will subscribe for the class shares issued by the Offeror (the "Class Shares (ii)"; collectively with the Class Shares (i), the "Class Shares") for the purpose of providing the funds necessary for the growth of the business of the Target Group (as defined below), and that the Offeror will subscribe for the common shares issued by the Target by paying the funds obtained through such capital increase to the Target (the "Additional Capital Increase"). The features of the shares of the Class Shares (ii) will be the same as the Class Shares (i), and BCPE Wish Cayman will subscribe for all of such Preferred Shares. The amount of the Additional Capital Increase is scheduled to be worth approximately 2.7 billion yen, but the specific timing and amount thereof will be determined through further discussion among Mr. Qian, Mr. Suzuki, Bain Capital and the Target in light of the financial needs of the Target's business operations in the future.

Furthermore, in connection with the Tender Offer, each of Mr. Qian and Mr. Suzuki entered into the Basic Agreement with the Offeror as of March 5, 2021, and Mr. Qian and the Offeror agreed in the Basic Agreement that Mr. Qian will, promptly after the commencement date of the settlement of the Tender Offer, repay the secured obligations under the pledge held by Mr. Qian against Elements Capital Research Godo Kaisha, the third largest shareholder ("Elements Capital"), with respect to the Target's Shares (630,000 shares, Shareholding Ratio: 3.84%) for which Elements Capital is the pledgee and consult and negotiate with Elements Capital regarding the accelerated payment of the secured obligations to extinguish such pledge (Note 4). In addition, in the Basic Agreement, subject to the completion of the Tender Offer and the Squeeze-out Process, Mr. Qian, Mr. Suzuki and the Offeror have agreed to cause BCPE Wish Cayman to exercise the put option the consideration for which is the common shares of the Offeror with respect to all of the Class Shares held as of the date immediately preceding the effective date of the Absorption-type Merger (as defined below) (the "Conversion of Class Shares"), and that subject to the completion of the Tender Offer and the Squeeze-out Process, an absorption-type merger (the "Absorption-type Merger") will be implemented in which the Offeror will become the surviving company and the Target will become the disappearing company. As a result of the Absorption-type Merger, the common shares of the Offeror will be delivered to Mr. Qian and Mr. Suzuki who are the Shareholders of the Target at that time excluding the Offeror and the Target, and therefore, even after the Absorption-type Merger, Mr. Qian, Mr. Suzuki and BCPE Wish Cayman will be the shareholders of the Offeror. Since the Absorption-type Merger will be implemented subject to the completion of the Tender Offer and the Squeeze-out Process, if the proposal for the Share Consolidation (as defined below) fails to be approved at the Extraordinary Shareholders' Meeting (as defined below) and the Squeeze-out Procedure is not completed, the Absorption-type Merger will not be implemented.

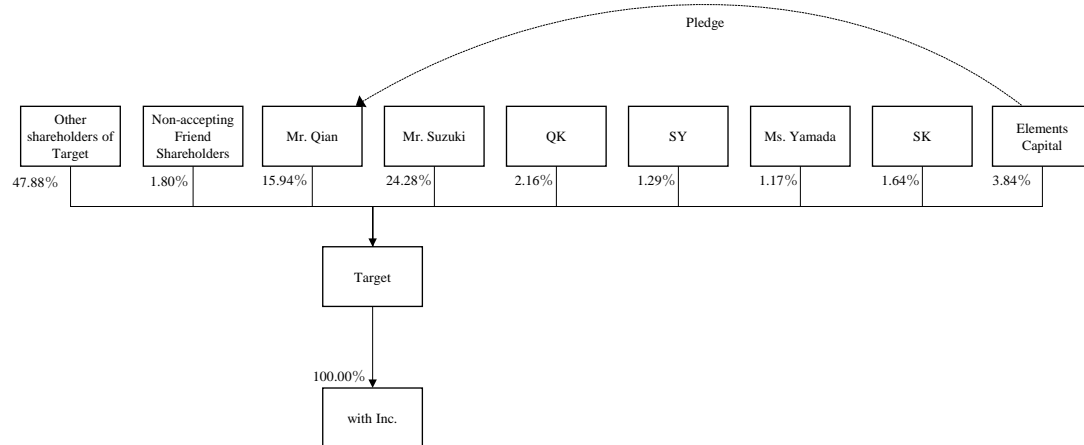
Moreover, it is agreed in the Basic Agreement that, subject to the completion of the Absorption-type Merger, dividends in kind will be paid to the shareholders of the Offeror (Note 5) with respect to the shares in with Inc., which will become a wholly-owned subsidiary of the Offeror (Note 6), in accordance with the shareholding ratio of the common shares of the Offeror held by each shareholder (the "Dividends

In Kind"). The main businesses of the Target Group are the matching business and enter-tech business, and while the Target operates other businesses, given the different business environments, the Offeror believes that it is more desirable to pursue the optimization of management resources for each business from the perspective of improving the overall corporate value of each business, rather than to manage these businesses as a whole. Specifically, while the matching business operated by with Inc. has already established a revenue base, the enter-tech business and other businesses have not achieved profitability at the present time, and there is a continuous demand for funds for upfront investments in business expansion. The Offeror believes that the value of each business may be underestimated if there are businesses with different business stages in the Target Group (profitability will be underestimated in the matching business and growth potential will be underestimated in the enter-tech business). Therefore, the matching business and other business of the Target Group, including the enter-tech business, will be managed separately and independently by separating with Inc., which operates the matching business, from the Target Group through the Dividends In Kind, and the Offeror believes that the matching business, enter-tech business and other businesses are expected to grow in line with their respective business stages. After the Dividends In Kind, although the remaining businesses will only be the other businesses of the Target Group, including the enter-tech business, it can be anticipated that the business of the Target Group will grow by implementing upfront investments such as updating "INSPIX WORLD" with the funds obtained by the Additional Investment by the Offeror, and it is expected that it will also become more possible to consider fund procurement from outside investors. Mr. Qian and Mr. Suzuki are expected to continue to manage the Target Group and with Inc. even after the Dividends In Kind. However, the specific timing of the Dividends In Kind has not been determined at this time, and Mr. Qian, Mr. Suzuki and Bain Capital (the "Offeror Group") are scheduled to continue discussions. For an overview of the Basic Agreement, see "(i) Basic Agreement" under "(3) Material agreements regarding the Tender Offer" below.

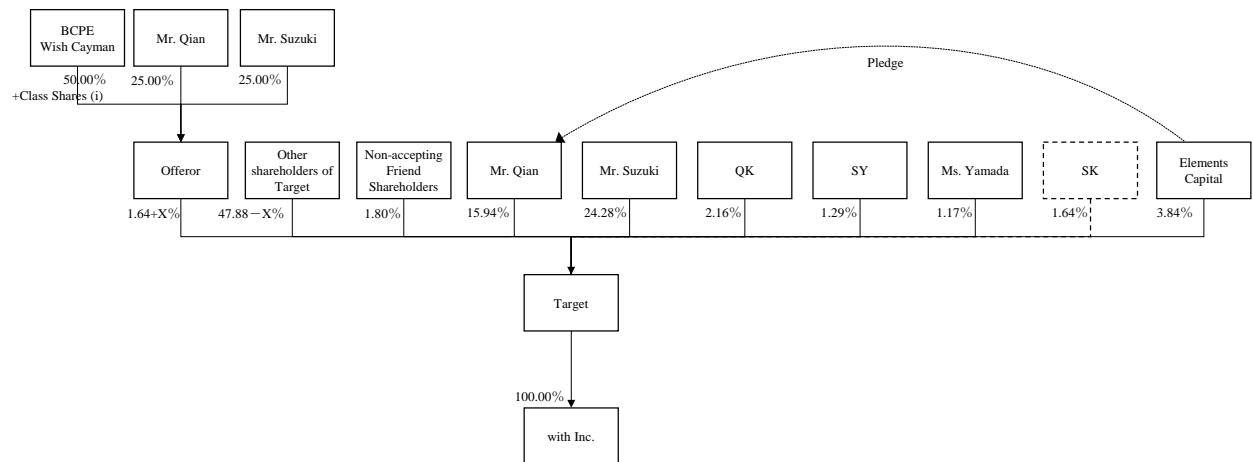
- (Note 3) If, prior to the Absorption-type Merger becoming effective, the put option the consideration for which is the common shares with respect to either or both of Class Shares (i) and/or Class Shares (ii) is exercised in respect of the common shares, unless the number of shares to be tendered in the Tender Offer is extremely small, BCPE Wish Cayman will hold 99% or more of the voting rights in the Offeror.
- (Note 4) The funds necessary for the accelerated payment of the secured obligations of such pledge will be paid from the proceeds of the sale of the Target's Shares expected to be obtained by causing SK, an asset management company of which 87.10% of its issued shares is owned by Mr. Qian, to tender in the Tender Offer. In the event of such accelerated payment of secured obligations and release of the pledge, Mr. Qian will be able to exercise the voting rights with respect to the Target's Shares for which Elements Capital is the pledgee (630,000 shares, Shareholding Ratio: 3.84%).
- (Note 5) With respect to both the Offeror and with Inc. after the Dividends In Kind, it is expected that Mr. Qian will hold approximately 19% of the common shares, Mr. Suzuki will hold approximately 24% of the common shares, and BCPE Wish Cayman will hold approximately 57% of the common shares. However, the above ratio is subject to change depending on the consolidation ratio in the Share Consolidation.
- (Note 6) The company profile of with Inc. is as described in the Target's Press Release.

The following diagrams illustrate the currently expected series of transactions. The procedures after the Squeeze-out Process, after "(v) After the Additional Capital Increase", illustrate the current expectations.

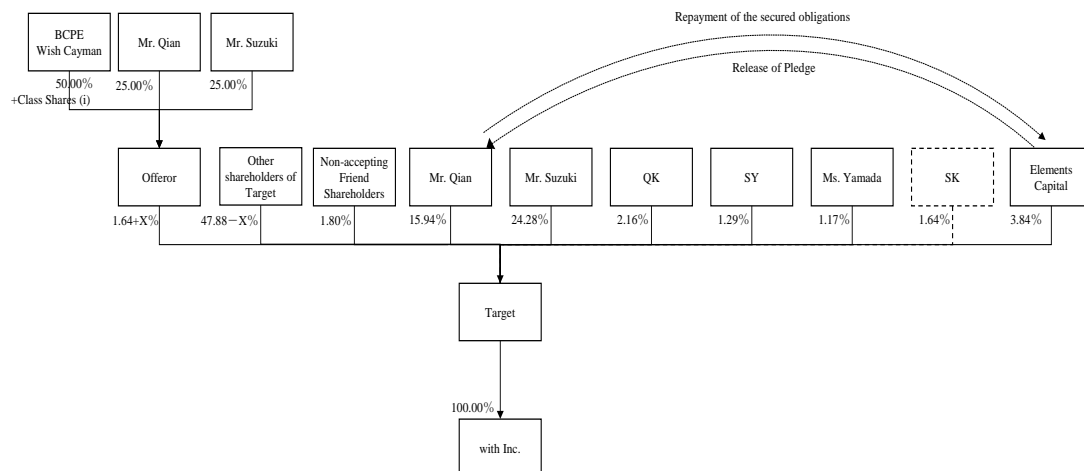
(i) Current state



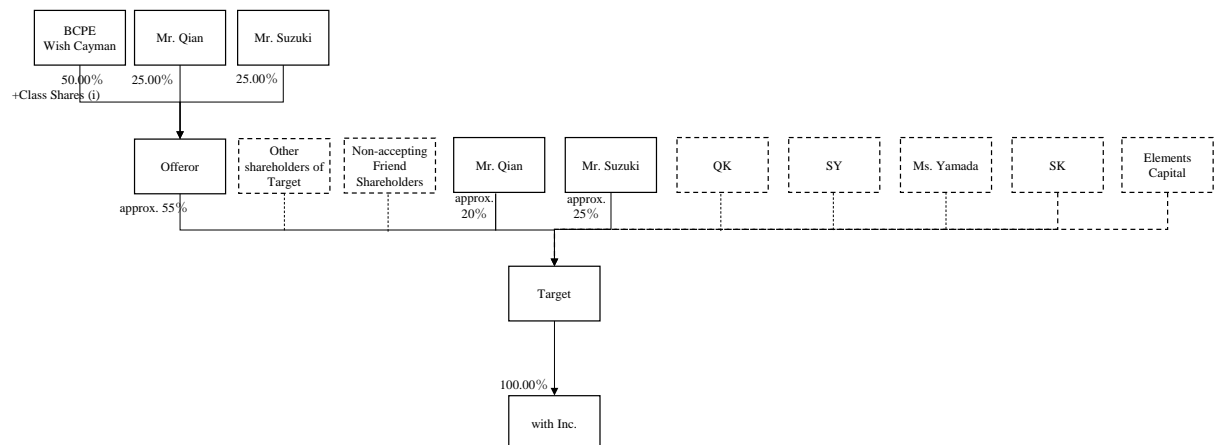
(ii) After the successful completion of the Tender Offer



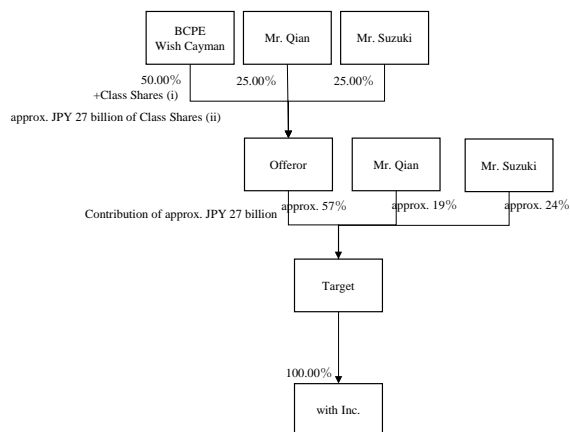
(iii) Release of pledge by Elements Capital



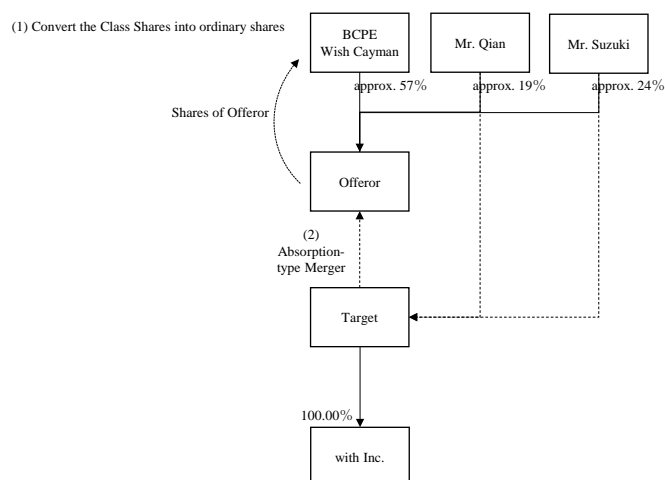
(iv) After the Squeeze-out Process



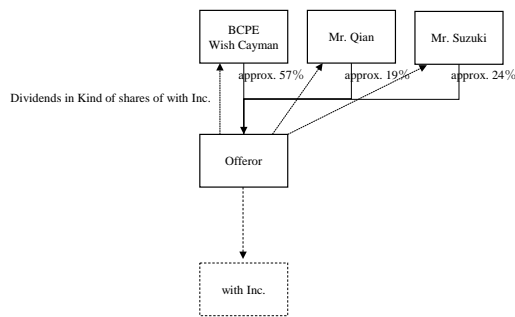
(v) After the Additional Capital Increase



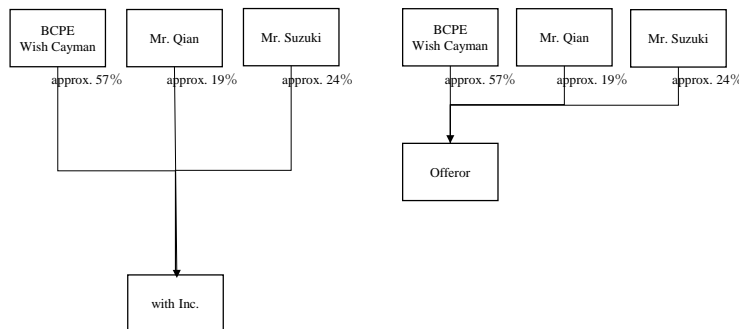
(vi) After the Conversion of Class Shares and the Absorption-type Merger



(vii) Dividends In Kind



(viii) After the Dividends In Kind



(2) Background to, and objectives and decision-making process of implementation of the Tender Offer and management policy after the Tender Offer

The background to the Offeror's decision to implement the Tender Offer, its objectives and the decision-making process, and its management policy after Tender Offer are as described below. The statements regarding the Target included in the following sections are based on the explanations and information provided by the Target.

(i) Background to the Tender Offer

As of March 5, 2021, the Target group, which is composed of eight companies, namely, six consolidated subsidiaries and two equity method affiliates (collectively, the "Target Group"), is primarily engaged in a matching business where with, Inc., the Target's wholly-owned subsidiary company, offers an online matching service for love and marriage hunting called "with" as a primary service, and an enter-tech business which offers "operation of live platforms" and "discovery, development and production of IPs (talents, etc.)". The Target was established by Mr. Qian in May 2010 in Shibuya-ku, Tokyo, for the purpose of planning, developing and operating smartphone native applications (Note 4). Since its establishment, the Target has been offering various services with focus on the business of planning, developing and operating the applications for smartphone, with a mission of "Creating new standards, over and over again." under the management philosophy of "Until we impact the world, we won't be satisfied." Since July 2014, the Target has been listed on the TSE Mothers Market and in March 2020, it transferred its smart-phone game application business and other similar businesses to a third party in view of selecting and concentrating business.

(Note 7) "Native application" refers to an application that are used by downloading the program to the device through platforms such as App Store and Google Play, and are characterized by the

users having less stress when used compared to a browser application that require a constant network environment.

The Target Group develops multiple businesses which does not rely on any single business and develops business through establishment of a robust and stable business portfolio in order to achieve a continuous earnings growth and increase corporate value. As a medium- to long-term business strategy, the Target Group also develops other businesses while focusing its management resources on the matching business that is based on a stock business type under a monthly fee system, and on the enter-tech business which is expected to have an explosive growth potential by providing customers the services that they have never experienced before. In the other businesses, as SaaS (Note 5) business for medical institutions, the Target continues its efforts to create an attractive new business by combining its technology and creativity, such as offering planning, development and operation business of software for medical institutions for the purpose of medical treatment.

(Note 8) "SaaS (Software as a Service)" refers to a form of providing and using software, which was previously provided as a packaged product, as a service via the Internet, and is characterized by the facts that it requires no or minimal introduction, construction or management on the side of users, and that it can always provide and make available to the users with the latest software functions.

As for matching business, the Target Group develops the business of an online matching service for love and marriage hunting called "with" which is offered by with Inc., the Target's wholly-owned subsidiary company, as the core services, and offers the services that aims for the most suitable matching between men and women based on the concept of "More certain than destiny" by utilizing knowledge from statistics and psychology. "With" has a business model that mainly generates its revenue from monthly billing income from paying members and advertising income from advertisements posted within the services. As an online encounter becomes more and more popular in Japan, the number of registered members reached 4.1 million as of December, 2020, and the number of paying members has also been increasing continuously since it has started to provide the services in September, 2015. Sales and operating income of the matching business are also growing in the business year ending September 2020 and the first quarter of the business year ending September 2021.

As for enter-tech business, the Target Group is developing two businesses which are (a) "operation of live platforms", a business model that provides live applications for iOS and Android device, and generates revenue from purchase of charged items, and (b) "discovery, development and production of IPs (talents, etc.)", a business model that generates revenues from ticket income and goods income from live music performed by the talents. The main service of this business is "INSPIX LIVE", a virtual live application, offered by pulse.Inc, a consolidated subsidiary of the Target, and by combining a smartphone with VR (Virtual Reality) goggles for smartphone, users can experience a new live music using VR. Currently, "INSPIX LIVE" is actively investing in the development of a large-scale update for live-specific virtual space SNS "INSPIX WORLD" to realize a more ideal customer experience. In the business year ending September 2020 and the first quarter of the business year ending September 2021, while the sales in the enter-tech business are growing, the operating loss was recorded as a result of continued aggressive upfront investments, however, the Target Group aims to generate profits in the future.

Amid the increase in the demand for new entertainment technology following a global spread of infection of coronavirus disease 2019 (COVID-19), the Target Group believes that a new music market will be established through a development of live performances by using such VR technology, which will make a great leap in the next few years, and is actively working on the expansion of the business.

Mr. Qian and Mr. Suzuki believe that, as it is expected that a direct interaction between people will be restricted to a certain degree under the influence of the coronavirus disease 2019 (COVID-19) and it was suggested by KEIDANREN (Japan Business Federation) in "Towards the Promotion of Measures against

"Declining Birth Rate in the Post-Corona Era" published in October 2020 that a new way of encountering people online "regardless of location" using smartphone applications is expected to help young people realize their desire to marry and give birth as one of the measures against the declining birthrate, there will be an increase in the needs of online encounters, and the market of matching application industry, to which the Target Group belongs, is expected to expand. On the other hand, the competition environment is becoming increasingly severe day by day due to a series of new entries into the matching application industry due to an expansion of the market. In order to continue to achieve the same growth as in the past, it is necessary to improve the service recognition through advertisements with high publicity effects and to install unique functions which differentiate the services with the other services and to promote the acquisitions of new users, and Mr. Qian and Mr. Suzuki believe that it is necessary to make upfront investments for that purpose.

In addition, as for "INSPIX LIVE", the main service of the Target Group's enter-tech business, a large-scale update is made on the live-specific virtual space SNS "INSPIX WORLD" with the aim of building the first and unprecedented virtual live platform as live-specific virtual space SNS (Social Networking Services) which adds social functions on the VR space to the existing VR music live experience as described above, and while Mr. Qian and Mr. Suzuki consider that such update has a great potential to expand its revenue source, they also consider that such update will require, not only before but also after the offering of the services, a large investment for pursuing a quality, and that there exists uncertainties in the timing of the launch of business and monetization.

Under such business management environment, Mr. Qian and Mr. Suzuki believes that the Target has gained social reputation and recognition as a listed company since it has been listed in July 2014, and has established its position in the industry to which the Target belongs. However, Mr. Qian and Mr. Suzuki have had an awareness of the management issues described above, and considered that, in order to achieve further growth and increase corporate value of the Target Group, it would be beneficial to utilize external management resources in addition to the Target's own management efforts. Accordingly, for the purpose of consulting on the Target Group's management policies and the most suitable capital structure, including any possible ways to utilize external management resources, Mr. Qian came to have an opportunity to have a meeting with Bain Capital in mid-October 2020 through a consultant that he knows, and exchanged the information. Subsequently, as a means to solve the management issues described above, Mr. Qian, together with Mr. Suzuki, had a number of discussions with Bain Capital on the Target Group's business and business environment.

Through the discussion, Mr. Qian and Mr. Suzuki reaffirmed that in order to realize the Target Group's further growth and increase in corporate value over medium- to long-term, it is extremely important to have a growth strategy under which the Target Group flexibly and optimally allocates management resources of "people, goods and money" across each of the matching business, enter-tech business and all other businesses, and to actively make upfront investments. However, the current Target Group's management resources alone may not be sufficient to implement sufficient investments and growth strategies. Mr. Qian and Mr. Suzuki came to recognize that it is necessary to utilize Bain Capital's abundant experiences, track records, human resources and management know-how and to establish a system that can steadily put these in practice in a short period of time, and also shared such recognition with Bain Capital. Also, Mr. Qian and Mr. Suzuki came to believe that the value of each business could be underestimated if the matching business and enter-tech business with different stages of business were operated by an integrated entity group. In addition, although the measures to accelerate the growth of each business is expected to present opportunities for a large growth from a medium- to long-term viewpoint, Mr. Qian and Mr. Suzuki considered that the measures may not necessarily contribute to the Target Group's profits at an early stage, and the measures may cause deterioration in financial conditions due to a decline in profit levels and deterioration in cash flow, in addition to an undetermined operational risks that the business may

not develop as planned. This led Mr. Qian and Mr. Suzuki to an idea that it would be difficult for the Target to take these measures while maintaining its listing, because it cannot be denied that such measures, if undertaken without having its stock delisted, may have a negative impact on the Target's shareholders such as a short-term decline in the market price of the Target's Shares.

Since the Target Group's businesses are complex and diverse, drastic upfront investments for the Target Group's further growth as intended by the Target management, including Mr. Qian and Mr. Suzuki will not necessarily be approved by all the shareholders and be sufficiently evaluated by the capital market, and due to a gap in understanding of the company's management strategies, Mr. Qian and Mr. Suzuki are aware of the risk that this would make it difficult for the management to smoothly implement the operation of business based on its management policy.

Therefore, in mid-November 2020, based on the idea that reducing or postponing upfront investments in each business for the fear of short-term deterioration in the Target Group's profitability would impede the Target's medium- to long-term growth and would rather weaken its competitiveness and profitability, Mr. Qian and Mr. Suzuki came to consider that, in order to enable the Target Group to flexibly deal with the management issues and to achieve sustainable increase in corporate value from a long-term perspective without being affected by short-term fluctuations in business performance, it would be best to make the Target's Shares to be privately held and then the Target Group's business to be separated and independent, and to streamline its business operations, establish a new, stable management system that also utilizes external management resources, and to actively engage in the development of the Target's business under a flexible and agile decision making, by making only the Offeror, Mr. Qian, Mr. Suzuki and the companies invested by Bain Capital which has a similar growth strategy as the shareholders of the Target. On the other hand, even if the shares of the Target are taken private, as described above, as Mr. Qian and Mr. Suzuki believe that the Target has already established its position in the industry, they determined that it is unlikely that taking the shares of the Target private will have a significant adverse effect on securing human resources and expanding business partners. Given that, Mr. Qian and Mr. Suzuki believe that the disadvantages of taking the Target private are limited.

Mr. Qian and Mr. Suzuki noted that, given the business environment of the Target, which is undergoing rapid change, since there is only a limited time for a third party to newly deepen its understanding of the complex and diverse businesses of the Target and build a relationship of trust with the Target, and from perspective of information management as a listed company, they do not select a partner through an auction process, however, in addition to the fact that Bain Capital has extensive investment performances and experiences in 450 or more companies around the world, in particular, Bain Capital has (a) investment experiences in areas closely related to the Target, such as hey, Inc. which engages in the management of an e-commerce site and cashless payment, ASATSU-DK INC., a full-service advertising agency, and Cheetah Digital Co., Ltd. (Currently: EmberPoint Co., Ltd.), an e-mail delivery service, (b) a large number of professionals who have practical experiences in management consulting or operating companies which are different from other investment companies, and a particular strengths in utilizing its backgrounds and making experienced "industry-ready" members to be at the site whenever necessary to assist in the preparation and execution of business strategies to improve the business of investee companies, and (c) a deep knowledge of the Target Group's businesses and future growth strategies, they determined that Bain Capital is the most suitable provider of management resources for the Target Group.

Furthermore, Mr. Qian and Mr. Suzuki reviewed the impact of the ongoing spread of the coronavirus disease 2019 (COVID-19) on their business, and confirmed that there has been no material negative change in the business conditions and surrounding environment of the Target. Rather, Mr. Qian and Mr. Suzuki believe that the impact of the coronavirus disease 2019 (COVID-19) will accelerate communication between people online as described above, which will be an opportunity for business expansion and they determined that an early execution of the Transaction in the industry to which the Target belongs and rapid

changes occur, will contribute to the increase in the Target's corporate value.

Accordingly, since late November 2020, the Offeror Group started discussions regarding the implementation of the tender offer as part of the Transaction, and on the premise of the system whereby Bain Capital would support the joint management by Mr. Qian and Mr. Suzuki, they have discussed the Target's management and basic policies to be conducted after the implementation of the Transaction.

Subsequently, the Offeror Group proceeded with its consideration of the Target, and submitted to the Target a statement of intent on December 24, 2020, which expresses its formal intention that it will take the shares of the Target private through the Tender Offer (the "Proposal"). The terms and conditions for the Tender Offer, including whether or not to set a minimum number of shares to be purchased, are not included in the Proposal.

The Offeror Group determined that the feasibility of the Transactions had increased based on the then progress of the due diligence that was conducted in mid-January 2021 to the end of January, 2021. On February 4, 2021, with reference to a diverse and comprehensive analysis regarding the business and financial of the Target, actual examples of premiums in the past cases of tender offer conducted by the persons other than issuers and trend of market price of the shares of the Target over a certain period of time in the past, the Offeror Group proposed to the Target that the price for the purchase of the Target's Shares in the Tender Offer (the "Tender Offer Price") shall be 1,900 yen, and that the purchase price per stock acquisition right in the Tender Offer (the "Stock Acquisition Rights Purchase Price") shall be as follows: with respect to the Fourth Stock Acquisition Rights and Twelfth Stock Acquisition Rights, as the exercise price per Target's Share (Fourth Stock Acquisition Rights: 755 yen, Twelfth Stock Acquisition Rights: 1,233 yen) is below 1,900 yen which is offered as the Tender Offer Price, the Stock Acquisition Rights Purchase Price for the Fourth Stock Acquisition Rights shall be 2,250 yen, which is obtained by multiplying 1,125 yen (which is the difference between the relevant offered price and 775 yen of the exercise price per Target's shares of the Fourth Stock Acquisition Rights) by 2 (which is the number of the Target's Shares to be acquired upon exercise of one Stock Acquisition Right) and the Stock Acquisition Rights Purchase Price for the Twelfth Stock Acquisition Rights shall be 133,400 yen, which is obtained by multiplying 667 yen (which is the difference between the relevant offered price and 1,233 yen of the exercise price per Target's shares of the Twelfth Stock Acquisition Rights) by 200 (which is the number of the Target's Shares to be acquired upon exercise of one Stock Acquisition Right), and with respect to the Thirteenth Stock Acquisition Rights, the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights, since their exercise price per Target's Share (the Thirteenth Stock Acquisition Rights: 2,325 yen, the Fifteenth Stock Acquisition Rights: 5,000 yen and the Sixteenth Stock Acquisition Rights: the minimum exercise price of 7,000 yen) exceed the relevant prices offered, the Stock Acquisition Rights Purchase Price for the Thirteenth Stock Acquisition Rights, the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights shall be 1 yen. Subsequently, the Offeror Group and the Target continued their discussions, and on February 9, 2021, as the Target requested an increase in the Tender Offer Price and the Stock Acquisition Rights Purchase Price on the grounds that the premium level applied to the proposed price was lower than the premium level in similar MBO cases. Therefore, the Offeror seriously considered the grounds that the Target requested an increase in the proposed price, and again proposed on February 15, 2021 that the Tender Offer price shall be 2,300 yen, and the Stock Acquisition Rights Purchase Price shall be 3,050 yen for the Fourth Stock Acquisition Rights, 213,400 yen for the Twelfth Stock Acquisition Rights and 1 yen for the Thirteenth Stock Acquisition Rights, 1 yen for the Fifteenth Stock Acquisition Rights, and 1 yen for the Sixteenth Stock Acquisition Rights. However, on February 19, 2021, the Target again requested an increase in the Tender Offer Price and the Stock Acquisition Rights Purchase Price on the grounds that sufficient premiums are not added given the recent share price trend and the premium level in similar MBO cases. In light of such request, on February 24, 2021, the Offeror Group, again proposed that the Tender Offer Price be 2,400 yen and the Stock Acquisition Rights Purchase Price be 3,250 yen for

the Fourth Stock Acquisition Rights, 233,400 yen for the Twelfth Stock Acquisition Rights, 15,000 yen for the Thirteenth Stock Acquisition Rights, 1 yen for the Fifteenth Stock Acquisition Rights and 1 yen for the Sixteenth Stock Acquisition Rights. Subsequently, on February 26, 2021, the Target again requested an increase in the Tender Offer Price and the Stock Acquisition Rights Purchase Price, and on March 4, 2021, the Offeror Group again proposed to set the Tender Offer Price at 2,800 yen and the Stock Acquisition Rights Purchase Price at 4,050 yen for the Fourth Stock Acquisition Rights, 313,400 yen for the Twelfth Stock Acquisition Rights, 95,000 yen for the Thirteenth Stock Acquisition Rights, 1 yen for the Fifteenth Stock Acquisition Rights and 1 yen for the Sixteenth Stock Acquisition Rights. On the same day, however, the Target again requested an increase in the Tender Offer Price and the Stock Acquisition Rights Purchase Price. Based on this request, on the same day, the Offeror Group again proposed to set the Tender Offer Price at 3,000 yen and the Stock Acquisition Rights Purchase Price at 4,450 yen for the Fourth Stock Acquisition Rights, 353,400 yen for the Twelfth Stock Acquisition Rights, 135,000 yen for the Thirteenth Stock Acquisition Rights, 1 yen for the Fifteenth Stock Acquisition Rights and 1 yen for the Sixteenth Stock Acquisition Rights. On the same day, the Offeror Group received a response from the Target that it will accept the Offeror Group's proposal on the assumption that the final decision making will be made through the resolution by the Target's Board of Directors based on the report of the Special Committee (as defined below).

After repeated discussions with the Target regarding the terms and conditions of the Transaction including the Tender Offer Price as described above, the Offeror Group decided on March 5, 2021, to commence the Tender Offer as part of the Transaction with a the Tender Offer Price as 3,000 yen and Stock Acquisition Rights Purchase Price of 4,450 yen for the Fourth Stock Acquisition Rights, 353,400 yen for the Twelfth Stock Acquisition Rights, 135,000 yen for the Thirteenth Stock Acquisition Rights, 1 yen for the Fifteenth Stock Acquisition Rights and 1 yen for the Sixteenth Stock Acquisition Rights.

In parallel with discussions on the Tender Offer Price and the Share Acquisition Rights Purchase Price, on February 12, 2021, the Offeror Group made a proposal to the Target not to set a minimum number of shares to be purchased in the Tender Offer. Subsequently, on February 13, 2021, the Offeror Group proposed to conduct the Dividends In Kind. In response to this proposal, on February 19, 2021, the Special Committee confirmed the reasons for not setting the minimum number of shares to be purchased, Bain Capital's support policy in the event that the listing is to be maintained and the reasons for the implementation of the Dividends In Kind would contribute in increasing the Target Group's corporate value, and the Offeror Group explained the reasons as stated in "(1) Overview of the Tender Offer" above.

In addition, in parallel with discussions with the Target, in mid-January 2021, the Offeror Group began discussions with the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders. The Offeror Group asked the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders to tender their shares in the Tender Offer or not to tender their shares in the Tender Offer and to cooperate in the Squeeze-out Process on the assumption that, since the Offeror Group had an intention not to set a minimum number of shares to be purchased, after the completion of the Tender Offer, the total number of voting rights of the Target held by the Offeror and the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders may fall below two-thirds of the voting rights of all shareholders of the Target and, as a result, the approval of the proposal relating to the Share Consolidation cannot be obtained at the Extraordinary Shareholders' Meeting and the Target's Shares may remain listed. In mid-January, 2021, given the fact that the Squeeze-out Process may not be completed and the Target's Shares may remain listed, although the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders do not tender their Target's Shares in the Tender Offer, they wished to cooperate with the Squeeze-out Process, and the Offeror and the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders entered into the Non-tender Agreement dated March 5, 2021. In addition, in early March 2021, the Offeror Group began discussions with the Non-accepting Friend Shareholders, and also asked the Non-accepting

Friend Shareholders, as in the same way as the case with the Non-accepting Shareholders excluding the Non-accepting Friend Shareholders, to tender their shares in the Tender Offer or not to tender their shares in the Tender Offer and to cooperate in the Squeeze-out Process. Given the fact that the Squeeze-out Process may not be completed and the Target's Shares may remain listed, although the Non-accepting Friend Shareholders do not tender their Target's Shares in the Tender Offer, they wished to cooperate with the Squeeze-out Process, and the Offeror and the Non-accepting Friend Shareholders entered into the Non-tender Agreement dated March 5, 2021. For the outline of the Non-tender Agreement, see "(ii) Non-tender Agreement" under "(3) Material agreements regarding the Tender Offer" below.

(ii) Process of decision-making behind the Target's decision to support the Tender Offer and its reasons

As set forth in "(i) Background to the Tender Offer" above, the Target received the Proposal from the Offeror Group on December 24, 2020, and in considering the particulars of these intentions, as set forth in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" in "Process of calculation" in "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Target's Shares to be Purchased" below, on December 30, 2020, in order to ensure the fairness of the Tender Offer Price and the fairness of other conditions of the Transaction including the Tender Offer, the Target appointed Mori Hamada & Matsumoto as legal advisor, and Deloitte Tohmatsu Financial Advisory Godo Kaisha ("Deloitte Tohmatsu Financial Advisory") as financial advisor and third-party valuation agency.

In addition, on December 30, 2020 the Target established a special committee to review the proposal for the Transaction set forth in the Proposal (with respect to the member composition and specific activities of the special committee, see "(i) Establishment of the Special Committee in the Target and procuring of a report" in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" in "Process of calculation" in "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Target's Shares to be Purchased" below; the "Special Committee").

The Target, while receiving advice from Mori Hamada & Matsumoto and Deloitte Tohmatsu Financial Advisory in light of the purpose of the Transaction and other aspects of the overview of the Tender Offer set forth in the Proposal, the impact of the Transaction on the Target, the post-Transaction managerial policies and recent share price trends, and on the basis of negotiation policies and opinions, instructions, and requests etc. regarding material aspects of the negotiations confirmed in advance by the Special Committee, engaged in consultations with the Offeror Group on multiple occasions, before conducting a review of the appropriateness of the Transaction.

With respect to the Tender Offer Price, after receiving on February 4, 2021 a proposal from the Offeror Group with a Tender Offer Price of JPY 1,900 and Stock Acquisition Rights Purchase Prices of JPY 2,250 for Fourth Stock Acquisition Rights, JPY 133,400 for Twelfth Stock Acquisition Rights, JPY 1 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, the Target, while receiving the advice of Deloitte Tohmatsu Financial Advisory, in view of the share value calculation results report for the Target's Shares received from Deloitte Tohmatsu Financial Advisory and the opinion of the Special Committee, on February 9, 2021 made a request to the Offeror Group to increase the Tender Offer Price and the Stock Acquisition Rights Purchase Prices for the reason that the level of the premiums added to the proposed prices was below the level of premiums in similar instances of MBOs and engaged in consultations and negotiations with the Offeror Group on several occasions regarding the conditions of the Transaction, and on February 15, 2021 received a proposal with a Tender Offer Price of JPY 2,300 and Stock Acquisition Rights Purchase Prices of JPY 3,050 for Fourth

Stock Acquisition Rights, JPY 213,400 for Twelfth Stock Acquisition Rights, JPY 1 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights. After this as well, the Target continued to engage in consultations and negotiations with the Offeror Group; as a result, on February 24, 2021 the Target received from the Offeror Group a proposal with a Tender Offer Price of JPY 2,400 and Stock Acquisition Rights Purchase Prices of JPY 3,250 for Fourth Stock Acquisition Rights, JPY 233,400 for Twelfth Stock Acquisition Rights, JPY 15,000 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, and on March 4, 2021 the Target received from the Offeror Group a proposal with a Tender Offer Price of JPY 2,800 and Stock Acquisition Rights Purchase Prices of JPY 4,050 for Fourth Stock Acquisition Rights, JPY 313,400 for Twelfth Stock Acquisition Rights, JPY 95,000 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights. After that, on March 4, 2021, the Target requested the Offeror Group to increase the Tender Offer Price and Stock Acquisition Rights Purchase Prices on the ground that the proposed price was less than JPY 2,950, which is the exercise price for the Ninth Stock Acquisition Rights issued on June 2, 2016 (a share split was conducted on December 1, 2017 at the ratio of two shares per share of common stock, and this exercise price is based on the assumption that the stock split was conducted before the exercise of the Ninth Stock Acquisition Rights) and is the highest price for the stock acquisition rights of the Target that have been actually exercised, and the Target engaged in discussions and negotiations with the Offeror Group on the terms and conditions of the Transaction on several occasions. On March 4, 2021, the Target received a proposal with a Tender Offer Price of JPY 3,000 and Stock Acquisition Rights Purchase Prices of JPY 4,450 for Fourth Stock Acquisition Rights, JPY 353,400 for Twelfth Stock Acquisition Rights, JPY 135,000 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, and a proposal that the foregoing proposal is conditional upon no minimum number of shares to be purchased in the Tender Offer being set.

The Target confirmed the appropriateness of such proposal with the Special Committee, heard the opinion etc. of Deloitte Tohmatsu Financial Advisory, and conducted a careful review, while also considering the content of the share valuation report ("Share Valuation Report") obtained from Deloitte Tohmatsu Financial Advisory on March 4, 2021, and as a result, determined that Tender Offer Price was appropriate because it included a substantial premium over the market price and was greater than the maximum amount of the range of the calculation results discussed below by Deloitte Tohmatsu Financial Advisory using the discounted cash flow analysis ("DCF Method"), among other things. On February 12, 2021, the Target received from the Offeror Group a proposal that a minimum number of shares to be purchased in the Tender Offer will not be set. On February 24, because a sufficient premium to the latest market price had not been added to the proposed price at that time, the Target and the Special Committee requested the Offeror Group to set a minimum number of shares that satisfies a majority of minority condition and continued discussions and negotiations on the number of shares to be purchased in the Tender Offer. Then, the Target received a final proposal for the Tender Offer Price (JPY 3,000) on the condition that a minimum number of shares to be purchased in the Tender Offer will not be set. Given that the Tender Offer Price is at a level that may be considered to be appropriate as stated above, the Target and the Special Committee determined to accept the final proposal from the Offeror Group. In this manner, the Target has continued to negotiate with the Offeror Group regarding the Tender Offer Price.

While receiving necessary legal advice from Mori Hamada & Matsumoto regarding the method and process of decision-making by the Target's Board of Directors including the procedures relating to the Transaction and other matters to note, the Target received a written report dated March 5, 2021 from the Special Committee (the "Report") (for an overview of the Report and the specific activities of the Special

Committee, see "(i) Establishment of the Special Committee in the Target and procuring of a report" in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" in "Process of calculation" in "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Shares to be Purchased" below). Then, in consideration of the legal advice received from Mori Hamada & Matsumoto, as well as the content of the Share Valuation Report obtained from Deloitte Tohmatsu Financial Advisory, and giving as much weight as possible to the Report submitted by the Special Committee, the Target conducted careful consultations from the standpoint of whether the Transaction could ensure further improvement in the Target's corporate value and the benefits that general shareholders would enjoy through the implementation of the Transaction through fair procedures.

With respect to the matching business, while it is expected that the market will expand as a result of the internet and smartphones becoming more popular and online matching services becoming more common, the Target considers that it is important to establish industry leading brand power and services and to develop solid customer trust and reputation in order to compete successfully with other services, and in order to realize these goals, it is necessary to proactively invest in the prompt improvement of services, further reinforcement of operations, and effective branding such as development of promotions utilizing various media. With respect to the enter-tech business, while the Target is continuing the large-scale update to transition to "INSPIX WORLD" at present and believes that it provides large potential for expanding revenue sources, the Target is aware that major investment is necessary to expand revenue sources, and that in other businesses, proactive investment in the creation of new businesses is also necessary. Under this business environment, the Target believes that it is essential to swiftly and optimally allocate the management resources of people, equipment and capital and proactively promote upfront investment in each business in order to achieve the further growth of the Target Group.

The Offeror Group indicated in the course of the above consultations and negotiations that, as discussed in "(iii) Management policy after the Tender Offer" below, after the Target's Shares are taken private, in addition to the measures to be taken by Mr. Qian and Mr. Suzuki, the Offeror intends to provide know-how in enhancing the value of investment targets that Bain Capital has accumulated, provide various assistance including assisting in financing for large-scale upfront investments, and maximize the potential value of the Target's business. Specifically, the Offeror intends to take measures including (i) strengthening business management foundations, (ii) increasing service recognition and acquiring new customers in the matching business, (iii) maximizing user LTV in the matching business, (iv) expanding business through M&A, (v) establishing the INSPIX WORLD platform, and (vi) proactively investing in each business. When the Offeror Group stated these intentions, the Target determined that these kinds of policies and measures considered by the Offeror Group are closely aligned with the aims of the Target and that leveraging the advanced management know-how that Bain Capital possesses and cooperating with Bain Capital will contribute to increasing the corporate value of the Target over the medium to long term.

Further, with respect to the matching business, the Target thinks that during and after the coronavirus pandemic, needs for meeting people through online matching services will further increase as there will be certain restraints on direct interactions between people. With respect to the enter-tech business, the Target thinks that demand for new entertainment technologies will increase due to the spread of COVID-19 and that by developing concerts using the VR technology on which the Target Group focuses, which allows users to experience concerts from their own homes, a new music market will be established and will achieve significant growth over the next several years. However, although the spread of COVID-19 has triggered the expansion of markets in the matching business and enter-tech business, the Target anticipates an increase in new market participants and greater competition. Therefore, the Target believes that it is necessary to conduct the Transaction and take various measures as soon as possible during the ongoing

coronavirus pandemic in order to succeed against competition.

Further, as stated above, the Target thinks that, under the business environment surrounding the Target Group, it is essential to swiftly and optimally allocate the management resources of people, equipment and capital and proactively promote upfront investment in each business in order to achieve the further growth of the Target Group, and in the short term, the proactive upfront investment to accelerate the growth of each business poses the risk of giving rise to a deterioration in financial condition from diminished profit levels, and deteriorating cash flows, among other things, and as a result, it cannot be denied that the market price of the Target's Shares could fall and the Target's shareholders would be adversely impacted in the short term. Even if proactive upfront investment is executed as described above, because there are uncertainties in terms of the timing of business establishment and achieving profitability, the Target thinks it is possible that the Target's shareholders would be subsequently adversely impacted by falling of such market price.

For this reason, the Target determined that the best option for achieving improved corporate value of the Target is to provide all shareholders with an opportunity to sell their shares without suffering adverse effects in the short term, taking the Target's Shares private to avoid suffering from the short-term assessments of the stock market, build a management system capable of agile decision-making, improve management flexibility, and utilize the management support of Bain Capital to the maximum extent.

If the Target's Shares are taken private, the ability to secure superior human resources and expand business partners, etc. stemming from the greater social trust and name recognition that the Target has enjoyed as a public company could be impacted, and it will cease to be possible to obtain financing through equity finance in capital markets.

However, in light of the recent increase in costs for maintaining listing, it is difficult to find value in continuing to maintain listing moving forward. Additionally, in regard to the Target Group's ability to secure superior human resources and expand business partners stemming from greater social trust and name recognition, the Target believes that as it is increasingly able to achieve this through its business activities, the necessity for maintaining share listing decreases in proportion thereto. Moreover, although it will cease to be possible to obtain financing through equity finance in capital markets when the Target's Shares are taken private, considering that Bain Capital intends to assist in financing for the Target's large-scale upfront investments, the Target believes that the impact of this demerit on the Target's business will not be significant. Accordingly, the Target's Board of Directors determined that the advantages of taking the shares private were greater than the disadvantages. In view of the foregoing, the Target's Board of Directors determined that taking the Target's Shares private through the Transaction, which includes the Tender Offer, will contribute to increasing the corporate value of the Target Group.

Because the Non-accepting Shareholders are expected to approve the proposals relating to the Share Consolidation, etc. at the Extraordinary Shareholders' Meeting, in addition to the Non-accepted Shares for Tendering (total number of shares held: 7,631,500 shares; shareholding ratio: 46.48%), if the Offeror acquires 3,314,266 shares (shareholding ratio: 20.19%) through the Tender Offer, then combining the shares held by the Offeror and the Non-accepting Shareholders, the Offeror will have acquired shares representing the two-thirds of voting rights necessary for the approval of the Share Consolidation, and it will become certain that the Share Consolidation will be conducted. However, if the number of the shares acquired is less than that number of shares, there is a possibility that the listing of the Target will be maintained. If the listing of the Target's Shares is maintained, the ownership ratio of the Target's Shares held by the Offeror is expected to be approximately 20% at the maximum as stated above, and even at that maximum ownership ratio, the Offeror will only be the second largest shareholder of the Target. In reality, because the ownership ratio of the Offeror in the case of the listing being maintained is expected to be considerably lower than the above, Bain Capital will not gain control of the Target through the Tender Offer, and even in that situation, the Offeror intends to utilize the management resources and networks of Bain

Capital to the extent possible in order for the Target to execute management measures. It is believed that such support will contribute to increasing the Target's corporate value. Therefore, the Target believes it overall advantageous for the Target to conduct the series of transactions in the Transaction, including the Tender Offer. As such, although a minimum number of shares to be purchased has not been set in the Tender Offer, the Target believes that it is a transaction that is advantageous for the Target.

Further, in light of factors including that the Tender Offer Price (JPY 3,000) (i) in relation to the calculation results for the Share value by Deloitte Tohmatsu Financial Advisory set forth in "(ii) The Target's acquisition of a share valuation report from independent third party calculation institution" in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" in "Process of calculation" in "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Shares to be Purchased" below, is greater than the maximum amount of the range of the calculation results based on the market price analysis and the DCF Method; (ii) represents a premium of 67.88% (rounded to the second decimal place; hereinafter, the same applies to premium values (expressed as a percentage) on the share price) on JPY 1,787, which is the closing price of the Target's Shares on the TSE Mothers Market on March 4, 2021, the business day immediately preceding the date of the announcement of the Tender Offer, a premium of 37.11% on JPY 2,188 (rounded to the nearest whole yen; hereinafter, the same applies to simple averages of closing prices), which is the simple average closing price for the one-month period up to March 4, 2021, a premium of 74.83% on JPY 1,716, which is the simple average closing price for three-month period up to such date, and a premium of 75.54% on JPY 1,709, which is the simple average closing price for the six-month period up to such date, and it can be concluded that a premium is being added that is greater than the average premiums in other recent MBO cases; (iii) is found to pay consideration to the interests of general shareholders in that, among other things, the measures set forth in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" in "Process of calculation" in "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Shares to be Purchased" have been taken to avoid any conflicts of interest; (iv) was decided after the above measures to eliminate conflicts of interest were taken and the Target and the Offeror engaged in discussions and negotiations on several occasions, namely, after the Target and the Offeror sincerely and continuously engaged in discussions and negotiations while referring to the calculation results for the share value of the Target's Shares by Deloitte Tohmatsu Financial Advisory, discussions with the Special Committee, and legal advice received from Mori Hamada & Matsumoto, etc.; and (v) realizes a significant increase in the price proposal for the Tender Offer at the request of the Special committee; and (vi) the Absorption-type Merger and the Dividends In Kind that are planned to be conducted as part of the Transaction (a) will not be disadvantageous to general shareholders because they are planned to be conducted in a situation where there are no general shareholders and (b) are unlikely to be disadvantageous to the Target Group's stakeholders, including the employees, because the Target believes that as the business environments of the matching business and enter-tech business, which are the main businesses of the Target Group, differ, from the perspective of increasing the overall corporate value of those businesses, it is desirable to seek to optimize management resources in each business, while the matching business operated by with Inc. and the enter-tech business operated by the Target Group excluding with Inc. are operated nearly independently, and there are a limited number of employees engaged in both businesses, the Target's Board of Directors determined regarding the Transaction that the Transaction including the Tender Offer can be expected to improve the Target's corporate value, that the Tender Offer Price and other conditions for the Tender Offer are appropriate with respect to the Target's shareholders, and that the Tender Offer provides the Target's shareholders with a reasonable opportunity to sell their Target's Shares.

In light of the foregoing, at the meeting of the Target's Board of Directors held on March 5, 2021, the directors participating in deliberations and voting (four directors (Mr. Kenji Kotake, Mr. Eiji Watanabe and

Ms. Ayumi Nakazawa, who are Audit & Supervisory Committee members, and Mr. Koichiro Natsume out of six directors in total, excluding Mr. Qian and Mr. Suzuki) unanimously passed a resolution to state an opinion in favor of the Tender Offer and to recommend that the Target's shareholders tender their shares etc. in the Tender Offer.

With respect to the Stock Acquisition Rights, the Target also passed a resolution to recommend that because the Stock Acquisition Rights Purchase Prices of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, the Thirteenth Stock Acquisition Rights were set at the amounts obtained by multiplying the difference between Tender Offer Price of JPY 3,000 and the exercise price per Target's Share that is the object of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, the Thirteenth Stock Acquisition Rights by the number of common shares subject to the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, the Thirteenth Stock Acquisition Rights and were calculated on the basis of the Tender Offer Price, the Stock Acquisition Right Holders who hold the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, the Thirteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer, but because the Stock Acquisition Rights Purchase Prices of the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights were set to be JPY 1 on the ground that the exercise price per Target's Share exceeds JPY 3,000, which is the Tender Offer Price, to leave the decision on whether the Stock Acquisition Right Holders who hold the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer to the judgment of those Stock Acquisition Right Holders.

It should be noted that Mr. Qian and Mr. Suzuki are shareholders of the Offeror and expected to remain engaged in the management of the Target after the completion of the Tender Offer and to continue to hold the Target's Shares after the completion of the Tender Offer. Mr. Qian and Mr. Suzuki therefore have conflicts of interest with the Target in relation to the Transaction, and thus, they did not in any way participate in the deliberations or voting in the above meeting of the Target's Board of Directors, nor did they have any role in the consultations and negotiations with the Offeror from the Target's position.

(iii) Management policy after the Tender Offer

The Offeror Group believes that, while the market is expected to expand in the matching application industry due to an increasing penetration of online matching services in the future, it is important to establish the industry's top brand power and services, and build a solid trust and reputation with customers in order to win competition among each of the services. For that purpose, the Offeror Group believes that it is important to have rapid improvements in the services, further enhancements in operation, aggressive investments in effective branding, etc.

In addition, as for the other businesses including the enter-tech business, the Offeror Group believes that it is important to advance the upfront investments currently being made by the Target, and to optimally allocate management resources of "people, goods and money" within the Target Group.

Furthermore, as described in "(1) Overview of the Tender Offer" above, while the matching business operated by with, Inc. has already established a profit base, the enter-tech business and other businesses have not achieved the profitability at this point, and there is a continuous demand for funds to make upfront investments for business expansion. The Offeror Group believes that the value of each business may be underestimated if the Target Group has businesses with different stages of business. Accordingly, by separating with, Inc. which operates the matching business from the Target Group through Dividends In Kind, and operating the matching business and the other businesses of the Target Group including the enter-tech business separately and independently, the Offeror Group believes that the matching business and the enter-tech business and other businesses are expected to grow in line with the stages of business they are positioned. After the implementation of the Dividends In Kind, only the enter-tech business and other

businesses will remain in the Target Group, however, by conducting upfront investments including the updates of "INSPIX WORLD" with the funds obtained through the Additional Capital Increase by the Offeror, the Offeror Group assumes that a growth in the businesses of the Target Group can be expected and that the Target Group will also be able to consider raising funds from external investors. Mr. Qian and Mr. Suzuki are expected to remain engaged in the management of the Target Group and with, Inc. even after the implementation of the Dividends In Kind.

Based on the above, Mr. Qian and Mr. Suzuki assumes that they will take the following measures after the successful completion of the Transaction, and Bain Capital has agreed to provide the necessary management resources..

(i) Strengthening the business management base

Mr. Qian and Mr. Suzuki believe that, by strengthening the business management base, such as tracking linked to user IDs and reviewing KPIs, it is possible to accurately understand the user trends and LTV (Life Time Value) based on customer segmentation and maximize the marketing effects. In addition, they also believe that Bain Capital has a track record of investments in the fields that are closely related to the Target, such as e-commerce site management and cashless payment business, full-service advertising agency business, e-mail distribution service business, and it is possible to utilize the know-how and experiences that Bain Capital has cultivated through the investments conducted to date to strengthen the Target's business management base.

(ii) Improving service recognition and acquiring new customers in matching business

Mr. Qian and Mr. Suzuki believe that the strength of the Target Group's matching business is that it has a high share among users who seek serious encounters, by providing a high-quality differentiated online matching service that utilize user information based on psychological tests. Mr. Qian and Mr. Suzuki believe that the business is expected to grow further as the market for online matching services expands in the future. However, in the matching application industry, the competitive environment has become increasingly severe due to entries of many new companies. In order for the Target Group to maintain and develop its competitiveness, Mr. Qian and Mr. Suzuki believe that, under the management system that is separate and independent from businesses other than the matching business operated by the Target Group, it is necessary to strengthen the brand power as well as to raise the level of service recognition and acquire new users by making upfront investments such as developing aggressive promotions using various media. In addition, based on the business management base established through the measures described in (i) above, Mr. Qian and Mr. Suzuki intend to reduce the withdrawal rate by accurately grasping the needs of users, and to expand MAU (Monthly Active Users: number of active users per month) by acquiring new users and reducing the withdrawal rate.

(iii) Maximizing user LTV in matching business

In the matching business, in addition to the current billing model, Mr. Qian and Mr. Suzuki believe that it is possible to increase the ARPU (Average Revenue Per User) and improve the percentage of billing users by increasing customer satisfaction through an addition of a new billing model corresponding to various functions and services, and through individually optimized user follow-ups based on the business management base established by the measures described in (i) above. Also, Mr. Qian and Mr. Suzuki expect to maximize user LTV through cross-selling of peripheral products related to matching business and provision of ancillary services.

(iv) Expanding business through execution of M&A

As more and more companies enter the matching application industry, Mr. Qian and Mr. Suzuki believe that the opportunities for M&A within the industry will also increase in the future. They believe that it will be possible to achieve further medium- to long-term growth by

aggressively expanding the business base and areas including peripheral areas through M&A. Also, Mr. Qian and Mr. Suzuki intend to leverage Bain Capital's accumulated know-how in M&A to provide support in the communication and execution of M&A and in the creation of synergies associated with the post-M&A integration process, thereby realizing M&A more reliably and quickly. Currently, there is no plan to transfer to a third party any business other than the matching business operated by the Target Group.

(v) Establishing "INSPIX WORLD" platform

Mr. Qian and Mr. Suzuki intend to continue the large updates of "INSPIX WORLD" currently advanced by the Target, and to support the establishment of business platforms and the development, operation and alliance to maximize values. In addition to deepening the alliance with the existing development partner, Mr. Qian and Mr. Suzuki intend to establish a new music market by enhancing the platform quality through more alliances with external partner.

(vi) Aggressive investment in each business

As described in (i) through (v) above, Mr. Qian and Mr. Suzuki believe that large-scale upfront investments are necessary, such as strengthening the business management base, developing promotions to enhance service recognition, M&A to strengthen the businesses related to online matching services, and update to "INSPIX WORLD". Bain Capital intends to support the financing of this upfront investments.

The Transactions is so-called a management buyout (MBO), and Mr. Qian and Mr. Suzuki will continue to manage the Target even after the successful completion of the Tender Offer.

In addition, as described in "(iv) Shareholders Agreement" in "(3) Material agreements regarding the Tender Offer" below, Mr. Qian, Mr. Suzuki, BCPE Wish Cayman and the Offeror entered into the Shareholders Agreement (the "Shareholders Agreement") dated March 5, 2021, and agreed that Mr. Qian and Mr. Suzuki and BCPE Wish Cayman will nominate the same number of directors of the Target, including themselves, after the completion of the Transaction (Mr. Qian and Mr. Suzuki shall jointly appoint the same number of directors as BCPE Wish Cayman upon their mutual agreement, and Mr. Qian and Mr. Suzuki are expected to be nominated as directors respectively.). However, the candidates for the directors of the Target has not been determined at this point other than Mr. Qian and Mr. Suzuki, and there has been no agreement among the directors of the Target other than the Offeror and Mr. Qian and Mr. Suzuki with respect to the appointment of officers after the Tender Offer. The Offeror Group expects to determine the details of the post-Tender Offer management system, including the composition of the Target's directors and officers, after the successful completion of the Transaction in consultation with the Target.

(3) Material agreements regarding the Tender Offer

(i) Basic Agreement

The Offeror has entered into the Basic Agreement with Mr. Qian and Mr. Suzuki as of March 5, 2021 respectively, and agreed on the following:

- (i) If the Offeror commences the Tender Offer as part of Target's management buyout (MBO) by Mr. Qian and Mr. Suzuki, (a) Mr. Qian will not tender all of his Target's Shares (2,616,600 shares, Shareholding Ratio: 15.94%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (b) Mr. Suzuki will not tender all of his Target's Shares (3,966,600 shares, Shareholding Ratio: 24.16%) and all of his Stock Acquisition Rights (100 rights (Number of

- shares subject to the stock acquisition rights: 20,000 shares, Shareholding Ratio: 0.12%)) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer);
- (ii) Mr. Qian will consult and negotiate with Elements Capital promptly after the commencement date of the settlement of the Tender Offer to repay the secured obligations under the pledge held by Mr. Qian against Elements Capital with respect to the Target's Shares (630,000 shares, Shareholding Ratio 3.84%) for which Elements Capital is the pledgee and to immediately extinguish such pledge and to have the name of the shares for which Elements Capital is listed or recorded as the owner in the shareholder register of the Target changed to Mr. Qian;
 - (iii) If the Offeror fails to acquire all of the Target's Shares (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 and the Non-accepted Shares for Tendering) in the Tender Offer, the Offeror will, subject to the completion of the Tender Offer, cooperate in good faith with respect to matters necessary for the smooth implementation of the Squeeze-out Process (including (i) presenting agenda on the Share Consolidation to the Extraordinary Shareholders' Meeting and (ii) voting as a shareholder of the Target in favor of all proposals including those related to the Share Consolidation at the Extraordinary Shareholders' Meeting as an exercise of voting rights in respect of all Target's Shares owned at such time);
 - (iv) The Offeror will implement the Conversion of Class Shares and the Absorption-type Merger subject to the completion of the Tender Offer and the Squeeze-out Process; and
 - (v) The Offeror will exercise the Dividends In Kind subject to the completion of the Absorption-type Merger.
- (ii) Non-tender Agreement

The Offeror has entered into the Non-tender Agreement with QK, SY, Mr. Kashiwaya, Ms. Yamada, Mr. Uenoyama, Mr. Sato and Mr. Akiyama as of March 5, 2021 respectively, and agreed on the following:

- (i) If the Offeror commences the Tender Offer as part of Target's management buyout (MBO) by Mr. Qian and Mr. Suzuki, (a) QK will not tender all of its Target's Shares (354,300 shares, Shareholding Ratio: 2.16%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (b) SY will not tender all of its Target's Shares (212,600 shares, Shareholding Ratio: 1.29%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (c) Mr. Kashiwaya will not tender all of its Target's Shares (204,800 shares, Shareholding Ratio: 1.25%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (d) Ms. Yamada will not tender all of her Target's Shares (192,200 shares, Shareholding Ratio: 1.17%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (e) Mr. Uenoyama will not tender all of his Target's Shares (36,000 shares, Shareholding Ratio: 0.22%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), (f) Mr. Sato will not tender all of his Target's Shares (34,000 shares, Shareholding Ratio: 0.21%) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer), and (g) Mr. Akiyama will not tender all of his Target's Shares (14,400 shares, Shareholding Ratio: 0.09%) and all of his Stock Acquisition Rights (30 rights (Number of shares subject to the

stock acquisition rights: 6,000 shares, Shareholding Ratio: 0.04%)) into the Tender Offer and will not newly transfer, establish any security or otherwise dispose thereof in whole or in part (including, but not limited to, any tendering for tender offer other than the Tender Offer); and

- (ii) If the Offeror fails to acquire all of the Target's Shares (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 and the Non-accepted Shares for Tendering) in the Tender Offer, the Offeror will, subject to the completion of the Tender Offer, cooperate in good faith with respect to matters necessary for the smooth implementation of the Squeeze-out Process (including voting, as a shareholder of the Target, in favor of all proposals including those related to the Share Consolidation at the Extraordinary Shareholders' Meeting as an exercise of voting rights in respect of all Target's Shares owned at such time).

(iii) Tender Offer Agreement

The Offeror has entered into the Tender Offer Agreement with SK, the fifth largest shareholder (number of shares held: 269,300 shares, Shareholding Ratio: 1.64%), as of March 5, 2021, and agreed to tender all of the Target's Shares held by SK into the Tender Offer.

In the Tender Offer Agreement with SK, SK hereby covenants that, if a shareholders' meeting of the Target is held upon completion of the Tender Offer with the date before the commencement of the settlement for the Tender Offer as the record date, with respect to the exercise of any and all voting rights at the shareholders' meeting for Target's Shares owned by SK, SK will exercise such voting rights in accordance with the instructions of the Offeror. There is no condition precedent by SK under the Tender Offer Agreement.

(iv) Shareholders Agreement

Mr. Qian, Mr. Suzuki, BCPE Wish Cayman and the Offeror entered into the Shareholders Agreement as of March 5, 2021 to agree on the operation of the Target Group after the completion of the Transaction. Specifically, it has been agreed that (i) Mr. Qian and the Mr. Suzuki, and BCPE Fund will appoint the same number of directors of the Target and with Inc. after the completion of the Transaction (Mr. Qian and Mr. Suzuki will jointly appoint the same number of directors as BCPE Wish Cayman by mutual agreement), (ii) subject to completion of the Tender Offer and the Squeeze-out Process, the Offeror will purchase the ordinary share issued by the Target, and (iii) Mr. Qian, Mr. Suzuki and the BCPE Wish Cayman may not, except in certain exceptional cases, transfer their Offeror's shares to any third party.

(4) Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer

Considering the possibility including state of systemic conflict of interest as the Tender Offer is executed as a part of so-called management buyout (MBO), the Offeror and the Target took the following measures to ensure fairness of the Transaction including the Tender Offer, in order to ensure fairness of the Tender Offer Price and the Stock Acquisition Rights Purchase Price, to eliminate arbitrariness from the decision making of the execution of the Tender Offer and to prevent conflict of interest:

- (i) Establishment of the Special Committee in the Target and procuring of a report;

- (ii) The Target's acquisition of a share valuation report from independent third party calculation

institution;

(iii) Advice from independent law firm to the Target;

(iv) Approval of all disinterested directors of the Target (including auditors); and

(v) Ensuring of objective circumstances to ensure fairness of the Tender Offer.

For more detail, please refer to "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" of "Process of calculation" of "(2) Price of tender offer, etc." in "4. Tender Offer Period, Price and Number of Shares to be Purchased" below.

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

If the Offeror cannot acquire all the Target's Shares (including the Target's Shares to be delivered upon the exercise of the Stock Acquisition Rights but excluding the treasury shares and Non-accepted Shares for Tendering held by the Target) through the Tender Offer, the Offeror plans to carry out the Squeeze-out Process by the following means after the successful completion of the Tender Offer, as described in "(1) Overview of the Tender Offer" above."

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.

If the proposal regarding the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, the Target's shareholders will own the number of the Target's Shares in proportion to the share consolidation ratio as approved in the Extraordinary Shareholders' Meeting as of the date when the Share Consolidation becomes effective. If there are any fractional shares upon the Share Consolidation, the amount of cash corresponding to the amount obtained by selling the Target's Shares equivalent to the total number of fractional shares (if the aggregated number of entitlements to fractional shares includes a fractional number, such fractional number will be rounded down) to the Target or the Offeror will be delivered to the Target's shareholders in accordance with the procedures under Article 235 of the Companies Act and other relevant laws and regulations. Concerning the sales price of the Target's Shares corresponding to the aggregated number of fractional shares, a petition for voluntary disposal permission will be filed with the court after calculating that the amount of cash to be delivered to the Target's shareholders (excluding Mr. Qian, Mr.

Suzuki and the Target) who did not tender their shares to Mr. Qian, Mr. Suzuki and the Tender Offer (the "Prospective Surviving Shareholders") will be equal to the amount calculated by multiplying the Tender Offer Price by the number of the Target's Shares held by such shareholders. Although the share consolidation ratio for the Target's Shares is undetermined as of the date of filing of this Statement, it is intended that the share consolidation ratio will be determined so that 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, which will enable the Offeror to hold all the Target's Shares (excluding treasury shares held by the Target). However, if there are Target's shareholders (other than the Prospective Surviving Shareholders) who hold the number of Target's Shares equal to or greater than the smallest number of the Target's Shares held by any of the Offeror (the "Majority Shareholders"), the ratio of consolidation for the Target's Shares may be such that only the Prospective Surviving Shareholders who hold not less than the number of Target's Shares (excluding treasury shares held by the Target) held by the Majority Shareholders hold all of the Target's Shares as a result of the Share Consolidation. The details of the procedures regarding the Share Consolidation will be promptly announced by the Target once decided upon mutual consultation between the Offeror and the Target.

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.

Regarding the above procedures, depending on any revisions to and enforcement of the relevant laws and regulations, interpretation thereof by authorities, there is a possibility that it may take time to implement them or that changes may be made to the method of implementation. In such case, however, the Offeror plans to adopt such method that enables each of the Target's shareholders (excluding Mr. Qian, Mr. Suzuki and the Target but this does not apply when the Majority Shareholders exist as stated above) not having tendered his or her shares to the Tender Offer to ultimately receive cash. If such method is adopted, it is intended that the amount of such cash to be delivered to each of the relevant Target's shareholders will be calculated to be equal to the price produced by multiplying the Tender Offer Price by the number of the Target's Shares held by such shareholder. The details of the above procedures and the timing of implementation thereof will be promptly announced by the Target once decided upon negotiation between the Offeror and the Target.

In addition, if the Offeror fails to acquire all of the Stock Acquisition Rights (excluding the Stock Acquisition Rights held by the Non-accepting Shareholders) in the Tender Offer despite the completion of the Tender Offer, the Offeror intends to promptly request the Target to implement procedures reasonably necessary for the implementation of the Transaction, such as acquisition of the Stock Acquisition Rights and recommendation to the Stock Acquisition Rights Holders to abandon the Stock Acquisition Rights.

The Tender Offer is not intended to solicit the votes of the Target's shareholders in favor of the resolutions to be proposed at the Extraordinary Shareholders' Meeting. Each shareholder and Stock Acquisition Rights Holders should consult with his or her tax advisor, at his or her own responsibility, regarding the tax treatment relating to the Tender Offer or under each of the above procedures.

The Target's Shares are currently listed on the TSE Mothers Market as of the date of filing of this Statement. Because the Offeror has not set a maximum number of shares to be purchased in the Tender Offer, the Target's Shares may be delisted through prescribed procedures in accordance with the stock delisting criteria established by the TSE, depending on the results of the Tender Offer. Also, even in the case where the Target's Shares do not fall under that criteria as of the successful completion of the Tender Offer, the Offeror will carry out the Squeeze-out Process set out in "(5) Policy regarding reorganization, etc., following completion of the Tender Offer (so-called "two-step acquisition"))" above. In such case, the Target's Shares will fall under the criteria and will therefore be delisted through the prescribed procedures in accordance with the stock delisting criteria established by the TSE. After delisting, the Target's Shares can no longer be traded on the TSE.

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 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.

4. Tender Offer Period, Price and Number of Shares to be Purchased

(1) Tender offer period

(i) Period set at the time of filing

Tender Offer Period	From March 8, 2021 (Monday) through April 19, 2021 (Monday) (31 business days)
Date of public notice	March 8, 2021 (Monday)

Name of newspaper in which public notice is to appear	Public notice will be made electronically, and such fact will be published in <i>The Nihon Keizai Shimbun</i> . The URL of the website on which the electronic public notice will be posted is as follows: http://disclosure.edinet-fsa.go.jp/
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(ii) Possibility of extension of the Tender Offer Period at the request of the Target

N/A

(iii) Contact to confirm whether the Tender Offer Period is extended

N/A

(2) Price of tender offer, etc.

Share certificates	JPY 3,000 per common share
Certificate of stock acquisition rights	JPY 4,450 per one Fourth Stock Acquisition Right JPY 353,400 per one Twelfth Stock Acquisition Right JPY 135,000 per one Thirteenth Stock Acquisition Right JPY 1 per one Fifteenth Stock Acquisition Right JPY 1 per one Sixteenth Stock Acquisition Right
Certificate of corporate bonds with stock acquisition rights	-
Beneficiary certificate of trust of shares ()	-
Depository receipt for shares ()	-
Basis of calculation	(1) Common share Upon the determination of the Tender Offer Price, the Offeror conducted a comprehensive and multifaceted analysis of the Target's business and financial conditions based on financial information and other materials disclosed by the Target and the results of the due diligence review conducted from mid-January of 2021 to the end of February of 2021. In consideration of the fact that the Target's shares are traded through the financial instrument exchange, the Offeror also referred to the closing price for the Target's shares at the TSE Mothers Market as of March 4, 2021, being the business day immediately preceding the date on which the commencement of the Tender Offer was set by the Offeror (JPY 1,787) and simple average of the closing prices for the past one month (from February 5, 2021 to March 4, 2021), three months (December 7, 2020 to March 4, 2021) and six months (September 7, 2020 to March 4, 2021) (JPY 2,188, JPY 1,716 and JPY 1,709). Furthermore, the value of the Target's shares were analyzed by comparing the market price of listed companies that are relatively similar to the Target in terms of business contents, business size, earnings conditions, with financial indicators that shows factors including

profitability.

The Offeror has not obtained a share valuation report from a third party valuator and the Offeror determined the Tender Offer Price by comprehensively taking into account the premiums added in similar MBO cases in the past, whether or not the Target agrees with the Tender Offer and the prospect of the consummation of the Tender Offer, and through consultations and negotiations with the Target.

The Tender Offer Price (JPY 3,000 per share) represents a premium of a 67.88% (rounded to the second decimal place; hereinafter the same in the calculation of premium) added to JPY 1,787, which is the closing price of the Target's shares on the TSE Mothers Market on March 4, 2021, i.e. the business day immediately preceding the date on which the commencement of the Tender Offer was set by the Offeror, 37.11% to JPY 2,188, which is the simple average closing price for the one-month period ending on that day (from February 5, 2021 to March 4, 2021), 74.83% to JPY 1,716, which is the simple average closing price for the three-month period ending on that day (from December 7, 2020 to March 4, 2021), and 75.54% on JPY 1,709, which is the simple average closing price for the six-month period ending on that day (from September 7, 2020 to March 4, 2021). The Tender Offer Price is JPY 3,000, which is obtained by adding the premium of 62.87% to the closing price of the Target's shares as of March 5, 2021, the business day immediately preceding the date of the filing of this Statement (JPY 1,842).

(2) Stock Acquisition Rights

Regarding the Stock Acquisition Rights, as of the date of filing of this Statement, the exercise prices of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights per share of the Target's Shares (the Fourth Stock Acquisition Rights: JPY 775, the Twelfth Stock Acquisition Rights: JPY 1,233, the Thirteenth Stock Acquisition Rights: JPY 2,325) are lower than the Tender Offer Price (JPY 3,000). Accordingly, the Offeror has determined the price of the purchase of one of the Fourth Stock Acquisition Rights at JPY 4,450, which is calculated by multiplying JPY 2,225 (the difference between the Tender Offer Price (JPY 3,000) and the exercise price of one of the Fourth Stock Acquisition Rights (JPY 775)) by 2, the number of the Target's Shares that is subject to one such Stock Acquisition Right, the price of the purchase of one of the Twelfth Stock Acquisition Rights at JPY 353,400, which is calculated by multiplying JPY 1,767 (the difference between the Tender Offer Price (JPY 3,000) and the exercise price of one of the Twelfth Stock Acquisition Rights (JPY 1,233)) by 200, the number of the Target's Shares that is subject to one such Stock Acquisition Right, and the price of the purchase of one of the Thirteenth Stock Acquisition Rights at JPY 135,000, which is calculated by multiplying JPY 675 (the difference between the Tender Offer Price (JPY 3,000) and the exercise price of the Thirteenth Stock Acquisition Rights (JPY 2,325)) by 200, the number of the Target's Shares that is subject to one such Stock Acquisition Right.

As of the date of filing of this Statement, the exercise prices of the

	<p>Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights per share of the Target's Shares (the Fifteenth Stock Acquisition Rights: JPY 5,000, the Sixteenth Stock Acquisition Rights: the lower limit is JPY 7,000) are higher than the Tender Offer Price (JPY 3,000). Accordingly, the Offeror has determined of the purchase of each one of the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights at JPY 1, respectively.</p> <p>Furthermore, with respect to the Stock Acquisition Rights, it is stated in the Terms and Condition of the Stock Acquisition Rights and the Allotment Agreement of the Stock Acquisition Rights that the approval of the Board of Directors of the Target is required for the acquisition of the Stock Acquisition Rights through the transfer and that the assignment is prohibited for the Fourth Stock Acquisition Rights and the Twelfth Stock Acquisition Rights in each of the Allotment Agreement of the Stock Acquisition Rights. In order to enable the transfer of the Stock Acquisition Rights, the Target has, at the Board of Directors meeting held on March 5, 2021, made a resolution to comprehensively approve the transfer of Stock Acquisition Rights owned by Stock Acquisition Rights Holders to the Offeror by tendering such rights into the Tender Offer (subject to the consummation of the Tender Offer), and to amend the Allotment Agreement of the Stock Acquisition Rights for the Stock Acquisition Rights Holders of the Fourth Stock Acquisition Rights and the Twelfth Stock Acquisition Rights who desire to transfer such rights and make such rights transferable.</p> <p>Upon the determination of the Stock Acquisition Rights Purchase Price, the Offeror has calculated such price based on the Tender Offer Price and has not obtained a valuation report from a third-party institution.</p>
Process of calculation	<p>Process of calculation (Background of the Decisions on the Tender Offer Price and the Stock Acquisition Rights Purchase Prices)</p> <p>As described in "(2) Background, object and process of decision-making to implement the Tender Offer and management policy after the Tender Offer" under "3. Purposes of Tender Offer" above, the Offeror Group submitted to the Target the Proposal with an official expression of intent concerning taking the Target's shares private through the Tender Offer on December 24, 2020.</p> <p>Taking into account the progress at that time of the due diligence that was performed from the middle to the end of January 2021 and other factors, the Offeror Group determined that the implementation of the Transaction is highly feasible, and on February 4, 2021, based on factors such as a multi-faceted and comprehensive analysis of the Target's business and finances, examples of premiums in past instances of tender offers for shares by persons other than the issuer, and trends in the market price of the Target over a certain past period, the Offeror Group proposed to the Target a Tender Offer Price of JPY 1,900, and as the exercise prices per Target's Share for the Fourth Stock Acquisition Rights and Twelfth Stock Acquisition Rights are less than the JPY 1,900 proposed as the Tender Offer Price, the Offeror Group proposed the Stock Acquisition Rights Purchase Prices of JPY 2,250 for the Fourth Stock Acquisition Rights (calculated by multiplying JPY 1,125, which is the difference between the proposed Tender Offer Price and JPY 775 (the exercise price per Target's Share of the Fourth Stock Acquisition Rights) by 2, which is the number of Shares subject to each stock acquisition right) and JPY</p>

	<p>133,400 for Twelfth Stock Acquisition Rights (calculated by multiplying JPY 667, which is the difference between the proposed Tender Offer Price and JPY 1,233 (the exercise price per Target's Share of the Twelfth Stock Acquisition Rights) by 200, which is the number of Shares subject to each stock acquisition right) and, as the exercise prices per Target's Share for the Thirteenth Stock Acquisition Rights, Fifteenth Stock Acquisition Rights, and Sixteenth Stock Acquisition Rights exceed the proposed Tender Offer Price (Thirteenth Stock Acquisition Rights: JPY 2,325; Fifteenth Stock Acquisition Rights: JPY 5,000; Sixteenth Stock Acquisition Rights: JPY 7,000 at minimum), proposed a Stock Acquisition Rights Purchase Price of JPY 1 for the Thirteenth Stock Acquisition Rights, Fifteenth Stock Acquisition Rights, and Sixteenth Stock Acquisition Rights. Following that, while the Offeror Group and the Target continued discussions, on February 9, 2021, the Target requested an increase to the Tender Offer Price and the Stock Acquisition Rights Purchase Prices for the reason that the level of the premiums added to the proposed prices was below the level of premiums in similar instances of MBOs, and the Offeror Group sincerely considered the reason for the Target's request and on February 15, 2021 made a new proposal in which the Tender Offer Price would be JPY 2,300 and the Stock Acquisition Rights Purchase Prices would be JPY 3,050 for the Fourth Stock Acquisition Rights, JPY 213,400 for the Twelfth Stock Acquisition Rights, JPY 1 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights. However, on February 19, 2021, the Target again requested an increase to the Tender Offer Price and the Stock Acquisition Rights Purchase Prices for the reason that the Target "does not believe a sufficient premium has been added taking into account factors such as recent trends in the price of the Target's Shares and the level of premiums in similar instances of MBOs." Taking that request into account, on February 24, 2021, the Offeror Group made a new proposal in which the Tender Offer Price would be JPY 2,400 and the Stock Acquisition Rights Purchase Prices would be JPY 3,250 for the Fourth Stock Acquisition Rights, JPY 233,400 for the Twelfth Stock Acquisition Rights, JPY 15,000 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights. Following that, as the Offeror Group was requested by the Target on February 24, 2021 to once again raise the Tender Offer Price and the Stock Acquisition Rights Purchase Prices, the Offeror Group made a new proposal on March 4, 2021 in which the Tender Offer Price would be JPY 2,800 and the Stock Acquisition Rights Purchase Prices would be JPY 4,050 for the Fourth Stock Acquisition Rights, JPY 313,400 for the Twelfth Stock Acquisition Rights, JPY 95,000 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights. However, the Offeror Group received a request from the Target on the same day to once again raise the Tender Offer Price and the Stock Acquisition Rights Purchase Prices. Taking that request into account, on the same day, the Offeror Group made a new proposal in which the Tender Offer Price would be JPY 3,000 and the Stock Acquisition Rights Purchase Prices would be JPY 4,450 for the Fourth Stock Acquisition Rights, JPY 353,400 for the Twelfth Stock Acquisition Rights, JPY 135,000 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights, and on the same day, the Offeror Group received a response from the Target stating that the Target accepted the proposal of the Offeror Group on the condition that the final decision would be made following a resolution of the Target's Board of Directors after taking into account the report of the Special Committee.</p> <p>Following repeated discussions with the Target regarding the conditions of the Transaction, including the Tender Offer Price, and other matters, the Offeror Group decided on March 5, 2021 to commence the Tender Offer as a part of the Transaction with a Tender Offer Price of JPY 3,000 and</p>
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	<p>Stock Acquisition Rights Purchase Prices of JPY 4,450 for the Fourth Stock Acquisition Rights, JPY 353,400 for the Twelfth Stock Acquisition Rights, JPY 135,000 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights.</p> <p>Following repeated discussions with the Target regarding the conditions of the Transaction, including the Tender Offer Price, and other matters, the Offeror Group decided on March 5, 2021 to commence the Tender Offer as a part of the Transaction with a Tender Offer Price of JPY 3,000 and Stock Acquisition Rights Purchase Prices of JPY 4,450 for the Fourth Stock Acquisition Rights, JPY 353,400 for the Twelfth Stock Acquisition Rights, JPY 135,000 for the Thirteenth Stock Acquisition Rights, JPY 1 for the Fifteenth Stock Acquisition Rights, and JPY 1 for the Sixteenth Stock Acquisition Rights. The Offeror has not obtained a share valuation report from a third party valuator and the Offeror determined the Tender Offer Price by comprehensively taking into account whether or not the Target agrees with the Tender Offer and the prospect of the consummation of the Tender Offer, and through consultations and negotiations with the Target.</p> <p>(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)</p> <p>In light of factors such as the Tender Offer being carried out as part of a so called management buyout (MBO), where there may be an inherent conflict of interest, and from the perspective of ensuring the fairness of the Tender Offer Price and Stock Acquisition Rights Purchase Prices, eliminating arbitrariness in the decision-making process behind the decision to implement the Tender Offer, and avoiding conflicts of interest, the Offeror and the Target have carried out the following measures to ensure the fairness of the Transaction including the Tender Offer. Matters set forth below that concern measures carried out by the Target are based on the Target's Press Release and explanations given by the Target.</p> <p>(i) Establishment of the Special Committee in the Target and procuring of a report</p> <p>In light of factors such as the Transaction being carried out as part of a so called management buyout (MBO) where there may be an inherent conflict of interest in the consideration of the Transaction by the Target, for the purposes of ensuring that the Target is careful in its decision-making regarding the Transaction, eliminating arbitrariness and the possibility of any conflict of interest in the Target's Board of Directors' decision-making process, and ensuring fairness of the same, at the Target's Board of Directors meeting held on December 30, 2020, a resolution was passed to establish the Special Committee composed of three persons who do not have any interests in the Target, the Offeror, the Non-accepting Shareholders, or the Accepting Shareholder (collectively, the "Offeror-Related Persons"), namely Mr. Koichiro Natsume, who is an outside director of the Target, and Mr. Eiji Watanabe (tax attorney; representative of Watanabe Accounting Office) and Ms. Ayumi Nakazawa (attorney and partner of Nakazawa Law Office), who are independent outside directors (Audit & Supervisory Committee members) of the Target, and to carry out decision-making that gives the highest degree of respect to reports by the Special Committee. The members of the Special Committee have not changed since the committee was first established. Further, Mr. Eiji Watanabe was elected by the members as the chairperson of the Special Committee. Although remuneration is separately paid to some of the members of the Special Committee in relation to their assumption of office as members, only a monthly fixed amount of remuneration, which is payable regardless of whether the Transaction succeeds, is paid, and no contingency remuneration subject to public announcement or completion of the Transaction is included in the remuneration of any member.</p>
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	<p>The Target consulted with the Special Committee on the following matters (collectively, the "Consultation Matters"): (i) evaluating and making a recommendation to the Target's Board of Directors regarding whether the Target's Board of Directors should approve the Tender Offer and whether the Target should recommend that shareholders tender their Target's Shares in the Tender Offer, after (a) evaluating and determining whether the Transaction should be implemented from the perspective of whether the Transaction will enhance the corporate value of the Target and (b) evaluating and determining the appropriateness of the transaction terms and conditions and the fairness of the procedures (including the details of measures taken to ensure the fairness of the Transaction) from the perspective of securing the interests of the Target's general shareholders, and (ii) evaluating whether the decision on the Transaction by the Target's Board of Directors will be disadvantageous to the Target's minority shareholders (general shareholders) and providing its opinion to the Board of Directors, and the Target requested that the Special Committee submit the Report regarding the foregoing to the Target's Board of Directors. Further, the Target's Board of Directors resolved that the decision on the Transaction by the Board of Directors, including whether the Board of Directors should approve the Tender Offer, should be made by respecting the determinations made by the Special Committee to the highest degree and that if the Special Committee determines that the implementation or transaction terms and conditions of the Tender Offer are not appropriate, the Board of Directors will not approve the Tender Offer. Moreover, the Target's Board of Directors approved a resolution to grant to the Special Committee the authority to (a) be substantially involved in the process of negotiations conducted by the Target with the Offeror (including, as necessary, giving instructions or requests regarding the policy of negotiations with the Offeror, and negotiating itself with the Offeror), (b) as necessary appoint its own financial or legal advisor (in this case, fees are to be borne by the Target) or name or approve (including retrospective approval) the Target's financial or legal advisor upon making its report on the Consultation Matters, and (c) receive, from officers and employees of the Target, information necessary for examination of, and determinations regarding, the Transaction, including information on the details of, and the conditions precedent to the preparation of, the business plan, and (d) conduct other matters that the Special Committee determines necessary for examination of, and determinations regarding, the Transaction.</p> <p>The Special Committee held a total of 13 meetings during the period from December 30, 2020 to March 4, 2021 to discuss and examine the Consultation Matters. Specifically, at the first meeting of the Special Committee, after finding that with respect to the legal advisor, the financial advisor, and the third-party valuation agency appointed by the Target, there were no issues in relation to their independence, the Special Committee approved them as the legal advisor, the financial advisor, and the third-party valuation agency, respectively, of the Target. Further, with respect to involvement in the negotiations process with the Offeror, the Special Committee confirmed that it established a policy whereby in principle, the Target and Deloitte Tohmatsu Financial Advisory, the Target's financial advisor, will be the contact point in direct negotiations. Moreover, the Special Committee received explanations from the Target and conducted questions and answers regarding the condition of the Target's businesses, business forecasts, market environment, background of the Transaction, purposes of the Transaction, specific advantages and disadvantages of the Transaction, forecasts concerning continuation of businesses not conditioned on the Transaction including the feasibility of measures in lieu of the Transaction, operational and financial conditions, and business plans etc., and with respect to negotiations with the Offeror, expressed opinions and provided advice to the Target. Also, when the Target</p>
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	<p>prepared the business plan for the Transaction, the Special Committee received explanations regarding the details of, and material conditions precedent for, the proposed business plan and confirmed and approved the reasonableness of the details of, material conditions precedent for, and background of preparation of the final business plan. Further, the Special Committee received from the Offeror an overview of Bain Capital, explanations regarding the purposes and reasons for the Offeror Group implementing the Transaction, managerial policies and investment plans going forward, matters of concern in relation to the Transaction, the specific impact and effect that are expected to result from the Transaction, specific advantages and disadvantages of the Transaction, and other matters, and conducted questions and answers. In addition, the Special Committee received explanations from Deloitte Tohmatsu Financial Advisory regarding the negotiations process relating to the terms etc. of the Transaction and calculation of the Target's share value, and explanations from Mori Hamada & Matsumoto regarding the particulars of measures to ensure fairness with respect to the procedures of the Transaction, the method and process of the Target's Board of Directors' decision-making regarding the Transaction, and other measures to avoid conflict of interest, and conducted questions and answers regarding the foregoing as well.</p> <p>Further, with respect to a so called proactive market check (including bidding procedures before public announcement of the Transaction) to investigate and consider whether there are any potential acquirers in the market, in light of the nature of measures that have been carried out to ensure the fairness of the Transaction that includes the Tender Offer, and other specific circumstances of the Transaction, the Special Committee determined that even if such checks are not carried out, there will be no specific hindrances to the fairness of the Transaction.</p> <p>Further, since the receipt of a proposal from the Offeror Group on February 4, 2021 to the effect that the Tender Offer Price will be JPY 1,900 per Target Share and the Stock Acquisition Rights Purchase Prices will be JPY 2,250 for Fourth Stock Acquisition Rights, JPY 133,400 for Twelfth Stock Acquisition Rights, JPY 1 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, the Special Committee has received, from time to time, reports concerning the process and details etc. of consultations and negotiations between the Target and the Offeror Group relating to the Transaction, and discussed matters such as policies for dealing with the same. Then on February 15, 2021, the Offeror Group proposed a Tender Offer Price of JPY 2,300 per Target Share and Stock Acquisition Rights Purchase Prices of JPY 3,050 for Fourth Stock Acquisition Rights, JPY 213,400 for Twelfth Stock Acquisition Rights, JPY 1 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, and on February 24, 2021, the Offeror Group proposed a Tender Offer Price of JPY 2,400 per Target Share and Stock Acquisition Rights Purchase Prices of JPY 3,250 for Fourth Stock Acquisition Rights, JPY 233,400 for Twelfth Stock Acquisition Rights, JPY 15,000 for Thirteenth Stock Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights, and after reviewing and considering such proposal in light of Deloitte Tohmatsu Financial Advisory's advice from a financial perspective that included analyses concerning premiums in recent MBO deals, the Special Committee demanded that the Offeror increase the Tender Offer Price and the Stock Acquisition Rights Purchase Prices and was otherwise involved in the negotiations process with the Offeror; as a result, on March 4, 2021, the Target received from the Offeror a proposal for a Tender Offer Price of JPY 3,000 per Target Share and Stock Acquisition Rights Purchase Prices of JPY 4,450 for Fourth Stock Acquisition Rights, JPY 353,400 for Twelfth Stock Acquisition Rights, JPY 135,000 for Thirteenth Stock</p>
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	<p>Acquisition Rights, JPY 1 for Fifteenth Stock Acquisition Rights, and JPY 1 for Sixteenth Stock Acquisition Rights.</p> <p>Moreover, the Special Committee received explanations regarding drafts of the Target's Press Release and the Tender Offer Statement that the Offeror planned to submit, and while receiving advice from Mori Hamada & Matsumoto, confirmed that it was planned that full disclosure of information concerning the Transaction will be made.</p> <p>In the course of the foregoing, as a result of continued careful discussions and examinations regarding the Consultation Matters, on March 5, 2021, the Special Committee submitted to the Target's Board of Directors the Report regarding the Consultation Matters with the following content.</p> <p>(a) Matters reported</p> <p>(i) The Special Committee believes that the Target's Board of Directors should resolve to state an opinion in favor of the Tender Offer and to recommend that the Target's shareholders tender their Target's Shares in the Tender Offer and the Stock Acquisition Right Holders who hold the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer, but to leave the decision on whether the Stock Acquisition Right Holders who hold the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer to the judgment of those Stock Acquisition Right Holders.</p> <p>(ii) The Special Committee believes that the Target's Board of Directors resolving to state an opinion in favor of the Tender Offer and to recommend that the Target's shareholders tender their Target's Shares in the Tender Offer and the Stock Acquisition Right Holders who hold the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer, but to leave the decision on whether the Stock Acquisition Right Holders who hold the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer to the judgment of those Stock Acquisition Right Holders would not be disadvantageous to the Target's minority shareholders (general shareholders). Also, the Special Committee believes that the Offeror taking the Target's shares private after the completion of the Tender Offer would not be disadvantageous to the Target's minority shareholders (general shareholders).</p> <p>(b) Reasons for giving the above opinions in the Report</p> <p>(i) Whether the Transaction should be implemented</p> <p>The Special Committee received explanations from Mr. Qian, Mr. Suzuki, Bain Capital, and the Target regarding measures to achieve the further growth and increased corporate value of the Target Group over the medium to long term, the necessity of taking the Target's shares private when implementing those measures, and the necessity of the Absorption-type Merger and the Dividends In Kind after privatization. The Special Committee considers that those explanations were based on the business environment surrounding the Target Group and the management issues facing the Target Group and that each of the explanations has a certain level of reasonableness and therefore believes that the Transaction is an effective choice for achieving medium to long-term growth for the Target Group as a whole.</p> <p>Additionally, taking into account the business environment and management issues of the Target Group, the Special Committee believes that there are advantages to implementing the various measures for increasing corporate value stated in "(2) Background, object and process of decision-making to implement the Tender Offer and management</p>
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	<p>policy after the Tender Offer" under "3. Purposes of Tender Offer" above and finds the implementation of those measures to be reasonable.</p> <p>Additionally, as a method for implementing those various measures, it is reasonable to take the Target's shares private and thereby implement various measures such as capital investments to accelerate the development and market launch of new products while utilizing the capital strength of Bain Capital and avoiding burdening general shareholders with risk.</p> <p>Based on the above, the Special Committee believes that the synergies expected as a result of discussions between the Target and the Offeror Group are reasonable when judged by comprehensively taking into account matters such as the specific effects and the feasibility of those synergies and that significant advantages for the Target Group can be expected through the completion of the Transaction. Conversely, the Special Committee believes that the demerits of delisting will not have a large effect on the Target's business.</p> <p>Because the Non-accepting Shareholders are expected to approve the proposals relating to the Share Consolidation, etc. at the Extraordinary Shareholders' Meeting, in addition to the Non-accepted Shares for Tendering (total number of shares held: 7,631,500 shares; shareholding ratio: 46.48%), if the Offeror acquires 3,314,266 shares (shareholding ratio: 20.19%) through the Tender Offer, then combining the shares held by the Offeror and the Non-accepting Shareholders, the Offeror will have acquired shares representing the two-thirds of voting rights necessary for the approval of the Share Consolidation, and it will become certain that the Share Consolidation will be conducted. However, if the number of the shares acquired is less than that number of shares, there is a possibility that the listing of the Target's Shares will be maintained. However, even if the listing of the Target's Shares is maintained, the ownership ratio of the Target's Shares held by the Offeror is expected to be approximately 20% at the maximum, and even at that maximum ownership ratio, the Offeror will only be the second largest shareholder of the Target. In reality, the ownership ratio of the Offeror in the case of the listing being maintained is expected to be considerably lower than the above, and therefore, it is thought that Bain Capital will not gain control of the Target through the Tender Offer. Additionally, the Special Committee received a response from Bain Capital, Mr. Qian, and Mr. Suzuki that even without gaining control of the Target, Bain Capital intends, as requested by the Target, to provide a certain degree of support as a shareholder for the execution of management measures by the Target, and that there are no agreements that would be disadvantageous to the general shareholders of the Target in the case of the listing of the Target's Shares being maintained.</p> <p>Taking the above into account, even considering the possibility that the listing of the Target's Shares will be maintained, the Special Committee believes it overall advantageous for the Target to conduct the series of transactions in the Transaction, including the Tender Offer. Additionally, in the Transaction, if approval for the proposal relating to the Share Consolidation is not able to be obtained at an extraordinary shareholders' meeting of the Target and the Share Consolidation is not conducted, the listing of the Target's Shares is planned to be maintained for the time being; however, there is a low possibility of the Target or its general shareholders incurring any particular disadvantage due only to the Offeror becoming a shareholder of the Target while the listing of the Target's Shares is maintained.</p> <p>Based on the above, the Special Committee finds that the Transaction will contribute to increasing the corporate value of the Target and that the purposes of the Transaction, including the Tender Offer, are reasonable.</p> <p>(ii) Appropriateness of transaction terms and conditions</p> <p>The Target obtained the Share Valuation Report from Deloitte Tohmatsu Financial Advisory, a third-party valuation agency</p>
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	<p>independent from the Offeror-Related Persons. The Special Committee received explanations from Deloitte Tohmatsu Financial Advisory regarding the valuation methods, the reason for choosing those methods, the details of the valuation performed using each method, and material conditions precedent, conducted questions and answers regarding these matters, and considered the details thereof. As a result, the Special Committee believes that the valuation methods chosen by Deloitte Tohmatsu Financial Advisory are generally accepted and reasonable methods based on the current valuation practice, that other explanations regarding the valuation methods are reasonable, and that the details of the valuations are appropriate based on the current valuation practice. Additionally, the Special Committee received explanations regarding the background of preparation of the business plan on which the valuations were based and the details of and material conditions precedent for that business plan and conducted questions and answers regarding these matters, but the Special Committee confirmed that there is nothing particularly unreasonable in the details of the business plan. Moreover, when comparing the Tender Offer Price to the share valuation of the Target's Shares in the share valuation report prepared by Deloitte Tohmatsu Financial Advisory, the Tender Offer Price exceeds the upper limit of the calculation results using the market price analysis and exceeds the upper limit of the calculation results using the DCF Method.</p> <p>Additionally, as stated in "(2) Background, object and process of decision-making to implement the Tender Offer and management policy after the Tender Offer" under "3. Purposes of Tender Offer" above, the Target has engaged in repeated discussions and negotiations regarding the Tender Offer Price, as a result of which the Tender Offer Price can be evaluated based on its market price as including a significant premium and exceeds the upper limit of the calculation results using the DCF Method by Deloitte Tohmatsu Financial Advisory stated above; therefore, the Special Committee has determined that the Tender Offer Price is appropriate. Additionally, the Special Committee received reports regarding the status of negotiations with the Offeror in a timely manner, and those negotiations have been conducted with the Special Committee expressing its opinions and issuing instructions and requests to the Target and Deloitte Tohmatsu Financial Advisory regarding important aspects; moreover, no other particular circumstances have been found that would cause doubt regarding the fairness of the process for deciding the Tender Offer Price.</p> <p>Furthermore, the two-step acquisition method in which a tender offer for cash consideration and subsequent procedures for privatization (i.e., share consolidation) are implemented is a method generally employed in privatization transactions, and as the Absorption-type Merger and the Dividends In Kind to be implemented after the completion of the Squeeze-out Process will be performed at a time when there are no longer any general shareholders, no disadvantages to general shareholders in regard to the Absorption-type Merger and the Dividends In Kind have been found.</p> <p>Based on the above considerations, the Special Committee reached the determination that from the perspective of securing the interests of the Target's general shareholders, the appropriateness of the terms and conditions of the Transaction has been ensured, taking into account the facts that (a) the level of the premium added to the Tender Offer Price over the market price is found to exceed the average level when compared to the level of premiums in other recent instances of MBOs, (b) negotiations with the Offeror Group were conducted in accordance with negotiation policies decided by the Special Committee and in accordance with the instructions of the Special Committee, and as a result of those negotiations, the Target achieved an increase in the price of the Target's Shares of JPY 1,100 from the initially proposed price (approximately 58% of the initially proposed price of JPY 1,900), (c) the Tender Offer Price is considered to be reasonable based on the</p>
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	<p>calculation results in the share valuation report prepared by Deloitte Tohmatsu Financial Advisory, an independent third-party valuation agency, (d) it is found that there are no other particular circumstances that would cause doubt regarding the fairness of the process for deciding the Tender Offer Price, and (e) no unreasonable matters in regard to the method of the Transaction, including the share consolidation for privatization, have been found.</p> <p>(iii) Fairness of the procedures in the negotiation process, etc. for the Transaction</p> <p>The Special Committee reached the conclusion that the interests of the Target's general shareholders are sufficiently taken into consideration through fair procedures in the Transaction, including the Tender Offer, considering the facts that (a) in light of factors such as the Transaction being carried out as part of a so called management buyout (MBO) where there may be an inherent conflict of interest in the consideration of the Transaction by the Target, for the purposes of ensuring that the Target is careful in its decision-making regarding the Transaction, eliminating arbitrariness and the possibility of any conflict of interest in the Target's Board of Directors' decision-making process, and ensuring fairness of the same, the Target passed a resolution to establish the Special Committee composed of three persons who do not have any interests in any Offeror-Related Persons, namely Mr. Koichiro Natsume, who is an outside director of the Target, and Mr. Eiji Watanabe (tax attorney; representative of Watanabe Accounting Office) and Ms. Ayumi Nakazawa (attorney; partner of Nakazawa Law Office), who are independent outside directors (Audit & Supervisory Committee members) of the Target, and to carry out decision-making that gives the highest degree of respect to reports by the Special Committee, (b) to ensure the fairness and appropriateness of the Target's Board of Directors' decision-making process regarding the Transaction, the Target received advice and opinions from a financial perspective on the terms and conditions for the Tender Offer, including the Tender Offer Price, from Deloitte Tohmatsu Financial Advisory, which the Target appointed as a financial advisor and third-party valuation agency that is independent from the Target and the Offeror-Related Persons, and in order to ensure the reasonableness of the Tender Offer Price, the Target obtained the Share Valuation Report, (c) in considering the Transaction, the Target received legal advice from time to time from Mori Hamada & Matsumoto, a legal advisor that is independent from the Target and the Offeror Group, regarding the measures to be taken to ensure the fairness of the procedures of the Transaction, various procedures for the Transaction, and the method and other processes of the Target's decision-making for the Transaction, (d) the Target did not involve any director or employee who has an interest in the process of the consideration and negotiation of the Transaction and the process of the preparation of the business plan, and thus has established an independent consideration structure, (e) of the Target's directors, the Target did not allow Mr. Qian or Mr. Suzuki to participate in the deliberations or resolutions of the Target's Board of Directors relating to the Transaction, and the Target did not allow Mr. Qian or Mr. Suzuki to participate in the discussions or negotiations for the Transaction on behalf of the Target, (f) the Tender Offer Period for the Tender Offer is planned to be set at a period of 31 business days, which is longer than the statutory minimum (20 business days), and in order to not unreasonably restrict the opportunity for persons other than Offeror ("Counterbidders") to make a tender offer, etc., the Offeror and the Target have not entered into any agreement restricting contact by a Counterbidder with the Target during the Tender Offer Period, whereby together with the above setting of the Tender Offer Period, consideration has been given to secure the fairness of the Tender Offer by ensuring an opportunity for counteroffers, (g) the Special Committee believes that although a majority of minority condition is not planned to be set, that</p>
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	<p>does not directly reduce the fairness of procedures in the Tender Offer, and that although a minimum number of shares to be purchased in the Tender Offer is not planned to be set, even if the listing of the Target's Shares is maintained and Bain Capital becomes a shareholder of the Target, the Transaction will contribute to increasing the corporate value of the Target as stated above, and that not setting a minimum number of shares to be purchased does not directly reduce the fairness of procedures in the Tender Offer because although in light of the facts that the exercise ratio of voting rights of the Target at the 10th Ordinary Shareholders' Meeting for the September 2019 term was 68.08% and the exercise ratio of voting rights of the Target at the 11th Ordinary Shareholders' Meeting for the September 2020 term was 54.39%, even if the number of shares tendered by general shareholders in the Tender Offer is small, a resolution may be passed to take the Target's shares private considering the number of the Target's Shares held by the Non-accepting Shareholders (7,631,500 shares in total; shareholding ratio: 46.48%), since shareholders at the time of the ordinary shareholders' meetings differ from those at the time of the Extraordinary Shareholders' Meeting, in addition to which the contents of the proposals submitted differ, it cannot simply be said that the exercise ratio of voting rights at ordinary shareholders' meetings is applicable to the exercise ratio of voting rights at the Extraordinary Shareholders' Meeting, and it is considered that more consideration can be given to the intention of general shareholders compared with a scheme that is not premised on a tender offer, (h) sufficient information will be disclosed to general shareholders and an opportunity to make an appropriate decision will be ensured, and (i) the lawfulness of the privatization procedures is also ensured so that an issue of coerciveness will not arise in the Transaction.</p> <p>(ii) The Target's acquisition of a share valuation report from independent third party calculation institution</p> <p>When expressing an opinion on the Tender Offer, the Target requested Deloitte Tohmatsu Financial Advisory, as a third-party valuation agency that is independent from the Offeror-Related Persons, to calculate the share value of the Target's Shares, and procured the Share Valuation Report on March 4, 2021. Deloitte Tohmatsu Financial Advisory does not fall under a related person of any of the Offeror-Related Persons, and does not have any material interests in regard to the Tender Offer.</p> <p>Also, only a fixed amount of remuneration, which is payable regardless of whether the Transaction succeeds, will be paid to Deloitte Tohmatsu Financial Advisory, and no contingency remuneration subject to completion of the Transaction will be paid.</p> <p>Deloitte Tohmatsu Financial Advisory considered multiple potential share valuation methods to be adopted for the valuation of Target's Shares, and then, on the assumption that the Target is a going concern and that a multifaceted evaluation of the Target's Share value would be appropriate, calculated said value per Target Share using: market price analysis, because Target's Shares are listed on the TSE Mothers Market and thus have a market price, and DCF Method, to ensure that the circumstances of the Target's future business activities would be reflected in the calculation. It should be noted that since the Offeror and the Target have carried out measures to ensure the fairness of the Tender Offer Price and the Stock Acquisition Rights Purchase Prices and measures to prevent conflicts of interest as stated in "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" above, the Target has not obtained an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Deloitte Tohmatsu Financial Advisory.</p> <p>The ranges of values per Target Share that were obtained from the above-described valuation methods are as follows.</p> <p style="text-align: center;">Market Price Analysis: JPY 1,709 to 2,188</p>
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	<p data-bbox="671 192 1334 219">DCF Method: JPY 1,787 to 2,476</p> <p data-bbox="646 253 1407 555">In the market price analysis, March 4, 2021 was used as a calculation reference date, and the calculations were performed on the basis of the closing price of JPY 1,787 on said reference date, the simple average closing price of JPY 2,188 for the immediately preceding one-month period, the simple average closing price of JPY 1,716 for the immediately preceding three-month period, and the simple average closing price of JPY 1,709 for the immediately preceding six-month period, of the Target's Shares (all such prices as listed on the TSE Mothers Market). These calculations showed the value per Share to be in the range of JPY 1,709 to 2,188.</p> <p data-bbox="646 562 1407 954">In the DCF Method, the corporate value and share value of the Target were calculated by estimating the free cash flow that the Target can be expected to generate in and after the second quarter of the September 2021 term, on the basis of various factors including publicly available information and earnings projections and investment plans in the business plans prepared by the Target for the period from the September 2021 term to the September 2024 term, and then deriving the present value of that cash flow using a given discount rate. For such calculations, discount rates of between 7.00% and 8.00% were adopted. In addition, the going-concern value was calculated by employing the perpetual growth method and applying a perpetual growth rate of between 0.00% and 1.00%. The results of the calculations showed the share value per Share to be in the range of JPY 1,787 to 2,476.</p> <p data-bbox="646 987 1407 2078">The specific values in the Target financial projections that Deloitte Tohmatsu Financial Advisory used as a basis for the DCF Method calculations were as indicated below. The Special Committee has confirmed the reasonableness of the details of, material conditions precedent for, and background of preparation of the Target financial projections, as described in "(i) Establishment of the Special Committee in the Target and procuring of a report" above. These financial projections include business years in which a large increase or decrease in earnings relative to the previous year is anticipated. Specifically, with respect to the matching business, continued contributions to an increase in revenue are expected from the September 2021 term through the September 2024 term due to the growth in the market for online matching services for love and marriage hunting and the steady growth in the number of users of "with," which is an online matching service for love and marriage hunting. However, in the September 2021 term, an operating loss is expected because the Target will implement large-scale development investments in "INSPIX WORLD," its major service in the enter-tech business. From the September 2021 term through the September 2022 term, a large increase in earnings is expected as a result of a decline in the amount of large-scale development investments in "INSPIX WORLD" compared with the previous business year, although the Target will continue to implement such investments, and as a result of expansion of the matching business. Thereafter, from the September 2022 term through the September 2023 term and the September 2024 term, a large increase in earnings is expected due to achieving profitability in the enter-tech business following a reduction in development investment as a result of the development investment of "INSPIX WORLD" coming to an end and the expansion of revenue sources as well as due to realizing high growth rates of both net sales and profit in the matching business along with the growth of the market of online matching services for love and marriage hunting. Further, these financial projections do not account for the synergistic effects that will be achievable by carrying out the Transaction, because it is difficult to make a detailed estimate of those effects at the present time. Moreover, Deloitte Tohmatsu Financial Advisory conducted its analysis and examination of the content of these financial projections by holding</p>
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multiple Q&A sessions with the Target, among other activities.

(Unit: million JPY)

	September 2021 term (9months)	September 2022 term	September 2023 term	September 2024 term
Net Sales	5,566	9,182	11,469	13,916
Operating Profit	(420)	216	2,400	3,261
EBITDA	(266)	485	2,762	3,734
Free Cash Flow	(784)	(450)	1,605	2,294

When calculating the Target's Share value, Deloitte Tohmatsu Financial Advisory, as a rule, utilized the information provided by the Target, publicly-available information, and other such information as-is, assuming that these materials, information, etc. were accurate and complete in all respects, and that there were no facts undisclosed to Deloitte Tohmatsu Financial Advisory that could have a material impact on the calculation of the Target's Share value; thus, Deloitte Tohmatsu Financial Advisory did not independently evaluate the accuracy or completeness of these materials. Further, it was assumed that all information related to Target financial projections had been reasonably prepared on the basis of the best predictions and judgments currently available to Target top management. Moreover, no independent evaluations or assessments were made, and no expert opinions or assessments from third-party organizations were sought, in regard to the assets and liabilities of the Target and its affiliates (including financial derivatives, unlisted assets and liabilities, and other contingent liabilities). Deloitte Tohmatsu Financial Advisory's calculation reflects the abovementioned information covering the period up to March 4, 2021.

The Tender Offer also covers Stock Acquisition Rights, and the Stock Acquisition Rights Purchase Prices pertaining to the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, and the Thirteenth Stock Acquisition Rights have been set to the amounts obtained by multiplying the difference between the JPY 3,000 Tender Offer Price and the exercise price per Share for the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights, and the Thirteenth Stock Acquisition Rights, respectively, by the number of common shares subject to each such Stock Acquisition Right (specifically, JPY 4,450 for the Fourth Stock Acquisition Rights, which is the amount obtained by multiplying JPY 2,225, the difference relative to the exercise price per Share of JPY 775, by 2; JPY 353,400 for the Twelfth Stock Acquisition Rights, which is the amount obtained by multiplying JPY 1,767, the difference relative to the exercise price per Share of JPY 1,233, by 200; and JPY 135,000 for the Thirteenth Stock Acquisition Rights, which is the amount obtained by multiplying JPY 675, the difference relative to the exercise price per Share of JPY 2,325, by 200), and were calculated on the basis of the Tender Offer Price. However, the exercise prices, etc. per Share for the Stock Acquisition Rights Purchase Prices pertaining to the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights are each above the JPY 3,000 Tender Offer Price (specifically, the exercise price per Share of JPY 5,000 for the Fifteenth Stock Acquisition Rights and the minimum exercise price per Share of JPY 7,000 for the Sixteenth Stock Acquisition Rights, all of which are above the JPY 3,000 Tender Offer Price), and therefore the Stock Acquisition Rights Purchase Prices have been set at JPY 1 for the Fifteenth Stock Acquisition Rights and JPY 1 for the Sixteenth Stock Acquisition Rights. Therefore, the Target did not obtain a formal calculation or a fairness opinion from any third-party

	<p>valuation agency in regard to the Stock Acquisition Rights Purchase Prices.</p> <p>(iii) Advice from independent law firm to the Target</p> <p>To ensure the fairness and appropriateness of the Target's Board of Directors' decision-making process regarding the Transaction, the Target appointed Mori Hamada & Matsumoto as a legal advisor that is independent from the Offeror-Related Persons, and received from said law office necessary legal advice regarding the method and process of decision-making for the Target's Board of Directors including procedures relating to the Transaction, and other matters for consideration.</p> <p>Mori Hamada & Matsumoto does not fall under a related person of any of the Offeror-Related Persons, and does not have any material interests in regard to the Transaction, which the Tender Offer. Further, at the first meeting of the Special Committee, the Special Committee confirmed that there are no issues with the respect to the independence of Mori Hamada & Matsumoto, and approved Mori Hamada & Matsumoto as a legal advisor for the Target. Also, the remuneration of Mori Hamada & Matsumoto will be calculated by multiplying the number of hours worked by an hourly rate regardless of whether the Transaction succeeds, and no contingency remuneration subject to completion of the Transaction will be paid.</p> <p>(iv) Approval of all disinterested directors of the Target (including auditors)</p> <p>On the basis of the Share Valuation Report obtained from Deloitte Tohmatsu Financial Advisory and legal advice obtained from Mori Hamada & Matsumoto, the Target carefully considered the terms of the Transaction while maximally giving weight to the content of the Report submitted by the Special Committee (see "(i) Establishment of the Special Committee in the Target and procuring of a report" above regarding the constitution of the Special Committee and its specific activities etc.).</p> <p>Consequently, as explained in "(ii) Process of decision-making behind the Target's decision to support the Tender Offer and its reasons " in "(2) Background, object and process of decision-making to implement the Tender Offer and management policy after the Tender Offer" under "3. Purposes of Tender Offer " above, the Target's Board of Directors decided, regarding the Transaction, that the Transaction, which includes the Tender Offer, can be expected to improve the Target's corporate value and the Tender Offer Price and other conditions of the Tender Offer are appropriate from the perspective of the Target's shareholders, and that the Tender Offer will provide the Target's shareholders with a reasonable opportunity to sell their Target's Shares. At the Target's Board of Directors meeting held on March 5, 2021, the Target's directors (four directors (Mr. Kenji Kotake, Mr. Eiji Watanabe, and Ms. Ayumi Nakazawa, who are Audit & Supervisory Committee members, and Mr. Koichiro Natsume) out of six directors in total, excluding Mr. Qian and Mr. Suzuki) who participated in deliberation and voting unanimously passed a resolution to state an opinion in favor of the Tender Offer and to recommend that all of the Target's shareholders tender their Target's Shares in the Tender Offer.</p> <p>With respect to the Stock Acquisition Rights, the Target also passed a resolution to recommend that because the Stock Acquisition Rights Purchase Prices of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights were set at the amounts obtained by multiplying the difference between Tender Offer Price of JPY 3,000 and the exercise price per Target's Share that is the object of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition</p>
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Rights by the number of common shares subject to the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights and were calculated on the basis of the Tender Offer Price, the Stock Acquisition Right Holders who hold the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer, but because the Stock Acquisition Rights Purchase Prices of the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights were set to be JPY 1 on the ground that the exercise price per Target's Share exceeds JPY 3,000, which is the Tender Offer Price, to leave the decision on whether the Stock Acquisition Right Holders who hold the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights tender their Stock Acquisition Rights in the Tender Offer to the judgment of those Stock Acquisition Right Holders.

Since Mr. Qian and Mr. Suzuki are shareholders of the Offeror and expected to remain engaged in the management of the Target after the completion of the Tender Offer and to continue to hold the Non-accepted Target's Shares for Tendering after the completion of the Tender Offer in order to share the common objective for enhancing the corporate value, they have conflicts of interest with the Target in relation to the Transaction, and thus, both of them did not in any way participate in the deliberations or voting in the above meeting of the Target's Board of Directors, nor did they have any role in the consultations and negotiations with the Offeror from the Target's position.

(v) Ensuring of objective circumstances to ensure fairness of the Tender Offer

Offeror has not executed with the Target any agreement including a deal protection provision prohibiting contact by the Target with any Counterbidder regarding the Target's Shares concurrently with the Tender Offer or any other agreement restricting contact by a counterbidder with the Target. Further, Offeror has set as the Tender Offer Period a period of 31 business days, which is longer than the statutory minimum of 20 business days. By setting a comparatively long period as the Tender Offer Period, Offeror intends to ensure an appropriate Tender Offer Price by securing for the Target's shareholders and the Stock Acquisition Right Holders an appropriate opportunity for decision-making regarding tendering shares in the Tender Offer and securing an opportunity for persons other than Offeror to make counteroffer etc. for the Target's Shares.

As stated in "(i) Establishment of the Special Committee in the Target and procuring of a report" above, with respect to a so called proactive market check (including bidding procedures before public announcement of the Transaction) to investigate and consider whether there are any potential acquirers in the market, in light of the nature of measures that have been carried out to ensure the fairness of the Transaction that includes the Tender Offer, and other specific circumstances of the Transaction, the Special Committee determined that even if such checks are not carried out, there will be no specific hindrances to the fairness of the Transaction.

The Offeror believes that setting a so called "majority of minority" minimum number of shares to be purchased in the Tender Offer may make the completion of the Tender Offer uncertain because the level of the number of acquired shares necessary for the completion of the Tender Offer would become significantly high, and doing so may instead cause the Tender Offer not to contribute to the interests of minority shareholders wishing to tender shares therein. Therefore, the Offeror has not set a "majority of minority" minimum number of shares to be purchased in the Tender Offer. The Offeror believes that the interests of the Target's minority shareholders are sufficiently taken into

	consideration because the Offeror and the Target have carried out the above measures as measures to ensure the fairness of the Tender Offer Price and the Stock Acquisition Rights Purchase Prices and measures to prevent conflicts of interest.
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(3) Number of shares to be purchased

Types of shares	Number of shares to be purchased	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Ordinary shares	8,761,149 (shares)	-	-
Total	8,761,149 (shares)	-	-

- (Note 1) Since the maximum and minimum numbers of the shares, etc. to be purchased have not been set for the Tender Offer. Accordingly, the Offeror will purchase all of the Tendered Shares.
- (Note 2) Since the maximum and minimum numbers of the shares, etc. to be purchased have not been set for the Tender Offer, the stated number to be purchased is the maximum number of shares, etc. of the Target that may be purchased by the Offeror upon the Tender Offer (8,761,149 shares). Such maximum number (8,761,149 shares) is calculated by deducting the number of shares that is subject to the Non-accepted Shares for Tendering (7,631,500 shares) and 130 of the Stock Acquisition Rights owned by Non-accepting Shareholders (26,000 shares) from the Total Number of Target's Shares Based on Dilutive Share Considerations (16,418,649 shares).
- (Note 3) The ordinary shares to be purchased comprise 8,001,549 shares of ordinary shares, 2,800 of the Fourth Stock Acquisition Rights (the number of ordinary shares subject to such rights: 5,600 shares), 150 of the Twelfth Stock Acquisition Rights (the number of ordinary shares subject to such rights: 30,000 shares), 120 of the Thirteenth Stock Acquisition Rights (the number of ordinary shares subject to such rights: 24,000 shares), 3,500 of the Fifteenth Stock Acquisition Rights (the number of ordinary shares subject to such rights: 350,000 rights), and 3,500 of the Sixteenth Stock Acquisition Rights (the number of ordinary shares subject to such rights: 350,000 shares).
- (Note 4) Shares of less than one unit are also subject to the Tender Offer. If a shareholder exercises the statutory put option for shares less than one unit pursuant to the Companies Act, the Target may, in accordance with statutory procedures, purchase its own shares during the Tender Offer Period.
- (Note 5) The Offeror has no plan to acquire the treasury shares held by the Target through the Tender Offer.
- (Note 6) Although it is possible that the Stock Acquisition Rights may be exercised by the last day of the Tender Offer Period, the Target's Shares that may be issued or transferred by such exercise are also deemed as the subject of the Tender Offer.

5. Percentage of Ownership of Share Certificates after Tender Offer

Details	Number of voting rights
Number of voting rights represented by the shares to be purchased: (a)	87,611
Number of voting rights represented by potential shares included in (a): (b)	7,596
Number of voting rights represented by depository receipts for shares and beneficiary certificates of trust for shares included in (b): (c)	-
Number of voting rights represented by shares held by the Offeror (as of March 8, 2021) : (d)	-
Number of voting rights represented by potential shares included in (d) : (e)	-
Number of voting rights represented by depository receipts for shares and beneficiary certificates of trust for shares, etc. included in (e): (f)	-
Number of voting rights represented by shares held by special related parties (as of March 8, 2021) : (g)	76,575
Number of voting rights represented by potential shares included in (g): (h)	260
Number of voting rights represented by depository receipts for shares and beneficiary certificates of trust for shares included in (h): (i)	-
Number of voting rights of all shareholders, etc. of the Target (as of September 30, 2020) : (j)	155,954
Percentage of voting rights represented by the shares to be purchased to the number of voting rights of all shareholders, etc. of the Target: (a) / (j) (%)	53.36
Percentage of ownership of share certificates after tender offer: (a+d+g) / (j+(b-c)+(e-f)+(h-i))×100 (%)	100.00

- (Note 1) "Number of voting rights represented by the shares to be purchased: (a)" is the number of voting rights relating to the number of shares scheduled to be purchased in the Tender Offer.
- (Note 2) "Number of voting rights represented by potential shares included in (a): (b)" is the number of voting rights of shares, etc. to be purchased when the stock acquisition rights are converted into the number of shares pursuant to each of the Terms and Conditions of the Stock Acquisition Rights (759,600 shares).
- (Note 3) "Number of voting rights represented by shares held by special related parties (as of March 8, 2021): (g)" is the total number of voting rights relating to the number of shares owned by special related parties.
- (Note 4) "Percentage of voting rights of all shareholders, etc. of the Target (as of September 30, 2020): (j)" is the number of voting rights of all shareholders as of September 30, 2020, as stated in the Target's Quarterly Securities Report (the number of shares per unit is indicated as 100 shares). Provided, however, that, since the Target's Shares that may be issued or transferred by the exercise of shares less than one unit or the Stock Acquisition Rights are also subject to the Tender Offer, the calculation of "Percentage of voting rights represented by the shares to be purchased to the number of voting rights of all shareholders, etc. of the Target" and "Percentage of ownership of share certificates after tender offer" is conducted by the number of voting rights relating to the Total Number of Target's Shares Based on Dilutive Share Considerations (16,418,649 shares) (164,186 voting rights) as the denominator.
- (Note 5) With respect to "Percentage of voting rights represented by the shares to be purchased to the number of voting rights of all shareholders, etc. of the Target" and "Percentage of ownership of share certificates after tender offer", figures are rounded to the second decimal place.

6. Licenses, Etc. Concerning Acquisition of Shares

(1) Class of Shares

Common shares

(2) Basis Laws

(i) Act on Prohibition of Private Monopolization and Maintenance of Fair Trade

The Offeror must file a plan for the acquisition of shares of the Target resulting from the Tender Offer (the "Share Acquisition") with the Fair Trade Commission in advance (such filing is hereinafter referred to as the "Prior Notification") under Article 10, Paragraph 2 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947, as amended; the "Antitrust Act") and may not conduct the Share Acquisition until, in principle, 30 days (or in some cases shorter) have passed from the date of acceptance of the Prior Notification under Paragraph 8 of the same Article (such period during which the Share Acquisition is prohibited is hereinafter referred to as the "Non-Acquisition Period").

Furthermore, Article 10, Paragraph 1 of the Antitrust Act prohibits the acquisition of shares of another company that would substantially restrain competition in any particular field of trade and the Fair Trade Commission may order any necessary measures to eliminate acts in violation thereof (Article 17-2, Paragraph 1 of the same Act; hereinafter referred to as the "Cease and Desist Order"). In the event that a Prior Notification has been given and the Fair Trade Commission is to issue a Cease and Desist Order, the Fair Trade Commission must conduct a hearing of opinions with respect to the persons who are to be the addressees of the Cease and Desist Order (Article 49 of the same Act) and upon holding such hearing, must notify the addressees of the content of the scheduled Cease and Desist Order (Article 50, Paragraph 1 of the same Act; hereinafter referred to as "Prior Notice of Cease and Desist Order"). A Prior Notice of Cease and Desist Order relating to share acquisition must be given within a certain period (In principle, 30 days from the day the Prior Notification is accepted, but this may be extended or shortened; hereinafter referred to as the "Period for Measures") (Article 10, Paragraph 9 of the same Act). Furthermore, if the Fair Trade Commission decides not to give Prior Notice of Cease and Desist Order, it must give notice to that effect (hereinafter referred to as "Notice of Omission of Cease and Desist Order") (Article 9 of the Rules on Applications for Approval, Reporting, Notification, etc. Pursuant to the Provisions of Articles 9 to 16 of the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Fair Trade Commission Rule No. 1 of 1953, as amended)).

With regard to the Share Acquisition, the Offeror gave a Prior Notification to the Fair Trade Commission on March 1, 2021 and the said Prior Notification was accepted on the same day. Accordingly, in principle, the Period for Measures in which the Prior Notice of Cease and Desist Order shall be given and Non-Acquisition Period will expire after March 31, 2021.

If the Period for Measures does not expire by the day preceding the expiry date of the Tender Offer Period, if the Prior Notice of Cease and Desist Order is given, or if the Offeror is subject to a petition for an urgent temporary suspension order by the court as a person that has conducted an act that is suspected of violating the provisions of Article 10, Paragraph 1 of the Antitrust Act, this may be deemed as an occurrence of a situation set forth under Article 14, Paragraph 1, Item 4 of the Enforcement Order which is set out in "11. Other Conditions and Methods of Tender Offer", "(2) Conditions for withdrawal of the Tender Offer, details thereof and method of disclosure for withdrawal" below and therefore the Tender Offer may be withdrawn. If the Period of the Measures has ended without receiving the Prior Notice of Cease and Desist Order or a request for reports, etc. from the Fair Trade Commission pursuant to Article 10, Paragraph 9 of the Antitrust

Act, or if the Offeror receives a notice from the Fair Trade Commission that the Fair Trade Commission will not issue a Cease and Desist Order, the Offeror shall immediately file an amendment to this Statement with the Director of Kanto Local Finance Bureau pursuant to Article 27-8, Paragraph 2 of the Act.

(ii) Foreign Exchange and Foreign Trade Act

The Offeror has filed an application with the Minister of Finance and the competent Minister for the business as of February 26, 2021 in accordance with Article 27.1 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended; the "Foreign Exchange Act") and the application has been accepted on the same day.

After the acceptance of such application, the waiting period of 30 days is required before it becomes possible for the Offeror to implement the Share Acquisition. Such waiting period may be curtailed. When it is acknowledged that the inward direct investment pertaining to the application falls under inward direct investment related to matters including national security, the Minister of Finance and the competent Minister for the business may advise the change of the content of or discontinuation of such inward direct investment and as a result thereof, the waiting period may be extended up to five months.

When the waiting period is extended as described above or when the Offeror is advised to change the content of or to discontinue such inward direct investment, the Offeror may withdraw the Tender Offer on the ground of the occurrence of any events stipulated in Article 14, Paragraph 1, Item 4 of the Enforcement Order as described in "(2) Conditions for withdrawal of the Tender Offer, details thereof and method of disclosure for withdrawal" under "11. Other Conditions and Methods of Tender Offer" below.

(3) Date and Number of Licenses, Etc.

N/A

7. Method of Tendering Shares under the Tender Offer and Cancellation thereof

(1) Method of tendering shares

(i) Tender Offer Agent

Nomura Securities Co., Ltd.

13-1, Nihombashi 1-chome, Chuo-ku, Tokyo

(ii) Persons wishing to tender their shares under the Tender Offer (the "Tendering Shareholders") are required to fill in the prescribed "Tender Offer Application Form" (*koukai-kaisuke-oubo-moushikomisho*) and submit it to the head office or any branch office of the Tender Offer Agent by no later than 3:30 p.m. on the last day of the Tender Offer Period. Seal and My Number (Individual Number (*kojin-bango*)) or the Corporate Number (*hojin-bango*) and identification documents may be required upon application (Note 1).

If the Tendering Shareholders wish to tender their shares through the online service (online service for customers having accounts with the Tender Offer Agent), they are required to complete procedures through the online service (<https://hometrade.nomura.co.jp/>) by no later than 3:30 p.m. on the last day of the Tender Offer Period. Upon such application through the online service, the Tendering Shareholders are required to apply for the use of the online service through the account set up in the name of and by the Tendering Shareholders with the Tender Offer Agent (the "Tendering Shareholder Account") (Note 2).

* To prevent the spread of the new coronavirus, the Tender Offer Agent may take special measures, such as temporarily suspending target branches during the Tender Offer Period. For details, please contact the head office or any branch office of the Tender Offer Agent. In addition, please also refer to the website of the Tender Offer Agent (<https://www.nomura.co.jp/>) for the target branches and special measures.

- (iii) In order to accept shares under the Tender Offer, such shares scheduled to be tendered will need to be recorded in the Tendering Shareholder Account. Therefore, in cases where shares scheduled to be tendered are recorded in an account with a financial instruments business operators other than the Tender Offer Agent (including cases where such shares are recorded in a special account established with Mizuho Trust & Banking Co., Ltd., the account management institution of the Target's special account), procedures to transfer such shares into a Tendering Shareholder Account must be completed prior to tendering such shares.
- (iv) As transfer restrictions are imposed on the Share Acquisition Rights, when applying for tendering the share acquisition rights, please submit the "Notice to Approve Transfer of Share Acquisition Rights" issued by the Target at the request of the share acquisition rights holder, together with the "Tender Offer Application Form". In addition, as confirmation documents of being the share acquisition rights holder, please submit the "document stating the matters to be stated in the registry of the share acquisition rights" issued by the Target at the request of the share acquisition rights holder and the documents necessary for requesting transfer of the registry of the share acquisition rights conditional on the completion of the Tender Offer. No application for tendering the share acquisition rights shall be accepted through the online service.
- (v) No application for tendering under the Tender Offer made through financial instruments business operators other than the Tender Offer Agents shall be accepted.
- (vi) Shareholders that reside outside Japan and have no accounts available for transaction with the Tender Offer Agent (including corporate shareholders, the "Non-Resident Shareholders") are requested to tender shares through their standing proxies residing in Japan. Shareholders that reside outside Japan may not tender shares through the online service
- (vii) As regards individual shareholders residing in Japan, any difference between the purchase price for the shares sold through the Tender Offer and the original cost of acquiring the same shall generally be subject to self-assessment taxation separate from other income with regard to capital gains on the shares (Note 3).
- (viii) If all of the tendered shares are not purchased, such shares that are not purchased will be returned to the Tendering Shareholders.

(Note 1) Seal, My Number (Individual Number) or the Corporate Number and identification documents
Shareholders who are opening a new account with the Tender Offer Agent, Nomura Securities Co., Ltd., must bring their seals and submit My Number (Individual Number) or the Corporate Number and identification documents. My Number (Individual Number) or Corporate Number and identification documents may be required every time when a shareholder changes its name, address or a branch he or she uses or upon every tax procedures even if a shareholder already has an account established with the Tender Offer Agent. Depending on the documents to be submitted to verify My

Number (Individual Number), the required identification documents may differ. For more information about documents to verify My Number (Individual Number) or the Corporate Number, and Identification Documents, please contact the Tender Offer Agent.

- For individuals:

Documents required upon provision of My Number (Individual Number)

Upon provision of My Number (Individual Number), the prescribed "Document to provide My Number (Individual Number)" and [1] documents to verify My Number (Individual Number) and [2] identification documents are required.

[1] Documents to verify My Number (Individual Number)

One of the following is required: Individual Number card, notification card, a copy of residence registry (*jyumin-hyo*) which includes the My Number (Individual Number) or a certificate of record of residence registry (*jyumin-hyo-kisai-jiko-shomeisho*) which includes My Number (Individual Number).

[2] Identification documents

Document(s) to verify My Number (Individual Number)	Identification documents required
Individual Number card	N/A
Notification card	Any one of the documents listed in [A] or two of the documents listed in [B]
A copy of residence registry which includes My Number (Individual Number)	Any one of the documents listed in [A] or [B] other than "a copy of residence registry" and "a certificate of record of residence registry"
A certificate of record of residence registry which includes the My Number (Individual Number)	

[A] Identification document with a face photo

- A submission of a copy of the original within the validity period is required
A passport, driver's license, certificate of driving history (*untan keireki shomeisho*), physical disability certificate (*shintai shogaisha techo*), mental disability certificate (*seishin shogaisha hoken fukushi techo*), rehabilitation certificate (*ryoiku techo*), residence card and special permanent resident certificate (*tokubetsu-eijusha-shomeisho*)

[B] Identification document without a face photo

- A submission of the original issued within six (6) months or a copy thereof is required.
A copy of residence registry, a certificate of record of residence registry and a certificate of registered seal (*inkan-toroku-shomeisho*)
- A submission of a copy of the original within the validity period is required
Health insurance cards (*kenko hokencho*) of every kind, a proof of national pension (*kokumin nenkin techo*) (with description of name, address and date of birth) and welfare certificates of every kind (*fukushi techo*)
 - * It is necessary to verify the following two (2) issues in the identification documents (the original and/or a copy thereof):
 - (1) validity period of the identification documents themselves; and
 - (2) address, name and date of birth filled in the application form
 - * If the Tendering Shareholders go through the procedure in any branch of Nomura Securities Co., Ltd., they are required to present the original, which will be confirmed on the spot.
 - * The Tendering Shareholders may be once again required to present the original, if they submitted a copy thereof.
 - * The "Documents pertaining to the transaction" will be sent by Nomura Securities Co., Ltd to the address on the identification documents to verify the identity of the Tendering Shareholders.
 - * When the Tendering Shareholders submit identification documents related to various procedures such as opening a new account or changing the address, only the identification documents of the account holder can also serve as documents required to provide My Number (Individual Number). (The Tendering Shareholders are not required to submit more than one of the same one.)

- For corporations:

A certificate of registered matters (*tokijiko shomeisho*) and the identification documents such as documents issued by public offices are required.

* Identification matters: (1) name and (2) location of the head office or the principal office

* In addition to identity verification of the corporation itself, identity verification of the representative or agent and/or person in charge of transactions (a person in charge of concluding an agreement) is required.

When providing the Corporate Number, the Tendering Shareholders are required to submit the printed result screen of "National Tax Agency Corporate Number Publication Site" or a copy of "Notification of Corporate Number" as a document to confirm the Corporate Number. In addition, a predetermined "Provision of Corporation Number" may be required.

- For foreign nationals (excluding residents in Japan) or corporations having their head offices or principal offices in foreign states:
Identification documents such as documents issued by a foreign government approved by the Japanese government or an authorized international organization or any other documents similar thereto, which are equivalent to identification documents of the residents, are required.

(Note 2) To use the online service, the Tendering Shareholders are required to apply for such service. After applying for the online service, it will take about a week for the password to arrive at the registered address, so the Tendering Shareholders are required to proceed as soon as possible. If it is close to the last day of the Tender Offer Period, it will take less time if they go through the procedure in branches they use

- For individuals: New applications are accepted from the online service login screen. Alternatively, the Tendering Shareholders are required to contact branches they use or an online service support number.
- For corporations: The Tendering Shareholders are required to contact branches they use. If the Tendering Shareholders are corporations, they can apply for the Tender Offer through the online service only if they are not registered as a representative or any other similar positions.

(Note 3) Self-assessment taxation separate from other income with regard to gains on shares (for individual shareholders):
For individual shareholders, capital gains realized from income received on a transfer of shares will generally be subject to self-assessment taxation separate from other income. Shareholders should consult his or her own licensed tax accountant or other experts with respect to any specific questions regarding tax consequences and is responsible for his or her own decisions.

(2) Method of cancelling the tender of shares to the Tender Offer

Tendering Shareholders may, at any time during the Tender Offer Period, cancel any agreements concerning the tender offer. Tendering shareholders who wish to cancel such agreements must deliver, or send by mail, a document stating that such Tendering Shareholders cancel agreements concerning the tender offer (the "Cancellation Notice") to the head office or any branch office of the person designated as follows that accepted the tender no later than 3:30 p.m. on the last day of the Tender Offer Period. Please note that the Cancellation Notice, if sent by mail, must be received no later than 3:30 p.m. on the last day of the Tender Offer Period.

To cancel such agreements they applied for through the online service, the Tendering Shareholders are required to operate the online service (<https://hometrade.nomura.co.jp/>) or deliver or send the Cancellation Notice. In case of cancellation through the online services, the Tendering Shareholders are required to cancel such agreements by no later than 3:30 p.m. on the last day of the Tender Offer Period in accordance with the instructions on the relevant screen. It should be noted that the Tendering Shareholders may not cancel such agreements through the online services, which they applied for at branches they use. In case of cancellation through delivering or sending the Cancellation Notice, the Tendering Shareholders are required to request the Cancellation Notice to branches they use in advance and deliver or send it to branches they use by no later than 3:30 p.m. on the last day of the Tender Offer Period; provided, however, that, in case of sending

the Cancellation Notice, it shall arrive by no later than 3:30 p.m. on the last day of the Tender Offer Period.

* To prevent the spread of the new coronavirus, the Tender Offer Agent may take special measures, such as temporarily suspending target branches during the Tender Offer Period. For details, please contact the head office or any branch office of the Tender Offer Agent. In addition, please also refer to the website of the Tender Offer Agent (<https://www.nomura.co.jp/>) for the target branches and special measures.

Person authorized to receive the Cancellation Notice:

Nomura Securities Co., Ltd.

13-1, Nihombashi 1-chome, Chuo-ku, Tokyo

(Any other branch offices of Nomura Securities Co., Ltd.)

(3) Method of return of shares

If a Tendering Shareholder offers to cancel agreements concerning the tender offer by the method described in "(2) Method of cancelling the tender of shares to the Tender Offer" above, the relevant shares will be returned promptly following the completion of the cancellation procedures by the method described in "(4) Method of return of shares" under "10. Method of Settlement" below.

(4) Name and address of head office of financial instruments business operators, banks, etc. keeping custody of, and returning shares

Nomura Securities Co., Ltd.

13-1, Nihombashi 1-chome, Chuo-ku, Tokyo

8. Funds Required for Tender Offer

(1) Funds, etc. required for tender offer

Purchase price (JPY): (a)	26,283,447,000
Types of consideration other than cash:	-
Sum of consideration other than cash:	-
Purchase commission: (b)	140,000,000
Others: (c)	12,000,000
Total (a)+(b)+(c):	26,435,447,000

(Note 1) "Purchase price (JPY): (a)" is the amount calculated by multiplying the tendered shares to be purchased (8,761,149 shares) by the Tender Offer Price (JPY 3,000).

(Note 2) "Purchase commission: (b)" is the estimated amount of commission to be paid to the Tender Offer Agent.

(Note 3) "Others: (c)" is comprised of estimated fees and expenses for the publication fee of Tender Offer and the printing of the Tender Offer explanatory statement and other necessary documents .

(Note 4) There are other expenses to be paid to the Tender Offer Agent and legal fees, and such amounts are not determined yet.

(Note 5) The above amount does not include consumption tax, etc.

(2) Deposits or borrowings, etc. that may be appropriated to obtain the funds required for the Tender Offer

(i) Deposits one or two days prior to the filing date

Type of deposit	Amounts (thousand yen)
-	-
TOTAL (a)	-

(ii) Borrowings prior to the filing date

(a) Financial institutions

	Lender's business category	Name of lender	Terms of lending agreement	Amounts (thousand yen)
1	-	-	-	-
2	-	-	-	-
TOTAL				-

(b) Others

Lender's business category	Name of lender	Terms of lending agreement	Amounts (thousand yen)
-	-	-	-
-	-	-	-
TOTAL			-

(iii) Borrowings to be made on or after the filing date

(a) Financial institutions

	Lender's business category	Name of Lender	Terms of loan agreement	Amounts (thousand yen)
1	-	-	-	-
2	-	-	-	-
TOTAL (b)				-

(b) Others

Lender's business category	Name of lender	Terms of loan agreement	Amounts (thousand yen)
-	-	-	-
-	-	-	-
TOTAL (c)			-

(iv) Other methods of financing

Content	Amounts (thousand yen)
Investments from the shareholders of the Offeror	30,000,000
TOTAL (d)	30,000,000

(Note 1) As a guarantee for the investment in the amount of funds, the Offeror has obtained a certificate from

BCPE Wish Cayman, which owns 50.00% of the voting rights of the Offeror's ordinary shares, as of March 5, 2021 that it is prepared to make investments up to JPY 30,000,000 thousand in the Offeror. BCPE Wish Cayman has obtained a certificate from BCPE Wish Holdings Cayman, L.P. as of March 5, 2021 that it is prepared to make investments up to JPY 30,000,000 thousand in BCPE Wish Cayman. BCPE Wish Holdings Cayman, L.P. has obtained a certificate from Bain Capital Asia Fund IV, L.P. ("BC Asia IV Fund") as of March 5, 2021 that it is prepared to make investments up to JPY 30,000,000 thousand in BCPE Wish Holdings Cayman, L.P..

- (Note 2) The Offeror has confirmed the certainty of the investment of the BCPE Wish Cayman by receiving the following reports from the BCPE Wish Cayman. BC Asia IV Fund is an exempted limited partnership organized under the laws of the Cayman Islands. The Investment commitment to BC Asia IV Fund has been made mainly by the limited partners ("BC Asia IV Fund LPs") of BC Asia IV Fund which is an institutional investor, such as an international financial institution, a public pension fund, a foundation, a fund of funds and a government investment institution. BC Asia IV Fund LPs have committed to make a certain amount of monetary investments (the "Commitment Amount") to BC Asia IV Fund. If, within the investment period of BC Asia IV Fund, Bain Capital Investors Asia IV, LLC ("BC Asia IV Fund GP") which is the general partner of BC Asia IV Fund issues a notice requiring the making of monetary investments, each of the BC Asia IV Fund LPs is required to make monetary investments to BC Asia IV Fund to the extent of their unused Commitment Amounts, in proportion to their respective Commitment Amounts, unless making investments is in violation of applicable laws, regulations or investment policies.

Even if some of the BC Asia IV Fund LPs fail to fulfill their investment obligations, the other BC Asia IV Fund LPs will not be exempted from their investment obligations, and BC Asia IV Fund GP may obligate the other BC Asia IV Fund LPs to make additional investments in proportion to their respective Commitment Amounts and allocate such amount to the shortfall caused by such failure, to a certain extent, so that funds equivalent to the amount of investments in the BCPE Wish Holdings Cayman, L.P. mentioned above may be contributed.

- (v) Total of deposits or borrowings, etc. that can be as appropriated to obtain funds required for tender offer

JPY 30,000,000 thousand ((a) + (b) + (c) + (d))

- (3) Relationship between the Offeror and the company issuing securities as consideration for the purchase

N/A

9. The Company Issuing Securities as Consideration for the Purchase

N/A

10. Method of Settlement

- (1) Name and address of the head office of financial instruments business operators or banks etc. in charge of the settlement of purchase
Nomura Securities Co., Ltd.
13-1, Nihombashi 1-chome, Chuo-ku, Tokyo

- (2) Commencement date of settlement

April 26, 2021 (Monday)

- (3) Method of settlement

A notice of purchase, etc. through the Tender Offer shall be mailed to the addresses of the Tendering Shareholders (or the addresses of standing proxies in the case of Non-Resident Shareholders) without delay after the expiry of the Tender Offer Period.

Payment for the shares will be made in money. The Tendering Shareholders may receive the proceeds from the Tender Offer without delay on or after the commencement date of the settlement by remittance or other means instructed by the Tendering Shareholders (Remittance charges may apply.).

- (4) Method of return of shares

In the event that all of the tendered shares are not purchased under the terms set forth in "(2) Conditions for withdrawal of the Tender Offer, details thereof and method of disclosure for withdrawal" under "11. Other Conditions and Methods of Tender Offer" below, the shares, etc. to be returned shall be returned, promptly after the second business day following the last day of the Tender Offer Period (or in case of the withdrawal of the tender offer, at the date of such withdrawal). The shares shall be returned to the Tendering Shareholder Account of the Tender Offer Agent by returning such shares to be returned to their original state of record immediately before the tendering (If the shares are transferred to the Tendering Shareholders' accounts set up with another financial instruments business operators, the Tendering Shareholders are required to confirm it with the head office or any branch office of the Tender Offer Agent that accepted the tender). With respect to the share acquisition rights, the documents submitted at the time of the application for tendering the share acquisition rights (such documents set forth in (iv) of "(1) Method of tendering shares" under "7. Method of Tendering Shares under the Tender Offer and Cancellation thereof" above) shall be delivered to the Tendering Shareholders or returned by mail to their addresses as instructed by themselves, respectively.

* To prevent the spread of the new coronavirus, the Tender Offer Agent may take special measures, such as temporarily suspending target branches during the Tender Offer Period. For details, please contact the head office or any branch office of the Tender Offer Agent. In addition, please also refer to the website of the Tender Offer Agent (<https://www.nomura.co.jp/>) for the target branches and special measures.

11. Other Conditions and Methods of Tender Offer

- (1) Conditions set forth in Article 27-13, Paragraph 4 of the Act and the details thereof

Neither maximum nor minimum number of the shares, etc. to be purchased is set. Therefore, the Offeror will purchase all of the tendered shares.

- (2) Conditions for withdrawal of the Tender Offer, details thereof and method of disclosure for withdrawal

Upon the occurrence of any event listed in Article 14, Paragraph 1, Items 1 *i* through *nu* and *wa* through *tsu*, Items 3 *i* through *chi* and *nu*, Item 4, as well as in Article 14, Paragraph 2, Items 3 through 6 of the Enforcement Order, the Offeror may withdraw the Tender Offer. Also, an event equivalent to the respective events specified in *i* through *ri* set forth in Article 14, Paragraph 1, Items 3 *nu* of the Enforcement Order refers to (i) an event that any statutory disclosure documents that the Target has previously filed turns out to contain false information in respect of any material matters or lacks information required to be provided in relation to material matters and to (ii) an event where any fact specified in *i* through *to* of the same Item occurs to an important subsidiary of the Target.

As described in above "(2) Basis Laws" in "6. Licenses, Etc. Concerning Acquisition of Shares", if the Period for Measures does not expire, if the Prior Notice of Cease and Desist Order is given and if the Offeror is subject to a petition for an urgent temporary suspension order by the court as a person that has conducted an act that is suspected of violating the provisions of Article 10, Paragraph 1 of the Antitrust Act with regard to the Prior Notification by the Offeror to the Fair Trade Commission as set forth under Article 10, Paragraph 2 of the Antitrust Act by the day preceding the expiry date of the Tender Offer Period (including cases where it has been extended), this may be deemed that the Offeror has failed to receive the "Permission, etc." set forth under Article 14, Paragraph 1, Item 4 of the Enforcement Order and the Tender Offer may therefore be withdrawn. In addition to above, as described in above "(2) Basis Laws" in "6. Licenses, Etc. Concerning Acquisition of Shares" and in response to a notification pursuant to the provisions of Article 27, paragraph (1) of the Foreign Exchange Act, if it is found necessary by the Minister of Finance and the competent minister for the business to examine whether or not the business falls under inward direct investment or an equivalent action pertaining to national security, or if it is found by the Minister of Finance and the competent minister for the business that the business falls under inward direct investment or an equivalent action pertaining to national security and the waiting period until the Offeror becomes able to acquire the Target's Shares is extended, or if a recommendation is made by the Minister of Finance and the competent minister for the business to modify or discontinue the substance of inward direct investment or an equivalent action, by the day preceding the expiry date of the Tender Offer Period (including cases where it has been extended), this may be deemed that the Offeror has failed to receive the "Permission, etc." set forth under Article 14, Paragraph 1, Item 4 of the Enforcement Order and the Tender Offer may therefore be withdrawn. In the event that the Offeror intends to withdraw the Tender Offer, the Offeror shall give a public notice electronically, and shall then post in the Nihon Keizai Shimbun that such public notice has been made; provided, however, that, if it is impracticable to give such public notice by the last day of the Tender Offer Period, the Offeror shall make a public announcement pursuant to Article 20 of the TOB Order and give a public notice forthwith.

- (3) Conditions of reduction of purchase price and method of disclosure of the reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target takes any action enumerated in Article 13, Paragraph 1 of the Enforcement Order during the Tender Offer Period, the Offeror may reduce

the price of purchase, etc. in accordance with Article 19, Paragraph 1 of the TOB Order.

In the event that the Offeror intends to reduce the price of purchase, etc., the Offeror shall give public notice electronically, and shall then post a notice in the Nihon Keizai Shimbun that such public notice has been made; provided, however, that, if it is impracticable to give such notice by the last day of the Tender Offer Period, the Offeror shall make a public announcement pursuant to Article 20 of the TOB Order and give public notice forthwith.

If the price of purchase, etc. is reduced, the Offeror shall purchase any and all tendered shares at such reduced price, even if such shares were tendered prior to such public notice.

(4) Matters concerning the right of Tendering Shareholders to cancel their tender

Tendering Shareholders may cancel agreements concerning the tender offer at any time during the Tender Offer Period. The method of cancellation shall be as described herein under "(2) Method of cancelling the tender of shares to the Tender Offer" under "7. Method of Tendering Shares under the Tender Offer and Cancellation thereof."

No compensation for damages or penalty payments shall be claimed against any Tendering Shareholders by the Offeror even if a tender by a Tendering Shareholder is cancelled. The cost of returning the tendered shares shall be borne by the Offeror. If a Tendering Shareholder offers to cancel agreements concerning the tender offer, the relevant shares will be returned promptly following the completion of the procedures for offering the relevant cancellation by the method described in "(4) Method of return of shares" under "10. Method of Settlement" above.

(5) Method of disclosure of amendment to the conditions of Tender Offer (if any)

Except for the cases prohibited by Paragraph 1 of Article 27-6 of the Act and Paragraph 2 of Article 13 of the Enforcement Order, the Offeror may amend the conditions or other terms of the Tender Offer. If any terms or conditions of the Tender Offer are amended, the Offeror shall give public notice electronically regarding the details of such amendments and then post a notice in the Nihon Keizai Shimbun that such public notice has been made; provided, however, that, if it is impracticable to give such notice by the last day of the Tender Offer Period, the Offeror shall make a public announcement pursuant to Article 20 of the TOB Order and give public notice forthwith. If any amendment to the terms and conditions of the Tender Offer is made, the Offeror shall purchase any and all tendered shares in accordance with the amended terms and conditions, even if such shares were tendered prior to such public notice.

(6) Method of disclosure of amendment statement (if any)

If an amendment to the Tender Offer Registration Statement is filed with the Director General of the Kanto Local Finance Bureau, except in the case provided for in the proviso to Article 27-8, Paragraph 11 of the Act, the Offeror shall forthwith make a public announcement of the details thereof to the extent relevant to the details of the public notice of the Tender Offer, in accordance with the method set forth in Article 20 of the TOB Order. The Offeror shall also forthwith amend the Tender Offer explanatory statement and deliver the amended Tender Offer explanatory statement to all Tendering Shareholders who have already received the Tender Offer explanatory statement; provided, however, that, if the amended parts of the Tender Offer explanatory statement are not substantial, the Offeror shall instead prepare a document stating the reason(s) for the amendments, the matters amended and the details of the information following the amendment and deliver such document to the Tendering Shareholders.

(7) Method of disclosure of results of Tender Offer

The Offeror shall make a public announcement regarding the results of the Tender Offer, in accordance with the methods provided for in Article 9-4 of the Enforcement Order and Article 30-2 of the TOB Order, on the day following the last day of the Tender Offer Period.

PART II. Information on the Offeror

1. In Case the Offeror is a Corporation

(1) Outline of the Offeror

(i) History of the Offeror

Date	Outline
February 2021	Incorporated under the trade name of K.K. i3, having its registered office at Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo, with the amount of paid-in capital of JPY 100,000.

(ii) Business purpose of the Offeror and the content of its business

(Business purpose of the company)

1. Management of the company's business activities by holding the company's shares or interests
2. Any and all services incidental or relating to the foregoing

(Description of the business of the company)

The Offeror intends to acquire and hold the Target's shares, etc.

(iii) Amount of paid-in capital and total number of issued shares

As of March 8, 2021

Amount of paid-in capital	Total number of issued shares (shares)
JPY 100,000	4

(Note) As described in "(iv) Other methods of financing" under "(2) Deposits or borrowings, etc. that may be appropriated to obtain the funds required for the Tender Offer" under "8. Funds Required for Tender Offer" under "Part I. Terms and Conditions of Tender Offer" above, the Offeror is scheduled to receive an investment up to 30,000,000 thousand yen from BCPE Wish Cayman by issuing the Class Shares (i) to BCPE Wish Cayman. If all the shares to be purchased in the Tender Offer is accepted, the amount of paid-in capital and the total number of issued shares of the Offeror is expected to increase, up to 15,000,000 thousand yen and 6,000,000 shares, respectively, as a result of such investment.

(iv) Major shareholders

As of March 8, 2021

Name	Address	Number of shares held (shares)	Ratio to the total number of issued shares (excluding treasury shares) (%)
BCPE Wish Cayman, L.P.	Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo	2	50.00
Qian Kun	1-19-19 Ebisu, Shibuya-ku, Tokyo (Target's address)	1	25.00
Takaaki Suzuki	1-19-19 Ebisu, Shibuya-ku, Tokyo (Target's address)	1	25.00
Total	—	4	100.00

(v) Professional background of and number of shares held by directors and officers

As of March 8, 2021

Title	Position	Name	Date of Birth	Professional Background	Number of shares held (thousand shares)
Representative Director	—	Qian Kun	May 31, 1982	<p>Apr. 2006 Joined CA Mobile, Ltd.</p> <p>Apr. 2008 Temporarily transferred to K.K. zeronana</p> <p>Feb. 2010 Transferred to K.K. zeronana</p> <p>May 2010 Established the Target, President and Director</p> <p>Nov. 2011 President and Representative Director of the Target (current position)</p> <p>May 2013 IGNIS AMERICA, INC., Director (current position)</p> <p>Nov. 2013 K.K. Ivy (current with Inc.), Director (current position)</p> <p>Dec. 2013 M.T.Burn K.K., Director</p> <p>Feb. 2014 Studioking Ltd., Director</p> <p>Dec. 2015 K.K. U-NOTE (current gram Inc.), Director (current position)</p> <p>Jan. 2016 IGNIS APPS, Ltd., Representative Director</p> <p>Nov. 2016 pulse Inc., Representative Director (current position)</p>	1
Representative Director	—	Yuji Sugimoto	July 11, 1969	<p>Apr. 1992 Joined Mitsubishi Corporation</p> <p>Dec. 2000 Joined Ripplewood Holdings</p> <p>June 2006 Bain Capital Private Equity Japan LLC, Managing Director (current position)</p> <p>June 2012 Skylark Holdings Co., Ltd., Director</p> <p>July 2012 Jupiter Shop Channel Co., Ltd., Director</p> <p>Mar. 2014 Bellsystem24 Holdings, Inc., Director</p> <p>July 2014 Macromill, Inc., Director and Auditor</p> <p>May 2015 Yukiguni Maitake Co., Ltd., Director (current position)</p> <p>June 2015 Nichiigakkan Co., Ltd., Outside Director (current position)</p> <p>July 2015 Japan Wind Development Co., Ltd., Director (current position)</p> <p>Feb. 2016 Oedo Onsen Monogatari Co., Ltd., Director (current position)</p> <p>Mar. 2018 ADK Holdings Inc., Director and Member of Audit and Supervisory Committee</p> <p>Aug. 2018 Toshiba Memory Corporation, Director</p> <p>Sep. 2018 Oedo Onsen Monogatari Hotels & Resorts Co., Ltd., Director (current position)</p> <p>Jan. 2019 ADK Holdings Inc., Director and Member of Audit and Supervisory Committee (current position)</p> <p>Mar. 2019 Toshiba Memory Holdings Corporation (current Kioxia Holdings Corporation), Director (current position)</p>	—

Title	Position	Name	Date of Birth	Professional Background	Number of shares held (thousand shares)
				Aug. 2019 Works Human Intelligence Co., Ltd., Director (current position) Sep. 2019 Cheetah Digital Co., Ltd. (current EmberPoint Co., Ltd.), Director (current position) Apr. 2020 Showa Aircraft Industry Co., Ltd., Director (current position)	
Total					1

(2) Financial conditions

The Offeror is a company incorporated on February 24, 2021, and a fiscal year has not ended after its inception and no financial statements have been prepared.

(3) Matters Concerning the Offeror which are Subject to an Obligation of Continuous Disclosure

(i) Documents Disclosed by the Offeror

(a) Annual Securities Reports and Exhibits thereto

(b) Quarterly Securities Reports or Semiannual Securities Reports

(c) Amendment Reports

(ii) Places for Public Inspection of the Reports

2. In Case the Offeror is an Entity other than Corporation

N/A

3. In Case the Offeror is an Individual

N/A

PART III. Shares Held and Traded by the Offeror and Special Related Parties

1. Breakdown of Ownership of Shares

(1) Total number of shares held by the Offeror and special related parties

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	76,315 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	260	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	76,575	-	-
Total shares held	76,575	-	-
(Total shares including potential shares)	(260)	(-)	(-)

(2) Shares held by the Offeror

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	- (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-

Total	-	-	-
Total shares held	-	-	-
(Total shares including potential shares)	(-)	(-)	(-)

(3) Shares held by special related parties (total number of shares held by special related parties)

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	76,315 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	260	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	76,575	-	-
Total shares held	76,575	-	-
(Total shares including potential shares)	(260)	(-)	(-)

(4) Shares held by special related parties (breakdown by each special related party)

(i) Special related parties

(As of March 8, 2021)

Name	Qian Kun
Address	1-19-19 Ebisu, Shibuya-ku, Tokyo (Target's address)
Description of business	President of IGNIS LTD.
Contact information	Contact personnel: Tomohito Matsumoto CFO, IGNIS LTD. Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Officer of the Offeror Individual who has a special capital relationship with the Offeror Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8 2021)

Name	Takaaki Suzuki
Address	1-19-19 Ebisu, Shibuya-ku, Tokyo (Target's address)

Description of business	CTO and Representative Director of IGNIS LTD.
Contact information	Contact personnel: Tomohito Matsumoto CFO, IGNIS LTD. Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Individual who has a special capital relationship with the Offeror Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	K.K. QK
Address	1-19-19 Ebisu, Shibuya-ku, Tokyo
Description of business	Management consulting
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	K.K. SY
Address	1-19-19 Ebisu, Shibuya-ku, Tokyo
Description of business	Management consulting
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	Hiroyuki Kashiwaya
Address	Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (Offeror's address)
Description of business	Company officer
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	Rie Yamada
Address	1-19-19 Ebisu, Shibuya-ku, Tokyo (Target's address)
Description of business	Illustrator
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Spouse of the individual who has a special capital relationship with the Offeror Person who agreed with the Offeror to jointly exercise voting rights

	and other rights as the Target's shareholder
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(As of March 8, 2021)

Name	Katsuya Uenoyama
Address	Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (Offeror's address)
Description of business	Company officer
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	Yusuke Sato
Address	Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (Offeror's address)
Description of business	Company officer
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(As of March 8, 2021)

Name	Shinsuke Akimoto
Address	Palace Building 5F, 1-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo (Offeror's address)
Description of business	Company officer
Contact information	Contact personnel: Qian Kun Contact address: 1-19-19 Ebisu, Shibuya-ku, Tokyo Telephone: 03-6408-6820
Relationship with the Offeror	Person who agreed with the Offeror to jointly exercise voting rights and other rights as the Target's shareholder

(ii) Number of shares held

Qian Kun

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	26,166 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	26,166	-	-
Total shares held	26,166	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Takaaki Suzuki

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	39,666 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	200	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	39,866	-	-
Total shares held	39,866	-	-
(Total shares including potential shares)	(200)	(-)	(-)

K.K. QK

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	3,543 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	3,543	-	-
Total shares held	3,543	-	-
(Total shares including potential shares)	(-)	(-)	(-)

K.K. SY

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	2,126 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	2,126	-	-
Total shares held	2,126	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Hiroyuki Kashiwaya

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	2,048 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	2,048	-	-
Total shares held	2,048	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Rie Yamada

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	1,922 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	1,922	-	-
Total shares held	1,922	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Katsuya Uenoyama

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	360 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	360	-	-
Total shares held	360	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Yusuke Sato

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	340 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	-	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	340	-	-
Total shares held	340	-	-
(Total shares including potential shares)	(-)	(-)	(-)

Shinsuke Akimoto

(As of March 8, 2021)

	Number of Shares held	Number of Shares falling under Article 7, Paragraph 1, Item 2 of the Enforcement Order	Number of Shares falling under Article 7, Paragraph 1, Item 3 of the Enforcement Order
Share certificates	144 (shares)	- (shares)	- (shares)
Certificate of stock acquisition rights	60	-	-
Certificate of corporate bonds with stock acquisition rights	-	-	-
Beneficiary certificate of trust of shares()	-	-	-
Depository receipt for shares()	-	-	-
Total	204	-	-
Total shares held	204	-	-
(Total shares including potential shares)	(60)	(-)	(-)

2. Trading of Shares

- (1) Trading during the 60-day period preceding the filing date

N/A

3. Material contracts concerning the shares shown above

As of March 5, 2021, the Offeror entered into the Basic Agreement with Mr. Qian who is the President of the Target and the second largest major shareholder and Mr. Suzuki who is the CTO and Representative Director of the Target and the largest major shareholder and agreed that Mr. Qian will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Qian (2,616,600 shares and Shareholding Ratio: 15.94%) and Mr. Suzuki will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Suzuki (3,966,600 shares and Shareholding Ratio: 24.16%) and all of the Stock Acquisition Rights owned by Mr. Suzuki (100 (Number of shares subject to the stock acquisition rights: 20,000 shares, Shareholding Ratio: 0.12%), respectively.

As of March 5, 2021, the Offeror entered into the Non-tender Agreement with QK that is the asset manager of Mr. Qian and the fourth largest major shareholder, SY that is the asset manager of Mr. Qian and the eighth largest major shareholder, Mr. Kashiwaya, the ninth largest shareholder, Ms. Yamada, Mr. Uenoyama, Mr. Sato and Mr. Akimoto, and agreed that QK will not accept the Tender Offer with respect to all of the Target's Shares owned by QK (354,300 shares and Shareholding Ratio: 2.16%), SY will not accept the Tender Offer with respect to all of the Target's Shares owned by SY (212,600 shares and Shareholding Ratio: 1.29%), Mr. Kashiwaya will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Kashiwaya (204,800 shares and Shareholding Ratio: 1.25%), Ms. Yamada will not accept the Tender Offer with respect to all of the Target's Shares owned by Ms. Yamada (192,200 shares and Shareholding Ratio: 1.17%), Mr. Uenoyama will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Uenoyama (36,000 shares and Shareholding Ratio: 0.22%), Mr. Sato will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Sato (34,000 shares and Shareholding Ratio: 0.21%), and Mr. Akimoto will not accept the Tender Offer with respect to all of the Target's Shares owned by Mr. Akimoto (14,400 shares and Shareholding Ratio: 0.09%) and all of the Stock Acquisition Rights owned by Mr. Akimoto (30 (Number of shares subject to the stock acquisition rights: 6,000 shares, Shareholding Ratio: 0.04%), respectively.

Furthermore, as of March 5, 2021, the Offeror entered into the Tender Offer Agreement with SK that is the asset manager of Mr. Qian and the fifth largest major shareholder and agreed that SK accepts the Tender Offer with respect to all of the Target's Shares owned by SK (269,300 shares and Shareholding Ratio: 1.64%).

In addition, as of March 5, 2021, the Offeror entered into the Shareholders Agreement among Mr. Qian, Mr. Suzuki and BCPE Wish Cayman and agreed on the operation of the Target Group after going private.

With respect to the Basic Agreement, the Non-tender Agreement, the Tender Offer Agreement and the Shareholders Agreement, see "(3) Material agreements regarding the Tender Offer" under "3. Purposes of Tender Offer" under "Part I. Terms and Conditions of Tender Offer" above for details.

4. Contracts pertaining to Purchase of Shares subsequent to the Filing Date

N/A

PART IV. Transactions between the Offeror and the Target

1. Transactions between the Offeror and the Target or its Officers, and the Details thereof (if any)

N/A

2. Agreements between the Offeror and the Target or its Officers, and the Terms thereof (if any)

(i) Agreements on the Tender Offer

According to the Target's press release, at the meeting of board of directors on March 5, 2021, the Target announced that it approves of the Tender Offer, and resolved that it would recommend the Target's shareholders to tender their shares to the Tender Offer and the Stock Acquisition Rights Holders of the Fourth Stock Acquisition Rights, the Twelfth Stock Acquisition Rights and the Thirteenth Stock Acquisition Rights to tender their shares to the Tender Offer, but would leave the Stock Acquisition Rights Holders of the Fifteenth Stock Acquisition Rights and the Sixteenth Stock Acquisition Rights to make a decision on whether or not they would tender their shares to the Tender Offer. For more details, please see the press release of the Target and "(iv) Approval of all disinterested directors of the Target (including auditors)" under "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" under "Process of calculation" under "(2) Price of tender offer, etc." under "4. Tender Offer Period, Price and Number of Shares to be Purchased" under "Part I. Terms and Conditions of Tender Offer" above.

(ii) Agreements between the Offeror and the Target's officers and the terms thereof (if any)

The Offeror has entered into the Basic Agreement with each of Mr. Qian (the President and Founder and the second largest major shareholder of the Target) and Mr. Suzuki (CTO and Representative Director and the largest major shareholder of the Target), and Mr. Qian agreed not to tender any of the 2,616,600 Target's Shares owned by Mr. Qian (Shareholding Ratio: 15.94%) to the Tender Offer, and Mr. Suzuki agreed not to tender any of the 3,966,600 Target's Shares owned by Mr. Suzuki (Shareholding Ratio: 24.16%) and any of the 100 Stock Acquisition Rights owned by Mr. Suzuki (Number of shares subject to the stock acquisition rights: 20,000 shares, Shareholding Ratio: 0.12%) to the Tender Offer.

Mr. Qian, Mr. Suzuki, BCPE Wish Cayman and the Offeror have entered into the Shareholders Agreement, and have agreed on the Target Group's operations after going private.

With respect to the details of the Basic Agreement and the Shareholders Agreement, see "(3) Material agreements regarding the Tender Offer" under "3. Purposes of Tender Offer" under "Part I. Terms and Conditions of Tender Offer" above.

(iii) Background, object and process of decision-making to implement the Tender Offer and management policy after the Tender Offer

Please see "(2) Background, object and process of decision-making to implement the Tender Offer and management policy after the Tender Offer" under "3. Purposes of Tender Offer" under "Part I. Terms and Conditions of Tender Offer" above.

- (iv) Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer

Please see "(Measures to ensure fairness of Tender Offer Price and to prevent conflict of interest and other measures to ensure fairness of Tender Offer)" under "Process of calculation" under "(2) Price of tender offer, etc." under "4. Tender Offer Period, Price and Number of Shares to be Purchased" under "Part I. Terms and Conditions of Tender Offer" above.

PART V. Information on the Target

1. Profits and Losses, Etc. for the past three years

(1) Profits and losses

Fiscal Year	—	—	—
Net Sales	—	—	—
Cost of Sales	—	—	—
Sales, general and administrative expenses	—	—	—
Non-operating profit	—	—	—
Non-operating expenses	—	—	—
Net profit (loss)	—	—	—

(2) Profits and losses per share

Fiscal year	—	—	—
Net profit or loss per share (JPY)	—	—	—
Dividend per share (JPY)	—	—	—
Net asset per share (JPY)	—	—	—

2. Share Price

(unit: yen)

Name of financial instruments exchange or authorized financial instruments firms association	The TSE Mothers Market						
Month	September, 2020	October	November	December	January, 2021	February	March
Maximum share price (JPY)	3,180	1,960	1,710	1,525	1,937	2,594	2,388
Minimum share price (JPY)	1,839	1,518	1,203	1,270	1,398	1,622	1,702

(Note) The data for March, 2021 are for the period up to March 5.

3. Shareholders

(1) Status by type of shareholder

As of

[illegible]

(2) Number of shares held by major shareholders, and directors and officers

(i) Major shareholders

As of

Name	Address	Number of shares held (shares)	Percentage of shares held against total issued shares (excluding treasury shares) (%)
—	—	—	—
—	—	—	—
—	—	—	—
—	—	—	—
Total	—	—	—

(ii) Directors and officers

As of

Name	Title	Position	Number of shares held (shares)	Percentage of shares held against total issued shares (excluding treasury shares) (%)
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
—	—	—	—	—
Total	—	—	—	—

4. Matters Concerning the Target which are Subject to an Obligation of Continuous Disclosure

(1) Documents Disclosed by the Target

(i) Annual Securities Reports and Exhibits thereto

The Annual Securities Report for the 10th business year (from October 1, 2018 to September 30, 2019) was submitted to the Director General of the Kanto Local Financial Bureau on December 16, 2019.

The Annual Securities Report for the 11th business year (from October 1, 2019 to September 30, 2020) was submitted to the Director General of the Kanto Local Financial Bureau on December 21, 2020.

(ii) Quarterly Securities Reports or Semiannual Securities Reports

The Quarterly Securities Report for the 1st quarter of the 12th business year (from October 1, 2020 to December 31, 2020) was submitted to the Director General of the Kanto Local Financial Bureau on February 12, 2021.

(iii) Extraordinary Reports

N/A

(iv) Amendment Reports

The Amendment Report to amend the Annual Securities Report for the 10th business year was submitted to the Director General of the Kanto Local Financial Bureau on May 11, 2020.

(2) Places for Public Inspection of the Report

IGNIS LTD.

(1-19-19 Ebisu, Shibuya-ku Tokyo)

Name: Tokyo Stock Exchange, Inc.

(2-1 Nihombashi Kabutocho, Chuo-ku Tokyo)

5. Details of Conveyed Facts regarding Implementation of Tender Offer, etc.

N/A

6. Others

Announcement of "Notice of Correction to the Financial Forecast for the Full Year"

As described in the "Notice of Correction to the Financial Forecast for the Full Year" announced on March 5, 2021, the Target made corrections to the financial forecast for the year ending September 2021. The Target's consolidated financial forecast for the year ending September 2021 based on such announcement is as follows. Please see the announcement for further details.

Corrections to the consolidated financial forecast for the year ending September 2021 (October 1, 2020 to September 30, 2021)

	Net sales (million yen)	Operating profit (million yen)	Ordinary profit (million yen)	Net profit for the year attributable to shareholders of parent company (million yen)	Net profit per share for the year (yen)
Previous forecast (A)	7,000	-	-	-	-
Corrected forecast (B)	7,010	(676)	(836)	(1,328)	(84.92)
Difference (B-A)	10	-	-	-	
Difference (%)	0.1	-	-	-	
(Reference) Previous year's result (year ending September 2020)	5,683	(232)	(553)	(980)	(65.32)