

Cover sheet

Document for filing	Tender Offer Report
Addressee	Director General of the Kanto Local Finance Bureau
Date of filing	April 20, 2021
Name of the reporting party	K.K. i3
Address of the reporting party	1-1-1 Marunouchi, Chiyoda-ku, Tokyo Palace Building 5F
Closest contact place	1-1-1 Marunouchi, Chiyoda-ku, Tokyo Palace Building 5F
Telephone number	03-6212-7070
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.

1. Details of the Tender Offer

(1) Name of the Target

IGNIS LTD.

(2) Class of Shares pertaining to the Purchase

(1) Common Shares (the "Target's 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) Tender Offer Period

From March 8, 2021 (Monday) to April 19, 2021 (Monday) (31 business days)

2. Result of Tender Offer

(1) Outcome of the Tender Offer

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

(2) Date of Public Notice for the Result of the Tender Offer and the Name of the Newspaper Publishing such Notice

Pursuant to the provisions of Article 27-13, Paragraph 1 of the Act, the result of the Tender Offer was announced to the press on April 20, 2021 at the Tokyo Stock Exchange, Inc. in accordance with the procedure prescribed in Article 9-4 of the Enforcement Order and Article 30-2 of the TOB Order.

(3) Number of Purchased Shares

Class of Shares	Number of Subscriptions Converted into Shares	Number of Purchases Converted into Shares
Share certificates	6,922,007 (shares)	6,922,007 (shares)
Certificate of stock acquisition rights	55,400	55,400
Certificate of corporate bonds with stock acquisition rights	-	-
Beneficiary certificate of trust of shares ()	-	-
Depository receipt for shares ()	-	-
Total	6,977,407	6,977,407
(Total of potential shares)	(55,400)	(55,400)

(4) Percentage of Ownership of Share Certificates after Purchasing

Details	Number of voting rights
Number of voting rights represented by the shares held by the Offeror as of the date of the submission of this Report: (a)	69,774
Number of voting rights represented by potential shares included in (a): (b)	554
Number of voting rights represented by beneficiary certificates of trust for shares and depository receipts for shares included in (b): (c)	-
Number of voting rights represented by shares held by the special related parties as of the date of the submission of this Report: (d)	79,148
Number of voting rights represented by potential shares included in (d): (e)	200
Number of voting rights represented by beneficiary certificates of trust for shares and depository receipts for shares included in (e): (f)	-
Number of voting rights of all shareholders, etc. of the Target (as of September 30, 2020): (g)	155,954
Percentage of ownership of share certificates after tender offer: $((a+d) / (g+(b-c)+(e-f))) \times 100 (\%)$	90.70

(Note 1) "Number of voting rights represented by shares held by the special related parties as of the date of the submission of this Report: (d)" is the total number of voting rights represented by shares held by each special related party.

(Note 2) "Number of voting rights of all shareholders, etc. of the Target (as of September 30, 2020): (g)" is the number of voting rights of all shareholders as of September 30, 2020, 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") (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 ownership of share certificates after tender offer" is conducted with the number of voting rights (164,186) related to the number of shares (16,418,649 shares) used as the denominator (such figure 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 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).

(Note 3) With respect to "Percentage of ownership of share certificates after tender offer", figures are rounded to the second decimal place.

(5) Calculation When Tender Offer is Conducted by the Pro Rata Method

N/A