November 25, 2022

Notice of Capital and Business Alliance with TeraCloud Co., Ltd.

We are pleased to announce that at the meeting of the Board of Directors held today, we decided to enter into a capital and business alliance (the "Alliance") with TeraCloud Co., Ltd. (Shizuoka City, Shizuoka Prefecture; Representative Director Yasushi Taki, hereinafter referred to as "TeraCloud").

1. Reasons for the capital and business alliance

We provide services related to BtoB marketing, on-line fraud detection, regional revitalization, and Internet resource management. These services include "Doko-Doko JP," which allows users to use the service on the web, based on SURFPOINT $^{\text{TM}}$, a service using a database that links IP addresses with various information.

Based on its mission of "Enriching people with technology that tells a story," TeraCloud is a provider of infrastructure businesses, including private cloud computing for enterprises and cloud services for online storage, with the vision of realizing "a society in which information is there if it reaches out anytime."

The Company and TeraCloud have now concluded that we can expect greater synergies by combining IP address database held by SURFPOINT™ with the advanced private cloud construction technology in the cloud infrastructure service owned by TeraCloud. As a result, we have concluded that this alliance will be implemented. Through this alliance, we will work to strengthen the ties between the 2 companies and improve their technologies and services.

2. Contents of the capital and business alliance

The content of this alliance, which we agree with TeraCloud, is as follows.

(1)Scope of the alliance

- ①Jointly develop services (security, marketing, disaster countermeasures, etc.) that package IP Geolocation information in our "SURFPOINT™" database.
- ②Application and sale of the service to the system by TeraCloud
- 3 Sales of such services by us

(2) Content of the Equity Tie-up

The Company will enter into a capital alliance by acquiring 2.0% of the outstanding shares of the Company through the underwriting of a third-party allocation of new shares by TeraCloud. The acquisition price is not disclosed to the public through discussions with the Company. However, in order to ensure its appropriateness, the Company makes a decision after earnest negotiations based on the results of financial investigations conducted by third-party organizations and other factors.

3. Outline of partners in shareholders' equity and business alliances

(1)	Name	TeraCloud Co., Ltd	
(2)	Address	Gofu-raikan 5F, 2-1-5, Gofukucho, Aoi-ku, Shizuoka-shi, Shizuoka	
(3)	Job Title/Name of Representative	Representative director, Yasushi Taki	
(4)	Business Activities	Private cloud services, hosting, etc.	
(5)	Capital stock	40,000,000 yen	
(6)	Date of Incorporation	November 2, 2001	
(7)	Relationship between the parties	Capital relationship	Not applicable.
		Personnel relationship	Not applicable.
		Business relationship	Not applicable.
		Related party relationship	Not applicable.

(NOTE)The major shareholder and shareholding ratio of TeraCloud and its financial condition and results of operations for the past 3 years will not be disclosed pursuant to the confidentiality agreement.

4. Schedule

(1)	Date of resolution of the Board of Directors	November 25, 2022
(2)	Date of agreement for capital and business alliance	November 28, 2022 (planned)
(3)	Payment date of capital increase through third-party allotment	November 30, 2022 (planned)

5. Future outlook

The impact of this alliance on the Company's results for the fiscal year under review is immaterial.