



March 26, 2020

Name of Company Demae-can Co., Ltd
Representative Rie Nakamura, President & CEO
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Notice of Acquisition and Cancellation of the 11th Stock Acquisition Rights

We hereby notify that we have resolved at the meeting of the Board of Directors held today to acquire and cancel all of the remaining Stock Acquisition Rights with respect to the 11th Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights") issued to Macquarie Bank Limited (hereinafter referred to as "Macquarie Bank") as subscriber on May 9, 2009.

1. Details of stock acquisition rights to be acquired and cancelled

(1) Name of the Stock Acquisition Rights	11th Stock Acquisition Rights
(2) Number of Stock Acquisition Rights Issued	22,000
(3) Allotment date of stock acquisition rights	May 9, 2019
(4) Amount to be paid for stock acquisition right	Total amount: 17,600,000 yen (800 yen per Stock Acquisition Right)
(5) Type and number of shares which are the subject of the stock acquisition rights	2,200,000 shares (100 shares per Stock Acquisition Right)
(6) Remaining number of subscription rights to shares (As of March 26, 2020)	21,999 items
(7) Acquisition cost	Total JPY17,599,200 (JPY800 per Stock Acquisition Right)
(8) Acquisition and Cancellation Date of Stock Acquisition Rights	April 17, 2020 (Scheduled)

2. Reasons for Acquisition and Cancellation of the Stock Acquisition Rights

One Stock Acquisition Right was exercised in June 2019 and 100 shares were issued. The current stock price has been below the minimum exercise price and the remaining stock acquisition rights have not been exercised.

As set forth in the "Notice of the Execution of the Capital and Business Alliance Agreement with LINE Corporation and Share Subscription Agreement with LINE Corporation and Mirai Fund LLP, Issuance of New Shares by way of the Third-Party Allotment and Changes in Major Shareholder and Parent Company" announced today, we analyzed several fund raising methods, and as a result resolved to issue new shares by way of a third-party allotment upon comprehensive consideration, decided to issue new shares. In addition, the Company resolved to acquire and cancel the Stock Acquisition Rights in connection with the implementation of such financing.

3. Future Outlook

Acquisition and cancellation of the Stock Acquisition Rights will have no impact on the Company's consolidated operating results for the current fiscal year.