



August 10, 2021

To Whom It May Concern,

Corporate Name: TechnoPro Holdings, Inc.

(Code: 6028, TSE First Section)

Representative: Takeshi Yagi, President, Representative Director & CEO

Contact: Toshihiro Hagiwara, Managing Director & CFO

(Tel. 03-6385-7998)

Announcement Concerning Acquisition of Shares of Robosoft Technologies Private Limited, Making It as a Subsidiary

Today, TechnoPro Holdings, Inc. (“TechnoPro”) agreed to acquire 100 percent of the shares issued and outstanding of Robosoft Technologies Private Limited (“Robosoft” or “the Company”), an India-headquartered company delivering solution services in a digital sphere mainly to the clients in the United States, Japan and India, which will become a subsidiary of TechnoPro in the two phased transactions: 80% in the first tranche and remaining 20% in the second one approximately one year later (hereinafter referred to as the “Share Acquisition”).

1. Purpose of Share Acquisition

TechnoPro is to identify the digital solution delivery services to the clients in the developed countries utilizing overseas offshore hubs as one of the pillars of the growth strategy in its new medium-term management plan published on August 10, 2021. The purpose of the Share Acquisition is to promote this growth strategy by acquiring the Indian offshore core hub and the capability of technology and solution in a digital field.

Robosoft employs more than 800 engineers with a mission of “Simplifying Lives with Delightful Digital Experiences”, providing one-stop digital solutions such as digital advisory, UI/UX design, engineering services, analytics, middle/back-end development to customers located in the United States and Europe, Japan and India. The Company has accelerated its growth during these three years by succeeding in gaining major accounts in the United States and Japan, and realized the revenue growth of +89% YoY and the EBITDA growth of +165% YoY, with achieving the EBITDA margin of 40%, in the latest fiscal year. And it has offices in the United States and Japan as well and the revenues from the customers in both regions in the latest fiscal year accounted for c. 45% and c. 24% of the total respectively.

Robosoft especially has a reputation in offshore delivery with Design Thinking and UI/UX at its core, leveraging emerging digital technologies such as AI/ML, IoT, 5G and VR/AR, and has following strengths and track records:

- Design Thinking based advisory utilizing workshops and expertise in UI/UX design
- Strong technical capabilities across front-end, middle/back-end and analytics
- Agile and highly mature offshore delivery model
- Realization of DX at global companies of Media, BFSI and Retail/EC industries

TechnoPro intends to work in collaboration with Robosoft to generate synergy effects such as:

- Gaining and expanding customer base in Japan of Media, BFSI and Retail/EC industries utilizing the existing solutions of Robosoft
- Developing and providing TechnoPro’s customers such as manufacturers etc., with digital solutions combining Robosoft’s unique offerings of advisory and UI/UX design and TechnoPro’s existing technologies
- Leveraging Robosoft’s engineers at domestic on-site and offshore and nurturing TechnoPro’s engineers in a digital sphere, given the tight supply of digital savvy engineers in Japan

TechnoPro will continue realizing its sustainable growth and further value creation during the periods of the new medium-term management plan through the Share Acquisition.

2. Overview of the Company to Become a Subsidiary

- (1) Company Name Robosoft Technologies Private Limited
- (2) Head Office 217, N.H. 66, Santhekatte, New Udupi, Udupi, Karnataka, India
- (3) Representative Name and Title Rohith Bhat, Managing Director
- (4) Business Lines Software development service
- (5) Capital INR 424,417,606.-
- (6) Established October 13, 2000
- (7) Major Shareholders and Ownership Ratios* Ascent Capital (37.3%), Kalaari Capital (27.0%), 15 individuals including promoters and executives of Robosoft (35.7%)
- (8) Relationship between TechnoPro and Robosoft Not Applicable
- (9) Robosoft Business Performance and Financial Condition for the Most-Recent Three Years

(INR millions [JPY millions], except per share data)

Calculated at INR1 = JPY1.50

Fiscal Year	March 2019	March 2020	March 2021
Net Assets	463 [694]	644 [966]	1,094 [1,641]
Total Assets	604 [906]	836 [1,254]	1,318 [1,977]
Net Sales	750 [1,125]	974 [1,461]	1,840 [2,759]
EBITDA	139 [209]	278 [417]	736 [1,103]
Income before Taxes	121 [182]	263 [394]	706 [1,059]
Net Income	95 [142]	182 [274]	494 [742]
Net Income per Share	2.34 [3.50]	4.49 [6.74]	12.40 [18.60]

* Ownership Ratios mean the ratios of economic ownership after converting class shares to common shares.

3. Overview of Major Sellers

(a) Ascent Capital

(1) Name	UNIT TRUST OF INDIA INVESTMENT ADVISORY SERVICES LTD A/C ASCENT INDIA FUND III	
(2) Location	No.01, Ali Asker Road, Bangalore - 560052, India	
(3) Basis for Formation	Ascent India Fund III is a scheme of ACA Private Equity Trust, a SEBI registered Venture Capital Fund	
(4) Purpose of Formation	Investment in start-ups and growth companies	
(5) Partnership Formation Date	November 4, 2008	
(6) Total Fund Amount	Not disclosed pursuant to the seller's request	
(7) Investors, Investment Ratio and Outline of Investors	Not disclosed pursuant to the seller's request	
(8) Outline of General Partner	Name	Ascent Capital Advisors India Private Limited
	Location	Bangalore, India
	Representative Name and Title	Deepak Gowda, Partner
	Business Operations	Management of investment
	Capital	Not disclosed pursuant to the seller's request
(9) Outline of Agent in Japan	Not Applicable	
(10) Relationship between TechnoPro and the Fund	Relationship with the Fund	Not Applicable
	Relationship with the General Partner	Not Applicable
	Relationship with the Agent in Japan	Not Applicable

(b) Kalaari Capital

(1) Name	KALAARI CAPITAL PARTNERS II, LLC	
(2) Location	Sanne House, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius	
(3) Basis for Formation	Private Company limited by shares, with limited life	
(4) Purpose of Formation	Acquisition of securities	
(5) Partnership Formation Date	July 8, 2011	
(6) Total Fund Amount	Not disclosed pursuant to the seller's request	
(7) Investors, Investment Ratio and Outline of Investors	Not disclosed pursuant to the seller's request	
(8) Outline of General Partner	Name	Vani Kola, Rajesh Raju & Kumar Shiralagi
	Location	Not disclosed pursuant to the seller's request
	Representative Name and Title	Resmah Mandary, Director
	Business Operations	Management of investment
	Capital	Not disclosed pursuant to the seller's request
(9) Outline of Agent in Japan	Not Applicable	
(10) Relationship between TechnoPro and the Fund	Relationship with the Fund	Not Applicable
	Relationship with the General Partner	Not Applicable
	Relationship with Agent in Japan	Not Applicable

* The other sellers are 15 individuals living outside Japan and there is not any relationship between TechnoPro and them.

4. Number of Acquired Shares, Acquisition Cost, and Ownership Ratios Before and After Acquisition

(1) No. of Shares Owned before Transfer	0 shares (Number of voting rights: 0) (Ownership ratio: 0%)									
(2) No. of Shares to be Acquired	Common Shares: 21,858,994 shares (Of which, acquired in the first tranche: 16,036,722 shares) Class A Shares: 11,602,477 shares (Of which, acquired in the first tranche: 9,202,651 shares) Class B Shares: 8,928,703 shares (Of which, acquired in the first tranche: 8,928,703 shares)									
(3) Acquisition Cost (INR millions [JPY millions]) Calculated at INR1 = JPY1.50	<table> <tr> <td>Purchase price for Common and Class Shares of Robosoft (estimate)*</td> <td>8,000</td> <td>[12,000]</td> </tr> <tr> <td>Due diligence and other fees (estimate)</td> <td>50</td> <td>[75]</td> </tr> <tr> <td>Total cost (estimate)</td> <td>8,050</td> <td>[12,075]</td> </tr> </table>	Purchase price for Common and Class Shares of Robosoft (estimate)*	8,000	[12,000]	Due diligence and other fees (estimate)	50	[75]	Total cost (estimate)	8,050	[12,075]
Purchase price for Common and Class Shares of Robosoft (estimate)*	8,000	[12,000]								
Due diligence and other fees (estimate)	50	[75]								
Total cost (estimate)	8,050	[12,075]								
(4) No. of Shares Owned after Transfer	Common Shares: 21,858,994 shares Class A Shares: 11,602,477 shares Class B Shares: 8,928,703 shares Number of voting rights: 39,881,969 (after converting Class A/Class B Shares to Common Shares) (Ownership ratio: 100.0%)									
(5) Purchase Price Calculation Method	Based on due diligence performed by outside experts (finance, tax, law and business), the above purchase price was assessed comprehensively according to the EBITDA multiple method, net cash balance and so forth, and agreed after prudent discussions with the sellers. Incidentally, 100% of the shares will be transferred in two phases and the share price in the first tranche (80%) is determined based on the EBITDA, net cash balance and so forth of the fiscal year ended March 2021, while the share price in the second									

tranche (remaining 20%) will be determined based on the EBITDA, net cash balance and so forth of the fiscal year ending March 2022. So the purchase price for the second tranche, which is part of the purchase price mentioned in above (3), is estimated by the financial forecast at present and the actual amount will be varied subject to the actual financial result.

* The estimated amount of the purchase price in the first tranche is approximately INR 5,800 million [JPY 8,700 million].

5. Schedule

(1) Date of Resolution	August 10, 2021
(2) Date of Execution of Share Purchase Agreement	August 10, 2021
(3) Date of First Share Transfer (80% of ownership ratio)	Late August 2021 (scheduled)
(4) Date of Second Share Transfer (20% of ownership ratio)	July 2022 (scheduled)

6. Future Outlook

The impact of the Share Acquisition on its consolidated financial performance for the fiscal year ending June 2022 is under review now. TechnoPro intends to make appropriate disclosures in accordance with the applicable rules of the Tokyo Stock Exchange once such details are determined.

Note

This document is provided for informational purpose only. If there are any discrepancies between this and the original, the original Japanese document prevails.

Robosoft Technologies Private Limited – Share Acquisition Supplementary Material



August 10, 2021

1. Strengths of Robosoft

One-stop shop for Digital Transformation solutions with Design Thinking, UI/UX, Engineering & Analytics capabilities provided to Enterprises. High revenue growth and high profit margins driven by an efficient offshore delivery center

- Full Service Digital Experience Offering led by design thinking workshops and expertise in UI/UX design (“Trusted partner of Apple for over two decades”; has won multiple awards and accolades)
 - Strong technical capabilities across front-end, middle and back-end and analytics
- Agile and highly mature offshore delivery model
 - 3 offshore delivery centers in India (HQ Udupi, Mumbai, Bengaluru)
- Track record of Digital Transformation support for global companies in Media, BFSI and Retail/EC
 - High overseas sales ratio (US: c.45%, Japan c.24%)
 - Revenue growth (YoY +89%), EBITDA growth (YoY +165%), EBITDA margin (40%)

Awards and Accolades



DesignRush.com
Top UX/UI Design Partner

Apple App Store
BEST OF 2017

Apple AppStore Best of 2017 for Paytm and Viacom Voot



Softwareworld.co
Top 20 App Developers



Amazon AWS Mobile App Development Company of the Year 2017

Technology Partners



- iOS Dev
- Mac Products



- Analytics
- Azure
- IoT



- Android
- Google Cloud



- Cloud



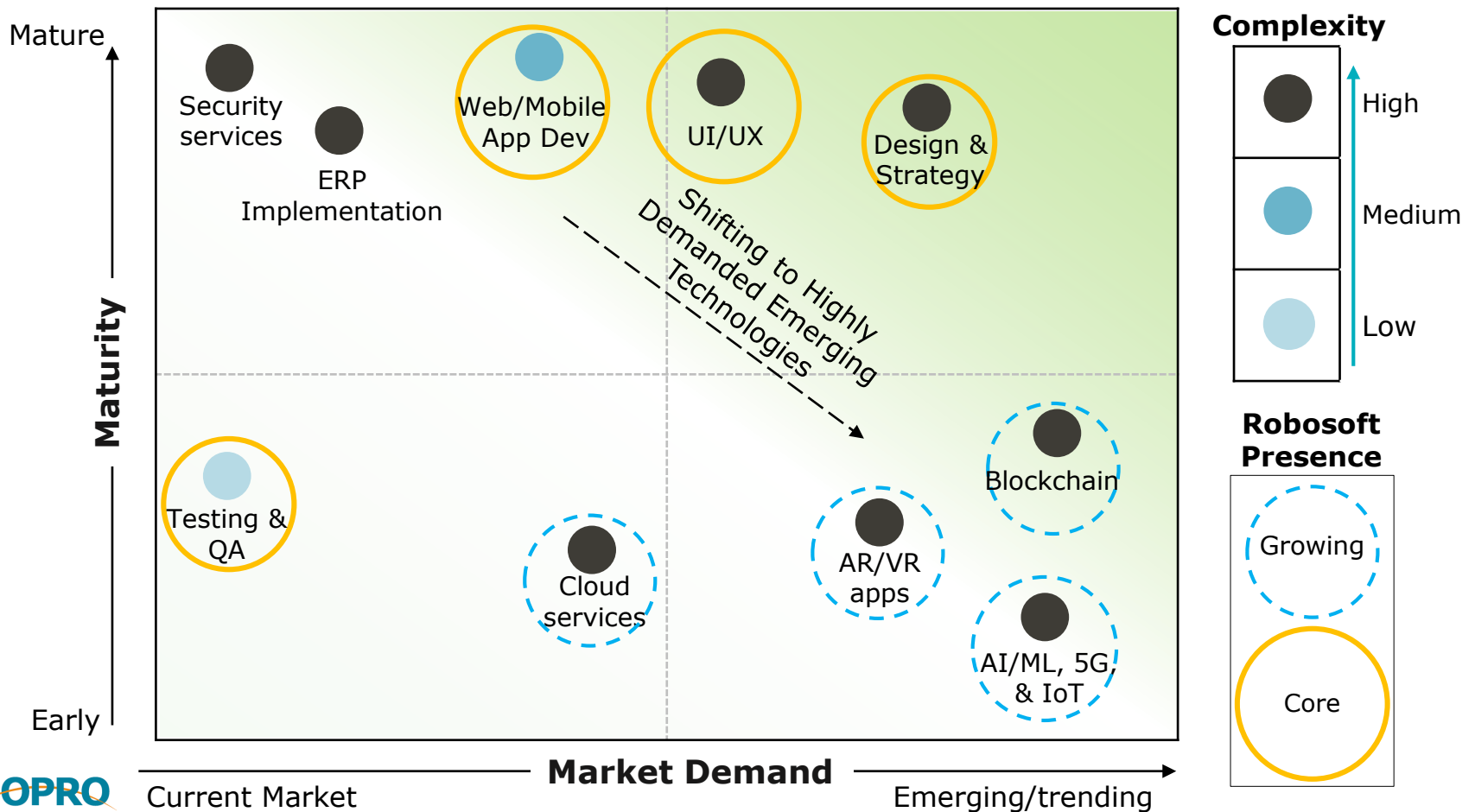
- Worklight Platform



- CMS

2. Technology Portfolio with UI/UX Design at Core (1/2)

Digital advisory, Design Thinking, UI/UX design expertise and Direct to Consumer (D2C) & Enterprise applications on various platforms such as web, mobile, wearables, TV, Voice as a foothold, expanding business portfolio to emerging tech in high demand



2. Technology Portfolio with UI/UX Design at Core (2/2)

Robosoft has a full stack technology offering across Front end/Mid end and Backend with experience in advanced cutting-edge technologies

Expertise across Technology Stack across Entire Value Chain

Front-end	React jQuery ASP.NET Core Vue.js HTML5 android Java
App Logic	php .NET python JavaScript Java RAILS GraphQL
Middleware/ Backend	Java Microsoft MEAN {REST:API} Google Cloud aws
Platforms/ Solutions	WORDPRESS Magento shopify Drupal™ Worklight kony Stay Ahead
Connected TV Solutions	androidtv firetv Roku tvOS
Shared	appium APACHE JMeter™ AGILE SCRUM MASTER Jenkins Dev Ops
Analytics	Amplitude CleverTap mixpanel python™ Adobe Analytics FLURRY Firebase R

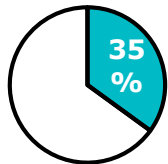
Experience in Advanced Technologies

Blockchain hp	Smart TV Discovery+	Chatbots Mercedes-Benz
Wearables PROUnlimited	AI/ML HT Media	Conver-sational AAA
AR AmericanGirl	VR hp	IoT Trac Blue

3. DX Support for Media/BFSI/Retail Industries

Proven Track Record of Digital Transformation Support for MNCs In Media/BFSI/Retail and EC Industries

Media & Entertainment

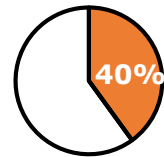


OTT Streaming

- iOS, Android, Web, Apple TV, Android TV, Fire-stick, Roku, LGTV, SamsungTV, MiTV
- Recommendation Engines, Advertisement Servers, Subscription renewals, CMS
- Streaming Architecture etc.



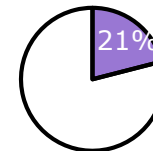
BFSI



- **Banks:** Mobile Banking, Digital Lending
- **Fintech:** PtoP Lending and Payments
- **Insurance:** Customer Onboarding, Lead Management, Video based claims
- **Asset Management:** Onboarding, KYC, Investor Portals etc.



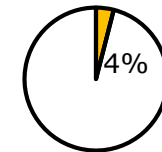
Retail/E-Commerce



- Home delivery Apps
- AR/VR based shopping experience
- Sale notifications using geo-proximity
- Intelligent-reco engines
- Cross-sell, Up sell
- Static/Video Advertisement
- Contactless shopping



Others

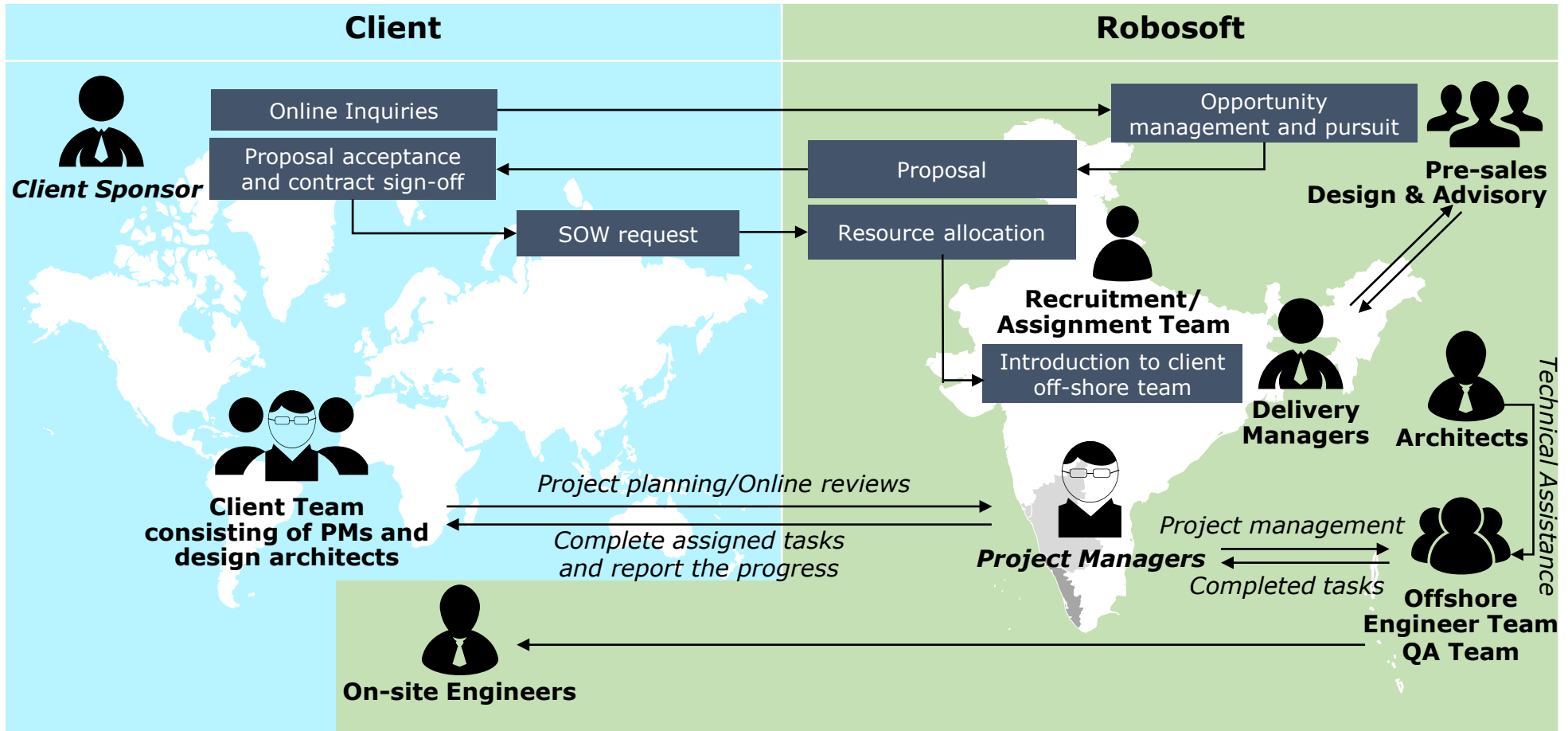


- Billing and order processing services provided for both Retail and Business consumers
- Complex sales quote engines & billing engines etc.



4. Agile and Highly Mature Offshore Delivery Model

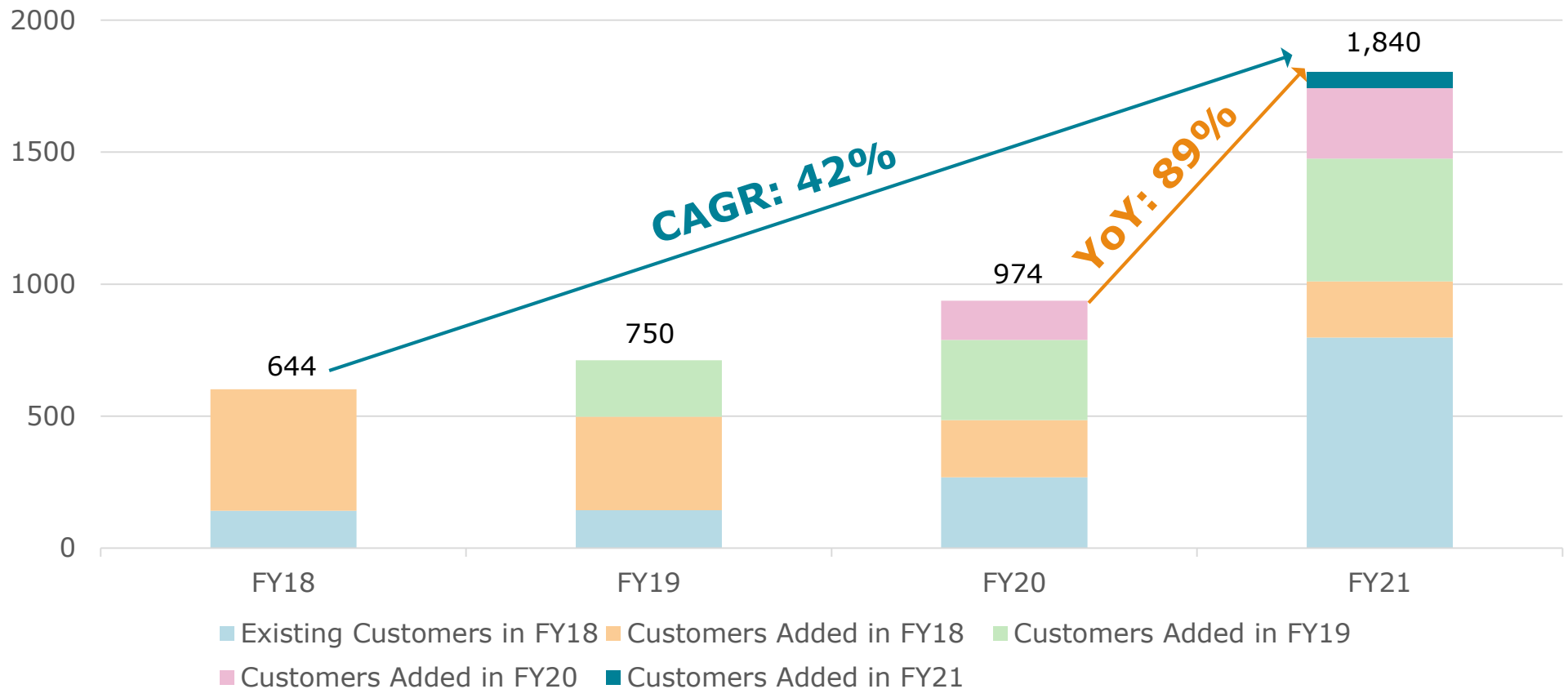
Offshore delivery by highly mature & agile development method toward Clients in US/Europe/Japan (95% of 800+ engineers are working in India)



5. High Growth Rate Sustained by Repeat Business

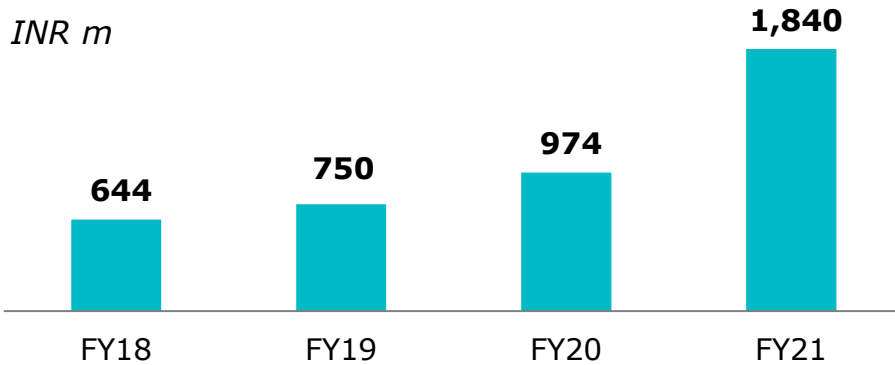
High-quality delivery has led to repeat business from existing customers, which has resulted in high revenue growth rate even during the pandemic

Revenue Breakdown by New vs Repeat Customers (INR m)

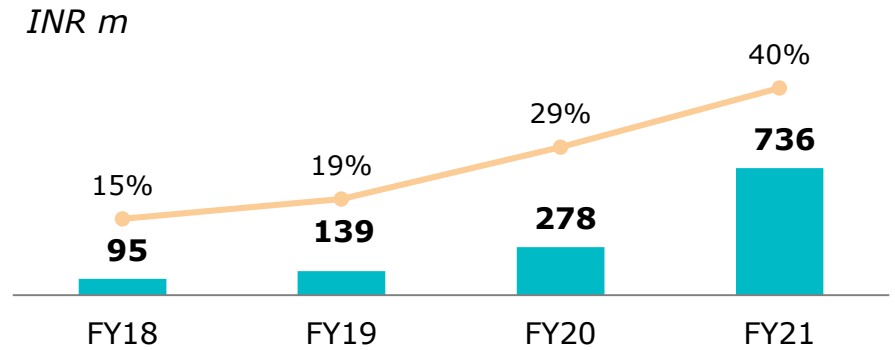


6. Trend of Sales/EBITDA/Sales by Region

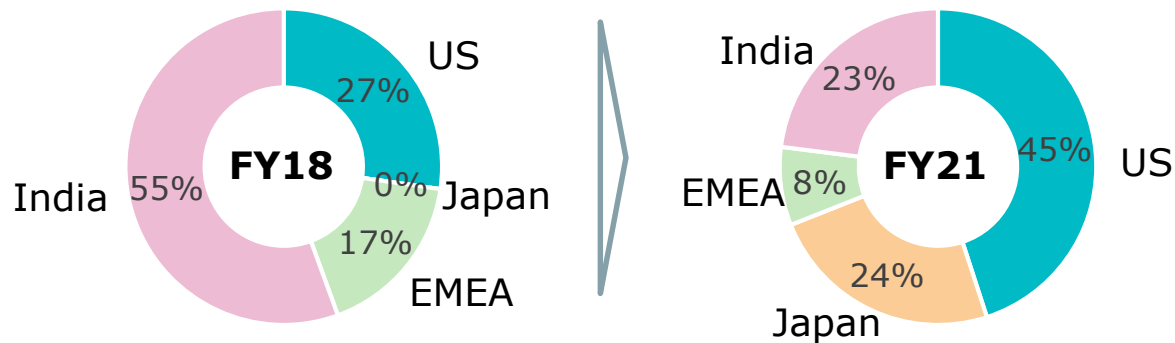
Sales Trend



EBITDA/EBITDA Margin Trend



Sales Trend by Region



7. TechnoPro x Robosoft

Strengths of Robosoft

- Expertise in Advisory and UI/UX Design
 - Strong technical capabilities across front-end, middle/back-end and analytics
- Agile and highly mature offshore delivery model
- Track Record of Digital Transformation – Media, BFSI & Retail/EC



Synergies with TechnoPro Group

- Hunting new clients in Japan – Media, BFSI & Retail/EC
- Cross-selling to TechnoPro's clients & solution development
 - Converging traditional technologies with digital
- Leveraging engineering talent in India

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