



January 17, 2022

Company name:	DIGITAL HEARTS HOLDINGS Co., Ltd. President and CEO Yasumasa Ninomiya
Name of representative:	(Code number: 3676, First Section of the Tokyo Stock Exchange) Executive Vice President Toshiya Tsukushi
Contact:	and CFO, Director (TEL: +81-3-3373-0081)

**Notice of the Stock Acquisition of DEVELOPING WORLD SYSTEMS LIMITED  
by LOGIGEAR CORPORATION, Our Consolidated Subsidiary**

DIGITAL HEARTS HOLDINGS Co., Ltd. (hereinafter referred to as the “Company”) announces that, at the Board of Directors meeting held on December 17, 2021, it resolved to leave the decision making regarding the acquisition of 100% of DEVELOPING WORLD SYSTEMS LIMITED’s (“DWS”) shares by LOGIGEAR CORPORATION (“LogiGear”) which is its consolidated subsidiary to the Representative Director of the Company, and that the decision was made today.

Details are as follows:

1. Reason for stock acquisition

LogiGear is a leading U.S. test automation company that was established in 1996 by Hung Q. Nguyen, an authority in the software testing industry. LogiGear has supported the high-quality development of software at client companies in the U.S., by leveraging its strengths in "TestArchitect"; a unique test automation tool with Silicon Valley's cutting-edge technologies and its test automation engineers at offshore sites in Vietnam. In addition, in recent years LogiGear has focused on expanding their testing businesses in specialized markets such as CRM (Customer Relationship Management), including making MK Partners, Inc., which has strengths in Salesforce consulting, a subsidiary. LogiGear has decided to acquire the shares of DWS, which has technical expertise related to Oracle products, and make it a subsidiary with the aim of strengthening its capabilities to serve the ERP (Enterprise Resources Planning) market as part of these business expansions.

DWS is a U.K. company that supports the introduction, maintenance, and operation of Oracle products as a Gold Partner of Oracle. DWS has a variety of its own automation tools specializing in Oracle products. With strengths in streamlining test areas in particular, such as impact scope analysis tools, test management tools, and test automation tools at the time of upgrades, DWS have steadily accumulated achievements or result in support of clients' introduction of Oracle products, particularly in the U.S. and Europe.

Going forward, LogiGear and DWS will mutually share their technical expertise with the aim of further improving service quality. This will include enhancing the functions of various tools specializing in Oracle products. In addition, they will utilize LogiGear’s Vietnamese engineering resources to strengthen its ability to service its customers. At the same time, by combining the marketing and sales functions of the two companies, they will focus on expanding transactions with Oracle’s customers, particularly in the U.S. and Europe.

LogiGear will continue to focus on developing and providing test solutions that utilize cutting-edge technologies. At the same time, LogiGear will strive to enhance their global presence as a software testing specialist by further expanding its geographic market and domains.

2. Overview of the subsidiary (LOGIGEAR CORPORATION) that will acquire the shares

(1) Company name	LOGIGEAR CORPORATION		
(2) Location	1730 S. Amphlett Blvd. Suite 200, San Mateo, CA 94402, USA		
(3) Position and name of representative	CEO Hung Q. Nguyen		
(4) Business activities	System testing, Test automation support, System development, etc.		
(5) Share capital	USD 5,759 thousand (JPY 662 million)		
(6) Date established	February 5, 1996		
(7) Major shareholder and its shareholding ratio	DIGITAL HEARTS HOLDINGS Co., Ltd.	51.0%	
	Total 3 individual shareholders including Hung Q. Nguyen	49.0%	

\* Share capital shown in Japanese yen are based on conversion at the rate of 115.02 yen for one US dollar.

3. Overview of the company (DEVELOPING WORLD SYSTEMS LIMITED) to be acquired as a subsidiary

(1) Company name	DEVELOPING WORLD SYSTEMS LIMITED		
(2) Location	Marcoms House Abbey Barn Road High Wycombe Bucks HP11 1RL		
(3) Position and name of representative	CEO Barry Burke		
(4) Business activities	Supports the introduction, maintenance, and operation of Oracle products		
(5) Share capital	GBP 450 (JPY 69 thousand)		
(6) Date established	March 6, 1998		
(7) Major shareholders and its shareholding ratios	Barry Burke	32.1%	
	Dave Harrison	32.1%	
	Zayne Julius	32.1%	
	2 other individuals	3.7%	
(8) Relationship between the listed company and the said company	Capital ties	There are no notable capital ties between the Company and the said company. There are no notable capital ties between related parties/affiliates of the Company and related parties/affiliates of the said company.	
	Personnel relations	There are no notable personnel relations between the Company and the said company. There are no notable personnel relations between related parties/affiliates of the Company and related parties/affiliates of the said company.	
	Business relations	There are no notable business relations between the Company and the said company. There are no notable business relations between related parties/affiliates of the Company and related parties/affiliates of the said company.	

\*1 As this transaction does not meet the timely disclosure standards stipulated by the Tokyo Stock Exchange, DWS's results of operations and financial position for the past three years have been omitted.

\*2 Share capital shown in Japanese yen are based on conversion at the rate of 155.24 yen for one GB pound.

4. Number of shares to be acquired, and status of stock ownership before and after acquisition

(1) Number of shares owned before transfer	Zero (Number of voting rights: Zero) (Ownership percentage of voting rights: 0%)
(2) Number of shares to be acquired	46,800 shares (Number of voting rights: 46,800)

(3) Number of shares owned after transfer	46,800 shares (Number of voting rights: 46,800) (Ownership percentage of voting rights: 100.0%)
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\* Since this case does not meet the timely disclosure standards set forth by the Tokyo Stock Exchange, the acquisition price is not disclosed. However, the acquisition price is calculated in a fair manner by referring to due diligence by a third party.

5. Schedule

- (1) Date of conclusion of the share transfer agreement : January 17, 2022
- (2) Date of the stock acquisition : January 17, 2022

6. Future prospects

We expect the stock acquisition to have a minor effect on our business results for the fiscal year ending March 31, 2022. However, we will promptly make an announcement if it is necessary to revise our results forecast or if any matter requiring disclosure is generated in the future.