



July 14, 2023

Company Hamee Corp.
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Notice of Commencement of Preparations for the Share-Distribution-Type Spin-Off and Commencement of Preparations for Listing the Shares of NE Inc., Our Consolidated Subsidiary

On July 14, 2023, we announced that we would begin preparing for the distribution of all shares of our consolidated subsidiary NE Inc. (hereinafter "NE") to our shareholders through dividends in kind (dividends from property other than cash) (hereinafter "Spin-Off"), and that we would begin preparing to list NE shares, by means of a written resolution in lieu of the resolution of the board of directors pursuant to Article 370 of the Companies Act (Act No. 86 of 2005, as amended) and the provisions of our Articles of Incorporation.

1. Background of Reorganization

We are aware of various difficulties as we operate two businesses, Commerce Business and Platform Business, with vastly different structures as a single corporate.

(1) Inefficiency by adapting to total optimization across businesses

In order to maximize the growth of the two businesses of different quality, it is necessary to simplify the decision-making process and tailor the labor environment, salary levels, etc. to each business. However, since overall optimization is prioritized under the current organizational structure, it is difficult to fundamentally resolve these difficulties, which leads to inefficiency.

(2) Securing a proper evaluation for the Platform Business

We recognize the current market evaluation of us, the commerce company aspect was emphasized because of the high sales ratio of EC and wholesales.

Due to the above, we believe that our Platform Business is not properly evaluated by the market as a SaaS operating company and that we are not able to maximize shareholder value.

(3) Impact on flexibility of growth strategies

While there are no specific problems at present, if overall optimization became overly conscious when drawing up a growth strategy, without guaranteeing freedom of choice, there is a possibility of impact on realization of growth strategy.

2. Purpose of Reorganization

To solve these difficulties, we implemented measures such as the spin-off of NE. To further promote difficulties solving, we decided on the measure, this Spin-Off. The purposes are as follows.

(1) Maximize the shareholder's value

- ① We will work to resolve difficulties under the optimal management environment for each of us and NE, and accelerate the evolution and growth of our business with the aim of further enhancing corporate value over the medium to long term.
- ② We will create opportunities to choose the best way to develop business alliances and services while ensuring the flexibility of our growth strategies. As a result, we will maximize shareholder value by exceeding the total corporate value of the two companies before the reorganization.

(2) Clarification of Governance

- ① We and NE will communicate with the marketplace as listed companies to clarify governance.
- ② Management of the two companies will directly ensure the soundness of management by being conscious of governance from capital markets.
- (3) Speed up decision making
By eliminating the need to be aware of total optimization across businesses, management focused on each business unit will quickly make decisions in each area.

3. Outline of the Spin-Off.

Under the 2017 Tax Reform, this Spin-Off will provide our shareholders with shares of NE, our consolidated subsidiary, in-kind dividends by utilizing the share-distribution-type spin-off that created tax exemption for the profit and loss on transfer of corporations implementing share distributions and dividends to shareholders receiving distribution, as well as the deferral of taxable profit and loss on transfer of shareholders.

The Spin-Off is scheduled to pay dividends in kind (dividends from property other than cash) that do not grant rights to shareholders to make cash distributions. The Spin-Off is premised on the listing of NE shares on the Tokyo Stock Exchange, Inc. (hereinafter "TSE") from the viewpoint of securing trading opportunities for shareholders. Accordingly, we plan to file for a new listing on the TSE before the implementation of this Spin-Off, and the conditions for this Spin-Off will include obtaining the TSE's listing approval.

The listing of our shares on the TSE will be maintained even after the Spin-Off. Accordingly, our shareholders will hold two kinds of listed shares, our shares and NE shares, as a consequence of the Spin-Off. In addition, after the Spin-Off, NE will no longer be a consolidated subsidiary of ours and will become an independent, publicly traded company with no equity relationship with us.

Details such as the Spin-Off and the timing of the listing have not been determined, and depending on the outcome of the review in the preparatory process, there is a possibility that we will not engage in the Spin-Off or the listing of its shares. In the future, we will disclose the Spin-Off and the listing of shares of NE promptly when the events that should be disclosed, including the impact on our business results.

Outline of NE Inc. (As of April 30, 2023)

(1)Name	NE Inc.
(2)Address	Square O2, 2-12-10, Sakae-cho, Odawara City, Kanagawa
(3)Representative	Junya Suzuki, Chairman Noriyoshi Higo, President and CEO
(4)Business	EC support, SaaS business and Consulting business
(5)Capital amount	JPY100,000,000
(6)Incorporation	May 2, 2022
(7)Number of shares outstanding	4,000,000 shares
(8)Major shareholders and percentage of shares	Hamee Corp. 100%

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