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July 30, 2019

To whom it may concern:

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Notice Regarding Issuance of New Shares as Restricted Stock Units (RSU) Award Plan

Mercari, Inc. (the "Company") announces that, at the meeting of the board of directors held today, it resolved to issue new shares (collectively, the "Issuance of New Shares") as Restricted Stock Units (RSU) Award Plan as follows.

1. Outline of Japanese Issuance (the "Japanese Issuance")

(1) Payment date	August 23, 2019
(2) Type and number of shares to be issued	323,090 shares of the Common Stock of the Company
(3) Issue price	2,884 yen per share (Note 1)
(4) Aggregate issue price	931,791,560 yen (Note 2)
(5) Persons eligible for allotment, the number thereof, and the number of shares to be allotted	816 employees of the Company 246,995 shares 1 director of the subsidiaries of the Company 4,959 shares 274 employees of the subsidiaries of the Company 71,136 shares
(6) Others	The Issuance of New Shares is subject to the effectuation of the securities registration statement under the Financial Instruments and Exchange Act.

(Notes) 1. The issue price is an estimated amount based on the closing price of the Common Stock of the Company on the Tokyo Stock Exchange on July 29, 2019, 2,884 yen, and is the subscription price per share under the Companies Act relating to the Japanese Issuance. On the same day, the Company also resolved to acquire the issued shares of Kashima Antlers F.C. Co., Ltd. and announced such acquisition. On August 1, 2019, the Company will determine the actual issue price as the highest closing price among the closing prices of each trading day from July 29, 2019 to August 1, 2019 (excluding any days in which the closing price is not determined), in order to reflect the effects on stock prices that may occur as a result of this announcement. This method is adopted after taking into consideration various conditions such as stock price trends and liquidity of the Company's shares, and is considered to be reasonable considering the interests of existing shareholders.
In addition, for details on the acquisition of Kashima Antlers F.C. Co., Ltd. shares, please refer to "Notice of Acquisition of Kashima Antlers F.C. Co., Ltd. Shares and Making It into a Subsidiary" announced today.

2. The aggregate issue price is an estimated amount based on the closing price of the Common Stock of the Company on the Tokyo Stock Exchange on July 29, 2019, 2,884 yen, and is the aggregate subscription price per share under the Companies Act relating to the Japanese Issuance. The Company will determine the actual aggregate issue price on August 1, 2019 according to the method described above (Note 1).

2. Outline of Overseas Issuance (the "Overseas Issuance")

(1) Payment date	August 16, 2019
(2) Type and number of shares to be issued	78,853 shares of the Common Stock of the Company
(3) Issue price	2,884 yen per share (Note 1)
(4) Aggregate issue price	227,412,052 yen (Note 2)
(5) Persons eligible for allotment, the number thereof, and the number of shares to be allotted	64 employees of the subsidiaries of the Company 78,853 shares

(6) Others	As the Issuance of New Shares is an offering of shares overseas for employees of the subsidiary of the Company in the United States of America, the Company submits an Extraordinary Report based on the Financial Instruments and Exchange Act.

(Notes) 1. The issue price is an estimated amount based on the closing price of the Common Stock of the Company on the Tokyo Stock Exchange on July 29, 2019, 2,884 yen, and is the subscription price per share under the Companies Act relating to the Overseas Issuance. The Company will determine the actual issue price of the Overseas Issuance on August 1, 2019 according to the method described above (Note 1).

2. The aggregate issue price is an estimated amount based on the closing price of the Common Stock of the Company on the Tokyo Stock Exchange on July 29, 2019, 2,884 yen, and is the aggregate subscription price per share under the Companies Act relating to the Overseas Issuance. The Company will determine the actual aggregate issue price of the Overseas Issuance on August 1, 2019 according to the method described above (Note 1).

3. Purpose and Reason for the Issuance

At the meeting of the board of directors of the Company held on December 18, 2018, it had reconsidered its incentive compensation plans for domestic and foreign (a) employees of the Company and (b) executives, directors and employees of its subsidiaries (collectively, the "Employee(s)") and resolved to adopt Restricted Stock Units ("RSU") Award Plan for the Employees (the "Plan"). The contents of the Plan are described in "The Contents of the Plan" below.

Subject to RSU granted by the Company or the subsidiaries of the Company under the Plan on the dates listed in the following table (the "Relevant RSU"), the Issuance of New Shares will be made in accordance with the resolution of the board of directors held today.

The Relevant RSU is the right to receive from the Company the number of shares of its Common Stock ("Shares") predetermined by it on, among others, the conditions that such Employees belong to the Mercari Group during the period described in the following table (the "Relevant Calculation Period") and work until the prescribed date thereafter. The Relevant RSU also sets out (i) the restrictions on the transfer or other disposition of such rights from the grant date to the payment date and (ii) the forfeiture of such rights due to resignation, non-compliance, or other reasons.

The Issuance of New Shares is made to 1,091 Employees of the Mercari Group in Japan and 64 Employees of the subsidiary of the Company in the United States of America who meet the vesting conditions in accordance with the Relevant RSU as of today (collectively, the "Relevant Employees"), and the Company will deliver the Shares in return for contribution in kind of the monetary claims given to the Relevant Employees. For the avoidance of doubt, there is no restriction on transfer or any other encumbrance on the Shares delivered by the Issuance of New Shares.

(1) Period, etc. related to the Japanese Issuance

	Grant Date of the Relevant RSU	Relevant Calculation Period
(a)	December 18, 2018	From July 1, 2018 to June 30, 2019
(b)	February 25, 2019 *For Employees who joined the company after March, the Relevant RSU is granted on the 25th of the month the Employee joined.	From January 1, 2019 to June 30, 2019

(2) Period, etc. related to the Overseas Issuance

	Grant Date of the Relevant RSU	Relevant Calculation Period
(a)	January 15, 2019	From June 4, 2018 to August 15, 2019
(b)	April 9, 2019	From September 30, 2018 to August 15, 2019

The Contents of the Plan:

(1) The Participants in the Plan

The participants in the Plan (the "Participants") are the Employees specified by the Company.

(2) The Outline of the Plan

RSU granted in accordance with the Plan is a stock unit award that the Company gives a Participant the number of Shares specified for such Participant by the Company in advance (the "Number") on, among others, the condition that such Participant belongs to the Mercari Group for a half-year, quarter, or any other period specified by the Company (the "Calculation Period"). If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares (including but not limited to the Allotment of Shares without Contribution for in Article 185 of the Companies Act; the same shall apply to references to split of shares hereinafter), the Number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(3) Maximum Number of Shares to be Given in accordance with the Plan

The maximum number of Shares to be given to the Participants per one (1) fiscal year in accordance with the Plan shall be the number less than one (1) percent of the total number of issued shares in the Company as of the beginning of such fiscal year. If the total number of the issued shares in the Company increases or decreases by consolidation or split of shares, such maximum number shall be adjusted accordingly by multiplying the rate of consolidation or split of shares.

(4) Method and Schedule to Deliver Shares

The Company shall, upon resolution by the board of directors within two (2) months following the end of the Calculation Period or at the time separately specified by the Company, deliver the Number of Shares by means of issuance of new Shares or disposition of treasury Shares in return for contribution in kind of all of the monetary claims given to the Participants.

The subscription price per share for such issuance or disposition shall be determined by the board of directors based on the closing price of the Shares on the Tokyo Stock Exchange on the preceding business day to the day of such resolutions (if no closing price is quoted, the closing price of the immediately preceding trading date to such business day), such that it is not particularly favorable to the Participants.

In addition, on August 1, 2019, the Company will determine the actual issue price as the highest closing price among the closing prices of each trading day from July 29, 2019 to August 1, 2019. According to the calculation method of the issue price, the issue price will be the same as the market price immediately prior to the day of such resolution, or higher than the market price. Therefore, the Company believes that the issue price is a reasonable price that properly reflects the Company's corporate value and is not considered to be particularly favorable to the Relevant Employees.

(5) Restructuring Transactions or Other Events

If (i) a merger agreement in which the Company is a disappearing company, a share exchange agreement or share transfer plan through which the Company becomes a wholly-owned subsidiary, or any other restructuring transactions are approved at the shareholders meeting of the Company or (ii) other events specified by the board of the directors occur, the Company may give the Shares, monies, shares in another company or other compensations reasonably determined by the Company.

4. Basis for Calculation of the Amount to Be Paid and Description of Details

The Issuance of New Shares will be made in return for contribution in kind of the monetary claims that are given to the Relevant Employees under the Plan. On August 1, 2019, the Company will determine the actual issue price as the highest closing price among the closing prices of each trading day from July 29, 2019 (the preceding business day to the day of the resolution of the board of directors) to August 1, 2019, in order to remove arbitrariness. According to the calculation method of the issue price, the issue price will be the same as the market price immediately prior to the day of such a resolution, or higher than the market price. Therefore, the Company expects that the issue price is a reasonable price that properly reflects the Company's corporate value and is not considered to be particularly favorable to the Relevant Employees.