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January 23, 2020

To whom it may concern:

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Notice of Acquisition of Origami Inc. Shares by a Subsidiary and Making It into a Sub-Subsidiary

Mercari, Inc. (the "Company") announced that Merpay, Inc. (hereinafter, "Merpay"), a subsidiary of the Company, passed a resolution to acquire shares of Origami Inc. (hereinafter, "Origami") and make it into a subsidiary (a sub-subsidiary of the Company) at the board of directors' meeting held today.

1. Reason for acquisition of shares

With the mission of "building trust for a seamless society," Merpay, a wholly-owned subsidiary of Mercari, Inc., launched the mobile payment service *Merpay* in February 2019. Given the marketplace app *Mercari*'s user base of 14.5 million people per month and the sales proceeds (approximately 500 billion JPY per year) held by this user base through transactions made on *Mercari*, *Merpay* is currently expanding its usage by providing convenient payment features using both the contactless payment service *iD* and code payments, as well as a merchant base spanning various industries and businesses across the country.

Origami was established in 2012 with a mission to "create the future of money, payment, and commerce." *Origami Pay*, Origami's mobile payment service, was launched in 2016, and is available in stores and services spanning various industries and businesses across the country. In September 2018, Origami formed a capital and business alliance with Shinkin Central Bank (Head Office: Chuo-ku, Tokyo; Chairman: Hiroyuki Shibata; hereinafter, "SCB"), the central bank of the Shinkin bank industry, and is promoting the cashless movement with a focus on small/medium-sized regional businesses.

Merpay and Origami discussed the idea that as the competition among mobile payment businesses increases, combining the strengths of the two companies would not only provide benefits to both companies in terms of economies of scale, but also provide new unique value and contribute to the realization of a cashless society in Japan, and as a result, they came to a basic agreement to have Origami join the Mercari Group.

After an announcement followed by a transition period for Origami's users and merchants, the *Origami Pay* service and brand will be integrated into *Merpay* going forward. Mercari, Merpay, Origami, and SCB, with whom Mercari and Merpay concluded a business alliance today, will aim to realize a cashless society by promoting the introduction of *Merpay* in small/medium-sized regional businesses. Additionally, Mercari plans to hold regional events using *Merpay*, Mercari Workshops teaching how to use *Mercari* (from registration to buying and listing items), promotions encouraging use of *Mercari* and *Merpay*, and more by utilizing SCB's nationwide network. With this, Mercari will aim not only to contribute to further empowering local economies and promoting the cashless movement, but also to create a highly sustainable circular economy, where the sales proceeds received by selling unneeded items on *Mercari* return to local communities through *Merpay*.

2. Overview of the subsidiary acquiring shares

(1) Company name	Merpay, Inc.
(2) Address	6-10-1 Roppongi, Minato-ku, Tokyo
(3) Title and name of representative	Naoki Aoyagi, CEO
(4) Business activities	Planning, development, and operation of financial-related businesses
(5) Capital	10,850 million yen
(6) Date of establishment	November 20, 2017
(7) Large shareholder and their stake	Mercari, Inc.: 100%

3. Overview of the sub-subsidiary to be transferred (as of January 23, 2020)

(1) Company name	Origami Inc.	
(2) Address	6-10-1 Roppongi, Minato-ku, Tokyo	
(3) Title and name of representative	Yoshiki Yasui, Founder & CEO	
(4) Business activities	Planning and operation of financial platforms on mobile devices	
(5) Capital	5,055 million yen	
(6) Date of establishment	February 22, 2012	
(7) Large shareholders and their stake	Yoshiki Yasui: 33.76% Credit Saison Co.,Ltd.: 14.74% (and 22 minority shareholders holding less than 10% of the shares)	
(8) Relationship between listed company and company concerned	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Not applicable

(9) Business performance and financial standing of the company concerned in the last 3 years

Fiscal year	Fiscal year ended Dec 2016	Fiscal year ended Dec 2017	Fiscal year ended Dec 2018
Net assets (millions of yen)	570	3,077	3,124
Total assets (millions of yen)	1,199	3,830	4,259
Net assets per share (yen)	320.41	1,358.09	1,255.28

Net sales (millions of yen)	53	178	222
Operating income (millions of yen)	(689)	(1,306)	(2,544)
Ordinary income (millions of yen)	(688)	(1,306)	(2,544)
Net income (millions of yen)	(689)	(1,310)	(2,549)
Net income per share (yen)	(387.60)	(677.62)	(1,108.00)
Dividend per share (yen)	-	-	-

(Note) Origami implemented a 10-for-1 stock split during FY2016.12. For FY2016.12, it is assumed that the stock split was implemented in the beginning of the fiscal year to compute net assets per share and net income per share.

4. Overview of the party from whom the shares are acquired

(1) Name	Yoshiki Yasui	
(2) Address	Minato-ku, Tokyo	
(3) Relationship between listed company and person concerned	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Not applicable
	Other notable relationship	Not applicable

(Note) Yoshiki Yasui plans to acquire all the shares of Origami before the stock transfer execution date and transfer them to Merpay.

5. Number of shares acquired, acquisition cost, and status of shares owned before and after the acquisition

(1) Number of shares owned before the transfer	0 shares (Number of voting rights: 0) (Percentage of voting rights owned: 0%)
(2) Number of shares acquired	2,591,273 shares (Number of voting rights: 2,591,273)
(3) Acquisition cost	Under the confidentiality obligations between the parties, the acquisition cost will not be disclosed, but is the fair and valid price determined based on appropriate due diligence.
(4) Number of shares owned after the transfer	2,591,273 shares (Number of voting rights: 2,591,273) (Percentage of voting rights owned: 100%)

6. Schedule

(1) Date of resolution at the board of directors' meeting	January 23, 2020
(2) Stock transfer agreement signing date	January 23, 2020
(3) Stock transfer execution date	February 25, 2020 (scheduled)

7. Future outlook

The impact of this matter on financial performance of the current fiscal year is under review. A disclosure will be promptly made at a later date if judged necessary.