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August 6, 2020

To whom it may concern:

Company Name: Mercari, Inc.
Representative: Shintaro Yamada, Chief Executive Officer
Code: 4385; TSE Mothers
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Notice Regarding Decision on Candidate Directors and Candidate Senior Vice Presidents

Mercari, Inc. ("the Company") announces that, at the meeting of the board of directors held today, it resolved the following changes regarding candidate directors and candidate senior vice presidents to be appointed on September 25, 2020.

These director appointments are predicated upon their approval by shareholders at the the 8th Annual General Meeting of Shareholders scheduled for September 25, 2020.

1. Overview

The Company has decided to separate the supervisory and execution functions of the board of directors and has encouraged the board to hand over authority for business execution to the organizational body in charge of business execution, to further strengthen corporate governance and raise corporate value in the mid-to-long term.

In terms of concrete measures, the Company plans to introduce sweeping revisions to the structure of the board of directors and introduce an "Executive Committee" system. The Company additionally plans to introduce an incentive system to encourage upper management to take appropriate risks.

2. Revising the Structure of the Board of Directors

In order to strengthen the board of directors' supervisory function with regards to business management, the board's structure will also be revised, shifting from the original's focus on directors appointed internally (6 Internal Directors and 2 Outside Directors) to a structure centered on Outside Directors (2 Internal Directors and 3 Outside Directors). The director candidates are listed below.

Name	New Position	Appointment
Shintaro Yamada	Representative Director, CEO	Reappointment
Fumiaki Koizumi	Director, President (Chairman of the Board)	Reappointment
Ken Takayama	Outside Director	Reappointment

Masashi Namatame	Outside Director	Reappointment
Makiko Shinoda	Outside Director	New appointment

Name and Career History for New Outside Director Candidate

Name	Career History	
Makiko Shinoda	April 1991	The Long-Term Credit Bank of Japan, Limited (currently Shinsei Bank, Limited)
	Sep 1998	McKinsey & Company, Inc.
	Oct 2002	Novartis Pharma K.K.
	Jul 2007	Head of Finance for Nestlé Nutrition K.K
	Dec 2008	CFO of Tokyo Itoi Shigesato Office (currently Hobonichi Co., Ltd.)
	Mar 2020	Director at YeLL Inc.

3. About the Introduction of the Senior Vice President System

The Company aims to increase management agility by (a) introducing a new "Senior Vice President" position in charge of the core functions of the executive body, (b) separating the supervisory and business execution functions with regards to business management, and (c) encouraging handing over authority for business execution to the Senior Vice Presidents. The Senior Vice President candidates are listed below.

Name	New Position
Shintaro Yamada	Representative Director, CEO
Fumiaki Koizumi	Director, President (Chairman of the Board) CEO of Kashima Antlers F.C. Co., Ltd.
Yuki Hamada	Senior Vice President, Chief Innovation Officer
John Lagerling	Senior Vice President CEO of Mercari, Inc. (US)
Naoki Aoyagi	Senior Vice President CEO of Merpay, Inc.
Hirohisa Tamonoki	Senior Vice President CEO of Mercari Japan
Jun Yokota	Senior Vice President, Corporate
Shuji Kawano	Senior Vice President, Strategy

The Company will also ensure fairness, transparency, and objectivity in deciding Senior Vice President nominations/compensation by having these decisions reviewed by the Nomination and Remuneration

Advisory Committee, a new organization established on April 30, 2020, which is composed primarily of Independent Outside Directors.

4. About the Stock Option Incentive System

Please see "Notice Regarding Introduction of Share Options (Stock Acquisition Rights) to Directors and Senior Vice Presidents", today's separate announcement regarding the introduction of a stock option incentive system for Directors (excluding Outside Directors) and Senior Vice Presidents.

[New Governance Structure - Diagram]

