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September 25, 2020

To whom it may concern:

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Notice Regarding the Issuance of Share Options (Stock Acquisition Rights)

Mercari, Inc. (the "Company") announces that, at the meeting of the board of directors held today, it resolved the subscription requirements for stock acquisition rights to be offered as share options ("Share Options") to its directors (excluding outside directors; the same shall apply hereinafter) and senior vice presidents pursuant to Article 236, Article 238, and Article 240 of the Companies Act of Japan, as described below.

I. Reason for issuing the stock acquisition rights as share options

The Mercari Group aims to continue to take on new challenges and realize the growth of its enterprise value over the medium to long term. Therefore, the Company will issue stock acquisition rights to the directors and senior vice presidents in order to maximize their performance and willingness to contribute, as well as to encourage appropriate risk-taking by linking remuneration to increased shareholder value.

II. Details of the Issuance of the Share Options for Directors

1. Name of the Share Options
   The 40th series of stock acquisition rights of Mercari, Inc.

2. Class and Number of Shares Subject to the Share Options
   The class of shares to be allotted upon exercise of the Share Option shall be shares of common stock of the Company, with the number of shares of the Company to be allotted upon exercise of the Share Option limited to a total of 265,522 shares; provided, that if the number of shares to be issued upon exercise of the Share Option is adjusted in accordance with Paragraph 3 of the Plan, the number of shares to be issued upon exercise of the Share Option will be adjusted to the number which is (x) the number of shares after such adjustment multiplied by (y) the number of the Share Option.

3. Total number of Share Options
   The total number of the Share Options to be issued shall be 265,522 units. The number of shares to be allotted upon exercise of a single Share Option (the "Number of Allotted Shares") shall be one (1); provided, however, that the Number of Allotted Shares might be adjusted in accordance with the following Items.
   (1) In the event of a split or consolidation of shares of common stock, the Number of Allotted Shares with respect to the unexercised Share Option shall be adjusted by the following formula. Fractions less than one-hundredth share arising as a result of such adjustment shall be rounded off and cash adjustment shall not be made. The "Share Split Ratio" shall mean the number of (x) the total number of issued shares of common stock after the share split divided by (y) the total number of issued shares of common stock before the share split. The "Share Consolidation Ratio" shall mean the number of (x) the total number of issued shares

of common stock after the share consolidation divided by (y) the total number of issued shares of common stock before the share consolidation. The number of shares after adjustment shall be applied (a) from the day following the date of the Record Date stipulated in Item 1 of Paragraph 2 of Article 183 of the Companies Act in case of the share split and (b) from the day following the date of the effective date of the share consolidation.

Number of Shares after Adjustment	=	Number of Shares before Adjustment	×	Share Split or Share Consolidation Ratio

(2) If it is appropriate to adjust the Number of Allotted Shares because of an issuance or disposal of the shares through the shareholder allocation, an allotment of shares without contribution, a merger, a share exchange, a company split, and/or other reasons deemed necessary, the Company shall adjust the Number of Allotted Shares appropriately.

(3) In case that the Number of Allotted Shares is adjusted in accordance with this Paragraph, the Company shall notify the participant who holds the Share Option (the "Participant") of (a) the said effect, (b) the reason for the adjustment, (c) the number of shares after adjustment, (d) the effective date of adjustment, and (e) other matters deemed necessary without delay after the decision of matters relevant to the adjustment.

4. Amount to be Paid for Issuance of the Share Option and the Allotment Date

No cash payment is required for the issuance of the Share Options. The Share Options are allotted as consideration for the performance of duties, and the issuance thereof does not constitute an issuance under advantageous conditions.

The allotment date of the Share Option shall be October 12, 2020.

5. Amount to be Paid upon Exercise of the Share Options

The amount to be paid upon exercise of each Share Option (the "Exercise Price") shall be one (1) yen per share. The amount to be paid for the Share Option upon the exercise thereof shall be the amount obtained by multiplying the Exercise Price and the number of shares to be acquired upon exercise of the single Share Option.

6. Period during which the Share Options may be Exercised

The period shall be from September 25, 2023 to September 24, 2030.

7. Conditions to Exercise the Share Options, etc.

(1) Conditions to exercise the Share Options

The Participant may exercise the Share Option only if all requirements stipulated in the following Items are met:

A) The Director may exercise the Share Option from the day following the date on which the condition that the Market Capitalization of the Company (calculated by the following formula; hereinafter the same) exceeds 1 trillion yen on each day of a certain 5 consecutive business days (excluding the days on which ordinary transactions of the Company's common stock cannot take place) during the period lasting from the allocation date to September 24, 2030.

Market Capitalization = (Total number of outstanding shares of the Company (*) – Total number of treasury stock held by the Company (*)) × Closing price of ordinary transactions of the Company's common stock on the Tokyo Stock Exchange

(*) Both shall be numerical values on each day of the aforementioned consecutive 5 business days.

B) The Director may, to the extent that each condition stipulated in the following Items is fulfilled, exercise the Share Option only during the period (each period includes the first day and the last day of this period; hereinafter the same in this Paragraph) from the day following the date on which the condition is fulfilled to the expiration date of the period stipulated in Paragraph 6 and up to the number stipulated in the following Items (provided, however, that if the board of directors of the Company deems legitimate, the Director may exercise the Share Option). If there is any fraction less than one (1) share with respect to the number of the exercisable Share Options obtained in accordance with the following Items, (a) the number of the Share Options which may be exercised during the period shall be rounded down to the nearest whole number and (b) the number of the Share Options which may be exercised during

the period stipulated in Item (iii) shall be the total of all fractions rounded down in accordance with (a) above and the number of Share Options obtained in accordance with such Item:

(i) If the Director continuously holds a position of director of the Company until the conclusion of the Annual General Meeting of Shareholders for the last business year which ends within 3 years from the allotment date:
a third of the total number of allotted Share Options;

(ii) If the Director continuously holds a position of director of the Company until the conclusion of the Annual General Meeting of Shareholders for the last business year which ends within 4 years from the allotment date:
a third of the total number of allotted Share Options; and

(iii) If the Director continuously holds a position of director of the Company until the conclusion of the Annual General Meeting of Shareholders for the last business year which ends within 5 years from the allotment date:
a third of the total number of allotted Share Options.

C) The Share Option may be exercised on the condition that there are no acquisition events stipulated in Paragraph 8 with respect to the Share Option or the Participant, with such exercising of the Share Option prohibited in the event of an acquisition event. However, this restriction shall not apply in cases where such exercising of Share Options is specially approved by the Company.

D) The Share Option may be exercised in increments of one (1) Share Option and each Share Option may not be partially exercised.

E) When the Participant exercises one or more Share Option(s), the number of shares allotted to the Participant upon the exercise shall be a whole number. Any fractions less than one (1) shall be rounded off and shall not be allotted as shares. Any cash adjustment shall not be made with respect to such round-off of fractions.

(2) Inheritance
The Share Option may be exercised on the condition that the Participant is still alive. If the Participant is dead, the Share Option may not be inherited or exercised; provided, however, that the Share Options may be inherited and exercised only if approved by the Company.

8. Acquisition events of the Share Option

The Company may acquire the Share Option in accordance with the following Items. If the Company acquires the Share Option with acquisition events stipulated in the following Items, such Share Option shall be acquired as of the date determined by the Board of Directors of the Company. The Company may acquire all or part of the Share Options with acquisition events stipulated in the following Items. If the Company acquires a part of the Share Options, the Company shall determine the number of Share Options to be acquired by the resolution of the Board of Directors. Where the Company acquires any part of the Share Option, the Share Option cannot vest or be exercised under any other provision of this agreement. This means that the Participant has no right to receive the Shares (or any cash equivalent) covered by the Share Option.

(1) If any proposal for approval of a merger (gappei) pursuant to which the Company will become an absorbed company, a corporate split (kaisha-bunkatsu) pursuant to which the Company will become a splitting company, or a share exchange (kabushiki-kokan) or a share transfer (kabushiki-iten) pursuant to which the Company will become a wholly-owned subsidiary (collectively, a "Reorganization") is, in accordance with laws, regulations and Articles of Incorporation of the Company, approved at a shareholders meeting of the Company (if no resolution at a shareholders meeting is required, at a meeting of the Board of Directors of the Company), the Company may acquire the Share Options without any consideration.

(2) If the Participant loses all positions as directors, corporate auditors, executive officers, or employees of the Company, its subsidiaries, or affiliates, the Company may acquire the unexercised Share Option without any consideration.

(3) If the Participant became unable to exercise the Share Option in accordance with Paragraph 7 or because of any other reasons before the exercise, the Company may acquire the unexercised Share Option without any consideration.

9. Procedure of the Exercise of the Share Option

The Participant who exercises the Share Option shall submit a request form designated by the

Company to the Company and contribute the total amount of the Exercise Price.

10. Restrictions on Acquisition of the Share Options by Transfer
Acquiring share options by means of transfer shall require the approval of the Board of Directors of the Company.

11. Matters Concerning Certificates of the Share Options
Certificates of the Share Options shall not be issued by the Company.

12. Matters Concerning the Capital and Capital Reserve to be Increased upon the Exercise of the Share Option
The amount of capital to be increased due to the issuance of shares upon exercise of the Share Option shall be one half (1/2) of the maximum amount of increases of the capital, etc. to be calculated according to Article 17, Paragraph 1 of the Corporate Accounting Regulations, with any amount less than one yen arising from such calculation to be rounded up. The amount of capital reserve to be increased due to the issuance of shares upon exercise of the Share Option shall be the amount obtained by deducting (x) the amount of capital to be increased from (y) the maximum amount of increases of the capital, etc.

13. Treatment of the Share Option upon Reorganization
If the Company conducts a Reorganization, the surviving company or new company of the merger (gappei), the successor company or new company of the company split (kaisha-bunkatsu), or the wholly-owning parent company of the share exchange (kabushiki-kokan) or the share transfer (kabushiki-iten) (provided, however, that this shall be limited to such company that is a stock company (kabushiki-kaisha); collectively, the "Reorganized Company") shall, with respect to each Reorganization, grant new share options in the Reorganized Company to the holders of the Share Options remaining at the time immediately before the effective date of the Reorganization (the "Effective Date") in accordance with the following conditions. However, such new share options shall be granted only if the relevant agreement or plan of the Reorganization so stipulates.
(1) Number of share options in the Reorganized Company to be granted
Each holder of the remaining Share Options shall receive the same number of share options in the Reorganized Company as the number of the remaining Share Options held by such holder.
(2) Class of shares in the Reorganized Company to be acquired upon exercise of the share options
It shall be shares of common stock in the Reorganized Company.
(3) Number of shares in the Reorganized Company to be acquired upon exercise of the share options
It shall be determined pursuant to Paragraph 2 by taking into consideration the terms and conditions and the similar of the Reorganization.
(4) Amount to be paid in upon exercise of the share option or calculation method of such amount
It shall be determined pursuant to Paragraph 5 by taking into consideration the terms and conditions, etc. of the Reorganization.
(5) Period during which the share options may be exercised
The period from the latter of: (i) the commencement date of the period during which the Share Options may be exercised as specified in Paragraph 6 or (ii) the Effective Date, to the date of expiration of the period during which the Share Options may be exercised as specified in Paragraph 6 herein.
(6) Conditions to exercise, forfeiture events, and other details of the share options
It shall be stipulated in the relevant agreement or plan of the Reorganization according to the terms and conditions of the Share Options.
(7) Restriction on acquisition of share options by transfer
Acquiring share options by means of transfer shall require the approval of the Board of Directors of the Reorganized Company.
(8) Treatment of the share options upon Reorganizations
It shall be determined according to this Paragraph.

14. Total number of units and persons to whom Share Options will be allotted
265,522 units to directors of the Company totaling 2 people.

III. Details of the Issuance of the Share Options for Senior Vice Presidents

1. Name of the Share Options
   The 41st series of stock acquisition rights of Mercari, Inc.

2. Class and Number of Shares Subject to the Share Options
   The class of shares to be allotted upon exercise of the Share Option shall be shares of common stock of the Company, with the number of shares of the Company to be allotted upon exercise of the Share Option limited to a total of 295,637 shares; provided, that if the number of shares to be issued upon exercise of the Share Option is adjusted in accordance with Paragraph 3 of the Plan, the number of shares to be issued upon exercise of the Share Option will be adjusted to the number which is (x) the number of shares after such adjustment multiplied by (y) the number of the Share Option.

3. Total number of Share Options
   The total number of the Share Options to be issued shall be 295,637 units. The number of shares to be allotted upon exercise of a single Share Option (the "Number of Allotted Shares") shall be one (1); provided, however, that the Number of Allotted Shares might be adjusted in accordance with the following Items.
   (1) In the event of a split or consolidation of shares of common stock, the Number of Allotted Shares with respect to the unexercised Share Option shall be adjusted by the following formula. Fractions less than one-hundredth share arising as a result of such adjustment shall be rounded off and cash adjustment shall not be made. The "Share Split Ratio" shall mean the number of (x) the total number of issued shares of common stock after the share split divided by (y) the total number of issued shares of common stock before the share split. The "Share Consolidation Ratio" shall mean the number of (x) the total number of issued shares of common stock after the share consolidation divided by (y) the total number of issued shares of common stock before the share consolidation. The number of shares after adjustment shall be applied (a) from the day following the date of the Record Date stipulated in Item 1 of Paragraph 2 of Article 183 of the Companies Act in case of the share split and (b) from the day following the date of the effective date of the share consolidation.

Number of Shares after Adjustment	=	Number of Shares before Adjustment	×	Share Split or Share Consolidation Ratio

   (2) If it is appropriate to adjust the Number of Allotted Shares because of an issuance or disposal of the shares through the shareholder allocation, an allotment of shares without contribution, a merger, a share exchange, a company split and/or other reasons deemed necessary, the Company shall adjust the Number of Allotted Shares appropriately.
   (3) In case that the Number of Allotted Shares is adjusted in accordance with this Paragraph, the Company shall notify the participant who holds the Share Option (the "Participant") of (a) the said effect, (b) the reason for the adjustment, (c) the number of shares after adjustment, (d) the effective date of adjustment, and (e) other matters deemed necessary without delay after the decision of matters relevant to the adjustment.

4. Amount to be Paid for Issuance of the Share Option and the Allotment Date
   No cash payment is required for the issuance of the Share Options. The Share Options are allotted as consideration for the performance of duties, and the issuance thereof does not constitute an issuance under advantageous conditions.
   The allotment date of the Share Option shall be October 12, 2020.

5. Amount to be Paid upon Exercise of the Share Options
   The amount to be paid upon exercise of each Share Option (the "Exercise Price") shall be one (1) yen per share. The amount to be paid for the Share Option upon the exercise thereof shall be the amount obtained by multiplying the Exercise Price and the number of shares to be acquired upon exercise of the single Share Option.

6. Period during which the Share Options may be Exercised
The period shall be from June 1, 2022 to December 31, 2025.

7. Conditions to Exercise the Share Options, etc.
(1) Conditions to exercise the Share Options
The Participant may exercise the Share Option only if all requirements stipulated in the following Items are met:
A) The Participant may exercise the Share Option only if the Participant, until the exercise, continuously holds a position of Senior Vice President of the Company; provided, however, that if the Board of Directors of the Company deems legitimate, the Participant may exercise the Share Option.
B) The Participant may exercise the Share Option only during the period (each period includes the first day and the last day of this period; hereinafter the same in this Paragraph) and up to the number, both of which are stipulated in the following Items. If there is any fraction less than one (1) share with respect to the number of the exercisable Share Options obtained in accordance with the following Items, (a) the number of the Share Options which may be exercised during the period shall be rounded down to the nearest whole number and (b) the number of the Share Options which may be exercised during the period stipulated in Item (vii) shall be the total of all fractions rounded down in accordance with (a) above and the number of the Share Options obtained in accordance with such Item:
(i) From June 1, 2022 to December 31, 2022:
a fourth of the total number of allotted Share Options;
(ii) From December 1, 2022 to December 31, 2022:
an eighth of the total number of allotted Share Options;
(iii) From June 1, 2023 to December 31, 2023:
an eighth of the total number of allotted Share Options;
(iv) From December 1, 2023 to December 31, 2023:
an eighth of the total number of allotted Share Options;
(v) From June 1, 2024 to December 31, 2024:
an eighth of the total number of allotted Share Options;
(vi) From December 1, 2024 to December 31, 2024:
an eighth of the total number of allotted Share Options; and
(vii) From June 1, 2025 to December 31, 2025:
an eighth of the total number of allotted Share Options.
C) The Share Option may be exercised on the condition that there are no acquisition events stipulated in Paragraph 8 with respect to the Share Option or the Participant, with such exercising of the Share Option prohibited in the event of an acquisition event. However, this restriction shall not apply in cases where such exercising of Share Options is specially approved by the Company.
D) The Share Option may be exercised in increments of one (1) Share Option and each Share Option may not be partially exercised.
E) When the Participant exercises one or more Share Option(s), the number of shares allotted to the Participant upon the exercise shall be a whole number. Any fractions less than one (1) shall be rounded off and shall not be allotted as shares. Any cash adjustment shall not be made with respect to such round-off of fractions.
(2) Inheritance
The Share Option may be exercised on the condition that the Participant is still alive. If the Participant is dead, the Share Option may not be inherited or exercised; provided, however, that the Share Options may be inherited and exercised only if approved by the Company.

8. Acquisition events of the Share Option
The Company may acquire the Share Option in accordance with the following Items. If the Company acquires the Share Option with acquisition events stipulated in the following Items, such Share Option shall be acquired as of the date determined by the Board of Directors of the Company. The Company may acquire all or part of the Share Options with acquisition events stipulated in the following Items. If the Company acquires a part of the Share Options, the Company shall determine the number of Share Options to be acquired by the resolution of the Board of Directors. Where the

Company acquires any part of the Share Option, the Share Option cannot vest or be exercised under any other provision of this agreement. This means that the Participant has no right to receive the Shares (or any cash equivalent) covered by the Share Option.

(1) If any proposal for approval of a merger (gappei) pursuant to which the Company will become an absorbed company, a corporate split (kaisha-bunkatsu) pursuant to which the Company will become a splitting company, or a share exchange (kabushiki-kokan) or a share transfer (kabushiki-iten) pursuant to which the Company will become a wholly-owned subsidiary (collectively, a "Reorganization") is, in accordance with laws, regulations and Articles of Incorporation of the Company, approved at a shareholders meeting of the Company (if no resolution at a shareholders meeting is required, at a meeting of the Board of Directors of the Company), the Company may acquire the Share Options without any consideration.

(2) If the Participant became unable to exercise the Share Option in accordance with Paragraph 7 or because of any other reasons before the exercise, the Company may acquire the unexercised Share Option without any consideration.

9. Procedure of the Exercise of the Share Option

The Participant who exercises the Share Option shall submit a request form designated by the Company to the Company and contribute the total amount of the Exercise Price.

10. Restrictions on Acquisition of the Share Options by Transfer

Acquiring share options by means of transfer shall require the approval of the Board of Directors of the Company.

11. Matters Concerning Certificates of the Share Options

Certificates of the Share Options shall not be issued by the Company.

12. Matters Concerning the Capital and Capital Reserve to be Increased upon the Exercise of the Share Option

The amount of capital to be increased due to the issuance of shares upon exercise of the Share Option shall be one half (1/2) of the maximum amount of increases of the capital, etc. to be calculated according to Article 17, Paragraph 1 of the Corporate Accounting Regulations, with any amount less than one yen arising from such calculation to be rounded up. The amount of capital reserve to be increased due to the issuance of shares upon exercise of the Share Option shall be the amount obtained by deducting (x) the amount of capital to be increased from (y) the maximum amount of increases of the capital, etc.

13. Treatment of the Share Option upon Reorganization

If the Company conducts a Reorganization, the surviving company or new company of the merger (gappei), the successor company or new company of the company split (kaisha-bunkatsu), or the wholly-owning parent company of the share exchange (kabushiki-kokan) or the share transfer (kabushiki-iten) (provided, however, that this shall be limited to such company that is a stock company (kabushiki-kaisha); collectively, the "Reorganized Company") shall, with respect to each Reorganization, grant new share options in the Reorganized Company to the holders of the Share Options remaining at the time immediately before the effective date of the Reorganization (the "Effective Date") in accordance with the following conditions. However, such new share options shall be granted only if the relevant agreement or plan of the Reorganization so stipulates.

(1) Number of share options in the Reorganized Company to be granted
Each holder of the remaining Share Options shall receive the same number of share options in the Reorganized Company as the number of the remaining Share Options held by such holder.

(2) Class of shares in the Reorganized Company to be acquired upon exercise of the share options
It shall be shares of common stock in the Reorganized Company.

(3) Number of shares in the Reorganized Company to be acquired upon exercise of the share options
It shall be determined pursuant to Paragraph 2 by taking into consideration the terms and conditions, etc. of the Reorganization.

(4) Amount to be paid upon exercise of the share option or calculation method of such amount
It shall be determined pursuant to Paragraph 5 by taking into consideration the terms and

conditions, etc. of the Reorganization.

(5) Period during which the share options may be exercised
The period from the latter of: (i) the commencement date of the period during which the Share Options may be exercised as specified in Paragraph 6 or (ii) the Effective Date, to the date of expiration of the period during which the Share Options may be exercised as specified in Paragraph 6 herein.

(6) Conditions to exercise, forfeiture events, and other details of the share options
It shall be stipulated in the relevant agreement or plan of the Reorganization according to the terms and conditions of the Share Options.

(7) Restriction on acquisition of share options by transfer
Acquiring share options by means of transfer shall require the approval of the Board of Directors of the Reorganized Company.

(8) Treatment of the share options upon Reorganizations
It shall be determined according to this Paragraph.

14. Total number of units and persons to whom Share Options will be allotted
295,637 units to senior vice presidents of the Company totaling 6 people.