December 23, 2022

To whom it may concern,

Company Name: Uzabase, Inc.
Names of representatives: Yusuke Inagaki, Representative Director and Co-CEO/CTO
Taira Sakuma, Representative Director and Co-CEO
(Code: 3966, TSE Growth)
Contact: Daisuke Chiba, Chief Financial Officer
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(Withdrawal of Disclosure) Notice Regarding Cancelation of Issuance of New Shares as Stock-based Compensation and Withdrawal of Registration of Issuance of New Shares

Uzabase, Inc. (hereinafter referred to as "the Company") hereby notifies that in its Board of Directors meeting held today, it has resolved to cancel the issuance of new shares as stock-based compensation, which had been earlier resolved in a Board of Directors meeting held on April 14, 2022, and to withdraw the registration of issuance of the Company's common shares (the "Shares") filed on April 14, 2022.

For details on the above issuance of shares, please refer to the "Notice Regarding Issuance of New Shares as Stock-linked Compensation, Registration of Issuance of New Shares and Issuance of Stock Options" released by the Company on April 14, 2022.

The above resolution of the Board of Directors meeting held today has been passed on the premise that the Shares will be delisted as a result of the Tender Offer (defined below) and a series of subsequent procedures.

I. Cancelation of Issuance of New Shares as Stock-based Compensation

1. Reason for the Cancelation

The Board of Directors of the Company resolved at a meeting held on April 14, 2022 to grant Restricted Stock Units (the "RSU") as stock-based compensation to directors, officers, and employees of the Company and its affiliates determined by the Company (the "Eligible Persons"). Out of the first through fourth series of RSUs granted by this resolution, the Shares pursuant to the third and fourth series were to be allotted to the Eligible Persons after December 31, 2022 and March 31, 2023, respectively, according to the number of units determined by the Company in advance.

However, as notified in the "Announcement of Opinion Supporting the Tender Offer by THE SHAPER Co. and Recommendation of Tender" released by the Company on November 9, 2022, THE SHAPER Co. (the "Offeror") commenced a tender offer (the "Tender Offer") for the Shares and stock acquisition rights (collectively with the "Shares," hereinafter referred to as the "Company's Shares, etc.") on November 10, 2022. Subject to the successful completion of the Tender Offer and prior to the completion of procedures for the acquisition of all of the Company's Shares, etc. by the Offeror, the Company planned to pay to the Eligible Persons the amount equivalent to the Tender Offer price per Share for each of the Shares that were to be allotted pursuant to the third and fourth series of RSU, instead of allotting the Shares pursuant to the third and fourth series of RSU. Today, the Company received a report from the Offeror on the successful completion of the Tender Offer, and therefore decided to cancel the issuance of new shares for the allotment of the Shares pursuant to the third and fourth series of RSU.

For details of the Tender Offer and its results, please refer to the "Announcement of Opinion Supporting the Tender Offer by THE SHAPER Co. and Recommendation of Tender" released by the Company on November 9, 2022, and the "Notice Regarding Results of the Tender Offer by THE SHAPER Co. and Changes in Parent Company, Largest Major Shareholder, and Major Shareholder" released today.

2. Outline of the New Shares Canceled for Issuance

		Third RSU	Fourth RSU
(1)	Payment Date	January 11, 2023	April 10, 2023
(2)	Class and number of shares to be offered	Common stock of the Company 21,080 shares	Common stock of the Company 21,071 shares
(3)	Issue price	1,071 yen per share	
(4)	Total amount of issue	22,576,680 yen	22,567,041 yen
(5)	Number of Eligible Persons and number of shares to be allotted	Directors of the Company: 3 persons and 2,058 shares Employees of the Company: 19 persons and 10,123 shares Director and officer of the Company's subsidiary: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,397 shares	Directors of the Company: 3 persons and 2,058 shares Employees of the Company: 19 persons and 10,118 shares Director and officer of the Company's subsidiary: 1 person and 502 shares Employees of the Company's subsidiary: 17 persons and 8,393 shares
(6)	Other	Each of the above items is subject to the conditions of the Registration Statement and the filing of the Supplemental Registration Statement in accordance with the Financial Instruments and Exchange Act.	Each of the above items is subject to the conditions of the Registration Statement and the filing of the Supplemental Registration Statement in accordance with the Financial Instruments and Exchange Act.

II. Withdrawal of Registration of Issuance of New Shares

1. Outline of the Registration Withdrawn

(1) Date of filing of Issuance Registration Statement

April 14, 2022

(2) Type of securities to be offered

Shares of the Company's common stock

(3) Scheduled period of issuance

Until the day on which two years have elapsed from the effective date of the Issuance Registration Statement (April 22, 2022—April 21, 2024)

(4) Estimated amount to be issued

Up to 275 million yen

Note: 45,186,561 yen (total amount of issue) of new shares have been offered, as stated in 2. below.

2. New Shares Issued through the Registration

Total amount of issue: 45,186,561 yen

3. Reason for Withdrawal of the Registration

As described in "I. Cancelation of Issuance of New Shares as Stock-based Compensation" above, the Company has canceled the issuance of new shares to be allotted under the third and fourth series of RSU and has therefore withdrawn the issuance registration.

End of Notice