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
Tel (IR Direct): +81-3-4533-1999

Notice Regarding Termination of Business Alliance with TBS Holdings, Inc.

Uzabase, Inc. (hereinafter referred to as "the Company") hereby notifies that in a Board of Directors meeting held today, it has resolved to enter into a termination agreement (the "Termination Agreement") to dissolve the business alliance (the "Alliance") with TBS Holdings, Inc. (the "TBS Holdings") announced on December 5, 2019 in the "Notice of Business Alliance Agreement with Tokyo Broadcasting System Holdings, Inc. and Issuance of Common Shares Through Third-Party Allotment." Details are as follows.

1. Reason for Termination of the Alliance

On December 5, 2019, the Company entered into a business alliance agreement (the "Agreement") with TBS Holdings, and, in accordance with the Agreement, issued common shares of the Company's stock (the "Shares") to TBS Holdings by way of a third-party allotment. Through the Alliance, the two groups of companies exchanged talents to work together on joint planning, creation, and production of next-generation video content, training of content creators and other personnel, as well as on research, primarily relating to new business creation in the digital domain, and on business development.

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") as part of a transaction to take the Company private (series of transactions to take the Company private, including the Tender Offer, are hereinafter collectively referred to as the "Transaction") by acquiring all of the Shares and Stock Acquisition Rights (Note 1; collectively with the "Shares," the "Company's Shares, etc."). Given the fact that the capital relationship between the Company and TBS Holdings would be terminated through the Transaction subject to successful completion of the Tender Offer, the Company has been in discussions with TBS Holdings as to whether to continue the Alliance in the future. As stated in the "Notice Regarding Results of the Tender Offer by THE SHAPER Co. and Changes in the Parent Company, Largest Major Shareholder, and Major Shareholder" released today, the Tender Offer has been successfully completed, and as a result, the Offeror will acquire all of the Shares held by TBS Holdings through the Transaction. Thus, the Company has decided to terminate the Alliance, which is premised upon a capital relationship with TBS Holdings, and has resolved in its Board of Directors meeting held today to enter into the Termination Agreement with TBS Holdings effective today.

Note 1:
The following stock acquisition rights ① to ⑫ are collectively referred to as the "Stock Acquisition Rights."

① The fourth series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on May 3, 2013 (Exercise period: from May 5, 2013 to May 3, 2023)
② The fifth series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on April 28, 2014 (Exercise period: from May 1, 2014 to March 28, 2024)
③ The eighth series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on June 19, 2015 (Exercise period: from July 2, 2015 to March 27, 2025)
④ The ninth series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on January 4, 2016 (Exercise period: from January 6, 2016 to December 18, 2025)
⑤ The 11th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on July 15, 2016 (Exercise period: from July 20, 2016 to December 18, 2025)
⑥ The 12th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on July 15, 2016 (Exercise period: from July 20, 2016 to December 18, 2025)

⑦ The 13th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on May 22, 2017 (Exercise period: from April 1, 2023 to June 18, 2027)

⑧ The 14th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on May 22, 2017 (Exercise period: from April 1, 2022 to June 18, 2027)

⑨ The 15th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on May 22, 2017 (Exercise period: from April 1, 2021 to June 18, 2027)

⑩ The 16th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on March 16, 2018 (Exercise period: from February 15, 2019 to July 31, 2024)

⑪ The 17th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on March 16, 2018 (Exercise period: from February 15, 2019 to July 31, 2024)

⑫ The 28th series stock acquisition rights issued based on the resolution at the meeting of the Company's Board of Directors held on April 14, 2022 (Exercise period: from April 30, 2022 to April 29, 2027)

2. Details Regarding Termination of the Alliance

As stated in the "Notice of Business Alliance Agreement with Tokyo Broadcasting System Holdings, Inc. and Issuance of Common Shares Through Third-Party Allotment" released by the Company on December 5, 2019, TBS Holdings owns 987,400 Shares (2.60% of the total number of shares outstanding as of the end of November 2022). However, since the Offeror is expected to acquire all of the Shares owned by TBS Holdings through the Transaction as a result of the completion of the Tender Offer, the Company has entered into the Termination Agreement with TBS Holdings, and the previously concluded Agreement will be terminated effective today.

3. Overview of Counterparty to Termination of the Alliance (as of March 31, 2022)

(1)	Company name	TBS Holdings, Inc.
(2)	Address	5-3-6 Akasaka, Minato-ku, Tokyo 107-8006, Japan
(3)	Name and title of representative	Takashi Sasaki (President)
(4)	Description of business	Authorized broadcast holding company Administration and management of subsidiaries and real estate
(5)	Capital	JPY 54,986 million
(6)	Date of incorporation	10 May 1951
(7)	Number of shares outstanding	171,591,065
(8)	End of fiscal year	End-March
(9)	Number of employees	6,454 (as of 31 March 2022; figure on consolidated balance sheet, does not include temporary employees)
(10)	Primary trading partners	Dentsu Inc., Hakuhodo DY Media Partners Inc.
(11)	Primary banks	Sumitomo Mitsui Banking Corporation

(12) Major shareholders	The Master Trust Bank of Japan, Ltd. - 16.17% MBS Media Holdings, Inc. - 5.18% Custody Bank of Japan, Ltd. - 3.67% Mitsui Fudosan Co., Ltd. - 3.34% NTT Docomo, Inc. - 3.34% Nippon Life Insurance Company (standing proxy - The Master Trust Bank of Japan, Ltd.) - 2.93% STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy - Mizuho Bank, Ltd.) - 2.59% Mitsui & Co., Ltd. (standing proxy - Trust & Custody Services Bank, Ltd.) - 2.51% Bic Camera, Inc. - 2.45% Kodansha Ltd. - 2.20%		
(13) Relationship between the listed company and TBS Holdings	Capital relationship	TBS Holdings owns 987,400 shares of the Company. However, the Offeror is expected to acquire all Shares held by TBS Holdings through the Transaction.	
	Personal relationship	One person is seconded from a subsidiary of TBS Holdings to a subsidiary of the Company.	
	Business relationship	No applicable matters	
	Status as related parties	No applicable matters	

(14) Consolidated operating results and financial position of TBS Holdings over the last three fiscal years (million JPY unless otherwise stated)

Fiscal Year	FY03/2020	FY03/2021	FY03/2022
Net Assets	591,931	794,884	883,002
Total Assets	783,024	1,100,223	1,201,632
Net Assets per Share (Yen)	3,356.30	4,575.61	5,087.12
Net Sales	356,796	325,682	358,269
Operating Profit	13,103	10,841	20,346
Ordinary Profit	21,274	19,233	30,707
Net Profit Attributable to Owners of Parent	30,174	28,072	32,008
Net Profit per Share (Yen)	173.28	164.32	187.35
Dividends per Share (Yen)	30.00	30.00	37.00

4. Future Outlook

The termination of the Alliance, including the sale of shares referred to in “2. Details Regarding Termination of the Alliance” above, will have a minor impact on the Company’s financial results.

End of Notice