

July 4, 2025

Company: PKSHA Technology Inc.  
Code: 3993 (TSE Prime Section)

Representative: Katsuya Uenoyama  
Representative Director and President  
Code: 3993 (TSE Prime Section)

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**(Summary) Notice of Commencement of a Tender Offer for Circulation Co. Ltd. (Securities Code: 7379) and  
Borrowing of Funds**

PKSHA Technology Inc. (the “Tender Offeror”) hereby announces that it has resolved at its Board of Directors meeting held today, July 4, 2025, to acquire all of the common shares (the “Target Company Shares”) (including the Target Company Shares delivered pursuant to the exercise of the Stock Acquisition Rights (as defined in “(ii) Stock Acquisition Rights” of “(2) Class of Share Certificates, etc. to be Purchased” of “1. Outline of the Purchase, etc.” below), and excluding the Target Company Shares held by the Tender Offeror and the treasury shares held by the Target Company) and all of the Stock Acquisition Rights of Circulation Co. Ltd. (Securities Code: 7379; the “Target Company”) through a tender offer pursuant to the Financial Instruments and Exchange Act (the “Tender Offer”).

In addition, the Tender Offeror also announces that it has decided to borrow funds in order to secure the funds required for the Tender Offer.

**I. Tender Offer**

1. Outline of the Purchase, etc.

(1) Overview of the Target Company

(i)	Company Name	Circulation Co. Ltd.	
(ii)	Location	Circulation Building ForPro, 3-21-5 Jingumae, Shibuya-ku, Tokyo	
(iii)	Name and Title of Representative	Yu Fukuda	
(iv)	Business Description	To provide “pro-sharing” services that utilize outside professional human resources to resolve corporate management issues. To match the optimal human resource for each industry and theme, provide consistent support from strategic planning to execution, and provide flexible and speedy solutions to issues such as human resource shortages and lack of expertise.	
(v)	Capital	878 million yen	
(vi)	Incorporation Date	January 6, 2014	
(vii)	Major Shareholders and Shareholding Ratios (as of January 31, 2025) (Note)	Simplex Holdings, Inc.	26.01%
		CrowdWorks, Inc.	24.97%
		GOLDMAN SACHS INTERNATIONAL (Standing Proxy: Goldman Sachs Japan Co. Ltd.)	9.72%
		PKSHA Technology Inc.	7.69%
		SBI SECURITIES Co.,Ltd.	2.94%
		BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC) (Standing Proxy: MUFG Bank, Ltd. Security Sales Division)	2.27%
		Yu Fukuda	1.94%

	Masato Yamaguchi	1.32%
	Masayuki Furuya	1.10%
	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	0.97%
(viii) Relationship Between the Tender Offeror and the Target Company		
Capital Relationship	As of today, the Tender Offeror holds 620,000 shares of the Target Company Shares (shareholding ratio: 7.28%).	
Personnel Relationship	N/A	
Business Relationship	A capital and business alliance agreement with the Tender Offeror has been executed. In addition, the Tender Offeror has been entrusted by the Target Company to provide AI support services.	
Status as a Related Party	N/A	

(Note) “(vii) Major Shareholders and Shareholding Ratios (as of January 31, 2025)” are based on the “Status of Major Shareholders” stated in the 12th Semiannual Securities Report submitted by the Target Company on March 14, 2025.

(2) Class of Share Certificates, etc. to be Purchased

(i) Common Stock

(ii) Stock Acquisition Rights

- (a) Stock acquisition rights issued based on a resolution of the meeting of the Board of Directors of the Target Company held on July 23, 2018 (the “First Series Stock Acquisition Rights”) (exercise period from August 1, 2020, to July 22, 2028);
- (b) Stock acquisition rights issued based on a resolution of the meeting of the Board of Directors of the Target Company held on July 4, 2019, and the resolution of the General Meeting of Shareholders of the Target Company held on July 12, 2019 (the “Second Series Stock Acquisition Rights”) (exercise period from August 1, 2021, to July 3, 2029);
- (c) Stock acquisition rights issued based on a resolution of the meeting of the Board of Directors of the Target Company held on July 17, 2020, and the resolution of the General Meeting of Shareholders of the Target Company held on July 27, 2020 (the “Third Series Stock Acquisition Rights”) (exercise period from July 29, 2022, to July 16, 2030);
- (d) Stock acquisition rights issued based on a resolution of the meeting of the Board of Directors of the Target Company held on December 18, 2024 (the “Fourth Series Stock Acquisition Rights”) (exercise period from February 5, 2026, to February 5, 2035); and
- (e) Stock acquisition rights issued based on a resolution of the meeting of the Board of Directors held on December 18, 2024 (the “Fifth Series Stock Acquisition Rights,” and the First Series Stock Acquisition Rights to the Fifth Series Stock Acquisition Rights, collectively the “Stock Acquisition Rights”) (exercise period from November 1, 2027, to February 5, 2035).

(3) Schedule

(i) Schedule

Date of Resolution of the Board of Directors	July 4, 2025 (Friday)
Date of Public Notice regarding the Commencement of Tender Offer	July 7, 2025 (Monday)
Filing date of the tender offer statement	July 7, 2025 (Monday)

(ii) Initial Tender Offer Period as of the Date of Filing

From July 7, 2025 (Monday) to August 19, 2025 (30 business days)

(4) Purchase Price

- (i) 901 yen per share of common stock
- (ii) 1 yen per each Stock Acquisition Right

(5) Settlement Method

- (i) Name and Location of the Head Office of the Financial Instruments Business Operator, Bank, etc. for the Settlement of the Purchase, etc.  
SMBC Nikko Securities Inc.  
3-3-1 Marunouchi, Chiyoda-ku, Tokyo

(ii) Commencement Date of Settlement

August 26, 2025(Tuesday)

(6) Prospects of Delisting and Reasons Thereof and Policy for Reorganization, etc. After the Tender Offer (Matters Concerning the So-Called Two-Step Acquisition)

The Tender Offeror intends to make the Target Company a wholly owned subsidiary of the Tender Offeror. As of the submission date hereof, the Target Company Shares are listed on the Tokyo Stock Exchange Growth Market. However, since the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer, depending on the results of the Tender Offer, the Target Company Shares are scheduled to be delisted after going through the prescribed procedures, pursuant to the Tokyo Stock Exchange's delisting criteria.

In addition, if the Tender Offeror is unable to acquire all of the Target Company Shares (including the Target Company Shares delivered pursuant to the exercise of the Stock Acquisition Rights, and excluding the Target Company Shares held by the Tender Offeror and the treasury shares held by the Target Company) and all of the Stock Acquisition Rights through the Tender Offer, after the successful completion of the Tender Offer, it plans to make the Target Company a wholly owned subsidiary of the Tender Offeror by conducting a demand for share cash-out of special controlling shareholders as set forth in Article 179, Paragraph 1 of the Companies Act or a consolidation of shares as set forth in Article 180 of the Companies Act, and executing a series of other procedures to make the Target Company a wholly owned subsidiary of the Tender Offeror. In such case, the Target Company Shares will be delisted after going through the prescribed procedures, pursuant to the Tokyo Stock Exchange's delisting criteria.

After delisting, the Target Company Shares cannot be traded on the Tokyo Stock Exchange Growth Market.

2. Other Information

According to the "Notice regarding Expression of Opinion in Support of the Tender Offer for the Company Share Certificates by PKSHA Technology Inc. and Recommendation to Tender Shares" announced by the Target Company on July 4, 2025 (the "Target Company Press Release"), the Target Company has resolved at the Board of Directors meeting held today to express an opinion in support of the Tender Offer, to recommend to the shareholders of the Target Company to tender shares in the Tender Offer, and to defer to the judgement of the Stock Acquisition Rights holders as to whether or not to tender shares in the Tender Offer.

Please refer to the Target Company Press Release for details.

## II. Borrowing of Funds

1. Reasons for Borrowing of Funds

In order to appropriate to the funds required for the Tender Offer, the Tender Offeror intends to borrow the required funds (the "Borrowing") from a financial institution.

2. Details of the Borrowing (Plan)

(1) Lender	Mizuho Bank, Ltd.
(2) Amount of Borrowing	7,000 million yen
(3) Borrowing Interest Rate	Variable interest rate (base rate + spread)
(4) Drawdown Date	Business day immediately preceding the commencement date of the settlement of the Tender Offer
(5) Repayment Date	Date corresponding to 12 months after the drawdown date
(6) Security	Yes (Target Company Shares held by Lender)
(7) Financial covenants	1. Maintenance of Consolidated Net Assets: The borrower shall maintain the amount of net assets on the consolidated balance sheet as of the end of each fiscal year starting from the fiscal year ending September 2025 at or above 75% of the amount of net assets on the consolidated balance sheet as of the end of the preceding fiscal year. 2. Maintenance of Operating Profit: The borrower shall not allow the consolidated operating profit on the balance sheet as of the end of each fiscal year following the fiscal year ending September 25, 2025, to be in the red for two (2) consecutive periods.

(Note) The successful completion of the Tender Offer is a condition for the execution of the Borrowing.

3. Future Prospect

Although the impact of the Borrowing on the financial results for the current and future fiscal year will be minor, after the successful completion of the Tender Offer, an announcement will be promptly made if a revision of the financial results of the current fiscal year or any other fact requiring disclosure arises.