



Notice Concerning Determination of Issue Price, Disposition Price and Selling Price, Disposition of Treasury Shares and Secondary Offering of Shares

December 7, 2021

Link and Motivation Inc.

Stock exchange listing: Tokyo, First Section

Code number: 2170

<https://www.lmi.ne.jp/english>

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Link and Motivation Inc. (the “Company”) has determined the issue price, the disposition price and the selling price, the disposition of treasury shares and the secondary offering of shares of the Company, which were resolved at the meeting of the Board of Directors dated on November 29, 2021, as set forth below:

1. Disposition of Treasury Shares by way of Public Offering

(1) Disposition Price (offer price)	<u>¥633 per share</u>
(2) Total Amount of the Disposition Price	<u>¥4,202,740,200</u>
(3) Amount to be Paid	<u>¥606.88 per share</u>
(4) Total Amount to be Paid	<u>¥4,029,319,072</u>
(5) Payment Date	<u>Tuesday, December 14, 2021</u>

Note: The Underwriters shall purchase for sale the shares at the amount to be paid and offer them at the disposition price (offer price).

2. Secondary Offering of Shares of the Company by way of Purchase and Subscription by the Underwriters (the Secondary Offering by way of Underwriting)

(1) Selling Price	<u>¥633 per share</u>
(2) Total Amount of the Selling Price	<u>¥2,154,225,600</u>
(3) Subscription Price	<u>¥606.88 per share</u>
(4) Total Amount of the Subscription Price	<u>¥2,065,334,016</u>

Note: This press release does not constitute an investment solicitation for any securities for sale. This press release has been prepared for the purpose of publicly announcing that the Company has resolved matters relating to the issuance of new shares, disposal of treasury shares, the secondary offering of its shares and the issuance of new shares by way of third-party allotment, and not for the purpose of soliciting investment or engaging in any other similar activities within or outside Japan. This press release does not constitute an offer of investment in nor solicitation for purchase of securities within the United States or elsewhere.

The securities referred to in this press release have not been, and will not be, registered under the U.S. Securities Act of 1933 or any relevant securities law of any state. The securities may not be offered or sold in the United States absent registration or an exemption from registration requirements under the U.S. Securities Act of 1933. No offer of securities for sale in the United States will be made in connection with the above-mentioned transactions.

(5) Delivery Date Wednesday, December 15, 2021

Note: The Underwriters shall purchase for sale the shares at the subscription price and offer them at the selling price.

3. Secondary Offering of Shares of the Company by way of Over Allotment

(1) Number of Shares to be Sold	<u>1,506,300 shares</u>
(2) Selling Price	<u>¥633 per share</u>
(3) Total Amount of the Selling Price	<u>¥953,487,900</u>
(4) Delivery Date	<u>Wednesday, December 15, 2021</u>

4. Disposition of Treasury Shares by way of Third-Party Allotment

(1) Amount to be Paid	<u>¥606.88 per share</u>
(2) Total Amount to be Paid	(Maximum) <u>¥914,143,344</u>
(3) Payment Date	<u>Tuesday, December 28, 2021</u>

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<References>

1. Calculation of Issue Price (offer price), Disposition Price (offer price) and Selling Price

(1) Price Calculation Date and Price	<u>Tuesday, December 7, 2021</u>	<u>¥653</u>
(2) Discount Rate		<u>3.06%</u>

2. Use of Proceeds

The estimated net proceeds to be received by the Company from the offerings, of a maximum amount of 6,764 million yen, will be used as follows: Approximately 2,068 million yen as development costs for the Motivation Cloud Series (a cloud service that enables client companies to manage employee engagement themselves) by the fiscal year ending December 2023, approximately 1,060 million yen for marketing costs for the Organizational Development Division by the fiscal year ending December 2025, approximately 1,000 million yen for personnel costs associated with an increase in the number of employees, and the remaining amount will be used for the repayment of long-term borrowings by the fiscal year ending December 2022 in order to strengthen our financial base and increase our capital adequacy ratio.

Our group is a leader in the area of supporting corporate transformation and personal growth using “motivation engineering”, a core technology based on motivation. “Motivation engineering” is a technology based on academic analysis, including psychology, behavioral economics, and social systems theory, and is a methodology for stimulating individual motivation and revitalizing organizations.

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