

February 8, 2021

To whom it may concern:

Company: Tsukui Holdings Corporation
Representative: Hiroshi Tsukui
President and Representative
Director, CEO
(Code No. 2398 Tokyo 1st
Section)
Contact: Naoki Watanabe
Senior Executive Manager
Business Management Head
Office
(TEL 045-842-4193)
Company: MBPK Life LLC
Managing MBK Partners JC V, L.P.
Partner:
Representative: Kenichiro Kagasa
Executive Manager
(TEL 03-4550-0430)

Notice Concerning Commencement of Tender Offer for the Share of Tsukui Holdings Corporation (Code No. 2398) by MBPK Life LLC

MBPK Life LLC announces that it resolved on February 8, 2021 to acquire the shares of Tsukui Holdings Corporation through tender offer as set out in the attachment.

END

This material constitutes publication made pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act by request from Tsukui Holdings Corporation (the target of this tender offer) to MBPK Life LLC (tender offeror).

(Attachment)

“Notice Concerning Commencement of Tender Offer for the Shares of Tsukui Holdings Corporation (Code No. 2398)” dated February 8, 2021.

February 8, 2021

To whom it may concern:

Company: MBKP Life LLC
Managing Partner: MBK Partners JC V, L.P.
Representative: Executive Manager Kenichiro Kagasa
(TEL 03-4550-0430)

**Notice Concerning Commencement of Tender Offer for the Shares of
Tsukui Holdings Corporation (Code No. 2398)**

MBPK Life LLC (the “Tender Offeror”) announces that it resolved on February 8, 2021 to acquire the issued and outstanding common shares (the “Target Company Shares”) of Tsukui Holdings Corporation (listed on the 1st Section of Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”), Code No. 2398; the “Target Company”) through tender offer (the “Tender Offer”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended) as set out in the attachment.

The Tender Offeror is a limited liability company (*godo kaisha*) established in May 1, 2020 all of the shares of which are held by MBK Partners JC V, L.P. (“JC Fund”). The main purpose of the Tender Offeror is to, by way of acquiring all of the Target Company Shares listed on the First Section of Tokyo Stock Exchange, implement the series of transactions (the “Transaction”) which are based on the Target Company Shares being delisted for the purpose of making the Target Company its wholly-owned subsidiary, and to control and manage the business of the Target Company thereafter. The Tender Offeror, as of the date hereof, owns 100 shares of the Target Company Shares (ownership ratio (Note 1): 0.00%).

The Tender Offeror has decided to implement the Tender Offer for the purpose of acquiring all of the Target Company Shares (excluding, however, the Target Company Shares owned by the Tender Offeror, the Non-tendered Shares (as defined below; the same applies hereinafter) owned by the largest and major shareholder of the Target Company, Tsukui Kikaku KK (number of shares held: 18,256,000 shares; ownership ratio: 25.58%; “Tsukui Kikaku”) and the treasury shares owned by the Target Company), as part of the Transaction.

In the Transaction, the Tender Offeror has, for the purpose of maximizing the profits of the general shareholders of the Target Company, agreed with Tsukui Kikaku to sell the Non-tendered Shares owned by Tsukui Kikaku by the acquiring of treasury shares to be implemented by the Target Company subject to the conclusion of the Tender Offer and the Share Consolidation (as defined below) coming into effect, rather than tendering the Tender Offer (the “Acquiring Treasury Shares”), based on the assumption that the provision of the exclusion of gross profits of deemed dividends under the Corporation Tax Act (Act No. 34 of 1965, as amended; the “Corporation Tax Act”) would apply to Tsukui Kikaku.

JC Fund is a fund to which MBK Partners K.K. or its affiliates (collectively, “MBK Partners Group”) provides its services. MBK Partners Group is an independent private equity firm that has a dedicated focus on private equity investments in the three countries of East Asia - Japan, the People’s Republic of China and the Republic of Korea - established in March 2005. MBK Partners Group has investment assets of approximately 234 hundred million US dollars as of the date hereof pursuant to support from investors, mainly by institutional investors such as global banks, insurance companies, asset management companies, public pensions, corporate pensions, foundations, fund of funds and government-affiliated investment institutions, and invests not only in large companies, but also in medium-sized companies, particularly in the fields of retail/consumer, telecommunications/media, financial services, business services, transportation and general manufacturing. MBK Partners Group provides aggressive business support for maximizing the value of the company in which it invests. Since its establishment in March 2005, MBK Partners Group has recorded

50 investments in East Asian countries, and of these investments, 11 investments have been recorded in eight investments have been recorded in Japanese companies, in Yayoi Co., Ltd., USJ LLC (former USJ K.K.), INVOICE INC., Komeda Co., Ltd., TASAKI & Co., Ltd. (former Tasaki Shinju K.K.), Accordia Golf Co., Ltd., Kuroda Electric Co., Ltd. and Godiva Japan, Inc. As a result of having dealt with value-up themes of each company with the managers over the medium and long term, MBK Partners Group has, after the implementation of the investments, succeeded in increasing sales and earning capacity.

The Transaction consists of: (i) Tsukui Kikaku and the Tender Offeror becoming the sole shareholders of the Target Company through the Tender Offer and the share consolidation that is implemented by the Target Company if the Tender Offer is concluded, but the Tender Offeror fails to acquire all of the Target Company Shares (excluding, however, the Target Company Shares owned by the Tender Offeror, the Non-tendered Shares owned by Tsukui Kikaku and the treasury shares owned by the Target Company) in the Tender Offer (the “Share Consolidation”); (ii) for the purpose of securing funds for implementing the Acquiring Treasury Shares, the Tender Offeror providing to the Target Company funds appropriated for the consideration for the Acquiring Treasury Shares; and (iii) Acquiring Treasury Shares eventually intending for the Tender Offeror to make the Target Company its wholly-owned subsidiary.

Upon the Tender Offer, the Tender Offeror entered into a written agreement on February 8, 2021 with Tsukui Kikaku and the Representative Director of the Target Company, Mr. Hiroshi Tsukui (“Mr. Tsukui”) that sets forth the various terms and conditions of the Transaction agreed upon by the parties thereto, including such provisions that: (i) all of the 18,256,000 shares of the Target Company Shares owned by Tsukui Kikaku shall not be tendered in the Tender Offer (ownership ratio: 25.58%; the “Non-tendered Shares”); (ii) all of the 687,600 shares of the Target Company Shares owned by Mr. Tsukui (ownership ratio: 0.96% (Note 2)) shall be tendered in the Tender Offer; and (iii) the Non-tendered Shares shall be sold to the Target Company in correspondence with the Acquiring Treasury Shares after the Share Consolidation is put into effect.

With respect to the Tender Offer, with an intention to make the Target Company its wholly-owned subsidiary, the Tender Offeror has set a minimum planned purchase quantity of 29,316,000 shares (ownership ratio: 41.08%) (Note 3), and if the total number of share certificates tendered in the Tender Offer (the “Tendered Share Certificates”) falls below this minimum planned purchase quantity, the Tender Offeror will not purchase Tendered Share Certificates. However, the Tender Offeror that aims for the Target Company Shares to go private by acquiring all of the Target Company Shares has not set a maximum planned purchase quantity, and if the total number of Tendered Share Certificates is equal to or exceeds the minimum planned purchase quantity (29,316,000 shares), the Tender Offeror will purchase all of the Tendered Share Certificates.

(Note 1) The “ownership ratio” refers to the ratio to the number of shares (12,439,909 shares) obtained by subtracting the number of treasury shares owned by the Target Company as of December 31, 2020 (excluding, however, 295,200 shares of the Target Company Shares owned by Japan Employee Stock Ownership Plans (J-ESOP)’ trust of the Target Company as of December 31, 2020; the same applies hereinafter) (1,102,684 shares) from the total number of issued shares as of December 31, 2020 as stated in the “Financial Summary for the Third Quarter of the Fiscal Year Ending March 2021 [Japanese Standard]” released on February 8, 2021 by the Target Company (the “Target Company’s Financial Summary for the Third Quarter”) (72,460,800 shares) (rounded to the nearest hundredth). This also applies with regard to subsequent descriptions of ownership ratio.

(Note 2) The number of Target Company Shares owned by Mr. Tsukui does not include the shares indirectly owned by Mr. Tsukui through the cumulative investment in shares of the Target Company.

(Note 3) The minimum planned purchase quantity in the Tender Offer (29,316,000 shares; ownership ratio: 41.08%) was set as the number obtained by the following formula: (i) the number of treasury shares owned by the Target Company as of December 31, 2020 (1,102,684 shares) is subtracted from the total number of issued shares as of December 31, 2020 as stated in the Target Company’s Financial Summary for the Third Quarter (72,460,800 shares); this

amounts to 71,358,116 shares, which corresponds to 713,581 voting rights; (ii) such number of voting rights is then multiplied by 2/3 (475,721 voting rights) (rounded up to the nearest whole number); (iii) such number of voting rights (as rounded) is multiplied by 100 shares, which is the share unit number of the Target Company; and (iv) the number of the Target Company Shares owned by the Tender Offeror as of the date of filing of this Statement (100 shares) and the Non-tendered Shares owned by Tsukui Kikaku (18,256,000 shares) are subtracted from the product calculated in step (iii). Since the Tender Offeror aims to make the Target Company its wholly-owned subsidiary in the Transaction and the special resolution in the shareholders' meeting as provided for in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended) is required upon carrying out the procedures for the Share Consolidation, the minimum planned purchase quantity (29,316,000 shares) was set to enable both the Tender Offeror and Tsukui Kikaku to fulfill this requirement.

The summary of the Tender Offer is as follows.

(1) Summary of the Target Company

(i) Name	Tsukui Holdings Corporation	
(ii) Location	1-6-1, Kamiooka-nishi, Konan-ku, Yokohama-shi, Kanagawa	
(iii) Name and title of representative	Hiroshi Tsukui, President and Representative Director, CEO	
(iv) Description of business	Administration, management, etc. of group companies	
(v) Amount of share capital	JPY 3,342million (As of December 31, 2020)	
(vi) Date of incorporation	June 2, 1969	
(vii) Major shareholders and shareholding ratio (As of September 30, 2020)	Tsukui Kikaku KK	25.58%
	Custody Bank of Japan, Ltd. (Trust account)	12.46%
	The Master Trust Bank of Japan, Ltd. (Trust account)	8.73%
	Tsukui Employee Shareholding Association	2.78%
	KIA FUND 136 (Standing proxy: Citibank, N.A., Tokyo branch)	2.22%
	BNP PARIBAS SECURITIES SERVICES LUXEMBOURG/ JASDEC/JANUS HENDERSON HORIZON FUND (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo branch, Custody Business Department)	1.91%
	BBH/SUMITOMO MITSUI TRUST BANK, LIMITED (LONDON BRANCH)/SMTTIL/JAPAN SMALL CAP FUND CLT AC (Standing proxy: Sumitomo Mitsui Banking Corporation)	1.78%
	THE BANK OF NEW YORK 133972 (Standing proxy: Mizuho Bank, Ltd., Settlement Service Department)	1.54%
	The Bank of Yokohama, Ltd. (Standing proxy: Custody Bank of Japan, Ltd.)	1.44%
	Custody Bank of Japan, Ltd. (Trust Account 5)	1.31%

(viii) Relationship between the Tender Offeror and the Target Company		
Capital relationship		The Tender Offeror owns 100 shares of the Target Company.
Personnel relationship		Not applicable
Business relationship		Not applicable
Status as related party		Not applicable

(2) Schedule

(i) Schedule:

Date of public notice for commencement of Tender Offer	February 9, 2021 (Tue) Public notice will be made electronically via the Internet, and a notice to that effect will be published in the Nihon Keizai Shimbun. (URL of the electronic notice: https://disclosure.edinet-fsa.go.jp/)
Date of filing the Tender Offer Notification	February 9, 2021 (Tue)

(ii) Purchase period originally specified in the Tender Offer Notification:

From February 9, 2021 (Tue) until March 24, 2021 (Wed) (30 business days)

(iii) Possible extension by request from the Target Company:

Not applicable

(3) Type of share to be purchased and price of tender offer

Common stock 924 yen per share

(4) Scheduled number of shares to be purchased

Scheduled number of shares to be purchased	Minimum limit of the number of shares to be purchased	Maximum limit of the number of shares to be purchased
53,102,016 shares	29,316,000 shares	—

(5) Date of commencement of settlement

March 31, 2021 (Wed)

(6) Tender offer agent

Daiwa Securities Co., Ltd.

9-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo

For further details of the Tender Offer, please see the Tender Offer Notification for the Tender Offer to be filed by the Tender Offeror on February 9, 2021. The Tender Offer Notification may be viewed on EDINET (<https://disclosure.edinet-fsa.go.jp/>).

END

• This press release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of

soliciting an offer to sell shares. If shareholders wish to make an offer to sell their shares, they should read the tender offer explanation statement concerning the Tender Offer first and make an offer to sell their shares at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or solicitation to sell or purchase any securities, and neither this press release (or a part of this press release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this press release may not be relied upon at the time of entering into any agreement.

- The Tender Offer shall be implemented in compliance with the procedures and information disclosure standards provided by the Financial Instruments and Exchange Act of Japan, which procedures and standards are not necessarily identical to the procedures and information disclosure standards applied in the United States. Specifically, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 (as amended, the “1934 Securities Exchange Act”) or the rules promulgated under such Article do not apply to the Tender Offer, and the Tender Offer is not necessarily in compliance with the procedures and standards thereunder. All financial information contained in this press release are based on the accounting standards of Japan and are not based on the accounting standards of the U.S. and the contents may not be equivalent to the financial information in the U.S. In addition, because the Tender Offeror is a company established outside the United States and their officers are not U.S. residents, it may be difficult for investors to exercise their rights or demands that may be asserted based on U.S. securities laws. It may also not be possible to initiate legal proceedings in a court outside the United States against a company outside the United States and its officers based on a violation of U.S. securities laws. Furthermore, a corporation outside the United States and its subsidiaries and affiliates may not necessarily be subject to the jurisdiction of U.S. courts.
- Unless otherwise stated, all procedures in connection with the Tender Offer shall be conducted in the Japanese language. While a part or all of the documents in connection with the Tender Offer may be prepared in English, the Japanese language documents shall control in any discrepancies between the Japanese language documents and the corresponding English language documents.
- This press release contains “forward-looking statements” as defined in Section 27A of the U.S. Securities Act of 1933 (as amended) and Section 21E of the 1934 Securities Exchange Act. The actual results may be grossly different from the projections implied or expressly stated as “forward-looking statements” due to known or unknown risks, uncertainties, or other factors. The Tender Offeror or its affiliates are not in a position to covenant that the projections implied or expressly stated as “forward-looking statements” will actually be realized. “Forward-looking statements” contained herein were prepared based on information available to the Tender Offeror as of the date of this press release and, unless required by laws and rules of the financial products exchange, neither the Tender Offeror nor its affiliates shall have an obligation to update or correct the statements made herein in order to reflect future events or circumstances.
- The financial advisor of the Tender Offeror or the Target Company and the tender offer agent (including their respective affiliates) may, in the ordinary course of their business and within the scope permitted under the laws and regulations related to Japan’s financial instruments transactions, purchase or arrange to purchase the Company’s common shares before commencement of the Tender Offer or during the Tender Offer Period outside of the Tender Offer in their own or their customer’s account in accordance with the requirements of Rule 14e-5(b) of the 1934 Securities Exchange Act. If any information concerning such purchase is disclosed in Japan, the information will also be made on the English website (or in any other disclosure methods) of the financial advisor or the tender offer agent that conducted the purchase.