



December 17, 2024

To: Whom it may concern

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Notice Regarding Resolution to Approve Share Consolidation, and Abolition of Provisions on the Number of Shares Per Unit and Partial Amendments to the Company's Articles of Incorporation

The Company hereby announces that as announced in the “Notice Regarding Share Consolidation, and Abolition of Provisions on the Number of Shares Per Unit and Partial Amendments to the Company's Articles of Incorporation” released on November 14, 2024 (the “**Notice Dated November 14, 2024**”), it submitted to an extraordinary general meeting of shareholders of the Company held today (the “**Extraordinary General Meeting of Shareholders**”) a proposal regarding share consolidation as well as a proposal regarding abolition of the provisions on the number of shares per unit and partial amendments to the Company's articles of incorporation, and the proposals were all approved and adopted as originally proposed.

As a result, the Company's ordinary shares (the “**Company Shares**”) will fall under the delisting standards provided in the Securities Listing Regulations of the Tokyo Stock Exchange (the “**TSE**”). Therefore, the Company Shares will be designated as securities to be delisted from today to January 6, 2025, and will then be delisted on January 7, 2025. Please note that the Company Shares cannot be traded on the TSE after the delisting.

1. Proposal 1 (Share Consolidation)

The Company has obtained approval of the shareholders for the following share consolidation (the “**Share Consolidation**”) at the Extraordinary General Meeting of Shareholders. Details of the Share Consolidation are as described in the Notice Dated November 14, 2024.

(I) Class of shares to be consolidated

Ordinary shares

(II) Consolidation ratio

2,338,750 shares of the Company Shares will be consolidated into one share.

(III) Total number of issued shares to be reduced

25,730,351 shares

(Note 1) “Total number of issued shares to be reduced” is calculated based on the number of shares

obtained by deducting the number of treasury shares held by the Company as of November 8, 2024 scheduled to be retired as of January 8, 2025 as resolved at the Company's board of directors meeting held on November 14, 2024 (the "**Board of Directors Meeting**") (556 shares) from the number of shares obtained by adding the number of the Company Shares (3,300 shares) represented by 825 units of the 12th series stock acquisition rights (see Note 2), which were exercised on or after September 30, 2024 through November 8, 2024 and the number of the Company Shares (4,400 shares) represented by 1,100 units of the 14th series stock acquisition rights (see Note 3), which are expected to be exercised on or after November 8, 2024 through the effective date of the Share Consolidation to the total number of issued shares of the Company as of September 30, 2024 (25,723,218 shares) as stated in the "Summary of Financial Results for the Six Months Ended September 30, 2024 (Japanese GAAP) (Consolidated)" released by the Company on November 14, 2024 (25,730,918 shares) (25,730,362 shares. the "**Standard Number of Shares**").

(Note 2) "12th stock acquisition rights" means 12th series stock options (JTOWER Inc. – E2 (1st) stock acquisition rights) issued based on the resolution at the Company's board of directors meeting held on May 30, 2018 (exercise period: from May 31, 2020 to May 30, 2028).

(Note 3) "14th stock acquisition rights" means 14th series stock options (JTOWER Inc. – E2 (3rd) stock acquisition rights) issued based on the resolution at the Company's board of directors meeting held on June 26, 2019 (exercise period: from June 27, 2021 to June 26, 2029).

(IV) Total number of issued shares before the effectuation

25,730,362 shares

(Note 4) "Total number of issued shares before the effectuation" represents the Standard Number of Shares. Since the Company resolved at the Board of Directors Meeting to retire 556 shares of its treasury shares (representing all of the treasury shares held by the Company as of November 8, 2024) as of January 8, 2025, the "total number of issued shares before the effectuation" indicates the total number of issued shares after such retirement.

(V) Total number of issued shares after the effectuation

11 shares

(VI) Total number of authorized shares as of the effective date

44 shares

(VII) Method of treatment in the case where fractions of less than one share occur and the amount expected to be distributed to shareholders as a result of such treatment

(i) Whether the handling of fractions provided under Article 235, Paragraph 1 of the Companies Act or Article 234, Paragraph 2 of the same Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act will be applied and the reasons therefor

The number of the Company Shares to be held by the Company's shareholders other than DB Pyramid Holdings, LLC (the "**Tender Offeror**") or Cultive Ltd. ("**Cultive**") after the Share Consolidation is fractions less than one share.

With respect to the total number of fractions of less than one share that occurred as a result of

the Share Consolidation (if there is any fraction of less than one share in such total number, such fraction shall be rounded down), the number of shares equivalent to such total number shall be sold and the proceeds of such sale will be distributed to the Company's shareholders in proportion to fractional shares they owned. Considering the fact that such sale is conducted as part of the transaction for the purpose of making the Tender Offeror and Cultive the only shareholders of the Company and taking the Company private and that the Company Shares will cease to be listed as of January 7, 2025 and be shares without a market price and the possibility of a purchase offer through an auction is low, in accordance with the provisions of Article 234, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; the "Companies Act") as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act, such shares will be sold to the Tender Offeror with the permission of the court.

In such case, when the aforementioned permission of the court is obtained as scheduled, the amount of the sale will be the amount that would enable the distribution to the Company's shareholders of cash equivalent to the amount obtained by multiplying the number of shares owned by each shareholders of the Company listed or recorded on the Company's final register of shareholders as of January 8, 2025, the date immediately preceding the effective date of the Share Consolidation by 3,600 Japanese yen, which is the same amount as the purchase price per Company Share in the tender offer for the Company Shares implemented by the Tender Offeror during the period from August 15, 2024 until October 10, 2024 (the "Tender Offer"). However, in the case where the permission of the court could not be obtained or adjustments of fractions are required, the distribution amount may differ from the amount described above.

- (ii) Name of a person expected to purchase the shares sold
DB Pyramid Holdings, LLC (Tender Offeror)

- (iii) Method for the purchaser of the shares to secure the funds for the payment of the purchase price and the reasonableness of such method
The Tender Offeror plans to fund the execution of a series of transactions to take the Company private including the acquisition of the Company Shares equivalent to the total number of fractions resulting from the Share Consolidation through a monetary contribution by DB Pyramid Holdings, LP, which is the only member of the Tender Offeror.
The Company has confirmed a certificate of such payment and according to the Tender Offeror, no event has occurred that could affect the payment for the sale of the Company Shares equivalent to the total number of fractions resulting from the Share Consolidation and the Tender Offeror is not aware of any possibility of such event.
Accordingly, the Company has determined that the method for the purchaser of the shares to secure the funds for the payment of the purchase price is reasonable.

- (iv) Expected timing of the sale and distribution of sales proceeds to shareholders
After the Share Consolidation becomes effective, the Company intends to file an application with the court around late January of 2025 pursuant to Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act for the permission to sell the Company Shares equivalent to the total number of fractions

resulting from the Share Consolidation and the purchase of such Company Shares by the Tender Offeror. While the timing for obtaining such permission may vary depending on the circumstances of the court, the Company plans to sell such Company Shares through the purchase by the Tender Offeror around mid-February, 2025 and subsequently to distribute the sales proceeds to the Company's shareholders around mid-April, 2025 after making necessary preparation for such distribution.

Taking into consideration the period required for a series of procedures from the effective date of the Share Consolidation until the sale of shares, the Company has determined that the sale of the total number of fractions resulting from the Share Consolidation and the purchase of such Company Shares will be conducted and the sales proceeds will be distributed to the Company's shareholders at respective timings as described above.

2. Proposal 2 (Partial Amendments to the Articles of Incorporation)

The Company has obtained approval of the shareholders for the following partial amendments to the Company's articles of incorporation at the Extraordinary General Meeting of Shareholders.

Details of the amendments are as stated in the Notice Dated November 14, 2024. The partial amendments to the articles of incorporation will become effective as of January 9, 2024 subject to the Share Consolidation coming into effect.

- (1) If the Share Consolidation becomes effective, the total number of authorized shares of the Company Shares will be reduced to 44 shares pursuant to Article 182, Paragraph 2 of the Companies Act. To clarify this matter, Article 6 (Total number of authorized shares) of the Articles of Incorporation will be amended on the condition that the Share Consolidation becomes effective.
- (2) If the Share Consolidation becomes effective, the total number of issued shares of the Company Shares will be 11 shares and there will be no need to specify the number of shares per unit. Therefore, in order to abolish the provision on the number of shares per unit of the Company Shares, which is currently 100 shares per unit, on the condition that the Share Consolidation becomes effective, the entire provision of Article 8 (Share unit) and Article 9 (Rights to shares of less than one unit) of the Articles of Incorporation will be deleted and the article numbers shall be renumbered accordingly.
- (3) If the Share Consolidation becomes effective, only the Tender Offeror and Cultive will be the shareholders of the Company and the provisions regarding the record date for regular general meeting of shareholders will no longer be necessary. Thus, on the condition that the Share Consolidation becomes effective, the entire provision of Article 13 (Record date for regular general meeting of shareholders) of the Articles of Incorporation will be deleted and the article numbers shall be renumbered accordingly.
- (4) If the Share Consolidation becomes effective, only the Tender Offeror and Cultive will be the shareholders of the Company and the provisions regarding the electronic publishment of the materials of general meetings of shareholders will no longer be necessary. Thus, on the condition that the Share Consolidation becomes effective, the entire provision of Article 18 (Electronic publishment) of the Articles of Incorporation will be deleted and the article numbers shall be renumbered accordingly.

3. Schedule of Share Consolidation

(I) Date of the Extraordinary General Meeting of Shareholders	December 17, 2024 (Tuesday)
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(II) Date of designation as securities to be delisted	December 17, 2024 (Tuesday)
(III) Last day of purchase and sales of the Company Shares	January 6, 2025 (Monday) (scheduled)
(IV) Date of delisting of the Company Shares	January 7, 2025 (Tuesday) (scheduled)
(V) Effective date of the share consolidation	January 9, 2025 (Thursday) (scheduled)

End