



April 27, 2018

Dear All

Announcement of Calling Off the Execution of the Call Option Agreement with Stretchsense Limited

Start Today Co., Ltd. (hereinafter “ST”) disclosed “Notice Regarding the Call Option Agreement with StretchSense Limited (hereinafter “SSL”)” on November 22, 2017 which enables ST to selectively conduct full acquisition of SSL in the future. The Board of Directors of ST resolved at the special meeting of the board which is held on April 27, 2018 to call off the execution of the call option agreement with SSL. Details are as follows.

1. Overview of the Option Agreement

(1) Key terms of the Option Agreement

- ① Option purchase price: 20 million USD
- ② Eligible shares (including dilutive shares) for transaction : 29,394,591 shares
- ③ Strike price: 2.4535 USD per share
- ④ Expiration date: 30th September, 2018

(2) Schedule

- ① Board resolution: November 22, 2017
- ② Date of signing the option agreement: November 30, 2017 (scheduled)

2. Reason for Calling Off of the Execution

ST has been preparing to close the agreement by November 30, 2017 the scheduled date of signing the option agreement, however the negotiation between ST and SSL have become long-term stagnation due to difficulty of reaching the agreement. On the other hand, based on the idea which was announcement on February 15, 2018 about “purchasing a more easier and low cost body measurement solution than the solution using the technology of SSL” , “Start Today Research” the research institute of the ST Group, has been successfully developed a more precise body measurement solution. In conclusion, ST decided to call off the execution of the call option agreement with SSL. No penalty will be incurred as a result of calling off the execution of the call option agreement.

3. Prospects

The impact from this to the financial results of FYE March 2018 is limited.

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