

June 21, 2019

Announcement Regarding the Sale of Shares of Net Protections Holdings

We are pleased to announce that funds served by Advantage Partners (“AP Funds”) have reached a definitive agreement to sell 10,858 shares of Net Protections Holdings, Inc. (“Net Protections Holdings,” or “the Company”) to RICOH LEASING COMPANY, LTD. (“Ricoh Leasing”), representing 12.33% of Net Protections Holdings’ total shares on a fully diluted basis.

Net Protections Holdings and its fully owned subsidiary, Net Protections, Inc. (jointly, “Net Protections,” or the “Group”) pioneered the deferred settlement market in Japan as one of the first providers of deferred settlement services for consumer-focused e-commerce websites after its founding in 2002. After AP Funds’ investment in the Company in July 2016, Advantage Partners leveraged its experience from previous portfolio companies and carefully cultivated a network of professional contacts to support the Company’s management. As a result of these efforts, the Group is now a vital participant in Japan’s e-commerce settlement infrastructure with annual active users of, NP Atobarai, the Company’s primary payment solution growing to 13.5 million people, and cumulative transactions completed through the platform reaching 170 million.

AP Funds believe that Ricoh Leasing’s investment will further strengthen the Group’s BtoB business, which is one of the focus areas of the Group’s growth strategy. Net Protections’ BtoB service, NP Kakebarai, utilizes settlement technology and practices developed at its popular BtoC service, NP Atobarai, to offer an easy payment solution while also eliminating counterparty default risk for corporate customers. Post-AP Funds’ investment, NP Kakebarai grew into a second pillar for the Group’s business, growing to 14% of the Group’s transactions in the 2018 fiscal year, with further growth expected by the Company as it becomes accepted as a payment method in new industries. Going forward, the Company expects to



accelerate the growth of this service by augmenting the Company's sales platform.

Ricoh Leasing, which has a network of approximately 400,000 leasing partners and approximately 6,000 vendors, operates business segments in leasing, installment, and financial services. By leveraging Net Protections' position in settlement and Ricoh Leasing's expertise, customer relationships, and strength in financial solutions, the Company aims to build a platform that can meet the total payment/financial needs of small to medium enterprises.

Outline of the transaction

Number of transferred shares	% of total currently issued shares	% of total shares on a fully diluted* basis	Transfer Price
10,858	13.81%	12.33%	JPY 7,411 million

*Total number of shares assuming all stock options issued by Net Protections Holdings have been exercised

Overview of Net Protections Holdings, Inc.

Company Name: Net Protections Holdings, Inc.

Representative: Shin Shibata

Location: Tokyo, Japan

Overview of Net Protections, Inc.

Company Name : Net Protections, Inc.

Representative: Shin Shibata

Location: Tokyo, Japan

Business Summary: Operates the following services: BtoC deferred settlement services NP Atobarai and NP Atobarai Air; BtoB deferred settlement service NP Kakebarai; new cardless settlement service atone; Taiwan-based smartphone settlement service AFTEE; and a point program

Overview of Ricoh Leasing

Company Name: RICOH LEASING COMPANY, LTD.

Representative: Daisuke Segawa

Location: Tokyo, Japan

Business Summary: Leases and installment sales business, and financial services business

End of Document