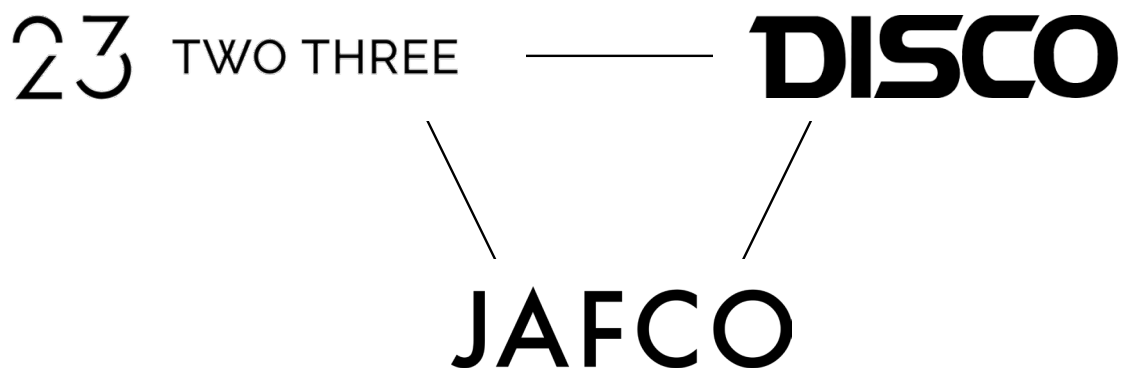


Notice Regarding Investment in 23 Inc. by DISCO Inc. (Portfolio Company)

JAFCO Group Co., Ltd. (Headquarters: Minato-ku, Tokyo; Keisuke Miyoshi, President&CEO) hereby announces that DISCO Inc. (Headquarters: Bunkyo-ku, Tokyo; Masaro Niidome, President), which is a portfolio company of a fund it operates and manages (JAFCO BO7 Investment Limited Partnership; hereafter referred to as “JAFCO”), has invested in 23 Inc. (Headquarters: Fukuoka City, Fukuoka Prefecture; Atsushi Shimizu, President; hereinafter referred to as "Two-Three").



Two-Three is a creative company mainly composed of young creators under the age of 25 who understand and connect with the digital natives of Generation Z (“Gen Z”). Founded in 2020, it has Gen Z engineers throughout Japan, from Hokkaido to Okinawa, capable of creating concepts and ideas from a Gen Z perspective. Two-Three’s strength lies in its integrated approach from planning through to installation of such concepts and ideas.

Under its mission to be a total creative company that supports various challenges taken on by startups to municipalities, Two-Three has contributed to the growth of its clients in various industries and business phases, ranging from startups aiming for global expansion, restaurants that are beloved by the community, to municipalities facing many issues.

In addition to engineers, Two-Three also has video creators and designers on staff, making it a versatile company. It also flexibly handles spot projects (e.g. coding/planning/editing only), while engaging in machine learning and mobile application development using the latest technologies. In the future, it plans to develop its own products in addition to client work, aiming for further organic growth.

DISCO plans to develop truly needed services in response to the changing times for high school students choosing a college or university, for students who are considering employment, and for educational institutions/companies/municipalities that will accept them, by leveraging Two-Three's understanding of the Gen Z sights and collaborating with their diverse and talented human resources consisting of engineers, designers and video creators. DISCO also aims to create new businesses that address regional issues by cooperating with young creators from all over Japan.

JAFCO will not only work to enhance the corporate values of DISCO and Two-Three, but also the corporate value of the Disco Group as a whole by maximizing the synergy between the two companies,

Two-Three is currently developing the following businesses to provide solutions to various issues of its clients:

Web development

- In-house designers with expertise in the no-code tool STUDIO as well as landing-page coding allows handling of numerous requests with short turnaround times.
- Two-Three also undertakes individual parts of the production process, such as coding, design, development based only on the no-code tool, etc., and offers quick modification after release.

Application development

- Offers high cost performance and quick turnaround based on Flutter language.
- Two-Three performs the entire process from planning to development, offering highly customizable applications developed from scratch.

LINE bot development

- LINE bot allows shorter turnaround time and lower development costs compared to application development. Development of a chatbot allows implementation of additional functions, including product ordering and information provision.

Video production

- The rise of YouTube and TikTok and improvements in camera technology have made video production relatively easy. As it has become possible to handle large data traffic, video contents are more accessible to recipients than before. In this context, there is a growing

demand for videos that are widely distributed and increase engagement, rather than a single, well-crafted creative piece.

- Two-Three has video creators in a wide range of genres and can respond to all kinds of requests, including YouTube video production, cinematic promotional videos, 3DCG production, commercial production, drone shooting, and more.
- Two-Three also take orders for editing only or one piece only, responding to staffing shortages on a spot basis.

Gen Z insight

- The consumption behavior of Gen Z, who are digital and smartphone natives, is said to be different from that of other generations as represented by Instagram Shopping and experience-oriented consumption. In addition to consumer behavior, it is now required to correctly understand Gen Z insights in the context of new graduate recruitment and measures to attract university students for events, etc.
- Two-Three has a large number of creators between the ages of 18 and 25, making it possible to extract insights and develop plans from the perspective of Gen Z.

About 23 Inc.

Company name	23 Inc.
Website	https://23-creative.co.jp/ (Japanese only)
Establishment	September 2020
Location	Fukuoka Growth Next, 2-6-11 Daimyo, Chuo-ku, Fukuoka-shi, Fukuoka Prefecture
Business description	As a "comprehensive creative company" supporting challenges taken on by companies and municipalities, 23 Inc. fully utilizes its talented human resources, ranging from engineers, designers, to entrepreneurs, to support the entire process of those challenges from initial market research, planning, to product development.

About DISCO Inc.

Company name	DISCO Inc.
Website	https://www.disc.co.jp/en/
Establishment	October 1973
Location	Iidabashi First Building 9F, 2-5-1 Koraku, Bunkyo-ku, Tokyo
Business description	Offers Caritas Job Hunting and Caritas College Prep services that support the recruitment of human resources for companies and educational institutions. Also holds Career Forum, a job hunting event for international students with a history of over 30 years, in major cities around the world.

About JAFCO Group Co., Ltd.

Company name	JAFCO Group Co., Ltd.
Website	https://www.jafco.co.jp/english
Establishment	April 1973
Location	24F Toranomon Hills Mori Tower, 1-23-1 Toranomon, Minato-ku, Tokyo
Business description	Largest venture capital firm in Japan with over 1,000 portfolio IPOs. Also has experiences of 20 years in buyout investment and over 30 years in overseas venture investment.