

September 1, 2021

New Horizon Capital Co., Ltd.

## **Announcement about Business Integration between LocalFolio Inc. and LeadPlus Co., Ltd**

New Horizon Capital Co., Ltd. (Head Office: Minato-ku, Tokyo; Chairman: Yasushi Ando; hereinafter NHC), a leading independent private-equity fund, announced that the two investee companies in NHC's third fund (hereinafter NH-3), LocalFolio Inc. (Head office: Setagaya-ku, Tokyo; President: Jiro Kobayashi; hereinafter "LF") and LeadPlus Co.,Ltd (Head office: Chuo-ku, Tokyo; President: Yutaka Hori; hereinafter "LDP"), merged on September 1, 2021, with LF absorbing LDP.

NHC acquired shares of LF, whose main business is Internet marketing services, from a group of U.S. companies in October 2018, and has been supporting its growth. LF, which provides web advertising-operation services to businesses with small budgets, has developed and provides its own AI-based web advertising-operation service, "Local Folio," for companies that want to increase customer acquisition. The service automates the operation of ads, mainly listing ads, displayed as a result of web searches by potential customers, and can be used with a small budget. Its customers range from small and medium-sized companies like local clinics and sports gyms to large companies operating nationwide.

At the same time, with the recent acceleration of DX (Digital Transformation), the demand to acquire customers through the Internet is continuing to increase in corporate activities. Against the backdrop of this market environment, we acquired shares of LDP in November 2020. LDP provides a full range of inbound marketing packages, from strategy planning to execution, effectiveness measurement and improvement, to help client companies acquire new customers and maximize sales efficiency through the Internet. LDP possesses advanced technology and a wealth of experience and know-how in digital marketing, and is a Diamond Partner, the highest rank in Japan recognized by HubSpot, a leading marketing and sales software company. LDP has been providing services mainly to large corporations and has been awarded "HubSpot Best Partner in Japan 2020."

Through the business integration of LF and LDP, the new company will be able to establish a structure that can provide comprehensive support for overall corporate digital marketing activities. By accelerating the provision of services that leverage the strengths of each company, the new company will be able to broaden the scope of digital marketing applications and further enhance value through the creation of business synergies.

The name of the new company after the business integration will be "Lead Plus Co, Ltd.," adopting the name of LDP, which has been providing services mainly to large corporations. We will support the further growth of the company's business and continue to assist in increasing its corporate value.

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