



December 5, 2025

Name of Company: KLab Inc.

(TSE Prime Market: 3656)

Representative: Tetsuya Sanada,

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Notice Concerning Issuance of New Shares and 23rd Stock Acquisition Rights Through Third-Party Allotment and Change in Principal Shareholder and Largest Shareholder as a Principal Shareholder

KLab Inc. announced that, at the meeting of its Board of Directors held today, December 5, 2025, a resolution was passed to issue new shares (hereinafter referred to as the "New Shares") through a third-party allotment to ULTIMATE CLASSIC INVESTMENT LLC (hereinafter referred to as "UCI"), Six Cents Holdings Ltd. (hereinafter referred to as "Six Cents"), Sun* Inc. (hereinafter referred to as "Sun Asterisk"), and JT Financial Limited Liability Partnership (hereinafter referred to as "JT Financial" and, together with UCI, Six Cents, and Sun Asterisk, individually or collectively, the "Allottees of Shares"), and to issue the 23rd Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights") through an allotment to UCI and JT Financial (hereinafter, individually or collectively, the "Allottees of Stock Acquisition Rights," and together with the Allottees of Shares, the "Intended Allottees") (the financing through the issuance of the new shares and the Stock Acquisition Rights is collectively referred to as the "Financing"). The Company also announced that the issuance of the new shares is expected to result in changes in its principal shareholders and its largest principal shareholder.

I. Issuance of new shares and Stock Acquisition Rights through third-party allotment

1. Overview of offering

<New shares ①>

(1)	Payment date	December 23, 2025
(2)	Number of new shares issued	11,750,000 common shares
(3)	Issuance price	207 yen per share
(4)	Amount of funds raised	2,432,250,000 yen

(5)	Offering or allotment method	Depending on the method of third-party allotment.
(6)	Intended allottee	UCI 9,750,000 shares Sun Asterisk 1,000,000 shares JT Financial 1,000,000 shares
(7)	Other	The above items are subject to the effectiveness of notifications in accordance with the Financial Instruments and Exchange Act.

<New shares ②>

(1)	Payment date	December 23, 2025
(2)	Number of new shares issued	2,000,000 common shares
(3)	Issuance price	222 yen per share
(4)	Amount of funds raised	444,000,000 yen
(5)	Offering or allotment method (intended allottee)	The shares will be allocated to Six Cents through a third-party allocation.
(6)	Other	The above items are subject to the effectiveness of notifications in accordance with the Financial Instruments and Exchange Act.

<Stock Acquisition Rights>

(1)	Allocation date	December 23, 2025
(2)	Total number of Stock Acquisition Rights	107,500 rights
(3)	Issuance price	Total amount: 33,647,500 yen (313 yen per Stock Acquisition Right)
(4)	Number of potential shares resulting from the issuance	10,750,000 shares (100 shares per Stock Acquisition Right)
(5)	Amount of funds raised	2,258,897,500 yen (estimated net amount: 2,235,297,500 yen) (Note)
(6)	Exercise price and exercise price revision clause	Exercise price: 207 yen Exercise price will not be revised
(7)	Offering or allotment method	Depending on the method of third-party allotment.
(8)	Intended allottee	UCI 97,500 rights

		JT Financial	10,000 rights
(9)	Exercise period for Stock Acquisition Rights	The period will be from December 24, 2025 – December 23, 2027	
(10)	Other	The Company plans to enter into a purchase agreement for the Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights Purchase Agreement") with the Planned Allottee after the notification under the Financial Instruments and Exchange Act becomes effective. The Stock Acquisition Rights Purchase Agreement is expected to stipulate that if the Intended Allottee transfers the Stock Acquisition Rights with the prior approval of the Company's Board of Directors, the transferee from the Intended Allottee will succeed to all of the rights and obligations of the Intended Allottee of the Stock Acquisition Rights under the Stock Acquisition Rights Purchase Agreement.	

Note If the Stock Acquisition Rights are not exercised within the exercise period or if the Stock Acquisition Rights acquired by the company are cancelled, the amount of funds raised will decrease.

Regarding this third-party allotment, the company has been in discussions with each of the intended allottees individually, and each of the intended allottees has decided to participate in the third-party allotment based on its own independent investment judgment. There are no relationships whatsoever between the intended allottees, including capital relationships, personnel relationships, or business relationships, and they are not related parties to each other.

2. Purpose and reason for offering

(1) Purpose of offering

In addition to the intensifying competitive environment, the Company business performance continues to be challenging due to the failure of its new in-house titles, lost revenue opportunities due to prolonged development times for new titles, and the termination of services for existing titles. Despite these circumstances, for titles that remain in operation, the Company has continued to work on improving service content, expanding revenue opportunities, and improving profit margins, while also working vigorously to create global hit titles that have the potential to become new growth drivers.

In terms of the development of new titles, *DRAGON QUEST Smash/Grow* and IP titles based on *My Hero Academia* are progressing smoothly toward release next fiscal year. Furthermore, with regard to *DRAGON QUEST Smash/Grow*, the Company recently obtained positive results from a closed beta test conducted both domestically and internationally, and it believes that this title will contribute to its business performance after release.

Given these factors, the Company intends to continue striving for sustainable corporate growth through its mobile online game business.

Meanwhile, with the aim of achieving stable corporate growth over the mid- to long-term, the Company has decided to review its management strategy once again at the beginning of fiscal year 2025 and move away from a business structure that is dependent on highly volatile mobile online games.

First, the Company is taking on the challenge of creating new businesses in the areas of blockchain, AI, and entertainment that not only hold strong potential for continued growth, but also align well with the expertise and experience the Company has cultivated to date. The Company has already announced two new ventures: the GPU AI Cloud Business and the AI Entertainment Business, and it is also exploring additional new business opportunities that have yet to be disclosed.

The current demand for funds remains high in 2026, due to the development costs and initial promotions for two new titles that are nearing completion, the development of subsequent new titles, and the upfront investment period until new businesses become profitable.

Taking these circumstances into consideration, the Company has decided to raise funds.

Furthermore, as the Company believes it is necessary to build a stronger financial base in preparation for unexpected capital needs in the future, it has decided to secure financial resources for future business operations through this financing.

(2) Overview of financing method and reason for selection

When financing, the Company has considered methods of raising funds through direct financing, taking into consideration the use of the funds, the Company's financial situation, future business development, etc. In the process of this consideration, the Company compared each item described in "<Comparison with other financing methods>" in "(3) Characteristics of this financing" below with other methods, and after comprehensively considering the "<Advantages>" and "<Disadvantages>", the Company has decided to raise funds through the issuance of the new shares and Stock Acquisition Rights through third-party allotment.

(3) Characteristics of this financing

This financing will involve the Company allocating the new shares and Stock Acquisition Rights to the allottee, allowing the Company to raise a certain amount of funds without waiting for the exercise of the Stock Acquisition Rights, and to expand capital through the payment amount from the exercise of the Stock Acquisition Rights.

This fundraising has the following characteristics.

<Advantages>

① Raise a certain amount of funds initially

The issuance of these new shares will enable us to raise a certain amount of funds at the time of the issuance of these new shares.

② Fixed number of shares subject to the rights

The number of shares subject to the rights is fixed at a total of 10,750,000 shares as set forth in the rights issuance terms and conditions from the time of issuance, and the number of potential shares will not fluctuate

due to future fluctuations in the market share price. In the event of certain events, such as a stock split, this number may be adjusted in accordance with the rights issuance terms and conditions.

③ Financial soundness

Since the proceeds from the New Shares and the proceeds from the Rights are both capital-type funds, this will increase our financial soundness indicators.

④ Transfer restrictions

The Stock Acquisition Rights Purchase Agreement will stipulate transfer restrictions. The Stock Acquisition Rights will be issued by way of third-party allotment to the intended allottee, and the Stock Acquisition Rights Purchase Agreement will stipulate transfer restrictions, meaning that the intended allottee will not be able to transfer or otherwise dispose of the Stock Acquisition Rights unless prior approval is obtained from the Board of Directors.

<Disadvantages>

① Limited access to an unspecified number of new investors

Since the third-party allotment is a contract between only the Company and the allottee, there are limitations to the ability to raise funds from an unspecified number of new investors.

② Possibility of inability to raise funds during a stock price slump

If the share price falls below the exercise price of the Stock Acquisition Rights, it is unlikely that the allottees will exercise the Stock Acquisition Rights, effectively preventing the Company from raising additional funds.

③ Possibility of all-at-once dilution

If the Stock Acquisition Rights are exercised, a certain amount of dilution will occur in the value of the Company's common stock, and if a large number of shares are exercised at once, the extent of the dilution will be greater.

<Comparison with other financing methods>

The other fundraising methods we considered when choosing this fundraising option are as follows.

① Public offering

While a public offering of shares would raise funds from the start, it would also dilute earnings per share all at once, which would have a significant impact on the stock price. Therefore, the Company has determined that this is not an appropriate method of financing.

② Shareholder allotment

While a shareholder allotment would eliminate concerns about dilution of existing shareholders' equity, the amount raised would depend on the participation rate of existing shareholders to whom the shares are allocated. Therefore, it would be difficult to raise funds in line with capital needs. Therefore, the Company has determined that this is not an appropriate method of financing.

③ MSCB

While the issuance and exercise terms of convertible bonds with Stock Acquisition Rights (MSCBs), whose exercise price is adjusted in line with the stock price, are diverse, generally, the number of shares to be issued upon conversion is determined based on the exercise price. Therefore, due to the structure, the total number of shares to be issued upon conversion is not determined until the conversion is complete. Furthermore, if the exercise price is adjusted downward, the number of potential shares will increase. Therefore, the Company has determined that this is not an appropriate method of financing.

④ Capital Increase through a Free Allotment of Stock Acquisition Rights (Rights Offering)

So-called rights offerings are divided into commitment-type rights offerings, in which a primary underwriting agreement is entered into with a financial instruments business operator, and non-commitment-type rights offerings, in which no such agreement is entered into and the exercise of stock acquisition rights is left to the shareholders' discretion. Commitment-type rights offerings are expected to incur higher costs, including underwriting fees. Furthermore, as with the shareholder allotment capital increase described in ② above, non-commitment-type rights offerings depend on the exercise rate of stock acquisition rights by existing shareholders or those who acquire stock acquisition rights in the market, making it uncertain whether we will be able to raise funds in accordance with our capital needs. Furthermore, given our current profit levels, a non-commitment-type rights offering would not meet the listing requirements. Therefore, we have decided not to specifically consider it at this time.

⑤ Debt Financing

While the ongoing low interest rate environment provides a favorable financing environment for debt financing, borrowing would result in the entire amount being recorded as debt, which could potentially weaken our financial soundness. Taking into consideration our business characteristics, financial position, and the intended use of the proceeds, we have concluded that capital financing is the most appropriate option.

3. Amount of Funds to be Raised, Use, and Planned Expenditure Period

(1) Amount of funds to be raised

Total payment amount (yen)	Estimated issuance cost (yen)	Estimated net proceeds (yen)
5,135,147,500	23,600,000	5,111,547,500

- (Note)
1. The total amount to be paid is the total amount to be paid for the new shares (2,876,250,000 yen), plus the total issue price of the Stock Acquisition Rights (33,647,500 yen) and the total value of the assets to be contributed upon the exercise of the Stock Acquisition Rights (2,225,250,000 yen).
 2. The estimated issuance cost does not include consumption tax.
 3. If the exercise price of the Stock Acquisition Rights is adjusted, the total amount to be paid and the estimated net proceeds may increase or decrease. In addition, if the Stock Acquisition Rights are not exercised within the exercise period or if the Company cancels the Stock Acquisition Rights, the total amount to be paid and the estimated net proceeds may decrease.
 4. The estimated issuance cost is the total of legal fees, valuation fees, trust bank fees, etc.

(2) Specific use of funds to be raised

The specific uses of the proceeds from this financing are as follows.

Specific uses	Amount (hundred millions of yen)	Planned expenditure period
Planning, development, operation of new major mobile online games	10	Dec. 2025 – Dec. 2026
Development of new businesses	5	Dec. 2025 – Dec. 2026
Purchase of bitcoin and gold (including gold ETFs, etc.)	36	Dec. 2025 – Jan. 2027
Total	51	—

- (Note)
1. The Company plans to stably manage the funds raised through the payment of the new shares and Stock Acquisition Rights until they are used for the purposes mentioned above.
 2. If sufficient funds are not raised through the exercise of the Stock Acquisition Rights during the period leading up to the planned expenditure, the Company plans to allocate the necessary funds from cash on hand.

① Planning, Development, and Operation of New Major Mobile Online Games

As mentioned above, *DRAGON QUEST Smash/Grow*, which the Company is developing in collaboration with SQUARE ENIX CO., LTD., has completed closed beta testing and is steadily progressing toward its release in 2026. While we are confident that this title will contribute to improved cash flow once it is officially released, we must establish a sustainable operational structure for the project after release.

With regard to the *My Hero Academia* title, the Company also expects expenditures for new development to continue throughout 2026.

In addition, the Company is currently conducting sales activities to acquire IPs with the aim of securing a pipeline for 2027 and beyond, which may result in certain expenditures depending on the situation.

Additionally, due to the continued uncertainty surrounding the future of *EA SPORTS FC™ Tactical*, a title the Company is developing in collaboration with US game company Electronic Arts Inc., it currently recognizes that performance will remain challenging for the time being.

Therefore, the Company plans to allocate ¥10 hundred million of the proceeds to expenses required for the planning, development, and operation of a new major mobile online game.

② New business development

Since the beginning of the fiscal year, the Company has been reviewing its management strategy in order to move away from a business structure that relies solely on mobile online games, which faces a fiercely competitive and highly volatile environment.

The Company is currently working to create new businesses in three areas that are expected to see high growth in the future: blockchain, AI, and entertainment.

The Company has already launched two businesses: the GPU AI Cloud Business and the AI Entertainment Business. It plans to allocate ¥5 hundred million of the proceeds to the ongoing development of new businesses that will serve as future revenue pillars, as well as to expenses related to sales and public relations activities, securing and training professional talent, and other related expenses for these businesses.

③ Purchase of bitcoin and gold (including gold ETFs, etc.)

The mobile online game business of the Company requires development costs of ¥20 to ¥30 hundred million per title, necessitating a similar investment. Securing these funds and stabilizing its financial structure are major challenges.

For immediate operating funds, the Company plans to utilize the funds described above in "① Planning, development, and operation of new major mobile online games." However, it recognizes that preparing for unforeseen circumstances during the prolonged new development and operation process, and securing flexible funding in the event the need arises to secure a new pipeline, are important issues.

Furthermore, with regard to "② Development of new businesses," while current plans do not call for significant investment, there is a possibility that further business investment will be required in the mid- to long-term.

As a result of reviewing its financial strategy in light of the above, the Company has concluded that it needs to restructure and further strengthen its financial base. Therefore, the Company plans to allocate ¥36 hundred million of the proceeds from this transaction to secure future operating funds.

The rationale for setting the target at ¥36 hundred million is that development costs for mobile online games, including one-time outlays, will be approximately ¥30 to ¥40 hundred million, and that the average EBITDA for the past two years was approximately ¥35 hundred million.

This fund is intended for future expenditures and will be secured as surplus funds for the time being.

After considering various factors, such as liquidity, profitability, price fluctuation risk, inflation resistance, and correlation between various financial products, including cash, stocks, and bonds, as well as their affinity with our business, the Company has decided to build a more optimal portfolio by combining bitcoin with gold (including gold ETFs, etc.), which has low price fluctuation risk and price correlation.

Bitcoin is regarded as a stable, diversified investment as the market's base currency, known as "digital gold," and the Company recognizes that its use as a long-term asset preservation tool is increasing.

As stated in the November 11, 2025, disclosure, "Notification Concerning Completion of Bitcoin Purchase," the Company is currently in the exploratory stage of its blockchain business. However, in order to ensure the Company seizes business opportunities, it will deepen its understanding of crypto assets and blockchain technology through its holdings and will proceed with formulating a full-scale business plan for launching the business.

Therefore, the Company will continue to purchase bitcoin and gold (including gold ETFs, etc.) to strengthen its financial base and simultaneously carry out business activities to create new businesses in the blockchain area. In building its portfolio, the Company plans to purchase bitcoin and gold (including gold ETFs, etc.) in a ratio of 6:4.

Crypto asset investments also involve inherent risks such as price fluctuations, liquidity, legal and tax reform, and cybersecurity. However, the Company will establish an appropriate management and monitoring system for these risks in order to preserve its assets and optimize profit opportunities.

① Price fluctuation risk

The Company will mitigate this risk by holding gold, which has an uncorrelated or inverse correlation with bitcoin, and by conducting disciplined rebalancing.

② Liquidity risk

The Company believes that this risk is low because it only purchases bitcoin, which has guaranteed liquidity.

③ Legal and tax reform risk

The Company will continuously monitor domestic and international regulatory trends and, as necessary, review its crypto asset holding structure to mitigate this risk.

④ Cybersecurity risk

The Company will mitigate this risk by collecting various information regarding the management of crypto assets and taking appropriate security measures.

4. Approach to rational use of funds

As stated above in "2. Purpose and reason for offering (1) Purpose of offering," the funds raised through this financing will contribute to the future enhancement of its corporate value, and the Company has determined that the use of such funds is reasonable. Therefore, the Company believes that this financing will also contribute to the interests of existing shareholders by improving its corporate value in the mid- to long-term.

5. Basis for issuance conditions, etc.

(1) The basis for determining that the issuance conditions are reasonable and their specific details

① New shares ①

As a result of discussions with the intended allottee, the payment amount for new shares ① has been set at 207 yen, which is equivalent to 93% of 222 yen (rounded to the nearest yen; the same applies below in calculating average prices), which is the simple average closing price of the Company's common shares published by the Tokyo Stock Exchange for the three months immediately preceding the business day before the issuance resolution date (December 4, 2025).

The reason for adopting the simple average closing price for the three months up to the business day before the date of issuance resolution as the basis is that, given the considerable range of fluctuations in the price of the Company's shares during that period, rather than using a specific point in time as the basis, the Company has comprehensively taken into consideration the business environment surrounding the Company, performance trends, financial condition, violations of the listing maintenance standards, and recent fluctuations in stock prices, and has determined that adopting a smoothed value, the average stock price over a certain period rather than the closing price on the business day before the date of issuance resolution, will more appropriately reflect the Company's corporate value and will ensure greater objectivity and rationality as a basis for calculation. In addition, the calculation period was set at three months because the Company determined that using a more recent fixed period, compared to six months, is more reasonable as it reflects the value of its shares at the current time. The payment amount determined based on this standard was determined in accordance with the Japan Securities Dealers Association's "Rules Concerning Handling of Allotment of New Shares to Third Party, Etc.," and the Company has determined that it is not a particularly favorable payment amount.

The payment amount for new shares ① is a discount of 21.89% (rounded to two decimal places; the same calculation is used below for calculating the premium/discount rate on the share price) on the closing price of 265 yen on the business day immediately preceding the issuance resolution date, a discount of 11.54% on 234 yen, which is the simple average closing price of the Company's common stock for the one-month period immediately preceding the issuance resolution date, and a premium of 20.35% on 172 yen, which is the simple average closing price for the six-month period immediately preceding the issuance resolution date. As a result of conducting an audit in accordance with their responsibilities under the Companies Act, the Company's Audit and Supervisory Committee has obtained the opinion that the payment amount is not particularly favorable to the intended allottee and is lawful because it is based on market price, which is an objective indicator of the value of the Company's shares, and was determined based on the simple average closing price of the share prices for the three months immediately preceding the issuance resolution date after determining that this fairly reflects the Company's objective corporate value at the current time, and because it was determined taking into consideration the guidelines of the Japan Securities Dealers Association.

② New shares ②

The payment amount for new shares ② will be set at 222 yen, which is the simple average closing price for the three months immediately preceding the business day before the date of the issuance resolution.

The Company decided to use the simple average closing price for the three-month period ending on the business day immediately preceding the issuance resolution date as the basis. Given the considerable fluctuations in the price of its stock during that period, the Company comprehensively considered factors such as its business environment, performance trends, financial condition, violations of the listing maintenance standards, and recent stock price fluctuations. Rather than using a specific point in time as the basis, the Company determined that using a smoothed average stock price over a certain period, rather than the closing price on the business day immediately preceding the issuance resolution date, would more appropriately reflect its corporate value and ensure a more objective and reasonable basis for the calculation. Furthermore, the Company chose a three-month calculation period because it determined that using a more recent period, compared to six months, is more reasonable in reflecting the current value of its stock. The payment amount determined based on these criteria was determined in accordance with the Japan Securities Dealers Association's "Rules Concerning Handling of Allotment of New Shares to Third Party, Etc.," and the Company does not believe it constitutes a particularly favorable payment amount. Furthermore, as Six Cents is the asset management company of the Representative Director and President, Tetsuya Sanada (hereinafter referred to as "Mr. Sanada") at KLab Inc., the discount rate has been set at 0%, unlike New shares ①, as part of an effort to clarify management responsibility.

In addition, the payment amount for New shares ② represents a 16.23% discount on the closing price of 265 yen on the business day immediately preceding the issuance resolution date, a 5.13% discount on the simple average closing price of the Company's common stock for the immediately preceding one-month period, which is 234 yen, and a 29.07% premium on the simple average closing price of 172 yen for the immediately preceding six-month period. In addition, the Company's Audit and Supervisory Committee, as a result of conducting an audit in accordance with their duties under the Companies Act, has given the opinion that the amount is not particularly favorable to the intended allottee and is lawful, as it is based on the market price, which is an objective indicator of the value of its shares, and that the amount was determined based on the simple average closing price of the stock prices for the three months immediately preceding the business day before the issuance resolution date, after judging that this fairly reflects the objective corporate value at the current time, and that the amount was determined taking into consideration the guidelines of the Japan Securities Dealers Association.

③ Stock Acquisition Rights

The Company has requested a valuation of the Stock Acquisition Rights from Akasaka International Accounting Co., Ltd., a third-party evaluation entity, taking into consideration the terms and conditions of the issuance of the Stock Acquisition Rights and the Stock Acquisition Rights Purchase Agreement to be concluded with the allottee. There are no significant conflicts of interest between the evaluation entity and the Company or the allottee.

In determining the price calculation model to be used for the price calculation, the evaluation entity compared and considered multiple price calculation models and then evaluated the Stock Acquisition Rights using Monte Carlo simulation, one of the common price calculation models, as a price calculation model that can relatively appropriately reflect in the calculation results the fact that the rights will be exercised in stages within the constraints of a certain number of shares and a certain period, as well as the issuance terms of the Stock Acquisition Rights and other conditions stipulated in the Stock Acquisition Rights Purchase Agreement to be concluded with the intended allottee. In addition, the evaluation entity took into consideration the market environment as of the valuation date, etc., and made certain assumptions regarding its stock price (265 yen), volatility (52.9%), the planned dividend (0 yen/share), risk-free interest rate (1.0%), and the liquidity of its stock, and set certain assumptions regarding its financing needs and the exercise of its and the allottee's rights (including, among other things, that if the stock price exceeds the exercise price of the Stock Acquisition Rights, the allottee will exercise the rights evenly, and that the allottee will immediately sell the Company's shares acquired through the exercise of the rights up to a certain percentage of the trading volume). Based on the valuation amount (313 yen) calculated by the evaluation entity based on the above assumptions, and after consultations with the allottee, the Company set the payment amount per Stock Acquisition Right at 313 yen, the same as the valuation amount, and the exercise price of the Stock Acquisition Rights at an amount equivalent to 100% of the issue price of New share ① and 93% of the issue price of New share ②.

In determining the payment amount and exercise price of the Stock Acquisition Rights, the evaluation entity took into account factors that may affect the fair valuation (see above for specific assumptions) and calculated the fair value using the Monte Carlo simulation, a commonly used method for valuing Stock Acquisition Rights. The evaluation entity's valuation results are considered to be reasonable fair prices, and since the payment amount is set at the same amount as the valuation result, the issue price of the Stock Acquisition Rights is determined to be fair and appropriate, without being an issuance at a favorable interest rate. Furthermore, the exercise price of the Stock Acquisition Rights is not excessively lower than the Company's stock price over the last six months and on the business day immediately preceding the issuance resolution date, as described in "10. Business performance and equity financing status for the past three years (3) Recent stock price status ② Status over the past six months" and "③ Stock price on the business day prior to the issuance

resolution date" below, and therefore the exercise price of the Stock Acquisition Rights is considered to be fair.

Furthermore, the Company's Audit and Supervisory Committee has given the opinion that the selection of the third-party evaluation entity is appropriate, the issue price is the same as the valuation amount calculated by said third-party evaluation entity, and there are no unreasonable points in the calculation method and assumptions used by said third-party evaluation entity, and therefore the issuance is not at a price that is particularly favorable to the intended allottee and is therefore lawful.

(2) Basis for determining that the number of shares issued and the extent of share dilution is reasonable

13,750,000 newly issued shares (equivalent to 137,500 voting rights) through the new share issuance and a maximum of 10,750,000 shares (equivalent to 107,500 voting rights), will be 24,500,000 shares (equivalent to 245,000 voting rights). This will represent a maximum of 40.56% (a maximum of 41.01% of the total number of voting rights) of the Company's issued shares as of June 30, 2025, which is 60,392,300 shares (total number of voting rights: 597,329). The Company recognizes that this will result in a certain degree of dilution.

However, as described above in "2. Purpose and reason for offering (2) Overview of financing method and reason for selection," the issuance of the new shares and Stock Acquisition Rights will enable the Company to establish a foundation for future growth and improve its mid- to long-term corporate value without causing excessive dilution, and therefore it believes that the issuance of the new shares and Stock Acquisition Rights is reasonable and will contribute to improving shareholder value.

Furthermore, if the allottee exercises all of the Stock Acquisition Rights and acquires 10,750,000 shares, the average number of shares per trading day to be sold over the exercise period of approximately two years (calculated based on annual trading days: 245 business days per year) will be approximately 21,938 shares. Therefore, compared to the average daily trading volume of its shares over the past six months of 6,317,015 shares, the Company believes that the above issuance quantity will be fully absorbed by the market.

After comprehensively considering these factors, the Company has determined that the extent of dilution is reasonable.

Furthermore, because the third-party allotment of the new shares and Stock Acquisition Rights (hereinafter referred to as the "Third-Party Allotment") will result in a dilution rate of 25% or more, the Company has established a special committee pursuant to Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange. The special committee considered the necessity and appropriateness of the third-party allotment and as described in "9. Matters concerning procedures under the Code of Corporate Conduct," expressed the opinion that the third-party allotment is necessary and appropriate. From this perspective, the Company has determined that the extent of share dilution resulting from the financing through the third-party allotment will not have an excessive impact on the market and is reasonable from the perspective of enhancing shareholder value.

6. Reason for selecting allottee, etc.

(1) Overview of intended allottee

① UCI

(1)	Name	ULTIMATE CLASSIC INVESTMENT LLC	
(2)	Location	Emirate of Dubai, United Arab Emirates Al Barsha 1 Heritage Building Office Number 601-58 (Owned by Abdul Rahman Hassan Mohammed Al Rostamani)	
(3)	Representative's title and name	Director, Masaru Amesaka	
(4)	Business description	Investment business	
(5)	Capital	300,000 UAE dirhams (approximately 12.8 million yen, converted at 1 UAE dirham = 42.8 yen)	
(6)	Date of establishment	October 7, 2025	
(7)	Number of issued shares	300 shares	
(8)	Fiscal year end	December 31	
(9)	Number of employees	- (As of December 1, 2025)	
(10)	Major clients	Century Financial Group, Emirates NBD Bank	
(11)	Main bank	Emirates NBD Bank, First Abu Dhabi Bank PJSC	
(12)	Major shareholders and shareholding ratio	Masaru Amesaka	100%
(13)	Relationship between the parties		
	Capital relationship	Not applicable.	

	Personal relationships	Not applicable.
	Business relationship	Not applicable.
	To related parties applicable situation	Not applicable.
(14)	Business performance and financial status for the past three years (Note)	

(Note) UCI has not yet reached its first fiscal year since its establishment and therefore does not disclose its operating results and financial position for the last three years.

② Six Cents

Six Cents

(1)	Name	Six Cents Holdings Ltd.		
(2)	Location	2-5-2-3201 Toyosu, Koto-ku, Tokyo		
(3)	Representative's title and name	Representative Director, Tetsuya Sanada		
(4)	Business description	Asset management		
(5)	Capital	50,000,000 yen (as of December 1, 2025)		
(6)	Date of establishment	January 24, 2018		
(7)	Number of issued shares	100 common shares, 9,900 class A shares		
(8)	Fiscal year end	December 31		
(9)	Number of employees	— (as of December 1, 2025)		
(10)	Major clients	—		
(11)	Main bank	Sumishin SBI Net Bank		
(12)	Major shareholders and shareholding ratio	Tetsuya Sanada	100%	
(13)	Relationship between the parties			
	Capital relationship	The Company holds 40,000 shares (voting rights: 30%) of BLOCKSMITH&Co., a subsidiary of Six Cents.		
	Personal relationships	The Representative Director, Tetsuya Sanada, at KLab Inc. also serves as Representative Director of Six Cents.		
	Business relationship	Not applicable.		
	To related parties applicable situation	This applies to related parties.		
(14)	Business performance and financial status for the past three years			
Fiscal year end (in thousands of yen)		December 2022	December 2023	December 2024
Net assets		(69,926)	(390,469)	(398,307)
Total assets		985,077	681,855	635,501
Net assets per share (yen)		(6,992) yen	(39,046) yen	(39,830) yen
Sales		36,322	9,731	-
Operating profit		18,423	(4,478)	(2,640)
Operating profit		16,889	(7,584)	(2,682)
Attributable to parent company shareholders net income		16,709	(320,543)	(7,837)
Net income per share (yen)		1,670 yen	(32,054) yen	(783) yen
Dividend per share (yen)		—	—	—

③ Sun Asterisk

(1)	Name	Sun* Inc.
(2)	Location	1-6-1 Otemachi, Chiyoda-ku, Tokyo
(3)	Representative's title and name	Representative Director, Taihei Kobayashi
(4)	Business description	Digital creative studio business (supporting clients' digital transformation and new business development)
(5)	Capital	1,757 million yen
(6)	Date of establishment	March 1, 2013
(7)	Number of issued shares	39,070,320 shares
(8)	Fiscal year end	December 31

(9)	Number of employees	2,048 employees (consolidated) (as of December 31, 2024)		
(10)	Major clients	SBI Sumishin Net Bank, Ltd., Nissan Car Rental Solutions Co., Ltd., etc.		
(11)	Main bank	Mizuho Bank, Ltd.		
(12)	Major shareholders and shareholding ratio	Makoto Hirai	30.62%	
		Yusuke Hattori	14.17%	
		FUJIMOTO KAZUNARI-DAIWA CM SINGAPORE LTD-NOMINEE	8.46%	
		Taihei Kobayashi	8.30%	
		The Master Trust Bank of Japan, Ltd. (Trust Account)	4.36%	
		Kenichi Takakura	2.89%	
		SBI Neo Trade Securities Co., Ltd.	1.91%	
		Kotaeru Trust Co., Ltd.	1.55%	
		Rakuten Securities, Inc.	1.17%	
		Daiwa Securities Co., Ltd.	0.99%	
(13)	Relationship between the parties			
	Capital relationship	Not applicable.		
	Personal relationships	Not applicable.		
	Business relationship	KLab Inc. has signed a business partnership agreement with this company.		
	To related parties applicable situation	Not applicable.		
(14)	Business performance and financial status for the past three years			
Fiscal year end (in millions of yen)		December 2022	December 2023	December 2024
Consolidated net assets		7,736	9,499	10,294
Consolidated total assets		9,675	11,859	13,976
Consolidated net assets per share (yen)		203.83 yen	249.48 yen	273.43 yen
Consolidated sales		10,745	12,516	13,568
Consolidated operating profit		902	1,775	1,444
Consolidated ordinary profit		1,144	2,279	1,454
Attributable to parent company shareholders net income		823	1,569	1,023
Net income per share (yen)		21.81 yen	41.25 yen	26.87 yen
Dividend per share (yen)		—	—	—

④ JT Financial

(1)	Name	JT Financial Limited Liability Partnership	
(2)	Location	6-6-22 Minami-Aoyama, Minato-ku, Tokyo	
(3)	Basis for establishment	Limited Liability Partnership Act	
(4)	Purpose of composition	Acquisition and holding of securities, management consulting services, etc.	
(5)	Date of Composition	January 10, 2023	
(6)	Total investment amount	10,000 yen	
(7)	Investors, investment ratios, and overview of investors	Tsunehiro Ozawa 50% Ryoichi Ota 50%	
(8)	Overview of the general partner	Full name	Tsunehiro Ozawa
		Address	Shibuya-ku, Tokyo
		Job details	Company executives and investment businesses
		Full name	Ryoichi Ota
		Address	Wakaba-ku, Chiba-shi
		Job details	Company employee

(9) Relationship between the Company and the fund	Capital Relationship	Not applicable.
	Personal Relationship	Not applicable.
	Business Relationship	Not applicable.
(10) Relationship between the Company and the general partner	Capital Relationship	Not applicable.
	Personal Relationship	Not applicable.
	Business Relationship	Not applicable.

(2) Reason for selecting the allottee

① UCI

Through an introduction from Taku Tanaka (a cryptocurrency consultant living in Dubai), an acquaintance of the Representative Director and President, Mr. Sanada, at KLab Inc., the Company had the opportunity to give a presentation on its business strategy to influential local investors at an event hosted by Century Financial, a major financial group in the UAE, in October 2025. As a result, the investors strongly endorsed the Company's growth strategy and expressed their willingness to actively consider providing investment support. At that time, the investors introduced the Company to Masaru Amesaka (currently Representative Director of UCI, hereinafter referred to as "Mr. Amesaka") as a partner to oversee investment practices in Japan.

Regarding the specific method of investment, a scheme was presented in which UCI, represented by Mr. Amesaka, would raise the necessary funds by borrowing from financial institutions, backed by the provision of credit by the investors.

Following this allocation, UCI will hold approximately 13.27% of the voting rights, making it the largest shareholder of the Company.

The Board of Directors carefully discussed the impact on management independence of a single shareholder holding a large percentage of voting rights, as well as changes to the shareholder composition.

During the discussions, the Company confirmed with UCI and the investors behind it their intentions regarding management participation and ownership policies and received a firm commitment that they would "respect the management policies of the current management team and genuinely support the improvement of corporate value over the mid- to long-term."

Taking these factors into consideration, the Company has determined that not only will it be able to build a strong financial base, but it will also benefit its existing shareholders by gaining a foothold for future business development by leveraging the network of UCI and the investor base behind it.

Based on the above, the Company is able to confirm the appropriateness of UCI becoming the largest shareholder, and have therefore selected it as the intended allottee.

② Six Cents

Around early October 2025, while its executives were discussing financing methods, the Representative Director and President, Mr. Sanada at KLab Inc. (hereinafter referred to as "Mr. Sanada"), approached the Company with a proposal to contribute funds himself in order to demonstrate his strong desire to increase the corporate value of the Company in the future.

After carefully considering the large extent of dilution and impact on management that would result from this financing, the Company has determined that investing at the risk of the top management will align the interests of the Company with those of its shareholders and further motivate it to increase its corporate value over the mid- to long-term.

Six Cents, the intended allottee, is an asset management company in which Mr. Sanada holds 100% of the voting rights, and the Company has confirmed that it has a policy of stable holding of its shares over the mid- to long-term, so it has determined that it is the most suitable recipient of the allocation.

③ Sun Asterisk

Since the transfer of the Company's subsidiary Global Gear Co., Ltd. in June 2025, it has been collaborating with Sun Asterisk to utilize its human resources in the development of its mobile online games.

In this context, in early October 2025, while the Company was considering the specifics of this fundraising, it approached Sun Asterisk regarding capital participation in order to further strengthen its existing business alliance and solidify its mid- to long-term partnership.

As a result, Sun Asterisk agreed that expanding its relationship with the Company from a conventional business alliance to one that also includes a capital relationship would contribute to creating synergies between the two companies and increase their corporate value.

Following this, the two companies held discussions and agreed to enter into a new capital and business alliance agreement at the same time as underwriting the new shares. Accordingly, Sun Asterisk has been

selected as the intended allottee.

④ JT Financial

The Company has regularly discussed management policies and strategies with Kazuhiro Aoyagi, its second largest shareholder with 2.98% of the voting rights, and it approached him about the allocation of shares in connection with this financing during a meeting in early October 2025. In response, Aoyagi expressed his intention to apply for this third-party allotment of new shares, stating that he "highly values the growth potential of the Company's future business development" and "intends to provide business support by utilizing his own network."

Mr. Aoyagi has advised JT Financial Limited Liability Partnership on investment decisions, and has proposed that JT Financial Limited Liability Partnership, which has extensive knowledge and networks in the entertainment and next-generation technology fields (Web3.0, Metaverse, etc.), be the intended recipient of the allottee.

In addition to Mr. Aoyagi's intention to provide funds, the Company has determined that the partnership's specialized knowledge and network will provide it with important business synergies and a strong foothold for realizing its growth strategy, going beyond funding, in its global expansion and new business development, and have therefore selected it as the intended allottee.

Furthermore, the partnership will be able to carry out its business operations, including the authority to exercise shareholder rights or give instructions or investment authority, with the unanimous consent of its members.

(3) Allottee's holding policy and exercise restriction measures

① UCI

The Company has been informed by UCI, the intended allottee, that it plans to hold the new shares and the Company's common shares acquired through the exercise of the 23rd Stock Acquisition Rights (hereinafter referred to individually or collectively as the "Shares") for the mid- to long-term. However, UCI may sell a portion of the new shares depending on the market conditions of the Company's stock price.

Furthermore, the Company has confirmed in writing that UCI's policy is to take market trends into consideration as much as possible when selling the Shares. Furthermore, the Company plans to obtain a written commitment from UCI that if all or part of the Shares are transferred or sold within two years from the payment due date for the third-party allotment, UCI will report the details of such transfer or sale to the Company in writing, that the Company will report the details of such report to the Tokyo Stock Exchange, and that the details of such report will be made available for public inspection.

② Six Cents

The Company has been informed by Six Cents, the intended allottee, that it plans to hold the new shares for the mid to long-term. However, Six Cents may sell a portion of the new shares depending on its capital needs.

The Company has confirmed in writing that Six Cent's policy is to take market trends into consideration as much as possible when selling the shares. Furthermore, the Company plans to obtain a written commitment from Six Cents that if all or part of the shares are transferred or sold within two years from the payment date of the third-party allotment, Six Cents will report the details of such transfer or sale to the Company in writing, that Six Cents will report the details of such transfer or sale to the Tokyo Stock Exchange, and that Six Cents will agree to make the details of such transfer or sale available for public inspection.

③ Sun Asterisk

The Company has been informed by Sun Asterisk, the intended allottee, that they intend to hold the new shares for the duration of the capital and business alliance agreement, which will be disclosed at the same time as this financing.

Sun Asterisk has confirmed in writing that it will take market trends into consideration as much as possible when selling the new shares in the event of the dissolution of the capital and business alliance or for unavoidable reasons, etc. Furthermore, the Company plans to obtain a written commitment from Sun Asterisk that if all or part of the Shares are transferred or sold within two years from the payment due date of the Third-Party Allotment, the Company will report the details of such transfer or sale to the Tokyo Stock Exchange, and that the Company will agree to make the details of such report available for public inspection.

④ JT Financial

The Company has been informed by JT Financial, the intended allottee, that it plans to hold the new shares for the mid to long-term. However, JT Financial may sell a portion of the shares depending on the market conditions of the Company's stock price.

Furthermore, the Company has confirmed in writing that JT Financial's policy is to take market trends into consideration as much as possible when selling the shares. Furthermore, the Company plans to obtain a written commitment from JT Financial that if all or part of the shares are transferred or sold within two years from the payment date of the third-party allotment, the details will be reported to the Company in writing, that it will report the details of such report to the Tokyo Stock Exchange, and that the details of such report will be made available for public inspection.

(4) Details of confirmation regarding the existence of assets required for payment by the allottee

① UCI

The Company has received from UCI a bank loan certificate from Emirates NBD dated November 20, 2025, and has confirmed that UCI has sufficient cash and deposits to pay for the New Shares and Stock Acquisition Rights.

② Six Cents

Six Cents is an asset management company in which Mr. Sanada holds 100% of the voting rights, and Mr. Sanada plans to allocate the payment funds by lending the US dollar-linked stablecoin USDT (approximately 4.9 million USDT) that he personally holds to Six Cents by December 15, 2025, pursuant to a consumer loan agreement dated December 1, 2025 (interest rate 0%, repayment date: December 31, 2030). The Company received a copy of a screen shot dated November 29, 2025 from Mr. Sanada confirming his holding of such funds. Accordingly, the Company has confirmed that Six Cents will be able to secure sufficient funds required to pay for the new shares by the payment due date.

③ Sun Asterisk

Sun Asterisk on March 28, 2025, the cash and deposit balance in Sun Asterisk's standalone financial statements was 3,657 million yen as of December 31, 2024. Through interviews with Sun Asterisk, we have confirmed that the company currently holds a similar level of cash and deposit balance, and therefore we believe that the company has sufficient funds to cover the amount required for this fundraising.

④ JT Financial

The Company has received a copy of JT Financial's bankbook dated December 5, 2025, and has confirmed that JT Financial has sufficient cash and deposits to pay for the new shares and Stock Acquisition Rights. The funds will come from loans made under a loan agreement dated November 20, 2025 with e-Media Inc., a business partner of JT Financial (loan amount: 150 million yen, interest rate: 1% per annum, repayment date: November 19, 2026), and from Nozomi Capital Limited Liability Partnership, of which JT Financial's partner Tsunehiro Ozawa is also a partner, (loan amount: 61 million yen, interest rate: 1.5% per annum, repayment date: November 30, 2026) under a loan agreement dated November 28, 2025.

(5) Actual situation of the intended allottee

① UCI

In order to confirm whether UCI or its officer and sole shareholder, Mr. Amesaka, have any ties with anti-social forces, etc., the Company has received a written pledge from UCI stating that it has no ties whatsoever with anti-social forces.

Furthermore, the Company also conducted an internet search and independently commissioned a third-party investigation firm, Tokucho Co., Ltd. (hereinafter referred to as "Tokucho"), to confirm that UCI (including its officer and sole shareholder, Mr. Amesaka) is not an anti-social force and has no ties to anti-social forces. The Company received an investigation report from Tokucho stating that there was no evidence of involvement by anti-social forces , and upon asking about the investigation method, the Company was told that they conducted an investigation and analysis using publicly available information such as the internet and newspapers, as well as their own information. The Company has determined that the report and its contents are appropriate and that UCI and its officer and sole shareholder, Mr. Amesaka, are not anti-social forces and have no ties to anti-social forces and have submitted a confirmation letter to that effect to the Tokyo Stock Exchange.

② Six Cents

In order to confirm whether Six Cents, its officers, or its major shareholders have any ties with anti-social forces, the Company has received a written pledge from Six Cents stating that it has no ties whatsoever with anti-social forces.

Furthermore, the Company conducted an internet search and independently requested Tokucho to conduct an investigation to confirm that Six Cents (including its officers and major shareholders) are not anti-social forces and have no ties to anti-social forces. The Company received an investigation report from Tokucho stating that there was no evidence of involvement by anti-social forces. When the Company inquired about the investigation method, it received a response that they conducted an investigation and analysis using publicly available information, such as certified copies of company registers and other documents submitted

to government agencies, as well as their own information. The Company believes that the report and its contents are appropriate, and that Six Cents, its officers, and major shareholders are not anti-social forces and have no ties to anti-social forces, and have submitted a confirmation to that effect to the Tokyo Stock Exchange.

③ Sun Asterisk

Asterisk is listed on the Tokyo Stock Exchange Prime Market, and in its corporate governance report submitted to the Tokyo Stock Exchange (last updated on March 28, 2025), it states, "We strive to eliminate anti-social forces that pose a threat to social order and the sound activities of companies, and take a resolute and organizational stance to deal with them, adhering to a policy of having no business or other relationships with them." Furthermore, based on the content of interviews with Sun Asterisk personnel, the Company has determined that Sun Asterisk and its executives do not constitute anti-social forces, and have no relationships with anti-social forces.

④ JT Financial

The Company has confirmed through the report received from Tokucho that JT Financial and its members (hereinafter referred to as "JT Financial, etc.") are not anti-social forces, members of anti-social forces or persons equivalent thereto, that anti-social forces, etc. are not involved in the management of JT Financial, that JT Financial is not cooperating with or involved in the maintenance or operation of anti-social forces, etc. through the provision of funds or other actions, and that JT Financial is not intentionally interacting with anti-social forces, etc.

The investigation report has been received to the effect that the parties concerned of JT Financial, etc. have no ties whatsoever with anti-social forces. As mentioned above, the Company has confirmed that the officers or major shareholders (major investors) of JT Financial, etc. have no ties whatsoever with anti-social forces, and it have confirmed through the report and visits to JT Financial, etc. that JT Financial, etc. have no ties whatsoever with anti-social forces, and that they are not individuals, corporations, or other groups that seek to enjoy economic benefits through the use of violence or intimidation, or through fraud or other criminal acts (hereinafter referred to as "Specified Groups, etc."), and have no ties whatsoever with Specified Groups, etc., and have submitted a confirmation letter to that effect to the Tokyo Stock Exchange, Inc. Furthermore, the partnership will be able to carry out its business operations, including the authority to exercise shareholder rights or give instructions or investment authority with the unanimous consent of its members.

7. Major shareholders and shareholding ratio

Before allotment (as of June 30, 2025)		After allotment	
The Master Trust Bank of Japan, Ltd. (Trust Account)	9.75%	ULTIMATE CLASSIC INVESTMENT LLC (Standing agent: Masaru Amesaka)	23.15%
Kazuhiro Aoyagi	2.99%	The Master Trust Bank of Japan, Ltd. (Trust Account)	6.91%
MACQUARIE BANK LIMITED DBU AC (Standing proxy: Citibank, N.A., Tokyo Branch)	2.17%	Six Cents Holdings Ltd.	2.37%
Custody Bank of Japan, Ltd. (Trust Account)	2.07%	JT Financial Limited Liability Partnership	2.37%
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT (Standing proxy: Citibank, N.A., Tokyo Branch)	1.78%	Kazuhiro Aoyagi	2.12%
MORGAN STANLEY & CO. LLC (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)	1.57%	MACQUARIE BANK LIMITED DBU AC (Standing proxy: Citibank, N.A., Tokyo Branch)	1.54%
SBI Securities Co., Ltd.	1.55%	Custody Bank of Japan, Ltd. (Trust Account)	1.47%
JP JPMSE_LUX RE UBS_AG_LONDON BRANCH EQ CO (Standing proxy: Mitsubishi UFJ Bank, Ltd.)	1.33%	UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT (Standing proxy: Citibank, N.A., Tokyo Branch)	1.26%
The Tokyo Tanshi Co., Ltd.	1.24%	Sun* Inc.	1.19%
Matsui Securities Co., Ltd.	1.16%	MORGAN STANLEY & CO. LLC (Standing proxy: Morgan Stanley MUFG Securities Co., Ltd.)	1.12%

- (Note)
1. The shareholding ratio is calculated based on the number of shares on the shareholder register as of June 30, 2025.
 2. The above percentages have been rounded to the third decimal place.
 3. The shareholding ratios of UCI and JT Financial are calculated assuming that they hold all of the Company's common shares that they would acquire after exercising all of the Stock Acquisition Rights, in addition to the shares.
 4. In addition to the above, the Company holds 641,600 treasury shares.

8. Future outlook

The Group currently has several major IP titles and hybrid casual games in its pipeline. This financing will enable us to further secure flexibility in our financial strategy, allowing us to continue to advance these projects and accelerate the launch of new businesses, leading to sustainable business growth for the Group over the medium to long term. Therefore, we believe that this financing will contribute to improving our corporate value and shareholder value over the medium to long term. However, it is not possible at this time to reasonably calculate the impact this will have on our business performance for the fiscal year ending December 2025.

If any other matters requiring disclosure arise, the Company will promptly announce them.

9. Matters concerning procedures under the Code of Corporate Conduct

This financing will result in a dilution rate of 25% or more, in accordance with Article 432 of the Securities Listing Regulations of the Tokyo Stock Exchange, it will be necessary to either ① obtain an opinion on the necessity and appropriateness of the allotment from a person with a certain degree of independence from management, or ② confirm the intent of shareholders regarding the allotment through a general shareholders' meeting resolution or other procedure.

Regarding the financing through the issuance of the new shares and Stock Acquisition Rights, if the Company were to hold an extraordinary general meeting of shareholders to confirm the shareholders' intent, the preparatory procedures would require time and involve considerable costs. Therefore, after taking all factors

into consideration, the Company has decided to obtain an opinion regarding the necessity and appropriateness of the issuance of the new shares and Stock Acquisition Rights from a special committee that is independent to a certain extent from management.

For this reason, the Company has established a special committee (hereinafter referred to as the "Special Committee") consisting of four members who are independent to a certain extent from management and have no conflict of interest with the Company: Attorney Wataru Kamoto (Hogan Lovells Foreign Law Joint Enterprise), and Mr. Shoji Inoue, Mr. Kosuke Matsumoto, and Mr. Tomosada Yoshikawa, who are Audit and Supervisory Committee members of the Company, and have sought an objective opinion regarding the necessity and appropriateness of the issuance of the new shares and Stock Acquisition Rights, and have obtained the following opinion dated December 5, 2025. The Special Committee's opinion is outlined below.

(Summary of the opinions of the third-party committee)

1. Conclusion

We believe that the necessity and appropriateness of this Third-Party Allotment are recognized.

2. Reasons

(1) Necessity

According to your company's explanation, you will need to raise approximately ¥1 billion for the planning, development, and operation of a new major mobile online game, approximately ¥500 million for the development of new businesses, and approximately 3.6 billion yen for the purchase of Bitcoin and gold (including gold ETFs, etc.).

Specifically, we received the following explanation:

1. Planning, development, and operation of a new major mobile online game

- Regarding *DRAGON QUEST Smash/Grow*, which we are developing in collaboration with SQUARE ENIX CO., LTD., preparations are underway for its release in 2026, and we will need to establish a continuous operational structure after its release.
- Regarding *My Hero Academia*, we expect to incur expenditures for new development in 2026.
- We are also conducting sales activities to acquire IP in order to secure a pipeline for 2027 and beyond, and we anticipate certain expenditures will be incurred depending on the situation.
- In preparation for the above expenditures, we will need to raise approximately ¥1 billion.

② New Business Development

- Since the beginning of the fiscal year, we have been reviewing our management strategy to move away from a business structure solely focused on mobile online games, which faces a fiercely competitive and highly volatile environment.

- Specifically, we plan to create new businesses in three areas: "blockchain," "AI," and "entertainment."

- As part of this effort, we have already launched two businesses, the "GPU AI Cloud Business" and the "AI Entertainment Business." We require approximately ¥500 million in expenses for sales and public relations activities, as well as for securing and developing professional personnel for these businesses.

③ Purchase of Bitcoin and Gold (including gold ETFs, etc.)

- In addition to the capital needs mentioned above, it is important to prepare for unforeseen circumstances during the prolonged development and operation process for new large-scale mobile online games, and to secure flexible funding in the event the need arises to secure new pipelines. Furthermore, we anticipate that new business development will require additional capital investment in the medium to long term.

- From this perspective, it is too late to secure funds once they are specifically needed. In order to be able to respond to capital needs flexibly, we believe that we need to secure approximately ¥3.6 billion in this fundraising effort. The amount of approximately ¥3.6 billion was calculated based on the actual costs incurred for the new development of one mobile online game title.

- This fund is intended for future expenditures and will be secured as surplus funds for the time being. Therefore, we believe that it is reasonable to build and hold an optimal portfolio by combining bitcoin with gold (including gold ETFs), which has low price fluctuation risk and low price correlation, as a means of capital preservation. While cryptocurrency investments inherently involve price fluctuation risk, liquidity risk, regulatory and tax reform risk, and cybersecurity risk, we will establish an appropriate management and monitoring system for these risks.

The third-party committee reviewed the rationality of your company's explanation above. We do not believe there is anything particularly unreasonable about (1) the planning, development, and operation of a new major mobile online game and (2) the development of a new business. On the other hand, with regard to (iii) the purchase of bitcoin and gold (including gold ETFs, etc.), we believe that there is reasonable grounds for preparing for unforeseen circumstances and associated emergency capital needs during the development of a new major mobile online game. As long as an appropriate management and monitoring system is established to address the various risks associated with cryptocurrency investments, we believe there is no particular problem.

(2) Reasonableness

(A) Comparison with Other Fundraising Methods

According to your company, the other fundraising methods considered in addition to the Third-Party Allotment and their evaluation are as follows:

(i) Public Offering

A public offering of shares would dilute earnings per share all at once, significantly impacting the stock price and therefore not be appropriate.

(ii) Shareholder Allocation

The amount to be raised would depend on the participation rate of existing shareholders to whom the shares would be allocated, making it difficult to raise funds in line with capital needs.

③ MSCB

Due to the structure in which the number of shares issued upon conversion is determined based on the exercise price, the total number of shares issued upon conversion is not determined until the completion of the conversion. If the exercise price is revised downward, the number of potential shares will increase, which would have a significant direct impact on the stock price.

④ Capital Increase through Free Allotment of Stock Acquisition Rights (Rights Offering)

A commitment-type rights offering is expected to increase costs such as underwriting fees. A non-commitment-type rights offering is dependent on the exercise rate of stock acquisition rights by existing shareholders or those who acquire stock acquisition rights in the market, making it uncertain whether the company will be able to raise funds in accordance with its capital needs. Furthermore, given its current profit level, it would not meet the listing requirements.

⑤ Debt Financing

Since the entire amount raised is recorded as debt, there is a possibility of a decline in financial soundness. Compared to these financing methods, your company believes that this third-party allotment offers the following advantages:

① Certainty of Funding

It is possible to raise a certain amount of funds at the time of the issuance of new shares.

② Fixed Number of Shares

The number of shares subject to the Stock Acquisition Rights in this Third-Party Allotment has been fixed at a total of 10,750,000 shares as set forth in the Stock Acquisition Rights Issuance Terms and Conditions since the initial issuance, and the number of potential shares will not fluctuate due to future fluctuations in the market share price.

③ Financial Soundness

This Third-Party Allotment will raise capital funds, which will increase our financial soundness indicators.

④ Transfer Restrictions

Transfer restrictions will be established for the stock acquisition rights in this Third-Party Allotment, and the intended allottees will not be able to transfer or otherwise dispose of the Stock Acquisition Rights except with the prior approval of the Board of Directors.

The Third-Party Committee considers your company's position as stated above to be reasonable. Therefore, we believe that this Third-Party Allotment is appropriate compared to other fundraising methods.

(a) Regarding the Allottees

We have reviewed the investigation reports prepared by Tokucho Co., Ltd. for each of the allottees and confirmed that no particular concerns were raised. We have also interviewed your company regarding the adequacy of each company's funds and confirmed that there were no issues in that process.

Based on these findings, the Third-Party Committee believes that there are no issues regarding the appropriateness of the allottee.

(c) Regarding the Issuance Terms

The Third-Party Committee reviewed the valuation report prepared by Akasaka International Accounting Co., Ltd. regarding the appropriateness of the issue price. Furthermore, by inviting a representative from Akasaka International Accounting Co., Ltd. to a Third-Party Committee meeting and conducting a question-and-answer session with said representative, the Third-Party Committee confirmed that the valuation was calculated using a method that is extremely common in practice and that there was absolutely no evidence of arbitrariness in the valuation process. Given that there are no issues with the valuation amount, the Committee believes that there are no issues with the issue price of the stock acquisition rights to be issued at the same amount. On the other hand, with regard to the issue price of the shares, we have considered (i) the issue price for each of ULTIMATE CLASSIC INVESTMENT LLC, Sun* Inc., and JT Financial Limited Liability Partnership (average closing price for the three-month period beginning on the business day before the launch (rounded to the nearest yen) x 93%) and (ii) the issue price for Six Scents Holdings Inc. (average closing price for the three-month period beginning on the business day before the launch (rounded to the nearest yen)) and have not found any issues. With regard to other issuance terms other than the issue price, we have reviewed the draft agreement being negotiated with the allottee and confirmed that your attorneys raised no particular concerns during the negotiation process.

Based on these findings, the Third-Party Committee believes that the issue price and other issuance terms are reasonable.

(D) Dilution

The Third-Party Committee considered whether the benefits to general shareholders outweigh the disadvantage to general shareholders of the dilution that would result from this third-party allotment. According to your company's explanation, if you do not raise funds this time, there is a risk that development of a new major mobile online game directly related to your core business will be delayed, or that you will be unable to flexibly implement alternative measures if development does not progress as expected. If such risks were to materialize, your company's corporate value would be significantly impaired and your general shareholders would suffer significant losses. From the perspective of the interests of general shareholders, avoiding such a situation would be a benefit that far outweighs the disadvantage of dilution from this third-party allotment.

The Third-Party Committee believes that your company's explanation is reasonable. Regarding the use of funds to purchase Bitcoin and gold (including gold ETFs, etc.), there is also a view that there is a risk that your company's asset value may be impaired due to price fluctuations associated with these assets. Given the risk that development of the mobile online game will not progress as expected and the possibility that preparing fundraising after such risk has materialized would result in insufficient countermeasures, we believe that securing backup funds through this fundraising is reasonable. Furthermore, assuming that the preliminary funds raised will be held in the form of Bitcoin and gold (including gold ETFs, etc.) and that adequate management will be implemented, we believe that the appropriateness of this Third-Party Allotment should not be immediately denied.

Therefore, from this perspective as well, the Third-Party Committee believes that the appropriateness of this Third-Party Allotment is recognized.

For the above reasons, while we can expect a concrete increase in the Company's corporate value over the medium to long term from this Third-Party Allotment, the extent of the adverse impact on existing shareholders due to the dilution caused by this Third-Party Allotment can be said to be limited, and therefore the scale of dilution is recognized to be within a reasonable range.

10. Business performance and equity financing status for the past three years

(1) Financial results for the last three years (consolidated) (in thousands of yen, unless otherwise specified)

Fiscal year end	December 2022	December 2023	December 2024
Revenue	16,880,927	10,717,075	8,306,355
Operating loss	598,112	1,218,681	1,342,143
Ordinary loss	73,471	852,680	1,280,364
Net loss attributable to owners of parent	541,922	1,819,661	2,782,986
Net loss per share (yen)	13.97	44.98	62.91
Dividend per share (yen)	—	—	—
Net assets per share (yen)	324.42	282.21	216.46

(2) Current status of number of issued shares and number of potential shares (as of June 30, 2025)

	Number of shares	Percentage of issued shares
Number of issued shares	60,392,300 shares	100.00%
Number of potential shares at the current exercise price	2,765,000 shares	4.58 %
Number of potential shares at the minimum exercise price	—	—
Number of potential shares at the upper limit of the exercise price	—	—

(Note) The above potential shares are from the 12th and 19th Stock Acquisition Rights.

(3) Recent stock price status

① Status over the past three years

	December 2022	December 2023	December 2024
Opening price	497 yen	442 yen	285 yen
High price	620 yen	465 yen	488 yen
Low price	365 yen	255 yen	163 yen
Closing price	432 yen	287 yen	175 yen

② Status over the past six months

	July 2025	August	September	October	November	December
Opening price	127 yen	124 yen	148 yen	208 yen	205 yen	245 yen
High price	127 yen	156 yen	288 yen	276 yen	269 yen	269 yen
Low price	110 yen	112 yen	148 yen	193 yen	201 yen	230 yen
Closing price	123 yen	152 yen	208 yen	203 yen	250 yen	265 yen

(Note) The status for December 2025 is shown as of December 4, 2025.

③ Stock price on the business day prior to the issuance resolution date

	December 4, 2025
Opening price	247 yen
High price	269 yen
Low price	236 yen
Closing price	265 yen

(4) Status of equity financing over the past three years

Issuance of 20th Stock Acquisition Rights through third-party allotment

Allocation Date	January 30, 2025
Number of stock acquisition rights issued	118,900 rights
Issue price	Total amount: 26,158,000 yen (220 yen per Stock Acquisition Right)
Amount of funds to be raised at the time of issuance (estimated net proceeds)	1,849,218,000 yen
Allottee	Macquarie Bank Limited
Number of shares issued at the time of offering	48,242,300 shares
According to the offering of potential number of shares	11,890,000 shares
At present exercise status	11,890,000 shares exercised (0 Stock Acquisition Rights remaining)
At present amount of funds raised (estimated net amount)	1,347,059,700 yen
At the time of publication initial use of funds	Planning, development, and operation costs for new major mobile online games and new casual games (1,849 million yen)
At the time of publication planned expenditure period	January 2025 to January 2027
At present allocation status	January 2025 to November 2025, 1,347 million yen has been allocated to the planning, development, and operation costs of new major mobile online games and new casual games.

Issuance of 19th Stock Acquisition Rights through third-party allotment

Allotment date	April 26, 2024
Number of Stock Acquisition Rights issued	101,000 rights
Issuance price	Total amount: 41,410,000 yen (410 yen per Stock Acquisition Right)
Amount of funds to be raised at the time of issuance (estimated net proceeds)	2,932,610,000 yen
Allottee	Macquarie Bank Limited
Number of shares issued at the time of offering	41,092,200 shares
According to offering of potential number of shares	10,100,000 shares
At present exercise status	10,100,000 shares exercised (0 Stock Acquisition Rights remaining)
At present amount of funds raised (estimated net amount)	2,021,143,200 yen
At the time of publication initial use of funds	Planning, development, and operation costs for new major mobile online games and new casual games (2,932 million yen)
At the time of publication planned expenditure period	April 2024 to March 2026
At present allocation status	From April 2024 to November 2025, 2,021 million yen has been allocated to the planning, development, and operation expenses of new major mobile online games and new casual games.

Issuance of 18th Stock Acquisition Rights through third-party allotment

Allotment date	July 22, 2022
Number of stock acquisition rights issued	93,000 pieces
Issue price	Total amount: 32,643,000 yen (351 yen per stock acquisition right)
Amount of funds to be raised at the time of issuance (estimated net proceeds)	5,147,443,000 yen
Allottee	Morgan Stanley MUFG Securities Co., Ltd.
Number of shares issued at the time of offering	38,631,100 shares
According to offering of potential number of shares	9,300,000 shares
At present exercise status	2,456,700 shares exercised, and the remaining Stock Acquisition Rights have been acquired and cancelled.
At present amount of funds raised (estimated net amount)	989,651,700 yen
At the time of publication initial use of funds	① New mobile online game planning, development, and operation costs (including other casual games) (4,147 million yen) ② Expenses for establishing a blockchain-related business

	structure, research and development, and development and operation of blockchain games (1,000 million yen)
At the time of publication planned expenditure period	① July 2022 - June 2024 ② July 2022 - June 2023
At present allocation status	① 789 million yen has been allocated from July 2022 to February 2024 for the planning, development, and operation expenses of new mobile online games (including other casual games). ② The Company has allocated 200 million yen from July 2022 to June 2023 for the establishment of a blockchain-related business structure, research and development, and blockchain game development and operation expenses.

II. Change in principal shareholder and largest shareholder as a principal shareholder (planned)

1. Background for change

As stated above in "I. Issuance of new shares and stock acquisition rights through third-party allotment," this fundraising is expected to result in changes to our major shareholders and the largest major shareholder.

2. Overview of shareholders changed

For an overview of UCI, which will newly become the largest major shareholder, please refer to "I. Issuance of new shares and Stock Acquisition Rights through third-party allotment 6. Reason for selecting allottee, etc., (1) Overview of intended allottee" above.

3. The number of voting rights held by the shareholder (number of shares held) and the ratio to the number of voting rights of all shareholders

	Number of voting rights (number of shares owned)	Total shareholders' voting rights percentage of the number*	Major shareholders ranking
Before change (as of June 30, 2025)	—	—	—
After change	97,500 rights (9,750,000 shares)	13.27%	1st place

(Note) 1. The ratio to the number of voting rights of all shareholders after the change is calculated based on the total number of voting rights (734,829), calculated by adding the total number of voting rights (597,329) as of June 30, 2025, and the increase in the number of voting rights (137,500) due to the issuance of the new shares.

2. The percentage of voting rights held is rounded to two decimal places.

3. The "Major shareholders ranking" is based on the shareholder register as of June 30, 2025.

4. Planned date for change

December 23, 2025

5. Future outlook

Please refer to "I. Issuance of new shares and Stock Acquisition Rights through third-party allotment, 8. Future outlook" above.

KLab Inc.
Summary of Issuance of New Shares

1. Type and Number of Shares to be Offered

Common Stock: 11,750,000 shares

2. Amount to be Paid for the Offered Shares

207 yen per share

3. Total Amount to be Paid for the Offered Shares

2,432,250,000 yen

4. Application Period

December 22, 2025

5. Payment Date

December 23, 2025

6. Amount of Increase in Capital and Capital Reserve

Amount to be Increased: 1,216,125,000 yen

Amount to be Increased in Capital Reserve: 1,216,125,000 yen

7. Method of Offering

The shares will be allotted to the following parties by way of third-party allotment as follows:

ULTIMATE CLASSIC INVESTMENT LLC: 9,750,000 shares

Sun* Inc.: 1,000,000 shares

JT Financial Limited Liability Partnership: 1,000,000 shares

8. Payment Location

Mizuho Bank, Ltd., Azabu Branch

9. Other

(1) If amendments to the Companies Act or other laws require the reinterpretation of the provisions of these Terms and Conditions or other measures, the Company will take the necessary measures.

(2) The above paragraphs are subject to the effectiveness of notifications filed under the Financial Instruments and Exchange Act.

(3) Other matters necessary for this issuance of new shares will be left to the discretion of the Company's Representative Director and President.

KLab Inc.
Summary of Issuance of New Shares

1. Type and Number of Shares to be Offered

Common Stock: 2,000,000 shares

2. Payment Amount for the Offered Shares

222 yen per share.

3. Total Payment Amount

444,000,000 yen

4. Application Period

December 22, 2025

5. Payment Date

December 23, 2025

6. Amount of Increase in Capital and Capital Reserve

Amount of Increase in Capital: 222,000,000 yen

Amount of Increase in Capital Reserve: 222,000,000 yen

7. Method of Offering

All new shares will be allotted to Six Cents Holdings Ltd. by way of a third-party allotment.

8. Payment Location

Mizuho Bank, Ltd., Azabu Branch

9. Other

(1) If amendments to the Companies Act or other laws require the provisions of these Terms and Conditions to be interpreted differently or other measures to be taken, the Company will take the necessary measures.

(2) The above paragraphs are subject to the effectiveness of notifications filed under the Financial Instruments and Exchange Act.

(3) Other matters necessary for the issuance of new shares will be left to the discretion of the Company's Representative Director and President.

KLab Inc.
Summary of Issuance of 23rd Stock Acquisition Rights

1. Name of the Stock Acquisition Rights

KLab Inc. 23rd Stock Acquisition Rights (hereinafter referred to as the "Stock Acquisition Rights")

2. Application Period

December 22, 2025

3. Allocation Date

December 23, 2025

4. Payment Date

December 23, 2025

5. Offering Method

The stock acquisition rights will be allotted to the following parties by third-party allotment as follows:

ULTIMATE CLASSIC INVESTMENT LLC: 97,500 rights

JT Financial Limited Liability Partnership: 10,000 rights

6. Type and Number of Shares Subject to the Stock Acquisition Rights

(1) The type and total number of shares subject to the Stock Acquisition Rights shall be 10,750,000 common shares of the Company (the number of shares subject to each Stock Acquisition Right (hereinafter referred to as the "Number of Allotted Shares") shall be 100 shares). However, if the Number of Allotted Shares is adjusted pursuant to items (2) through (5) below, the total number of shares subject to the Stock Acquisition Rights shall be adjusted in accordance with the adjusted Number of Allotted Shares.

(2) If the Company splits, allots without contribution, or consolidates its common shares (collectively referred to as "Stock Splits, etc."), the Number of Allotted Shares shall be adjusted according to the following formula. However, any fractional shares resulting from the adjustment shall be rounded down.
 Number of Shares Allocated After Adjustment = Number of Shares Allocated Before Adjustment × Ratio of Stock Split, etc.

(3) If the Company adjusts the Exercise Price (defined in Paragraph 9, Item (2)) pursuant to the provisions of Paragraph 10 (excluding cases where the adjustment is due to a stock split, etc.), the Number of Shares Allocated shall be adjusted according to the following formula. However, any fractional shares less than one share resulting from the adjustment shall be rounded down. The Exercise Price Before Adjustment and the Exercise Price After Adjustment in this formula shall be the Exercise Price Before Adjustment and the Exercise Price After Adjustment set forth in Paragraph 10.

$$\begin{array}{rcccl} \text{Number of} & & \text{Number of shares allocated} & & \text{Exercise price} \\ \text{shares} & & \text{before adjustment} & \times & \text{before adjustment} \\ \text{allocated} & = & & & \\ \text{after} & & & & \\ \text{adjustment} & & \text{Exercise price after adjustment} & & \end{array}$$

(4) In the adjustment pursuant to this Paragraph, the application date of the Number of Shares Allocated After Adjustment shall be the same as the application date of the Exercise Price After Adjustment set forth in Paragraphs 10, Items (2) and (5) for the adjustment reason.

(5) If the Company adjusts the number of allotted shares, the Company will notify the holders of the Stock Acquisition Rights (hereinafter referred to as "Righttees") in writing of the adjustment, the reason for the adjustment, the number of allotted shares before the adjustment, the number of allotted shares after the adjustment, the effective date, and other necessary information by the day before the effective date of the adjusted number of allotted shares. However, in the case set forth in Paragraph 10, Item (2), Item (5), or otherwise, if the Company is unable to give such notice by the day before the effective date, the Company will give such notice promptly after the effective date.

7. Total Number of Stock Acquisition Rights

107,500

8. Payment Amount for Each Stock Acquisition Right

313 yen (3.13 yen per share underlying the Stock Acquisition Right).

9. Value of Assets to be Contributed Upon Exercise of the Stock Acquisition Rights

(1) The asset to be contributed upon exercise of each Stock Acquisition Right shall be money, and its value shall be the exercise price multiplied by the number of allotted shares. (2) The amount of money to be contributed per share of the Company's common stock upon the exercise of the Stock Acquisition Rights (hereinafter referred to as the "Exercise Price") shall initially be 207 yen. However, the Exercise Price shall be subject to adjustment in accordance with the provisions of Section 10.

10. Exercise Price Adjustment

(1) After the issuance of the Stock Acquisition Rights, if the number of the Company's common stock changes or is likely to change due to any of the events set forth in (2) below, the Company shall adjust the Exercise Price using the following formula (hereinafter referred to as the "Exercise Price Adjustment Formula").

$$\text{Exercise price after adjustment} = \text{Exercise price before adjustment} \times \frac{\text{Issued shares} + \frac{\text{Newly issued} \cdot \text{disposed shares} \times \text{Paid amount per share}}{\text{Market price}}}{\text{Issued shares} + \text{Newly issued} \cdot \text{disposed shares}}$$

(2) When the Exercise Price is adjusted using the Exercise Price Adjustment Formula and the timing of application of the Adjusted Exercise Price shall be as follows:

① When new common shares of the Company are issued or common shares held by the Company are disposed of (hereinafter, the issuance or disposal of common shares of the Company is referred to as "issuance" of common shares) with a payment amount below the market price set out in (4) ② below (including cases of allotment without contribution). (However, when common shares of the Company are issued by exercising stock acquisition rights (including those attached to bonds with stock acquisition rights), acquiring stock with put options or stock with call clauses, or exercising other rights that can request the issuance of common shares of the Company, or when restricted stock compensation of the Company is issued.) (Excluding cases where the Company's common stock is issued pursuant to a system, cases where the Company's common stock is issued through a company split, share exchange, share issuance, or merger, and cases where the Company's common stock is issued pursuant to a resolution of the

Company's Board of Directors held on December 5, 2025.)

The adjusted exercise price will apply from the payment due date (the last day of the payment period if specified in the offering, or the effective date in the case of a gratis allotment), or from the day after the record date for granting shareholders the right to receive the allotment for such issuance or disposal, if any.

② In the case of issuance of common stock through a stock split

The adjusted exercise price will apply from the day after the record date for the stock split.

③ In the event of the issuance or grant of stock acquisition rights (including those attached to bonds with stock acquisition rights) that provide for the issuance of the Company's common shares for a payment amount below the market price set forth in (4)② below, or stock acquisition rights (including those attached to bonds with stock acquisition rights) that allow the issuance of the Company's common shares for a payment amount below the market price set forth in (4)② below (including cases of a gratis allotment, except when stock acquisition rights are issued pursuant to a stock option plan or when stock acquisition rights are issued pursuant to a resolution of the Company's Board of Directors held on December 5, 2025).

The adjusted exercise price will be calculated by applying the exercise price adjustment formula, assuming that all acquisition rights or stock acquisition rights relating to all stock acquisition rights have been exercised under the original terms and conditions, and will apply from the payment date (or the allotment date in the case of stock acquisition rights (including those attached to bonds with stock acquisition rights))) or from the effective date (in the case of a gratis allotment). However, if there is a record date for granting shareholders the right to receive the allotment, this will apply from the day following that date.

④ In the event that the Company's common stock is delivered at a price below the market price set forth in (4)-② below in exchange for the acquisition of shares or stock acquisition rights with a call clause (including those attached to bonds with stock acquisition rights) issued by the Company,

The adjusted exercise price will apply from the day after the acquisition date.

Notwithstanding the above, if an adjustment of the exercise price pursuant to ③ above has been made with respect to such shares or stock acquisition rights with a call clause (including those attached to bonds with stock acquisition rights) prior to such adjustment, the adjusted exercise price will be calculated taking such adjustment into account.

⑤ In the cases of ① to ③ above, if a record date has been set and the effectiveness of the amendments is conditional on approval by the general shareholders' meeting, board of directors, or other organs of the Company after such record date, the adjusted exercise price will apply from the day after the date of such approval, notwithstanding ① to ③ above. In this case, the Company's common stock will be delivered to the Stock Acquisition Rights Holders who request the exercise of their Stock Acquisition Rights between the day following the record date and the date of such approval, using the following calculation method:

$$\text{Number of shares} = \frac{\left(\begin{array}{cc} \text{Exercise price} & \text{Exercise price} \\ \text{before} & \text{after} \\ \text{adjustment} & \text{adjustment} \end{array} \right) -}{\text{Exercise price after adjustment}} \times \begin{array}{c} \text{Number of shares issued} \\ \text{during the period at the} \\ \text{exercise price before} \\ \text{adjustment} \end{array}$$

In this case, any fractional shares less than one share will be rounded down.

(3) If the difference between the Post-Adjustment Exercise Price calculated using the Exercise Price Adjustment Formula and the Pre-Adjustment Exercise Price remains less than one yen, the exercise price will not be adjusted. However, if an event requiring an adjustment to the exercise price subsequently occurs and the exercise price is adjusted, the amount obtained by subtracting this difference from the Pre-Adjustment Exercise Price will be used in place of the Pre-Adjustment Exercise Price in the Exercise Price Adjustment Formula.

(4)① The calculation of the Exercise Price Adjustment Formula shall be made to two decimal places and rounded to the nearest yen.

② The fair value used in the Exercise Price Adjustment Formula shall be the average closing price on the Tokyo Stock Exchange for 30 trading days (excluding days on which there is no closing price) beginning on the 45th trading day prior to the date on which the Adjusted Exercise Price is first applied (or, in the case of (2)⑤ above, the record date). In this case, the average value shall be calculated to two decimal places and rounded to the nearest yen.

③ The number of issued shares used in the Exercise Price Adjustment Formula shall be the record date, if any, for granting shareholders the right to receive the allotment, or, if there is no such record date, the total number of issued common shares of the Company as of the day one month prior to the date on which the Adjusted Exercise Price is first applied minus the number of common shares of the Company held by the Company on that day. Furthermore, in the case of (2)(ii) above, the number of newly issued/disposed shares used in the exercise price adjustment formula shall not include the number of the Company's common shares to be allotted to the Company's common shares held by the Company on the record date.

(5) In addition to the cases where an adjustment of the exercise price is necessary as described in (2) above, the Company will adjust the exercise price as necessary in the following cases after consulting with and obtaining the approval of the Stock Acquisition Right Holders.

(i) When an adjustment of the exercise price is necessary due to a share consolidation, capital reduction, company split, share exchange, share issuance, or merger.

(ii) When an adjustment of the exercise price is necessary due to the occurrence of any other event that changes or may change the number of the Company's issued common shares.

(iii) When multiple events that require an adjustment of the exercise price occur in succession, and when calculating the adjusted exercise price based on one event, it is necessary to take into account the impact of the other event on the market price to be used based on the other event.

(6) If the exercise price is adjusted, the Company will notify the Stock Acquisition Rights Holders in writing of the adjustment, the reason for the adjustment, the exercise price before the adjustment, the exercise price after the adjustment, the application date, and other necessary matters by the day before the application date of the adjusted exercise price. However, in the case set forth in (2)-⑤ above or in any other case where the Company is unable to give the above notice by the day before the application date, the Company will give the notice promptly after the application date.

11. Period during which the Stock Acquisition Rights can be exercised

From December 24, 2025 to December 23, 2027.

12. Other Conditions for Exercise of the Stock Acquisition Rights

Partial exercise of each Stock Acquisition Right is not permitted.

13. Acquisition of Stock Acquisition Rights

(1) If a Stock Acquisition Right Holder notifies the Company of its intention to exercise the Stock Acquisition Rights (hereinafter referred to as the "Exercise Notice") together with the number of Stock Acquisition Rights desired to exercise (hereinafter referred to as the "Exercise Desired Number") at least one month prior to the date for acquiring the Stock Acquisition Rights determined by the Company's Board of Directors (hereinafter referred to as the "Acquisition Date"), the Company may, after providing notice in accordance with Articles 273 and 274 of the Companies Act on or after the payment due date for the Stock Acquisition Rights, acquire all or a portion of the Stock Acquisition Rights held by the Stock Acquisition Right Holder (excluding the Company) on the Acquisition Date for an amount equal to the payment amount per Stock Acquisition Right (however, this is limited to the number obtained by subtracting from the Exercise Desired Number the number of Stock Acquisition Rights actually exercised by the Stock Acquisition Right Holder between the date on which the Stock Acquisition Right Holder receives the Exercise Desired Number and the date on which the Stock Acquisition Right Holder acquires the Stock Acquisition Rights). Partial acquisitions will be made by lottery or other reasonable means.

(2) If the Company's Board of Directors resolves that it is necessary to acquire the Stock Acquisition Rights, the Company may, on or after the payment due date for the Stock Acquisition Rights, after providing notice pursuant to Articles 273 and 274 of the Companies Act, acquire all or part of the Stock Acquisition Rights held by the Stock Acquisition Rights Holder (excluding the Company) on the acquisition date (limited to a date on or after April 1, 2026) for an amount equal to the payment amount per Stock Acquisition Right. In the event of a partial acquisition, the acquisition shall be effected by lottery or other reasonable method.

14. Increase in Capital and Capital Reserves upon Issuance of Shares upon Exercise of the Stock Acquisition Rights

The amount of increase in capital upon issuance of shares upon exercise of the Stock Acquisition Rights shall be the maximum increase in capital, etc. calculated pursuant to Article 17 of the Corporate Accounting Rules multiplied by 0.5, with any fraction less than one yen resulting from the calculation being rounded up to the nearest yen. The amount of the increase in capital reserve shall be the amount obtained by subtracting the amount of increase in capital from the maximum amount of increase in capital, etc.

15. Method of Requesting the Exercise of Stock Acquisition Rights

(1) When exercising Stock Acquisition Rights, the necessary information for the exercise request shall be notified to the exercise request acceptance location set forth in Section 18 during the period during which the Stock Acquisition Rights may be exercised as set forth in Section 11.

(2) When exercising Stock Acquisition Rights, in addition to the notice of exercise request set forth in the preceding paragraph, the full value of the assets to be contributed upon the exercise of the Stock Acquisition Rights shall be transferred in cash to the account designated by the Company at the payment handling location set forth in Section 19.

(3) The exercise request of Stock Acquisition Rights shall become effective on the day on which the notice of all necessary information for the exercise request is notified to the exercise request acceptance location set forth in Section 18 and the full value of the assets to be contributed upon the exercise of the Stock Acquisition Rights is deposited into the account set forth in the preceding paragraph.

(4) Once an exercise request is made in accordance with this paragraph, it cannot be revoked thereafter.

16. No Issuance of Stock Acquisition Rights

The Company will not issue stock acquisition rights certificates in connection with these stock acquisition

rights.

17. Basis for Calculation of the Payment Amount for the Stock Acquisition Rights and the Value of the Assets to be Contributed Upon Exercise

Taking into consideration the terms and conditions set forth in these Issuance Terms and the Third-Party Allotment Agreement to be concluded with the Allottee, the Company has determined the payment amount per Stock Acquisition Right as set forth in Section 8, based on an evaluation based on certain assumptions regarding the Company's stock price, the liquidity of the Company's shares, the Allottee's exercise behavior, and the Allottee's shareholding trends, using a Monte Carlo simulation, a common price calculation model.

18. Location for Exercise Requests

Sumitomo Mitsui Trust Bank, Limited, Stock Transfer Agency Department

19. Location for Payment

Mizuho Bank, Ltd., Azabu Branch

20. Application of the Act on Book-Entry Transfer of Corporate Bonds, Shares, etc.

The Stock Acquisition Rights shall be book-entry transfer stock acquisition rights as defined in the Act on Book-Entry Transfer of Corporate Bonds, Shares, etc., and shall be subject to the provisions of said Act in their entirety. The handling of these stock acquisition rights shall be in accordance with the Business Regulations Concerning Book-Entry Transfer of Stocks, etc., the Enforcement Regulations, and other regulations established by Japan Securities Depository Center, Inc.

21. Name and Address of Book-Entry Transfer Institution

Japan Securities Depository Center, Inc.

7-1 Nihonbashi Kabutocho, Chuo-ku, Tokyo

22. Other

(1) The above paragraphs are subject to the effectiveness of the notification pursuant to the Financial Instruments and Exchange Act.

(2) The terms of these stock acquisition rights are deemed to be the best currently available to the Company, taking into account market conditions, the Company's financial position, the payment amount for the stock acquisition rights, and other factors.

(3) Other matters necessary for the issuance of these stock acquisition rights will be left to the discretion of the Company's Representative Director and President.