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**Matters Anticipated to Generate Significant Interest Related to
the Business Acquisition by Our Consolidated Subsidiary Announced on August 27, 2024**

We hereby announce that we have published a list of anticipated questions and answers regarding the “Notice of Business Acquisition by Consolidated Subsidiary,” which was announced today.

Please refer to the attached document for the anticipated questions and their corresponding answers.

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■ Business Acquisition from Ghostpunch Games, LLC (“Ghostpunch”)

Q1: Could you provide more details about the business acquisition from Ghostpunch and the synergies you anticipate from this move?

The Group offers one-stop solutions to address the needs that arise at each stage of our clients’ service lifecycle. When selecting companies for M&A, expanding our business in this area is one of the guidelines we use. Incorporating Ghostpunch’s game development outsourcing services into our Overseas Solutions operations will enable us to offer our existing clients not only the services associated with traditional game development but also the outsourcing of game development itself. We aim to further expand sales and profits by addressing client needs with enhanced competitiveness. At the same time, we will offer Ghostpunch’s existing clients the localization, QA testing, and user support services provided by the Group. We will also work to enhance business synergy through mutual client referrals. By offering comprehensive solutions that address each stage of the service lifecycle in game development, we will create a continuous cycle of business expansion for the Group.

Q2: Given that the business to be acquired reported sales of 989 million yen last year, isn’t the acquisition price of 13.15 million US dollars somewhat high? I’d like to know if that price is fair.

We employed a third-party organization to conduct the valuation of the acquisition price. Additionally, instead of simply relying on the seller’s business plan, we used a more conservative version, revised ourselves, to assess future growth. This adjusted business plan served as the basis for calculating the corporate value and guiding the negotiation process. The acquisition amount was determined based on the assessment that the acquisition would be profitable even without considering the synergies with the Group, as discussed in the answer to the first question.

Q3: Why did you choose to acquire the business rather than purchasing the shares?

The decision was made to mitigate legal risks and to take advantage of tax benefits associated with the amortization of goodwill. We do not anticipate any issues with the succession of contracts with existing Ghostpunch clients as a result of the business acquisition.

Q4: What impact is expected on the full-year business performance? It appears that a significant amount of goodwill will be generated, but will the profits exceed the amount of goodwill amortization?

The impact of this business acquisition on our consolidated business results is currently under review. We will provide further details when we announce our second-quarter results for the period ending January 2025, which is scheduled for September 10. Additionally, because a purchase price allocation (PPA) must be performed to allocate the acquisition cost and determine the goodwill amount, it is currently difficult to provide a detailed calculation.

[Disclaimer]

This document and information contains so-called “forward-looking statements.”

These forward-looking statements are based on current expectations, forecasts, and assumptions that are subject to risks and uncertainties, which may cause actual results to differ substantially from these statements.

These risks and uncertainties include general industry and market conditions as well as domestic and international economic conditions, such as interest rates and currency exchange fluctuations.

The Company has no obligation to update or correct the forward-looking statements contained in this material, regardless of any new information, future events, etc.