

May 28, 2024

Company name: V-cube, Inc.

Chairman & Group CEO: Naoaki Mashita

Tokyo Stock Exchange, Prime Market (stock code: 3681)

Contact: Director & CFO, Corporate Planning Division General Manager  
Kazuki Yamamoto (TEL. +81-03-6625-5011)

## **Notice Concerning Offering of Shares to be Issued Through Third-Party Allotment**

V-cube, Inc. (“Company”) hereby announces that the Company resolved today in a written resolution in lieu of a Board of Directors' resolution to issue shares of its common stock (the "Shares") through a third-party allotment (the "Third-Party Allotment") to Mr. Naoaki Mashita ("Mr. Mashita"), Chairman of the Company, as the allottee.

### 1. Overview of offering

(1) Due date of payment	June 13, 2024
(2) Number of new shares to be issued	406,500 ordinary shares
(3) Amount to be paid per share	246 yen per share
(4) Amount of funds to be raised	99,999,000 yen
(5) Method of offering or allotment (the Allottees)	Third-Party Allotment Mr. Naoaki Mashita 406,500 shares

### 2. Purpose and reason for offering

The Company provides visual communication tools and services to realize remote-based communication DX, and products and related services to support the realization of teleworking establishment, mainly in three businesses: Enterprise DX business, Event DX business and Third-place DX business.

The Enterprise DX business supports DX in internal and external communication, mainly for companies and government agencies, and includes general-purpose web conferencing systems, disaster prevention solutions, wearable devices and provision and operational support of software to support the development of embedded video services for client companies. The Event DX business supports online events in a variety of fields, providing seminar delivery software and operational support such as online event design, on-the-day delivery support and post-event data analysis. The Third Place DX business provides and supports the operation of third places different from home and office, mainly by providing “Telecube” to companies and public spaces and developing management and operation systems for work booths in public spaces.

We have been working to solve social issues by discovering new value for an ever-changing society and creating businesses to achieve its mission of “Provide Even Opportunity to Everybody”. The global onset of the COVID-19 that began in 2020 has led to major changes in social structures and the rapid spread of remote working, creating new challenges regarding the way people work. In June 2021, in order to expand the Event DX business in the United States, the world's largest market, we carried out a business merger with TEN Events, Inc. (formerly Xyvid, Inc., "TEN") which operates an online event business similar to ours.

In addition, as stated in the "Notice of the Establish of a New Company to Manage Domestic and International Event DX Business together on a Global Scale" dated April 25, 2023, we announced that we would establish a holding company for the Event DX business in order to develop the business globally and aim to list the company on the U.S. market in three to five years. Since then, we have been continuously researching the structure and the process of listing the company, and as described in the "(Progress of Disclosure) Notice of Establishment of New Company to Manage Domestic and International Event DX Business and of Change of Trade Name" dated April 2, 2024, we have announced our plan to establish The Event Network Holdings (tentative name) as an intermediate holding company. Preparations are steadily underway for the listing in the U.S., and funds will be secured for full-fledged preparations for the listing.

As described in the "Notice of Issuing of Shares and 19th Series of Stock Acquisition Rights to Be issued Through Third-Party Allotment" released on March 6, 2024, the Company has conducted a third-party allotment in March 2024, and has since been considering listing on the U.S. stock market. The Company's Board of Directors has discussed this matter and determined that the probability of the listing in the U.S. This led to the current demand for funds.

By listing our Event DX business in the U.S., we aim to expand the scale of our business and maximize the benefits for our shareholders and other stakeholders.

### 3. Amount and use of funds to be procured, and scheduled timing of expenditure

#### (1) Amount of funds to be procured

(i)	Total amount to be paid in	99,999,000 yen
(ii)	Estimated amount of issuance costs	1,110,000 yen
(iii)	Estimated net proceeds	98,889,000 yen

#### (Note)

- 1 The estimated amount of issuance costs is the total amount of legal fees and other administrative expenses (handling bank charges, change registration fees, etc.).
- 2 The estimated amount of issuance costs does not include consumption tax, etc.

#### (2) Specific use of funds to be raised

The specific use of the estimated net proceeds 98,889,000 yen to be raised by the Third-Party Allotment is planned as follows. Until the funds are used for the following purposes, such funds will be managed in bank deposits.

Specific use of funds		Amount (yen)	Scheduled timing of expenditure
(i)	U.S. listing costs for The Event Network Holdings (tentative name), an intermediate holding company to be established in the event DX business	98,889,000	From June 2024 to August 2024

Details on the use of funds are as follows.

As announced in our "(Progress of Disclosure) Notice of Establishment of New Company to Manage Domestic and International Event DX Business and of Change of Trade Name " dated April 2, 2024, we are planning to establish The Event Network Holdings (tentative name) as an intermediate holding company for the listing of our Event DX business on the U.S. market.

Currently, we are conducting research on the structure and listing process, etc., and will secure funds to prepare for a full-fledged listing in the future.

#### 4. Views concerning rationality of use of funds

The Company believes that this third-party allotment is a reasonable one that contributes to improving shareholder value. Because the funds raised through the third-party allotment will be used for the purposes described above in "3. Amount and use of funds to be procured, and scheduled timing of expenditure (2) Specific use of funds to be raised" to establish a foundation for future growth and to improve corporate value over the medium to long term

#### 5. Rationality of issuance conditions, etc.

##### (1) Basis of calculation and specific details of the amount to be paid in

By taking into consideration the share price trend of the Company's shares, stock market trends, the number of shares to be issued through the Third-Party Allotment, and other factors, and upon consultation with Mr. Mashita, the amount to be paid in for the Third-Party Allotment is set at 246 yen, which is the closing price of the Company's ordinary shares on the Prime Market of the Tokyo Stock Exchange on May 27, 2024, the trading day immediately preceding the date of the Board of Directors resolution on the Third-Party Allotment (the "Closing Price").

The Company believes that, while taking into account the risk of a fall in the share price due to dilution of the shares resulting from the Share Issue and based on the Company's financial situation and performance trends in the previous financial year (FY2023), the Third-party Allotment will contribute to improve the Company's corporate value and ultimately shareholder value as a means of enabling the Company to raise the necessary funds to achieve further growth in the future while maintaining a sound financial base.

The amount complies with the JSDA's "Guideline for the Handling of Third-Party Allotments" in which the amount to be paid in is not less than the price on the day immediately preceding the date of the Board resolution multiplied by 0.9 Given the above, the Company considers that the amount paid in is not particularly favorable.

Based on this determination, the Company's Board of Directors fully discussed and reviewed the terms and conditions of the issuance of the Shares and resolved to issue the Shares with the approval of all directors except Mr. Mashita, who is the allottee. Mr. Mashita refrained from expressing his intention regarding the resolution and did not participate in the resolution due to his special interest in the matter. The approval of the conflict-of-interest transaction was approved by all directors except Mr. Mashita.

The amount shall be premium of 0.82% on the simple average closing price of 244 yen for the last one month up to the trading day immediately preceding the date of the Board resolution regarding the Third-Party Allotment (From Apr. 28, 2024 to May. 27, 2024), discount of 5.02% on the average closing price of 259 yen for the last three month (From Feb.28,2024 to May.27,2024), discount of 13.68% on the average closing price of 285 yen for the last six month (From Nov.28,2023 to May.27,2024). (Calculation of discount rate or premium rate is rounded up to second decimal place).

In addition, the Company has received an opinion from the Company's Audit & Supervisory Committee that the amount to be paid in for the Shares is not particularly advantageous to the Allottees and is lawful, as it is based on the market price, which is an objective value representing the value of the Company's ordinary shares, and is calculated in accordance with the JSDA's 'Guidelines for the Handling of Third Party Allotments'.

(2) Basis of judgment that the issuance quantity and impact of dilution are reasonable

The total number of shares in this third-party allotment is 406,500 shares (with 4,065 voting rights), and the dilution ratio for this third-party allotment is 1.57% (dilution ratio based on voting rights is 1.60%) when the total number of issued shares of the Company as of December 31, 2023 (24,737,400 shares (with 242,396 voting rights)) and the total number of the Company's common shares issued by the third-party allotment dated March 22, 2024, 1,200,000 shares (12,000 voting rights) is added as the denominator. The ratio of 64,065 voting rights, adding 1,200,000 shares of our common stock issued within the past six months (12,000 voting rights) and 4,800,000 shares (48,000 voting rights) that would be delivered if all of the 19th Series stock acquisition rights were exercised, to the total number of voting rights (242,396) is 26.43%, which means that the dilution ratio is more than 25%.

However, the Company believes that, although such dilution will occur, it will be possible to strengthen and expand the Company's business base and improve the medium- and long-term corporate and shareholder value of the Company by using the funds raised through the Third Party Allotment for the use of the funds mentioned above, and that the Third Party Allotment will be of sufficient benefit to existing shareholders even taking into account the dilution that will result from it. In addition, Mr. Mashita is the founder of the Company and intends to hold the shares for the medium to long term. Therefore, it is not expected that a large number of shares from the Third-Party Allotment will flow out to the stock market at one time, and the impact on the market will be minimal. Therefore, even if the dilution caused by the Third-Party Allotment is taken into account together with the dilution caused by the previous fundraising, we do not believe that the existing shareholders will be disadvantaged.

Since the dilution ratio of the third-party allotment will be 25% or more, a third-party committee (the "Third-Party Committee") will be established in accordance with Rule 432 of the Securities Listing Regulations. The members of the third-party committee are: Mr. Kenichi Nishimura, an independent officer and outside director with no vested interest in the Company, who is independent to a certain degree from the management; Mr. Daiko Matsuyama, an independent officer and outside director; Mr. Kikuo Fukushima, an independent officer, outside director, and full-time Audit & Supervisory Committee member; Mr. Hidehito Akimoto, an independent officer, outside director, and Audit & Supervisory Committee member; and Ms. Keiko Komatsu, Independent Director, Outside Director and Audit & Supervisory Board Member. The rationality of the size of the dilution, the appropriateness of the fundraising method, and the appropriateness of the allottee were discussed, and the issuance was resolved after receiving the opinion that the fundraising was necessary and appropriate.

6. Reason for selection of the Allottees, etc.

(1) Overview of the Allottees

(1)	Name	Naoaki Mashita	
(2)	Address	Scotts Road, Republic of Singapore	
(3)	Occupation	Chairman and Representative Director, V-cube, Inc.	
(4)	Relationship between the parties	Capital Relationships	Holds 3,185,847 shares of the Company's ordinary stock
		Personal Relationships	Chairman and Representative Director, V-cube, Inc.
		Business Relationships	There is no business relationship between the Company and Mr. Mashita that is required to be disclosed. In addition, no noteworthy transactional relationships exist between the Company's related parties or affiliated companies and Mr. Mashimo.
		Related Party Status	Chairman and Representative Director of the Company, Director of the Company's subsidiary Wizlearn Technologies Pte. Ltd. and TEN Events, Inc. (formerly Xyvid, Inc.), and is a related party.

(Note) Since Mr. Mashita is the Chairman and Representative Director of the Company, the Company has determined that Mr. Mashita has no relationship with antisocial forces through research of public information and interviews with the individual, without requesting an investigation by an outside organization, and has submitted a written confirmation to that effect to the Tokyo Stock Exchange.

(2) Reason for selection of the Allottees

Mr. Mashita, the allottee, is the Company's largest shareholder as well as the Chairman and Representative Director. We have selected Mr. Mashita as the allottee because we believe that Mr. Mashita, as the Chairman and Representative Director, will personally invest additional funds and expand the Company's equity capital, which will lead to him taking more responsibility as a manager for improving the Company's corporate value.

(3) Holding policy of scheduled allottee

With respect to the holding policy of Mr. Mashita, the allottee, the Company has confirmed that his policy is to hold the Shares to be acquired through the Capital Increase through Third-party Allotment over the medium to long term.

(4) Confirmation of existence of assets required for the Allottees to make payment

The Company has obtained from Mr. Mashita a copy of the bankbook pertaining to the bank account held by him and has confirmed that the balance in the bank account held by him as of May 27, 2024 exceeds the amount to be paid by him for the Capital Increase through Third-party Allotment.

(5) Agreements on Borrowing and Lending of Share Certificates and Other Securities

No agreements have been or will be concluded between the Company, its directors, or major shareholders and Mr. Mashita in relation to the shares of the Company in relation to share certificate lending.

## 7. Major shareholders and ownership ratio after the offering

Before the offering (As of Mar.22,2024)		After the offering	
Naoaki Mashita	12.28%	Naoaki Mashita	13.64%
The Master Trust Bank of Japan	8.35%	The Master Trust Bank of Japan	8.22%
Long Corridor Alpha Opportunities Master Fund	3.70%	Long Corridor Alpha Opportunities Master Fund	3.64%
Tommy Consulting Inc	2.62%	Tommy Consulting Inc	2.58%
V-cube Inc.	1.80%	V-cube Inc.	1.77%
Masaya Takada	1.22%	Masaya Takada	1.20%
JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	1.21%	JP JPMSE LUX RE UBS AG LONDON BRANCH EQ CO	1.19%
Custody Bank of Japan, Ltd.	1.09%	Custody Bank of Japan, Ltd.	1.07%
Ryota Iwamoto	0.97%	Ryota Iwamoto	0.95%
MAP246 Segregated Portfolio, a segregated portfolio of LMA SPC	0.93%	MAP246 Segregated Portfolio, a segregated portfolio of LMA SPC	0.91%

(Note) The ownership ratios before the offering are based on the total number of shares outstanding (including treasury shares) as of Dec. 31, 2023, plus the number of shares of common stock issued through a third-party allotment on March 22, 2024.

## 8. Future outlook

The impact of the third-party allotment on the forecast for the current financial year will be minimal, but if any matters requiring disclosure arise in the future, we will promptly make announcement.

## 9. Matters concerning the procedure required by the corporate code of conduct

Since the total dilution ratio of the Third-Party Allotment and the Previous Fund Procurement will be 25% or more, either (i) Obtaining an opinion on the necessity and reasonableness of such allotment from a person who is independent of management to a certain extent, or (ii) Procedures for confirming the intent of shareholders through a resolution of the general shareholders' meeting or other means with respect to such allotment, is required in accordance with Rule 432 of the Securities Listing Regulations established by the Exchange.

With respect to the Third-Party Allotment, although the Company's current financial situation and the need to raise funds through the Third-Party Allotment promptly, it will take approximately two months to go through the procedures for confirming the intent of shareholders by resolution at an extraordinary shareholders' meeting in connection with the Third-Party Allotment, and the extraordinary shareholders' meeting will also entail a reasonable cost. Therefore, after comprehensive consideration, we have decided to obtain legal advice from TMI Associates, our legal advisor in this case, including the details of the Capital Increase through Third-party Allotment, as well as an opinion on the necessity and reasonableness of the Capital Increase through Third-party Allotment from a third-party committee that is independent from the management to a certain extent.

For this purpose, the Company established the Third-Party Committee (The members of the third-party committee are: Mr. Kenichi Nishimura, an independent officer and outside director with no vested interest in the Company, who is independent to a certain degree from the management; Mr. Daiko Matsuyama, an independent officer and outside director; Mr. Kikuo Fukushima, an independent officer, outside director, and full-time Audit & Supervisory Committee member; Mr. Hidehito Akimoto, an independent officer, outside director, and Audit & Supervisory Committee member; and Ms. Keiko Komatsu, Independent Director, Outside Director and Audit & Supervisory Board Member) described in "5. Rationality of issuance conditions, etc. (2) Basis of judgment that the issuance quantity and impact of dilution are reasonable" above, sought objective opinions on the necessity and reasonableness of the Third-Party

Allotment, and obtained a written opinion on the following content on May 28, 2024.

(Summary of the Third-Party Committee's Opinion)

① Conclusion

The financing through this third-party allotment is recognized as both necessary and appropriate.

② Reasons

I. Necessity of the Third-Party Allotment

A) Purpose and Reason for Fund Procurement

As stated in the "Notice of the Establish of a New Company to Manage Domestic and International Event DX Business together on a Global Scale" dated April 25, 2023, the Company announced that they would establish a holding company for the Event DX business in order to develop the business globally and aim to list the company on the U.S. market in three to five years. Since then, the Company have been continuously researching the structure and the process of listing the company, and as described in the "(Progress of Disclosure) Notice of Establishment of New Company to Manage Domestic and International Event DX Business and of Change of Trade Name" dated April 2, 2024, the Company have announced our plan to establish The Event Network Holdings (tentative name) as an intermediate holding company. The company will steadily prepare for the U.S. listing, and it is necessary to secure funds to prepare for the U.S. listing.

B) Use of funds

The specific use, amount, and scheduled time of disbursement of the funds to be procured through the third-party allotment are as follows.

Specific use of funds	Amount (yen)	Scheduled timing of expenditure
U.S. listing costs for The Event Network Holdings (tentative name), an intermediate holding company to be established in the event DX business	98,889,000	From June 2024 to August 2024

The Company have been continuously researching the structure and the process of listing the company, and as described in the "(Progress of Disclosure) Notice of Establishment of New Company to Manage Domestic and International Event DX Business and of Change of Trade Name" dated April 2, 2024, the Company have announced our plan to establish The Event Network Holdings (tentative name) as an intermediate holding company. The company plans to conduct research on structuring and listing process, etc., and to secure funds for full-scale listing preparation in the future.

C) Summary

In light of the purposes and reasons for the fundraising described above, as well as the use of the funds, it is necessary for the Issuer to raise funds in order to advance preparations for the listing of the Event DX business on the U.S. market. In addition, given the inappropriateness of other means of fundraising, as described below, the Capital Increase through Third-party Allotment is deemed necessary for the Issuer.

## II. Appropriateness of the Third-Party Allotment

### A) Appropriateness of the means of financing

Based on the Issuer's situation as described in "I. Necessity of the Third Party Allotment A) Purpose and Reason for Fund Procurement" above, and after comprehensively considering the various points described below, we believe that the method of fundraising through this third-party allotment provides the highest certainty of raising the funds needed by the Issuer, while taking into consideration the interests of existing shareholders, and is appropriate for the future enhancement of shareholder value of the Issuer.

### B) Appropriateness of the conditions of issuance

By taking into consideration the share price trend of the Company's shares, stock market trends, the number of shares to be issued through the Third-Party Allotment, and other factors, and upon consultation with Mr. Mashita, the amount to be paid in for the Third-Party Allotment is set at 246 yen, which is the closing price of the Company's ordinary shares on the Prime Market of the Tokyo Stock Exchange on May 27, 2024, the trading day immediately preceding the date of the Board of Directors resolution on the Third-Party Allotment (the "Closing Price").

We believe that, while taking into account the risk of a fall in the share price due to dilution of the shares resulting from the Share Issue and based on the Company's financial situation and performance trends in the previous financial year (FY2023), the Third-party Allotment will contribute to improve the Company's corporate value and ultimately shareholder value as a means of enabling the Company to raise the necessary funds to achieve further growth in the future while maintaining a sound financial base. The amount complies with the JSDA's "Guideline for the Handling of Third-Party Allotments" in which the amount to be paid in is not less than the price on the day immediately preceding the date of the Board resolution multiplied by 0.9. Given the above, we consider that the amount paid in is not particularly favorable.

The amount shall be premium of 0.82% on the simple average closing price of 244 yen for the last one month up to the trading day immediately preceding the date of the Board resolution regarding the Third-Party Allotment (From Apr. 28, 2024, to May. 27, 2024), discount of 5.02% on the average closing price of 259 yen for the last three month (From Feb.28,2024 to May.27,2024), discount of 13.68% on the average closing price of 285 yen for the last six month (From Nov.28,2023 to May.27,2024). (Calculation of discount rate or premium rate is rounded up to second decimal place).

### C) Appropriateness of the scale of dilution

The total number of shares in this third-party allotment is 406,500 shares (with 4,065 voting rights), and the dilution ratio for this third-party allotment is 1.57% (dilution ratio based on voting rights is 1.60%) when the total number of issued shares of the Company as of December 31, 2023 (24,737,400 shares (with 242,396 voting rights)) and the total number of the Company's common shares issued by the third-party allotment dated March 22, 2024, 1,200,000 shares (12,000 voting rights) is added as the denominator. The ratio of 64,065 voting rights, adding 1,200,000 shares of our common stock issued within the past six months (12,000 voting rights) and 4,800,000 shares (48,000 voting rights) that would be delivered if all of the 19th Series stock acquisition rights were exercised, to the total number of voting rights (242,396) is 26.43%, which means that the dilution ratio is more than 25%.

However, we believe that, although such dilution will occur, it will be possible to strengthen and expand the Company's business base and improve the medium- and



long-term corporate and shareholder value of the Company by using the funds raised through the Third Party Allotment for the use of the funds mentioned above, and that the Third Party Allotment will be of sufficient benefit to existing shareholders even taking into account the dilution that will result from it. In addition, Mr. Mashita is the founder of the Company and intends to hold the shares for the medium to long term. Therefore, it is not expected that a large number of shares from the Third-Party Allotment will flow out to the stock market at one time, and the impact on the market will be minimal. Therefore, even if the dilution caused by the Third-Party Allotment is taken into account together with the dilution caused by the previous fundraising, we do not believe that the existing shareholders will be disadvantaged.

D) Reasons for selection of the allottee

Mr. Mashita, the allottee, is the largest shareholder of the issuing company as well as the chairman and representative director of the issuing company. It is believed that Mr. Mashita, as Chairman and Representative Director, will personally invest additional funds to expand the equity capital of the issuing company, which will lead to a greater commitment to improving the corporate value of the issuing company.

E) Summary

In light of the above, the selection of a third-party allotment in comparison with other means of fundraising, the allottee, the terms of issuance, and the size of dilution are considered to be reasonable and within the range deemed reasonable to meet the need for fundraising.

10. Operating results and status of equity finance executed for the last three years

(1) Operating results for the last three years (Consolidated)

(Millions of yen, unless otherwise noted)

	Fiscal year ended Dec.31,2021	Fiscal year ended Dec.31,2022	Fiscal year ended Dec.31,2023
Consolidated Net Sales	11,493	12,229	11,084
Consolidated Operating Profit	1,351	675	△156
Consolidated Ordinary Profit	1,232	612	△275
Profit attributable to owners of parent	1,324	84	△5,623
Consolidated earnings per share (Yen)	54.68	3.49	△231.68
Dividend per share (Yen)	8.00	4.00	0.00
Consolidated net assets per share (Yen)	207.92	243.12	25.62

(2) Current number of issued shares and potential shares (As of May. 27, 2024)

	Number of shares	Ratio to the number of issued Shares
Number of Issued Shares	25,937,400	100.00%
Number of potential shares at current conversion price (exercise price)	4,800,000	18.5%

(3) Status of recent share prices

① Status for the last three years

(Yen)

	Fiscal year ended Dec.31,2021	Fiscal year ended Dec.31.2022	Fiscal year ended Dec.31.2023
Opening Price	3,125	1,075	720
Highest Price	3,585	1,461	772
Lowest Price	1,000	671	288
Closing Price	1,058	715	320

② Status for the last six months

(Yen)

	Dec.2023	Jan,2024	Feb.2024	Mar.2024	Apr.2024	May.2024
Opening Price	331	316	303	317	264	237
Highest Price	334	322	345	338	265	265
Lowest Price	288	296	262	253	225	230
Closing Price	320	308	315	262	237	246

(Note) The situation in May 2024 is shown as of May 27, 2024.

③ Share prices on the business day immediately preceding the date of resolution for issuance

(Yen)

	May 27, 2024
Opening Price	249
Highest Price	250
Lowest Price	245
Closing Price	246

(4) Status of equity finance executed for the last three years

Issuance of New Shares and the 19th Series of Stock Acquisition Rights Through Third-Party Allotment

<New Shares>

Due date of payment	March 22, 2024
Amount of funds to be raised	336,960,000 yen
Amount Paid	280.8 yen per share
Number of shares outstanding at the time of offering	24,737,400 shares
Number of shares to be issued in the offering	1,200,000 shares
Number of shares outstanding after offering	25,937,400 shares
Allottee	Long Corridor Alpha Opportunities Master Fund 960,000 shares MAP246 Segregated Portfolio 240,000 shares

<19th Series Stock Acquisition Rights>

Allocation date	March 22, 2024
Number of stock acquisition rights issued	48,000 (100 shares per stock acquisition right)
Issue price	Total amount 10,512,000 yen (219 yen per stock acquisition right)
Amount of funds to be raised at the time of issuance	Total amount 1,657,872,000 yen (approximate net amount 1,610,024,320 yen)

(Estimated net proceeds)	(Breakdown) 9th series of stock acquisition rights ("SARs") Amount to be raised by issuance: 10,512,000 yen Amount raised through exercise of the SARs: 1,647,360,000 yen The amount to be raised by the exercise of the Stock Acquisition Rights is the amount assuming that all the Stock Acquisition Rights are exercised at the initial exercise price. If the exercise price is revised or adjusted, the amount of funds raised will 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 acquired by the Company, the amount of funds raised will decrease.
Exercise period	From March 25, 2024 to March 22, 2027
Allottee	Long Corridor Alpha Opportunities Master Fund 38,400 MAP246 Segregated Portfolio 9,600
Number of shares outstanding at the time of offering	24,737,400 shares
Number of potential shares as a result of this offering	4,800,000 shares
Exercise status at present	Number of shares exercised: 0 shares (Number of remaining stock acquisition rights: 48,000)
Amount of funds raised at present	10,512,000 yen

<Use of Proceeds at the Time of Issuance, Planned Timing of Expenditures, and Current Status of Appropriation>

Use of funds at the time of issuance	① R&D investment funds 590million yen: March 2024 - December 2024 ② Reduction of interest-bearing debt to improve financial position 1,276 million yen: March 2024-December 2024 ③ Funds for capital investment in a hybrid studio 80 million yen: March 2024
Status of appropriations at present (Estimated net proceeds)	① R&D investment funds 220 million yen was appropriated. ② Reduction of interest-bearing debt to improve financial position Not appropriated. ③ Funds for capital investment in a hybrid studio 80 million yen was appropriated.