May 13, 2025

Company: ZIGExN Co., Ltd.
Representative: Joe Hirao, Representative Director, Operating Officer and CEO
(Securities code: 3679; Prime Market of the Tokyo Stock Exchange)
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Notice of Decision on Matters Related to Share Buybacks and Cancellation of Treasury Shares

(Share Buybacks Based on the Provisions of the Articles of Incorporation Pursuant to Article 165, Paragraph 2 of the Companies Act and Cancellation of Treasury Shares pursuant to Article 178 of the Companies Act)

ZIGExN Co., Ltd. (hereinafter referred to as "the Company") hereby announces that at the meeting of the Board of Directors held on May 13, 2025, the Company resolved matters concerning the Share Buybacks pursuant to Article 156 of the Companies Act, as applied pursuant to Article 165, Paragraph 3 of the said Act, and also resolved to cancel its Treasury Shares pursuant to Article 178 of the said Act, as described below.

1. Reason for Share Buybacks and Cancellation of Treasury Shares

As of the end of March 2025, the ratio of equity attributable to owners of the parent company to total assets (equity ratio under Japanese GAAP) was 53.6%, and the goodwill to capital ratio was 0.5 times, both of which are healthy levels within the scope of the Company's financial targets. In light of this balance sheet situation and the current status of stock prices, the Company aims to enhance shareholder value by implementing a flexible capital policy. Furthermore, we will introduce a new policy to cancel treasury shares until the number of treasury shares accounts for approximately 10% of the total outstanding shares, in the event that the number of treasury shares exceeds 10% of the total outstanding shares. We will not cancel all of the treasury shares we hold; a portion will be reserved for incentive-related purposes and as consideration for M&A.

On the other hand, there is no change in our basic understanding that investment in growth leads to the maximization of shareholder value, and we will continue to actively work on strategic investments, particularly M&A.

2. Details of Buybacks

(1) Types of shares to be repurchased: Common shares

(2) Total number of shares that may be repurchased: 1,500,000 shares (maximum)
(Ratio to the number of outstanding shares (excluding treasury stock): 1.49%)

(3) Total amount of shares to be repurchased: JPY 700 million (maximum)

(4) Period of share acquisition: from May 14, 2025, to March 31, 2026

(5) Method of share repurchase: Market purchase on the Tokyo Stock Exchange

3. Details of Cancellation

(1) Type of shares to be cancelled: Common shares

(2) Total number of shares to be cancelled:
1,700,000 shares (Ratio to the number of outstanding shares: 1.52%)

(3) Scheduled cancellation date: May 23, 2025

(Reference) The Amount of Treasury Stocks held as of March 31, 2025

Total number of outstanding shares (excluding treasury stocks): 100,426,845 shares

Total number of treasury stocks 11,273,155 shares

Notice: This document is translated from officially filed Japanese document into English only for reference purpose. In the event of a discrepancy between the Japanese and English versions, the Japanese version shall prevail.