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November 12, 2026

To Whom It May Concern:

Company Name: MUSCAT GROUP Inc.
Representative: Ryo Okubo, Representative Director
(Securities code: 195A, TSE Growth Market)
Inquiries: Yuhei Morioka, Executive Officer and
General Manager of Administration Division
(TEL. 03-6684-2373)

Notice Regarding Acquisition of Shares of bet Inc. (Making it a Subsidiary)

MUSCAT GROUP Inc. (the "Company") hereby announces that at the Board of Directors meeting held today, it resolved to acquire all issued shares of bet Inc. (hereinafter "bet") to make it a subsidiary, and concluded a share transfer agreement (hereinafter the "Share Transfer Agreement") on the same date.

1. Reason for Share Acquisition

The Company, with the mission of "Difference for the Future.", develops a brand produce business that creates and operates growth brands through marketing centered on social media and data utilization, and promotes a "Niche Top Strategy" aimed at capturing the top market share in highly growing niche areas within the mass market. In the "VISION2029 - Medium-Term Management Plan -" announced on March 31, 2026, the Company has set forth the following as pillars of its growth strategy: (i) expansion of the number of brands through M&A, (ii) brand growth through synergies between brands, (iii) evolving from Niche Top to Niche Global, and (iv) capital efficiency.

bet (trade name: watch7) is a company that engages in the procurement, purchase, sale, and authentication of high-brand watches and bags such as Rolex, Hermes, Cartier, and Patek Philippe. It possesses a system for procuring high-brand items below market prices through trading relationships with authorized dealers and overseas suppliers, supported by a sales organization. The subject of this share acquisition is the business of its domestic bases in Osaka (Shinsaibashi), Takamatsu, and Ginza. The Hong Kong base is operated by Watch7 Japan Limited, a corporation related to the seller, Mr. Junto Iwakiri, and is not a subsidiary of bet; therefore, it is excluded from the due diligence conducted by the Company and from the scope of this share acquisition.

On the other hand, due to financial constraints caused by the difficulty of obtaining loans from financial institutions on a standalone basis, bet has been forced to sell procured products to other businesses in a short period, and the majority of its sales consist of low-margin wholesale transactions.

The Company has determined that this share acquisition will contribute to the enhancement of the MUSCAT GROUP's corporate value for the following reasons:

(1) Acquisition of Procurement Capabilities

Building a procurement system equivalent to that of bet by the Company itself would involve a significant amount of time and uncertainty.

(2) Early expansion of revenue base

To comply with the Tokyo Stock Exchange Growth Market's revised criteria for maintaining listing (market capitalization of 10,000 million yen or more after 5 years of listing), it is necessary to acquire profitable businesses at an early stage.

(3) Synergy with our strengths

We believe it is possible to improve bet's gross profit margin by investing our capital and know-how in SNS marketing and brand building, selecting sales channels through inventory expansion, and expanding retail for affluent and inbound customers.

This share acquisition is in line with the M&A policy set forth in VISION2029 (acquiring non-branded shops and services that have not been branded and transforming them into high-value-added brands), and we intend to rebrand watch7 as a luxury reuse brand after the acquisition.

In addition, the seller, Mr. Junto Iwakiri, is scheduled to continue to manage bet as its Representative Director after the share acquisition. For the purpose of ensuring his continued commitment to expanding bet's business performance, we plan to introduce performance-linked compensation where bet will allot stock acquisition rights (hereinafter referred to as the "Stock Acquisition Rights") to him, and we will purchase the Stock Acquisition Rights from him based on bet's business performance (please refer to "6. Future Outlook" for details).

2. Overview of the subsidiary subject to change (bet Inc.)

(1) Name	bet Inc.	
(2) Address	Ginza New Central Building 4F, 5-9-14 Ginza, Chuo-ku, Tokyo	
(3) Title and Name of Representative	Junto Iwakiri, Representative Director Ryunosuke Ueno, Representative Director	
(4) Business Description	Procurement, purchase, sale, and authentication of high-brand watches and bags	
(5) Capital	7,770 thousand yen	
(6) Date of Establishment	April 1, 2022	
(7) Major Shareholders and Shareholding Ratio	Junto Iwakiri: 100.0%	
(8) Relationship between the	Capital relationship	Not applicable.

Company and bet	Personnel relationship	Not applicable.
	Business relationship	Not applicable.
	Status as a Related Party	Not applicable.

(9) Operating Results and Financial Position of bet for the Last Three Years

Fiscal year	Fiscal year ended February 29, 2024	Fiscal year ended February 28, 2025	Fiscal year ended February 28, 2026
Net assets	51 million yen	336 million yen	421 million yen
Total assets	485 million yen	447 million yen	632 million yen
Net assets per share	463,846.28 yen	3,025,473.93 yen	3,793,679.14 yen
Net sales	6,756 million yen	8,762 million yen	12,304 million yen
Operating profit	52 million yen	164 million yen	158 million yen
Ordinary profit	52 million yen	165 million yen	155 million yen
Profit	32 million yen	284 million yen	85 million yen
Earnings per share	289,704.27 yen	2,561,627.65 yen	768,205.22 yen
Dividends per share	0 yen 00 sen	0 yen 00 sen	0 yen 00 sen

(Note) 1. Figures less than one million yen are rounded.

2. The above operating results and financial position are based on bet's financial statements and have not been audited by an audit firm or similar entity.

3. Mr. Ryunosuke Ueno resigned as Representative Director of bet on November 12, 2026, the execution date of this share transfer.

3. Overview of the counterparty to the share acquisition

(1) Name	Junto Iwakiri
(2) Address	Chuo-ku, Tokyo
(3) Relationship between th Listed Company and th Individual	There are no capital, personnel, or business relationships to be noted between the Company and the individual. In addition, the individual does not fall under the category of a related party of the Company.

4. Number of shares acquired, acquisition cost, and status of share ownership before and after acquisition

(1) Number of shares owne	0 shares

before the change	(Number of voting rights: 0) (Voting rights ownership ratio: 0.0%)
(2) Number of shares acquired	111 shares (Number of voting rights: 111)
(3) Acquisition cost	Common stock of bet Inc.: 1,000 million yen Advisory fees, etc. (approximate amount): 7 million yen Total (approximate amount): 1,007 million yen
(4) Number of shares owne after the change	111 shares (Number of voting rights: 111) (Voting rights ownership ratio: 100.0%)

(Note) 1. In calculating the acquisition cost, we commissioned Bridge Consulting Group Co., Ltd., a third-party valuation firm with no interest in us, to calculate the share value of bet. The firm adopted the DCF method and the comparable company analysis method (EV/EBITDA multiple) with February 28, 2026, as the valuation base date, and calculated the share value of bet to be 1,119 to 1,311 million yen using the DCF method and 1,162 to 1,314 million yen using the comparable company analysis method. Based on these calculation results and the results of the due diligence we conducted, we decided on an acquisition cost of 1,000 million yen through discussions with the counterparty, after having bet expense 197 million yen of the receivables bet holds against the seller and its related corporations (307 million yen as of the end of February 2026) prior to the execution of the share transfer, and having the seller's related corporations agree to repay the remaining 110 million yen to bet in installments over five years after the execution of the share transfer.

2. This share transfer is executed upon the delivery of a request for transfer of shareholder registry from the seller to us on the share transfer execution date, and no payment of the transfer price is made on the share transfer execution date. The amount already paid by us to the seller as of the share transfer execution date is only the advance payment of 50 million yen in (a) below. The payment terms for the transfer price of 1,000 million yen are as follows.

(a) Advance payment of 50 million yen: Paid using cash on hand based on the basic agreement concluded on June 5, 2026. The said advance payment will be applied to the transfer price at the same time as the payment in (b) below.

(b) 500 million yen of the remaining balance: Scheduled to be paid by March 31, 2027, and is planned to be covered by cash on hand and future fundraising. Since the share transfer agreement does not contain any provisions regarding the refund of the amount already paid in the event that the seller acquires the shares under (i) below after only a portion of the said 500 million yen has been paid, the Company plans to pay the said 500 million yen in a lump sum.

(c) 450 million yen of the remaining balance: Scheduled to be paid by March 31, 2027, and

is planned to be covered by cash on hand and borrowings from financial institutions, etc. However, if the procurement of funds for the payment of the transfer price has not been completed, the Company may postpone the payment of the said 450 million yen until the earlier of the date 14 days after the date of receipt of the said funds or March 31, 2028, by notifying the seller by March 30, 2027.

We will promptly announce the method of fundraising, etc., as soon as they are determined. In addition, the share transfer agreement stipulates the handling in the event that the above payments are not made as follows.

(i) If the payment of 500 million yen in (b) above is not made by March 31, 2027, the seller may acquire the shares from the Company free of charge by making a request to the Company within 14 days from that date. In this case, the advance payment of 50 million yen will not be returned to the Company, and bet will not be a subsidiary of the Company.

(ii) Even if the payment of 450 million yen in (c) above is not made, there is no provision that allows the seller to acquire the shares from the Company, and the Company will continue to hold the shares. In the event that it becomes clear that the Company will be unable to pay the said 450 million yen by the postponed payment due date (no later than March 31, 2028), the Company shall, upon notifying the seller, consult with the seller regarding conditions such as the payment amount, payment timing, and payment method.

We will promptly announce if any of the events in (i) or (ii) above occur.

3. Advisory fees, etc., are due diligence fees, etc., and have been paid or are scheduled to be paid using the Company's cash on hand.

4. In the share transfer agreement, in addition to representations and warranties by the seller and indemnification for breaches thereof, the seller provides special indemnification (claim period: 5 years from the closing date) regarding matters related to labor, tax, etc., identified in the due diligence conducted by the Company.

5. Schedule

Date of Board of Directors resolution	November 12, 2026
Date of contract conclusion	November 12, 2026
Date of share transfer execution	November 12, 2026 (Note 1)
Payment deadline for the transfer pric (remaining balance of 950 million yen)	March 31, 2027 (scheduled) (Note 2)

(Note 1) The transfer price will not be paid on the share transfer execution date. The amount already paid by the Company to the seller as of that date is only the advance payment of 50 million yen based on the basic agreement concluded on June 5, 2026, and the said advance payment will be applied to the transfer price at the same time as the payment of the remaining balance to be made

by March 31, 2027.

(Note 2) Regarding the 450 million yen, the payment can be postponed until March 31, 2028, at the latest. For details, please refer to "4. (Note) 2."

6. Future Outlook

(1) Impact on consolidated financial results

Through this share acquisition, bet Inc. is scheduled to become a consolidated subsidiary of the Company on November 12, 2026. Although the payment of the transfer price will not be made on the share transfer execution date, the Company will acquire all of the issued shares of bet Inc. on the same date and will hold 100% of its voting rights. The financial results of bet Inc. are expected to be included in the Company's consolidated financial results from December 2026, which is part of the third quarter of the fiscal year ending March 31, 2027. However, as described in "4. (Note) 2," if 500 million yen of the remaining balance is not paid by March 31, 2027, and the seller acquires the shares from the Company free of charge, bet Inc. will not be classified as a consolidated subsidiary of the Company. For the impact of the subsidiary's acquisition on the Company's consolidated financial results, please refer to the "Notice Regarding Revision of Full-Year Consolidated Financial Results Forecast" announced today.

In addition, after bet Inc. becomes a consolidated subsidiary, the Company plans to dispatch officers and other personnel to bet Inc.

(2) Performance-linked compensation to the seller (allotment of stock acquisition rights of bet Inc. and purchase by the Company)

bet Inc. plans to allot the Stock Acquisition Rights (stock acquisition rights issued by bet Inc., not by the Company) as performance-linked compensation to Mr. Junto Iwakiri, who will continue to manage bet Inc. as its Representative Director after the share acquisition, for the purpose of encouraging his continued commitment to the expansion of bet Inc.'s business. The Company plans to purchase the Stock Acquisition Rights under the following conditions. The allotment date, number of rights, and other specific details of the Stock Acquisition Rights will be determined through future discussions with Mr. Iwakiri, and the Company will promptly announce any matters that require disclosure.

- Target period: Three periods of one year each, starting from December 1, 2026
- Purchase price: If the operating profit of bet Inc. for each target period is 200 million yen or more, the amount calculated by multiplying the amount in excess of 200 million yen by 50% for the first year, 25% for the second year, and 20% for the third year
- Tenure condition: If Mr. Iwakiri resigns or is dismissed as Representative Director of bet Inc. during the target period, the Company may acquire the Stock Acquisition Rights for 0 yen (excluding cases of dismissal not attributable to him).

The purchase of the Stock Acquisition Rights will only occur if the operating profit of bet Inc. exceeds 200 million yen, and will be based on a portion of that excess amount.

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