

November 20, 2023

To Our Valued Stakeholders

Company Name	GENDA Inc.	
Name of Representative	Representative	Mai Shin
	Director and President	
	(Code No.: 9166 Tokyo Stock Exchange Growth Market)	
Contact Information	Director CFO	Taiju Watanabe
(for inquiries)		
		(TEL 03-6281-4781)

**Notice Concerning Acquisition of Fixed Assets, etc. of Global Solutions, Inc.**

GENDA Games Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and President: Gen Yasukochi; hereinafter "GENDA Games"), a group company (consolidated subsidiary) of GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and Chairman of the Board: Nao Kataoka; Representative Director and President: Mai Shin; hereinafter "GENDA") resolved at the meeting of its Board of Directors held today to acquire the fixed assets, such as amusement machines, of 117 game corners (hereinafter "mini-locations") where no store staff are stationed from Global Solutions, Inc. (Headquarters: Shibuya-ku, Tokyo; President: Jun Kawate; President: Daisuke Korai; hereinafter, "Global Solutions"), which is engaged in the real estate business and the operation of amusement arcades.

This matter is within the scope of the Minor Standards of Timely Disclosure for "Transfer or Acquisition of Fixed Assets by Subsidiaries, etc., and Lease of Fixed Assets" stipulated by Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, some items have been omitted.

1. Reason for acquisition

GENDA Games' main business is the operation of online crane games and mini-locations, in addition to its core business of amusement machine lease, which is also the Group's founder's business. GENDA Games' amusement machine lease business aims to reduce the initial cost of installing machines and increase customer traffic by installing a variety of amusement machines selected by GENDA Games, which has extensive knowledge of the industry, and to share the proceeds with amusement facility operators. The business model is to share sales with amusement arcade operators, and has earned a solid reputation among amusement arcade operators. Online crane games are a B to C service in which customers play crane games

remotely from their smartphones or PCs, and the prizes they win are delivered to their homes. GENDA Games' online crane game business model has gained the support of customers who do not usually visit amusement arcades by offering a lineup of unique prizes that go beyond the typical amusement arcade prizes, allowing customers to make the most of their spare time. GENDA Games proposes the most suitable amusement machine for the vacant space in supermarkets, mass merchandisers, and other retailers, and shares the sales of the machine with the retailer. We believe that GENDA Games is a business model that will lead to the monetization of the vacant space of our corporate clients. As described above, GENDA Games has built win-win relationships with stakeholders in the amusement business in its main businesses.

The market size of the amusement industry has been expanding every year since 2014, driven especially by sales of prize games. Although the market has temporarily shrunk due to the impact of store closures and shorter business hours caused by the outbreak of the Covid-19, the 306.2 billion yen in sales of prize games in the market in FY2021 is the highest amount in the industry over the past 16 years for which data can be compiled as of today, and in addition, the fact that major companies in the industry including our group are generating record profits in FY2022 is a major factor in the industry's overall growth.

In light of this market environment, the GENDA Group has been opening mini-locations, and as of the end of October 2023, the total number of locations was 299 (84 in Japan and 215 overseas), and after this acquisition of fixed assets, the total number of locations will be 458 (204 in Japan and 254 overseas). The mini-locations operated by GENDA Games, in particular, have developed by combining the machine selection capabilities cultivated in the amusement machine rental business and the know-how on procuring a wide variety of prizes cultivated in the online crane game business. We believe that this will please the various types of customers who visit our amusement centers. In addition, GENDA Games' mini-locations have the advantage of providing extensive follow-up support by GENDA Games' sales staff, who are knowledgeable in the industry, to companies that are not familiar with amusement arcade operations, allowing them to operate with peace of mind. GENDA Games is a leading provider of mini-locations.

Global Solutions operates mini-locations throughout Japan, mainly in spaces such as supermarkets, mass merchandisers, and karaoke stores, and plans to acquire fixed assets and other assets related to the operation of 117 of these mini-locations. This will enable GENDA Games to deploy its management and human resources to mini-location locations nationwide, providing existing customers at each location with a more enjoyable entertainment experience than ever before, and will not only increase mutual revenues with the companies where they are located, but will also strengthen connections in the entertainment field by strengthening ties, we have decided to acquire the fixed assets for the mini-locations based on our belief that this will enable us to expand the possibilities for various initiatives in the entertainment field.

## 2. Details of Acquired Assets

Amusement machines and equipment for mini-location operations, etc.

## 3. Acquisition cost

The acquisition price will not be disclosed due to confidentiality obligations with the counterparty.

## 4. Outline of the counterparty

(1)	Name	Global Solutions, Inc.	
(2)	Location	1-20-5 Ebisu-Nishi, Shibuya-ku, Tokyo	
(3)	Title and name of representative	Representative Director: Jun Kawate Representative Director: Daisuke Korai	
(4)	Business	Real estate business, amusement arcade operations, etc.	
(5)	Capital stock	10 million yen	
(6)	Date of Establishment	April 2008	
(7)	Major Shareholders and Shareholding Ratio	Not disclosed due to the other party's intention.	
(8)	Listed companies and Relationship with the Company	Capital ties	Na
		Personal relations	Na
		Business relations	Na
(9)	Immediately preceding fiscal year Net assets and total assets	Not disclosed due to the other party's intention.	

## 5. Outline of the Subsidiary

(1)	Name	GENDA Games Inc.
(2)	Location	9-1, Higashi-Shinbashi 1-chome, Minato-ku, Tokyo
(3)	Title and name of	Gen Yasukouchi, Representative Director and President

	representative	
(4)	Business	Amusement machine rental, online crane game operation, mini-location operation
(5)	Capital stock	10 million yen
(6)	Date of Establishment	May 2021
(7)	Share of equity	100% of the Company's total

#### 6. Acquisition schedule

(1)	Date of resolution by the Board of Directors	November 20, 2023
(2)	Date of Signing	November 20, 2023
(3)	Date of Closing	November 30, 2023 (scheduled)

#### 7. Future outlook

The impact of this matter will be included in the consolidated financial results from the fourth quarter of the fiscal year ending January 31, 2024, and the amount of impact is included in the revised consolidated financial forecast announced today.

If any new information becomes clear that should be announced, such as changes to the earnings forecast, we will disclose it promptly.