



November 20, 2023

To Our Valued Stakeholders

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

Notice of Acquisition of Shares of GAGA Corporation (Making it a Consolidated Subsidiary) and Change of Specified Subsidiary

GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and Chairman of the Board: Nao Kataoka; President and Representative Director: Mai Shin; hereinafter "GENDA") announced today that its Board of Directors has resolved to acquire 78.05% of the outstanding shares of GAGA Corporation (Headquarters: Minato-ku, Tokyo; President and CEO: Tom (Tatsumi) Yoda; hereinafter "GAGA"), a film distribution company, and to make it a subsidiary. GAGA's net assets for the immediately preceding fiscal year are equivalent to 30/100 or more of GENDA's net assets, and GAGA will become a specified subsidiary of the Company.

1. Reason for acquisition

Our aspiration is "More fun for your days" and our goal is to become the "World's No.1 Entertainment Company" by 2040. In the process of achieving this goal, we believe it is essential to expand and solidify the platform that forms the foundation of our "Entertainment Platform" business, while strengthening our "Entertainment Content" business.

GAGA is one of the world's leading independent film distributors, having distributed seven Oscar Best Picture winners in the 15 years since 2009 and four Palme d'Or winners in the last six years since 2018. While building a strong position in the visual content industry, the company has not rested on its laurels, but rather has been pursuing a "multi-portfolio strategy" that involves international film distribution, local film and anime production, international sales, international co-

production, game and character businesses derived from anime through omnidirectional windows including digital platform.

In addition, President and CEO Tom Yoda has a strong presence not only in the film industry but also in the entertainment industry, including television, publishing, and the music industry. We believe that this transaction will be an opportunity for the Group to build a new network in the entertainment industry. These networks are also expected to contribute to the expansion of the Group's character merchandising business utilizing IP, such as "prize games," which the Group is promoting as its mainstay business.

Through this acquisition of shares, our group, which aims to become the "world's number one entertainment company," will leverage GAGA's content procurement capabilities and network in the entertainment industry to further strengthen these capabilities and deliver new entertainment to our customers. We will further strengthen these capabilities to deliver new entertainment to our customers.

2. Outline of the subsidiary to be acquired

(1)	Name	GAGA Corporation		
(2)	Location	22-18, Minami-Aoyama 2-chome, Minato-ku, Tokyo		
(3)	Title and name of representative	President and CEO Tom(Tatsumi) Yoda		
(4)	Business	Film distribution business		
(5)	Capital stock	100 million yen		
(6)	Date of Establishment	January 28, 1986		
(7)	Major Shareholders and Shareholding Ratio	T.Y. Limited: 78.05%. Tatsumi Yoda: 21.95%. Equity interest as of the date of the transaction		
(8)	Listed companies and Relationship with the Company	Capital ties	Na	
		Personal relations	Na	
		Business relations	Na	
(9)	Operating results and financial condition of the company for the past three years			
	Accounting period	Year ending March 31, 2021	Year ending March 31, 2022	Year ending March 31, 2023
	Net assets	1,366 million yen	1,547 million yen	1,219 million yen

Total assets	4,871 million yen	5,451 million yen	5,038 million yen
Net assets per share	66,958.04 yen	75,824.88 yen	59,735.25 yen
Net sales	2,534 million yen	2,623 million yen	2,833 million yen
Operating income	30 million yen	131 million yen	-333 million yen
Ordinary income	34 million yen	186 million yen	-300 million yen
Net Income Attributable to Owners of the Parent	34 million yen	184 million yen	-331 million yen
Net income per share	1,646.28 yen	9,036.37 yen	-16,205.76 yen
Dividend per share	-	-	-

*GAGA expects to return to profitability in the fiscal year ending March 31, 2024.

3. Outline of the counterparty of the acquisition

(1)	Name	T.Y. Limited Inc.	
(2)	Location	22-18, Minami-Aoyama 2-chome, Minato-ku, Tokyo	
(3)	Title and name of representative	Chairman of the Board Tatsumi Yoda	
(4)	Business	Consulting Business	
(5)	Capital stock	100 million yen	
(6)	Date of Establishment	March 16, 1988	
(7)	Net assets and total assets for the immediately preceding fiscal year	Net assets: 2,837 million yen Total assets: 3,956 million yen	
(8)	Major Shareholders and Shareholding Ratio	Tom(Tatsumi) Yoda: 100.00%.	
(9)	Relationship between the listed company and the company in question	Capital ties	Na
		Personal relations	Na
		Business relations	Na
		Related Party Status	Na

4. Number of shares to be acquired, acquisition price and status of shares held before and after acquisition

Number of shares held before	0 shares
------------------------------	----------

the change	
Number of shares acquired	15,928 shares
Number of shares held after the change	15,928 shares (ownership ratio 78.05%)

*The acquisition price is less than 15% of the consolidated net assets of GENDA as of the end of the immediately preceding fiscal year, and is undisclosed based on the confidentiality agreement between the parties. The acquisition price was determined through discussions between the parties after reasonable consideration of the results of a stock valuation by outside experts and legal and financial research.

5. 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)

6. 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.