



April 23, 2024

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	Director, CFO	Taiju
(for inquiries)		Watanabe
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Notice of Acquisition of Shares in AMEX Co.,Ltd by a Consolidated Subsidiary (Making it a Consolidated Sub-subsidiary)

GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and Chairman of the Board: Nao Kataoka; Representative Director and President: Mai Shin; hereinafter "GENDA") announced today that its Board of Directors resolved at a meeting held today that GENDA GiGO Entertainment Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and President: Kazuhiro Ninomiya; hereinafter "GENDA GiGO Entertainment"), a consolidated subsidiary of GENDA, will acquire 100% of the outstanding shares of AMEX Co.,Ltd (Headquarters: Gifu City,Gifu; CEO: Satoru Manabe; hereinafter "AMEX"), which operates amusement facilities "FANTASIAN", and make AMEX a subsidiary of GENDA GiGO Entertainment.

This matter falls within the scope of the Tokyo Stock Exchange's "Minor Standards for Timely Disclosure of Matters Involving Changes in Subsidiaries, etc., including Transfers or Acquisitions of Shares or Equity Interests Involving Changes in Subsidiaries, etc.," and is disclosed on a voluntary basis.

1. Reason for acquisition

Our aspiration is "More fun for your days". GENDA GiGO Entertainment, the core of the GENDA Group's entertainment platform business, operates amusement arcades and is striving to expand its network of amusement arcades through new store openings and mergers and acquisitions in order to provide customers with even more enjoyable entertainment experiences.

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 Covid-19 virus outbreak, the 306.2 billion yen(*1) 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 the industry's major players, including the Group, are generating record profits in FY2022 indicates that the industry as a whole has emerged from the slump caused by the new Covid-19 virus and entered a phase of further growth. On the other hand, even the top 10 players in the industry have only about 50% of the domestic market share, and we believe that the market has room for industry restructuring. In this environment, we believe that it can provide entertainment experiences that can be enjoyed by more customers by implementing a so-called roll-up strategy of continuous M&A and investing its knowledge and management resources in companies that newly join the GENDA group or businesses that come under the management of the GENDA group. We believe that this will enable us to provide entertainment experiences that will be enjoyed by as many customers as possible.

AMEX operates three "FANTASIAN" amusement arcades in Aichi and Gifu prefectures. (As of April 23, 2024)

The participation of AMEX in our group is expected to increase the efficiency of both companies' store operations through the sharing of human resources and DX expertise between the amusement arcade operated by AMEX and the stores operated by GENDA GiGO Entertainment, as well as the introduction of our original prizes under the GiGO PRIZE brand of prizes developed by GENDA GiGO Entertainment and an increase in the purchasing power of amusement machines and prizes due to the increase in the number of stores are expected to boost the profits of both companies.

We will continue to strive to create attractive facilities to all customers who visit our amusement arcade.

(*1) Source: "Survey of the Amusement Industry Industry," Japan Amusement Industry Association

2. Outline of the consolidated subsidiary conducting the acquisition

(1)	Name	GENDA GiGO Entertainment Inc.
(2)	Location	1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo
(3)	Title and name of representative	Representative Director and President Kazuhiro Ninomiya
(4)	Business	Planning and operation of amusement arcade Planning and operation of restaurant facilities Mini-location business, etc.

(5)	Capital stock	50 million yen
(6)	Date of Establishment	April 1, 2004
(7)	Shareholders and Shareholding Ratio	GENDA Inc.: 100%.

3. Outline of the Sub-Subsidiary to be Acquired

(1)	Name	AMEX Co.,Ltd	
(2)	Location	3-68, Kamisanami-nishi, Yanaizu-cho, Gifu-shi, Gifu	
(3)	Title and name of representative	CEO Satoru Manabe	
(4)	Business	Operation of amusement arcade	
(5)	Capital stock	20 million yen	
(6)	Date of Establishment	June 2, 2005	
(7)	Shareholders and Shareholding Ratio	6 individuals: 100%.	
(8)	Relationship between the listed company and the Company	Capital ties	NA
		Personal relations	NA
		Business relations	NA

4. Outline of the counterparty of the acquisition

The counterparties to the share acquisition are six individual shareholders, the names of the counterparties will not be disclosed due to the wishes of the counterparties and confidentiality agreements between the parties. There are no capital, personal, or business relationships to be noted between GENDA and the counterparties of the share acquisition.

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

Number of shares held before the change	0 shares
Number of shares acquired	28,500 shares
Number of shares held after the change	28,500 shares (100% ownership)

*The acquisition price will not be disclosed 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.

6. Acquisition schedule

(1)	Date of resolution by the Board of Directors	April 23, 2024
(2)	Date of Signing	April 23, 2024
(3)	Date of Closing	June 1, 2024 (scheduled)

7. Future outlook

The impact of this matter on our group's business performance and financial position is expected to be minor. However, if a significant change in business conditions results in a financial impact, we will disclose such information as soon as it becomes clear.