



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 (for inquiries) | Director, CFO                                       | Taiju Watanabe     |
|                                     |   | (TEL 03-6281-4781) |

**Notice of GENDA Group's Reorganization**  
**(Transfer of Subsidiary, Company Split, and Merger)**

GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and Chairman of the Board: Nao Kataoka; Representative Director and President: Mai Shin; hereinafter "GENDA") announces that its consolidated subsidiaries, GENDA GiGO Entertainment Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and President: Kazuhiro Ninomiya; hereinafter "GENDA GiGO Entertainment"), GENDA Games Inc. (Headquarters: Minato-ku, Tokyo; Representative Director and President: Gen Yasukohchi; hereinafter "GENDA Games"), Kiddleton, Inc. (Headquarters: Dallas, Texas, USA; President & CEO: Atsushi Iyoda; hereinafter "Kiddleton"), Ares Company Limited (Headquarters: Minato-ku, Tokyo; Representative Director and President: Ryo Otomi; hereinafter "Ares Company"), and PLABI CORPORATION (Headquarters: Hitachi City, Ibaraki Prefecture; Representative Director and President: Kazuhiro Ninomiya; hereinafter "PLABI"), through a reorganization (Transfer of Subsidiary, Company Split, and Merger ) as described below.

Since this reorganization will be implemented between GENDA and its consolidated subsidiaries, some disclosure items and details are omitted.

I. Purpose of the Reorganization

This reorganization is intended to strengthen the Group's profitability in the amusement business by consolidating the amusement arcade operation business into GENDA GiGO

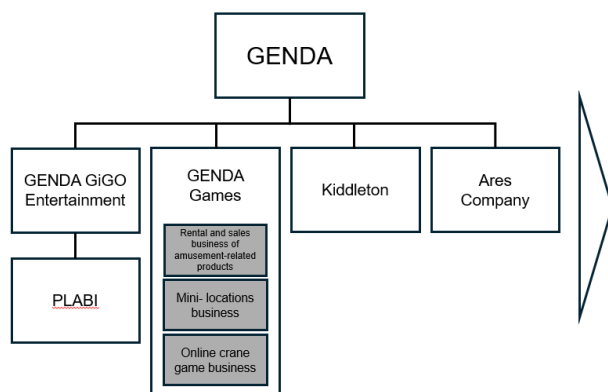
Entertainment and the rental and sales business of amusement-related products into Ares Company.

## II. Summary of the Reorganization

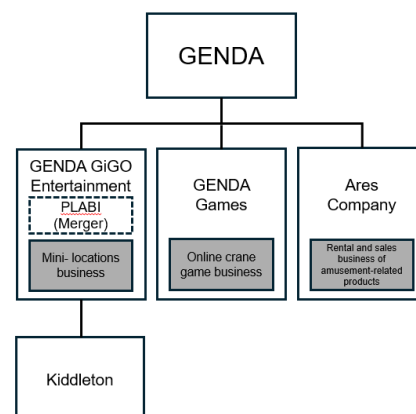
Kiddleton will be transferred to a subsidiary of GENDA GiGO Entertainment by means of a share transfer, and GENDA Games' mini-location business and PLABI will be integrated into GENDA GiGO Entertainment by means of an absorption-type company split and merger, respectively. In addition, GENDA Games' the rental and sales business of amusement-related products will be integrated into Ares Company through an absorption-type company split.

[Reference: Diagram of the Reorganization]

■ Before Reorganization



■ After Reorganization



## III. Overview of each company

### a. Transfer of Kiddleton shares from GENDA to GENDA GiGO Entertainment

#### 1. Outline of the subsidiary to be transferred

|     |                                  |  |
|-----|----------------------------------|--|
| (1) | Name                             | Kiddleton, Inc.  |
| (2) | Location                         | Dallas, Texas, U.S.A.  |
| (3) | Title and name of representative | President & CEO Atsushi Iyoda  |
| (4) | Business                         | Operation of Kids Play Zone facilities in the U.S.<br>Mini-location business in the U.S., etc. |
| (5) | Capital stock                    | 15,369 thousand U.S. dollars   |
| (6) | Date of Establishment            | July 2019  |

|                   |   |                                  |                                  |  |
|-------------------|---|----------------------------------|----------------------------------|--|
| (7)               | Share of equity   | GENDA Inc.: 100%.                |                                  |  |
| (8)               | Financial position and operating results for the past three years |                                  |                                  |  |
| Accounting period | Year ending<br>December 31, 2021                                  | Year ending<br>December 31, 2022 | Year ending<br>December 31, 2023 |  |
| Net assets        | 2,599 thousand<br>U.S. dollars                                    | 2,913 thousand<br>U.S. dollars   | 2,484 thousand<br>U.S. dollars   |  |
| Total assets      | 4,397 thousand<br>U.S. dollars                                    | 12,332 thousand<br>U.S. dollars  | 19,261 thousand<br>U.S. dollars  |  |
| Net sales         | 4,592 thousand<br>U.S. dollars                                    | 8,946 thousand<br>U.S. dollars   | 13,564 thousand<br>U.S. dollars  |  |

## 2. Outline of the counterparty of the transfer

|                   |   |   |                                 |  |
|-------------------|---|---|---------------------------------|--|
| (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<br>Planning and operation of restaurant facilities<br>Mini-location business, etc. |                                 |  |
| (5)               | Capital stock   | 50 million yen  |                                 |  |
| (6)               | Date of Establishment   | April 1, 2004   |                                 |  |
| (7)               | Share of equity   | GENDA Inc.: 100%.   |                                 |  |
| (8)               | Financial position and operating results for the past three years |   |                                 |  |
| Accounting period | Year ending<br>January 31, 2021                                   | Year ending<br>January 31, 2022   | Year ending<br>January 31, 2023 |  |
| Net assets        | 6,021 million yen   | 5,560 million yen   | 9,096 million yen               |  |
| Total assets      | 17,038 million yen  | 20,785 million yen  | 26,242 million yen              |  |
| Net sales         | 28,760 million yen  | 30,225 million yen  | 42,835 million yen              |  |

## 3. Number of shares transferred, transfer price and status of shares held before and after transfer

|   |                               |
|---|-------------------------------|
| Number of shares held before the change | 1,000 shares (100% ownership) |
| Number of shares transferred            | 1,000 shares                  |
| Number of shares held after the change  | 0 shares (0% ownership)       |

\*The transfer price will not be disclosed.

#### 4. Schedule of transfer

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

#### **b. Absorption-type demerger of the rental and sales business of amusement-related products from GENDA Games to Ares Company**

This matter falls within the scope of the Minor Standards for Timely Disclosure of Corporate Restructuring Activities such as Mergers of Subsidiaries, etc. established by the Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, certain items have been omitted.

##### 1. Summary of the Absorption-type Split

###### (1) Schedule of the Absorption-type Split

|     |   |                          |
|-----|---|--------------------------|
| (1) | Date of resolution by the Board of Directors<br>(Splitting company and successor company) | April 23, 2024           |
| (2) | Date of Signing   | April 23, 2024           |
| (3) | Date of the absorption-type demerger  | June 1, 2024 (scheduled) |

###### (2) Method of the Absorption-type Split

An absorption-type split in which GENDA Games will be the splitting company and Ares Company will be the successor company.

###### (3) Allotment of shares related to the Absorption-type Split

GENDA owns all shares of GENDA Games and Ares Company, and no shares or other money will be allocated upon the absorption-type split.

###### (4) Treatment of stock options and bonds with stock acquisition rights in connection with the Absorption-type Split

Not applicable.

###### (5) Capital to be Increased or Decreased by the Absorption-type Split

There will be no change in the amount of capital stock of GENDA Games and Ares Company as a result of this absorption-type split.

###### (6) Rights and obligations to be succeeded by Ares Company

Ares Company will succeed to the assets, liabilities, contracts and other rights and obligations of GENDA Games related to the rental and sales business of amusement-related products as of the effective date to the extent provided in the absorption-type demerger agreement.

(7) Prospect of fulfillment of obligations

The Company has determined that there are no problems with the prospects for performance of the obligations to be assumed by the successor company in the absorption-type demerger.

2. Outline of the Parties

|   | Split company   | Successor company                                     |
|---|---|---|
| (1) Name                                      | GENDA Games Inc.  | Ares Company Limited                                  |
| (2) Location                                  | 1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo   | 1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo             |
| (3) Title and name of representative          | Representative Director and President Gen Yasukohchi  | Representative Director and President Ryo Otomi       |
| (4) Business                                  | Rental and sales business of amusement-related products<br>Mini-location business<br>Online crane game business, etc. | Planning, manufacturing and wholesale of prizes, etc. |
| (5) Capital stock                             | 10 million yen  | 86.31 million yen                                     |
| (6) Date of Establishment                     | May 13, 2021  | May 11, 1999  |
| (7) Number of shares outstanding              | 1,000 shares  | 17,200 shares   |
| (8) Accounting period                         | end of January  | end of January  |
| (9) Major Shareholders and Shareholding ratio | GENDA Inc.: 100%.   | GENDA Inc.: 100%.                                     |

3. Description of business to be split off

Rental and sales business of amusement-related products

**c. Absorption-type demerger of mini-location business from GENDA Games to GENDA GiGO Entertainment.**

This matter falls within the scope of the Minor Standards for Timely Disclosure of Corporate Restructuring Activities such as Mergers of Subsidiaries, etc. established by the Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, certain items have been omitted.

1. Summary of the Absorption-type Split

(1) Schedule of the Absorption-type Split

|   |                          |
|---|--------------------------|
| (1) Date of resolution by the Board of Directors<br>(Splitting company and successor company) | April 23, 2024           |
| (2) Date of Signing   | April 23, 2024           |
| (3) Date of the absorption-type demerger  | June 1, 2024 (scheduled) |

(2) Method of the Absorption-type Split

An absorption-type split in which GENDA Games will be the splitting company and GENDA GiGO Entertainment will be the successor company.

(3) Allotment of shares related to the Absorption-type Split

GENDA GiGO Entertainment plans to deliver cash to GENDA Games as compensation for the absorption-type demerger. The specific amount will not be disclosed.

(4) Treatment of stock options and bonds with stock acquisition rights in connection with the Absorption-type Split

Not applicable.

(5) Capital to be Increased or Decreased by the Absorption-type Split

There will be no change in the amount of capital stock of GENDA Games and GENDA GiGO Entertainment as a result of this absorption-type split.

(6) Rights and obligations to be succeeded by GENDA GiGO Entertainment

GENDA GiGO Entertainment will succeed to the assets, liabilities, contracts and other rights and obligations of GENDA Games related to the mini-location business as of the effective date to the extent provided in the absorption-type split agreement.

(7) Prospect of fulfillment of obligations

The Company has determined that there are no problems with the prospects for performance of the obligations to be assumed by the successor company in the absorption-type demerger.

## 2. Basis, etc. of the Allotment of Shares in the Absorption-type Split

The calculation of the amount of money to be delivered by the successor company in the Absorption-type Split has been agreed upon as a fair and reasonable price upon consultation between the parties.

## 3. Outline of the Companies Involved

|   | Split company   | Successor company   |
|---|---|---|
| (1) Name                                      | GENDA Games Inc.  | GENDA GiGO Entertainment Inc.   |
| (2) Location                                  | 1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo   | 1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo   |
| (3) Title and name of representative          | Representative Director and President Gen Yasukohchi  | Representative Director and President Kazuhiro Ninomiya   |
| (4) Business                                  | Rental and sales business of amusement-related products<br>Mini-location business<br>Online crane game business, etc. | Planning and operation of amusement arcade<br>Planning and operation of restaurant facilities<br>Mini-location business, etc. |
| (5) Capital stock                             | 10 million yen  | 50 million yen  |
| (6) Date of Establishment                     | May 13, 2021  | April 1, 2004   |
| (7) Number of shares outstanding              | 1,000 shares  | 17,872 shares   |
| (8) Accounting period                         | end of January  | end of January  |
| (9) Major Shareholders and Shareholding ratio | GENDA Inc.: 100%.   | GENDA Inc.: 100%.   |

## 4. Description of business to be split off

Mini-location business

#### **d. Merger of PLABI by GENDA GiGO Entertainment**

This matter falls within the scope of the Minor Standards for Timely Disclosure of Corporate Restructuring Activities such as Mergers of Subsidiaries, etc. established by the Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, certain items have been omitted.

##### 1. Summary of the Merger

###### (1) Schedule of the Merger

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

\*This merger will be conducted by way of short-form merger.

###### (2) Method of the Merger

The merger is an absorption-type merger with GENDA GiGO Entertainment as the surviving company and PLABI as the dissolving company.

###### (3) Details of allotment of shares in relation to the Merger

GENDA GiGO Entertainment owns all shares of PLABI, and no shares or other money will be allocated upon the Merger.

###### (4) Treatment of stock options and bonds with stock acquisition rights of the dissolving company in connection with the Merger

Not applicable.

###### (5) Capital to be Increased or Decreased by the Merger

There will be no change in the amount of capital stock of GENDA GiGO Entertainment as a result of this merger.

##### 2. Outline of the Parties

|               | Surviving company                         | Extinct company  |
|---------------|---|--|
| (1) Name      | GENDA GiGO Entertainment Inc.             | PLABI CORPORATION  |
| (2) Location  | 1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo | 3-1-16 Benten-cho, Hitachi City, Ibaraki Prefecture, Japan |
| (3) Title and | Representative Director and President     | Representative Director and                                |



|   |   |                                      |
|---|---|--------------------------------------|
| name of representative                        | Kazuhiro Ninomiya   | President Kazuhiro Ninomiya          |
| (4) Business                                  | Planning and operation of amusement arcade<br>Planning and operation of restaurant facilities<br>Mini-location business, etc. | Operation of amusement arcade, etc.  |
| (5) Capital stock                             | 50 million yen  | 50 million yen                       |
| (6) Date of Establishment                     | April 1, 2004   | September 9, 1965.                   |
| (7) Number of shares outstanding              | 17,872 shares   | 3,214,380 shares                     |
| (8) Accounting period                         | end of January  | end of March                         |
| (9) Major Shareholders and Shareholding ratio | GENDA Inc.: 100%.   | GENDA Inc. GiGO Entertainment: 100%. |

#### IV. Situation after the Reorganization

There will be no change in the name, location, title and name of representative, capital stock, or fiscal year end of GENDA, GENDA GiGO Entertainment, Ares Company, Kiddleton, and GENDA Games as a result of this reorganization. Net assets and total assets are yet to be determined.

The business activities will be changed as follows

| Companies                | Before the Reorganization   | After the Reorganization                        |
|--------------------------|---|---|
| GENDA GiGO Entertainment | Planning and operation of amusement arcade<br>Planning and operation of restaurant facilities<br>Mini-location business, etc. | (No change)                                     |
| Ares Company             | Planning, manufacturing and wholesale of prizes, etc.   | Planning, manufacturing and wholesale of prizes |

|             |   |   |
|-------------|---|---|
|             |   | Rental and sales business of amusement-related products, etc. |
| Kiddleton   | Operation of Kids Play Zone facilities in the U.S.<br>Mini-location business in the U.S., etc.                        | (No change)   |
| GENDA Games | Rental and sales business of amusement-related products<br>Mini-location business<br>Online crane game business, etc. | Online crane game business                                    |

#### V. Future Outlook

GENDA does not expect this matter to have a material impact on its business performance and financial position. However, if a significant change in business conditions causes a financial impact, GENDA will promptly disclose such information as soon as it becomes clear.