



June 27, 2024

To Our Valued Stakeholders

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

**Notice Regarding Commencement of Tender Offer for
ONTSU Co., Ltd. (Code No.:7647)**

GENDA Inc. (the "Tender Offeror"). hereby announces that its Board of Directors, at a meeting held today, resolved to acquire ONTSU Co., Ltd. (Tokyo Stock Exchange, Inc. Standard Market, Securities Code: 7647, the "Target Company") through a tender offer as provided for in the Financial Instruments and Exchange Law. (Act No. 25 of 1948, including subsequent amendments. hereinafter referred to as the "Law").

1. Purpose of the Tender Offer

(1) Outline of the Tender Offer

The Tender Offeror resolved at its Board of Directors meeting held today to acquire all of the shares of the Target Company listed on the Standard Market of the Tokyo Stock Exchange (excluding treasury shares held by the Target Company and the shares of the Target Company owned by K.K. Digiunit ("Digiunit"), which will be described below) to make the Target Company a wholly-owned subsidiary of the Tender Offeror (the "Transaction"). As of today, the Tender Offeror does not own any shares of the Target Company.

The Tender Offeror executed Tender Agreement dated today with Mr. Kunihiko Okamura, President of the Target Company and the third largest shareholder (Number of shares held: 5,433,543 shares (Note 1), ownership ratio (Note 2): 2.67%), for 3,201,543 shares excluding the 2,232,000 restricted shares allotted to him, with Mr. Susumu Nakagawa, Vice President of the Target Company and the third largest shareholder (Number of shares held: 5,433,543 shares (Note 3), ownership ratio: 2.67%), for 3,201,543 shares excluding the 2,232,000 restricted shares allotted to him, and with Mr. Mamoru Kobayashi, Senior Managing Director of the Target Company and the sixth largest shareholder (Number of shares held: 4,027,500 shares (Note 4), shareholding ratio: 1.98%), for 3,201,543 shares excluding the 2,232,000 restricted shares allotted to him, respectively, and have agreed to tender 8,198,586 shares (shareholding ratio: 4.03%; hereinafter the "Tendered Shares"), excluding the Restricted Shares, of 14,894,586 shares of the Target Company (shareholding ratio: 7.33%) held by the Tendering Agreement Shareholders. (Mr. Kunihiko Okamura, Mr. Susumu Nakagawa and Mr. Mamoru Kobayashi are

hereinafter collectively referred to as the "Tendering Agreement Shareholders"). For details of the Tender Agreement, please refer to "(i) The Application Agreement" in "(3) Matters concerning material agreements relating to the Tender Offer" below.

(Note 1) The number of shares held by Mr. Kunihiko Okamura includes 2,232,000 restricted shares allocated to him (ownership ratio: 1.10%), and such restricted shares are not subject to the Tender Agreement because it is subject to transfer restrictions and cannot be tendered in the Tender Offer. In addition, as of today, Mr. Kunihiko Okamura indirectly owns 260,281 shares of the Target Company (rounded down to the nearest whole number) (ownership ratio: 0.13%), which corresponds to his interest through the Target Company's Officers' Shareholding Association, but such Target Company shares are not included in the number of shares owned.

(Note 2) The "Shareholding Ratio" is the ratio (rounded to two decimal places; the same shall apply hereinafter in the calculation of the Shareholding Ratio) to the number of shares (203,189,235 shares) obtained by deducting the number of treasury shares (3,661,410 shares) held by the Target Company as of March 31, 2024 from the total number of issued shares (206,850,645 shares) as of March 31, 2024 stated in the securities report for the 44th term filed by the Target Company on June 21, 2024 (the "Target Company Securities Report").

(Note 3) The number of shares held by Mr. Susumu Nakagawa includes 2,232,000 restricted shares allocated to him (ownership ratio: 1.10%), and such restricted shares are not subject to Tender Agreement because it is subject to transfer restrictions and cannot be tendered in the Tender Offer. In addition, as of today, Mr. Susumu Nakagawa indirectly owns 260,281 shares of the Target Company (rounded down to the nearest whole number) (ownership ratio: 0.13%), which corresponds to his interest through the Target Company's Officers' Shareholding Association, but such Target Company shares are not included in the number of shares owned.

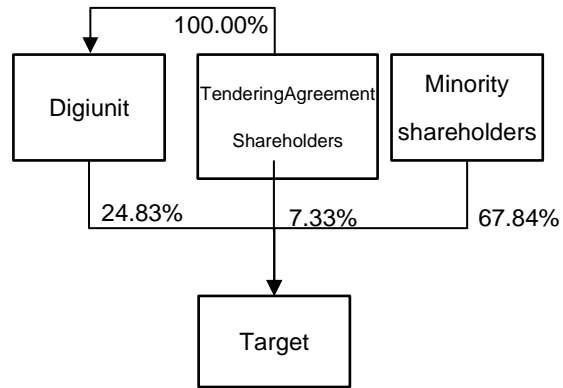
(Note 4) The number of shares held by Mr. Mamoru Kobayashi includes 2,232,000 restricted shares allocated to him (ownership ratio: 1.10%), and such restricted shares are not subject to Tender Agreement to tender because it is subject to transfer restrictions and cannot be tendered in the Tender Offer. In addition, as of today, Mr. Mamoru Kobayashi indirectly owns 260,281 shares of the Target Company (rounded down to the nearest whole number) (ownership ratio: 0.13%), which corresponds to his interest through the Target Company's Officers' Shareholding Association, but such Target Company shares are not included in the number of shares owned.

In addition, as part of the Transaction, the Tender Offeror has agreed with Tendering Agreement Shareholder to acquire all of the outstanding shares of Digiunit for cash consideration from the Tendering Agreement Shareholder to the Tender Offeror on the commencement date of settlement of the Tender Offer (the "Digiunit Share Transfer Date") subject to the Tender Offer being successfully completed. Digiunit is an asset management company owned 33.5%, 33.5%, and 33.0% by Kunihiko Okamura, Susumu Nakagawa and Mamoru Kobayashi respectively, and is the largest shareholder of the Target Company owning 50,443,500 shares of the Target Company (24.83%, "Non-Tendered Shares"),

(Omission)

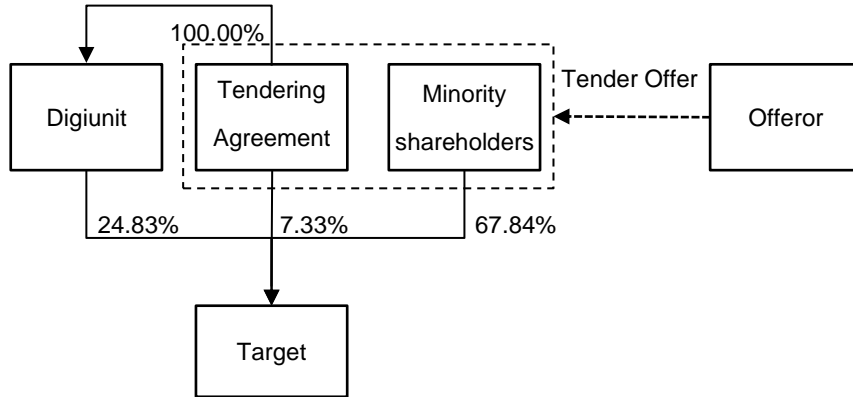
<Structured Diagram of the Transaction>

I. Before the Tender Offer (Current Status)



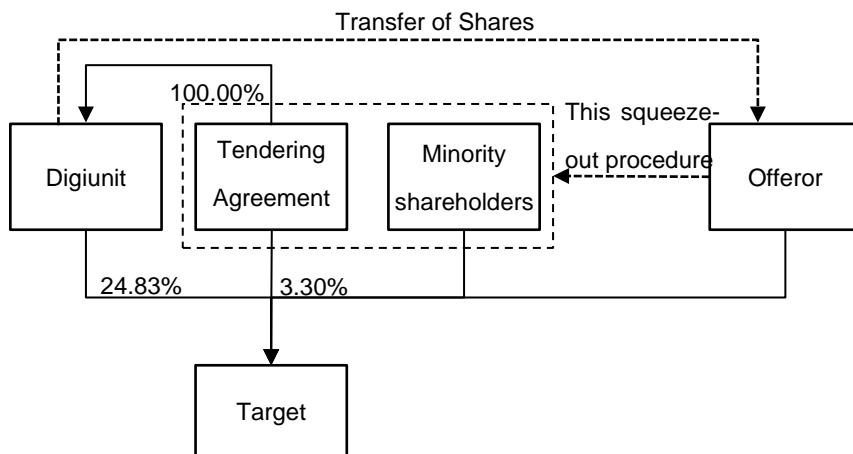
II. The Tender Offer

The Tender Offeror will conduct the Tender Offer for all of the Target Company's shares (excluding treasury shares held by the Target Company and the Non-Tendered Shares).

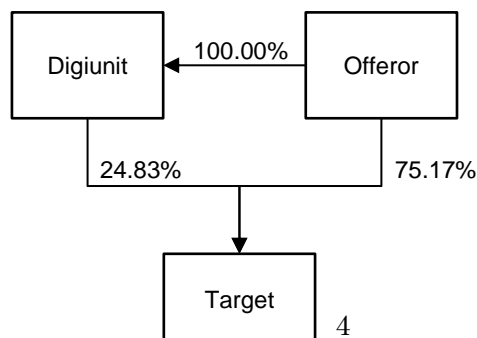


III. The Share Transfer and the Squeeze-Out Procedures (defined below)

After the Tender Offer is completed, the Target Company will be taken private through the Share Transfer and the Squeeze-Out Procedures.



IV. After Completion of the Transaction



The Tender Offeror has set 78,320,000 shares (shareholding ratio: 38.55%) as the minimum number of shares to be purchased in the Tender Offer. If the total number of shares tendered in the Tender Offer (the "Tendered Shares") is less than the minimum number of shares to be purchased (78,320,000 shares), none of the Tendered Shares will be purchased by the Tender Offeror. Because the Tender Offeror intends to make the Target Company a wholly-owned subsidiary of the Tender Offeror by acquiring all of the shares of the Target Company (excluding treasury shares held by the Target Company and the Non-Tendered Shares), the Tender Offeror has not set a maximum number of shares to be purchased, and if the total number of Tendered Shares exceeds the minimum number of shares to be purchased (78,320,000 shares), all the Tendered Shares will be purchased by the Tender Offeror.

(Omission)

According to the "Announcement of Opinion Concerning Tender Offer by GENDA Inc. for Share of the Company" (the "Target Company Press Release") released today by the Target Company, the Target Company resolved at its Board of Directors meeting held today to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

(Omission)

(2) Background, Purpose and Decision-Making Process of the Tender Offer, and Management Policy after the Tender Offer

(Omission)

(3) Matters concerning material agreements relating to the Tender Offer

(i) The Tender Agreement

As of June 27, 2024, the Tender Offeror entered into the Tender Agreement with each of the Tendering Agreement Shareholders, where Kunihiko Okamura agrees to tender 3,201,543 shares (shareholding ratio: 1.58%) excluding 2,232,000 restricted shares out of 5,433,543 shares of the Target Company shares he owns, Susumu Nakagawa agrees to tender 3,201,543 shares (Ownership Percentage: 1.58%) excluding 2,232,000 shares of the Restricted Shares out of 5,433,543 shares he owns, and Mamoru Kobayashi agrees to tender 1,795,500 shares (shareholding ratio: 0.88%) excluding 2,232,000 restricted shares out of 4,027,500 shares he owns. The total number of shares agreed to be tendered is 8,198,586 shares of the Target Company, and the total ownership ratio is 4.03%.

There are no preconditions for the application by each of the Tendering Agreement Shareholders in this application agreement with each Tendering Agreement shareholders.

(ii) The Share Transfer Agreement

The Tender Offeror and the Tendering Shareholders have agreed on June 27, 2024 that, subject to

the Tender Offer being successfully completed and the satisfaction of certain other conditions, the Tendering Shareholders will transfer their Digiunit shares to the Tender Offeror as of the date of Digiunit Share Transfer Date.

(Omission)

(4) Measures to ensure the fairness of the Tender Offer, including measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest

(Omission)

(5) Policy on matters including organizational restructuring after the Tender Offer (matters concerning the so-called two-step acquisition)

As described in "(1) Outline of the Tender Offer" above, the Tender Offeror will conduct the Tender Offer as part of the Transaction to make the Target Company a wholly-owned subsidiary of the Tender Offeror, and therefore, the Tender Offeror plans to acquire all of the Target Company shares (excluding treasury shares held by the Target Company and the Non-tender Agreement Shares) through the Tender Offer. If the Tender Offeror is unable to acquire all of the shares of the Target Company (excluding treasury shares held by the Target Company and the Non-Tendered Shares) through the Tender Offer, the certain Squeeze-Out Procedures are planned after the Tender Offer is completed.

(Omission)

(6) Likelihood of and reasons for delisting

The shares of the Target Company are listed on the Standard Market of the Tokyo Stock Exchange as of today. However, since the Tender Offeror has not set the maximum number of shares to be purchased in the Tender Offer, depending on the result of the Tender Offer, the shares of the Target Company may be delisted through prescribed procedures in accordance with the delisting standards established by the Tokyo Stock Exchange. Even if such criteria are not met at the time of completion of the Tender Offer, the Tender Offeror intends to make the Target Company a wholly-owned subsidiary of the Tender Offeror, and therefore, if the Tender Offer is completed, the Tender Offeror plans to conduct a certain Squeeze-Out Procedures. If such procedures are implemented, the shares of the Target Company will be delisted through prescribed procedures in accordance with the delisting standards established by the Tokyo Stock Exchange. After the delisting, the shares of the Target Company will no longer be able to be traded on the Tokyo Stock Exchange.

2. Outline of the Tender Offer, etc.

(1) Outline of the Target Company

1)	Name	ONTSU Co., Ltd.
2)	Location	1-1-10 Honjo Higashi, Kita-ku, Osaka City

3)	Title and name of the representative	Kunihiko Okamura, President	
4)	Business	Karaoke related business, Sports business and Intelligence Project business	
5)	Capital stock (As of March 31, 2024)	1,819.04 million yen	
6)	Date of Establishment	August 10, 1981	
7)	Major Shareholders and Shareholding Ratio (As of March 31, 2024)	K.K.Digiunit	24.38%
		DAIICHIKOSHO CO., LTD.	7.42%
		Kunihiko Okamura	2.67%
		Susumu Nakagawa	2.67%
		JP JPMSE LUX RE BARCLAYS CAPITAL SEC LTD EQ CO (Standing proxy: MUFG Bank, Ltd.)	2.07%
		Mamoru Kobayashi	1.98%
		BNYM SA/NV FOR BNYM FOR BNY GCM CLIENT ACCOUNTS M LSCB RD (Standing Proxy: MUFG Bank, Ltd.)	1.80%
		Morgan Stanley MUFG Securities Co., Ltd.	0.95%
		Mitsuo Izawa	0.82%
		Tomohiro Yoshida	0.76%
8)	Relationship between the Tender Offeror and the Target Company	Capital ties	Not applicable.
		Personal relations	Not applicable.
		Business relations	There are transactions such as equipment purchases between Shin Corporation, a member of the Tender Offeror's group, and ONTSU Co., Ltd. entertainment, a member of the Target Company's group.
		Related Party Status	Not applicable

(Note) "Major Shareholders and Shareholding Ratio" is taken from the "Status of Major Shareholders" stated in the 44th Annual Securities Report filed by the Target Company on June 21, 2024.

(2) Schedule, etc.

(i) Date

Date of resolution by the Board of Directors	Thursday, June 27, 2024
Date of Public Notice of Commencement of Tender Offer	Friday, June 28, 2024 Electronic public notice will be made and a notice to that effect will be published in the Nihon Keizai Shimbun. (electronic public notice address: https://disclosure2.edinet-fsa.go.jp/)
Filing date of the Tender Offer Registration Statement	Friday, June 28, 2024

(ii) Period of the Tender Offer, etc. at the time of filing

Friday, June 28, 2024 through Tuesday, August 13, 2024 (31 business days)

(iii) Possibility of extension based on the subject's request

Not applicable.

(iv) Contact for confirmation of extension of term

Not applicable.

(3) Tender Offer Price

33 Yen per share of common stock

(4) Basis of Calculation of Tender Offer Price, etc.

(Omission)

(5) Number of Share to be Purchased

Type of Share Certificates, etc.	Number of shares to be purchased	Minimum Number of Shares to be Purchased	Maximum number of shares to be purchased
Common stock	152,745,735 (shares)	78,320,000 (shares)	- (shares)
Total amount	152,745,735 (shares)	78,320,000 (shares)	- (shares)

(Note 1) If the total number of shares tendered is less than the minimum number of shares to be purchased (78,320,000 shares), none of the tendered shares will be purchased. If the total number of tendered share is equal to or more than the minimum number of shares to be purchased (78,320,000 shares), all of the tendered share will be purchased by the Tender Offeror.

(Note 2) The number of shares to be purchased represents the maximum number of shares of the Target Company to be acquired by the Tender Offeror through the Tender Offer. Such maximum number (152,745,735 shares) is the number of shares obtained by deducting the number of treasury shares (3,661,410 shares) held by the Target Company as of March 31, 2024 from the total number of outstanding shares (206,850,645 shares) as of the same date stated in the Target Company's Annual Securities Report, and then deducting the number of shares of the Non-tendering Agreement (50,443,735 shares).

(6) Change in the Percentage of Ownership of Share Certificates, etc. as a Result of the Tender Offer

Number of Voting Rights of the Tender Offeror before the Tender Offer	0	(Ownership Percentage of Shares before the Tender Offer: 0%)
Number of Voting Rights of the Specially Related Parties before the Tender Offer	661,186	(Ownership Percentage of Shares before the Tender Offer: 32.54%)
Number of Voting Rights of the Tender Offeror after the Tender Offer	1,527,457	(Ownership Percentage of Shares after the Tender Offer: 75.17%)
Number of Voting Rights of the Specially Related Parties after the Tender Offer	504,435	(Ownership Percentage of Shares after the Tender Offer: 24.83%)
Number of Voting Rights of all the shareholders of the Target Company	2,031,715	

(Note) (Omission)

(7) Purchase Price 33 Yen

(Note) The purchase price is the amount obtained by multiplying the number of shares to be purchased in the Tender Offer (152,745,735 shares) by the Tender Offer Price per share (33 yen).

(8) Method of settlement

- ① Name and location of the head office of the financial instruments business operator, bank, etc. in charge of settlement of the purchase, etc.

SMBC Nikko Securities Inc. 3-3-1 Marunouchi, Chiyoda-ku, Tokyo

- ② Settlement start date

Monday, August 19, 2024

- ③ Method of Settlement

After the end of the Tender Offer Period, the Tender Offeror will promptly mail a notice of purchase, etc. to the address or location of the shareholders who tender their shares in the Tender Offer ("Tendering Shareholders, etc.") (or their standing proxies in the case of foreign shareholders, etc.).

The purchase will be made in cash. The Tender Offer Agent will, in accordance with the instructions of the Tendering Shareholders, etc. (or the standing proxy in the case of foreign shareholders, etc.), remit the purchase price for the purchased shares to the place designated by the Tendering Shareholders, etc. (or the standing proxy in the case of foreign shareholders, etc.) without delay after the settlement commencement date.

- ④ Method of returning share certificates, etc.

(Omission)

(9) Other Conditions and Methods of the Tender Offer

(Omission)

(10) Date of Public Notice of Commencement of Tender Offer

Friday, June 28, 2024

(11) Tender Offer Agent

SMBC Nikko Securities Inc. 3-3-1 Marunouchi, Chiyoda-ku, Tokyo

3.Policies after the Tender Offer and Future Prospects

- (i) Policy after the Tender Offer

(Omission)

- (ii) Impact on and outlook for the Tender Offeror's consolidated financial results in the future

The impact of the Tender Offer on the Tender Offeror's business performance is currently under scrutiny and will be announced promptly if the need to revise the business performance forecast and facts that should be announced arise in the future.

4. Other

(1) Existence and details of the agreement between the Tender Offeror and the Target Company or its officers

(i) Endorsement of the Tender Offer

According to the Target Company Press Release, the Target Company's Board of Directors, at its meeting held today, resolved to express its opinion in favor of the Tender Offer and to recommend that the shareholders of the Target Company tender their shares in the Tender Offer.

(ii) Agreement between the Tender Offeror and the officers of the Target Company

The Tender Offeror has executed the Tender Agreement with the Tendering Agreement Shareholders and the Share Transfer Agreement with the Tendering Agreement Shareholders as of today.

(2) Other information deemed necessary for investors to decide whether to tender their shares for the Tender Offer

Announcement of "Notice of Revision of Dividend Forecast for the Fiscal Year Ending March 31, 2025 (No Dividend) and Abolition of Shareholder Benefits Plan

According to the "Notice Concerning Revision of Dividend Forecast for the Fiscal Year Ending March 31, 2025 (No Dividend)" released by the Target Company today, the Target Company resolved at its Board of Directors meeting held on the same day to revise the dividend forecast for the fiscal year ending March 31, 2025 announced on May 10, 2024, on the condition that the Tender Offer is completed, and not to pay interim and year-end dividends for the fiscal year ending March 31, 2025. The Target Company also resolved to abolish its shareholder benefits plan effective from the fiscal year ending March 2025. In addition, the Target Company has decided not to determine and deliver shareholder benefits from the interim period ending December 31, 2024. For details, please refer to the relevant announcement by the Target Company.

(Disclaimer)

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