

August 27, 2025

To Our Valued Stakeholders

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

### **Notice of the Acquisition of Shares of Indigo Newco Limited**

GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director, President and CEO: Nao Kataoka; hereinafter referred to as “Company”) hereby announces that we have resolved at a meeting of the Board of Directors held today to acquire 100% of the shares outstanding of Indigo Newco Limited (Headquarters: Staffordshire, England, UK; President and Chief Executive Officer: Brooks Harrison Pierce; hereinafter referred to as “Indigo”), which will receive, following a hive-down, an amusement arcade operation business run by its parent company, Inspired Gaming (UK) Limited (Headquarters: Staffordshire, England, UK; President and Chief Executive Officer: Brooks Harrison Pierce; hereinafter referred to as “Inspired Gaming (UK)”), and to make it a subsidiary as follows.

This matter falls within the scope of the Minor Standards for Timely Disclosure of “transfer or acquisition of shares or equity involving changes in a second-tier subsidiary or other matters involving changes in a second-tier subsidiary” stipulated by the Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, certain items have been omitted.

#### **1. Reason for the acquisition**

The Company and its group companies (hereinafter collectively referred to as “GENDA”) have set the aspiration of “More fun for your days” and aims to build a global entertainment network and increase the “total amount of fun” distributed throughout the world to achieve this aspiration. In the process of building our unique Entertainment Ecosystem by M&A, while expanding our “Entertainment Platform,” primarily focusing on amusement arcades, both domestically and internationally, we have been proactively conducting M&A of entertainment companies and businesses that can be expected to have synergy effects within our Entertainment Ecosystem, transcending the inherent volatility of the entertainment business and establishing a structure in which the companies mutually contribute to business expansion and profits growth within GENDA.

Inspired Gaming (UK) operates approximately 100 amusement arcades and approximately 125 mini-locations (\*1) across approximately 170 facilities (\*2) mainly located within holiday parks and other entertainment venues throughout the UK (as of August 2025) and plans to transfer the amusement arcade operation business to Indigo before this acquisition of shares. “Holiday Park” is a type of mass-market, resort-style accommodation that combines glamping facilities with various entertainment options. Many lodges, similar to trailer homes, are set up in a natural setting. Renting out an entire lodge for a family stay has become a popular way to spend a vacation in Europe. Besides the lodges, holiday parks also offer a variety of entertainment facilities such as amusement arcades, swimming pools, athletic areas, and show theaters, allowing guests to enjoy recreation and dining without leaving the park. Holiday parks have a stable customer base that is not affected by economic trends, as they are a popular way for the public to spend their vacation. Within these parks, amusement arcades have stable cash flow generation as entertainment that is not dependent on the weather. Besides, it is possible to develop large-scale facilities with over 500 game machines, or smaller ones with 60 to 70 machines, by leveraging the locations within large resorts. Revenue is seasonal, with peaks occurring during long holiday periods when families stay for extended periods, especially during Easter and summer vacation (April to October). Therefore, we expect this business to partially offset the seasonal performance fluctuations of our existing businesses, which are heavily weighted toward the second half of the year (August to January).

GENDA operates three mini-locations in London, UK (as of August 2025) and has plans for numerous future openings. With this acquisition of shares, in addition to the existing mini-locations, we will start operating large-scale amusement arcades in the UK as well. The British indoor amusement arcade market had a market size of approximately 2.9 billion US dollars (about 440.0 billion yen) as of 2024 and is expected to grow to about 5.0 billion US dollars (about 750.0 billion yen) by 2030. We believe that the market is not only comparable in size of Japan’s amusement arcade market of approximately 500.0 billion yen (\*3), but its per capital average customer spend is higher than that of Japan (\*4). In this expanding market, we will deploy contents based on popular Japanese IP and Japanese-style “Kawaii” contents, which are GENDA’s strengths, and aim to expand our business through synergies.

GENDA has acquired amusement arcade operators in the US through M&A and been conducting PMI (Post Merger Integration). Through a PMI initiative, we replaced the game machines at acquired locations to Japanese-style small claw machines (small arcade games where the goal is to win a prize) and “Kawaii” prizes, which were new to the US market (hereinafter “SWAP initiative”). The SWAP initiative resulted in a substantial increase in profitability and revenue growth of approximately 2.1 times (\*5) compared to before the PMI. Subsequently, in relatively large locations, we implemented an initiative to add new machines instead of replacing the existing ones (hereinafter “Add on Initiative”) and monthly sales per unit of mini claw machine at locations implementing the Add initiative recorded 1.2 times the same metric at locations implementing the SWAP initiative. After installing new mini claw machines and positioning them at the front of our stores, we saw sales increase not only from these new machines but also from our existing ones. The

new machines acted as a draw, successfully attracting more customers. As a result, the same store sales overall increased significantly by approximately 1.5 times, before and after PMI even though mini claw machines account for a small percentage of the total at the sites where the Add on initiative was implemented (\*6). Assuming both the SWAP and Add on initiatives were implemented at the same location, the Add on initiative's cash recoupment period would be even shorter - approximately 70% of the SWAP initiative's - making its return on investment exceptionally high. We are currently implementing additional initiatives, such as introducing prizes based on popular Japanese IPs, and we expect this to further boost our earnings. We are confident that the Add on initiative will significantly contribute to store performance and aim to achieve similar increase in profitability by also applying this initiative to the locations which we will acquire after they are transferred to Indigo. By sharing our knowledge and connections, we also aim to boost earnings for both parties, for instance by opening mini-locations in holiday parks.

With the Aspiration of “More fun for your days,” GENDA will keep delivering a variety of entertainment experiences.

(\*1) Mainly a gaming corner with 30 or less game machines installed

(\*2) Facilities include family entertainment centers and adult gaming centers

(\*3) Source: “Amusement Industry Report” by Japan Amusement Industry Association

(\*4) Source: “UK Indoor Amusement Center Market Size & Outlook” by HORIZON GRAND VIEWRESEARCH. The UK's indoor amusement arcade market includes arcade games, AR-VR games, indoor go-karts, indoor adventure parks, bowling alleys, children's entertainment & education area and trampoline parks.

(\*5) PMI performance was measured by comparing four months of sales data from 461 locations of National Entertainment Network, LLC, which we acquired in November 2024. The locations were selected from those where machine replacements were completed by the end of April 2025 and the data before and after the replacement was available, and the data was compared on a like-for-like basis.

(\*6) The PMI results were calculated based on nine of the 60 stores where the Add on initiative was implemented at the locations of Player One Amusement Group Inc., acquired in July 2025, and where more than one month has passed since the implementation.

## 2. Outline of the subsidiary to be acquired

(1)	Name	Indigo Newco Limited (UK Company Number: 15963559)
(2)	Location	First Floor, 107 Station Street, Burton-on-Trent, Staffordshire DE14 1SZ, UK
(3)	Title and name of Representative	President and Chief Executive Officer, Brooks Harrison Pierce
(4)	Business	Amusement arcade operation business
(5)	Capital	110 British pounds
(6)	Date of establishment	September 18, 2024

(7)	Shareholding ratio	Inspired Gaming (UK) Limited: 100%	
(8)	Relationship between the listed company and the company concerned	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable

We plan to disclose their operating results and financial conditions after the figures are finalized because we are currently scrutinizing them.

### 3. Outline of the consolidated subsidiary to acquire the shares

(1)	Name	GENDA Europe Ltd.
(2)	Location	Hamilton House, Mabledon Place, London, WC1H 9BB, UK
(3)	Title and name of Representative	CEO, Ryo Ohtomi
(4)	Business	Operation of amusement arcades and mini-locations in Europe
(5)	Capital	1.1 million British pounds
(6)	Date of establishment	August 28, 2024
(7)	Shareholding ratio	GENDA Inc.: 100%

### 4. Outline of the counterparty of the acquisition

(1)	Name	Inspired Gaming (UK) Limited	
(2)	Location	First Floor, 107 Station Street, Burton-on-Trent, Staffordshire DE14 1SZ, UK	
(3)	Title and name of Representative	President and Chief Executive Officer, Brooks Harrison Pierce	
(4)	Business	Game and amusement related business	
(5)	Capital	10,000 thousand British pounds	
(6)	Date of establishment	May 18, 1998	
(7)	Shareholding Ratio	Inspired Entertainment, Inc.: 100%	
(8)	Relationship between the listed company and the company concerned	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable
		Related Party Status	Not applicable

### 5. Number of shares acquired, acquisition cost and status of shares held before and after acquisition

Number of shares held before change	0 share
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Number of shares acquired	110 shares	
Acquisition cost	Acquisition cost	(Estimated) 18,639 thousand British pounds
	Advisory fees, etc.	(Estimated) 1,274 thousand British pounds
	Total amount	(Estimated) 19,913 thousand British pounds
Number of shares held after change	110 shares (ownership ratio 100%)	

(Note)

The acquisition cost, advisory fees, etc. and the total amount in yen terms (TTM rate at the end of July 2025: 197.93 yen per British pound) are as follows.

Acquisition cost	(Estimated) 3,689 million yen
Advisory fees, etc.	(Estimated) 252 million yen
Total amount	(Estimated) 3,941 million yen

#### 6. Schedule for the acquisition

(1)	Date of resolution by the Board of Directors	August 27, 2025
(2)	Date of Signing	August 27, 2025
(3)	Date of Closing	November 3, 2025 (scheduled)

#### 7. Future outlook

We expect that the impact of this matter on our consolidated business performance and financial position for the fiscal year ending on January 31, 2026, will be minor. However, if a significant change in business conditions results in a financial impact, we will promptly disclose such information as soon as it becomes clear.