

October 29, 2025

To Our Valued Stakeholders

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

**Notice of the Acquisition of Amusement Arcade Operation Business of Newo Enterprises, Inc. by our Consolidated Subsidiary**

GENDA Inc. (Headquarters: Minato-ku, Tokyo; Representative Director, President and CEO: Nao Kataoka) and its group companies (hereinafter collectively referred to as “GENDA”) hereby announce that we have resolved at a meeting of the Board of Directors held today to acquire the amusement arcade operation business of Newo Enterprises, Inc. (Headquarters: Florida, USA; Vice President: Kelly Owen; hereinafter “Newo Enterprises”) (hereinafter “Business Acquisition”) as follows.

This matter falls within the scope of the Minor Standards for Timely Disclosure of “transfer or acquisition of all or part of business” stipulated by the Tokyo Stock Exchange, Inc. and is disclosed on a voluntary basis; therefore, certain items have been omitted.

1. Reason for the Business Acquisition

GENDA has 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.

Newo Enterprises operates amusement arcades and mini-locations in Florida, the U.S. It operates its locations within resort hotels. In conjunction with Barberio Music Company (Headquarters: Texas, USA; President: Ernest John Barberio; Vice President: Ernest Jordan Barberio), which is a group company of GENDA and operates the mini-location business in the U.S., we will aim to increase our market share and

expand our network for mini-locations within hotels and resort facilities.

GENDA has acquired amusement arcade operators in the U.S. through M&A and been conducting PMI (Post Merger Integration). Through a PMI initiative, we replaced the game machines at acquired locations with 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 (\*1) 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 (\*2). 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 from Newo Enterprises. We also aim to boost earnings for both parties by sharing our knowledge and connections.

In order to realize the Aspiration of “More fun for your days,” GENDA will continue to deliver a diverse range of entertainment experiences.

(\*1) 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.

(\*2) 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 Business Acquisition

### (1) Details of the Business Acquisition

Amusement arcade operation business (nine amusement arcades)

(2) Operating results of the content of the Business Acquisition for the fiscal year immediately preceding  
Revenue 2,952,000 U.S. dollars (\*)

(\*) Revenue of 10 amusement arcades, including one scheduled to close before the Business Acquisition

(3) Items and amounts of assets and liabilities subject to the Business Acquisition

We are currently scrutinizing items and amounts of assets and liabilities subject to the Business Acquisition.  
The assets and liabilities subject to the Business Acquisition will be those assets and liabilities belonging to the target business that are mutually agreed upon by both parties.

(4) Acquisition price and settlement method

We will refrain from disclosing the acquisition price. The acquisition price falls within the scope of the Minor Standards for Timely Disclosure of “transfer or acquisition of all or part of business” stipulated by the Tokyo Stock Exchange, Inc.

Regarding the settlement method, cash settlement using on-hand cash and deposits is planned on the business acquisition date.

3. Outline of the consolidated subsidiary to acquire the business

|                                      |                                                                   |  |
|--------------------------------------|-------------------------------------------------------------------|--|
| (1) Name                             | National Entertainment Network, LLC                               |  |
| (2) Location                         | 246 South Taylor Avenue, Suite 200 Louisville, Colorado 80027 USA |  |
| (3) Title and name of Representative | President and CEO Atsushi Iyoda                                   |  |
| (4) Business                         | Mini-location business                                            |  |
| (5) Date of Establishment            | August 23, 1995                                                   |  |
| (6) Shareholding ratio               | Kiddleton, Inc.: 100%                                             |  |

4. Outline of the counterparty

|                                                             |                                             |                |
|-------------------------------------------------------------|---------------------------------------------|----------------|
| (1) Name                                                    | Newo Enterprises, Inc.                      |                |
| (2) Location                                                | 1936 Premier Row Orlando, Florida 32819 USA |                |
| (3) Title and name of Representative                        | Vice President Kelly Owen                   |                |
| (4) Business                                                | Amusement arcade operation business, etc.   |                |
| (5) Capital                                                 | 100 U.S. dollars                            |                |
| (5) Date of establishment                                   | July 25, 1997                               |                |
| (6) Relationship between the listed company and the company | Capital relationship                        | Not applicable |
|                                                             | Personnel relationship                      | Not applicable |
|                                                             | Business relationship                       | Not applicable |

|           |                      |                |
|-----------|----------------------|----------------|
| concerned | Related party status | Not applicable |
|-----------|----------------------|----------------|

5. Schedule for the Business Acquisition

|                                                  |                              |
|--------------------------------------------------|------------------------------|
| (1) Date of resolution by the Board of Directors | October 29, 2025             |
| (2) Date of Signing                              | October 29, 2025             |
| (3) Date of Closing                              | December 1, 2025 (scheduled) |

6. Outline of the accounting treatment

The Business Acquisition is expected to be classified as an “acquisition” under the Accounting Standards for Business Combination. We are scrutinizing the allocation of acquisition costs and the amount of goodwill associated with this treatment currently.

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.