

Company name: RAKSUL INC.
Representative: Yo Nagami
Representative Director, President and Group CEO
(TSE Prime Market Code No. 4384)
Contact: Masaru Sugiyama
Group CFO, SVP of Finance & Sustainability

Notice Regarding Establishment of Subsidiary through Company Split
(Simplified Incorporation-Type Company Split)

RAKSUL INC. (hereinafter the “Company”) resolved at the Board of Directors meeting held on December 12, 2024 to transfer the system development and operational support business (hereinafter the “Business”), which is categorized under the "Other" segment that is not included in the reportable segments, through an incorporation-type company split (hereinafter the “Company Split”) to a company to be established, named Elastic Infra Inc., effective April 1, 2025 (scheduled). Details of the Company Split are as described below.

As the Company Split will be conducted solely by the Company, the particulars and content for disclosure have been partially omitted.

1. Reason for the Company Split

The Business officially began to start providing services to external customers in 2016 while building and strengthening the Company's IT infrastructure system. Amid changes in the business environment surrounding the Company and diversification of customer base continues to grow., the Company has pursued autonomous organizational management to acquire high expertise and technology, striving to maximize value provided to customers. The Company Split aims to further strengthen expertise and business competitiveness while achieving more agile decision-making and flexible organizational management.

2. Overview of the Company Split

(1) Company Split schedule

Resolution at Board of Directors meeting approving the company split plan: December 12, 2024

Date of the company split (effective date): April 1, 2025 (scheduled)

Note: As the Company Split meets the requirements for a simplified company split in accordance with the provisions of Article 805 of the Companies Act of Japan, the Company does not require approval at the General Meeting of Shareholders.

(2) Method of the Company Split

This is an incorporation-type company split, with the Company as the splitting company and Elastic Infra Inc. as the newly established company.

(3) Allocation of shares related to the Company Split

The newly established Elastic Infra Inc. will issue 10,000 shares of common stock and allot all of the shares to the Company.

(4) Handling of share options and bonds with share options upon the Company Split

Not applicable.

(5) Change in capital due to the Company Split

There will be no changes in the capital of the Company due to the Company Split.

(6) Rights and obligations to be succeeded by the newly established company

The newly established Elastic Infra Inc. will succeed the assets, liabilities, contractual status, and other rights and obligations with respect to the Business prescribed in the incorporation-type company split plan.

(7) Prospects for fulfilling financial obligations

The Company foresees no concerns in the certainty of fulfillment of financial obligations borne by the newly established Elastic Infra Inc. pertaining to the Company Split.

3. Outline of the splitting company and the newly established company

	Splitting company (As of October 31, 2024)	Newly established company (Scheduled as of April 1, 2025)
Company name	RAKSUL INC.	Elastic Infra Inc.
Location	2-24-9 Kamiosaki Shinagawaku, Tokyo 141-0021 JAPAN	1-3-1, Azabudai, Minato-ku, Tokyo 106-0041 JAPAN
Representative	Representative Director, President and CEO Yasukane Matsumoto	Representative Director Kyohei Watanabe
Business overview	Printing & offline advertising platform “Raksul”, cardboard/packaging materials ordering platform “Danball One”	System development and operational support business
Share capital	¥2,805 MM	¥10 MM
Date of establishment	September 1, 2009	April 1, 2025 (scheduled)
Number of issues shared	59,015,447 shares	10,000 shares (scheduled)
Fiscal year-end	July 31	July 31
Major shareholders and shareholding ratio (As of October 31, 2021)	The Master Trust Bank of Japan, Ltd. (Trust Account) 16.27% Yasukane Matsumoto 13.04% Custody Bank of Japan, Ltd. (Trust Account) 10.52%	RAKSUL INC. 100.00%

Note: The splitting company plans to relocate to 1-3-1 Azabudai, Minato-ku, Tokyo, 106-0041 JAPAN in February 2025.

Financial position and performance of the splitting company in the past fiscal year

	Fiscal year ended July 31, 2024 (Consolidated)
Net assets	¥15,678 MM
Total assets	¥43,863 MM
Net assets per share	¥243.80
Net sales	¥51,121 MM
Operating profit	¥2,523 MM
Ordinary profit	¥2,041 MM
Net profit attributable to owners of parent	¥2,118 MM
Earnings per share	¥36.33

4. Overview of the business to be split

(1) Details of the business to be split

System development and operational support business

(2) Financial performance of the business to be split (Fiscal year ended July 31, 2024)

Net sales ¥330 MM

(3) Items and book value of assets and liabilities to be split (as of November 30, 2024)

Assets		Liabilities	
Items	Book value	Items	Book value
Current assets	¥56 MM	Current liabilities	¥23 MM
Non-current assets	- MM	Non-current liabilities	- MM
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Total	¥56 MM	Total	¥56MM

Note: The actual amount of assets and liabilities to be split will be settled after reflecting the changes in the amount up to the effective date of the Company Split.

5. Status of the Company after the Company Split

There will be no change in the Company's name, representative, business overview, share capital or fiscal year-end due to the Company Split.

6. Future Outlook

The impact on the Company's business results due to the Company Split is limited. Should it become necessary to revise the financial forecast or should matters arise that need be announced in the future, such information will be promptly disclosed.