

February 26, 2026

NEWS RELEASE

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| Public Listing | Drecom Co., ltd. |
| Company Name | |
| Representative | Representative Director, President Yuki Naito |
| (Code number: | 3793) |
| Contact person in charge | Director Hideki Goto |
| (TEL: | 050-3101-9977) |

Notice Regarding Changes in Consolidated Subsidiaries (Transfer of Shares)

At the meeting of the Board of Directors held on February 26, 2026, the Company resolved to transfer the shares it holds in its consolidated subsidiaries, studiorex Co., Ltd. and BlasTrain Co., Ltd., to Culture Entertainment Group Inc. Details are as follows.

1. Reason for the transfer

Our company is transitioning from being a business specializing in the planning, development, and operation of current mobile games to a company with strengths not only in games but also in all areas of IP production, including publishing, animation, and merchandising (MD). We aim for growth by continuously creating and gathering strong IPs, developing them across multiple fields, nurturing them to a certain scale, and monetizing them.

From the perspective of our company's sustainable growth and enhancement of corporate value, we have decided to transfer the shares of two consolidated subsidiaries in the game business segment to a transferee company as part of a review of our business portfolio.

The two titles operated by the target company are long-running titles that account for approximately 10% of the sales ratio in our group's game business (as of Q3 of the fiscal year ending March 2026). However, even after this transfer, our company will continue to operate nine titles, including our main title 'Wizardry Variants Daphne' and other long-running titles, and there will be no change in the fact that the game business remains our core business.

With regard to new business areas related to IP production, such as publishing, animation, and merchandising (MD), we remain in the investment phase and expenses are being incurred ahead of revenues. However, going forward, we will continue to promote growth in these IP production areas and aim to transform into a company with strengths in each of these fields.

In addition, our company and Culture Entertainment Group Inc. will take this opportunity to promote comprehensive collaboration that leverages the strengths of both parties, not only in the field of games but also in IP planning and development, and will consider establishing a cooperative framework for media mix initiatives.

2. Overview of the subsidiary to be transferred

(1) studiorex Co., Ltd.

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| (1) | Name | studiorex Co., Ltd. |
| (2) | Location | 2-1-1 Osaki, Shinagawa-ku, Tokyo |
| (3) | Title and Name of Representative | Representative Director and President, Nobuyuki Aimi |
| (4) | Business Description | Planning, development, and operation of smartphone game applications (such as 'BOKU & DRAGONS' and 'NEKO & DRAGONS') |

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|-----|--|------------------------------------|--|-------------------------------|
| (5) | Capital | 5 million yen | | |
| (6) | Date of establishment | March 2, 2020 | | |
| (7) | Major shareholders and shareholding ratios | Drecom Co., Ltd. 100 shares (100%) | | |
| (8) | Relationship between the public listing company and the relevant company | Capital relationships | We hold all shares of the said company. | |
| | | Personal relationships | We dispatch directors and other personnel from our company. | |
| | | Business relationship | We provide support for administrative operations and related services. | |
| (9) | Operating results and financial position of the company for the past three years | | | |
| | Financial results period | Fiscal year ended March 31, 2023 | Fiscal year ended March 2024 | Fiscal year ending March 2025 |
| | Net assets | 1,076 million yen | 905 million yen | 672 million yen |
| | Total assets | 1,334 million yen | 1,048 million yen | 896 million yen |
| | Net assets per share | 10,768,906 yen | 9,052,725 yen | 6,721,882 yen |
| | Sales revenue | 1,683 million yen | 1,574 million yen | 1,467 million yen |
| | Operating profit | 600 million yen | 354 million yen | 507 million yen |
| | Operating income | 604 million yen | 364 million yen | 515 million yen |
| | Net income | 424 million yen | 8 million yen | 336 million yen |
| | Net income per share | 4,249,943 yen | 83,818 yen | 3,369,157 yen |
| | Dividends per share | 1,800,000 yen | 5,700,000 yen | 3,400,000 yen |

(2) BlasTrain Co., Ltd.

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|-----|--|---|---|-------------------------------|
| (1) | Name | BlasTrain Co., Ltd. | | |
| (2) | Location | 2-1-1 Osaki, Shinagawa-ku, Tokyo | | |
| (3) | Title and Name of Representative | Representative Director and President, Yoshio Okumura | | |
| (4) | Business Description | Planning, production, development, and operation of games Illustration and animation production | | |
| (5) | Capital | 5 million yen | | |
| (6) | Date of establishment | April 1, 2013 | | |
| (7) | Major shareholders and shareholding ratios | Drecom Co., Ltd. 340 shares (100%) | | |
| (8) | Relationship between the public listing company and the relevant company | Capital relationships | We hold all shares of the said company. | |
| | | Personal relationships | We dispatch directors and other personnel from our company. | |
| | | Business relationship | In our game business, we procure products from the said company and outsource certain operations to it. The sales ratio of the said company to our company is 87.5% (fiscal year ending March 2025). In addition, we provide support for administrative operations, among other services. | |
| (9) | Operating results and financial position of the company for the past three years | | | |
| | Financial results period | Fiscal year ended March 31, 2023 | Fiscal year ended March 2024 | Fiscal year ending March 2025 |
| | Net assets | 316 million yen | 286 million yen | 241 million yen |
| | Total assets | 533 million yen | 429 million yen | 332 million yen |

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|----------------------|-------------------|-------------------|-----------------|
| Net assets per share | 930,527 yen | 841,951 yen | 710,554 yen |
| Sales revenue | 1,038 million yen | 1,101 million yen | 910 million yen |
| Operating profit | 218 million yen | 264 million yen | 160 million yen |
| Operating income | 218 million yen | 256 million yen | 161 million yen |
| Net income | 163 million yen | 169 million yen | 105 million yen |
| Net income per share | 480,369 yen | 499,659 yen | 309,779 yen |
| Dividends per share | 588,235 yen | 441,176 yen | 441,176 yen |

3. Overview of the counterparty to the share transfer

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|------|--|---|----------------------------------|
| (1) | Name | Culture Entertainment Group Inc. | |
| (2) | Location | 3-1-1, Kami-Osaki, Shinagawa-ku, Tokyo | |
| (3) | Title and Name of Representative | Representative Director, President and CEO, Kazuo Nakanishi | |
| (4) | Business Description | Management of subsidiaries engaged in planning and production in the entertainment field, such as video, music, publishing, and merchandise, etc. | |
| (5) | capital | 1,484 million yen (including capital reserve) | |
| (6) | Date of establishment | December 1, 2014 | |
| (7) | net assets | 4,470 million yen | |
| (8) | total assets | 18,457 million yen | |
| (9) | Major shareholders and shareholding ratios | CE Holdings Co., Ltd. 17.0% KN Partners Co., Ltd. 13.7% TN Partners Co., Ltd. 0.7% | |
| (10) | Relationship between the public listing company and the relevant company | Capital relationships | There are no applicable items. |
| | | Personal relationships | There are no applicable matters. |
| | | Business relationship | There are no applicable matters. |
| | | Status of Related Parties | There are no applicable matters. |

4. Number of shares transferred and status of share ownership before and after acquisition

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| (1) | Number of shares held before the change | studiorex Co., Ltd.: 100 shares (100%) BlasTrain Co., Ltd.: 340 shares (100%) |
| (2) | Number of shares transferred | studiorex Co., Ltd.: 100 shares BlasTrain Co., Ltd.: 340 shares |
| (3) | Number of shares held after the change | studiorex Co., Ltd.: 0 shares (0%) BlasTrain Co., Ltd.: 0 shares (0%) |

*The transfer price will not be disclosed due to confidentiality obligations between the parties. However, after comprehensively considering the target company's most recent financial condition and future business plans, and following objective and sincere negotiations with the transferee, we have agreed and determined the price at an appropriate level.

5. Schedule

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| (1) | Date of board of directors' resolution | February 26, 2026 |
| (2) | Contract execution date | February 26, 2026 |

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| (3) Share transfer execution date | March 31, 2026 (scheduled) |
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6. Future Outlook

As a result of this share transfer, it is expected that a gain on sale of shares of affiliates will be recorded as extraordinary income in the consolidated financial results for the fiscal year ending March 2026, and accordingly, consolidated net income is expected to return to profitability. However, as the exact amount is currently under review, we will promptly announce it once it has been determined.

In addition, as a result of this share transfer, the two companies in question will be excluded from our consolidated subsidiaries from the fiscal year ending March 2027. The impact on our consolidated business performance from the fiscal year ending March 2027 onward is currently under review, and if any matters requiring disclosure arise in the future, we will promptly make an announcement.