August 4, 2026

To our Stakeholders

Company name:	Advance Create Co., Ltd.
Representative:	Yoshiharu Hamada, President (Securities code: 8798; Tokyo, Sapporo, Fukuoka Market)
Inquiries:	Keisuke Soga, Executive Officer, General Manager of Corporate Planning Department (TEL: 06-6204-1193)

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Notice Regarding the Publication of the Third-Party Committee Investigation Report

As announced in our May 8, 2026 release, "Notice of the Establishment of a Third-party Committee, Postponement of Disclosure of Second Quarter Financial Results for the Fiscal Year Ending September 30, 2026, and Consideration of an Application for Extension of the Filing Deadline for the Semiannual Securities Report," Advance Create Co., Ltd. (hereinafter referred to as the "Company") had been conducting an investigation by a third-party committee following the discovery of suspicions that inappropriate accounting treatment had been carried out in connection with certain advertising transactions in prior fiscal years and the capitalization of software assets, among other matters, at our Company and at our wholly owned subsidiary, Hoken Ichiba Co., Ltd., which operates an advertising agency business. As announced in our July 31, 2026 release, "Notice Regarding Receipt of the Third-Party Committee Investigation Report," the Company received the investigation report on that date.

The Company hereby announces that today we have completed the measures relating to partial redaction and nondisclosure from the perspectives of privacy, personal information, protection of confidential information, and other considerations, and are therefore publishing the attached third-party committee investigation report (public version).

The Company takes this matter very seriously and will implement measures to prevent recurrence based on the recommendations of the third-party committee.

1. Publication of the Third-Party Committee Investigation Report

For the Third-Party Committee Investigation Report (public version), please refer to the Japanese version. (Japanese version only)

2. Financial Impact

As a result of the third-party committee investigation, it was found that, at Hoken Ichiba, revenue amounting to a total of approximately ¥7,508 million had been recognized in advance, at the latest from December 2018 through September 2025, in respect of revenue related to the media business, etc., where advertising placements for insurance companies were provided as services.

In addition, it was found that, at Hoken Ichiba, five advertising inventory sales transactions had been conducted with our advertising operations outsourcing vendor (hereinafter, the “Outsourcing Vendor”) since at least September 2019, and that Hoken Ichiba had overstated revenue by a total of ¥489 million. At the Company, in exchange for these transactions, ¥591 million was paid to the Outsourcing Vendor. Furthermore, of the consideration paid to the Outsourcing Vendor, ¥70 million was paid under the name of “creative costs”; despite the lack of any basis for capitalization as an asset, this amount had been capitalized by the Company as software. In addition, outsourcing expenses payable to the Outsourcing Vendor, totaling ¥293 million over five instances, had been recognized as expenses on a deferred basis in the following quarter or later, rather than at the time they should originally have been recorded.

3. Submission of the Semiannual Report and Announcement of the Fiscal Year Ending September 2026, Second Quarter Financial Results Summary

As announced in our release dated May 15, 2026, “Notice of Approval of an Application for Extension of the Filing Deadline for the Semiannual Securities Report for the Fiscal Year Ending September 30, 2026,” and our release dated July 31, 2026, “Notice Regarding Receipt of the Third-Party Committee Investigation Report,” the Company plans to file the Semiannual Report for the 31st fiscal period (the fiscal year ending September 2026) by August 14, 2026, and to announce the Second Quarter Financial Results Summary for the fiscal year ending September 2026 by the same date.

4. Regarding Past Securities Reports and Financial Results Summaries

Based on the findings of the third-party committee, the Company plans to file amended reports for our past annual securities reports, semiannual reports, quarterly reports, and internal control reports, and to revise our past financial results summaries by August 14, 2026.

The Company deeply apologizes to its shareholders, investors, and other stakeholders for any inconvenience and concern caused by this matter.