

September 30, 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 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 Concerning the Designation of the Company's Shares
as Securities Under Supervision (Examination)**

Our shares will be designated as Securities Under Supervision (Examination) by Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange"), effective October 1, 2026. Advance Create Co., Ltd. (hereinafter referred to as the "Company") hereby announces this matter as follows.

The Company deeply apologizes to its shareholders, investors, and other stakeholders for the considerable inconvenience and concern this matter is causing.

1. Background to the Designation as Securities Under Supervision (Examination)

As stated in the "Plan for Achieving Compliance with the Listing Maintenance Standards (Market Capitalization of Freely Tradable Shares Criterion and Freely Tradable Shares Ratio Criterion)" dated November 14, 2025, the Company did not satisfy the market capitalization of tradable shares criterion or the tradable share ratio criterion among the continued listing criteria for the Tokyo Stock Exchange Prime Market and had entered the improvement period. However, as of today, the end of the improvement period, the Company has not been able to confirm compliance with either the market capitalization of tradable shares criterion or the tradable share ratio criterion.

As the Company has currently applied to change its market segment to the Tokyo Stock Exchange Standard Market, its shares will be designated by the Tokyo Stock Exchange as Securities Under Supervision (Examination), effective October 1, 2026.

For details, including the content and reasons for the designation measures announced by the Tokyo Stock Exchange, please refer to the Japan Exchange Group website.

<https://www.jpx.co.jp/listing/market-alerts/supervision/index.html>

2. Future Measures

The Company will continue the application procedures for the change of its market segment in order to have the designation as Securities Under Supervision (Examination) lifted. If approval is obtained for the examination relating to the change of market segment, the designation as Securities Under Supervision (Examination) will be lifted. In addition, even after October 1, trading in the Company's shares on the Tokyo Stock Exchange Prime Market, the Fukuoka Stock Exchange Main Market, and the Sapporo Securities Exchange Main Market will remain available as usual.

As announced in the "Notice Concerning the Formulation of Recurrence Prevention Measures (Detailed Version)" dated September 30, 2026, following the discovery of inappropriate accounting practices in certain advertising transactions from prior fiscal years, the capitalization of software, and other matters at the Company and Insurance Market Co., Ltd., the Company's wholly owned subsidiary engaged in the advertising agency business, the Company has formulated detailed recurrence prevention measures and is proceeding with the rebuilding of its governance structure.

On the other hand, as reported in the Company's "Consolidated Financial Results for the Nine Months Ended June 30, 2026 (Under Japanese GAAP)" released on September 18, 2026, the Company recorded an operating loss of ¥271 million, an ordinary loss of ¥340 million, and a quarterly net loss attributable to owners of the parent of ¥768 million, and had negative net assets of ¥276 million. In addition, as announced in the "Notice Regarding the Designation of the Company's Shares as Securities on Special Alert and the Imposition of a Listing Agreement Violation Penalty by the Tokyo Stock Exchange" dated September 29, 2026, the Company received notification from Tokyo Stock Exchange, Inc. that its shares had been designated as Securities on Special Alert effective September 29, 2026, and that a listing agreement violation penalty would be imposed.

Going forward, in order to have the designation as Securities on Special Alert lifted, the Company plans to formulate an improvement plan aimed at improving and strengthening its governance and internal management systems, among other matters, and submit an "Improvement Plan and Status Report" to Tokyo Stock Exchange, Inc. The Company will promptly disclose the specific submission schedule for the "Improvement Plan and Status Report" once it has been determined.

The Company recognizes that rebuilding its governance structure and, thereafter, restoring its business performance at an early date are its most important management priorities. To achieve these objectives, the Company will promote its recurrence prevention measures and make every effort to restore the trust of society.

The Company sincerely apologizes to our shareholders, investors, and all other stakeholders for the considerable inconvenience and concern caused. We respectfully ask for your continued support and guidance.