

July 2, 2025

To our Stakeholders

Company name: Advance Create Co., Ltd.
 Representative: Yoshiharu Hamada, President
 (Securities code: 8798; Tokyo, Sapporo, Fukuoka Market)
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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 of Revision of Full-Year Earnings Forecasts for the Fiscal Year
Ending September 30, 2025 and Temporary Suspension of the Shareholder Benefit Plan

On July 2, 2025, by a written resolution of the Board of Directors, Advance Create Co., Ltd. (hereinafter referred to as the “Company”) decided to revise its consolidated earnings forecast for the fiscal year ending September 30, 2025 (October 1, 2024 to September 30, 2025), which was disclosed on May 15, 2025, in light of recent business performance trends and other factors and temporarily suspend the shareholder benefit plan for the fiscal year ending September 30, 2025.

1. Revision of Full-Year Earnings Forecasts

(1) Revision of Full-Year Earnings Forecasts for the Fiscal Year Ending September 30, 2025 (October 1, 2024 to September 30, 2025)

	Net Sales	Operating Profit	Ordinary Profit	Profit attributable to owners of parent	Earnings per share
Previous Forecast (A) (May 15, 2025 Publication)	Millions of yen 7,400	Millions of yen 50	Millions of yen (270)	Millions of yen (840)	Yen (37.48)
Revised Forecast (B)	6,750	(560)	(840)	(1,430)	(63.83)
Increase/Decrease (B – A)	(650)	(610)	(570)	(590)	—
Percentage change (%)	(8.8)	—	—	—	—

(Reference)					
Results for the same period of the previous year (Fiscal Year Ended September 30, 2024)	7,856	(711)	(808)	(2,250)	(102.26)

Note: Each of the above revised forecasts is based on information currently available to the Company, and actual results may differ from the above figures due to various factors in the future.

(2) Reason for Revision of Full-Year Earnings Forecasts

The number of appointments made, a leading indicator in the insurance agency business, has been lower than expected, and as a result, net sales are expected to fall below the previous forecast, mainly due to a decrease in the number of new insurance interviews and particularly weak results at cooperative agencies. Furthermore, as announced in the “Notice Concerning Cancellation and Resetting of Record Date for the Extraordinary Meeting of Shareholders” dated June 24, 2025, the Company has been studying the implementation of capital reinforcement measures, etc. to drastically improve its financial condition, but it is taking time to study the specifics, and related costs are expected to be higher than initially expected. As a result of comprehensive consideration of these circumstances, the Company expects to fall short of full-year earnings forecasts disclosed on May 15, 2025, and has revised full-year earnings forecasts. On the other hand, the year-end dividend forecast has not been changed and remains undecided. Any future changes will be promptly disclosed.

2. Temporary Suspension of the Shareholder Benefit Plan

(1) Details and Reasons for Suspension of the shareholder benefit plan

In order to respond to the daily support of our shareholders, the Company has implemented the shareholder benefit plan for shareholders who own at least one unit (100 shares) and are listed or recorded in the shareholders' register as of the last day of September every year. However, as shown in the Company's Annual Securities Report for the fiscal year ended September 30, 2024 and the Semiannual Securities Report for the six months ended March 31, 2025, the Company was in excess of its liabilities as of September 30, 2024 and in the interim consolidated accounting period for the fiscal year ending September 30, 2025, and in light of the above revised earnings forecast, making it imperative that the Company's financial position be improved. The Company considers the return of profits to our shareholders and increase the attractiveness of investing in our stock to be an important management issues. However, under such circumstances, the Company believes that improving our financial condition as soon as possible is our highest priority. After careful discussions, the Company regrets to inform you that the Company has decided to suspend the shareholder benefit plan for the fiscal year ending September 30, 2025.

(2) When to suspend the shareholder benefit plan

The shareholder benefit plan for shareholders of listed or recorded in the shareholders' register as of the end of September 2025 will be suspended. However, the shareholder benefit plan for shareholders of listed or recorded in the shareholders' register as of the end of September 2024 will continue until the specified expiration date¹. The Company recognizes that returning profits to our shareholders and increase the attractiveness of investing in our stock are some

¹ Daimaru-Matsuzakaya Free Choice Gift Robin (Web Catalog) applications are due by June 30, 2025. The Company plans to uniformly ship the products designated by the Company to all shareholders who did not apply by the deadline. And the right to use Advance Create Club Off is available until December 31, 2025, the expiration date.

of the important matters for the Company, such as the shareholder benefit plan and the payment of dividends, and the Company will continue to do our utmost to achieve an early recovery in our business performance, and appreciate your understanding.