September 30, 2025

To our Stakeholders

Company name: Advance Create Co., Ltd.
Representative: Yoshiharu Hamada, President
(Securities code: 8798; Tokyo, Sapporo, Fukuoka Market)
Inquiries: Keisuke Soga, 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 of Expected Compliance with Listing Maintenance Criteria

As stated in "Summary of Consolidated Financial Results for the Year Ended September 30, 2024 (Based on Japanese GAAP)" submitted on February 28, 2025, Advance Create Co., Ltd. (hereinafter referred to as the "Company") had liabilities in excess of assets on a consolidated basis as of the end of the fiscal year ended September 30, 2024, and the Company was not in compliance with the listing maintenance criteria (net assets must be positive) of the Tokyo Stock Exchange Prime Market, Fukuoka Stock Exchange and Sapporo Securities Exchange where the Company is listed. However, as of the end of the fiscal year ending September 30, 2025, the amount of net assets is expected to be positive, and the company is expected to meet listing maintenance criteria.

1. Expected Compliance with Listing Maintenance Criteria

As announced in the Annual Securities Report for the fiscal year ended September 30, 2024, the Company had an excess liability of 4,973 million yen as of the end of the fiscal year ended September 30, 2024. Therefore, as announced in the "Plan for Compliance with the Listing Maintenance Criteria (Net Asset Criteria) (Entering the Improvement Period)" dated February 28, 2025, the Company strives to resolve this situation by strengthening internal controls, promoting measures to increase capital, stabilizing business and financial aspects, and continuously improving income and expenditures. And also, as announced in the "Notice of the Issuance of New Shares Through Third-Party Allotment, Business Alliance, Partial Amendment of the Articles of Incorporation, Reduction of the Amount of Share Capital and Capital Reserve, Disposal of Surplus Changes in Major Shareholders, the Largest Shareholder Among Major Shareholders, and Other Affiliated Companies" dated July 17, 2025, and "Notice of Completion of Payment for the Issuance of New Shares Through Third-Party Allotment, Effectiveness of Reduction of the Amount of Share Capital and Capital Reserve and Disposal of Surplus, Changes in Major Shareholders, the Largest Shareholder Among Major Shareholders, and Other Affiliated Companies" dated September 5, 2025, the Company raised approximately 7,000 million yen by issuing common shares and Class A shares through third-party allotment. And as announced in the

“Consolidated Financial Results for the Nine Months Ended June 30, 2025 (Under Japanese GAAP) ” dated August 13, 2025, the Company had an excess liability of 6,783 million yen as of the third quarter of the fiscal year ending September 2025, however, the Company’s net assets are expected to be positive at the end of the consolidated fiscal year ending September 2025 based on the financing results and current operating trends, and we anticipate that the Company will meet the listing maintenance criteria as of the end of the fiscal year ending September 30, 2025.

2. Future outlook

If the amount of net assets is confirmed to be positive in the Annual Securities Report for the fiscal year ended September 30, 2025, the Company will formally comply with listing maintenance criteria. The Company will further strengthen our internal systems through strengthening compliance, strengthening our governance framework, and taking other related measures, and through timely and appropriate disclosure and sound corporate management, the Company will sincerely work to restore the trust of shareholders, investors and stakeholders and to enhance corporate value.