

Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.



May 28, 2024

To whom it may concern

Company name	ITbook Holdings Co., LTD.
Representative	Representative Director and President Mr. Toshimori Mae
	(Stock code: 1447 Growth market, Tokyo Stock Exchange)
Inquiry	Senior Executive Officer, General Manager of Management Headquarters and CFO Mr. Takashi Noma

(TEL: 03-6770-9970)

Notice on decrease in capital reserves and disposal of surplus

At the board of directors meeting held on May 28, 2024, our Company resolved to submit the reduction of capital reserves and disposal of surplus to the 6th Ordinary General Meeting of Shareholders scheduled to be held on June 25, 2024. Therefore, we would like to inform you the details as follows.

Details

1. Purpose

The purpose of this resolution is to compensate for the current deficit in retained earnings brought forward and to improve the financial health of the company.

2. Procedures for reducing the amount of capital reserves and disposing surplus funds

(1) Details of the decrease in the amount of capital reserves

Pursuant to the provisions of Article 448, Paragraph 1 of the Companies Act, the amount of capital reserves will be reduced, and this will be transferred to other capital surplus.

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|---|-------------------|
| ① Amount of capital reserves to be reduced | |
| Capital reserve | JPY 2,245,062,003 |
| ② Amount of increase in other capital surplus | |
| Other capital surplus | JPY 2,245,062,003 |
| ③ Amount of capital reserves after reduction | |
| Capital reserve | JPY 0 |

(2) Details of disposal of surplus

Pursuant to Article 452 of the Companies Act, subject to the effectiveness of the reduction in the amount of capital reserves in (1) above, the entire amount of other capital surplus resulting from the reduction in the amount of capital reserves will be reduced and will be transferred to retained earnings carried forward and will be used to compensate for the deficit.

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|--|-------------------|
| ① Items of retained earnings that will be reduced and their corresponding amount | |
| Other capital surplus | JPY 2,245,062,003 |

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② Items of surplus to be increased and their corresponding amounts

Retained earnings carried forward JPY 2,245,062,003

3. Schedule for reduction of capital reserves and disposal of surplus

(1) Board of Directors resolution date: May 28, 2024

(2) Ordinary general meeting of shareholders resolution date: June 25, 2024 (scheduled)

(3) Effective date of reduction in capital reserves and disposal of surplus: July 1, 2024 (scheduled)

*Since this case falls under the requirements of the proviso to Article 449, Paragraph 1 of the Companies Act, there will be no procedure for a declaration of significance as a creditor.

4. Future outlook

This matter is a transfer of accounts in the "net assets" section, and there will be no change in our Company's net assets and therefore there will be no impact on profits and losses.