

Company name: RAKSUL INC.  
 Representative: Yasukane Matsumoto  
 Representative Director, President and CEO  
 (TSE First Section Code No. 4384)  
 Contact: Yo Nagami  
 Director, CFO

**Notice on the acquisition of additional shares of DANBALL ONE. Inc.**

The Board of Directors of RAKSUL INC. (the “Company”) has resolved to acquire additional shares of DANBALL ONE. Inc. (“D-ONE”) on December 9, 2021, making it a wholly owned subsidiary as follows.

1. Reason for the additional acquisition of shares

As part of our growth strategy for the Raksul business segment, we are promoting the expansion of our printing business to office and industrial supplies and in December 2020, D-ONE became an affiliated company with the aim of creating synergies with our existing services.

D-ONE has acquired No. 1 market share in Japan for 4 consecutive years in EC site for cardboard and packaging materials and has established a system to provide products at low-cost and in small lots by utilizing the industry's largest network of cardboard and packaging materials business manufacturers.

In addition, we are creating synergies through our collaborative relationship, such as utilizing the Company's sharing and marketing know-how and expanding the customer base of both companies. With expectations towards further business expansion of D-ONE and further growth of the Raksul business segment, we have agreed to acquire additional shares of D-ONE (making it a wholly owned subsidiary) towards maximization of the corporate value of the Company.

2. Overview of the subsidiary to be acquired

(1)	Company name	DANBALL ONE. Inc.	
(2)	Location	4-133, Kuratsuki, Kanazawa, Ishikawa	
(3)	Representative	Representative Director and President, Toshihiro Tsuji	
(4)	Business overview	Operation of “Danball One”, an online order platform for cardboard and packaging materials	
(5)	Share capital	¥10 MM	
(6)	Date of establishment	June 2018	
(7)	Major shareholders and shareholding ratio	Toshihiro Tsuji 50.1% RAKSUL INC. 49.9%	
(8)	Relationship with the Company	Capital relationship	The Company owns 49.9% of the shares of D-ONE.
		Personnel relationship	The company has dispatched 11 employees, 2 directors, and 1 auditor to D-ONE.
		Business relationship	There are business transactions between the Company and D-ONE.

(9) Results of operations and financial position of D-ONE in the most recent three-year period			
Fiscal year end	Fiscal year ended September 30, 2019 (Pre-audit figures)	Fiscal year ended September 30, 2020 (Pre-audit figures)	Fiscal year ended July 31, 2021 (10-month period)
Net assets	¥85 MM	¥106 MM	△¥654 MM
	(¥267 MM)	(¥346 MM)	(△¥633 MM)
Total assets	¥783 MM	¥1,602 MM	¥1,732 MM
	(¥1,592 MM)	(¥2,791 MM)	(¥1,754 MM)
Net assets per share	¥95,236	¥106,585	△¥654,134
Net sales	¥170 MM	¥217 MM	¥4,343 MM
	(¥2,541 MM)	(¥3,807 MM)	(¥4,346 MM)
Operating profit (loss)	¥72 MM	¥52 MM	△¥866 MM
	(¥113 MM)	(¥177 MM)	(△¥866 MM)
Ordinary profit (loss)	¥74 MM	¥56 MM	△¥859 MM
	(¥131 MM)	(¥188 MM)	(△¥858 MM)
Net profit (loss)	¥58 MM	¥19 MM	△¥739 MM
	(¥107 MM)	(¥58 MM)	(△¥738 MM)
Earnings (loss) per share	¥65,063	¥19,873	△¥739,524
Dividends per share	-	-	-

Notes:

- (1) The fiscal year ended July 31, 2021 is a transitional period for the change in the fiscal year end (the last day of the fiscal year), making it a 10-month period from October 1, 2020 to July 31, 2021.
- (2) Although D-ONE has subsidiaries, it does not prepare consolidated management financials, thus the above table shows non-consolidated financials, and the simple sum with subsidiaries shown in parentheses. On October 1, 2020, Danball One-Labo Inc. and Danball-One Inc. had a merger and changed its name to DANBALL ONE. Inc. As a result, the non-consolidated management financials for the fiscal year ended July 31, 2021 are the figures of DANBALL ONE. Inc., and the non-consolidated management financials for the fiscal years ended September 30, 2019 and September 30, 2020 are the figures of Danball One-Labo Inc.
- (3) Please refer to the financial results presentation materials released on December 9, 2021 for figures that are retroactive to the past three years and calculated using a 12-month accounting period rather than the fiscal year for comparability. The difference from the figures in the financial results presentation materials is due to the impact of the change in fiscal year end and the presence or absence of adjustments for elimination of internal transactions, etc., as described in (1) above.

### 3. Outline of the counterparty of the share acquisition

(1) Name	Toshihiro Tsuji
(2) Address	Nanao, Ishikawa
(3) Relationship with the Company	Not applicable

### 4. Number of shares to be acquired, status of shares held before and after the acquisition, and acquisition price

(1) Number of shares held before the change	499 (Number of voting rights: 499) (Ownership ratio of voting rights: 49.9%)
(2) Number of additional shares	501

to be acquired	(Number of voting rights: 501)
(3) Acquisition cost	D-ONE common stock ¥2,004 MM Advisory expenses, etc. (estimated) ¥2 MM Total (estimated) ¥2,006 MM
(4) Number of shares held after the change	1,000 (Number of voting rights: 1,000) (Ownership ratio of voting rights: 100%)

Note: The cumulative investment amount related to the acquisition of the shares of D-ONE is expected to be ¥4,010 MM, and the amount of goodwill is expected to be ¥4,900 MM. In addition to the acquisition price, the Company has entered into an agreement to pay ¥500 MM in conditional acquisition consideration (Earn-out consideration) to the other party depending on the degree of achievement of business results. As the Company has sufficient funds on hand, we will not raise funds for the purpose of appropriating the funds for this share acquisition.

#### 5. Schedule

(1) Date of resolution by the Board of Directors	December 9, 2021
(2) Date of execution of the Share Purchase Agreements	December 9, 2021
(3) Date of completion of share acquisition	February 1, 2022 (scheduled)

#### 6. Future Outlook

The Company plans to acquire additional outstanding shares of D-ONE as of February 1, 2022 making it a wholly owned subsidiary. As a result of this acquisition, we will prepare consolidated financial statements starting from the third quarter of the fiscal year ending July 31, 2022.

The effect on the business results due to this change is currently under evaluation. Should it become necessary to revise the financial forecast or should matters arise that need be announced in the future, such information will be promptly disclosed.