



February 7, 2023

Company name	IMAGICA GROUP Inc.
Title and Name of Representative	Nobuo Fuse Representative Director, President (Securities code: 6879, TSE 1st Section)
Inquiries	Masakazu Morita Director, Managing Executive Officer
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【Delayed】 Notice of the Establishment of a Game-Related Business Company and the Demerger of a Consolidated Subsidiary

The Company is pleased to announce that it has decided to split IMAGICA DIGITALSCAPE Co., Ltd. (a consolidated subsidiary; hereinafter referred to as "IDS") into IMAGICA GEEQ Inc. (pronounced 'jeek') which will be responsible for the game-related business, and IDS, which will be responsible for the web video-related and talent management businesses, with the primary aim of making the game-related business into a pillar of the Group's growth businesses.

Details are as follows.

1. Purpose and Overview

Our Group has engaged in business under the four key strategies stated in the G-EST2025 mid-term plan: "Expand 'Global E2E' Business", "Establish a new Live Entertainment business", "Generate Additional Business Value in the Imaging Systems & Solutions business", and "Complete Transformation in the 'Transformational business'". The decisions to establish a game-related business company and to split a company are aimed at further accelerating the "expansion of business and earnings through the development of E2E services for the game industry" as stated in "Complete Transformation in the 'Transformational business'", and making the game-related business a pillar of the Group's growth businesses.

Our Group already has many clients in the game industry and is developing businesses such as game 3DCG and 2DCG production, game debugging, amusement-related visual production, and the dispatch and introduction of creative talent. Based on the performance to date of our business activities that have earned clients' trust, we will focus our creative and video production technologies and our business experiences in global operations on the game-related business.

At the same time, in the Web Imaging-Related and Talent Management Businesses, we will concentrate on the visual communications area through the corporate demerger, and by strengthening the dispatch of creative talent through creativity and technology, will aim to further improve profitability. IDS's Animation and Comic Production Business will be transferred to Shufunotomo Infos Co., LTD.*1, with the aim of establishing a structure that will enable said company to build an in-house production system for comicalization and visualization of its own intellectual property (IP) and that of other companies inside and outside the Group. IDS's subsidiary Weather Map Co., Ltd., will become a subsidiary *1 of IMAGICA Lab., which has television broadcasters as its major customers, with the aim of strengthening collaboration in services for television broadcasters.

*1: All of the above are consolidated subsidiaries of the Company.

2. Forecast of financial results for consolidated fiscal year ending March 31, 2023

The establishment of the new company and the corporate demerger will have a negligible impact on FYE Mar. 31, 2023 consolidated financial results.

Reference: About IMAGICA GEEQ Inc.

As the company responsible for the game-related business within our Group, IMAGICA GEEQ Inc. has set its mission as "To create customer value that exceeds expectations by providing high-quality and reliable E2E services, and to evolve in the global game business domain."

The company name "GEEQ" is formed from "G" for the game business's global presence, "E" for "Exceed Expectations" as the goal of creating value that exceeds the expectations of clients, "E" for "Evolve" as the company's desire to continuously evolve, and "Q" for the company's pledge to deliver quality that satisfies clients and earns their trust.

In addition to the existing game-related businesses, the company will expand into new game business areas and aggressively promote global business development.

Corporate name	IMAGICA GEEQ Inc.
Representative	Masakazu Morita (Director and Senior Managing Executive Officer, IMAGICA GROUP Inc.)
Business start date	April 1, 2023
Capital stock	100 million yen
Accounting period	March 31
Major shareholders and shareholding ratio	The Company, 100%

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