

February 14, 2023

Company name: V-cube, Inc.

Chairman & Group CEO: Naoaki Mashita

Tokyo Stock Exchange, Prime Market (stock code: 3681)

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### (Progress of Disclosure)

## Announcement regarding Acquisition of Xyvid, Inc. and Borrowing of Funds

V-cube, Inc. (hereinafter “V-cube”) hereby announces that the acquisition cost of Xyvid, Inc. (Location: U.S.A., hereinafter “Xyvid”), a consolidated subsidiary engaged in the Event DX business in the United States has been fixed.

#### 1. Outline of the Acquisition of Xyvid

As announced in the “Announcement regarding Acquisition of Xyvid, Inc. (Acquisition of shares accompanying changes in specified subsidiaries) and Borrowing of Funds” disclosed on May 31, 2021, we acquired all shares of Xyvid on June 3, 2021, making it a consolidated subsidiary of V-cube.

At that time, in addition to the acquisition cost of USD 15,000 thousand, we made a contract to pay conditional acquisition consideration (earn-out consideration) to the owners of Xyvid shares at the time the agreement was signed, depending on the degree of achievement of business results.

The earn-out consideration will be paid in the range of USD 15,500 thousand to USD 39,000 thousand for the two fiscal years ending December 31, 2021, and December 31, 2022, depending on the degree of achievement of business results for the same period.

#### 2. Change in acquisition cost due to the earn-out execution

For the year ended 31 December 2021, USD 16,500 thousand was paid due to the achievement of performance targets for the execution of the earn-out, and the acquisition price was USD 31,500 thousand, up from USD 15,000 thousand paid at the time of acquisition.

For the year ended 2022, based on the results of the audit by the accounting auditors, it was confirmed that the performance targets had not been met, but an additional payment of USD 1,000 thousand was made due to the achievement of certain conditions. This resulted in a final acquisition cost of USD 32,500 thousand for the Xyvid acquisition.

※ The changes are underlined.

Before the change (after finalization of the financial results for the year ended 31 December 2021)

(1) Number of shares held before acquisition	0 shares (voting rights: 0) (Voting rights holding ratio: 0%)
(2) Number of shares to be acquired	100 shares (voting rights: 100)
(3) Acquisition cost	<u>31,500</u> thousands of U.S. dollars
(4) Number of shares held	100 shares (voting rights: 100) (Voting rights holding ratio: 100%)

After the change (after the finalization of the financial results for the year ended 31 December 2022)

(1) Number of shares held before acquisition	0 shares (voting rights: 0) (Voting rights holding ratio: 0%)
(2) Number of shares to be acquired	100 shares (voting rights: 100)
(3) Acquisition cost	<u>32,500</u> thousands of U.S. dollars
(4) Number of shares held	100 shares (voting rights: 100) (Voting rights holding ratio: 100%)

### 3. Outlook in the future

This additional payment has been recorded as goodwill in the consolidated accounts for the year ended 31 December 2022. The impact on the results for the year ended 31 December 2022 and future results is not expected to be material.