

September 26, 2023

Company name: V-cube, Inc.

Chairman & Group CEO: Naoaki Mashita

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

Contact: Director & CFO, Corporate Planning Division General Manager
Kazuki Yamamoto (TEL.03-6625-5011)

Notice of Results of Solicitation for Buyout Package, Extraordinary Loss and Revision of Full-Year Earnings Forecast

V-cube, Inc. has implemented a solicitation for buyout package in accordance with the” Notice of Management Rationalization and Extraordinary Loss due to Solicitation of Buyout Package, etc. and Return of Executive Compensation” announced on August 10, 2023. The results of this solicitation are as follows.

In accordance with the results of the implementation, we also announce the posting of an extraordinary loss and the net income attributable to shareholders of the parent company in the full-year earnings forecast, which had been undecided, as follows.

1. Outline of the solicitation of buyout package

Number of applicants: Approximately 20 persons

Solicitation period: From September 11, 2023, to September 22, 2023

Retirement date: December 31, 2023

Preferential treatment: Special severance payment as the retirement for company reasons.
Outplacement support for those who wish to apply.

2. Results of buyout package

Number of applicants related to Event DX business:33 persons

Number of applicants other than the above :10 persons

Under the policy of maximizing fixed cost reductions to restructure the business in preparation for the uncertain market environment, we have decided to apply this program more than the initial number of applicants.

3. Revision of Full-Year Consolidated Earnings Forecast

(1) Revision of consolidated earnings forecast for the fiscal year ending December 31, 2023 (January 1, 2023, through December 31, 2023)

(Unit: Millions of yen)

	Net sales	Adjusted EBITDA	Adjusted Operating Income	Operating Income
Previous Forecast (A)	11,500	1,570	475	100
Revised Forecast (B)	11,500	1,570	475	100
Increase/Decrease (B - A)	—	—	—	—
Percentage change (%)	—	—	—	—
(Reference) Preliminary Results (December 2022 issue)	12,229	1,945	1,025	675
	Ordinary income	Net income attributable to owners of the parent	Net income per share	
Previous forecast (A)	10	Undecided	Undecided	
Revised forecast (B)	10	△200	△8.24 yen	
Increase/Decrease (B - A)	—	—		
Percentage change (%)	—	—		
(Reference) Preliminary Results (December 2022 issue)	612	84	3.49 yen	

(2) Reason for revision

We expect to incur 133 million yen in special severance and other expenses because of solicitation for buyout package, which will be recorded as an extraordinary loss in the third quarter of the fiscal year ending December 31, 2023, and the full-year earnings forecast has been revised as described above.

As announced in the "Notice of Management Rationalization and Extraordinary Loss due to Solicitation of Buyout Package, etc. and Return of Executive Compensation" released on August 10, 2023, we had initially planned to reduce about 60 employees. A series of management rationalization measures including the solicitation of buyout package will result in a total reduction of 75 employees at domestic and US subsidiary Xyvid. (Reference: Total number of employees in the group as of June 30, 2023: 496) In addition, we expect to reduce fixed costs by about 480 million yen per year compared with the amount that would have been incurred if the said measures had not been implemented.