



December 27, 2023

To whom it may concern

Company: DTS CORPORATION  
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Representative Director and President:  
(Stock code: 9682; Tokyo Stock Exchange, Prime Market)  
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### **Notice Concerning Acquisition of Shares of avanza Co., Ltd. (to Make It a Subsidiary)**

DTS CORPORATION (“DTS”) hereby announces that it has resolved, at a meeting of the Board of Directors on December 22, 2023 to acquire all the shares of avanza Co., Ltd. (“avanza”) and make it a subsidiary of DTS.

#### 1. Reasons for acquisition of shares

Established in Tokyo in October 1991, avanza Co., Ltd. is a systems development company with a staff of many young engineers of outstanding technical abilities. It has an extensive track record in the development of web-based operational systems and an excellent customer base in the finance and printing industries.

In recent years, against the backdrop of geopolitical risks and exchange rate fluctuations, a growing number of Japanese companies are conducting production and development in Japan, instead of taking them offshore. With the onshoring of systems development also making progress, DTS believes that the strengthening of the systems development framework in Japan will become a top priority challenge for system integrators.

Through the merger of the human resources, technologies, and customer bases of the two companies, this acquisition will lead to the strengthening of the systems development framework. DTS will thus accelerate the strengthening of its capacity to respond to customers in the digital domain and attract more new customers, which are the growth strategies of the Operation and Solutions segment.

#### 2. Overview of the subsidiary (avanza Co., Ltd.) subject to change

(1) Name	avanza Co., Ltd.
(2) Location	6F TOKYO REIT Shibuya R Building, 3-10-13 Shibuya, Shibuya-ku, Tokyo
(3) Job title and name of	Masayuki Yoshikawa, Representative Director

representative			
(4) Business activities	<ul style="list-style-type: none"> <li>· Design, development and consulting of web systems and embedded systems</li> <li>· Sales and installation of various kinds of applications, software, and communication devices</li> <li>· Sales of software packages and products</li> </ul>		
(5) Share capital	¥60 million (as of September 30, 2023)		
(6) Date of establishment	October 1, 1991		
(7) Major shareholders and shareholding ratios	Undisclosed pursuant to a confidentiality agreement between the parties		
(8) Relation between the listed company and the company	Capital relationship	No items to report.	
	Personnel relationship	No items to report.	
	Business relationship	No items to report.	
(9) Management results and financial status of the company for the past three years			
Fiscal year ended Sept. 30	2021	2022	2023
Net assets	¥862 million	¥1,022 million	¥1,085 million
Total assets	¥1,226 million	¥1.308 million	¥1,385 million
Net sales	¥2,150 million	¥2,325 million	¥2,490 million
Operating profit	¥194 million	¥232 million	¥218 million
Ordinary profit	¥206 million	¥242 million	¥246 million
Profit	¥134 million	¥166 million	¥167 million

### 3. Overview of counterpart to acquisition of shares

This information is undisclosed pursuant to a confidentiality agreement between the parties. There are no capital relationships, personnel relationships, business relationships, or relevant matters toward affiliated parties between the two companies.

### 4. Number of shares to be acquired, acquisition value, and status of shareholding before and after acquisition

(1) Number of shares held prior to change	0 shares (Number of voting rights: 0) (Percentage of voting rights: 0%)
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(2) Number of shares to be acquired	1,017 shares (Number of voting rights: 1,017)
(3) Acquisition value	Acquisition value will not be disclosed at the request of the other party. However, due diligence has been conducted by a third party, and, after consideration of the results of share value evaluation based on comparable company analysis and the DCF method, DTS has made the decision to make the acquisition at an acquisition value that is believed to be fair and appropriate.
(4) Number of shares held after change	1,017 shares (Number of voting rights: 1,017) (Percentage of voting rights: 100%)

#### 5. Schedule

(1) Date of the Board of Directors' resolution	December 22, 2023
(2) Date of agreement	December 27, 2023
(3) Date of commencement of share transfer	January 22, 2024 (scheduled)

#### 6. Future outlook

As a result of this acquisition of shares, the company will be included in DTS's consolidated financial results for the fiscal year ending March 31, 2024, but the impact on DTS's consolidated financial results is immaterial.