

February 8, 2024

Name of Company: KLab Inc.

Representative: Hidekatsu Morita,

Representative Director,

President and CEO

(TSE Prime Market: 3656)

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Notice Concerning the Recording of Extraordinary Loss

KLab Inc. (the "Company") has announced that it will record an extraordinary loss in the fourth quarter of the consolidated accounting period of the fiscal year ended December 31, 2023.

Notes

1. Recording of Extraordinary Loss

After careful consideration of the future recoverability of software assets based on the recent earnings situation, the Company has decided to recognize impairment charges for the entire book value of the software for *Is It Wrong to Try to Pick Up Girls in a Dungeon?: Battle Chronicle* released by Aiming Inc. on August 24, 2023.

As a result, an impairment loss of 806,474 thousand yen was recorded as an extraordinary loss in the fourth quarter of the fiscal year ended December 31, 2023.

2. Impact on Business Performance

The impact on business results for the fiscal year ended December 31, 2023 is as stated in the "Summary of Financial Results for Fiscal Year Ended December 31, 2023 (Japanese GAAP) (Consolidated)" disclosed today.