



May 14, 2026

For Immediate Release

Company: KADOKAWA CORPORATION  
Representative: Takeshi Natsuno, Chief Executive Officer  
(Stock Code: 9468, TSE Prime Market)  
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### Notice Regarding the Opinion of the Company's Board of Directors on the Shareholder Proposal

KADOKAWA CORPORATION (the "Company") received a letter dated April 17, 2026 from one of the Company's shareholders, Oasis Japan Strategic Fund Y Ltd. (the "Proposing Shareholder"), to the effect that it would make a shareholder proposal (the "Shareholder Proposal") at the 12th Annual General Shareholders Meeting of the Company to be held on June 24, 2026 for the purpose of dismissing Takeshi Natsuno, a Company director, and the Company carefully considered the Shareholder Proposal. At the Board of Directors meeting held today, the Company resolved to oppose the Shareholder Proposal as follows. As a result, the Company hereby announces as follows.

1. Proposing Shareholder

Name of the Proposing Shareholder: Oasis Japan Strategic Fund Y Ltd.

2. Agenda Item Proposed in the Shareholder Proposal

Dismissal of one director

3. Summary of Agenda Item and Reason for Proposal

As described in the Exhibit "Contents of the Shareholder Proposal".

The Exhibit "Contents of the Shareholder Proposal" is a translation of the original transcription of the relevant section of the Shareholder Proposal submitted by the Proposing Shareholder.

4. Opinion of the Company's Board of Directors on the Shareholder Proposal

(1) Opinion of the Company's Board of Directors

After consideration of the Nominating Committee's deliberations and resolution, the Board of Directors opposes the Shareholder Proposal.

(2) Reasons for Opposition

The Board of Directors carefully considered the Shareholder Proposal in light of the deliberations and resolution of the Nominating Committee. As a result, the Board of Directors determined that the Shareholder Proposal was not appropriate from the perspective of enhancing the Company's medium- to long-term corporate value and maximizing the shareholders' common interests for the following reasons, and resolved to oppose the Shareholder Proposal.

- i. The Company's medium- to long-term corporate value and the shareholders' common interests are expected to be maximized through business structural reforms carried out by the Board of Directors with Director Natsuno serving as the Chief Executive Officer

Since Director Natsuno assumed the position of Representative Director and President of the Company (Chief

Executive Officer, after the Company shifted to a company with nominating committee, etc. (*shimei iinkai-tou secchi kaisha*); hereinafter the “Chief Executive Officer” refers to the representative of the Company regardless of time) in 2021, under its core strategy of “Global Media Mix with Technology” for creating and globally rolling out a diverse range of intellectual property with a business portfolio widely ranging from publication, videos, games, web services to education etc., the Company has built a structure for steadily creating publication intellectual property and expanded the animation production structure, while also continuously expanding overseas bases, thereby consistently improving the foundation for the Company’s growth. In November 2023, the Company published the mid-term management plan having stable growth of the publication, animation and other businesses as the foundation and aiming for mid-term growth of the gaming business despite fluctuations each fiscal year. As a result, sales have continuously grown while the size of business has expanded to a certain degree. With respect to the management policy of “Global Media Mix with Technology”, overseas sales have remained on an upward trend in the mid-term despite fluctuations depending on the game titles released each fiscal year.

Meanwhile, due to changes in the publication and animation market environments, soaring costs, the lower number of hit titles than expected and other factors, the actual result and forecast of operating profit deviated from the original plan.

In light of the foregoing circumstances, the Board of Directors has determined that it is necessary to respond with utmost speed to both the need for “thorough improvement and rationalization of immediate challenges” and the need for “maximization of growth opportunities through new partnerships and other initiatives”. Accordingly, the Board of Directors has concluded that, rather than merely extending the existing plan, a fundamental restructuring—entailing a reassessment of the timeline for achieving targets and the promotion of more aggressive reforms—is required. Based on this conclusion, the Company announced today its new mid-term management plan, “Mid-term Management Plan: FY2026–FY2031 Transformation, Growth, and Expansion” (the “New Mid-term Management Plan”).

The New Mid-term Management Plan designates FY2026 and FY2027 as a “structural reform period” for resolving the business challenges that the Company currently faces, and sets targets of achieving sales of 400 billion yen, operating profit of 38 billion yen, ROE of 9.4% and EPS of 180 yen in FY2031. To achieve this plan, the more aggressive advancement of the “Global Media Mix with Technology” strategy led by Chief Executive Officer Natsuno, and his leadership are essential.

Currently, Japanese content is drawing attention worldwide, and as the global market expands, target areas are also expanding, resulting in substantial changes in the business environment. Business structural reforms for realizing continued growth as explained above have become a pressing challenge, and the Company has determined that under such an environment, the knowledge and leadership that Chief Executive Officer Natsuno has cultivated through his management experience at a highly volatile IT company will enable speedy business structural reforms, leading to maximization of the Company’s medium- to long-term corporate value and the shareholders’ common interests.

- ii. Swift response to a cyberattack was enabled by the Board of Directors with Director Natsuno serving as the Chief Executive Officer

Around June 2024, the Company’s server in a data center came under a large-scale cyberattack including ransomware. The Company takes it very seriously that it was unable to prevent the cyberattack and caused concern and inconvenience to its shareholders, readers, users, authors and creators. Meanwhile, as explained in i above, since Director Natsuno assumed the position of the Company’s Chief Executive Officer, under the core strategy of “Global Media Mix with Technology”, the Company had promoted digital transformation as part of business structural reforms, and at the same time, improved IT infrastructure management and monitoring system (specifically, by monitoring of the key systems and terminals using EDR/XDR, and building a 24/7 system using a SOC (Security Operation Center)) and renovated aged systems, thereby reducing security risks; and the Company believes that, for this reason, it was able to respond swiftly to prevent the spread of damage, including the early identification of the situation and the prompt isolation and restoration of the affected infrastructure.

The Company firmly believes that, had efforts to strengthen the defense and reduce risks as described above not been promoted under the leadership of Director Natsuno having management experience at an IT company, in

addition to the aggressive digital transformation for business structural reforms, the damage would have been more severe.

It should be noted that while continuing to respond to inquiries from victims of the external leakage, the Company is currently making efforts as a unified group across the Company to further strengthen the information security system and prevent any recurrence with the “improvement of cyber resilience” governance strategy set in the New Mid-term Management Plan by creating the “Information Security Subcommittee” under the Risk Management Committee and running the PDCA cycle. With respect to this matter, the Company has determined that the most expeditious course of action is to proceed under the leadership of Director Natsuno, who has been advancing the reconstruction of the Company’s IT infrastructure.

iii. The assertion of the Proposing Shareholder includes misstatement

The assertion of the Proposing Shareholder is based on a misunderstanding of the Company’s business characteristics and the medium- to long-term industry environment.

The Proposing Shareholder asserted that the current management structure was promoting a strategy prioritizing “quantity over quality”, but the Company currently has a policy of increasing sales without increasing the number of publications per editor, and the criticism that the Company is promoting a strategy prioritizing “quantity over quality” is factually untrue. Under said policy of the Company, in fact, sales per editor continuously increased over the past five years. Further, the “selection and focus” approach is thoroughly implemented via the Publication Steering Committee, and with the New Mid-term Management Plan, the Company will shift to a strategy that appropriately manages the numbers of copies and realizes highly efficient sales.

With respect to global publishing in the gaming business, whether or not to adopt in-house publishing was carefully considered from multiple angles, and the decision was made strategically with the aim of maximizing revenue for each intellectual property; therefore, the criticism of the Proposing Shareholder is completely unfounded. The Proposing Shareholder was aware, at the time of its meeting with the Company, that the terms of contracts with third parties may be subject to confidentiality obligations. Notwithstanding this awareness, the Proposing Shareholder has demanded, on a blanket basis, that transparency be enhanced with respect to such contractual terms. This demand may undermine the Company’s trust-based relationships with third parties who are the Company’s business partners and, as a result, could ultimately harm the Company’s corporate value as well as the shareholders’ common interests. The Company’s policy is to consider self-publishing depending on the contractual terms, and it is currently pursuing what it believes to be the most advantageous approach available to the Company.

Impairment loss on goodwill in Doga Kobo, Inc. (“Doga Kobo”) is a result of booking the impairment loss on related company shares (Doga Kobo shares) in the Company’s unconsolidated accounting pursuant to Doga Kobo’s unconsolidated earnings power, and based thereon, depreciating the undepreciated balance of goodwill in accordance with the consolidated accounting rules. When viewed from the standpoint of the group, Doga Kobo is making significant contributions to the Company’s animation business, for example, by constantly creating high-quality animation works, and is essential to achieving the “50% in-house animation production” target in the New Mid-term Management Plan. Since it joined the group, Doga Kobo has been manifesting its production aptitude as expected.

As regards Tokorozawa Sakura Town’s impairment loss, a decision to reorganize unprofitable businesses which had existed *before* Director Natsuno assumed the position of Chief Executive Officer was made as part of business structural reforms by the Board of Directors with Director Natsuno serving as the Chief Executive Officer, and as a result, Tokorozawa Sakura Town businesses, in respect of which the profit improvement was not expected, were flexibly closed or converted into other businesses. This is a clear example of how, under the leadership of Chief Executive Officer Natsuno, business structural reforms were properly carried out. As described above, whenever a change occurs to the business environment, the Company should flexibly and agilely respond to such change without adhering to old business decisions, and the criticism that Director Natsuno is “materially unqualified as a director” only in view of the fact that impairment losses occurred after he assumed the position of Chief Executive Officer overlooks the circumstances on the basis of which such business decisions were made.

It should be noted that the Company’s business will grow under the Board of Directors with Director Natsuno serving as the Chief Executive Officer, as set in the New Mid-term Management Plan published today.

Given the above, the Nominating Committee determined that it was inappropriate to dismiss Director Natsuno as the Company's director from the perspective of enhancing the Company's medium- to long-term corporate value and maximizing the shareholders' common interests, and resolved to oppose the Shareholder Proposal. Based on this resolution of the Nominating Committee, the Board of Directors has determined that it is inappropriate to dismiss Director Natsuno as the Company's director; therefore, the Board of Directors **opposes the Shareholder Proposal**.

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Notice: This document is a translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Contents of the Shareholder Proposal

\*Below is a translation of the original transcription of the relevant text of the Shareholder Proposal submitted by the Proposing Shareholder.

**No. 1 Matter That Is the Purpose of the Shareholders Meeting**

- Agenda Item: Dismissal of one director
  - Proposal: Dismiss Director Takeshi Natsuno

**No. 2 Contents of the Agenda Item**

- Agenda Item: Dismissal of one director
  - Proposal: Dismiss Director Takeshi NatsunoDirector Takeshi Natsuno shall be dismissed.

**No. 3 Reasons for Proposal**

On the grounds that Mr. Takeshi Natsuno is materially unqualified as the Company's director for the following reasons, the dismissal of Mr. Natsuno is proposed.

- The net profit per Company share decreased by more than half from 77.42 yen for FY2020 before Mr. Natsuno assumed the position of the Company's Chief Executive Officer to 33.34 yen for FY2025, and the ROE is also expected to drop to approximately 2.0%.
- Although the intellectual property industry is receiving a tailwind, the segments of publication and intellectual property creation which constitute the core of the Company are weakening due to the strategy prioritizing "quantity over quality" promoted by the current management structure.
- Even with FromSoftware, a global asset, in-house global publishing has not been realized, and FromSoftware has not been fully utilized to grow the overall group or turn intellectual properties profitable.
- Only in a year from acquisition, the goodwill of 2.7 billion yen pertaining to Doga Kobo Inc. was depreciated in full, while an impairment loss of approximately 5.4 billion yen was booked for Tokorozawa Sakura Town.
- There are material issues in internal control and governance; for example, a special loss of approximately 2.4 billion yen was booked due to a large-scale cyberattack, and the Company received a warning of violation of the Subcontract Act.