September 14, 2026

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Notice Regarding the Results of the Internal Investigation into Overseas Consolidated Subsidiaries and Measures to Prevent Recurrence

As announced in our internal investigation into accounting practices at an overseas consolidated subsidiary dated August 13, 2026, we have confirmed the existence of funds not recorded in the accounting books (hereinafter referred to as "off-book cash") at our overseas consolidated subsidiary, Sun Asterisk Vietnam Co., Ltd (hereinafter referred to as "SVN"). Following this, we established an investigation system, primarily involving our Internal Audit Department and our legal counsel, to confirm the facts and analyze the causes (hereinafter referred to as "this investigation").
Based on this investigation, we have formulated measures to prevent recurrence, which are outlined below.

1. Results of this investigation
For an overview of the results of this investigation, please refer to the attached "Results of this investigation."

2. Analysis of the causes
We have analyzed the causes of this incident as follows:
(1) There was a lack of awareness regarding internal controls among management and some SVN officers and employees.
(2) External negotiation work had become dependent on a specific SVN employee for a long period of time, making it difficult for others to check and balance the actions of others.
(3) The parent company's monitoring and internal controls over overseas subsidiaries were insufficient, including the SVN accounting department's unilateral execution of off-book transactions.

3. Measures to Prevent Recurrence
We take this matter very seriously and will implement the following measures to prevent recurrence in order to resolve the internal control issues at SVN:
(1) Prohibition of off-balance-sheet assets and liabilities and off-balance-sheet fund management, and thorough regular verification
(2) Establishment of rules for reporting and escalation to headquarters in the event of unusual transactions or accounting treatments
(3) Strengthening of transaction management related to the provision of funds to external parties (contract preparation and approval process)
(4) Strengthening of headquarters' management control and monitoring of SVN
(5) Preventing the personalization of tasks by specific SVN personnel and ensuring proper division of duties
(6) Regular implementation of compliance training

4. Impact on Financial Statements and Accounting Treatment
At the end of the interim consolidated accounting period for the fiscal year ending December 2026, cash and cash equivalents of 24 million yen were recorded. In addition, selling expenses and general and administrative expenses of 6 million yen and

non-operating income of 30 million yen (of which prior-period impact of 22 million yen) were recorded for the interim consolidated accounting period for the fiscal year ending December 2026. Since the impact of this accounting treatment on the prior-period consolidated financial statements is negligible, no corrections have been made to the prior-period consolidated financial statements.

5. Future Actions

We will continue to strive to confirm the facts and consider necessary accounting procedures, and will steadily implement measures to prevent recurrence, while working to strengthen the governance system of our group.

We deeply apologize to our shareholders, investors, business partners, and other stakeholders for the great concern we have caused. All our officers and employees will continue to work towards restoring your trust.

September 14, 2026

Investigation Results

1. Investigation Results

(1) Overview of the Case

It has been confirmed that, in the process of conducting educational support projects with local educational institutions over a long period of time, starting around 2013, funds were exchanged off-books at SVN, our overseas consolidated subsidiary. Specifically, SVN's accounting department collected lecture fees paid by local educational institutions to Japanese language instructors belonging to SVN, and because payments of remuneration to local education personnel using these funds were not recorded in the accounting books, approximately 24 million yen in off-books cash was generated.

(2) Investigation Structure and Background

This investigation was conducted with our Internal Audit Department and legal counsel as the investigation director and investigators, respectively, and our internal audit and accounting departments and others at SVN acting as the secretariat for collecting and organizing materials. This structure was established on August 7, 2026. From the perspectives of both Japanese and Vietnamese law, we conducted a thorough examination of relevant materials, interviewed relevant parties, and performed forensic investigations of electronic data, proceeding with factual confirmation and legal evaluation until September 8 of the same year.

(3) Detailed Fact-Finding Regarding Each Incident

We determined that SVN's collection of lecture fees paid by local educational institutions to Japanese language instructors was a donation, as it was based on an agreement with the instructors. We also determined that payments to those involved with educational institutions were in the nature of compensation (remuneration) for services rendered in our long-term educational support projects.

2. Regarding the Involvement of Management

The investigation has determined that management was unaware of the existence of the off-balance-sheet cash in question or how it was being managed. Furthermore, there is no evidence that management was aware of the off-balance-sheet cash and gave instructions or approvals, nor is there any evidence that management was involved with the intention of misappropriating assets or manipulating financial figures.