



Supplementary Document of the Company's Initiatives to Enhance Corporate Value and the Shareholder Proposal

- For the Ordinary General Shareholders Meeting (May 28, 2026) -

Summary of the Content

- The Company **believes that** the website, “A Better KADOKAWA” pertaining to the shareholder proposal created by Oasis Management Company Ltd. (“Oasis”) **contains statements that differ from the Company’s understanding and do not fully reflect the Company’s initiatives.**
- The Company is receiving from its institutional investors’ questions about Oasis’ assertions and the new Mid-term Management Plan that the Company announced on May 14, 2026.
- The purpose of this Document is to communicate the Company’s view once again in light of the above situations.
(This Document summarizes existing disclosed information including the new Mid-term Management Plan.)



1. Course of Events Leading to Revision of the Mid-term Management Plan	P.3
2. Specific Measures and Roadmap to Achieve the New Mid-term Management Plan (ROE Target, etc.)	P.7
3. Finance Policy and Capital Allocation	P.17
4. Outline of Opinions of the Company’s Nominating Committee and Board of Directors on the Shareholder Proposal (Proposal for Dismissal of CEO Natsuno)	P.21
5. State of CEO’s Performance of Duties, and State of Dialogues with Shareholders	P.27



1. Course of Events Leading to Revision of the Mid-term Management Plan

Course of Events Leading to Revision of the Mid-term Management Plan

Former Mid-term Management Plan: Five-year plan (announced on November 2, 2023)



【Initial goal for FY2027 plan (vs most recent forecast)】
 Consolidated sales: 340 billion yen (vs 325 billion yen)
 Consolidated operating profit: 34 billion yen (vs 13 billion yen)

In the wake of unexpected downturn in profitability in the **domestic publication business** and the animation business (consolidated sales and overseas sales were steadily growing, operating profit significantly decreased), the Board of Directors decided to revise the former Mid-term Management Plan and formulate a new one.

Publication is the source of the Company's IP

Origin of all of the Company's businesses leading to animation, films, games, and overseas rollout

New Mid-term Management Plan: Six-year plan (announced on May 14, 2026)



ROE 2.4%

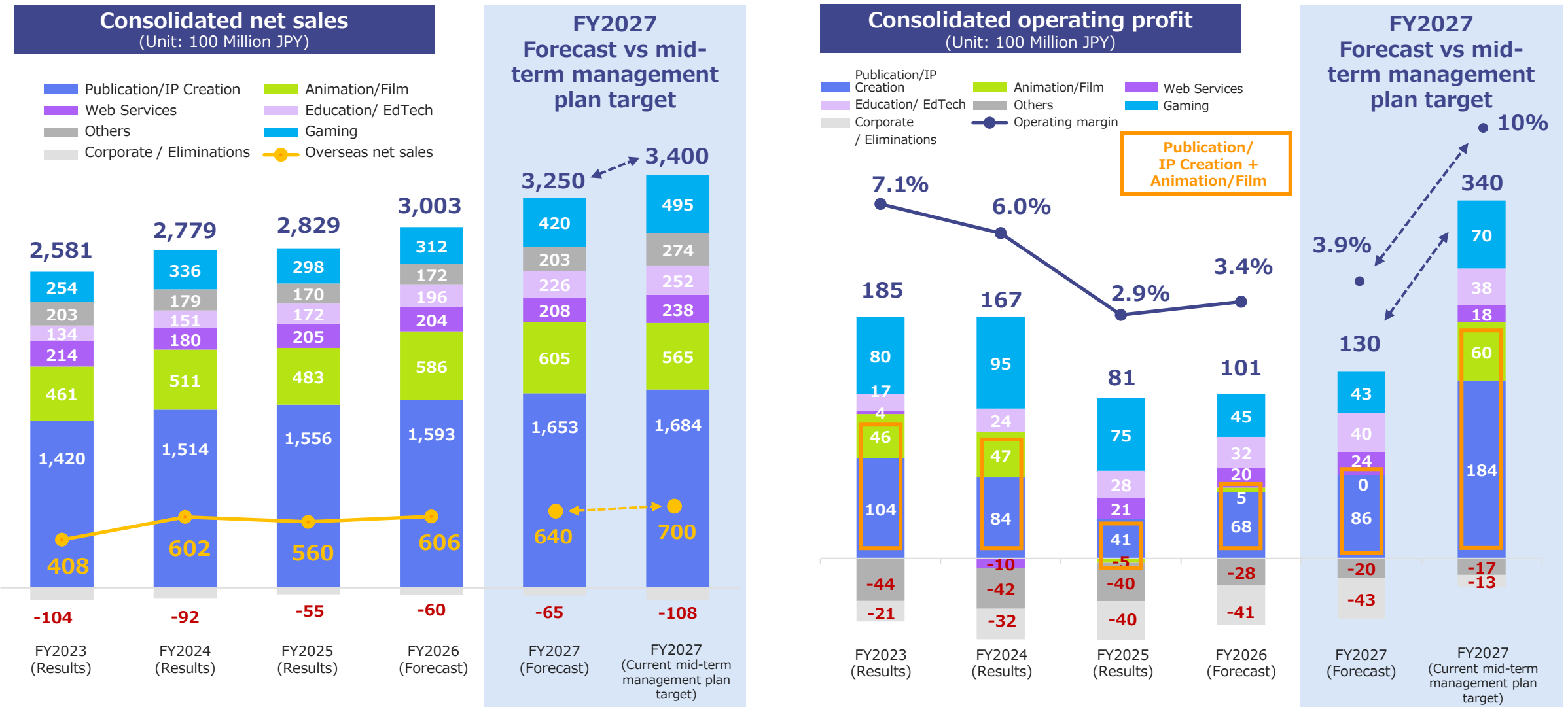
ROE 5.8%

ROE 9.4%

ROE 12% in the medium to long term

Consolidated Financial Results Trends and Forecasts (FY2023-FY2027)

- While sales grew both domestically and internationally, we determined that achieving our operating profit target would be difficult due to declining profitability in domestic publication and animation.



With the awareness of challenges, the Company has already begun executing the reform.

The Company's management team takes seriously the results for FY2025, underachievement of the former Mid-term Management Plan, and decreased profitability.

Based on such acknowledgement, the Company announced the new Mid-term Management Plan on May 14, 2026, explicitly setting forth a policy of revising the revenue structure, investment distribution, execution system, and KIP management.

The Company will advance a revenue structure reform, fixed costs optimization, and investments in growing areas with a focus on the domestic publication business and the animation business.



2. Specific Measures and Roadmap to Achieve the New Mid-term Management Plan (ROE Target, etc.)

Issues for Underachievement of the Former Plan, and Changes Reflected in the New Plan

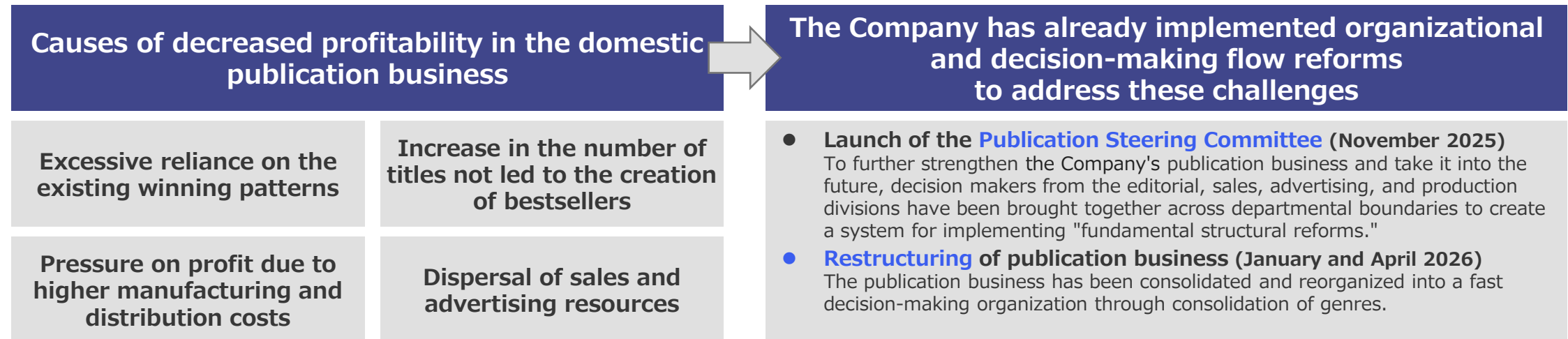
- In view of challenges that became evident while executing the former Mid-term Management Plan, **both the business structure and the execution system were drastically revised**, instead of merely resetting target periods.
- **The new Mid-term Management Plan sets forth a structural shift.**

Awareness of challenge	Measures set forth in the New Mid-term Management Plan
Decreased profitability in the domestic publication business	Optimize the portfolio of titles and price strategies, adjust the number of titles, reduce the rate of sales returns, and concentrate resources in strategic titles
Increased production costs and advanced investments in the animation business	Expand the business foundation by further strengthening the pipelines, manage production costs by strengthening group studios and improving the ratio of in-house production, and widen the exit strategy centering around the overseas and domestic licensing businesses
Increased fixed costs	Optimize fixed costs including using a special offer for early retirement, and concentrate distribution of personnel and investments in growing areas
Issues of the execution system	Clarify the person(s) responsible, manage KPIs, and strengthen the executive function across multiple areas of businesses
Issues of investment distribution and capital efficiency	Revise the investment criteria, weigh investments in growing areas, and manage with an awareness of ROE and EPS

Improvement of Profitability through Domestic Publication Business Reform

- **The domestic publication business will shift from quantitative expansion to profitable growth**

- The Company's publication business is an important business as the source of IP creation in the group.
- The Company is aware that increases in the number of titles in the past did not result in profit growth. Scattering resources caused the decrease of profitability per title.



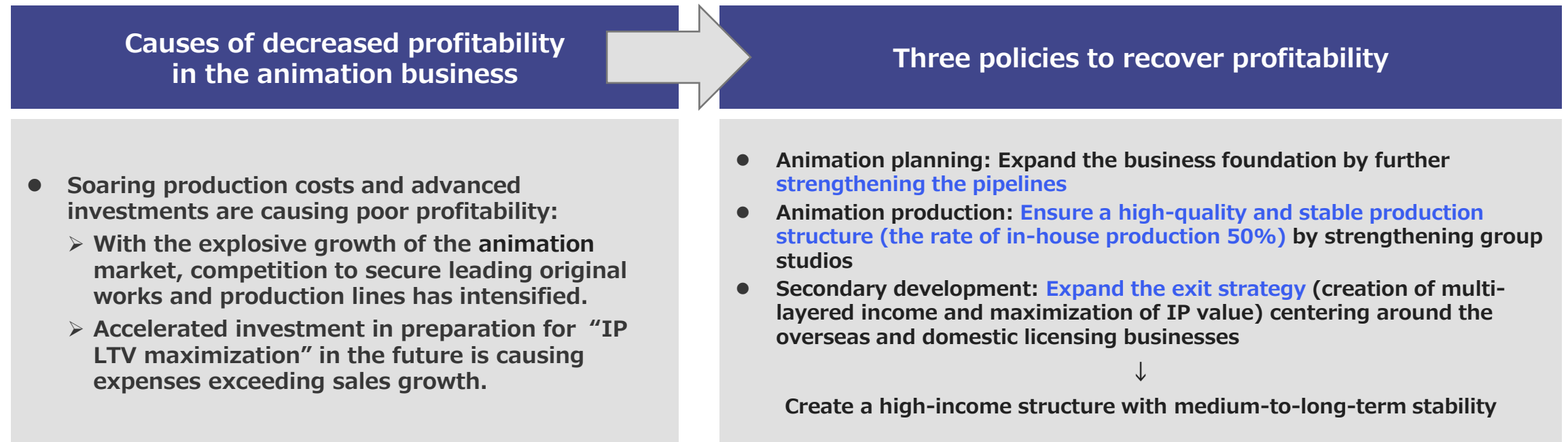
- **Key Reform in progress**

- **Optimization of the portfolio of titles and price strategies**
- **Optimization of the number of titles published and reduction of the rate of sales returns**
- **Concentration of resources in strategic titles**

- **The domestic publication business was “redefined” as the core of IP creation to be developed into animation and games by maintaining and improving the share in a manner in which profit will follow, instead of simply chasing sales.**

Improvement of Profitability through Animation Business Reform

- To win in the growing market, it is urgently needed to address the structural challenges of soaring production costs and tight production in lines, the Company is advancing measures to overcome such challenges.
 - The animation business is the core for medium-to-long term growth, and it is important to take in expanding global demand.
 - However, the Company is aware that soaring production and labor costs a structural change in the entire industry rather than a temporary issue.



- In view of its nature as a pipeline business, the first half of the plan period is defined as a period for structural reform and revenue base building, and the second half is defined as a revenue expansion phase with an aim of phased profit growth.

Game Business; FromSoftware (Issue raised by an Investor)

- In the game business, decisions will be made in light of IP value maximization and profitability after risk adjustment.

As an important growth asset

- FromSoftware is an important growth asset in the Company group and has high valued game IPs in the global market.
- The Company focuses on the opportunity for growth of the game business and FromSoftware as an important management challenge.



◀ The theater animation “SEKIRO: NO DEFEAT” will be in theater on September 4, 2026.



◀ Various media mix measures for “ELDEN RING” are also underway.

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Optimization of the business scheme including publishing

- To create higher income, the following elements will be comprehensively considered and determined for each title, with in-house publishing as an important option.
 - Sales areas, prospective number of copies to be sold, marketing expenses
 - Platforms to be used, minimum guaranteed, contractual terms
 - Risk allocation, revenue after risk adjustment
- Instead of a straight choice, the most economically reasonable option will be chosen.

Web Services Business; Use of Technology (Issue raised by an Investor)

- The web services business' technologies and knowledge and experience accumulated through the operation of online fan community services will be shared across the entire group
 - With an awareness of changes in the competitive environment surrounding video platforms, knowledge and experience accumulated over years will be used as the business foundation for the entire group including publication, animation and education.

Utilize the data analyses

- Using data analyses, we improve the accuracy of decisions pertaining to planning, advertising and sales and establish optimal publication and distribution strategies on demand forecasts.

Engineering

- With advanced technical capabilities, we make production processes efficient and put forward the digital transformation across the group.

Operation of community services

- With profound knowledge and experience pertaining to user contact points, we will revitalize the user community and strengthen engagements in each business.

Optimization of Fixed Costs, and Improvement of Distribution of Personnel and Investments in Growing Areas

- As part of reform of revenue structure, fixed costs will be optimized including implementation of special early retirement program, and resources will be redistributed in growing areas.

Implementation of Special Early Retirement Program

- Purpose: To improve productivity as an organization and support employees for self-driven career development with an aim of accelerating distribution of personnel and investments in growing areas
 - Subjects: Employees affiliated with the Company as of July 31, 2026, ranked at certain job position, and aged 45 or older with at least five years of service
 - Number of applications: Not specifically determined
 - **With this measure, fixed costs will be optimized and productivity will be improved, and thereby profitability will be improved.**
- **The purpose of this measure is not merely a labor reduction, but a structural reform to improve productivity as an organization, optimize fixed costs, and concentrate distribution of managerial resources in growing areas (publication, animation, game, overseas rollout, use of technologies, etc.).**
 - **The impact of this measure on consolidated earning forecast will be disclosed as soon as the number of applications is finalized.**

Growth through Expansion of International Bases

	FY2024 Results	FY2025 results	FY2026 forecast	FY2029 Plan	FY2031 Plan
Number of companies	18	20	21-22	22-25	Further expansion
Net sales from international bases*	22.7 billion yen	27.2 billion yen	33.7 billion yen	43.8 billion yen	50.0 billion yen
Operating profit from international bases*	1.0 billion yen	1.3 billion yen	2.3 billion yen	4.6 billion yen	60.0 billion yen
Number of original IPs	354	407	450	500-600	Over 600

* Sales and operating profit for overseas bases: Includes the global e-book store business. Operating profit is the figure before amortization of goodwill on a consolidated basis.

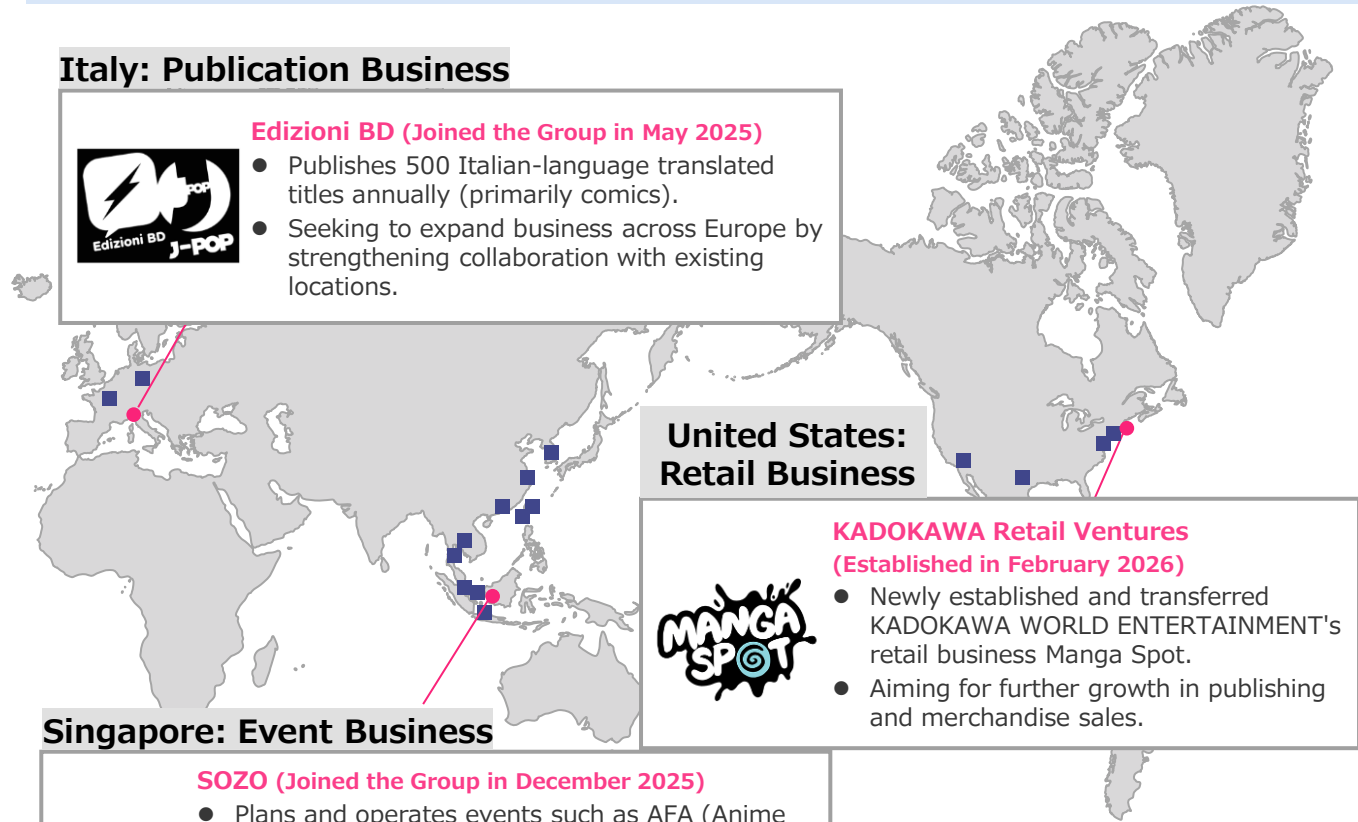
- Building an IP distribution network by incorporating growth in the global publishing and related fields.
- In addition to original IP development, we are also expanding the media mix capabilities of IP originating in Japan.

Italy: Publication Business



Edizioni BD (Joined the Group in May 2025)

- Publishes 500 Italian-language translated titles annually (primarily comics).
- Seeking to expand business across Europe by strengthening collaboration with existing locations.



United States: Retail Business



KADOKAWA Retail Ventures (Established in February 2026)

- Newly established and transferred KADOKAWA WORLD ENTERTAINMENT's retail business Manga Spot.
- Aiming for further growth in publishing and merchandise sales.

Singapore: Event Business



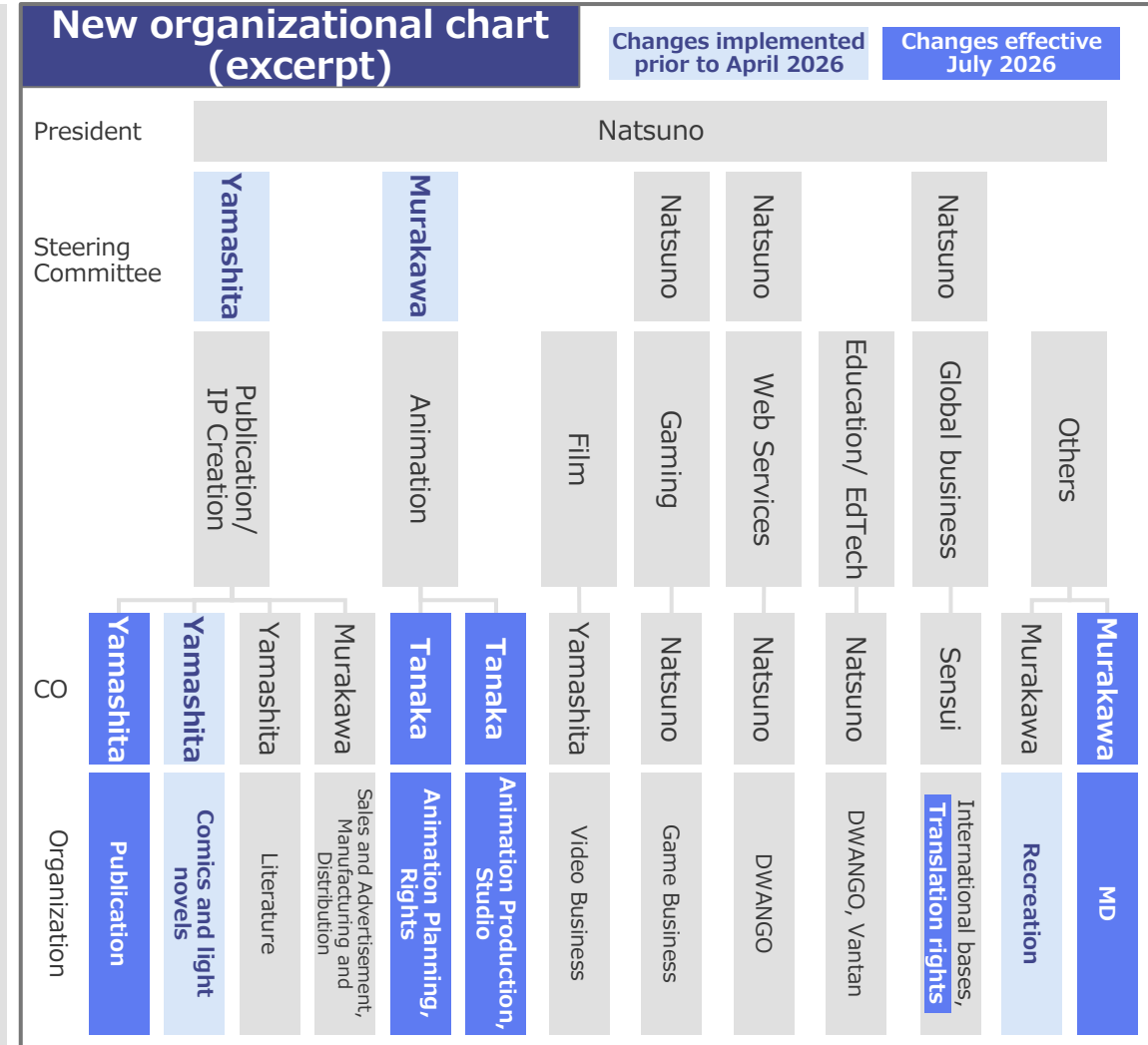
SOZO (Joined the Group in December 2025)

- Plans and operates events such as AFA (Anime Festival Asia), one of Southeast Asia's largest anime events.
- Developing a comprehensive media mix strategy by strengthening our presence in the anime and music event sector in Southeast Asia.

■ : Existing bases (only major companies listed)
● : New bases established in FY2025 (KADOKAWA Retail Ventures is a new base in FY2026)

To enhance the execution of the new mid-term management plan, we will clarify management responsibilities and execution structure, and implement a special early-retirement program.

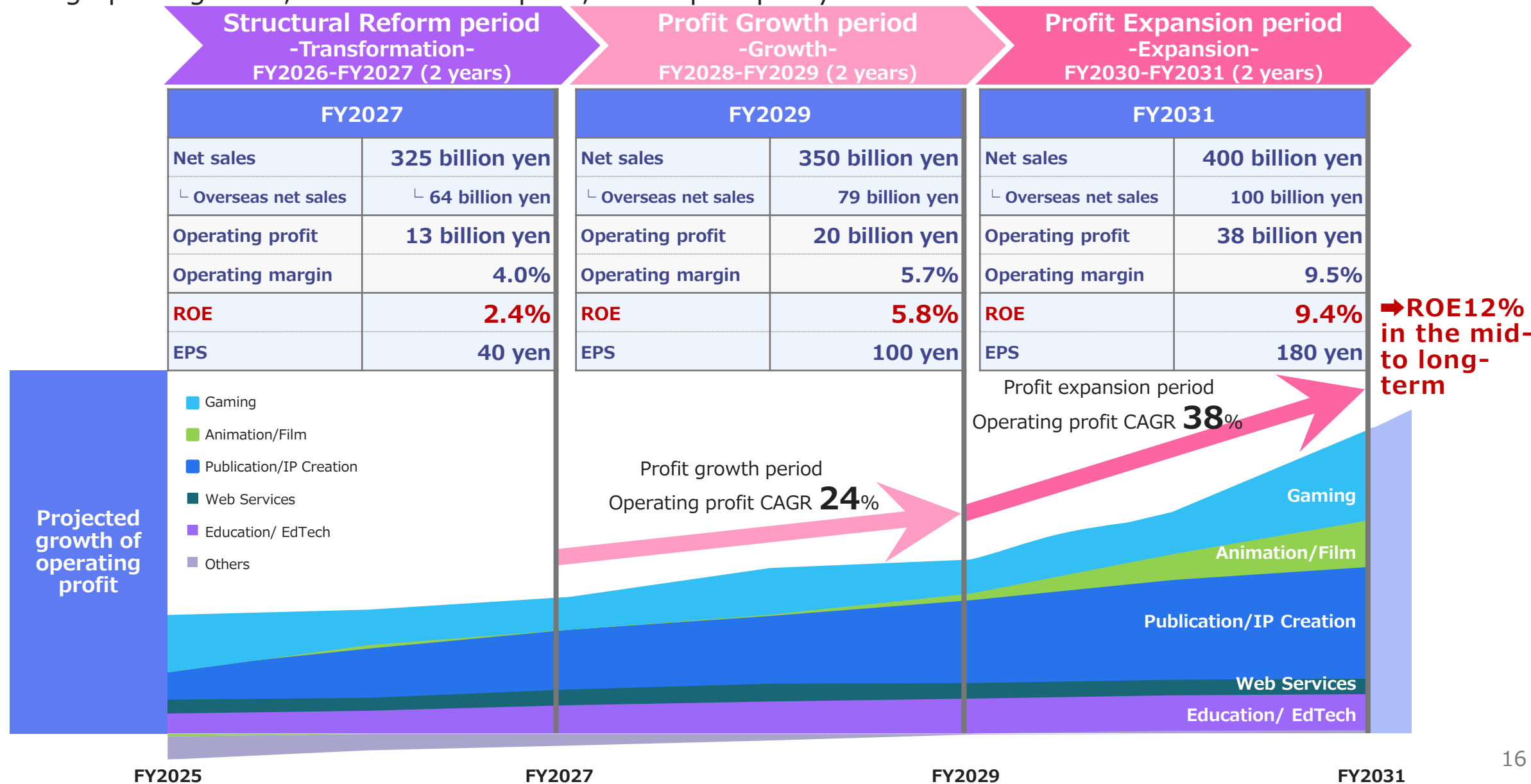
- Clarify who is responsible for each business unit and establish a structure in which they bear quantitative responsibility for profit improvement and growth
- Establish a steering committee with cross-business executive function.
Three Director who also serves as executive officers will oversee and drive business improvement and growth
 - Games, Web Services, and Global (Responsible officer: Representative Executive Officer Natsuno)
 - Publication/IP Creation (Responsible officer: Representative Executive Officer Yamashita)
 - Animation (Responsible officer: Executive Officer Murakawa)
- Implement changes to the executive officers in charge of Publication, Animation, and MD, and carry out organizational integration.
Enhance synergies across strategic areas
 - Executive Officer Yamashita will oversee all domestic publishing operations
 - Following the integration of studio operations, Executive Officer Tanaka (scheduled to be appointed) will oversee all animation operations
 - Executive Officer Murakawa will oversee the MD business
 - To strengthen overseas publishing operations, translation rights will be integrated into the overseas business
- Unprofitable businesses will be thoroughly reviewed under the leadership of the three director/executive officers
 - Withdrawal from unprofitable businesses in the publishing sector
 - Comprehensive review to eliminate losses in the MD business
 - Rationalization of the operational structure in the recreation business



* Steering Committee: An executive support function responsible for identifying cross-functional issues, setting priorities, and monitoring implementation progress

Management Targets for the New Mid-term Management Plan

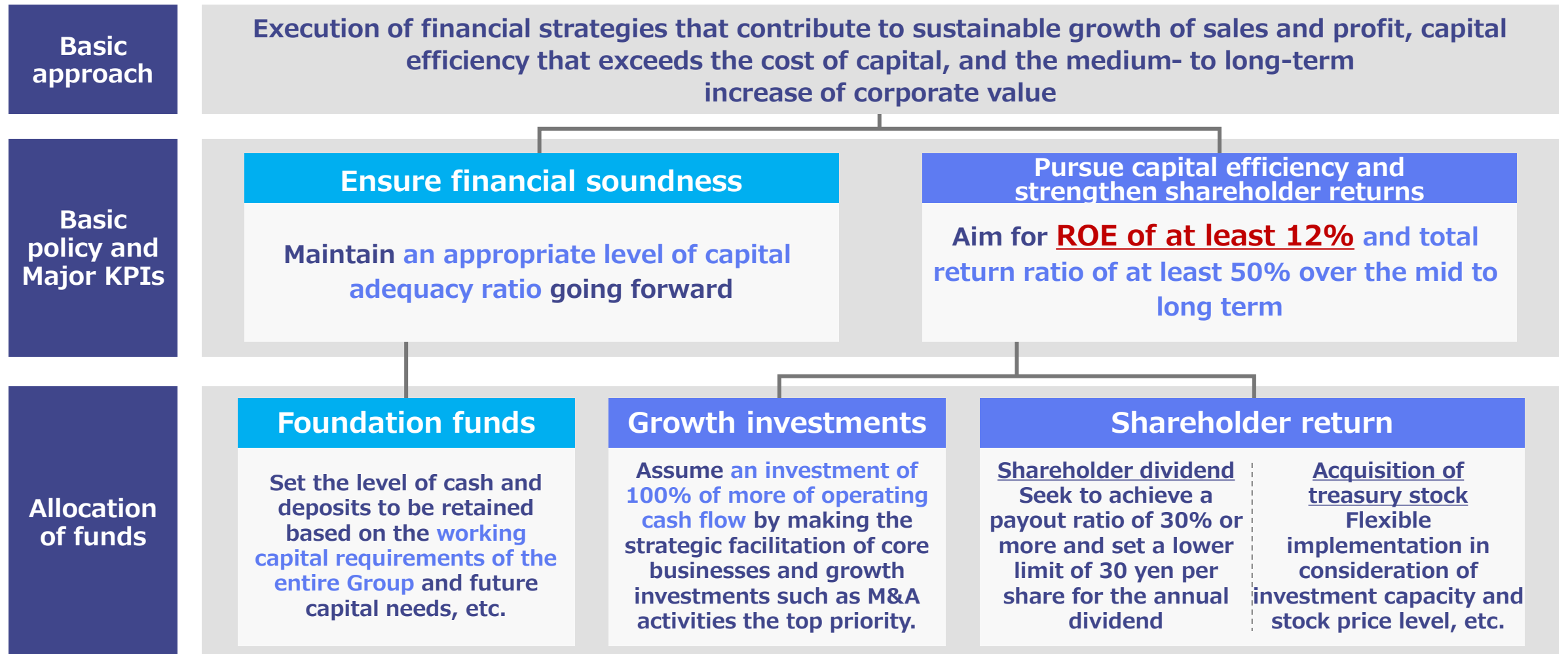
- We aim to achieve a ROE of 9.4% in FY2031, and to achieve a ROE of 12% or higher over the mid- to long-term through profit growth, investment discipline, and capital policy.



3. Finance Policy and Capital Allocation

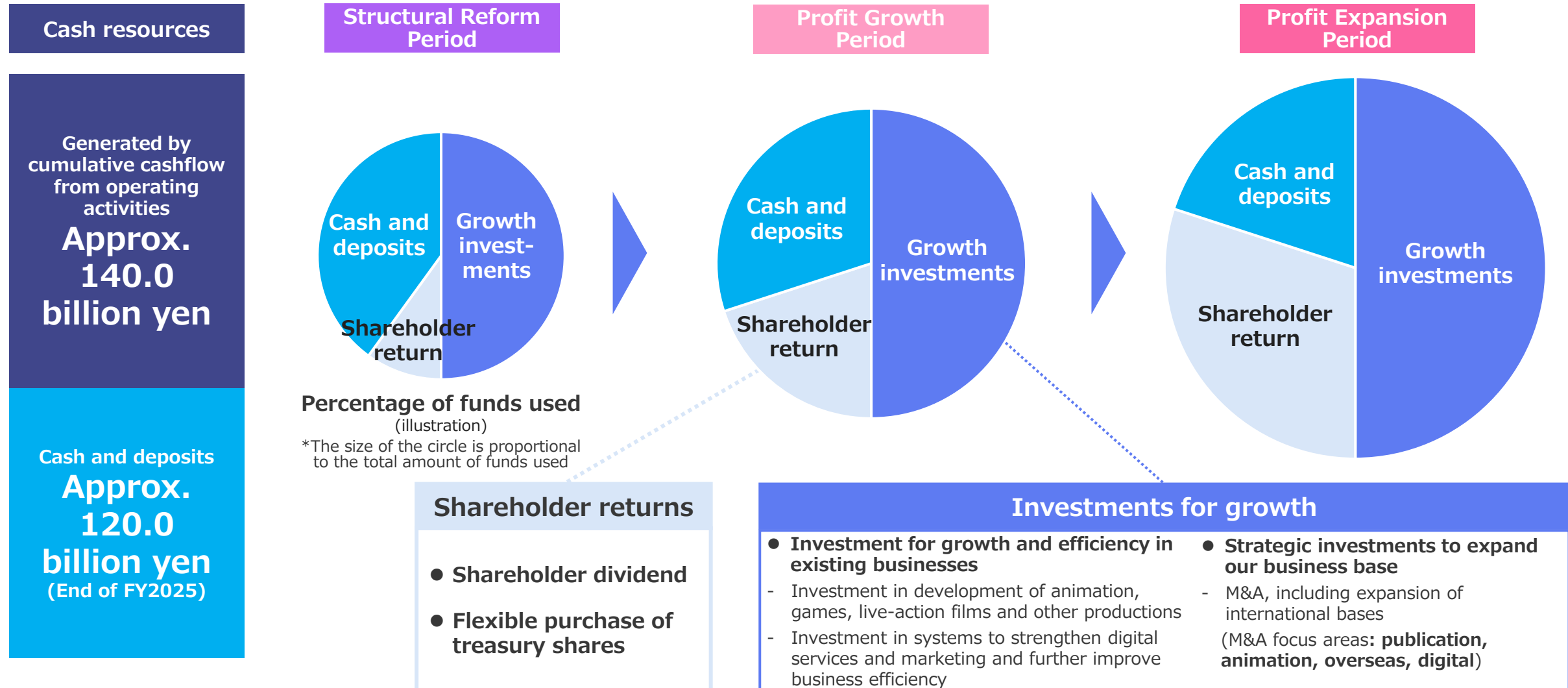
Basic Finance Policy

- We reiterate our ROE target as a significant KPI as we aim to **expand potential for growth investment and increase corporate value**.
- While ensuring stable shareholder returns by setting a minimum dividend amount, we will consider and implement share buybacks and dividend increases in a flexible manner depending on the recovery of profit levels.



Capital Allocation

- Continue to invest for sustainable growth and strengthen shareholder returns in line with increase in profits from the profit growth period to the expansion period.



Selection and Concentration through Advanced and Stricter Investment Management

- Strictly enforce rigorous due diligence at the investment stage and strict exit criteria
- During due diligence, rigorously evaluate investment profitability **based on a benchmark that exceeds the cost of equity**
- **Accelerate selection and concentration** by promptly exiting businesses and projects with low profit growth potential



Upgrading and reinforcing the investment management framework

- **Strict entrance evaluations and withdrawal criteria**
Strictly evaluate the profitability of investments **based on a benchmark that exceeds the cost of shareholders' equity**. Set clear withdrawal criteria in advance
- **Regular monitoring of investments**
Regularly monitor profit on an investment and an organization basis.
Use this as the basis for discussions on improvement plans and withdrawal decisions
- **Prompt decision-making on withdrawal**
Management promptly makes decisions regarding withdraw from projects in which the improvement of profit is deemed to be difficult



Major examples of withdrawal in the last three years

Publication/ IP Creation	Exit	<ul style="list-style-type: none"> • Certain loss-generating businesses in the publication business • Certain loss-generating businesses in media business • mail-order businesses for the elderly
Animation/Film	Exit Sale	<ul style="list-style-type: none"> • EJ Anime Theater Shinjuku • Termination of the cinema joint venture in China
Others (Recreation Business)	Exit	<ul style="list-style-type: none"> • Narita Anime Deck • EJ Anime Hotel • Japan Pavilion • Da Vinci Store <p>} Tokorozawa Sakura Town related facilities</p>



4. Outline of Opinions of the Company's Nominating Committee and Board of Directors on the Shareholder Proposal (Proposal for Dismissal of CEO Natsuno)

Outline of Opinions of the Company's Nominating Committee and Board of Directors on the Shareholder Proposal

【Overview of the Shareholder Proposal】

- Proposing shareholder: Oasis Japan Strategic Fund Y Ltd.
- Proposal: Dismissal of Takeshi Natsuno as Director



- **The Company's Board of Directors carefully considered the Shareholder Proposal in light of deliberation and resolution at the Nominating Committee***.
- **As a result, the Board of Directors determined that the Shareholder Proposal was inappropriate for the following reasons from the perspective of enhancement of the Company's medium-to-long-term corporate value and maximization of the shareholder's common interests, and **resolved to oppose the Shareholder Proposal**.**

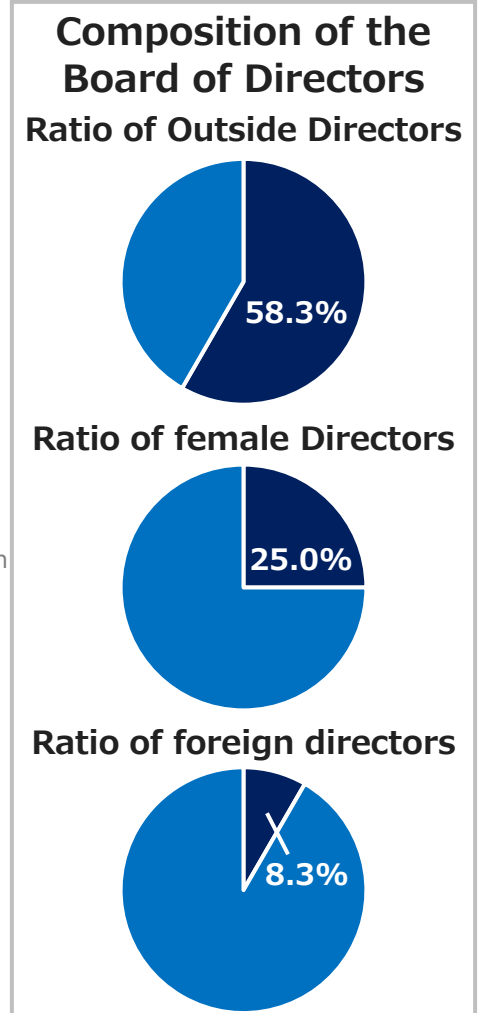
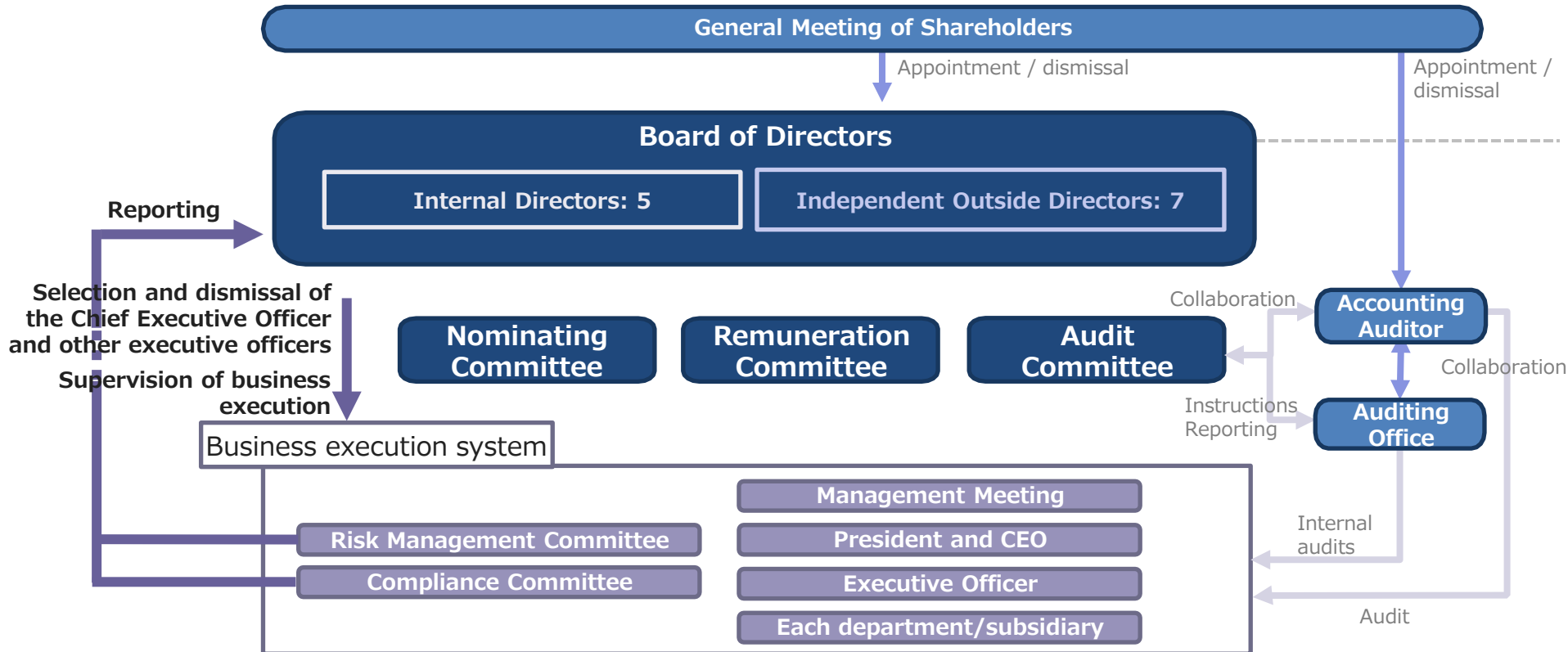
*The Company has an organizational structure comprising a nominating committee, etc.

1. 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.
 - Under its core strategy of "Global Media Mix with Technology" for creating and globally rolling out a diverse range of intellectual properties, both sales and business scale are expanding, and going forward, the knowledge and leadership of CEO Natsuno will enable speedy business structural reforms, leading maximization of the Company' medium-to-long-term corporate value and the shareholder's common interests.
2. Swift response to a cyberattack was enabled by the Board of Directors with Director Natsuno as the Chief Executive Officer.
3. The assertion of the Proposing Shareholder includes misstatement.
 - The assertion that the current management structure is promoting a strategy prioritizing "quantity over quality" is factually untrue, and based on a misunderstanding.

Overview of the Corporate Governance System

- We have built a highly independent and objective management structure, such as ensuring that independent outside directors make up a majority on the Board of Directors, and having an independent outside director serve as Chairperson of the board
- Authority is delegated to executive officers, particularly the chief executive officer, to develop a structure that expedites decision making.
- Groupwide risk management and compliance activities are promoted through the Risk Management Committee and the Compliance Committee, which is chaired by an outside experts (attorney).

<Corporate Governance Structure Following the Ordinary General Meeting of Shareholders Held in June 2026>



Management Structure (As Planned upon Conclusion of the 12th Annual General Shareholders Meeting)

Internal Board Members



Takeshi Natsuno
Member of the Board
CEO



Naohisa Yamashita
Member of the Board
CHRO CLFO CMLO CPO



Shinobu Murakawa
Member of the Board
COO



Noriko Kase
Member of the Board
CCO



Nobuo Kawakami
Member of the Board

Independent Board Members



Hiroo Unoura
Member of the Board,
Independent
Chairperson of the Board



Ruth Marie Jarman
Member of the Board,
Independent



Tadaaki Sugiyama
Member of the Board,
Independent



Yu Sasamoto
Member of the Board,
Independent



Etsuko Okajima
Member of the Board,
Independent



Koichi Kusano
Member of the Board,
Independent



Kouji Okura
Member of the Board,
Independent
(newly appointed)

[Reference] Committee
composition as of May 2026

Percentage of members of
the Nominating Committee
who are Independent
Board Members

80%

Percentage of members of
the Remuneration Committee
who are Independent Board
Members

75%

Percentage of members of
the Audit Committee who
are Independent Board
Members

100%

Name (*◎ is the chairman)	Nominating Committee	Remuneration Committee	Audit Committee
Naohisa Yamashita	○		
Shinobu Murakawa		○	
Hiroo Unoura	◎		
Ruth Marie Jarman	○	◎	
Tadaaki Sugiyama	○		○
Yu Sasamoto		○	○
Ayumi Uzawa			○
Etsuko Okajima	○	○	
Koichi Kusano			◎

Skills Matrix of the Directors

- The Group has defined its corporate mission as being “a platform for creativity.” It advocates a “global media mix with technology” as its fundamental strategy that combines the stable creation of intellectual property (IP) consisting of a variety of portfolio content in each business, the maximization of the lifetime value (LTV) of this IP through business linkage, and the rollout of this IP on a global scale through the constant incorporation of the latest technologies, aiming at achieving growth and enhance corporate value over the medium to long terms. When selecting Directors of the Company, we choose candidates based on those with business experience closely related to the above fundamental strategy or with knowledge of governance.
- If Proposal No. 1 is approved as proposed, the Board of Directors’ skills matrix will be as follows.

Name	Corporate management	Content production	Sales Marketing	IT and technology	Financial Accounting	Legal Governance	Personnel affairs and human resource development	International experience	Other industries Diversity
Takeshi Natsuno	○			○				○	○
Naohisa Yamashita	○	○	○				○		
Shinobu Murakawa		○	○						
Noriko Kase	○	○	○						
Nobuo Kawakami	○	○	○	○					
Hiroo Unoura	○				○		○		○
Ruth Marie Jarman	○		○					○	○
Tadaaki Sugiyama						○			○
Yu Sasamoto	○		○	○				○	
Etsuko Okajima	○						○		○
Koichi Kusano						○		○	○
Kouji Okura	○				○	○			○

Nominating Committee Composition (As of May 14, 2026)

- Comprised of four Outside Directors and one Inside Director with an Outside Director serving as chairperson. The Nominating Committee is responsible for formulating basic policies on the election and dismissal of Directors, determining the content of proposals regarding the election and dismissal of Directors, reporting to the Board of Directors on the election and dismissal of Chief Officers, etc., and reviewing CEO succession plans.



Hiroo Unoura
Member of the Board, Independent
Chairperson of the Nominating
Committee



Ruth Marie Jarman
Member of the Board,
Independent



Tadaaki Sugiyama
Member of the Board,
Independent



Etsuko Okajima
Member of the Board,
Independent



Naohisa Yamashita
Member of the Board

Apr. 1973 Joined Nippon Telegraph and Telephone Public Corporation (present NTT, Inc.)
Jun. 2002 Senior Vice President and Director of Department I of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2005 Senior Vice President and Director of Department V of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2007 Executive Vice President, Director of the Corporate Strategy Planning Department, and Executive Manager of the Corporate Business Strategy Division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2008 Senior Executive Vice President and Director of the Strategic Business Development Division of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2012 President and Chief Executive Officer Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2018 Senior Advisor of NIPPON TELEGRAPH AND TELEPHONE CORPORATION
Jun. 2019 Outside Director and Audit and Supervisory Committee Member of Mitsubishi Heavy Industries, Ltd. (present)
Jun. 2021 Independent Board Member of the Company (present)
Jul. 2021 Senior Advisor of NIPPON TELEGRAPH AND TELEPHONE CORPORATION (present)

Dec. 1988 Joined Recruit Co., Ltd.
Dec. 2000 Joined Space Design Inc.
Apr. 2008 Director of Space Design Inc.
Apr. 2012 Representative Director and President of Jarman International KK (present)
Jun. 2012 Director of HRM Association (present)
Jun. 2019 Outside Director of Fujibo Holdings, Inc. (present)
Jun. 2020 Independent Board Member of the Company (present)
Jun. 2023 Director of Japan Association for Women's Education (present)
Mar. 2024 Outside Director of Earth Corporation (present)
Apr. 2024 Member of NHK International Broadcast Programs Council (present)

Apr. 1980 Joined Kao Soap Co., Ltd. (present Kao Corporation)
Mar. 2003 General Manager of Legal Affairs Department of Legal and Compliance of Kao Corporation
Jun. 2012 Executive Officer and Senior Vice President of Legal and Compliance of Kao Corporation
Mar. 2014 Executive Officer, Senior Vice President of Legal and Compliance and in charge of Enterprise Information Solutions of Kao Corporation
Mar. 2014 Director of Kanebo Cosmetics Inc.
Mar. 2014 Member of the Board of Kao USA Inc.
Mar. 2014 Supervisory Board Member of Kao Germany GmbH
Jun. 2023 Independent Board Member of the Company (present)

Apr. 1989 Joined Mitsubishi Corporation
Jan. 2001 Joined McKinsey & Company, Inc.
Jul. 2005 Representative Director and President of GLOBIS Management Bank, Inc.
Jun. 2007 Representative Director and President of ProNova Inc. (present)
Jun. 2014 Outside Director of Astellas Pharma Inc.
Jun. 2014 External Director of MARUI GROUP CO., LTD. (present)
Nov. 2015 Outside Director of LANCERS, INC.
Dec. 2015 Outside Director of SEPTENI HOLDINGS CO., LTD.
Mar. 2016 Outside Director of Link and Motivation Inc.
Jul. 2018 External Director of Yappli, Inc.
Dec. 2018 External Director of Euglena Co., Ltd.
Feb. 2019 External Director of Money Forward, Inc.
Dec. 2020 Director of Euglena Co., Ltd. (present)
Jun. 2024 Independent Board Member of the Company (present)

Jan. 1981 Joined Kadokawa Shoten Co., Ltd. (present KADOKAWA KEY-PROCESS Co., Ltd.)
Jan. 2007 Director of Kadokawa Shoten Publishing Co., Ltd.
Jun. 2007 Representative Director and President of Fujimi Shobo Co., Ltd.
Apr. 2010 Representative Director and President of Kadokawa Gakugei Shuppan Publishing Co., Ltd.
Jun. 2012 Representative Director and Senior Managing Director of Kadokawa Shoten Co., Ltd.
Jun. 2012 Representative Director and President of KADOKAWA EDITORIAL CO., LTD. (present PERSOL MEDIA SWITCH CO., LTD.)
Jul. 2014 Representative Director and President of Kadokawa Book Navi Co.
Oct. 2015 Director of Building Book Center Co., Ltd.
Jul. 2016 Director of EIGA WALKER INC. (present MOVIE WALKER Co., Ltd.)
Jul. 2017 Director of Gzbrain Inc. (present KADOKAWA Game Linkage Inc.)
Jun. 2020 Board Member of the Company
Jun. 2021 Representative Director of the Company
Jun. 2023 Member of the Board, Chief Human Resource Officer and Chief Literature & Film Officer of the Company
Jun. 2024 Board Member of KADOKAWA DAIEI STUDIO CO., LTD. (present)
Jan. 2026 Member of the Board, Chief Human Resource Officer, Chief Literature & Film Officer and Chief Manga & Light Novels Officer of the Company
Jun. 2026 Member of the Board, Chief Human Resource Officer, Chief Literature & Film Officer, Chief Manga & Light Novels Officer and Chief Publishing Officer (present/plan)



5. State of CEO's Performance of Duties, and State of Dialogues with Shareholders

CEO's Commitment to the Company's Business Execution

- **CEO makes a strong commitment to important meetings and personnel measures of the Company-and its key group companies.**

The Company understands that it is important that CEO spares abundant time for management execution. CEO Takeshi Natsuno is making a strong commitment to the Company's business execution, structural reforms and dialogues with investors.

As the new Mid-term Management Plan has shifted to the execution phase, CEO's time distribution will be modified further focusing on the Company's business execution, structural reforms and dialogues with investors.

Taking its underachieved performance seriously, and the Company will show its seriousness with results going forward.

The Company has built a structure in which with the avoidance of excessive reliance on CEO, the role of each business manager is clarified, and the execution power of the overall management will be enhanced.

CEO's meeting attendance rate and activities (FY2025)

Attendance at important meetings

KADOKAWA Board of Directors meeting (12 meetings) **100%**

KADOKAWA Board of Directors special meeting (4 meetings) **100%**

KADOKAWA Executive Council (12 meetings) **100%**

KADOKAWA CO Meeting (12 meetings) **100%**

DWANGO Board of Directors meeting (12 meetings) **100%**

DWANGO Business Execution Meeting (29 meetings) **97%**

*In addition, CEO attended many other meetings including various committees, and business group meetings.

Involvement in personnel affairs and the organization

President direct meeting: **135 meetings with approx. 810 employees**

*A system of exchange of opinions for 30 minutes without setting a theme with randomly selected five to six employees. Through these meetings, challenges and issues at worksites are collected to be considered in the Company's operations and system reforms.

Final employment/appointment interviews: **212 interviews**

*At the Company, when hiring an employee, the final interview is conducted by CEO.

Overseas trips, and interactions with investors and partners

Overseas business trips in FY2025: **13 trips (17 cities)**

Average length of stay per visited city: **1.47 nights**

Rate of use of weekends and holidays: **85%**

History of Meetings with Oasis

- The Company engages in dialogues with Oasis and other shareholders on a continued basis, and has exchanged opinions on business strategies, finance policies, governance and other matters.

Date of meeting	Attendees from the Company	Attendees from Oasis
June 23, 2020	IR Department	Analyst, etc.
December 1, 2020	IR Department	Analyst, etc.
March 2, 2021	Yoichi Yasumoto, Director and Executive Officer	Mr. Seth H. Fischer, Chief Investment Officer, etc.
June 25, 2021	IR Department	Analyst, etc.
November 24, 2021	IR Department	Analyst, etc.
March 7, 2022	IR Department	Analyst, etc.
March 13, 2023	IR Department	Analyst, etc.
February 29, 2024	IR Department	Analyst, etc.
September 26, 2024	IR Department	Analyst, etc.
December 25, 2024	IR Department	Analyst, etc.
March 24, 2025	IR Department	Analyst, etc.
December 1, 2025	IR Department	Analyst, etc.
February 25, 2026	IR Department	Analyst, etc.
April 13, 2026	Takeshi Natsuno, Director, Representative Executive Officer, President and CEO	Mr. Seth H. Fischer, Chief Investment Officer, etc.

Supervision by Board of Directors

- **The Board of Directors will strictly and continuously monitor the progress of the new Mid-term Management Plan in view of KPIs, and consider additional measures, revise the management structure, and take other measures, as necessary.**

- **No unconditional ratification:** The Company takes its underachieved performance seriously, and the reappointment of CEO does not mean the unconditional ratification of his business execution.
- **Strict management based on important KPIs:** The reduction of the rate of sales returned in the publication business, the improvement of in-house creation rate in the animation business, overseas sales ratios on a consolidated basis, ROE, EPS, and other matters will be continuously reviewed.
- **Flexible handling and correction:** If there is any delay in progress, the Company will analyze its cause, and continue to take measures for enhancement of the corporate value, considering additional measures, revising investment distribution, and giving consideration pertaining to the management structure.

Request to Shareholders

The Company takes seriously its performance for FY2025 and the underachievement of the former Mid-term Management Plan.

In accordance with the new Mid-term Management Plan, the Company will surely advance revenue structure reforms, fixed costs optimization, investments in growing areas, and capital efficiency improvement, with a focus on the domestic publication business and the animation business.

It is considered that the dismissal of CEO at this point in time will harm the continuity of reforms and the stability of management, and will not contribute to the shareholder's common interests.

The Company asks its shareholders for understanding and support for the Company's initiatives directed toward enhancement of corporate value as well as the opinion of the Company's Board of Directors.



KADOKAWA

- 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.
- Forward-looking statements such as results forecasts contained in this material are judgments of the Group based on currently available information.
- The forward-looking statements include various uncertainties, and actual results may differ from these values. Please refrain from making investment judgments, etc. by relying entirely on these values.