



February 25, 2026

To whom it may concern:

Company name: DIGITAL HOLDINGS, INC.
Representative: Daisuke Kanazawa, President and
Representative Director
(Stock Code: 2389, TSE Prime Market)
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Notice Concerning Approval Resolution for Share Consolidation, Abolition of the Provision on Share Units and Partial Amendment to the Articles of Incorporation

As previously announced in the “Notice Concerning Share Consolidation, Abolition of the Provision on Share Units, and Partial Amendment to the Articles of Incorporation” (the “Company’s Press Release Dated January 26, 2026”) published by DIGITAL HOLDINGS, Inc. (the “Company”) on January 26, 2026, the Company hereby announces that, as stated below, the proposals regarding the share consolidation, the abolition of the provision on share units, and partial amendments to the Articles of Incorporation, which were submitted at the extraordinary shareholders’ meeting held today (the “Extraordinary Shareholders’ Meeting”), have all been approved as originally proposed.

As a result, the Company’s shares of common stock (the “Company Shares”) will meet the delisting criteria stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”). Consequently, the Company Shares are scheduled to be designated as securities to be delisted (*seiri meigara*) from today until March 18, 2026, and will be delisted on March 19, 2026. Please note that after the delisting, the Company Shares will no longer be traded on the Tokyo Stock Exchange Prime Market.

1. Proposal No. 1 (Share Consolidation)

The Company obtained the approval of its shareholders at the Extraordinary Shareholders’ Meeting for the share consolidation described below (the “Share Consolidation”). The details of the Share Consolidation are as stated in the Company’s Press Release Dated January 26, 2026.

- A. Class of Shares to Be Consolidated
Common shares
- B. Consolidation Ratio
Every 8,000,000 shares of the Company Shares will be consolidated into one share.
- C. Reduction in the Total Number of Outstanding Shares
18,675,905 shares
- D. Total Number of Outstanding Shares Prior to the Effective Date of the Share Consolidation
18,675,907 shares
- E. Total Number of Outstanding Shares After the Effective Date of the Share Consolidation
2 shares

- F. Total Number of Shares Authorized to Be Issued as of the Effective Date of the Share Consolidation
8 shares
- G. Method of Processing of Fractions Less Than One Share, and Amount of Cash Expected to Be Delivered to the Shareholders as a Result of the Processing of Fractions
- (i) Whether the Company Intends to Proceed Pursuant to Article 235, Paragraph 1 of the Companies Act, or Article 234, Paragraph 2 as Applied *Mutatis Mutandis* Under Article 235, Paragraph 2 of the Companies Act, and the Reasons Therefor

Due to the Share Consolidation, the number of Company Share(s) held by each of the Company's shareholders other than Hakuholdo DY Holdings Inc. (the "Tender Offeror") is expected to be less than one share. With respect to the fractional shares resulting from the Share Consolidation, the Company will, in accordance with the procedures set out in Article 235 of the Companies Act (Act No. 86 of 2005, as amended; the same applies hereinafter) and other relevant laws and regulations, pay its shareholders who have such fractional shares cash obtained by selling the Company Share(s) equivalent to the total number of such fractional shares (if the total number includes a fraction of less than one share, the fraction will be rounded down pursuant to the provisions of Article 235, Paragraph 1 of the Companies Act. The same applies hereinafter.) or by other methods. With respect to such sale, in view of the facts that the Share Consolidation is to be carried out as part of transactions intended to make the Tender Offeror the Company's sole shareholder, and that the Company Shares will be delisted as of March 19, 2026 and will become non-marketable shares and therefore it is considered that the possibility of a new purchaser appearing through an auction process is low, the Company plans to sell the Company Share(s) equivalent to the total number of such fractional shares to the Tender Offeror with the permission of the court pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act as applied *mutatis mutandis* under Article 235, Paragraph 2 of the Companies Act.

If the above permission of the court is obtained as planned, the sale price in such case is planned to be set at a price that will result in the delivery of cash equivalent to the amount obtained by multiplying the number of Company Shares held by each shareholder in the Company's final shareholders' register as of March 23, 2026, which is the business day immediately preceding the effective date of the Share Consolidation, by 2,015 yen, which is the same amount as the tender offer price per Company Share in a tender offer for the Company Shares and the Stock Acquisition Rights conducted by the Tender Offeror from September 12, 2025 to December 3, 2025 (the "Tender Offer"). However, the amount of cash that will be actually delivered to the shareholders may differ from the above amount in cases where the Company is unable to obtain the permission of the court or it is necessary to make adjustments for fractions in the calculation or in other similar cases.

- (ii) Name of a Person Who Is Expected to Become the Purchaser of the Shares Pertaining to the Sale
Hakuholdo DY Holdings Inc. (the Tender Offeror)
- (iii) Method by Which a Person Who Is Expected to Become the Purchaser of the Shares Pertaining to the Sale Secures Funds for Payment of the Purchase Price Pertaining to the Sale, and the Appropriateness of Such Method

The Tender Offeror intends to fund the acquisition of the Company Shares corresponding to the total number of fractional shares arising from the Share Consolidation using its own capital.

The Company has confirmed the bank balance certificate dated September 11, 2025, pertaining to the Tender Offeror's deposit balance, which was submitted as an attachment to the Tender Offer Registration Statement for the Tender Offer. Furthermore, according to the Tender Offeror, no events have occurred that could impede payment of the proceeds from the sale of the Company Shares equivalent to the total number of fractions of less than one share resulting from the Share Consolidation, nor is the Tender Offeror aware of any possibility that such events may occur in the future.

Accordingly, the Company has determined that the method by which the Tender Offeror intends to secure the funds to pay for the purchase of the Company Shares corresponding to the total number of fractional shares resulting from the Share Consolidation is appropriate.

- (iv) Prospect of the Timing of the Sale and the Timing of Delivery of Proceeds from the Sale to Shareholders

The Company intends to file a petition with the court for permission to sell the Company Share(s) equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation and have the Tender Offeror purchase such Company Share(s) around early April 2026 after the effective date of the Share Consolidation pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act as applied *mutatis*

mutandis under Paragraph 2 of Article 235 of the Companies Act. The timing of obtaining such permission may vary depending on, among others, the circumstances of the court, but the Company expects to sell the Company Shares by having the Tender Offeror purchase such shares around early May 2026 with the permission of the court, and after making the necessary preparations to deliver the proceeds obtained through such sale to the Company's shareholders, the Company expects to deliver such proceeds to the shareholders around late June 2026.

In consideration of the period required for the series of procedures pertaining to the sale from the effective date of the Share Consolidation, the Company has determined that at each timing as described above, the Company Share(s) equivalent to the total number of fractional shares less than one share resulting from the Share Consolidation will be sold and the proceeds obtained through such sale will be delivered to the Company's shareholders.

The sale proceeds will be paid to the shareholders stated or recorded in the Company's final shareholder registry as of March 23, 2026, the day preceding the effective date of the Share Consolidation, in accordance with the method to deliver dividend property.

2. Proposal No. 2 (Partial Amendments to the Articles of Incorporation)

The Company obtained the approval of its shareholders at the Extraordinary Shareholders' Meeting for the partial amendments to the Articles of Incorporation described below. The details of the amendments are as stated in the Company's Press Release Dated January 26, 2026. Subject to the condition that the Share Consolidation becomes effective, such amendments are scheduled to take effect on March 24, 2026, which is the effective date of the Share Consolidation.

- (1) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the total number of Company Shares authorized to be issued will be reduced to 8 shares in accordance with Article 182, paragraph 2 of the Companies Act. In order to clarify this point, Article 6 (Total Number of Shares Authorized to be Issued by the Company) of the current Articles of Incorporation will be amended, subject to the condition that the Share Consolidation becomes effective.
- (2) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the total number of issued shares of the Company will be 2 shares, and it will no longer be necessary to provide for a unit number of shares. Accordingly, subject to the condition that the Share Consolidation becomes effective, the Company will abolish the provision on the unit number of shares (which currently provides that one unit consists of 100 shares) by deleting the entire text of Article 7 (Number of Shares Constituting One Unit of Shares) and Article 8 (Rights in Respect of Shares Less Than One Unit) of the current Articles of Incorporation, and will renumber the number of articles to reflect such amendments.
- (3) If the proposal concerning the Share Consolidation is approved as originally proposed at the Extraordinary Shareholders' Meeting and the Share Consolidation becomes effective, the Company Shares will be delisted and the Tender Offeror will become the sole shareholder of the Company. As a result, the provisions regarding the record date for the ordinary general meeting of shareholders, the provisions regarding the acquisition of treasury shares through market transactions, and the provisions regarding the electronic provision measures for materials for shareholders' meetings will no longer be necessary. Accordingly, subject to the condition that the Share Consolidation becomes effective, the entire text of Article 11 (Record Date), Article 12 (Acquisition of the Company's Own Shares), and Article 15 (Electronic Provision Measures, etc. for Reference Documents for Shareholders' Meetings, etc.) of the current Articles of Incorporation shall be deleted, and the number of articles associated with such amendments shall be renumbered.

3. Scheduled Date of the Share Consolidation

Date of the Extraordinary Shareholders' Meeting	Wednesday, February 25, 2026
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Date of assignment of the Company Shares to the securities to be delisted	Wednesday, February 25, 2026
Last trading date of the Company Shares	Wednesday, March 18, 2026 (tentative)
Date of delisting of the Company Shares	Thursday, March 19, 2026 (tentative)
Effective date of the Share Consolidation	Tuesday, March 24, 2026 (tentative)

End