



December 17, 2025

Company name:	World Co., Ltd.
Representative:	Nobuteru Suzuki Representative Director of the Board, President and Executive Officer (Securities code: 3612; Prime Market of TSE)
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Notice about the decrease of the amount of capital reserves which will increase as a result of the share exchange and its transfer to the account of “other capital surplus”

We would like to inform you that we passed a resolution at the meeting of the Board of Directors held on December 17, 2025 that we will decrease the amount of capital reserve and transfer it to the account of other capital surplus. Please note that this will have no effects on our business performance.

1. The purpose of decreasing the amount of the capital reserve

As stated in our “Notice about the conclusion of the share exchange agreement concerning World Co., Ltd. making Right-On Co., Ltd. its wholly-owned subsidiary (simplified share exchange)” dated November 14, 2025, it is scheduled that we will carry out a share exchange with World Co., Ltd. as the wholly-owning parent and Right-On Co., Ltd., our consolidated subsidiary, as our wholly-owned subsidiary through the share exchange (hereinafter referred to as the “Share Exchange”), effective on March 1, 2026. In order to enable us to flexibly carry out the capital management strategy after the Share Exchange, we have determined that we will reduce the amount of capital reserve which will increase because of the Share Exchange in the same amount as that of increase, and transfer to the account of other capital surplus, at the same time the Share Exchange takes effect.

For further details of the Share Exchange, please refer to the “Notice about the conclusion of a share exchange agreement concerning World Co., Ltd. making Right-On Co., Ltd. its wholly-owned subsidiary (simplified share exchange)” dated November 14, 2025.

2. Outline of the way of reducing the amount of capital reserves

The amount of capital reserve will be reduced as mentioned below, with the suspensive condition that the Share Exchange will result in increasing the capital reserve of World Co., Ltd. on the effective date of the Share Exchange.

(1) The amount of capital reserves that will decrease

The amount of capital reserves that will increase as a result of the Share Exchange

*1 The Share Exchange Agreement concerning the Share Exchange provides that the amount of increase in capital reserves shall be determined appropriately by World Co., Ltd. in accordance with the provisions of Article 39 of the Regulation on Corporate Accounting. We at World Co., Ltd. are planning to increase the amount of capital reserves following the Share Exchange and the specific amount of such an increase in capital reserves should be computed in accordance with the provisions of Article 39 of the Regulation on Corporate Accounting based on the market price of the World Co., Ltd. shares to be granted as consideration of the Share Exchange through issuance of new shares (number of shares is planned to be 3,422,563). This will be implemented on the premise that the stock split of making one World Co., Ltd. share into two, with

February 28, 2026 as the record date and March 1, 2026 as the effective date (hereafter referred to as the “Stock Split”) takes effect (for further details of the Stock Split, refer to our announcement dated November 14, 2025 titled “Notice about the stock split, partial amendment of the Articles of Incorporation and change in the conditions for exercising the subscription right to shares”). It is projected that the Share Exchange will not result in an increase in World Co., Ltd.’s capital.

*2 The above-mentioned decrease in the amount of capital reserves represents a decrease of the amount of the increase in capital reserves at the same time when the Share Exchange takes effect. Therefore, the amount of World Co., Ltd.’s capital reserves after it takes effect will be equal to the amount of capital reserves immediately before the Share Exchange taking effect.

(2) Handling of the amount of capital reserves that will decrease

The amount of capital reserves that will decrease will not be appropriated for the capital stock but the entire amount will be transferred to the account of other capital surplus.

(3) Method of decreasing the amount of capital reserves

The amount of capital reserves will be reduced by the resolution of the _Board of Directors, based on Article 448-3 of the Company Law.

3. Schedule for reducing the amount of capital reserves

(1)	Date of resolution of the Board of Directors	December 17, 2025
(2)	Period for making a statement of opposition by creditors (planned)	From January 26 to February 25, 2026
(3)	Effective date (planned)	March 1, 2026 (same as the effective date for the Share Exchange)

4. Outlook for the future

The said decrease in the amount of capital reserves will have no effect on the business results of World Co., Ltd., since it is a transfer of a part of capital reserves to the account of other capital surplus and therefore it will not change the amount of net assets of World Co., Ltd.

We wish to inform you of the specific amount of decrease in capital reserves immediately after it is finalized.