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To whom it may concern:

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Notice Regarding Designation as a Security on Special Alert and Imposition of a Listing Agreement Penalty

ACCESS CO., LTD. hereby announce that the Company received notification from the Tokyo Stock Exchange, Inc. on August 26, 2025, that its shares would be designated as a Security on special alert starting August 27, 2025, and that a listing agreement penalty would be imposed, as detailed below.

1. Reasons for Designation as a Security on Special Alert and Imposition of a Listing Agreement Penalty

The Company has received the following observations from the Tokyo Stock Exchange, Inc.:

On June 30, 2025, ACCESS CO., LTD. (hereinafter, "the Company") disclosed the receipt of a special investigation committee's report concerning inappropriate accounting treatment within the Company, and on the same date, disclosed corrections to its financial results for past fiscal years.

This revealed that overstatement and premature recording of sales related to software license sales, as well as overstatement of software development costs that should have been expensed as software assets, occurred at an overseas subsidiary responsible for the Company's core network business (hereinafter, "the Subsidiary"), with the involvement of some management personnel from both the Company and the Subsidiary (hereinafter, "the Inappropriate Accounting Treatment").

As a result, the Company was found to have made disclosures in its financial statements and other documents for the period from the fiscal year ended January 2021 to the second quarter of the fiscal year ended January 2025 that were deemed to be false, in violation of listing rules. Consequently, through corrections to its financial results, the Company significantly misrepresented its financial performance, for example, by understating the operating loss for the fiscal year ended January 2024 from 1,977 million yen to 105 million yen, the ordinary loss from 1,924 million yen to 12 million yen, and the net loss attributable to parent company shareholders from 2,231 million yen to 280 million yen.

Furthermore, it was also revealed through the special investigation committee's report and the Company's responses to inquiries from the Japan Exchange Regulation that the Inappropriate Accounting Treatment had been carried out since the fiscal year ended January 2018, resulting in a reduction of over 60% in each stage of profit for the fiscal year ended January 2018, and misrepresenting deficits as profits for each stage of profit and loss in the fiscal years ended January 2019 and January 2020.

Additionally, the Company moved from the former Mothers market to the First Section of the Exchange in February 2020. Despite submitting an affidavit to the Exchange declaring that all documents submitted were true, it was found that the Company obtained approval for the market change by submitting documents containing false statements regarding financial figures in its market change application documents due to the Inappropriate Accounting Treatment.

The background to these issues primarily includes the following points:

- Multiple inappropriate accounting treatments were carried out over a long period with the involvement of some management personnel from the Company and the Subsidiary, demonstrating a severe lack of ethical awareness regarding financial reporting among these management personnel. Moreover, the Company's Representative Director also showed a low awareness of financial reporting by failing to take appropriate action despite being exposed to information that could have been an initial indication of the Inappropriate Accounting Treatment.
- Although strengthening the internal control system of the Subsidiary was necessary as its business scale expanded, appropriate measures were postponed due to deteriorating business performance and other reasons. As a result, effective internal controls to prevent the Inappropriate Accounting Treatment were not established at the Subsidiary, and its officers and employees had low awareness of being part of a listed company group, particularly an insufficient understanding of the importance of financial reporting.
- Even at the Company itself, despite the increasing importance of the Subsidiary due to the expansion of the network business, the management system for the Subsidiary was not appropriately strengthened to match this, and the Company's oversight function did not operate effectively.

As stated above, this case involves multiple inappropriate accounting treatments carried out over a long period with the involvement of some management personnel from the Company and the Subsidiary, resulting in disclosures deemed false that had a serious impact on investors' investment decisions. Although the Company disclosed its recurrence prevention measures on June 30, 2025, there is still a high need for improvement in the Company's internal management system, and therefore, the Company's shares will be designated as a Security on Special Alert.

Furthermore, given the background described above, the Company continued to publish incorrect information for a long period regarding financial information that is highly important for investment decisions. Also, during the market change review, the Company obtained approval for a market change despite violating the affidavit related to the application for changing the listing market. These actions are deemed to have damaged the trust of shareholders and investors in the Exchange market, and therefore, the Company will be requested to pay a listing agreement penalty.

2. Date of Designation as a Security on Special Alert

August 27, 2025 (Wednesday)

3. Period of Designation as a Security on Special Alert

The designation period will generally be one year from August 27, 2025. After one year, the Company will submit an internal control system confirmation report, and the Tokyo Stock Exchange, Inc. will review the internal control system. If no issues are found with the internal control system, the designation will be lifted. However, if issues are found, the Company will, in principle, be delisted. If, upon review after one year from the designation, the internal control system is deemed to be appropriately established but not appropriately operated (limited to cases where there is an expectation of appropriate operation), the designation as a Security on Special Alert will continue. In such a case, the Company will be required to improve the operational status of its internal control system by the review following the end of the business year in which the continuation of the designation was decided (or the next business year if the period from the decision date to the end of the business year is less than three months). If the internal control system is deemed to be appropriately established and operated, the designation will be lifted. If the internal control system is not deemed to be appropriately established or if there is no longer an expectation of appropriate operation, the Company will be delisted. If the internal control system

is deemed to be appropriately established but not appropriately operated (limited to cases where there is an expectation of appropriate operation), the designation may continue for a maximum of three business years from the review following the end of the business year in which the continuation of the designation was decided (or the next business year if the period from the decision date to the end of the business year is less than three months), during which time the review will be conducted.

4. Listing Agreement Penalty

The Company has been requested by the Tokyo Stock Exchange, Inc. to pay a listing agreement penalty of 48 million yen.

5. Future Actions

The Company sincerely apologize for the significant inconvenience and concern caused to our shareholders, investors, business partners, and all other stakeholders.

As announced in the "Notice of the formulation of measures to prevent recurrence" dated June 30, 2025, the Company has formulated recurrence prevention measures consisting of improvement measures for both its U.S. subsidiary and the Company itself. Considering this designation as a Security on Special Alert, the Company will strive to develop and strengthen its governance and internal management systems and dedicate itself to regaining the trust of all stakeholders.