November 14, 2025

To our Stakeholders

Company name:	Advance Create Co., Ltd.
Representative:	Yoshiharu Hamada, President (Securities code: 8798; Tokyo, Sapporo, Fukuoka Market)
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Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Notice of Expected Compliance with Listing Maintenance Criteria

As stated in the Annual Securities Report for the fiscal year ended September 30, 2024 submitted on February 28, 2025, Advance Create Co., Ltd. (hereinafter referred to as the "Company") has become insolvent as of the end of the consolidated fiscal year ended September 30, 2024, and the Company is no longer in compliance with the listing maintenance criteria (net assets must be positive) of the Tokyo Stock Exchange Prime Market, Fukuoka Stock Exchange and Sapporo Securities Exchange where the Company is listed. As a result, the Company disclosed its "Plan for Compliance with the Listing Maintenance Criteria (Net Asset Criteria) (Entering the Improvement Period)" on the same date. Therefore, the Company would like to inform you of the progress of our plan to comply with the listing maintenance criteria (net asset criteria) for the fiscal year ended September 30, 2025, as follows. Incidentally, as announced in the "Notice of Expected Compliance with Listing Maintenance Criteria" dated September 30, the Company's net assets were expected to be positive at the end of the consolidated fiscal year ended September 2025 and the company would meet the listing maintenance criteria as of the end of the fiscal year ended September 30, 2025, and as announced in the "Consolidated Financial Results for the Fiscal Year Ended September 30, 2025 (Under Japanese GAAP)" dated dated November 14, 2025, the Company's net assets amounted to 559 million yen, and the Company has thus eliminated our net deficit. If the amount of net assets is confirmed to be positive in the Annual Securities Report for the fiscal year ended September 30, 2025, the Company will formally comply with listing maintenance criteria. As of September 30, 2025, the Company did not meet the Tokyo Stock Exchange Prime Market's listing maintenance standards (Market Capitalization of Float Shares Standard and Float Shares Ratio Standard). For further details, please refer to the document disclosed today, titled "Plan for Achieving Compliance with the Listing Maintenance Standards (Market Capitalization of Freely Tradable Shares Criterion and Freely Tradable Shares Ratio Criterion)."

1. Status of compliance with the Company's listing maintenance criteria and planned period (improvement period)
As announced in the “Notice Concerning Investigation Report of the Investigation Committee and Efforts to Prevent Recurrence” dated October 8, 2024 and the “Notice Concerning Postponement of Announcement of Financial Results for the Fiscal Year Ended September 30, 2024 and Correction of Prior Period Financial Results” dated October 30, 2024, the Company's previous accounting auditor indicated that some of the results of PV calculation results deviated from actual conditions. And the Company has formed an investigation committee consisting of independent third-party attorneys and outside auditors to calculate the amount of deviation from the actual PV calculation that should be corrected, and has concluded that it is appropriate to correct this deviation by amending the financial statements for prior periods. Subsequently, as announced in the “Notice of Additional Investigation Report by the Investigation Committee” dated January 10, 2025, the Company received an additional investigation report from the Investigation Committee regarding problems with PV calculations in prior periods and recalculated PV sales retroactively for prior periods. As a result, it was found that the Company had an excess liability of 4,973 million yen as of the end of the fiscal year ended September 30, 2024. The improvement period is until the end of September 2025, and the criteria for maintaining listing must be met as of the end of September 2025. In order to fulfill the criteria for maintaining listing on the Tokyo Stock Exchange Prime Market, Fukuoka Stock Exchange, and Sapporo Securities Exchange, which was non-compliant this time, by the end of the planning period (end of September 2025, the improvement period), the Company proceeded with various efforts to comply with the criteria for maintaining listing.

2. Financial result for the fiscal year ended September 30, 2025
Please refer to the financial results disclosed today.

3. Basic policy on efforts to conform to listing maintenance criteria
As announced in the “Plan for Compliance with the Listing Maintenance Criteria (Net Asset Criteria) (Entering the Improvement Period)” dated February 28, 2025, the Company strived to resolve this situation by strengthening internal controls, promoting measures to increase capital, stabilizing business and financial aspects, and continuously improving income and expenditures.

4. Progress of efforts to conform to listing maintenance criteria
Details of the Company's initiatives to meet the Tokyo Stock Exchange Prime Market, Fukuoka Stock Exchange, and Sapporo Securities Exchange listing maintenance criteria, please refer to the "Progress Report on the Plan to Meet Listing Maintenance Criteria" of the Japanese original (in Japanese only).