

December 23, 2024

For Immediate Release:

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**Notice Concerning Additional Acquisition of Shares
 in a Consolidated Subsidiary to Make it a Wholly Owned Subsidiary**

MTI Ltd. (hereinafter the “Company”, “we”, or “our”) announces that a meeting of the Board of Directors of the Company held on December 21, 2024, to acquire additional shares of our consolidated subsidiary, Motivation Works Inc. (hereinafter the “Motivation Works”), in order to make it our wholly owned subsidiary.

1. Reason for acquisition of shares

In order to enhance its corporate value over the medium to long term, the Group is actively pursuing the school DX business, which is expected to drive future growth. As of the end of September 2024, private schools accounted for more than 35% of the market share for the full cloud-based school affairs support system *BLEND*. We expect further expansion of this business by focusing on securing contracts with public schools. In light of these developments, we have decided to make Motivation Works a wholly owned subsidiary to enable more agile decision-making.

2. Motivation Works Overview (As of September 30, 2024)

(1) Name	Motivation Works Inc.		
(2) Address	Tokyo Opera City Tower 3-20-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo		
(3) Name and title of representative	Hiro Ichinokura, CEO		
(4) Nature of business	Development and operation of educational platform		
(5) Capital stock	100 millions of yen		
(6) Fiscal year	September 30		
(7) Date of establishment	September 5, 2018		
(8) Number of issued shares	5,000 shares		
(9) Major shareholder and shareholding ratios	MTI Ltd.	85.0%	
	Hiro Ichinokura	15.0%	
(10) Financial conditions and operating results for the past three years	(Unit: Mil yen)		
Fiscal year	September 30, 2022	September 30, 2023	September 30, 2024
Net assets	(949)	(1,705)	(1,797)
Total assets	1,058	1,401	1,644
Net sales	426	852	1,233
Operating income	(841)	(668)	(90)

Ordinary income	(874)	(755)	(91)
Profit	(875)	(756)	(92)
Net assets per share (yen)	(189,811.59)	(341,141.80)	(18,440.84)
Net income per share (yen)	(205,984.33)	(151,330.21)	(359,582.65)

3. Number of shares to be acquired, acquisition price, and status of shares held before and after acquisition

(1) Number of shares held before the acquisition	4,250 shares (Number of voting rights: 4,250) (Percentage of voting rights ownership: 85.0 %)
(2) Number of shares to be acquired	750 shares (Number of voting rights: 4,250)
(3) Number of shares held after the acquisition	5,000 shares (Number of voting rights: 5,000) (Percentage of voting rights ownership: 100.0 %)

(Note) The acquisition price will not be disclosed based on discussions with Mr. Ichinokura.

4. Schedule

(1) Date of resolution at the Board of Directors meeting	December 21, 2024
(2) Date of share acquisition	January 7, 2025 (planned)

5. Outlook for the future

The impact of this matter on our performance for the fiscal year ending September 2025 is expected to be minimal.

(Reference)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income Per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Earnings forecast for FY2025 (For the fiscal year ending September 30, 2025)	28,500	2,800 ~3,200	2,900 ~3,300	1,460 ~1,740	26.51 ~31.60
FY2024 (Actual) (For the fiscal year ended September 30, 2024)	27,669	2,394	2,827	2,363	43.05

<Points to consider concerning forecasts

Matters stated in this material concerning results forecasts are based on assessments, assumptions and convictions derived from information available to the Company at the time when this material is published. They may differ significantly from actual results due to a variety of factors, including future economic conditions in Japan and overseas, changes in conditions for business operations in Japan and overseas, or uncertain factors and potential risks inherent in forecasts. Those risks and uncertain factors include unpredictable effects on results that may arise from future events.

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