

May 26, 2025

Company Name	Kudan Inc.	
Representative	CEO	Daiu Ko
	(Securities code: 4425 TSE Growth)	
Inquiries	CFO	Kohei Nakayama
	(Tel. 03-6892-7333)	

Notification concerning the appropriation of surplus funds and change of directors

Kudan Inc. (henceforth in this document as “Kudan”) announces that at its Board of Directors Meeting today, it has resolved to introduce a proposal regarding the reduction of the appropriation of surplus funds and change of directors at its 11th Annual General Shareholders Meeting to be held on June 27th, 2025, as outlined below.

1. Appropriation of surplus funds

(1) Purpose of the appropriation of surplus funds

The purpose of the appropriation of the surplus funds is to improve its financial standing by compensating for the deficit in the retained earnings brought forward, and to maintain its flexibility and mobility for the future capital strategy.

Specifically, as per Article 452 of the Companies Act, a part of the other capital surplus will be appropriated to compensate for the deficit in the retained earnings brought forward.

(2) Details regarding the appropriation of surplus funds

The other capital surplus of JPY 808,217,884 will be transferred to compensate for the deficit in the retained earnings brought forward.

1) The item and the amount of surplus funds to be decreased

Other capital surplus: JPY 808,217,884

2) The item and the amount of surplus funds to be increased

Retained earnings brought forward.: JPY 808,217,884

(3) Schedule for the appropriation of surplus funds (planned)

1) Resolution of the Board of Directors: May 26th, 2025

2) Resolution of General Shareholders Meeting: June 27th, 2025 (planned)

3) Effective date: June 30th, 2025 (planned)

(4) Future outlook

Since this transaction is a transfer between accounts in the net assets section of its balance sheet, it will not change the total amount of net assets nor affect its business

performance. This matter is subject to approval at the 11th Annual General Shareholders Meeting scheduled to be held on June 27th, 2025.

2. Change of directors

(1) Candidates for directors (Directors who are Audit and Supervisory Committee Members are excluded)

Name	New Title (planned)	Current Title
Tomo Ohno	Managing Director	Same as the left
Daiu Ko	Managing Director & CEO	Same as the left
Tian Hao	Director & COO	Same as the left
Yusuke Shibata	External Director	Same as the left

(2) Candidates for directors serving as Audit and Supervisory Committee Member

Name	New Title (planned)	Current Title
Hisanori Oguri	External Director Audit and Supervisory Committee Member	Same as the left

In light of the current state of our company's audit and supervisory structure, and based on our judgment that the effectiveness of audits can continue to be ensured, we will reduce the number of Directors serving as Audit and Supervisory Committee Members by one, resulting in a three-member committee. Accordingly, we will appoint one Director to serve as an Audit and Supervisory Committee Member.

(3) Retiring Directors

Name	Title After Retirement (planned)	Current Title
Kohei Nakayama	-	Director & CFO
Takayuki Murai	-	External Director Audit and Supervisory Committee Member