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Oasis Responds to Reports of Another JFTC Warning Against KADOKAWA and Reiterates the Need for Management Change and Shareholder Action at the 2026 AGM (Securities Code: 9468 JT)

Media reports indicate that the JFTC intends to issue another recommendation against KADOKAWA, this time for alleged violations of Japan's Freelance Protection Act, after the Company reportedly failed to clearly state payment terms and delayed payments to more than 100 freelancers

This follows the JFTC's November 2024 recommendation against KADOKAWA and its subsidiary for Subcontract Act violations, raising further concerns about the effectiveness of the Company's oversight and remedial measures

Oasis has repeatedly warned of governance and accountability weaknesses under CEO Takeshi Natsuno and believes this latest development further underscores the need for management change at KADOKAWA

Oasis urges shareholders to vote AGAINST CEO Natsuno's reappointment and FOR Oasis's proposal to dismiss CEO Natsuno as a director at the 2026 AGM

More information is available at www.abetterkadokawa.com

June 9, 2026, Hong Kong - Oasis Management Company Ltd. ("Oasis"), the investment manager to private funds that own shares in KADOKAWA CORPORATION ("KADOKAWA" or the "Company"), today issued the following statement in response to media reports that the Japan Fair Trade Commission ("JFTC") intends to issue another recommendation against KADOKAWA for violations of the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators, widely known as the Freelance Protection Act.

According to media reports, the JFTC is expected to find that KADOKAWA failed to clearly state transaction terms, including payment deadlines, when outsourcing magazine production related work to freelance writers, stylists, illustrators and others, and that the Company may also be found to have delayed payments. Reports indicate that more than 100 freelancers may have been affected. The reported conduct is said to have occurred from the winter of 2024 onward. KADOKAWA has acknowledged that it is under investigation by the JFTC.

This reported development is deeply concerning. KADOKAWA's creative businesses depend on the trust and cooperation of writers, illustrators, creators and other external

partners. A failure to comply with basic legal obligations toward these stakeholders would reflect serious weaknesses in compliance, internal controls and management oversight.

This is not an isolated issue. In November 2024, the JFTC issued a recommendation against KADOKAWA and its subsidiary for violating the Subcontracting Act in relation to fees paid to writers, photographers and other business partners. Following that recommendation, management stated that it had taken steps to strengthen compliance and prevent recurrence. However, the fact that KADOKAWA is now reportedly facing another JFTC recommendation in a related area, involving conduct said to have occurred after 2024, raises serious questions about the effectiveness of those measures and suggests that the current management team has failed to adequately address the underlying issues.

Oasis has consistently raised concerns regarding KADOKAWA's governance, internal controls, stakeholder management and lack of accountability under CEO Natsuno. In campaign materials released on May 21, 2026, Oasis highlighted the inadequacy of current management's response to these issues on pages 110–112, which are available at www.abetterkadokawa.com. These reports further reinforce Oasis's view that meaningful management change is necessary.

Oasis believes that the persistence of these issues, the apparent failure to implement effective remedial measures following the 2024 JFTC recommendation, and the continuation of weak governance and compliance systems require clear accountability from KADOKAWA's Board and management. In light of the deterioration in performance and poor management oversight under CEO Natsuno throughout his tenure, the time has come for a management refresh.

Oasis reiterates its call for KADOKAWA shareholders to vote at the Company's AGM scheduled for June 24, 2026 as follows:

- Vote **AGAINST** the Company's proposal to reappoint CEO Natsuno as a director; and
- Vote **FOR** Oasis's shareholder proposal to dismiss CEO Takeshi Natsuno as a director.

KADOKAWA needs real accountability, stronger governance and leadership capable of rebuilding trust with shareholders, creators, employees and all stakeholders.

For Oasis's full campaign presentation, "A Better KADOKAWA", and additional information regarding the June 2026 AGM, please visit www.abetterkadokawa.com. Oasis welcomes input from all stakeholders at info@abetterkadokawa.com.

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