

May 22, 2023

Company name: Amvis Holdings, Inc.
Name of representative: Keiichi Shibahara, Representative Director and CEO
Securities code: 7071; Tokyo Stock Exchange Prime
Inquiries: Tetsuya Nakagawa, Director and CFO

Notice of Capital Reduction

Amvis Holdings, Inc. (Chuo-ku, Tokyo; Representative Director and CEO: Keiichi Shibahara, hereinafter, the “Company”) announces that the Company has resolved, at a Board of Directors meeting held today, to reduce its amount of share capital.

Purpose of the Capital Reduction

In order to reduce the burden of accumulated earnings taxes by qualifying as a small- and medium-sized corporation under the Corporation Tax Law and to secure options for medium- to long-term shareholder returns, the Company plans to reduce the amount of its share capital in accordance with Article 447, Paragraph 1 of the Companies Act. The capital reduction will be implemented simultaneously with the issuance of new restricted shares to employees of the Company and its subsidiaries resolved at a Board of Directors meeting held today (hereinafter the “New Share Issuance”). Therefore, the reduction is by resolution of its Board of Directors in accordance with Article 447, Paragraph 3 of the Companies Act. For further information regarding the details of the New Share Issuance, please refer to “Notice of Issuance of New Restricted Shares to Employees” released today.

Details of the Capital Reduction

(1) Amount of the capital reduction

The amount of share capital will be reduced from 70,773,000 yen (planned) to 54,108,000 yen by transferring 16,665,000 yen.

The reduction in share capital will be same as the increase in share capital due to the New Share Issuance. Therefore, the amount of share capital will remain the same both before and after the effective date of the capital reduction.

The amount of share capital and amount of share capital after the reduction may change due to the exercise of stock acquisition rights issued by the Company by the effective date of the capital reduction and other factors.

(2) Method of the capital reduction

In accordance with Article 447, Paragraph 3 of the Companies Act, the share capital will be reduced as described above, and the entire amount of reduced share capital will be transferred to other capital surplus.

Schedule of the Capital Reduction

(1) Resolution date at Board of Directors meeting	May 22, 2023
(2) Public notice for objections of creditors (planned)	May 29, 2023
(3) Final date for objections of creditors (planned)	June 29, 2023
(4) Effective date (planned)	June 30, 2023

Expected Impact from the Capital Reduction

As this reduction constitutes a transfer between net asset line items, the Company’s total net assets will not change, and the reduction will not affect financial performance. In addition, since the capital reduction will be implemented simultaneously with the New Share Issuance, the amount of share capital will remain the same both before and after the effective date of the capital reduction.