

For Immediate Release

Company Name: IGNIS LTD.
 Representative: Qian Kun, President and Founder
 (Securities Code: 3689, Mothers Market of the Tokyo Stock Exchange)
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Notice Regarding Revision of Annual Performance Forecast

We hereby give notice that the Company has revised the annual consolidated performance forecast for the September 2021 term (from October 1, 2020 to September 30, 2021) released on November 12, 2020 as follows.

- Revision to the annual consolidated performance forecast figures for the September 2021 term (from October 1, 2020 to September 30, 2021)

| | Net sales | Operating profits | Ordinary profits | Net income attributable to the shareholders of the parent company | Net income per share |
|--|----------------------|-------------------|------------------|---|----------------------|
| Forecast previously announced (A) | Million yen 7,000 | Million yen — | Million yen — | Million yen — | Yen — |
| Forecast revised (B) | 7,010 | (676) | (836) | (1,328) | (84.92) |
| Amount of increase or decrease (B)-(A) | 10 | — | — | — | |
| Ratio of increase or decrease (%) | 0.1 | — | — | — | |
| (Reference) Results for the previous fiscal year (September 2020 term) | 5,683 | (232) | (553) | (980) | (65.32) |

- Reasons for revision

With respect to the annual consolidated performance forecast for the September 2021 term, although the Company is endeavoring to control costs while actively investing in the enter-tech business, the Company is currently implementing a large-scale update to transition to INSPIX WORLD, an SNS in a virtual space specifically for concerts, and there are many uncertain factors regarding costs for pursuing quality. Accordingly, the Company determined that it was difficult to calculate appropriate and reasonable figures and announced only the net sales forecast. After that, as the Company has conducted further examination and has calculated the performance forecast based on the currently available information, the Company hereby announces the performance forecast.

While the Company expects further growth of “with,” its online matching service, in the matching business, the

Company will make large-scale development investments in INSPIX WORLD in the enter-tech business, as stated above, and the main entity of the enter-tech business is a corporation that is not subject to consolidated taxation, and the corporation subject to consolidated taxation generates taxable income and incurs a large amount of corporate tax. Therefore, operating profits are expected to be minus 676 million yen, ordinary profits are expected to be minus 836 million yen, and net income attributable to the shareholders of the parent company is expected to be minus 1,326 million yen.

As stated in the “Notice Regarding Implementation of Management Buyout and Recommendation to Tender Shares” released by the Company on March 5, 2021, K.K. i3 determined today to acquire the outstanding common shares and stock acquisition rights of the Company through a tender offer (the “Tender Offer”) and intends to take the Company’s shares private through the Tender Offer and a subsequent series of transactions (the “Transaction”). However, the annual consolidated performance forecast figures above do not take into account the impact of the Transaction because it is difficult to make a detailed estimate of the synergistic effects that will be achievable by taking the Company’s shares private at the present time.

(Note) Please note that the above performance forecast has been prepared based on the information that is available as of the announcement date and may differ from actual performance based on various uncertain factors in the future.

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