Supplementary Material

Notice Regarding the Acquisition of Membership Interests of Seven Seas Entertainment, LLC (Conversion to a Consolidated Subsidiary)

MEDIA DO Co., Ltd.

March 2, 2026

Securities Code: 3678

Media Do

MEDIA DO's Vision for Welcoming Seven Seas to the Group

Distributing Japanese Books Worldwide and Contributing to the Development of Japanese Culture

Since its founding in 1996, MEDIA DO has grown alongside the publishing industry through its eBook distribution business launched in 2006. Our mission is to contribute to the further development of Japan’s globally unique cultural assets.

While Japan's eBook market continues to expand, the country's population, which forms the foundation of the domestic market, is declining by approximately 900,000 people per year. This decline is a structural challenge that is becoming more serious every year. Against this backdrop, it is increasingly important to distribute Japanese content to readers around the world, including not only manga, which has already gained global recognition through anime, but also a wide range of works written in text, such as Japanese literature.

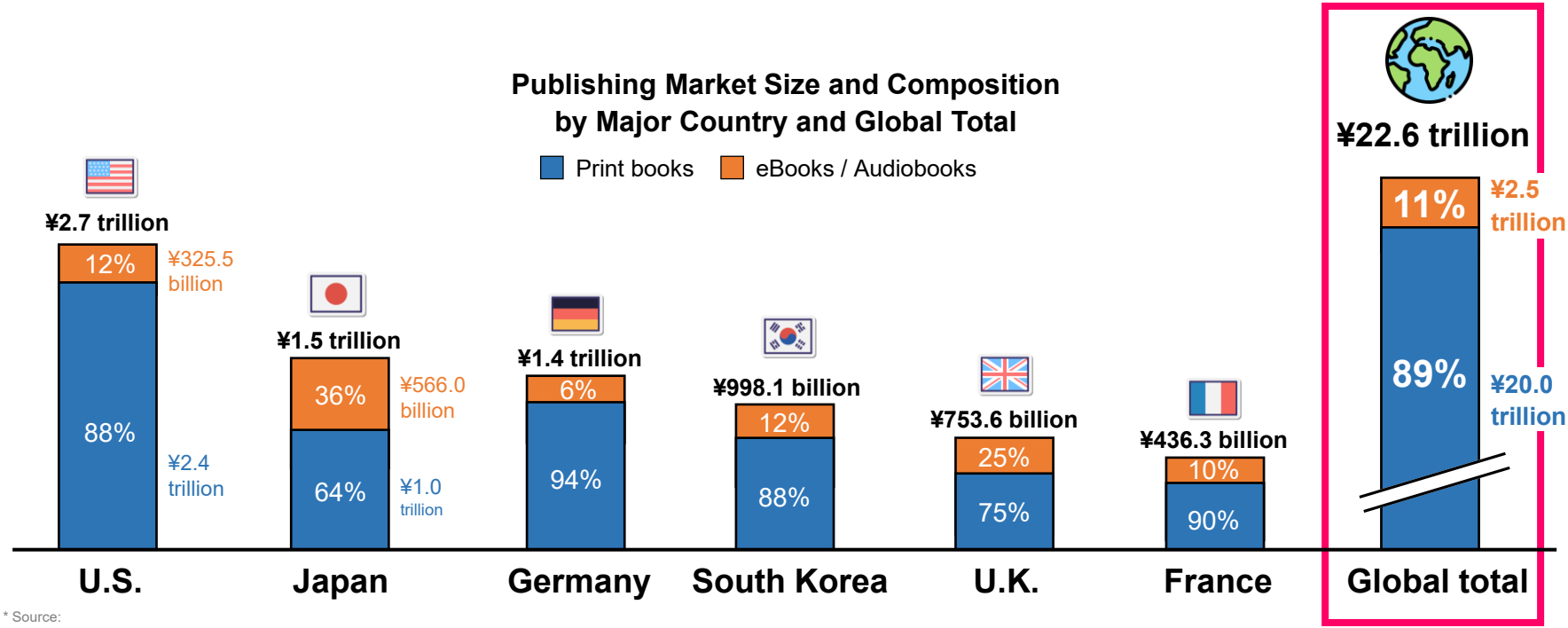
Books created in Japan are characterized by the richness of the Japanese language, which enables multilayered and nuanced storytelling through diverse scripts, expressive styles, and delicate emotional and scenic descriptions. At the same time, translating these works while preserving their linguistic and cultural depth is a complex and time-intensive process.

To address this structural challenge, MEDIA DO has been developing the AI-assisted translation system MDTS since 2025 to dramatically shorten translation timelines. However, because nearly 90% of the global publishing market consists of print books, securing distribution infrastructure and expertise for print remains the largest barrier to overseas expansion.

By welcoming Seven Seas Entertainment, the largest independent publisher specializing in translating and publishing Japanese content in North America, into our Group, we will strengthen our translation and publishing capabilities and at the same time acquire a powerful distribution network and operational expertise. While Seven Seas focuses primarily on manga, more than 30% of its sales are derived from text-based titles. Its long-standing relationships with more than 100 Japanese publishers and its nationwide bookstore distribution network across the United States are truly unique.

Through this acquisition, we will combine the strong relationships with domestic publishers, including major publishers, that we have built as an independent eBook distributor with the distinctive value of Seven Seas as an independent publisher. For the global market, even previously published Japanese titles effectively become new releases. As a unified group, we will distribute a broad range of Japanese books to readers worldwide, including titles that have historically faced barriers to international distribution, and we will dedicate our full efforts to expanding the global market for Japanese books.

With Approximately 90% of Global Book Distribution Handled Through Print, Securing Print Distribution Infrastructure and Know-How Is Essential



* Source:
- Japan: *2025 Annual Report on Publishing Indicators* by The Research Institute for Publications
- U.S.: Association of American Publishers (AAP), *StatShot Annual Report 2024* (market size and ratio exclude digital audio and other categories such as educational and physical audio materials)
- South Korea, Germany, U.K., France: WIPO, *The Global Publishing Industry in 2022*
- Global market:: Grand View Research, *Books Market Size, Share & Growth | Industry Report, 2030*, Mordor Intelligence, *Ebook Market Share, Size, Trends & Industry Analysis*)



About Seven Seas Entertainment

Seven Seas Is the No.1 Independent Manga Publisher in North American Market



■ About Seven Seas

The largest independent publisher in the North American manga market

Founded 22 years ago
(established in 2004)

Sales Composition
Print books: 83%
eBooks: 17%

Handles a broad range of content created by diverse publishers
- Contracts with **more than 100 publishers**
- **Over 5,000 titles** published

FYE 12/24 Results*2
Net Sales: ¥7.8 billion
Operating Profit: ¥1.6 billion

A robust distribution platform
In partnership with Penguin Random House, the largest publisher in North America, distributing to bookstores worldwide

Founder fluent in Japanese and deeply knowledgeable about Japanese culture

* Unaudited figures (¥155/USD). Operating profit reflects retroactive adjustments based on a planned revision to the executive compensation structure following the acquisition, including a reduction in director compensation

Founder Jason DeAngelis Has Pioneered the Market Driven by His Passion for Japanese Manga



Seven Seas Entertainment
CEO
Jason DeAngelis

Founder and CEO | **6 years of residence in Japan** | **Fluent in Japanese** | **A devoted fan of manga and Japanese literature**

For more than 20 years, he has played a key role in promoting Japanese content and has contributed with dedication to the growth of the U.S. market

1987 (Age 18)	Majored in Japanese language and literature at Boston University and the University of Hawaii, motivated by a desire to read Japanese manga in the original language. **He has since continued to enjoy manga in Japanese**
1991 (Age 22)	**Moved to Japan** after graduation **and lived there for six years**, **deepening his understanding of Japan's cultural and emotional context** beyond manga and anime, including through martial arts (karate)
1997 (Age 28)	Returned to the U.S. and worked as **a freelance manga translator**, with projects including *Berserk* and *Mobile Suit Gundam SEED*
2004 (Age 35)	**Founded Seven Seas Entertainment, Inc.** with the mission of publishing works that **capture the spirit and style of Japanese manga**
Present (Age 56)	Has cultivated a broad portfolio of manga and light novels through his editorial discernment, **growing the company into the No. 1 independent publisher in the North American manga market** over nearly 20 years

Seven Seas' mission

"Discover Your Treasure!"
To seek out and provide a vast array of 'treasures' to readers and fans.

Seven Seas Has Published More Than 5,000 Titles Over Its 22-Year History

Manga

Shogakukan







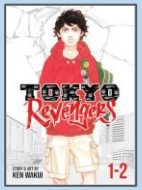
Shueisha

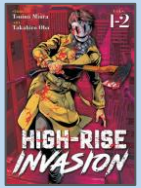






Kodansha







KADOKAWA







MAG Garden



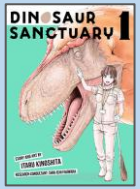




Futabasha







Ichijinsha







Overlap



Takeshobo

Akita Publishing

Hakusensha

Shodensha



Comic House

Shinchosha

Gentosha Comics

East Press



Text-based titles

Beijing Jiang







KADOKAWA



Tencent

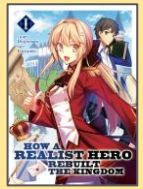




Overlap



J-Novel



Micro Magazine



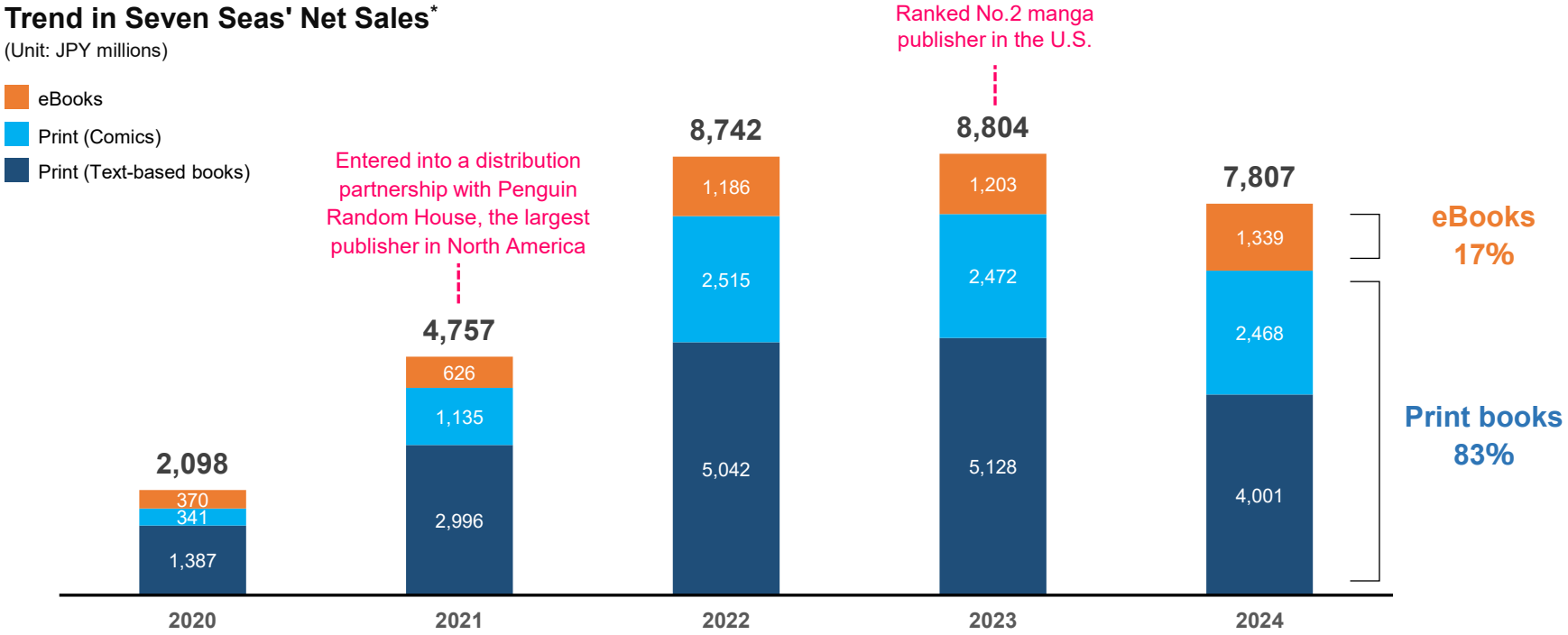
* Partial Excerpt

Net sales Have Grown Rapidly Amid the Expansion of the North American Comics Market

More Than 80% of Current Revenue Is Generated from Print Books

Trend in Seven Seas' Net Sales*

(Unit: JPY millions)



* Unaudited figures (¥155/USD)

As an Independent Publisher, Delivering Works from Publishers of All Sizes to the World, Primarily in North America

①Content Acquisition ----▸ ②Translation & Publishing --------▸ ③Distribution----------▸④Readers

All Japanese Publishers including major houses

- Manga
- Text-based books

Seven Seas

Distribution to bookstores worldwide through the network of Penguin Random House, the No.1 publisher in North America

- ✓ Barnes & Noble (700+ stores)
- ✓ Books-A-Million (250+ stores)
- ✓ Kinokuniya (20+ stores), among many others

Readers around the world

Its independent position enables collaboration with publishers of all sizes

MEDIA DO's Overseas Strategy

MEDIA DO × Seven Seas

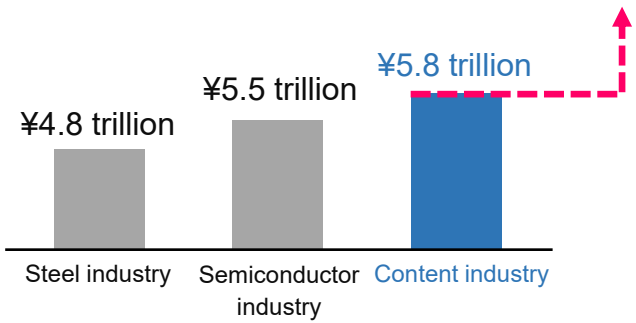
Japanese Content Has Strong Growth Potential, with the Government Actively Promoting Its Development as a Core National Industry

Japanese literature is widely recognized for the sophistication of its storytelling,
supported by the richness and expressive range of the Japanese language

▼

The Japanese government is actively promoting the growth of the content industry as a core national industry

Overseas Sales by Industry (2023)*1



The Japanese government is significantly increasing subsidy budgets to expand the market to the ¥20 trillion scale*2

2024 **¥25.2 billion** → 2025 **¥55.6 billion**

2.2x

*1 *Entertainment and Creative Industries Strategy — Five-Year Action Plan to Achieve ¥20 Trillion in Overseas Content Sales* (June 2025), Ministry of Economy, Trade and Industry
*2 *Overview of the Content Industry Growth Investment Support Program, FY2025 Supplementary Budget* (December 2024), Ministry of Economy, Trade and Industry Figures for 2024 represent the FY2024 supplementary budget plus the FY2025 initial budget, and figures for 2025 represent the FY2025 supplementary budget

Accelerating the Overseas Expansion of Japanese Content Through a Partnership Between Two Independent Companies with a Shared Philosophy

Media Do

MORE CONTENT
for MORE PEOPLE!

Operating businesses related to Japanese content based on a shared philosophy

Able to work with publishers of all sizes

Independent eBook distributor

Seven Seas

Discover Your Treasure!

Independent publisher

Accelerating the overseas expansion of Japanese content

Leveraging the Strengths of Both Companies to Drive Seven Seas' Growth and Accelerate the Overseas Expansion of Japanese Content

Media Do × Seven Seas

Three priority areas to achieve **Seven Seas' business growth** and **accelerated overseas expansion of Japanese content**

A. Print Books

Expanding shelf space and the number of retail locations

(1) Integrated translation operations
(2) Strengthening the sales organization
(3) Collaboration with existing bookstores
(4) Developing new bookstore channels

Trust in Seven Seas translation quality × Efficiency through MDTS



B. eBooks

Enhancing operations through MEDIA DO's expertise

(1) Collaboration with existing bookstores
(2) Developing new bookstore channels
(3) Campaign expertise



C. Business Area Expansion

Expanding initiatives in new business areas

(1) Expanding the range of genres handled: MD* (Goods)
(2) Strengthening overseas expansion



* Merchandising: Planning and sale of character goods

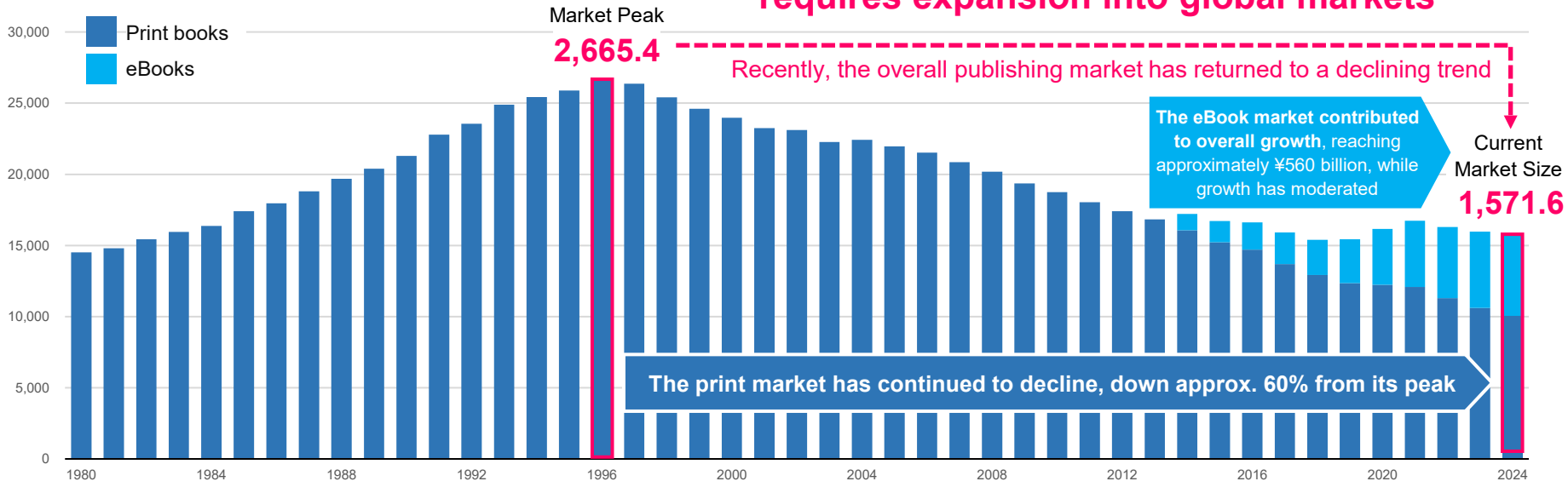
Appendix

The Domestic Publishing Market, After Years of Decline, Saw Temporary Growth with the Rise of eBooks
As the Next Strategic Step, Expansion into Overseas Markets Is Required

Trends in the Size of the Domestic Publishing Market*

(Unit: JPY billions)

Sustained growth in Japan's publishing industry requires expansion into global markets



* Source: *Publishing Indicators Annual Report 2025* (June 30, 2025), The Research Institute for Publications

Establishing an Overwhelming Position and Trust as Content Continues to Aggregate from Domestic Publishers



Number of business partners

Nearly all publishers in Japan

Publishers: 2,200
eBook retailers: 150

Number of titles handled*

Over 3.22 million

Over 900,000 new titles are added annually
(averaging approximately 75,000 per month)

Gross transaction value

After Amazon

No. 2 Globally

¥182.0 billion

* Number of titles handled is as of February 1, 2026. The period covered for titles received is January–December 2025

MEDIA DO's Mission Is to Unleash a Virtuous Cycle of Literary Creation for Japanese Publishers and Authors

For Japanese Publishers and Authors

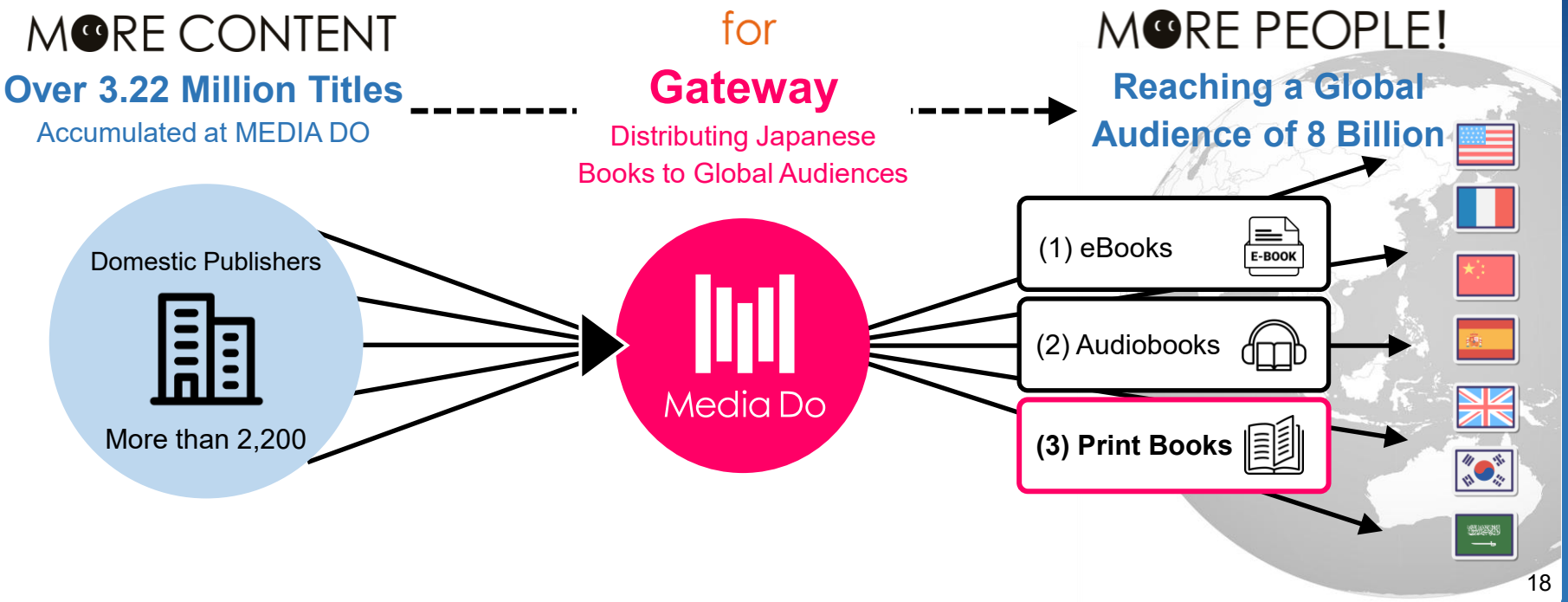
MISSION **Unleashing a virtuous cycle of literary creation**

Expanding Japanese content to global markets

VISION MORE CONTENT for MORE PEOPLE!

As much content as possible, to as many people as possible

A Global Gateway Distributing Japanese Books Worldwide, Reaching a Global Audience of 8 Billion



Forward-looking statement and unaudited information disclaimers

Information presented herein includes forward-looking statements. These forward-looking statements are based on current expectations, forecasts and assumptions that involve risks, all of which entail uncertainties that could lead to outcomes that substantively differ from the forward-looking statements' content.

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