July 10, 2026

Company name:	AEON Fantasy Co., LTD.
Name of representative:	Tokuya Fujiwara, President and Representative Director (Securities code: 4343; Tokyo Stock Exchange (Prime Market))
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Notice Concerning the Recording of Non-operating Income, Extraordinary Income, and Extraordinary Losses

AEON Fantasy Co., LTD. (the “Company”) hereby announces that it has recorded non-operating income, extraordinary income, and extraordinary losses in its consolidated and non-consolidated financial results for the first quarter of the fiscal year ending February 28, 2027 (March 1, 2026 to May 31, 2026), as follows.
For reporting purposes, the consolidated totals represent the amounts recorded in the consolidated financial statements, while the domestic business amounts reflect the amounts recorded in the non-consolidated financial statements.
Effective from the first quarter of the fiscal year ending February 28, 2027, the Company's reportable segments have been changed to "domestic business" and "overseas business." For reference, a breakdown of the amounts recorded for "ASEAN" and "China" is also provided under the overseas business.

1. Recording of Non-operating Income (Consolidated and Non-Consolidated)

Due to fluctuations in foreign exchange rates, foreign exchange gains of ¥317,527 thousand for the domestic business, and ¥229,849 thousand for the overseas business (breakdown: ¥240,142 thousand for ASEAN, and -¥10,292 thousand for China), totaling ¥547,377 thousand on a consolidated basis, were recorded under non-operating income.

2. Recording of Extraordinary Income (Non-Consolidated)

Reversal of provision for loss on business of subsidiaries and associates

Extraordinary income totaling ¥318,762 thousand was recorded in the non-consolidated financial statements as a reversal of provision for loss on business of subsidiaries and associates with respect to two consolidated subsidiaries of the Company. The principal factors were the reversal of the provision for loss on business of subsidiaries and associates following the recording of an allowance for doubtful accounts on loans to AEON Fantasy (China) Co., Ltd. (described below), and the improvement in the quarterly financial performance of AEON Fantasy (Thailand) Co., Ltd. Since this reversal will be eliminated in the consolidated financial statements, it will have no impact on the Company's consolidated financial results.

3. Recording of Extraordinary Losses (Non-Consolidated)

Provision of allowance for doubtful accounts for subsidiaries and associates

Extraordinary losses totaling ¥1,186,755 thousand were recorded in the non-consolidated financial statements as an allowance for doubtful accounts related to loans to subsidiaries and associates since, due to the deteriorating performance of AEON Fantasy (China) Co., Ltd., a consolidated subsidiary of the Company, it was deemed necessary to set aside an allowance for doubtful accounts of subsidiaries and associates. Since this provision will be eliminated in the consolidated financial statements, it will have no impact on the Company's consolidated financial results.

4. Impact on business performance

The above non-operating income, extraordinary income, and extraordinary losses are reflected in the "Consolidated Financial Results for the Three Months Ended May 31, 2026 [Japanese GAAP]" announced today.

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