

August 6, 2024

**Notice of Business Acquisition by our US Subsidiary**

The Company hereby announces that its Board of Directors approved a resolution today to acquire the restaurant business operated under the “Wildflower” brand in the State of Arizona, US (hereinafter referred to as “this transaction”) , by Create Restaurants DE LLC, a subsidiary of the Company's US subsidiary, Create Restaurants NY Inc. as follows:

1. Reason for acquisition of the business

Wildflower operates 16 restaurants in Arizona, US, primarily in Phoenix, the capital of the state, and has been loved locally for nearly 30 years. It offers a wide range of menus, including sandwiches, salads, soups, pasta, bread and cakes, depending on the time of day from breakfast to dinner time, and are supported as restaurants that customers use on a daily basis.

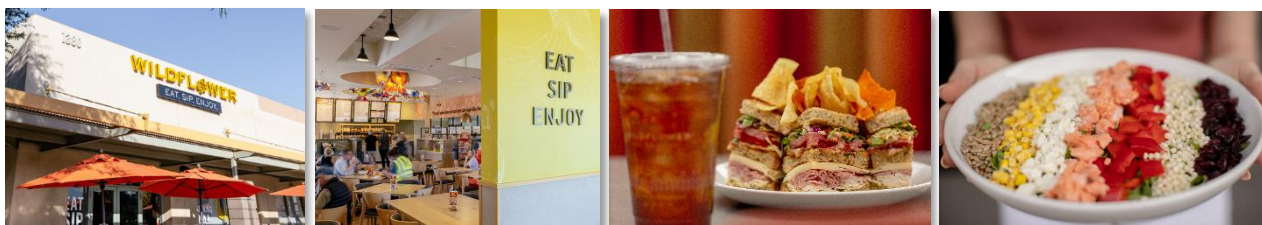
In our Medium-Term Management Plan, we have identified "Reviewing portfolio toward Post-Covid" as our first pillar, and are aiming to acquire new portfolios based on the keywords of "daily," "standard," and "community-based." Wildflower's participation in our group is in line with this strategy.

Currently, we operate about 50 stores overseas, mainly in the US and Singapore. In particular, we believe that expanding our business base through M&A in North America is an important pillar of our growth strategy. Il Fornaio (America) LLC, which operates 19 "Il Fornaio" brand, Italian restaurants, mainly in California, joined the group in 2019. This transaction will be followed by the acceleration of business development in North America.

2. Summary of business acquisition

(1) Content of the business to be transferred

Wildflower Bread Company LLC's restaurant business



(2) Business results of the acquired business

Fiscal year end	Fiscal year ending December 31, 2023
Net sales	US\$43.9 million
Operating profit	US\$2.8 million

(3) Assets and liabilities of the acquired business

The assets and liabilities to be transferred are mainly trade receivables, inventories, assets such as store buildings and building equipment, etc. and liabilities such as trade payables, but the amounts have not been finalized at this time. We will be promptly announced if any matter requiring disclosure arises in the future.

(4) Outline of the business acquisition partner

(1)	Name	Wildflower Bread Company LLC
(2)	Address	8130 E. Cactus Rd., Suite 500, Scottsdale, AZ 85260

(3)	Job title/name of representative	Founder & President: Louis Basile	
(4)	Content of the business	Management of restaurants	
(5)	Establishment date	June 21, 2012 (Founded: 1996)	
(6)	Net assets	US\$5.3 million	
(7)	Total assets	US\$28.4 million	
(8)	Major shareholders and holding ratio	WBC Holdings LLC 100%	
(9)	Relationship between the listed company and the company concerned	Capital relations	None
		Human relations	None
		Business relations	None
		Applicable status to the relevant party	None

### 3. Acquisition price

(1)	Business acquisition price	US\$28.2 million (approx. 4.1 billion yen)
(2)	Advisory expenses, etc. (approximate amount)	US\$0.5 million (approx. 73 million yen)

(note) Figures are translated at the rate of 145 yen to US\$1

### 4. Summary of our subsidiary

(1)	Name	Create Restaurants DE LLC
(2)	Address	222 Ridgedale Avenue, Cedar Knolls, NJ 07929
(3)	Job title/name of representative	Executive Manager: Hitoshi Ohno
(4)	Content of the business	Management of restaurants
(5)	Capital	US\$20 thousand
(6)	Establishment date	June 25, 2024
(7)	Major shareholders and its holding ratio	Create Restaurants NY Inc. 100%

### 5. Schedule

(1)	Date of resolution of the Board of Directors	August 6, 2024
(2)	Agreement	August 6, 2024 (planned)
(3)	Business transfer date	September 3, 2024 (planned)

### 6. Summary of accounting procedures

The acquisition of this business is expected to be classified as a “business combination” under the IFRS accounting standards. Although positive goodwill is expected to arise as a result of this transaction, the amount of goodwill to arise has not been determined at this time. We will be promptly announced if any matter requiring disclosure arises in the future.

## 7. Future outlook

The impact on the consolidated financial results for the current fiscal year (ending February 2025) is currently under review and will be promptly announced if any matter requiring disclosure arises in the future.

(Reference) Forecast of consolidated financial results for the current fiscal year (announced on April 12, 2024) and Results for the previous fiscal year

(Million yen)

	Revenue	Operating profit	Profit before taxes	Profit for the year	Profit attributable to owners of parent	(Reference) Adjusted EBITDA (note)
Forecast of consolidated business results for the fiscal year under review (Fiscal year ending February 2025)	153,000	9,300	8,700	7,000	6,100	26,200
Consolidated business results for the previous fiscal year (Fiscal year ending February 2024)	145,759	7,075	6,632	5,608	5,041	25,583

(note) We use Adjusted EBITDA as useful comparative indicators of our business performance. The formula is as follows:

Adjusted EBITDA = operating profit + other operating expenses - other operating revenues (excluding sponsorship income) + depreciation and amortization + non-recurring expense items (advisory expenses, etc. related to share acquisitions, etc.)