

September 6, 2024

Notice of Acquisition of Shares of Ichigen Food Company Co., Ltd.

The Company hereby announces that at the meeting of the Board of Directors held today, we have resolved to acquire the shares of Ichigen Food Company Co., Ltd. (hereinafter referred to as "Ichigen"), which operates "Ebisoba Ichigen", a ramen restaurant representing Sapporo, Hokkaido, and to make it a consolidated subsidiary (hereinafter referred to as "this transaction"), as follows.

1. Reason for acquisition of the shares

Ichigen is one of the leading ramen brands in Sapporo, Hokkaido, which features a distinctive soup with condensed umami and flavor of sweet shrimps, and is highly regarded by customers as a unique entity. In addition to the Sapporo head office, which opened in 2008, Ichigen operates a total of 11 outlets both in domestic and overseas at New Chitose Airport, Tokyo, Taiwan, and Hong Kong. At the same time, Ichigen also sells ramen and instant noodles in a cup for souvenirs.

In addition to sharing the experience and know-how that both companies have cultivated each other, we believe that the sharing of property development information and operation management methods possessed by our group will enable us to further develop the brand power if Ichigen.

Additionally, the Company decided to acquire the shares of Ichigen by further deepening the noodle category business, which is the daily food, strengthening the brand portfolio by nurturing the next core brand, and creating synergies through franchising within the Group, etc., which will lead to the enhancement of the corporate value of the Group by this transaction.

2. Summary of a subsidiary to be acquired

(1)	Name	Ichigen Food Company Co., Ltd.		
(2)	Address	10-1-16, Minami Junijo Nishi, Chuo-ku, Sapporo-shi, Hokkaido		
(3)	Job title/name of representative	Takashi Yokoyama, Representative Director and President		
(4)	Content of the business	Restaurant management of "Ebisoba Ichigen"		
(5)	Capital	28 million yen		
(6)	Establishment date	June 4, 2001		
(7)	Major shareholders and its holding ratio	One individual shareholder 100.0%		
(8)	Relationship between the listed company and the company concerned	Capital relations	None	
		Human relations	None	
		Business relations	None	
(9)	Operating Results and Financial Position of the Company for the Last 3 Years	(Million yen)		
		Fiscal year ending April 2022	Fiscal year ending April 2023	Fiscal year ending April 2024
	Net assets	498	626	258
	Total assets	670	808	348
	BPS (yen)	889,443	1,118,107	460,048
	Net sales	608	910	1,058
	Operating profit	67	172	201
	Ordinary income	73	176	202
	Net Income	114	128	143
	Net income per share (yen)	203,221	228,573	254,556
	Dividend per share (yen)	-	-	-



3. Outline of the counterparty to the share acquisition

Based on the obligation of confidentiality with the counterparty to the share acquisition, the name and address of 1 company shareholder will not be disclosed. However, there are no capital, personal, or business relations that should be described between us and the individual.

4. Number of shares acquired, acquisition price, and status of shares held before and after the acquisition

(1)	Number of shares held prior to transfer	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0.00%)
(2)	Number of shares to acquire	560 shares (Number of voting rights: 560) (Percentage of voting rights held: 100.00%)
(3)	Acquisition price	The acquisition price shall be finalized based on the Ichigen's financial situation up to the day before the share acquisition date. As soon as the acquisition price is finalized, we will promptly announce it as a progress of disclosure. The acquisition price shall be determined both by the results of legal and financial due diligence conducted by outside legal counsel and certified public accountants and consultation between the parties.
(4)	Number of shares held after the acquisition	560 shares (Number of voting rights: 560) (Percentage of voting rights held: 100.00%)

5. Schedule

(1)	Date of resolution of the Board of Directors	September 6, 2024
(2)	Agreement	September 6, 2024
(3)	Date of acquisition of shares	October 1, 2024 (planned)

6. Future outlook

The impact on the consolidated results for the current fiscal year ending February 2025 is expected to be negligible, and we will promptly inform you of any information to be disclosed 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 FY 2025	153,000	9,300	8,700	7,000	6,100	26,200
Consolidated business results for FY 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 acquisition, etc.)