

*November 14, 2022*

## Notice of Acquisition of Shares of PT. Agrapana Niaga Gemilang and Conclusion of Joint Venture Agreement

At a meeting of the Board of Directors held on November 14, 2022, we resolved to conclude a share transfer agreement and a joint venture agreement with PT. Agrapana Niaga Gemilang (hereinafter referred to as "ANG"). ANG is a joint venture between PT. Prospect Motor (hereinafter referred to as "PM") under the Warga Jaya Group (hereinafter referred to as "WD"), which is an Indonesian business group company, and KANEMATSU CORPORATION (hereinafter referred to as "KM") and PT. KANEMATSU TRADING INDONESIA (hereinafter referred to as "KMI"). Details are as follows. We plan to conduct a third-party allotment of shares to ANG. We will disclose the details as soon as they are finalized.

### 1. Purpose of Share Acquisition and Joint Venture Agreement

Our Group's Vision 2025 medium-term management plan calls for the realization of "a business development-type leading company" in Japan and overseas which can offer value to customers and the society not only in Japan, but also overseas. With a view to further expanding our restaurant business, we will advance into the Republic of Indonesia ("Indonesia"), where we can expect high economic growth in the future. At the same time, we will further strengthen our overseas business, with the aim of becoming "a business development-type leading company" in Japan and overseas.

In addition, through the share acquisition of ANG, we plan to enter into joint venture agreements with PM and KM. The purpose of concluding the agreement was to determine that cooperation with a partner familiar with local business practices was essential for securing locations for store openings and building a food procurement and logistics network in Indonesia. We believe that entering into a joint venture agreement with a local partner in Indonesia will enable us to build mutually complementary relationships and accelerate our expansion into Indonesia.

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2. Outline of ANG

(1)	Name	PT. Agrapana Niaga Gemilang		
(2)	Location	ATRIA @SUDIRMAN 8Fl., Jl. Jend Sudirman, Kav 33A, Jakarta		
(3)	Title/Name of Representative	Arice Agung, President Director		
(4)	Business Content	Operation of Japanese restaurant chains		
(5)	Capital	20 billion Indonesia rupiah (206 million yen)		
(6)	Year of establishment	November 25, 2015		
(7)	Major shareholders and share holding ratio	PT. Prospect Motor: 75% PT. KANEMATSU TRADING INDONESIA: 10% KANEMATSU CORPORATION: 15%		
(8)	Relationship with the Company	Capital relationship	There are no significant capital, personnel, business, and related party relationships.	
		Personal relationship		
		Business relationship		
		Related party relationship		
(9)	Operating results and financial position of the relevant company			
Fiscal year end		FY12/19	FY12/20	FY12/21
Net sales		91 million yen	36 million yen	46 million yen
Profit before taxes		-31 million yen	-31 million yen	-6 million yen

\*Reference: Reference exchange rate of MUFG Bank on November 11, 2022:

1 Indonesian rupiah = 0.0103 JPY

3. Share seller and its details

The Company plans to conclude share transfer agreements and other agreements to acquire shares (voting rights ratio: 65%) that correspond to a 65% stake through the transfer of outstanding shares owned by the Company's major shareholders and a third-party allocation of new shares.

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

(1) Ownership ratio before the change	0% (Ratio of voting rights: 0%) (Ownership ratio of voting rights: 0%)
(2) Ratio of shares acquired	Planned investment ratio: 65% (Ratio of voting rights: 65%)
(3) Acquisition price	Undecided
(4) Ownership ratio after the change	Planned investment ratio: 65% (Ratio of voting rights: 65%)

The acquisition price will be determined through further discussions. We will announce the price as soon as it is determined.

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5. Outline of the counterparty to the share acquisition

(1)	Name	KANEMATSU CORPORATION		
(2)	Location	119, Itomachi, Chuo-ku, Kobe		
(3)	Title/Name of Representative	Yoshiya Miyabe, President		
(4)	Business Content	It provides a wide variety of products and services by organically combining its domestic and international network, expertise cultivated in each business field, and trading company functions such as business transactions, information gathering, market development, business development, structuring, risk management, and logistics.		
(5)	Capital	27,781 million yen		
(6)	Year of establishment	1918		
(7)	Major shareholders and share holding ratio	The Master Trust Bank of Japan, Ltd. (Trust Account): 14.95% Japan Custody Bank, Ltd. (Trust Account): 6.74% Tokio Marine & Nichido Fire Insurance Co., Ltd.: 2.75%		
(8)	Relationship with the Company	Capital relationship	There are no significant capital, personnel, business, and related party relationships. (Although there are transactions within the scope of normal business operations, these transactions are not of a material scale or content that would have a material impact on both companies.)	
		Personal relationship		
		Business relationship		
		Related party relationship		
(9) Consolidated operating results and financial position for the past 3 years				
Fiscal year end		FY3/20	FY3/21	FY3/22
Consolidated net assets		130,829 million yen	143,926 million yen	159,484 million yen
Consolidated total assets		551,671 million yen	557,495 million yen	634,456 million yen
Consolidated net assets per share		1566.60 yen	1723.42 yen	1909.64 yen
Consolidated net sales		721,802 million yen	649,142 million yen	767,963 million yen
Consolidated operating income		28,352 million yen	23,635 million yen	29,347 million yen
Consolidated profit before taxes		26,944 million yen	23,580 million yen	28,765 million yen
Net income attributable to owners of parent		130,829 million yen	143,926 million yen	15,986 million yen
Consolidated net income per share		172.42 yen	159.34 yen	191.15 yen
Dividend per share		60 yen	60 yen	65 yen

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(1)	Name	PT. KANEMATSU TRADING INDONESIA	
(2)	Location	Special Capital Region of Jakarta, Republic of Indonesia	
(3)	Title/Name of Representative	Masaya Kitano, President and Representative Director	
(4)	Business Content	Processing of electronic component materials/ Import, export, storage, and sales of electronic components	
(5)	Capital	4,315 thousand USD (616 million yen)	
(6)	Year of establishment	1992	
(7)	Major shareholders and share holding ratio	KANEMATSU CORPORATION: 100%	
(8)	Relationship with the Company	Capital relationship	There are no significant capital, personnel, business, and related party relationships.
		Personal relationship	
		Business relationship	
		Related party relationship	
(9)	Consolidated operating results and financial position for the past 3 years	Due to the intention of the other party, the information is omitted.	

\*Reference: Reference exchange rate of MUFG Bank on November 11, 2022: 1 USD = 142.87 JPY

(1)	Name	PT. Prospect Motor	
(2)	Location	Special Capital Region of Jakarta, Republic of Indonesia	
(3)	Title/Name of Representative	Kusnadi Budiman, President Director	
(4)	Business Content	Investment company that has automobile, textile, real estate, and other related businesses as a subsidiary.	
(5)	Capital	Depending on the intention of the other party, the information is omitted.	
(6)	Year of establishment	1973	
(7)	Major shareholders and share holding ratio	Due to the intention of the other party, the information is omitted.	
(8)	Relationship with the Company	Capital relationship	There are no significant capital, personnel, business, and related party relationships.
		Personal relationship	
		Business relationship	
		Related party relationship	
(9)	Consolidated results of operations and financial position for the past three years	Depending on the intention of the other party, the information is omitted.	

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6. Schedule

(1)	Date of resolution of Board of Directors	November 14, 2022
(2)	Date of the share transfer agreement	December 2022 (planned)
(3)	Date of conclusion of the joint venture agreement	December 2022 (planned)
(4)	Date of execution of the share subscription agreement	December 2022 (planned)
(5)	Completion date of share transfer and underwriting of third-party allotment of new shares	March 2023 (planned)

7. Future Outlook

The effect of this agreement on the Company's results for the current fiscal year is immaterial.