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To whom it may concern,

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Notice Regarding Completion of Acquisition of Shares in Japanese Food Wholesalers to Strengthen Overseas Japanese Food Wholesaler Network in the United States

Takara Holdings Inc. (the “Company”) hereby announces that Takara Shuzo International Co., Ltd. (“Takara Shuzo International”), a subsidiary of the Company, resolved at the Board of Directors meeting held on December 22, 2022, for Mutual Trading Co., Inc. (“Mutual Trading”), a company engaged in Japanese food wholesale business in the United States, to acquire 100% of the shares issued and outstanding of (1) Yamasho, Inc. (“Yamasho”) and (2) Karolina, Inc. (“K Sea Trading”), and the share acquisition has been completed.

1. Reason for Acquiring Stock

In TaKaRa Group Challenge for the 100th (TGC 100), its long-term management vision toward 2026, the Takara Group upholds “Smiles in Life” as the Takara Group’s vision. To achieve this vision, the Takara Group adopts the management policy of further improving technological capabilities, product attraction, and brand appeal and 2 offering diverse values in the washu (Japanese traditional alcoholic beverages) and Japanese food market and life science industry, thereby increasing its presence in Japan and overseas and achieving sustainable growth and major advances. Under this policy, the Group operates its business.

The Takara Shuzo International Group, which is responsible for overseas business, is working to strengthen its business foundation in coordination with its Group companies in Japan and overseas with the aim of becoming the No. 1 global washu and Japanese food company.

Based on this policy, Mutual Trading, which operates at nine locations in eight states in the United States, has acquired 100% of the shares issued and outstanding of the following two companies and made them consolidated subsidiaries. As a result, Mutual Trading now has 12 locations in 11 states in the United States and will achieve further sales expansion.

(1) Acquisition of shares in Yamasho

Yamasho is based in the suburbs of Chicago, Illinois, as well as in the suburbs of Atlanta, Georgia. It is a Japanese food wholesaler that covers the Midwestern and Southern markets in the United States, including the country’s third largest city Chicago.

(2) Acquisition of shares in K Sea Trading

K Sea Trading is based in the suburbs of Miami, Florida. It is a Japanese food wholesaler that covers Miami and the surrounding area, one of the most popular tourist sites in the United States and promising markets.

Global interest in Japanese foods is rising on the back of expansion in the global market for Japanese foods mainly as a result of the growing number of health enthusiasts in recent years. The Takara Group will further strengthen sales of Japanese alcoholic beverages and build a wholesale network for Japanese foods to actively expand business, as it strives to enhance its corporate value and spread washu and Japanese food culture.

2. Overview of Yamasho

(1) Name	Yamasho, Inc.		
(2) Location	Elk Grove Village, Illinois, the United States (in the suburbs of Chicago)		
(3) Representative	Kunio Iwadate President		
(4) Business	Import and wholesale of Japanese foods and restaurant supplies		
(5) Capital	10 Thousand U.S. dollars		
(6) Established	July 15, 1981		
(7) Shareholders and percentage of shares held	Not disclosed based on a duty of confidentiality with the counterparty to the share acquisition		
(8) Relationships between the listed company and the said company	Capital relationship	There is no relevant capital relationship.	
	Personnel relationship	There is no relevant personnel relationship.	
	Transaction relationship	There is a transaction relationship between Yamasho and Mutual Trading consisting of the purchase and sale of products.	
(9) Subsidiaries	Yamasho Atlanta, Inc. (ratio of investment by Yamasho: 100.0%) Norcross, Georgia, the United States (in the suburbs of Atlanta)		
(10) Number of employees	56 employees as of November 2022		
(11) Fiscal year-end	September 30		
(12) Operating performance and financial position over the past three years	Units: Thousand U.S. dollars		
Fiscal year	Fiscal year ended September 30, 2019	Fiscal year ended September 30, 2020	Fiscal year ended September 30, 2021
Consolidated net sales	32,895	27,965	33,374
※Consolidated business results other than net sales, and financial position, are not disclosed based on a duty of confidentiality with the counterparty to the share acquisition.			

3. Overview of K Sea Trading

(1) Name	Karolina, Ink. (Also known as K Sea Trading)		
(2) Location	Court Medley, Florida, the United States (in the suburbs of Miami)		
(3) Representative	CEO Tasnawadee Nakanishi		
(4) Business	Import and wholesale of Japanese foods and restaurant supplies		
(5) Capital	1 Thousand U.S. dollars		
(6) Established	March 3, 2003		
(7) Shareholders and percentage of shares held	Not disclosed based on a duty of confidentiality with the counterparty to the share acquisition		
(8) Relationships between the listed company and the said company	Capital relationship	There is no relevant capital relationship.	
	Personnel relationship	There is no relevant personnel relationship.	
	Transaction relationship	There is a transaction relationship between K Sea Trading and Mutual Trading consisting of the purchase and sale of products.	
(9) Number of employees	11 employees as of September 2022		
(10) Fiscal year-end	December 31		
(11) Operating performance and financial position over the past three years	Units: Thousand U.S. dollars		
Fiscal year	Fiscal year ended December 31, 2019	Fiscal year ended December 31, 2020	Fiscal year ended December 31, 2021
Consolidated net sales	7,786	4,896	10,102
※Consolidated business results other than net sales, and financial position, are not disclosed based on a duty of confidentiality with the counterparty to the share acquisition.			

4. Overview of Mutual Trading

(1) Name	Mutual Trading Co., Inc.
(2) Location	Los Angeles, California, the United States
(3) Representative	Masatoshi Ohata, President and CEO
(4) Business	Import and wholesale of alcoholic beverages, food products, and seasonings
(5) Capital	2,616 Thousand U.S. dollars
(6) Established	April 19, 1926
(7) Principal shareholders and percentage of shares held	Takara Shuzo International 70.7% as of November 2022

5. Number of shares to be acquired, and percentage of ownership before and after acquisition of shares

(1) Yamasho

(1) Number of shares owned before transfer	0 shares (ownership ratio of voting rights: 0%)
(2) Number of shares to be acquired	100 shares (ownership ratio of voting rights: 100.0%)
(3) Acquisition price	Not disclosed based on a duty of confidentiality with the counterparty to the share acquisition
(4) Number of shares owned after transfer	100 shares (ownership ratio of voting rights: 100.0%)

(2) K Sea Trading

(1) Number of shares owned before transfer	0 shares (ownership ratio of voting rights: 0%)
(2) Number of shares to be acquired	1,000 shares (ownership ratio of voting rights: 100.0%)
(3) Acquisition price	Not disclosed based on a duty of confidentiality with the counterparty to the share acquisition
(4) Number of shares owned after transfer	1,000 shares (ownership ratio of voting rights: 100.0%)

6. Impact on Earnings

The impact on the consolidated business results for the fiscal year ending March 31, 2023 is expected to be immaterial.

Forward - Looking Statements

Statements in this document, other than those based on historical fact, concerning the current plans, prospects, strategies and expectations of the Company and its Group represent forecasts of future results. While such statements are based on the conclusions of management according to information available at the time of writing, they reflect many assumptions and opinions derived from information that includes major risks and uncertainties. Actual results may vary significantly from these forecasts due to various factors. Factors that could influence actual results include, but are not limited to, economic conditions, especially trends in consumer spending, as well as exchange rate fluctuations, changes in laws and government systems, pressure from competitors' prices and product strategies, declines in selling power of the Company's existing and new products, disruptions to production, violations of the Company's intellectual property rights, rapid advances in technology and unfavorable verdicts in major litigation