

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



November 27, 2023

To whom it may concern

Company name: Takasho Co., Ltd.  
Representative: Nobuo Takaoka, President & CEO  
(Code No. 7590, Standard market of the Tokyo Stock Exchange)  
Inquiries: Hiroshi Sohgewa,  
Senior Managing Executive Officer,  
Corporate Management Headquarters Director  
(Telephone: +81-73-486-2540)

## Notice of Dissolution and Liquidation of Overseas Consolidated Subsidiary (Sub-subsidiary)

Takasho Co., Ltd. (hereinafter, “the Company”) hereby announces that we have decided to dissolve and liquidate our consolidated subsidiary VegTrug Europe GmbH (hereinafter, “VEG EU”) in Germany as follows.

### Notice

#### 1. Reason for Dissolution

Our group aims to expand its business through global business development for the purpose of planning, manufacturing, and selling gardening and exterior products.

VEG EU was engaged in the sale of gardening materials to home centers, garden centers, and other customers in Germany and other European countries. However, due to rapid changes in the market environment, we have decided to dissolve VEG EU as we do not expect its performance to recover in the future under the current business model. In the German market, we will strive to expand sales and improve business efficiency by shifting to sales via local distributors in the future.

#### 2. Outline of consolidated subsidiary to be dissolved

(1) Name	VegTrug Europe GmbH	
(2) Location	Backnang, Baden-Württemberg, Germany	
(3) Representative	Joseph Denham, President & CEO	
(4) Business	Sales of gardening materials in the EU region	
(5) Capital and capital reserve	EUR 787,500.00 (103 million yen)	
(6) Date of establishment	May 9, 2018	
(7) Investment ratio	VegTrug Limited (the U.K.) 100%	
(8) Relationship Between the Company and the Counterparty	Capital Relationship	VegTrug Limited, the consolidated subsidiary of the Company, holds 100% shares of VEGEU.

	Personnel Relationship	Two employees of the Headquarters concurrently serve as directors of VEGEU.		
	Business Relationship	The Company's group sells products and lends funds to VEGEU.		
	Status as a Related Party	VEGEU is the consolidated subsidiary of the Company.		
(9)	Operating Results and Financial Position of VEGEU over the Last Three Years			
		Thousand euros (million yen)		
	Fiscal year	Fiscal year ended December 2020	Fiscal year ended December 2021	Fiscal year ended December 2022
	Net Assets	123 (15)	173 (22)	△264 (△37)
	Total Assets	1,344 (170)	2,289 (298)	2,107 (298)
	Net assets Per Share	€4.93 (¥626.45)	€6.95 (¥906.52)	€△10.57 (¥△1,495.27)
	Revenue	711 (90)	801 (104)	435 (61)
	Operating Profit	△171 (△21)	58 (7)	△235 (△33)
	Ordinary profit	△108 (△13)	50 (6)	△437 (△61)
	Net Profit Attributable to the Shareholders of the Parent	△108 (△13)	50 (6)	△437 (△61)
	Net Profit Per Share	€△4.35 (¥△552.41)	€2.01 (¥262.50)	€△17.52 (¥△2,477.92)
	Dividend Per Share	€ - (¥ -)	€ - (¥ -)	€ - (¥ -)

### 3. Schedule for the dissolution

- (1) Date of Resolution by the Board of Directors: November 27, 2023
- (2) Completion of liquidation (Scheduled): Early January 2026

### 4. Future Outlook

The impact on the consolidated financial results for the current fiscal year is negligible.

End of document