



December 26, 2023

To All

Company name: Oisix ra daichi Inc.
Representative: President and Representative Director, Kohey Takashima
(Code: 3182 TSE Prime)
Inquiries: General Manager of Administration Division, Shigeru Kumano
Telephone Number: +81 3 6867-1149 (Representative)

(Update of Previous Disclosure) Notice of Exclusion of SHiDAX CORPORATION from Equity Method Affiliates and Plan to Make It A Subsidiary and Recording of Extraordinary Income

At the Board of Directors' meeting held on November 10, 2023, Oisix ra daichi Inc. ("the Company") resolved to enter into an agreement ("the Agreement") with SHIDA Holdings Corporation ("SHIDA HD") to tender all of its common shares ("SHiDAX shares") in SHiDAX CORPORATION ("SHiDAX"), an equity-method affiliate of the Company, in a tender offer ("Tender Offer") to be conducted by SHIDA HD as part of a transaction that constitutes a management buyout (MBO) (Note1). We disclosed the details of the Agreement in the "Notice Concerning the Conclusion of a Tendering Agreement for the Tender Offer for Shares of SHiDAX CORPORATION (Securities Code: 4837) and the Prospect of Making SHiDAX a Consolidated Subsidiary through the Acceptance of a Third-Party Allotment of New Shares" disclosed on November 10, 2023.

The Tender Offer expires on December 25, 2023, and the Tender Offer is consummated. The Company hereby announces that SHiDAX is excluded from our equity method affiliate and as part of the Tender Offer and a series of subsequent transactions to take SHiDAX private ("the Transactions"), the Company plans to underwrite the shares of common stock of SHIDA HD to be issued by SHIDA HD through a third-party allotment, and as a result, SHiDAX will become a subsidiary of the Company the Company will record an extraordinary income in the fiscal year ending March 31, 2024 from the sale of all SHiDAX shares owned by the Company.

(Note) "Management Buyout (MBO)" generally refers to a transaction in which the management of the target company invests all or a portion of the acquisition proceeds to acquire the shares of the target company subject to the continuation of the acquired company's business.

Notation

I. Changes in Equity-Method Affiliates and Subsidiary

As a result of the completion of the Tender Offer, SHiDAX is excluded from our equity method affiliates.

As part of the Transactions, the Company plans to underwrite the shares of common stock of SHIDA HD to be issued by SHIDA HD through a third-party allotment, and as a result, SHiDAX will become a subsidiary of the Company and as for accounting treatment, it will be treated as an increase in our SHiDAX ownership ratio from 28.44% to 66.0%.

For more information, please refer to our release, "Notice Concerning the Conclusion of a Tendering Agreement for the Tender Offer for Shares of SHiDAX CORPORATION (Securities Code: 4837) and the Prospect of Making SHiDAX a Consolidated Subsidiary through the Acceptance of a Third-Party Allotment of New Shares" disclosed on November 10, 2023.

II. Record of Extraordinary Income

1. Purpose of the Sale of Shares

The Company has determined that management integration with SHiDAX through the Transactions will enable both companies to make flexible decisions and develop their businesses, and they expect to maximize their corporate value in the medium to long term as well and have decided to enter into the Agreement as a part of the Transactions.

2. Details of the Sale of Shares

(1)	The Sale of Shares	All of its common shares of SHiDAX
(2)	No. of Shares	15,582,759 shares
(3)	Purchase Price of the Tender Offer	¥800 per common share
(4)	Time of Gain on Sales of Shares of Subsidiaries and Affiliates	January 2024
(5)	Gain on Sales of Shares of Subsidiaries and Affiliates	¥4.0 billion

3. Outlook

As a result of the completion of the Tender Offer and we sell all of SHiDAX shares, we expect to record 4.0 bn yen of the gain on sales of shares of subsidiaries and affiliates as extraordinary income in the non-consolidated financial results and marginal gain on step acquisitions as extraordinary income in consolidated financial results (we are now under scrutiny, so the amount has not yet been determined) in the fiscal year ending Mar. 2024. (The estimated amount as of November 10, 2023 is 3.4 bn yen, but will be disclosed as soon as it is confirmed.)

The consolidated earnings forecast for the fiscal year ending March 31, 2024 will be announced as soon as the outlook becomes clear.

(End)