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December 27, 2023

Company: TODA CORPORATION
 Representative: Seisuke Otani, President and Representative Director
 (Securities Code: 1860 TSE Prime Market)
 Contact: Toshiyuki Kubodera, General Manager, Financial & IR Div.
 (Phone: 03-3535-1357)

Notice Concerning the Acquisition of Second-Tier Subsidiary (Specified Subsidiary)

TODA CORPORATION (hereinafter referred to as the “Company”) hereby announces that at the Board of Directors Meeting held on December 27, 2023, the Company has resolved that Toda Asia Pacific Pte. Ltd. (“TAP”), our subsidiary in the Republic of Singapore, will underwrite a third-party allotment of new shares of Coherent Hotel Ltd. (“Coherent”) to make it a subsidiary (a second-tier subsidiary of the Company). Coherent operate a hotel business in New Zealand. As a result of this investment, the capital of Coherent will correspond to more than 10/100 of the amount of capital of the Company, thus making it a specified subsidiary.

1. Purpose of Acquisition of the Second-Tier Subsidiary

As one of the priority management businesses, the Group has been developing the overseas business, and has positioned the Asia and Oceania region as a cornerstone of its business. We aim to secure a stable revenue base in the region by expanding our business in New Zealand, a developed country that is expected to continue to grow in the future.

2. Outline of the Subsidiary Acquiring the Shares

(1) Name	Toda Asia Pacific Pte. Ltd.	
(2) Address	#22-02 Samsung Hub, 3 Church Street, Singapore 049483	
(3) Representative	Yoshiro Shima, Director	
(4) Scope of Business	Supervision and management of local subsidiaries in the Asia and Oceania region	
(5) Date of Establishment	August 24, 2023	
(6) Capital	57 million SGD (approximately ¥6.3 billion)	
(7) Major Shareholders and Shareholding Ratio	TODA CORPORATION 100%	
(8) Relationship between the Company and the Subsidiary	Capital Relationship	100% owned by the Company.
	Personnel Relationship	1 executive officer and 2 employees of the Company serve as directors.
	Transactional Relationship	Not applicable.

3. Outline of the Second-Tier Subsidiary to be Acquired

(1) Name	Coherent Hotel Ltd.		
(2) Address	Level 18, Huawei Centre, 120 Albert Street, Auckland, New Zealand		
(3) Representatives	Sunardi S. Loekman, Director Sofia Astuty Budiman, Director Ali Kristianto Budiman, Director Tony John Rose, Director Li Zhang, Director		
(4) Scope of Business	Hotel business		
(5) Date of Establishment	April 27, 2016		
(6) Current Capital	100 NZD (approximately ¥9 thousand)		
(7) Capital After Capital Increase	60 million NZD (approximately ¥5.5 billion)		
(8) Major Shareholders and Shareholding Ratio	Perfect Match Investments NZ Ltd. 100%		
(9) Relationship with the Company	There are no applicable matters regarding capital relationship, personnel relationship, or transactional relationship.		
(10) Financial Situation and Operating Results for the Past Three Years	Thousands of NZD (Millions of JPY)		
Fiscal Year Ending	December 31, 2020	December 31, 2021	December 31, 2022
Net assets	8,766(795)	13,314(1,207)	22,115(2,005)
Total assets	50,748(4,602)	55,962(5,075)	66,038(5,989)
Net assets per share	87(7)	133(12)	221(20)
Net sales	4,611(418)	5,018(455)	8,793(797)
Operating income	-351(-31)	-1,180(-107)	683(61)
Ordinary income	-553(-50)	-1,194(-108)	392(35)
Net income	-473(-42)	-934(-84)	192(17)
Net income per share	-4(-0)	-9(-0)	1(0)
Dividend per share	0(0)	0(0)	0(0)

4. Number of Shares to be Acquired, Acquisition Price, and Shareholding Before and After Acquisition

(1) Number of Shares Held Before the Change	0 shares (0%)
(2) Number of Shares to be Acquired	51,000 shares
(3) Acquisition Price	60 million NZD (approximately ¥5.5 billion)
(4) Number of Shares Held After the Change	51,000 shares (51%)

5. Schedule

(1) Date of Resolution by the Board of Directors	December 27, 2023
(2) Date of Execution of Share Subscription Agreement	January 2024 (planned)
(3) Date of Share Transfer	After approval by New Zealand authorities (January 2024 onward)

6. Outlook for the Future

The impact of this matter on the Group's consolidated financial results for the fiscal year ending March 2024 is expected to be negligible. The Company will promptly announce if any matter requiring disclosure arises in the future.

Note: The conversion of capital etc. to Japanese yen is based on 1SGD = ¥110.38 and 1NZD = ¥90.70 (as of the end of November 2023).

End