

January 25, 2024

Company name: TRE HOLDINGS CORPORATION
Representative: Mitsuo Abe, President and COO
(Code: 9247
Prime Market of Tokyo Stock Exchange)
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Notice Regarding the Acquisition of Izumiyama Forestry Co., Ltd.

On January 25, 2024, TAKEEI CORPORATION (Minato-ku, Tokyo), a wholly-owned subsidiary of TRE HOLDINGS CORPORATION announced its decision to acquire all outstanding shares of Izumiyama Forestry Co., Ltd., (Hachimantai, Iwate, hereinafter “Izumiyama Forestry”) and make it a subsidiary.

1. About Izumiyama Forestry

Established in 1993, Izumiyama Forestry is one of the logging companies that harvests and processes standing trees into logs and sells lumber and chips. The company owns high-performance machinery for manufacturing chips, and can modify their shape according to customer orders. Izumiyama Forestry also employs several forest managers and forest leaders, who have attained specified levels of experience, acquired qualifications by completing a training course conducted by the Ministry of Agriculture, Forestry and Fisheries (Forestry Agency), and possess expert knowledge in the field of forestry.

2. Reason for acquisition of shares

Since acquiring a forest in Hanamaki, Iwate Prefecture, TRE HOLDINGS Group has been working with a local forestry union to formulate a forest management plan and realize a comprehensive system encompassing afforestation, procurement of unused materials, and chipping and supply to biomass power generation and electricity sales. With the addition of Izumiyama Forestry to the Group, we expect to secure a stable supply of fuelwood for woody biomass power generation by leveraging Izumiyama Forestry’s supply routes (forest owners, including individuals) and skilled forestry personnel. In the medium- to long-term, we aim to collaborate with group company TAKEEI Forestry Co., Ltd. (Minato-ku, Tokyo) to further expand and strengthen the Renewable Energy business by internalizing a series of operations, from logging to fuelwood procurement and lumber sales.

3. Izumiyama Forestry Overview

(1) Name	Izumiyama Forestry Co., Ltd.
(2) Head office	58 Chojamae, Hachimantai, Iwate Prefecture
(3) Representative director	Masato Izumiyama
(4) Main business	Logging
(5) Share capital	JPY 3.0 million
(6) Date of establishment	November 10, 1993
(7) Major shareholders and shareholding ratio	Two individual shareholders 100.0%

Note: Izumiyama Forestry is not a related party of the company. In addition, no person or company affiliated with Izumiyama Forestry is a related party of the company.

4. Number of shares acquired and shareholding before and after acquisition

(1) Number of shares held before change	Common stock: 0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2) Number of shares to be acquired	Common stock: 30 shares (Number of voting rights: 30)
(3) Number of shares held after change	Common stock: 30 shares (Number of voting rights: 30) (Percentage of voting rights held: 100%)

Note: Regarding the share transfer price, TAKEEI Corp. conducted appropriate due diligence through third parties (accountants, lawyers, and others) and has calculated and determined a reasonable price after discussions with the counterparty.

5. Transaction Dates

(1) Execution of share transfer agreement	January 25, 2024
(2) Share transfer (scheduled)	January 31, 2024

6. Future Outlook

The impact of this transaction on the consolidated earnings forecast is expected to be minor, and the company has stated that the acquisition of Izumiyama Forestry will contribute to improving consolidated performance in the medium- to long-term through group synergies.



Izumiyama Forestry's wood chipper