

Feb 14, 2024

To All Concerned Parties

Company Name : BuySell Technologies Co., Ltd.
Representative : Kyohei Iwata,
President, representative director & CEO
Securities code : 7685
Inquiries : Koji Ono, CFO
Telephone : +81-03-3359-0830

Notice Concerning the Conclusion of the Final Agreement on the Acquisition of Shares of Musubi Co., Ltd. (Making it a Subsidiary)

As disclosed in the January 19, 2024 press release titled "Notice of signing of Basic Agreement for the acquisition of shares of Musubi Co., Ltd. (converting it into a subsidiary)," we have been discussing a specific share acquisition with Musubi Co., Ltd. ("Musubi"). As a result, we hereby announce that our Board of Directors has resolved at a meeting held today to enter into a share transfer agreement to acquire all of the shares of Musubi Co., Ltd. and make it a subsidiary.

Note

1. Reason for acquisition of shares (making it a subsidiary)

The Group provides a comprehensive reuse sales service, realizing a purchase and sales cycle as part of its mission to "bridge the gap between important things beyond people and time". In addition to the Company's home visit operations, the Group is also strengthening its in-store "Buysell" business. Additionally, as a result of M&A, the Group has been joined by Timeless Co., Ltd., who operate "Kaitori Salon Timeless", Four-Nine Inc., who operate Reuse Shop WAKABA, mainly in FC shops, and Nisso K.K., whose Brand Peace has its strength in the purchase and resale of luxury brand items, rapidly growing the number of Group stores to 273 (as of December, 2023).

We will continue to strive to increase our corporate value by expanding our diverse purchasing and resales channels and creating synergies among Group companies.

Musubi was established in 2017 and has 45 "Kaitori Musubi" purchase and resale stores nationwide (as of October 2023) that resell a range of products such as luxury brand bags, watches, jewelry, and precious metals. They have grown their operations by leveraging their strengths, such as the expansion of stores by focusing on stores sited in commercial facilities, for example, large shopping malls, and the winning of repeat customers due to the effects of a comprehensive human talent training program.

With this acquisition of Musubi's shares, our expectation is that Musubi will further expand its scale by the strengthening of the Group's purchasing channels, the expansion of our business areas and numbers of stores through collaboration among Group stores, and the provision marketing support from the Company. We have therefore decided to conclude this Basic Agreement and begin considering making the company a subsidiary.

2. Overview of company whose shares are to be acquired (As of Dec. 2023)

(1) Name		MUSUBI CO., Ltd.		
(2) Location of Head Office		2-7-10 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa Prefecture		
(3) Name and title of representative		Representative Director: Madoka NAKAMURA		
(4) Business details		Reuse business for brand products, precious metals, etc. (operation of "Kaitori Musubi" stores)		
(5) Capital		10 million JPY		
(6) Date of establishment		December, 2017		
(7) Major shareholders and their shareholding ratios		Not disclosed due to the wish of the counterparty of the share acquisition.		
(8) Musubi's relationships with listed companies	Capital relationships	There are no capital relationships to be reported between Musubi and any listed companies. In addition, there are no capital relationships to be reported between any of Musubi's related parties or affiliated companies and any listed company's related parties or affiliated companies.		
	Personal relationships	There are no personal relationships to be reported between Musubi and any listed companies. In addition, there are no personal relationships to be reported between any of Musubi's related parties or affiliated companies and any listed company's related parties or affiliated companies.		
	Business relationships	There are no business relationships to be reported between Musubi and any listed companies. In addition, there are no business relationships to be reported between any of Musubi's related parties or affiliated companies and any listed company's related parties or affiliated companies.		
(9) Business results and financial position of Musubi for the last three periods	Accounting term	Year ending November 2021	Year ending November 2022	Year ending November 2023
		(Unit: Thousand yen)		
	Net assets	57,783	162,891	505,229
	Net assets per share (Yen)	192,610	542,972	505,229
	Gross assets	191,019	466,698	1,204,359
	Sales	1,175,987	2,927,422	4,934,982
	Operating income	488	157,882	473,772
	Ordinary income	20,596	160,771	508,747
	Net income	20,135	105,108	354,673
	Net Income per Share (Yen)	67,117	350,361	354,673
Dividend per share(Yen)	—	—	—	

3. Overview of party whose shares are to be acquired

(1) Name	1 individual shareholder
(2) Address	(Not disclosed due to the wish of the counterparty of the share acquisition.)
(3) Relationships between the individual and listed companies	There are no capital, personal or business relationships to be reported between Musubi and the individual. In addition, there are no capital, personal or business relationships to be reported between any of Musubi's related parties or affiliated companies and any related parties or affiliated companies of the individual.

4. Number of acquired shares, acquisition price, and status of owned shares before and after acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights 0, Voting rights held 0%)
(2) Number of shares acquired	1,000 shares (Number of voting rights 1000, Voting rights held 100.0%)
(3) Acquisition of Prices	Stock acquisition price : 4,500 million yen Advisory fees and other (estimated) : 80 million yen Total (estimated) : 4,580 million yen
(4) Number of shares held after the change	1,000 shares (Number of voting rights 1,000, Voting rights ownership ratio 100.0%)

5. Schedule

(1) Date of signing of stock transfer agreement	February 14, 2024
(2) Date of stock transfer	March 15, 2024 (provisional)

6. outlook

With the acquisition of Musubi as a subsidiary, the company's balance sheet will be consolidated from the first quarter of the current fiscal year, and its income statement will be consolidated from the second quarter of the current fiscal year. The impact on the consolidated earnings forecast for the fiscal year ending December 31, 2024, announced today, is currently under scrutiny and does not include the earnings forecast of Musubi. If any matter arises that should be announced in the future, we will announce it promptly.

(Reference) Consolidated earnings forecast for the current fiscal year (announced on February 14, 2024) and consolidated results for the previous fiscal year (Millions of yen)

	Net Sales	Operating income	ordinary income	Net income attributable to the parent company
Forecast of Consolidated Financial Results for the Year Ending December 31, 2024 (Year ending December 31, 2024)	52,480	3,400	3,310	1,890
Consolidated Results for the Previous Fiscal Year (Year ending December 31, 2023)	42,574	2,796	2,754	1,453

End.