

August 19, 2024

Dear Sirs:

Name of Company: BELLUNA CO., LTD.

Code No.: 9997 Prime Market

Notice of Acquisition of Shares of Shinwa, Inc. (Establishment of Sub-subsidiary)

Belluna Co., Ltd. (the "Company") announces that El Dorado Co., Ltd., its wholly owned subsidiary that operates restaurant businesses such as the Ginza Stake restaurants, has resolved to acquire all of the outstanding common stock of Shinwa, Inc. ("Shinwa"), making it a subsidiary (establishing it as a second-tier subsidiary of the Company). The acquisition is scheduled to take place on September 6, 2024. In addition, the Company announces that Shinwa's trade name will be changed to AgingBeef Inc. on the day of acquisition.

Although the Timely Disclosure Standards do not apply, the Company is disclosing the matter voluntarily because it has decided that it is useful information.

Description**1. Reasons for acquisition of shares**

Established in October 2015, Shinwa currently operates 16 restaurants, which include the Aging Beef chain of aged wagyu-centered barbeque and steak restaurants as well as specialty restaurants serving unique hamburger and beef tongue-focused set menus.

Reflecting the favorable evaluations of the quality of its products including its aged Japanese Black Wagyu beef, its customer service with high-level hospitality, and its superb cost effectiveness, after the end of the COVID-19 pandemic, Shinwa has achieved the highest profit ever since its founding.

Going forward, it is expected that Shinwa will facilitate the expansion of its business, including the opening of new stores, at a rate faster than ever before taking the Company's support in terms of capital. In addition, given the creation of synergy, including the improvement of profitability through joint purchases together with Ginza Steak operated by the subsidiary and the enhancement of the level of its services through the sharing of operating expertise and the exchange of human resources, the Company expects that Shinwa will contribute to enhancing the growth potential and profitability of the property business, which is positioned as a growth field.

2. Profile of the subsidiary subject to the change

(1) Name	Shinwa, Inc. (New trade name: AgingBeef Inc.)
(2) Address	2-10 Kandatsukasa-machi, Chiyoda Ward, Tokyo
(3) Representative name and title	Tatsuo Uno, President and CEO
(4) Main business	Operation of restaurants serving aged Japanese Black wagyu beef, steak, set menus and barbeque as well as izakaya-style barbeque restaurants.
(5) Capital stock	1 million yen
(6) Date of establishment	October 2015

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(7) Major shareholders and ownership	Iwakaze No.2 Investment Limited Partnership 91.2% Tatsuo Uno 8.8%	
(8) Relationship of the relevant companies	Capital relationship	Not applicable
	Personnel relationship	Not applicable
	Business relationship	Not applicable
(9) Sales forecast for the most recent fiscal year	2,825 million yen	
(10) Profit forecast for the most recent fiscal year	246 million yen	

3. Outline of the company from whom the shares are acquired

(1) Name	Iwakaze No.2 Investment Limited Partnership
(2) Address	Minato Ward, Tokyo
(3) Relationship between listed company and individual	None

4. Number of shares to be acquired, acquisition price, and status of shares held before and after the acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights: 0) (Shareholding ratio: 0%)
(2) Number of shares to be acquired	1,000 shares (Number of voting rights: 1,000)
(3) Number of shares held after the change	1,000 shares (Number of voting rights: 1,000) (Shareholding ratio: 100%)

(Note) The acquisition price will not be disclosed in consultation with the other party. In calculating the acquisition price, due diligence is conducted by a third-party organization, and an appropriate amount is calculated after mutual consultation.

5. Schedule

Date of Board of Directors meeting

to pass resolution on Acquisition : August 19, 2024

Date of concluding contract : August 19, 2024

Date of stock transfer : September 6, 2024

6. Business forecasts

The impact of the establishment of the second-tier subsidiary on the consolidated financial results for the fiscal year under review is minor.

For inquiries about this notice, please contact the department below.
Executive Corporate Planning Department, Belluna Co., Ltd.
(TEL: 048-771-7753)

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