

*[Provisional Translation Only]*

*This English translation of the original Japanese document is provided solely for information purposes.*

*Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.*

July 8, 2024

**Ichigo Inc.** (Tokyo Stock Exchange Prime, 2337)

Representative: Scott Callon, Chairman

Inquiries: Takanori Sakamatsu, Executive Managing Director

Telephone: +81-3-4485-5221 [www.ichigo.gr.jp/en](http://www.ichigo.gr.jp/en)

## **Acquisition of Private REIT and its Asset Management Company**

Ichigo decided today to acquire all shares of Tosho Tokai REIT Investment Corporation and its asset management company, Tosho Asset Management Co., Ltd. from Tosho Co., Ltd. Tosho Tokai REIT owns 24 high-quality residential assets in Aichi Prefecture.

### 1. Background and Acquisition Rationale

In keeping with its Ichigo 2030 long-term vision, Ichigo is further expanding its competitive strengths to grow as a sustainable infrastructure company. In particular, Ichigo is leveraging its real estate know-how and value-add capabilities to grow stock earnings via non-asset businesses and build out its asset management business. In line with this strategy, Ichigo is acquiring Tosho Tokai REIT and Tosho Asset Management.

In today's acquisition, Ichigo is acquiring all Tosho Tokai REIT shares currently owned by a group of seven shareholders and all Tosho Asset Management shares owned by Tosho.

Upon completion of the acquisition, Ichigo will temporarily own 100% of Tosho Tokai REIT shares, making Tosho Tokai REIT a subsidiary. However, going forward Ichigo will solicit investments from third-party investors to reduce Ichigo's shareholding, while leveraging its value-add and asset management capabilities to maximize Tosho Tokai REIT's shareholder value. The acquisition will further expand sales channels for Ichigo's value-add assets and drive the growth of its asset management business.

### 2. Acquisition Overview

#### Tosho Tokai REIT

Name	Tosho Tokai REIT, Inc.
Address	1-16-5, Mikawa Anjocho, Anjo City, Aichi Prefecture
Representative	Executive Officer Masami Fukuda
Business	Investment management
Paid-In Capital	JPY 10,100 million (As of January 31, 2024)
Establishment Date	December 2019
Major Shareholder	Tosho Investment Business Limited Liability Partnership 18.8%
Relationship to Ichigo	Tosho Tokai REIT does not have any material capital or personnel relationship with Ichigo.

Financials for the Most Recent Three Fiscal Periods			(JPY million)
	January 2023	July 2023	January 2024
Net Assets	10,338	10,283	10,258
Net Assets per Share	JPY 102,364	JPY 101,819	JPY 101,568
Total Assets	19,079	19,026	19,065
Revenue	660	657	653
Operating Profit	295	260	268
Recurring Profit	239	184	159
Net Income	238	183	158
Net Income per Share	JPY 2,363	JPY 1,819	JPY 1,568
Dividend	JPY 2,364	JPY 1,819	JPY 1,568

#### Tosho Asset Management

Name	Tosho Asset Management Co., Ltd.		
Address	1-16-5 Mikawa Anjocho, Anjo City, Aichi Prefecture		
Representative	Representative Director & President Yoichi Kariyazono		
Business	Real estate management and investment		
Paid-In Capital	JPY 300 million (as of March 31, 2024)		
Establishment Date	February 5, 2018		
Major Shareholder (Ownership %)	Tosho Co., Ltd. (100%)		
Relationship to Ichigo	Tosho Asset Management does not have any material capital or personnel relationship to Ichigo.		
Financials for the Most Recent Three Fiscal Years			(JPY million)
	March 2022	March 2023	March 2024
Net Assets	152	149	80
Net Assets per Share	JPY 25,362	JPY 24,932	JPY 13,373
Total Assets	195	188	97
Revenue	148	113	112
Operating Profit	42	-2	-69
Recurring Profit	42	-1	-69
Net Income	35	-2	-69
Net Income per Share	JPY 5,895	-JPY 430	-JPY 11,559
Dividend	–	–	–

### 3. Acquisition Details

	Tosho Tokai REIT	Tosho Asset Management
Pre-Acquisition Number of Shares (Voting Rights %)	0 shares (0%)	0 shares (0%)
Number of Shares to be Acquired (Voting Rights %)	101,000 shares (100%)	6,000 shares (100%)
Post-Acquisition Number of Shares (Voting Rights %)	101,000 shares (100%)	6,000 shares (100%)
Acquisition Price	Although the acquisition price is greater than 15% of Ichigo's FY24/2 parent company net assets, it is not being disclosed pursuant to a confidentiality agreement between the sellers and Ichigo. The acquisition price was determined via a fully impartial and objective negotiation process between the parties.	Although the acquisition price is not being disclosed pursuant to a confidentiality agreement between the sellers and Ichigo, it was decided via a fully impartial and objective negotiation process between the parties.

### 4. Transaction Schedule

#### (1) Tosho Tokai REIT

Contract Date	July 8, 2024 (Tosho Investment Limited Partnership) By July 31, 2024 (Other six shareholders)
Settlement Date	August 1, 2024

#### (2) Tosho Asset Management

Contract Date	July 8, 2024
Settlement Date	August 1, 2024

### 5. Seller Profiles

Seller of Tosho Tokai REIT (as of January 31, 2024)

Name	Tosho Investment Limited Partnership
Address	1-6-15 Hiragacho, Chiyoda-ku, Tokyo
General Partner	Tosho GK (100% subsidiary of Tosho Co., Ltd.)
Limited Partner	Tosho Co., Ltd.
Paid-In Capital	JPY 10,100 million
Principal Businesses	Acquisition and ownership of REIT shares
Establishment Date	February 2020
Relationship to Ichigo	The seller does not have any material capital or personnel relationship with Ichigo.

Note: There are 101,000 Tosho Tokai REIT shares outstanding, and Tosho Investment Limited Partnership owns 19,000 shares (including indirect share ownership). Other shareholders have not consented to disclosure.

Seller of Tosho Asset Management (as of March 31, 2024)

Name	Tosho Co., Ltd.
Address	1-16-5 Mikawa Anjocho, Anjo City, Aichi Prefecture
Representative	President & Representative Director, Yuichiro Kutsuna
Principal Businesses	Fitness clubs, hotels, and real estate businesses
Total Assets	JPY 74,219 million
Paid-In Capital	JPY 1,580 million
Net Assets	JPY 40,318 million
Establishment Date	March 1979
Major Shareholders (% Shareholding)	Toshihiro Kutsuna (41.21%), Yuichiro Kutsuna (10.91%), Custody Bank of Japan, Ltd., Trust Bank (4.21%), The Master Trust Bank of Japan, Trust Bank (3.83%), Nomura Trust & Banking Co., Ltd., Investment Trust Account (3.28%)
Relationship to Ichigo	The seller does not have any material capital or personnel relationship with Ichigo.

#### 6. Earnings Impact

Although the acquisition is not forecast to impact on Ichigo's current FY25/2 consolidated earnings, it will contribute to the growth of Ichigo's asset management business and stock earnings.