

February 17, 2022

**Sojitz Corporation**

**Sojitz Acquires Additional Shares in Royal Holdings  
through Exercise of New Stock Acquisition Rights  
–Deepening Collaboration to Further Promote New Business and Build Earnings–**

Sojitz Corporation (“Sojitz”) has exercised its new stock acquisition rights in Royal Holdings Co., Ltd. (“Royal Holdings”), issued through third-party allotment in March 2021, for 36,540 out of 41,124 of its new stock acquisition rights to acquire an additional 3,654,000 shares of common stock in Royal Holdings on February 17<sup>th</sup>, 2022.

Sojitz has exercised its new stock acquisition rights, increasing its current shareholding ratio from 13.3% (5,820,700 shares of common stock) to 19.9% (9,474,700 shares of common stock).\* Sojitz also plans to exercise its stock acquisition rights for its remaining 4,854 new stock acquisition rights (458,400 shares of common stock) prior to the conclusion of the exercisable period on March 31<sup>st</sup>, 2027.

While Royal Holdings saw impacts to its final profit and loss reports for FY2020 and FY2021 due to the spread of the Covid-19 pandemic, Royal Holdings has implemented group-wide cost reduction measures and its restaurant business and other core businesses are demonstrating a strong overall recovery. In light of these trends, Sojitz made the decision to exercise its new stock acquisition rights as Royal Holdings has been determined to have entered the next phase for expanding new business to build earnings further.

Sojitz and Royal Holdings concluded an agreement for a capital and business tie-up in February 2021. Following this tie-up, Sojitz and Royal Holdings have since formed a joint project management office at Royal Holdings with employees seconded from Sojitz with the aim of addressing business management issues at Royal Holdings, developing measures to secure sales, and actively advancing initiatives to improve income and expenditure. Additionally, Sojitz and Royal Holdings established a local subsidiary (Royal Holdings: 51%, Sojitz: 49%) in

Singapore in August 2021, and both companies will continue to jointly pursue new business development and M&A projects.

Going forward, both Sojitz and Royal Holdings aim to pursue inter-group collaboration and initiatives for raising corporate value in order to realize sustainable growth.

- Overview of stock acquisition rights
  - Stock acquisition rights to be exercised: 36,540 rights
  - Common stock to be acquired: 3,654,000 shares
  - Date effective/stock acquisition date: February 17<sup>th</sup>, 2022

\* The shareholding ratios are calculated based on the total number of issued shares by Royal Holdings as of December 31st, 2021 (excluding the number of shares of nonvoting stock) and increase in shares of common stock held by Sojitz following the exercise of new stock acquisition rights. (Figures truncated after first decimal place.)

[Related Information]

[Company Overview – Royal Holdings Co., Ltd.]

|                         |   |
|-------------------------|---|
| Established             | April 4, 1950   |
| Head Office             | 3-28-5 Naka, Hakata-ku, Fukuoka-shi, Fukuoka  |
| Representative Director | Tadao Kikuchi<br>Representative Director, Chairman<br>Yasuhiro Kurosu<br>Representative Director, President |
| Main Business           | Restaurant business; Contract food service; Hotel business; Food manufacturing                              |

[Related News Release]

“Sojitz Acquires Stake in Royal Holdings Co., Ltd., Operator of Restaurant Chains such as Royal Host and Tendon Tenya, with Capital and Business Tie-up.” Sojitz Corp. Press Release, 15 February 2021.

<https://www.sojitz.com/en/news/2021/02/20210215-02.php>

“Royal Holdings and Sojitz Conclude Joint Venture Agreement to Establish a Local Subsidiary in Singapore through Joint Investment.” Sojitz Corp. Press Release, 12 July 2021.

<https://www.sojitz.com/en/news/2021/07/20210712.php>

[For questions regarding this press release, contact:]

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