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News Release: ARDEPRO Co., Ltd.
(8925 TSE Standard)

January 30, 2023

Notice Concerning Stock Acquisition Related to Subsidiary Changes (Subsidiary Acquisition) and Settlement of Sale of Real Estate for Sale

At the Board of Directors meeting held on December 27, 2022, ARDEPRO Co., Ltd. ("the Company") passed a resolution for the acquisition of Kozu Shoten Y.K. ("Kozu Shoten") stock, and this acquisition was completed today. As a result of this stock purchase, Kozu Shoten is now a consolidated subsidiary of the Company as of today. In addition, Kozu Shoten has settled the sale of real estate for sale below effective today.

1. Stock acquisition (subsidiary acquisition)

(1) Reason for stock acquisition

As described in the Company's news release on October 28, 2022 ("Notice Concerning the Consolidated Business Results Forecast Associated with the Transition to Consolidated Accounts"), the Company is proactively promoting strategic acquisition of real estate for sale, including through M&A activities. The M&A target company this time is not being acquired for its business as in a standard M&A but rather as a means to secure valuable real estate properties.

(2) Overview of the new subsidiary company

Company name	Kozu Shoten Y.K.	
Address	2-27-1 Higashi-Nippori, Arakawa-ku, Tokyo	
Representative	Go Narita Representative Director	
Business content	Real estate rentals, etc.	
Capital	33 million yen	
Date established	January 9, 1952	
Relationships between the Company and Kozu Shoten	Capital ties	Not applicable.
	Personal relationships	Not applicable.
	Business relationships	Not applicable.
	Applicability to related parties	Not applicable.

- Notes: 1. Alongside this subsidiary acquisition, the company name is changed to "Higashi Nippori 2-Chome Development Y.K." as of today. In addition, all directors have resigned, and Kazuya Akimoto, the Company's director, senior executive officer and general manager of the sales division, has been appointed as a director.
2. The price paid for this stock acquisition was less than 15% of the Company's net assets as of the last day of the previous fiscal year.

2. Settlement of sale of real estate for sale in Arakawa-ku, Tokyo

(1) Overview of sold property

No.	Location	Category	Total floor area (m ²)	Land area (m ²)
1	Arakawa-ku, Tokyo	Land and building	351.94	242.59

(2) Overview of the buyer and the transaction

Under the terms of a confidentiality agreement concluded with the buyer regarding the sale contract, the Company refrains from publishing the name of the buyer and the sale price of the property.

The sale price represents less than 10% of the net sales of the Company in the fiscal year ended July 31, 2022 (¥22.6 billion) and is an amount equivalent to less than 30% of the net assets of the Company in the fiscal year ended July 31, 2022 (¥7,612 million).

As the Company has no capital or personal relationship with the buyer that requires disclosure, the buyer is not considered to be a related party of the Company.

3. Future directions

No revisions to the forecast of consolidated business results for the fiscal year ending July 31, 2023 are required as a result of this sale. However, the Company is continuing its sales activities with respect to real estate for sale other than the above. If revisions to the forecast of business results occur, the Company will publish the information promptly.