

April 21, 2023

To whom it may concern:

Company name:	AZ-COM MARUWA Holdings Inc.
Name of representative:	Masaru Wasami, President (Stock code: 9090; TSE Prime Market)
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### **Notice of Construction of a New Food Distribution Center and Conclusion of an Agreement for a Syndicated Term Loan with a Commitment Period**

The Company hereby informs you that it resolved at the Board of Directors meeting held on April 21, 2023 to construct a new food distribution center and conclude an agreement for a syndicated term loan with a commitment period, which was announced in the “Notice of Acquisition of a Site for the Construction of a New Food Distribution Center” dated March 10, 2020.

#### **1. Construction of new food distribution center**

##### **[Reason for the acquisition]**

Under its medium-term management plan, the Group is actively working to realize sustainable growth by responding to increases in volume handled in the core EC logistics, low-temperature food logistics, and medicine & medical logistics businesses, while pushing forward with the construction of a logistics network as a social infrastructure through BCP logistics. As part of its efforts to achieve these goals, the Company will construct a new food distribution center equipped with state-of-the-art facilities in the Matsubushi Tajima Industrial Park.

##### **[Purpose of construction]**

The new food distribution center outlined below takes advantage of the excellent location within 25 kilometers from central Tokyo, is equipped with large cold storage facilities (frozen and refrigerated), and adopts a seismic isolation structure. The construction of the new food distribution center is part of a plan to construct a comprehensive food logistics platform that can also play the role of a BCP logistics base, as a supply base for food and other goods, at the time of a large-scale disaster in the Greater Tokyo Area.

In particular, against the backdrop of an increased consciousness regarding SDGs, we will work to resolve the food loss issue as a base of a direct-from-the-farm network that connects cold chains from various locations all over Japan by using diverse transportation modes (rail, air and marine transportation). In addition, we will also aim to resolve various other issues in food distribution through this project.

- (1) Responding to the “year 2024 problem”: Pursuing freshness maintenance through more efficient logistics

By improving logistics efficiency with the effective use of low-temperature truck transportation, the use of reefer containers in rail transportation, air transportation and marine transportation, we will address the concerns regarding delays in delivery due to the shortage of drivers to realize sustainable logistics.

- (2) Protecting food supply chain: Responding to natural disasters

We will realize sustainable food distribution by realizing appropriate distribution inventory control through centralized management of inventories arising from multiple origins and manufacturers, while avoiding any supply chain disruption in the event of an emergency.

- (3) Implementing SIP smart logistics: Responding to productivity improvement and environmental problems with proprietary technologies

Through the early implementation of smart logistics services proposed in the Strategic Innovation Promotion Program (SIP) promoted by the national government, we will realize sustainable and low environmental load logistics ahead of other companies in the industry.

[Outline]

- |                             |   |
|-----------------------------|---|
| (1) Name                    | AZ-COM Matsubushi A Building (tentative name)   |
| (2) Location                | 1-1 Tajimaminami, Matsubushimachi, Kitakatsushika-gun, Saitama (*2)   |
| (3) Site area               | 116,379.45 m <sup>2</sup> (35,204.78 tsubo / acquired in July 2022)   |
| (4) Total floor area        | 83,041.01 m <sup>2</sup> (25,117.78 tsubo)  |
| (5) Structure               | 5F above ground, seismic isolation structure<br>1F for refrigerated, 2F for frozen and refrigerated, 3F through 5F for dry, and BCP storage space and a cafeteria on the 5F |
| (6) Construction period     | From June 2023 to January 2025 (planned)  |
| (7) Start of operation      | April 2025 (planned)  |
| (8) Total investment amount | Approximately 23,000 million yen  |

\*1 The distribution center is scheduled to be constructed in two phases. The information shown in (4) through (8) above pertains to the outline of Phase 1. We will determine the specifics of Phase 2 construction going forward in careful consideration of the effect of rising construction cost and the investment environment.

\*2 As the site is adjacent to the East Saitama Road, which is scheduled for completion of construction in spring 2025, the access to the expressway (Gaikan Expressway) is expected to improve greatly after the opening of the road. In addition, the creation of a network that circumvents the anticipated inundation area at the time of a river flood, following the opening of the dedicated section (elevated lanes), is highly expected to facilitate support activities and the transportation of goods during a disaster.

[Planned image]



2. Syndicated term loan with a commitment period

For the purpose of funding part of the construction costs of a new food distribution center, the Company will enter into an agreement for a syndicated term loan with a commitment period to maintain flexible and agile financing and a stable financial base.

[Outline]

(1) Borrowing limit	10,000 million yen
(2) Agreement execution date	April 21, 2023 (planned)
(3) Commitment period	From June 1, 2023 to July 30, 2025
(4) Term loan repayment method and due date	Equal repayment of principal every three months (after the expiration of commitment period) Repayment due date: July 31, 2045 (term of 20 years)
(5) Arranger	Saitama Resona Bank, Limited, Resona Bank, Limited
(6) Agent	Resona Bank, Limited
(7) Participating financial institutions	Saitama Resona Bank, Limited, Resona Bank, Limited, Mizuho Bank, Ltd., MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation

3. Future outlook

As the construction of the distribution center is scheduled to be completed in January 2025 and the start of operation sometime around April 2025, its impact on the consolidated financial results of the Group for the fiscal year ending March 2024 is expected to be insignificant. However, it is expected to contribute significantly to the financial results for the fiscal year ending March 2026. If any matters that need to be disclosed arise in the future, we will promptly disclose them. If we become aware of any significant impact from this matter in the future we will promptly disclose such information.

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