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November 27, 2023

To whom it may concern

Company name: Takasho Co., Ltd.
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 (Code No. 7590, Standard market of the Tokyo Stock Exchange)
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Notice of Change of Sub-subsidiary etc. to Subsidiary

Takasho Co., Ltd. (hereinafter, “the Company”) hereby announces that we have decided to acquire all of the shares of VegTrug USA (hereinafter, “VEG USA”), a consolidated sub-subsidiary of the Company, from VegTrug Limited (hereinafter, “VEG”), a consolidated subsidiary of the Company in the U.K. region, and change it subsidiary of the Company. Since this reorganization is a change within our group, some disclosure items and details are omitted.

Notice

1. Reason for acquisition of shares

Through this reorganization, the Company will reorganize the capital relationship within the group in the America region and will strengthen our governance system and streamline and improve the efficiency of our business operations.

2. Outline of the Sub-subsidiary company to be transferred

(1) Name	VegTrug USA Inc.	
(2) Location	Pennsylvania, America	
(3) Representative	Joseph Denham, President & CEO	
(4) Business	Sales of gardening materials in the U.S. region	
(5) Capital	USD 500,000.00 (59 million yen)	
(6) Date of establishment	January 23, 2015	
(7) Investment ratio	VegTrug Limited (the U.K.) 100%	
(8) Relationship Between the Company and the Counterparty	Capital Relationship	VegTrug Limited, the consolidated subsidiary of the Company, holds 100% shares of VEGUS.
	Personnel Relationship	Two employees of the Headquarters concurrently serve as directors of VEGUS.
	Business	The Company’s group sells products and lends

		Relationship	funds to VEGUS.	
(9)	Operating Results and Financial Position of VEGUS over the Last Three Years			
		Thousand dollars (million yen)		
Fiscal year	Fiscal year ended December 2020	Fiscal year ended December 2021	Fiscal year ended December 2022	
Net Assets	350 (36)	556 (63)	△1,497 (△198)	
Total Assets	4,421 (457)	10,026 (1,153)	12,099 (1,605)	
Net assets Per Share	3 (¥362,631.39)	5 (¥639,869.03)	△14 (¥△1,986,578.81)	
Revenue	3,993 (413)	8,150 (937)	3,887 (515)	
Operating Profit	225 (23)	278 (31)	△1,919 (△254)	
Ordinary profit	253 (26)	277 (23)	△2,075 (△275)	
Net Profit Attributable to the Shareholders of the Parent	188 (19)	205 (23)	△2,053 (△272)	
Net Profit Per Share	1 (¥194,750.09)	2 (¥236,875.15)	△20 (¥△2,724,803.62)	
Dividend Per Share	\$ - (¥ -)	\$ - (¥ -)	\$ - (¥ -)	

3. Outline of the transferor (the Subsidiary company)

(1)	Name	VegTrug Limited	
(2)	Location	Essex County, England	
(3)	Representative	Joseph Denham, President & CEO	
(4)	Business	Sales of gardening materials in the U.K. region	
(5)	Capital	GBP 1,995,000.00 (300 million yen)	
(6)	Date of establishment	April 19, 2010	
(7)	Net Assets	GBP 55,000 (9 million yen)	
(8)	Total Assets	GBP 7,381,000 (1,180 million yen)	
(9)	Investment ratio	Takasho Co., Ltd. 100%	
(10)	Relationship Between the Company and the Counterparty	Capital Relationship	The Company holds 100% shares of VEG.
		Personnel Relationship	Two employees of the Headquarters concurrently serve as directors of VEG.
		Business	The Company's group sells products and lends

	Relationship	funds to VEG.
	Status as a Related Party	VEG is the consolidated subsidiary of the Company.

3. Method of transfer

The Company will acquire shares of VEG USA from VEG free of charge based on the company's most recent earnings results.

4. Schedule

(1) Date of Resolution by the Board of Directors	November 27, 2023
(2) Date of Contract	November 28, 2023
(3) Date of stock transfer execution	December 28, 2023 (scheduled)

5. Future Outlook

The Company plans to record an impairment loss of 63 million yen on fixed assets in its consolidated financial results for the fiscal year ending January 20, 2024. This has already been reflected to "Notice Regarding the Revision of the Financial Forecast for the Fiscal Year Ending January 20, 2024" released today

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