



March 17, 2025

Company name	The Monogatari Corporation
Representative	Hisayuki Kato, President and Representative Director (Code No.: 3097 TSE Prime Market)
Inquiries	Tsuyoshi Tsudera, Director, Managing Executive Officer, In charge of Finance & Growth Strategy Section (TEL 0532-63-8001)

Notice Concerning Share Acquisition by U.S. Subsidiary (Sub-Subsidiary)

At the Board of Directors meeting held on March 17, 2025, our company decided that Storytellers USA, Inc., our U.S. subsidiary, will acquire all shares and membership interests of "Shin Nihon Kousan Inc." and others (hereinafter referred to as "Shogun Group"), which operate a restaurant business in the United States, and make it a subsidiary (sub-subsidiary).

1. Reason for share acquisition

As part of our growth strategy aimed at sustainable growth and enhancing corporate value, our Group places importance on developing overseas markets. In particular, we recognize the U.S. restaurant market, which boasts the world's largest scale, as an attractive market, as it is expected to continue to grow sustainably in the future. However, the U.S. restaurant market is already mature, and there are high barriers to entry for independent entry through the development of our own brand or new business formats, and it is expected that expansion of the business will require a considerable amount of time and investment. Therefore, we have been considering entering the market through M&A.

The target market of this transaction, the "Teppanyaki" market, is positioned as a sub-sector of Japanese cuisine in the U.S. restaurant market, and is expected to grow further in the future. Also, it is supported by a wide range of customers, not biased toward any particular race or attribute, and we believe that it has particularly high growth potential among Japanese food formats.

The target company operates large-scale restaurants in suburban roadside locations, and has established a business format that can accommodate not only everyday use but also use for special occasions (special occasion demand), leveraging its specialization in Japanese cuisine. This is highly compatible with our existing business, and we believe that sufficient synergistic effects can be created through our strength in operating large-scale suburban roadside stores, in addition to our product development capabilities utilizing the knowledge we have cultivated through the operation of Japanese food businesses since our founding.

Furthermore, the target company has a business history of approximately 47 years, has gained strong support from local residents, and we believe that there is ample room for future store openings, and the stability and growth potential of the business can be highly evaluated.

Taking these points into consideration comprehensively, we have determined that this acquisition is strategically significant for our company.

2. Overview of the Subsidiary Acquiring Shares

(1)	Name	Storytellers USA, Inc.
(2)	Location	Delaware, USA
(3)	Title and Name of Representative	CEO, Masamichi Okada
(4)	Shareholders and shareholding ratio	100% owned by The Monogatari Corporation
(5)	Business activities	Holding company

3. Overview of the Sub-subsidiary to be Transferred (Shogun Group)

(1)	Name	Shin Nihon Kousan Inc.	Shogun Kobe Inc.	Shogun Restaurant Inc.	La Verne LLC	Murrieta LLC	Corona LLC
(2)	Location	California, USA					
(3)	Title and Name of Representative	One individual (Disclosure has been withheld at the request of the counterparty in the share acquisition.)					
(4)	Business activities	Operation of restaurant business					
(5)	Capital stock/ partnership equity interest	USD26,685	USD30,000	USD174,411	USD1,568,987	USD918,167	USD126,641
(6)	Year established	1978	2000	2006	2003	2005	2005
(7)	Shareholders and shareholding ratio	100% by one individual	Shin Nihon Kousan Inc. 100%		100% by one individual		
(8)	Relationship between listed company and said company	There are no capital relationships, personal relationships, business relationships, or relevant affiliations as related parties to be stated between our company and said individual, or between parties related to our company and our affiliates, and said individual.					
(9)	Simplified Consolidated Management Performance and Simplified Consolidated Financial Position of Shogun Group for the last three years (Note)						
Settlement period		FY 2022		FY 2023		FY 2024 (Projected)	
Net assets		USD7,482,713		USD9,118,662		USD9,243,732	
Total assets		USD11,213,108		USD12,807,669		USD12,590,661	
Net sales		USD36,769,876		USD37,408,052		USD36,300,936	
Net income before taxes		USD2,002,542		USD2,681,469		USD2,584,886	

(Note) Since the Shogun Group does not prepare consolidated financial statements, calculations are made by simple aggregation. Therefore, the above figures do not reflect the elimination of intercompany transactions. Net assets and total assets are as of the end of September 2024.



4. Overview of Counterparty in Share Acquisition

(1)	Name	One individual (Disclosure has been withheld at the request of the counterparty in the share acquisition.)
(2)	Address	California, USA
(3)	Relationship between listed company and the said individual	There are no capital relationships, personal relationships, business relationships, or relevant affiliations as related parties to be stated between our company and said individual, or between parties related to our company and our affiliates, and said individual.

5. No. of acquired shares, acquisition price, and status of share ownership before and after acquisition

(1)	Name	Shin Nihon Kousan Inc.	La Verne LLC	Murrieta LLC	Corona LLC
(2)	No. of shares owned before transfer and acquired equity interest	- shares	- shares	- shares	- shares
(3)	No. of shares acquired Acquired Equity Interest	1,000 shares	100,000 units	100,000 units	100,000 units
(4)	Acquisition price (Approximate figures)	Common stock, etc. of Shogun Group 27.5M USD Advisory expenses 1.1M USD Total 28.6M USD			
(5)	No. of shares owned after transfer and equity interest (Voting rights ownership ratio)	1,000 shares (100%)	100,000 units (100%)	100,000 units (100%)	100,000 units (100%)

6. Schedule

- (1) Board of Directors resolution date: March 17, 2025
- (2) Contract signing date: March 17, 2025
- (3) Stock transfer execution date: April 1, 2025 (Scheduled)

7. Future Outlook

The impact of this matter on the consolidated business results for the fiscal year ending June 2025 is currently under review. We will promptly notify you if any matters to be disclosed arise in the future.