

This translation of the original Japanese notice is provided solely for information purposes. Should there be any discrepancy between this translation and the Japanese original, the latter shall prevail.

February 24, 2022

Dear Shareholders and Investors

FOOD & LIFE COMPANIES LTD.
President & CEO Koichi Mizutome
(Securities Code: 3563)

Contact: Corporate Officer
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Notice of Establishment of Subsidiary Company in China

FOOD & LIFE COMPANIES LTD. (“F&LC”) hereby announces that the Board of Directors meeting of F&LC held on today has passed the resolution regarding the establishment of a subsidiary company by the F&LC’s wholly-owned subsidiary (Sushiro (China) Investment Co., Ltd.) in China. In addition, as the capital amount of the subsidiary company exceeded the amount equivalent to 10% of that of F&LC, it falls under the specified subsidiary company prescribed in Cabinet Office Order on Disclosure of Corporate Affairs of F&LC. Details are as follows.

1. Purpose

The Kaiten-Sushi business is the main business of Our Group. With a view to further expansion of this business, we have decided to establish the subsidiary company as the Kaiten-Sushi market is expected to expand in China in the future.

2. Outline of the subsidiary company

(1) Name	Shenzhen Sushiro Restaurants Co., Ltd. (tentative)	
(2) Location	Shenzhen, Guangdong Province, China (tentative)	
(3) Representative	Hiromitsu Kato (Executive Corporate Officer of F&LC)	
(4) Nature of Business	Kaiten-Sushi Restaurants Service	
(5) Share Capital	approx. RMB 6,500,000 (approx. 100 million Yen) ※	
(6) Establishment Date	March 2022 (planned)	
(7) Shareholder and Ratio	Sushiro (China) Investment Co., Ltd. 100%	
(8) Relationships with F&LC	Capital Relationship	Second-tier subsidiary of F&LC
	Personal Relationship	One employee of F&LC is expected to serve as the director of the subsidiary company
	Business Relationship	Currently not applicable

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※ It is the amount of initial paid-in capital and registered capital is planned to be approx. RMB 32,500,000 (approx. 500 million Yen).

3.Outlook

The impact of the establishment of the subsidiary company on the consolidated financial statements of this fiscal year is expected to be insignificant.