

November 30, 2023  
FOOD & LIFE COMPANIES LTD. [3563.T]

**Capital Increase of a Sub-subsidiary of FOOD & LIFE COMPANIES LTD.**

At a meeting of the Board of Directors held on October 4, 2023, FOOD & LIFE COMPANIES LTD. ("the Company") resolved that its wholly owned sub-subsidiary, Beijing Sushiro Restaurants Co., Ltd. ("the Sub-subsidiary") would increase its capital, the entire amount of which would be subscribed by the Company's wholly owned subsidiary, Sushiro China Investment Co., Ltd. The Company hereby announces that the capital amount of the Sub-subsidiary is equivalent to more than 10/100 of the Company's capital, and it will become a specified subsidiary of the Company.

1. Purpose of the capital increase of the Sub-subsidiary

In October 2023, the Company established Beijing Sushiro Restaurant Co., Ltd. for the purpose of researching our store (revolving-sushi restaurant) expansion potential in Mainland China. The Company has resolved to increase its capital with a view to making more concrete efforts for new store expansion.

2. Outline of the subsidiary (sub-subsidiary) to be capitalized

1.	Name	Beijing Sushiro Restaurants Co., Ltd.	
2.	Location	Beijing, People's Republic of China	
3.	Name of Representative	Chairperson of the Board : Hiromitsu Kato	
4.	Business	Management of revolving-sushi restaurant	
5.	Capital stock	400,000 RMB (approx. 8 million JPY)	
6.	Date of Establishment	October 19, 2023	
7.	Investment Ratio	100% Sushiro China Investment Co., Ltd.	
8.	The Listed Company and the Relationship with the Sub-subsidiary	Capital ties	The company will be a specified subsidiary of the Company
		Personal relations	One employee of the Company concurrently serves as an officer of the Sub-subsidiary.
		Business relations	Not relevant

\*This is the amount of capital at the time of initial payment, and the total amount of registered capital at the time of establishment is 32.5 million RMB (approx. 662 million JPY).

The following is a list of key factors that must be taken into consideration upon deciding on the purchase of a new company.

### 3. Outline of the capital increase to the sub-subsidiary

1.	Amount of capital increase	6.1 million RMB (approx. 124 million JPY)
2.	Capital after capital increase	6.5 million RMB (approx. 132 million JPY)
3.	Underwriter of new shares	Sushiro China Investment Co., Ltd.
4.	Date of payment	November 27, 2023
5.	Shareholder composition after capital increase	Sushiro China Investment Co., Ltd. * Sushiro China Investment Co., Ltd. is a wholly owned subsidiary of the Company.

### 4. Schedule

1.	Date of resolution	October 4, 2023
2.	Date of capital increase	November 27, 2023

### 5. Impact on business performance of the Company

The impact of this matter on the Company's consolidated financial results is expected to be negligible.