



June 7, 2024

To Whom It May Concern:

Company name: Mitsui Matsushima Holdings Co., Ltd.
Representative: Taishi Yoshioka, Representative Director and President
(Stock Code: 1518, Tokyo Stock Exchange (Prime Market) and Fukuoka Stock Exchange)
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Notice of Acquisition of Shares of MRF Co., Ltd. to Make It a Subsidiary

Mitsui Matsushima Holdings Co., Ltd. (the “Company”) hereby announces, as detailed below, that at its Board of Directors meeting held on June 7, 2024, it resolved to acquire 100% of shares outstanding of MRF Co., Ltd. (“MRF”) (this transaction is hereinafter referred to as the “Share Acquisition”) and make it a subsidiary.

1 Reason for the Share Acquisition

The Mitsui Matsushima Group (the “Group”) has adopted a policy of creating a revenue structure that enables the Group to continuously generate an annual net profit of 5 billion yen, which is one of the targets of “Management Strategy 2024” formulated in the current fiscal year, through M&A, and the Share Acquisition will be carried out as part of this policy.

Headquartered in Fukuoka City, Fukuoka, MRF engages mainly in real estate secured lending for business operators to provide loans mainly to small and medium-sized enterprises and small business owners, thereby differentiating itself from competitors, such as regional banks and credit cooperatives. The characteristics of the services provided by MRF include: (1) professionals with expertise to propose an appropriate plan to meet customer needs, thereby helping them resolve their management issues, (2) business visits to customers for them to be able to negotiate loans right away, which enables MRF to respond quickly, and (3) a broad network of locations covering the western Japan area with 115 employees in total. These services are highly supported by customers of various ages in diverse industries.

Leveraging the characteristics mentioned above, MRF has been steadily improving its business performance since its establishment in 2012. The Share Acquisition is expected to enable the Company to help MRF to enhance its funding ability and to expand its business into eastern Japan, including the Kanto area, and to significantly contribute to the sustainable growth of MRF and ultimately to the enhancement of the corporate value of the Group.

2. Outline of the subsidiary to be changed (MRF Co., Ltd.)

(1) Name	MRF Co., Ltd.		
(2) Address	5-23-8 Watanabedori, Chuo-ku, Fukuoka City, Fukuoka		
(3) Name and title of representative	Yutaka Kusakabe, Representative Director, Chairman & President		
(4) Business	Real estate secured lending for business operators, real estate brokerages, etc.		
(5) Capital	75 million yen		
(6) Establishment	April 6, 2012		
(7) Major shareholder and shareholding ratio	QSB Next Co., Ltd.: 100%		
(8) Relationship between the Company and the company in question	Capital relationship	None	
	Personal relationship	None	
	Business relationship	None	
(9) Operating results and financial position for the most recent three years of the company in question (non-consolidated)			
Fiscal year	FY ended March 2021	FY ended March 2022	FY ended March 2023
Net assets	6,671 million yen	7,622 million yen	8,590 million yen
Total assets	29,581 million yen	31,575 million yen	34,002 million yen
Net assets per share	66,717,552.57 yen	76,222,797.41 yen	85,903,645.76 yen
Operating revenue	3,201 million yen	3,435 million yen	3,684 million yen
Operating profit	1,505 million yen	1,653 million yen	1,707 million yen
Ordinary profit	1,648 million yen	1,672 million yen	1,690 million yen
Net profit	1,090 million yen	1,097 million yen	1,117 million yen
Net profit per share	10,909,168.17 yen	10,975,096.97 yen	11,172,574.31 yen
Dividend per share	1,250,000 yen	1,500,000 yen	1,750,000 yen

3. Outline of the counterparty of the share acquisition

(1) Name	QSB Next Co., Ltd.	
(2) Address	Chuo-ku, Fukuoka City, Fukuoka	
(3) Name and title of representative	Yutaka Kusakabe, Representative Director and President	
(4) Business	Holding and trading of shares and other investment businesses	
(5) Capital	1 million yen	
(6) Establishment	February 23, 2015	
(7) Relationship between the Company and the company in question	Capital relationship	None
	Personal relationship	None
	Business relationship	None
	Status as a related party	None

Note 1: From the perspective of confidentiality obligations, net assets, total assets, major shareholders, and shareholding ratios of QSB Next Co., Ltd. are not disclosed.

4. Number of shares to be acquired, acquisition cost, and shareholdings before and after the acquisition

(1) Number of shares held before the change	0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)
(2) Number of shares to be acquired	100 shares (Number of voting rights: 100)
(3) Acquisition cost	Ordinary shares of MRF Co., Ltd.: 12,000 million yen ^(Note 2) Due diligence and other costs (estimate): 321 million yen Total (estimate): 12,321 million yen
(4) Number of shares to be held after the change	100 shares (Number of voting rights: 100) (Percentage of voting rights held: 100%)

Note 2: A dividend of 1,000 million yen will be paid from MRF Co., Ltd. to QSB Next Co., Ltd. before the closing date, which will be accounted for as a deduction adjustment to the acquisition cost.

5. Schedule

(1) Date of resolution of the Board of Directors	June 7, 2024
(2) Date of contract	June 7, 2024
(3) Date of execution of share transfer	July 1, 2024 (provisional)

6. Acquisition funds

The Company plans to finance the acquisition entirely with cash and deposits on hand.

7. Future outlook

The impact of the Share Acquisition on the consolidated financial forecasts of the Company for the fiscal year ending March 31, 2025 is currently under careful evaluation. The Company will disclose any necessary matters promptly as they arise in the future.