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August 1, 2025

Company name: JOYFUL HONDA CO., LTD.
 Representative: Ikuo Hirayama, President
 (Securities code: 3191; Tokyo Stock Exchange Prime Market)
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Notice Concerning Acquisition of Shares of Honda Co., Ltd. (to Make It a Subsidiary)

JOYFUL HONDA CO., LTD. (the “Company”) hereby announces that at the Board of Directors meeting held on August 1, 2025, it resolved to acquire all shares of Honda Co., Ltd. (Headquarters: Tsuchiura, Ibaraki Prefecture; President: Jinko Honda; hereinafter referred to as “Honda”), and entered into a share transfer agreement on the same date. The details are as follows.

1. Reason for the share acquisition

Under the Company’s corporate mission to “Co-create the Joy and Dreams of Communities by Securing Essential Items and Making Proposals for a Better Life,” we have been building stores with the aim of resolving our customers’ problems. In order to achieve our vision of “becoming the top ‘Living Space Innovator’ in Japan,” we are committed to providing added value in the form of “the unexpected,” “excitement,” and “discovery.”

Based on its corporate philosophy of “Harmony and Creativity,” Honda has strived to enhance interactions with people and improve their satisfaction. And in order to continue being an indispensable presence in the local community, mainly in Ibaraki Prefecture, Honda has developed a home center business (two Home Joy Honda stores), a lumber sales business, and an exterior remodeling business to provide residents with comfortable homes and lifestyles.

By acquiring all shares of Honda and welcoming it as a new partner, the Company expects this to enable it to pursue the concept of a “general center for housing and lifestyle” while expanding its customer base, thereby helping to enhance its corporate value.

2. Method of the share acquisition

Share acquisition for cash

3. Overview of the subsidiary to be transferred

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| Name | Honda Co., Ltd. | |
| Address | 9-35 Higashimanabemachi, Tsuchiura, Ibaraki Prefecture | |
| Title and name of representative | President, Jinko Honda | |
| Business description | Home center business, lumber sales business, etc. | |
| Capital | 100 million yen | |
| Date of establishment | December 21, 1955 | |
| Major shareholders and shareholding ratio | Not disclosed at the request of the counterparty. | |
| Relationship between the Company and Honda | Capital relationship | None. In addition, there are no notable capital relationships between the related parties and affiliated companies of the Company and the related parties and affiliated companies of Honda. |

| | | | | |
|---|-----------------------------------|--|-----------------------------------|--|
| | Personnel relationship | None. In addition, there are no notable personnel relationships between the related parties and affiliated companies of the Company and the related parties and affiliated companies of Honda. | | |
| | Business relationship | The Company and Honda have a standard business relationship involving the purchase and sale of products. | | |
| Operating results and financial condition of Honda for the last three years | | | | |
| Fiscal year | Fiscal year ended August 31, 2022 | Fiscal year ended August 31, 2023 | Fiscal year ended August 31, 2024 | |
| Net assets | 4,529 million yen | 4,641 million yen | 4,543 million yen | |
| Net assets per share | 22,645.57 yen | 23,207.74 yen | 22,715.51 yen | |
| Total assets | 5,675 million yen | 5,619 million yen | 5,417 million yen | |
| Net sales | 6,861 million yen | 6,708 million yen | 6,340 million yen | |
| Operating profit | 28 million yen | 15 million yen | (70) million yen | |
| Ordinary profit | 30 million yen | 24 million yen | (75) million yen | |
| Profit | 123 million yen | 122 million yen | (88) million yen | |
| Basic earnings per share | 616.50 yen | 612.17 yen | (442.22) yen | |
| Dividend per share | - | - | - | |

4. Overview of the counterparty to the share acquisition

The parties from which the shares will be acquired are multiple individuals and corporations, but details will not be disclosed at the request of the counterparties. In addition, there are no personnel or business relationships to be stated between the Company and the counterparty to the share acquisition. In addition, certain individuals hold shares in the Company (totaling 7.65% of voting rights), and there are no other individuals or corporations with capital relationships with the Company to be stated.

5. Number of shares to be acquired, acquisition price, and number of shares held before and after the acquisition

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|--|--|
| Number of shares held before the transfer | 0 shares (Number of voting rights: 0) |
| Number of shares to be acquired | 195,800 shares (Number of voting rights: 195,800) |
| Acquisition price | 1,800 million yen |
| Number of shares to be held after the transfer | 195,800 shares (Number of voting rights: 195,800) (Percentage of voting rights to be held: 100.0%) |

6. Schedule

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| Date of resolution of the Board of Directors | August 1, 2025 |
| Date of share transfer agreement | August 1, 2025 |
| Date of execution of share transfer | September 30, 2025 (scheduled date) |

7. Future outlook

If the share acquisition is executed as scheduled, Honda will become a consolidated subsidiary of the Company from the second quarter of the fiscal year ending June 20, 2026, and the impact on the Company's consolidated financial results for the fiscal year ending June 20, 2026 is currently being calculated. The Company will promptly announce any matters requiring disclosure in the future.