

July 14, 2021

Notice of Establishment of Joint Venture Company

create restaurants holdings inc (hereinafter referred to as "CRH") and SFP Holdings Co., Ltd. (hereinafter referred to as "SFP") resolved at the board of directors meeting on July 14, 2021 to enter into a joint venture agreement for the establishment of the joint venture company by the two companies. Details are as follows.

1. Purpose of establishment of a joint venture company

CRH and SFP (hereinafter referred to as "both parties") have established a joint venture company, CMD Inc. (hereinafter referred to as the "Joint Venture"), which is responsible for purchasing and planning functions at both parties and their respective operating subsidiaries. By unifying the purchasing decisions that have been made by each group company to the new company, we will strengthen supply chain management, reduce costs by sharing foodstuffs, reviewing logistics, and consolidating business partners. At the same time, we will aim to maximize the value of foodstuffs provided to customers by developing the best suppliers and production areas.

2. Outline of the Joint Venture

Name	CMD Inc.
Location	KDX Musashi kosugi Building 7F, 3-1200 Shin-Maruko higashi, Nakahara-ku, Kawasaki-shi, Kanagawa
Directors	Tetsuhiro Kimura, Representative Director (currently General Manager Product Development Division of SFP) Makoto Sato, Part-time Director (currently President of SFP) Akira Shimamura, Part-time Director (currently Managing Director of CRH)
Date of establishment	September 1, 2021 (planned)
Number of employees	13 (planned)
Business outline	Planning of the Group's purchasing and logistics, etc.
Capital	1 million yen
Ownership ratio	CRH: 50.00%, SFP: 50.00%

3. Effect on the performance

Although the effects of this agreement on the both parties' consolidated business results for the fiscal year ending February 2022 are expected to be minor, we will promptly announce any effects that may be affected by the future status of the Joint Venture Company.