

To Whom It May Concern,

Company name Adastria Co., Ltd.
 Representative Osamu Kimura, Representative Director and President
 (Securities code: 2685 TSE Prime Market)
 Itsuo Iwakoshi, Senior Executive Officer, General
 Inquiries Manager of Administration Division, Head of
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Notice Concerning Waiver of Claims Against Consolidated Subsidiary

Adastria Co., Ltd. today announced that the company resolved to waive claims against consolidated subsidiary ADASTRIA eat Creations Co., Ltd. in accordance with Article 370 of the Companies Act and Article 24, Paragraph 2 of the Company's Articles of Incorporation (written resolution in lieu of a resolution by the Board of Directors).

1. Overview of the Consolidated Subsidiary

(1) Name	ADASTRIA eat Creations Co., Ltd.	
(2) Head office	2-21-1 Shibuya, Shibuya-ku, Tokyo	
(3) Representative liquidator	Katsuya Jinno	
(4) Business lines	Management and development of food service operations (no business activity at present)	
(5) Capital	10 million yen	
(6) Established	October 31, 2017	
(7) Net assets	(1,589) million yen	
(8) Total assets	224 million yen	
(9) Major shareholders and ownership ratios	Adastria Co., Ltd., 100%	
(10) Relationship with Adastria Co., Ltd.	Equity relationship	Adastria eat Creations Co., Ltd. is a consolidated subsidiary of Adastria Co., Ltd.
	Personal relationships	An employee of Adastria Co., Ltd. serves as the representative liquidator of Adastria eat Creations Co.,
	Business relationships	Adastria eat Creations Co., Ltd. has loans outstanding to Adastria Co., Ltd.
	Related party status	Adastria eat Creations Co., Ltd. is a consolidated subsidiary of Adastria Co., Ltd. and falls under the category of a related party.

2. Background Behind the Waiver of Claims

Adastria eat Creations Co., Ltd. was established as a consolidated subsidiary of Adastria Co., Ltd. in October 2017. The Adastria Group is currently reviewing its business structure for further growth in the restaurant business. As part of this review, Adastria eat Creations restaurants will be closed beginning in June 2023 and the company will be liquidated. As part of the liquidation proceedings, Adastria Co., Ltd. has resolved to waive its claims against Adastria eat Creations Co., Ltd.

3. Type and Amount of Claims from the Consolidated Subsidiary

(1)	Types of claims	Short-term loans
(2)	Amount of claims	(1,594) million yen

4. Future Outlook

Adastria Co., Ltd. has already recorded an allowance for doubtful accounts for said claims against the subsidiary in prior periods. The impact on the non-consolidated financial statements for the fiscal year ending February 29, 2024 is immaterial. Since the debt will be offset and eliminated in the consolidated financial statements, this debt waiver will have no impact on the Adastria Co., Ltd. consolidated financial results.