



April 4, 2024

(Translation)

To Whom It May Concern,

Company name Adastria Co., Ltd.
Representative Osamu Kimura, Representative Director and President
 (Securities code: 2685 TSE Prime Market)
Inquiries Itsuo Iwakoshi, Senior Executive Officer, General Manager of
 Administration Division
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Notice Concerning Non-Consolidated Loss on Valuation of Shares of Subsidiaries and Associates

Adastria Co., Ltd. (“Company”) announced the recognition of a loss on valuation of shares of subsidiaries and associates on the non-consolidated financial statements for the fiscal year ending February 2024.

1. Extraordinary Loss (Loss on Valuation of Shares of Subsidiaries and Associates)

The net assets of the Company’s consolidated subsidiary, Adastria (Shanghai) Co., Ltd., incurred damage. Therefore, the real value of shares in Adastria (Shanghai) held by the Company have declined significant compared with carrying value. The result is a 1.8 billion yen extraordinary loss that the Company will record on non-consolidated financial statements as a loss on valuation of shares of subsidiaries and associates.

2. Impact on Consolidated Financial Results

As the above loss on valuation of shares of subsidiaries and associates will be eliminated in consolidation, said loss will have no impact on Adastria Co., Ltd. consolidated financial results.

End