



June 18, 2025

To Whom It May Concern

Company Name: Fuji Co., Ltd.  
Representative: Hiroshi Yamaguchi,  
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Securities Code: 8278 (TSE Prime Market)  
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### **Notice of Absorption-Type Merger (Simplified Merger/Short Form Merger) of Consolidated Subsidiary and Waiver of Claims**

At a meeting held today, the Fuji Co., Ltd. ("Fuji," the "Company") Board of Directors approved a resolution to conduct an absorption-type merger ("Merger") of wholly owned subsidiary, Sunny Tsubaki Co., Ltd. ("Sunny Tsubaki"), effective September 1, 2025. Fuji further announced the approval of a resolution to waive claims held by Fuji with respect to Sunny Tsubaki in connection with the aforementioned Merger.

As the Merger will be a simple/short-form merger with a wholly owned subsidiary, we have omitted certain disclosure matters and details.

#### **1. Background and Purpose of the Merger**

Sunny Tsubaki became a wholly owned subsidiary of the Company on April 17, 2020. The Company had continued to support Sunny Tsubaki after the latter filed in 2018 and subsequently received approval for a civil rehabilitation plan filed under the Civil Rehabilitation Act. To date, Sunny Tsubaki continues in the real estate management business, leasing buildings (three stores) as its main business. More recently, the Company decided to engage in the Merger with Sunny Tsubaki by absorbing the subsidiary, as the Company has determined that there is little potential for development of Sunny Tsubaki through business expansion. The Company will strive to enhance Fuji Group corporate value through organizational integration and operational efficiencies.

#### **2. Summary of the Merger**

##### **(1) Merger schedule**

Board resolution date	June 18, 2025 (Fuji, Sunny Tsubaki)
Merger agreement execution date	June 18, 2025 (tentative)
General meeting of shareholders to approve Merger agreement	No meeting to be held*.
Merger date (effective date)	September 1, 2025 (tentative)

\*As the Merger is a simplified merger as defined under Article 796, Paragraph 2 of the Companies Act for the Company and a short-form merger as stipulated in Article 784, Paragraph 1 of the Companies Act for Sunny Tsubaki, the Merger will be conducted without requiring approval of the agreement at respective general meetings of shareholders for the Company and Sunny Tsubaki.

(2) Merger method

The Merger will be an absorption-type merger in which Sunny Tsubaki will be the dissolved company and Fuji will be the surviving company. Sunny Tsubaki is in insolvency, and the Company plans to resolve said insolvency by waiving claims against Sunny Tsubaki prior to the execution of the Merger.

(Description of claims to be waived)

Type of claim(s)	Loans receivable
Amount of claims	750,000 thousand yen (tentative)
Implementation date	August 31, 2025 (tentative)

(Note) Sunny Tsubaki will recognize a gain on the waiver of claims. However, the waiver of claims will have no impact on the Company's consolidated financial results, as said gain will be offset in the consolidated financial statements by a loss on waiver of claims stemming from an internal transaction. Of the amount of claims to be waived, 733,871 thousand yen has already been recorded as an allowance for doubtful accounts. The difference of 16,129 thousand yen (tentative) is scheduled to be recorded as an extraordinary loss in the non-consolidated financial statements of the Company.

(3) Allotment of shares related to the Merger

As Sunny Tsubaki is a wholly owned subsidiary of the Company, there will be no shares or other moneys, etc., allotted as a result of the Merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the dissolved company

Sunny Tsubaki has not issued any stock acquisition rights or bonds with stock acquisition rights.

### 3. Overview of the Parties to the Merger (as of February 28, 2025)

	Surviving company	Dissolving company
(1) Name	Fuji Co., Ltd.	Sunny Tsubaki Co., Ltd.
(2) Head office	1-2-1 Miyanishi, Matsuyama City, Ehime Prefecture	2-8-30 Furukawanishi, Matsuyama City, Ehime Prefecture
(3) Representative name, title	Hiroshi Yamaguchi, president and representative director	Yosuke Toyoda, president and representative director
(4) Business lines	General retailing (retail sales of food, clothing, daily necessities, etc.)	Real estate leasing
(5) Capital	22,000 million yen	10 million yen

(6) Established	September 12, 1967	March 31, 1954
(7) Number of shares issued and outstanding	86,856,954 shares	1,000 shares
(8) Fiscal year end	February	February
(9) Major shareholders and ownership ratios	AEON Co., Ltd. 50.6% ASTY, Inc. 4.1% The Master Trust Bank of Japan, Ltd. (Trust Account) 3.9% Fuji Kyoeikai 2.8% Fuji Shineikai 1.9%	Fuji Co., Ltd. 100.0%
(10) Financial condition and operating results for the most recent fiscal year		
Fiscal year	February 2025 (Consolidated)	February 2025 (Non-Consolidated)
Net assets	218,028 million yen	(734) million yen
Total assets	411,808 million yen	189 million yen
Net assets per share	2,513.14 yen	(733,871) yen
Net sales	778,238 million yen	67 million yen
Operating income	12,953 million yen	16 million yen
Ordinary profit	14,315 million yen	11 million yen
Net income attributable to owners of the parent	3,818 million yen	11 million yen
Net income per share	44.06 yen	11,229 yen

#### 4. Post-Merger Status

	Surviving company
(1) Name	Fuji Co., Ltd.
(2) Head office	1-3-52 Danbara Minami, Minami-ku, Hiroshima City, Hiroshima Prefecture
(3) Main store	1-2-1 Miyanishi, Matsuyama City, Ehime Prefecture
(4) Representative name, title	Hiroshi Yamaguchi, president and representative director
(5) Business lines	General retailing (retail sales of food, clothing, daily necessities, etc.)
(6) Capital	22,000 million yen
(7) Fiscal year end	February

#### 5. Future Outlook

As the Merger is a merger between a wholly owning parent company and a wholly owned subsidiary, there will be no impact on consolidated financial results.

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