

October 14, 2026

Notice of Extraordinary Income (Gain on Extinguishment of Tie-in Shares)
from Absorption-type Merger of Consolidated Subsidiary

As described in the "Notice Regarding Conclusion of Merger Agreement between create restaurants holdings inc. and SFP Holdings Co., Ltd." disclosed on April 14, 2026, the Company completed an absorption-type merger of SFP Holdings Co., Ltd., which was a consolidated subsidiary of the Company, effective July 1, 2026.

In connection with this merger, the Company recorded extraordinary income (gain on extinguishment of tie-in shares) in its non-consolidated financial results for the second quarter of the fiscal year ending February 28, 2027, and hereby announces the details as follows.

1. Reason for Extraordinary Income

Due to the merger, the difference between the Company's share of net assets assumed from the absorbed company (SFP Holdings Co., Ltd.) and the book value of the shares of SFP Holdings Co., Ltd. held by the Company was recorded as extraordinary income of 982 million yen as a gain on extinguishment of tie-in shares.

2. Impact on Financial Results

Since this extraordinary income is eliminated in the consolidated financial statements, there will be no impact on the consolidated financial results for the fiscal year ending February 28, 2027.