

Notice of Fundraising Through Subordinated Loan

February 24, 2026

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ZENSHO HOLDINGS CO., LTD. (the “Company”) hereby announces that it has entered into a subordinated loan agreement for an amount of JPY10.0 billion (the “Subordinated Loan”), primarily to replace the subordinated loan of JPY 10.0 billion, which was raised in February 2021.

1. Purpose and Significance of the Subordinated Loan

The Company is committed to the management philosophy of “Taking responsibility for the stability and development of human society through food, helping eradicate hunger and poverty from the world.” To realize this management philosophy, the Company aims to establish a superior global mass merchandising system (“MMD”) that takes responsibility for all processes from raw materials to the end of consumption.

The Company is now striving to become the world's No.1 company in the food industry and has established medium-term management plans to accelerate its growth. The key strategies include accelerating global operation of restaurant and store, technological innovation through DX and AI, and deepening global MMD. In pursuit of this goal, the Company has decided to raise funds through the Subordinated Loan to maintain financial soundness while securing funds for growth investments.

The Subordinated Loan possesses characteristics that are intermediate between equity and debt. While it is classified as debt, it has equity-like characteristics and features such as the optional deferral of interest, an ultra-long repayment term, and subordination in bankruptcy and other proceedings. Therefore, we expect to receive a capital recognition of 50% on the amount of funds raised from Japan Credit Rating Agency, Ltd., contributing to a substantial strengthening of the Company's financial foundation without diluting shares.

■ Overview of the Subordinated Loan (Planned)

(1) Lenders	The Bank of Yokohama, Ltd. and others
(2) Amount of funds raised	10.0 billion yen
(3) Contract signing date	February 24, 2026
(4) Loan execution date	February 27, 2026
(5) Repayment date	February 28, 2061 However, the principal may be repaid in whole or in part before the due date, on the interest payment date in February 2031, or on any subsequent interest payment date (the “Early Repayment on Interest Payment Date”).
(6) Use of funds	Repayment of existing subordinated loan
(7) Applicable interest rate	From February 27, 2026 to February 27, 2031: Fixed interest rate that is the base fixed interest rate plus the initial spread From February 28, 2031 onward: Variable interest rate that is the base variable interest rate plus a spread stepped up by 1.00% from the initial spread
(8) Refinancing restriction clause	<p>There is no provision in the relevant monetary loan agreement that restricts refinancing. However, the Company intends not to make early repayment unless it has raised funds through common stock, or securities or debt recognized by rating agencies as having the same level of capital characteristics as the Subordinated Loan within the 12 months preceding the early repayment date.</p> <p>If both of the following conditions are met at the time of Early Repayment on Interest Payment Date, the Company may forgo the above-mentioned fundraising:</p> <p>(i) The adjusted consolidated debt-to-equity ratio (Note 1) calculated from the Company’s consolidated balance sheet immediately before the date of Early Repayment on Interest Payment Date is less than 1.63 times; and</p> <p>(ii) The amount of consolidated shareholders’ equity on the Company’s consolidated balance sheet immediately before the date of Early Repayment on Interest Payment Date exceeds the amount of consolidated shareholders’ equity minus the paid-in amount for Class A preferred shares on the Company’s consolidated balance sheet as the end of September 2025 plus 5,000 million yen. (Note 2)</p> <p>(Note 1) “Adjusted consolidated debt-to-equity ratio” means the value obtained by dividing (a) the amount of interest-bearing liabilities (excluding lease liabilities) recorded on the Company’s consolidated balance sheet at the end of the fiscal year or each quarter-end, minus the recognized capital-equivalent amount of subordinated debt remaining after the early repayment of the Subordinated Loan, by (b) the amount of consolidated shareholders’ equity recorded on the Company’s consolidated balance sheet at the end of the fiscal year or each quarter-end, plus the recognized capital-equivalent amount of subordinated debt remaining after the early repayment of the Subordinated Loan. If there are any issued and outstanding preferred shares at the time of early repayment of the Subordinated Loan, the paid-in amount of such preferred shares, minus the recognized capital-equivalent amount, will be deducted from the denominator and added to the numerator in the above calculation.</p> <p>(Note 2) If there are any issued and outstanding preferred shares at the time of early repayment of the Subordinated Loan, the paid-in amount of such preferred shares will be deducted in calculating the amount of consolidated shareholders’ equity.</p>
(9) Optional deferral of interest	The Company may, at its discretion, defer payment of all or part of the interest on the Subordinated Loan. The deferred interest will accumulate.

(10) Subordination clause	The Subordinated Loan is subordinate in liquidation proceedings, bankruptcy proceedings, corporate reorganization proceedings, and civil rehabilitation proceedings (including liquidation proceedings, bankruptcy proceedings, corporate reorganization proceedings, and civil rehabilitation proceedings under laws other than Japanese law). None of the provisions of the contract related to the Subordinated Loan will be altered in any way that would be detrimental to the senior debt creditors.
(11) Capital evaluation by rating agency	Expected to obtain a capital recognition of “Medium, 50%” (from Japan Credit Rating Agency, Ltd.)