



Stock code: 2157

February 18, 2025

To Our Shareholders:

1-5-1 Odomomachi, Maebashi-shi, Gunma, Japan

KOSHIDAKA HOLDINGS Co., LTD.

Hiroshi Koshidaka,

Representative Director & President

## Decision to Establish a Subsidiary in the Philippines

At the Board of Directors meeting held today, we have resolved to establish a subsidiary in the Philippines, as outlined below.

### **1. Purpose**

The establishment of this subsidiary is part of our strategic expansion into the Philippine market. As a key initiative in our Southeast Asia growth strategy, we aim to offer a safe, enjoyable, and affordable karaoke experience in this rapidly developing market.

Leveraging our expertise gained in Japan and Asian countries, we will develop a business model tailored to the Philippine market and introduce a new style of karaoke entertainment.

### **2. Overview of the Philippine Market**

The Philippines is experiencing rapid economic growth, leading to an increasing demand for entertainment. By providing a karaoke environment where all age groups can enjoy themselves safely, we aspire to create new market value and establish a brand that is loved by the local community.

### **3. Overview of the New Subsidiary**

Item	Details
Company Name	Koshidaka PH (Tentative)
Business Activities	Operation of karaoke stores in the Philippines
Head Office	Manila, Philippines
Representative	Hiroshi Koshidaka
Capital	25 million PHP (100% owned by Koshidaka Holdings)
Establishment Date	To be determined (expected to take approximately three months for setup)

*The above information is based on the current plan and is subject to be changed.*

#### **4. Local Expansion and Future Plans**

The initial expansion will focus on Metro Manila, with the goal of opening the first store within 2025. We will gradually expand our store network while optimizing services to best suit the Philippine market.

#### **5. Impact on Business Performance**

At present, the impact on our financial performance is expected to be minimal. We will continue to provide updates on future developments and expansion plans as necessary.

Our group remains committed to expanding Japan's unique entertainment culture worldwide, bringing smiles to people everywhere. We will continue to take on new challenges in our global expansion efforts.