February 21, 2025

To whom it may concern

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Notice Concerning Transfer of Consolidated Subsidiaries (Transfer of Shares) and Transfer of Receivables

Onward Holdings Co., Ltd. (the "Company") hereby announces that at its meeting held today the Board of Directors resolved to transfer all shares and receivables of Onward Golf Resort Guam, Inc. owned by Onward Resort & Golf, Co. Ltd., a consolidated subsidiary of the Company, and Onward Mangilao Guam, Inc., owned by Onward Golf Resort Guam, Inc.. The details are as below.

As a result of the share transfer, Onward Golf Resort Guam, Inc. and Onward Mangilao Guam, Inc., will be excluded from the Company's consolidated subsidiaries.

1. Reason for Transfer of Shares

In order to respond to changes in the operating environment, the Company has been working on business selection and concentration as described in the timely disclosure "Implementation of Global Business Restructuring" dated October 4, 2019."

The operating environment for the golf business the Group runs on the island of Guam has deteriorated due to the impact of the COVID-19 pandemic, which has been having a significantly negative impact on the Group's business performance. Therefore, the Company has been considering various options for the future of the business.

As a result, from the perspective of the Group's global business restructuring, the Company has concluded that the best option is to transfer the golf business on the island of Guam to a third party.

The Group will continue to focus its resources on accelerating its growth strategy in order to increase its corporate value .

2. Outline of subsidiaries to be transferred

(1)	Name	Onward Golf Resort Guam, Inc.	
(2)	Address	825 Route 4A Talofofo, Guam 96915, U.S.A.	
(3)	Title and name of representative	Shunsuke Tanizawa, Representative Director	
(4)	Business description	Operation and management of Onward Talofofo Golf Club	
(5)	Capital	13,587 thousand dollars	
(6)	Date of establishment	July 18, 1988	
(7)	Major shareholders and shareholding ratio	Onward Resort & Golf Co., Ltd. 100%	
(8)	Relationship between the listed company and the company concerned	Capital relationship	The company concerned is a consolidated subsidiary of the Company.
		Personnel relationship	Two of the Company's employees have been appointed as directors of the company concerned.
		Business relationship	There is no direct business relationship. (The Company provides management guidance and administration-related services to Onward Resort & Golf Co., Ltd., the parent company of the operating company concerned.)

(9) Operating results of the company concerned for the past three years

Fiscal year	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net sales	916 thousand dollars	1,201 thousand dollars	1,501 thousand dollars
Operating profit	(628) thousand dollars	(583) thousand dollars	(708) thousand dollars
Profit	(440) thousand dollars	(552) thousand dollars	(5,352) thousand dollars

(1)	Name	Onward Mangilao Guam, Inc.
(2)	Address	1810 Route 15 Pagat Mangilao. Guam 96913 U.S.A.
(3)	Title and name of representative	Shunsuke Tanizawa, Representative Director
(4)	Business description	Operation and management of Onward Mangilao Golf Club
(5)	Capital	50,000 thousand dollars
(6)	Date of establishment	February 26, 1988
(7)	Major shareholders and shareholding ratio	Onward Golf Resort Guam, Inc. 100%

(8) Relationship between the listed company and the company concerned	Capital relationship	The company concerned is a consolidated subsidiary of the Company.	
	Personnel relationship	Two of the Company's employees have been appointed as directors of the company concerned.	
	Business relationship	There is no direct business relationship.	
(9) Operating results of the company concerned for the past three years			
Fiscal year	Fiscal year ended December 31, 2021	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023
Net sales	817 thousand dollars	1,875 thousand dollars	2,860 thousand dollars
Operating profit	(1,865) thousand dollars	(1,396) thousand dollars	(992) thousand dollars
Profit	(1,592) thousand dollars	(1,415) thousand dollars	(17,117) thousand dollars

3. Outline of the counterparty in the share transfer

(1) Name	Sono Hospitality LLC	
(2) Address	215 MAIN STREET STE 203 FORT LEE, NEW JERSEY, 07024, U.S.A.	
(3) Title and name of representative	Hwang Gunju, Representative Director	
(4) Business description	Operation of hotels and resorts	
(5) Capital	84,700 thousand dollars	
(6) Date of establishment	April 13, 2022	
(7) Net assets	80,425 thousand dollars	
(8) Total assets	80,477 thousand dollars	
(9) Relationship between the listed company and the company concerned	Capital relationship	There is no capital relationship that should be noted between the Company and the company concerned.
	Personnel relationship	There is no personnel relationship that should be noted between the Company and the company concerned.
	Business relationship	There is no business relationship that should be noted between the Company and the company concerned.

4. Transfer price, status of shares held before and after the transfer, and summary of transferred receivables

(1)	Shareholding ratio before the transfer	Shareholding ratio: 100%
(2)	Shareholding ratio to be transferred	Shareholding ratio: 100%
(3)	Share transfer price	18,000 thousand dollars (Approx.2.7billion yen)
(4)	Shareholding ratio after the transfer	Shareholding ratio: 0%
(5)	Property subject to transfer of receivables	The Company’s loan receivables from Onward Golf Resort Guam, Inc.
(6)	Transfer price of receivables to be transferred	8,000 thousand dollars (Approx.1.2billion yen)

5. Schedule

(1)	Date of resolution by the Board of Directors	February 21, 2025
(2)	Date of agreement	February 21, 2025
(3)	Date of execution of share transfer	February 2025 (scheduled)

6. Future Outlook

The impact on the consolidated financial results for the fiscal year ending February 28, 2025 is currently under scrutiny and the outlook, including other factors, will be disclosed as soon as it becomes clear.

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