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September 29, 2023

To whom it may concern,

Mitsubishi Paper Mills Ltd,  
President: Ryuichi Kisaka  
(Code: 3864, Prime Market)  
Contact: Daisuke Yamada, Chief of Corporate Planning Department  
(TEL. +813-5600-1488)

### **The Transfer of Business and Fixed Assets (Trust Beneficiary Rights) of Consolidated Subsidiaries**

We hereby announce that at the Board of Directors meeting held on September 29, 2023, our company has resolved the following:

- To transfer the sports club business operated by our wholly-owned subsidiary, Ryoshi Co., Ltd., to Renaissance Co., Ltd.
- To establish a trust for related fixed assets (real estate) and transfer trust beneficiary rights to a designated entity of Renaissance Co., Ltd.

#### 1. Purpose of Business Transfer

In accordance with one of the fundamental principles of our medium-term management plan (from March 2023 to March 2025), which is "Selection and Concentration", we have decided to transfer the sports club business of Ryoshi Co., Ltd., which does not offer synergistic benefits with our core functional products and paper materials businesses.

The purpose of this transfer is to concentrate our efforts on our core businesses. The recipient of this transfer, Renaissance Co., Ltd., is primarily engaged in the sports club business and operates a swimming school. Considering factors such as location and member services, we have determined that Renaissance Co., Ltd. is the most suitable candidate for the transfer.

Furthermore, the transfer of related fixed assets will enable us to optimize the allocation of our managerial resources.

#### 2. Overview of the Subsidiary

(1) Name	Ryoshi Co., Ltd.
(2) Address	2-10-14 Ryogoku, Sumida-ku, Tokyo, Japan
(3) Representative	President, Takao Fujiura
(4) Business	Insurance services, sports facility management, real estate leasing, parking lot management and operation, merchandise sales, funeral arrangement intermediation
(5) Capital	100 million yen
(6) Date of Establishment	August 1971

#### 3. Overview of the Recipient of the Business Transfer

##### • Business Transfer Recipient

(1) Name	Renaissance Co., Ltd.
(2) Address	2-10-14 Ryogoku, Sumida-ku, Tokyo, Japan
(3) Representative	President, Toshiharu Okamoto
(4) Business	Sports club business including fitness clubs, swimming schools, tennis schools, golf schools, etc.; health promotion activities for local governments and businesses; rehabilitation and care services; other related businesses
(5) Capital	3,210 million yen
(6) Date of Establishment	August 1982
(7) Net Assets	10,991 million yen (as of March 31, 2023)

(8) Total Assets	42,272 million yen (as of March 31, 2023)	
(9) Relationship with the Listed Company	Capital Relationship	None
	Personnel Relationship	None
	Transaction Relationship	None
	Status Regarding Related Parties	None

- Trustee and Trust Beneficiary Rights Transfer

Regarding the trustee and the recipient of trust beneficiary rights, we will refrain from public disclosure pending discussions between the parties involved. Furthermore, there are no capital relationships, personnel relationships, transaction relationships, or noteworthy matters to be mentioned as a related party between the trustee and the recipient of trust beneficiary rights and our company.

#### 4. Overview of the Transferred Business and Transferred Assets (Trust Beneficiary Rights)

(1) Name	KSC wellness
(2) Location and Asset Details	1-1-1 Higashi Kanamachi, Katsushika-ku, Tokyo, Japan Land Area 11,533.81 m2 Building Area 13,145.39 m2 (Gross Floor Area)
(3) Operations Conducted	Fitness club, swimming school

Note: Regarding the transfer price and book value, we will refrain from public disclosure pending discussions between the parties involved.

#### 5. Schedule

(1) Board of Directors Resolution Date	September 29, 2023
(2) Contract Signing Date	September 29, 2023
(3) Transfer Date (Scheduled)	March 28, 2024

#### 6. Future Outlook

As a result of the transfer of the business and fixed assets, it is expected that we will record approximately 1.3 billion yen in extraordinary profit for the fiscal year ending in March 2024.

We are currently conducting a detailed examination of the impact that this matter will have on our consolidated performance for the fiscal year ending in March 2024.

If there are any matters that require disclosure, we will promptly inform you.