October 22, 2025

Company name: H.I.S. Co., Ltd.
Name of representative: Yada Motoshi, President and CEO
(Securities code: 9603; Prime Market)
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Notice Regarding Acquisition of Shares (to Make It a Subsidiary) of Southwing Co., Ltd.

H.I.S. Co., Ltd. (hereinafter “the Company”), announces that its Board of Directors resolved at a meeting held today to acquire shares of Southwing Co., Ltd. (Headquarters: Naha-shi, Okinawa; hereinafter " Southwing ") and to make it a subsidiary.

1. Reason for acquisition of subsidiary

Since its establishment, the Group has supported the "exciting" experiences of people as its purpose is to "Unleash your feeling KOKORO ODORU," primarily through its travel business. Having adopted the policies of "transformation of core areas" and "challenges in new fields" for its medium-term management plan (FY2024-2026), the Group touts "growth of travel-related and non-travel businesses" as one of its key strategies and is now aiming to diversify its business.
The acquisition of Southwing's shares is one element of "challenges in new fields," a key policy for implementing the mid-term management plan, and is intended to create synergies with our core travel business.
In addition to operating six "KID HOUSE" stores (souvenir stores) in prime locations along Kokusai-dori, Okinawa's most popular tourist spot, Southwing has acquired more than thirty years of experience since its founding and built a solid local foundation by creating attractive stores with an "Okinawan sea" theme and accumulating proposal-based sales know-how to promote high value-added products such as crafts and alcoholic beverages.
The acquisition of the subsidiary into our group and leverage the Group's network of 148 branches in Japan and 140 branches in 58 countries overseas to reinforce our ability to attract tour groups and cooperation with our hotel business and regional revitalization business, and thus strengthen our revenue base in the Okinawa tourism market.

2. Share acquisition method

The Company will acquire 80% of the voting rights from existing shareholders of Southwing.

3. Overview of Southwing Co., Ltd.

<table>
<tr><td>(1)</td><td>Name</td><td colspan="3">Southwing Co., Ltd.</td></tr>
<tr><td>(2)</td><td>Location</td><td colspan="3">3-3-1, Kumoji, Naha-shi, Okinawa, Japan</td></tr>
<tr><td>(3)</td><td>Job title and name of representative</td><td colspan="3">Seike Noboru, President and Representative Director</td></tr>
<tr><td>(4)</td><td>Description of business</td><td colspan="3">Manufacturing, processing tourist souvenirs and operating related sales, and retail business</td></tr>
<tr><td>(5)</td><td>Share capital</td><td colspan="3">10 million yen</td></tr>
<tr><td>(6)</td><td>Date of establishment</td><td colspan="3">September 16, 1988</td></tr>
<tr><td>(7)</td><td>Major shareholders and ownership Ratio</td><td colspan="3">Seike Noboru</td></tr>
<tr><td rowspan="4">(8)</td><td rowspan="4">Relationship between the Company and said company</td><td>Capital relationship</td><td colspan="2">None</td></tr>
<tr><td>Personnel relationship</td><td colspan="2">None</td></tr>
<tr><td>Business relationship</td><td colspan="2">None</td></tr>
<tr><td>Related party relationship</td><td colspan="2">None</td></tr>
<tr><td>(9)</td><td colspan="4">Operating results and financial condition for the past three years (millions of yen)</td></tr>
<tr><td colspan="2">As of / fiscal year ended</td><td>Fiscal year ended August 31, 2023</td><td>Fiscal year ended August 31, 2024</td><td>Fiscal year ended August 31, 2025</td></tr>
<tr><td colspan="2">Total net assets</td><td>784</td><td>871</td><td>989</td></tr>
<tr><td colspan="2">Total assets</td><td>1,198</td><td>1,292</td><td>1,389</td></tr>
<tr><td colspan="2">Net assets per share (yen)</td><td>3,923,370.97</td><td>4,358,924.40</td><td>4,949,685.73</td></tr>
<tr><td colspan="2">Net sales</td><td>920</td><td>1,018</td><td>998</td></tr>
<tr><td colspan="2">Operating profit</td><td>114</td><td>122</td><td>174</td></tr>
<tr><td colspan="2">Ordinary profit</td><td>111</td><td>120</td><td>169</td></tr>
<tr><td colspan="2">Net profit</td><td>75</td><td>87</td><td>118</td></tr>
<tr><td colspan="2">Net profit per share (yen)</td><td>375,890.78</td><td>435,553.43</td><td>590,761.33</td></tr>
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4. Overview of the counterparty to the acquisition of shares

(1)	Name	Seike Noboru
(2)	Address	Naha-shi, Okinawa, Japan
(3)	Relationship between the Company and said person	None

5. Number of shares acquired, acquisition costs, and shareholding before and after acquisition

(1)	Number of shares held before acquisition	None (Number of voting rights: None) (Ownership ratio: None)
(2)	Number of shares to be acquired	160 shares (Number of voting rights: 160)
(3)	Acquisition costs	960 million yen
(4)	Number of shares held following acquisition	160 shares (Number of voting rights: 160) (Ownership ratio: 80%)

6. Schedule

(1)	Date of resolution by Board of Directors	October 22, 2025
(2)	Date of conclusion of share transfer agreement on the acquisition of shares	October 22, 2025
(3)	Effective date of the share transfer	November 10, 2025 (planned)

7. Future outlook

Impacts on business performance associated with the acquisition are minor. As a result of the acquisition, Southwing is expected to become a consolidated subsidiary of the Company during the next fiscal year (the fiscal year ending October 2026). Any future matters requiring disclosure will be promptly made public.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.