

Sep. 25, 2025

[Translation]

To whom it may concern

Corporate Name: H2O RETAILING CORPORATION
 Representative: ARAKI Naoya
 President and Representative Director
 (Securities Code: 8242
 Prime Market of the Tokyo Stock Exchange)
 Inquiries: TANAKA Chikako
 General Manager of Corporate Communication Group
 (TEL +81-6-6367-3181)

Notice Regarding Absorption-Type Merger between Consolidated Subsidiaries (Sub-Subsidiaries) and Change of Trade Name of Surviving Company

H2O Retailing Corporation (hereinafter referred to as “the Company”) hereby announces that the Company resolved at a meeting held on today, to merge its consolidated subsidiary (sub-subsidiary), Izumiya ・ Hankyu Oasis Co., Ltd (hereinafter referred to as “IZOA”) and KANSAI SUPER MARKET LTD (hereinafter referred to as “KS”) as follows (hereinafter referred to as “the Merger”), and to change its trade name of the surviving company, “IZOA”, to “KANSAI FOOD MARKET LTD”.

The Merger involves consolidated subsidiaries (sub-subsidiaries), which means certain disclosure items and details have been omitted.

1. Purpose of the Merger

The Merger allows for faster management decision-making and strengthens competitiveness by consolidating dispersed management resources. In particular, in addition to effectively utilizing personnel through mergers, the Company intends to strengthen collaboration in manufacturing and sales with its manufacturing subsidiaries within the Group. This will enable the Group to further expand its business scale and enhance its competitive strength.

In accordance with the Merger, IZOA, the surviving company, will change its trade name to "KANSAI FOOD MARKET LTD." At the same time, the trade name of the company's consolidated subsidiary, KANSAI FOOD MARKET LTD, will change to JUSO FOOD MARKET LTD.

2. Outline of the Merger

(1) Schedule of the Merger

Resolving date of Board of Directors Meeting (the Company, IZOA, KS)	Sep. 25, 2025
Conclusion date of the merger agreement	Sep. 25, 2025
Resolving date of General Meetings of Shareholders Meeting (IZOA, KS)	Dec. 10, 2025 (scheduled)
Effective date of the Merger	Apr. 1, 2026 (scheduled)

(2) Method of the Merger

The Merger will be conducted as an absorption-type merger in which IZOA will be the surviving company and KS will be dissolved.

(3) Details of allotment pertaining to the Merger

The Merger involves consolidated subsidiaries (sub-subsidiaries) of the Company. There will be no allotment of shares or other monetary considerations in connection with the Merger.

(4) Handling of share acquisition rights and bonds with share acquisition rights upon the Merger

Not applicable.

3. Overview of the merging companies (as of Mar. 31, 2025)

	Surviving company		Absorbed company		
(1) Name	Izumiya ・ Hankyu Oasis Co., Ltd.		KANSAI SUPER MARKET LTD.		
(2) Location	8-7, Kakuda-cho, Kita-ku, Osaka city, Osaka		3-38 Chuo 5-chome, Itami city, Hyogo		
(3) Representative	President and Representative Director HAYASHI Katsuhiko		President and Representative Director NAKANISHI Jun		
(4) Established	Sep. 1, 2006		Sep. 22, 2021		
(5) Business	Supermarket		Supermarket		
(6) Capital	100 million JPY		100 million JPY		
(7) Number of issued shares	2,001 shares		2,000 shares		
(8) Fiscal year end	Mar. 31		Mar. 31		
(9) Shareholders and percentage of shares held	KANSAI FOOD MARKET LTD. 100%		KANSAI FOOD MARKET LTD. 100%		
(10) Financial position and business results for the last three fiscal years					
	FY Mar. 2025	FY Mar. 2024	FY Mar. 2025	FY Mar. 2024	FY Mar. 2023
Net assets	36,768 million JPY	36,443 million JPY	39,797 million JPY	36,513 million JPY	34,873 million JPY
Total assets	82,663 million JPY	83,088 million JPY	58,556 million JPY	57,396 million JPY	51,821 million JPY
Net assets per share	18 million JPY	18 million JPY	19 million JPY	18 million JPY	17 million JPY
Net sales	255,286 million JPY	254,736 million JPY	127,357 million JPY	125,841 million JPY	123,164 million JPY
Operating profit	6,278 million JPY	5,554 million JPY	3,000 million JPY	3,133 million JPY	2,352 million JPY
Ordinary profit	6,217 million JPY	4,673 million JPY	3,264 million JPY	3,148 million JPY	2,411 million JPY
Profit attributable to owners of parent	1,309 million JPY	3,281 million JPY	3,962 million JPY	1,863 million JPY	1,272 million JPY
Profit attributable to owners of parent per share	654 thousand JPY	1,639 thousand JPY	1,981 thousand JPY	931 thousand JPY	636 thousand JPY

*IZOA (formerly known as Hankyu Oasis Co., Ltd.) merged with Izumiya Co., Ltd. on April 1, 2023, and therefore the company's performance is shown from the fiscal year ending March 2024.

4. Status after the Merger (scheduled)

(1) Name	KANSAI FOOD MARKET LTD. (Trade name to be changed on Apr. 1, 2026)
(2) Location	8-7, Kakuda-cho, Kita-ku, Osaka city
(3) Representative	President and Representative Director HAYASHI Katsuhiro
(4) Business	Supermarket
(5) Capital	100 million JPY
(6) Fiscal year end	Mar. 31
(7) Shareholders and percentage of shares held	JUSO FOOD MARKET LTD. 100% (Trade name to be changed on Apr. 1, 2026)

5. Future Outlook

Since the Merger is between wholly owned subsidiaries (sub-subsidiaries) of the Company, the impact on its consolidated financial results is expected to be immaterial.

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