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April 5, 2023

Company: TODA CORPORATION

Representative: Seisuke Otani, President and Representative Director

(Securities Code: 1860 TSE Prime Market)

Contact: Kaname Miwa, Corporate Officer, General Manager, Financial & IR Div.

(Phone: 03-3535-1357)

Notice Concerning Transfer of Shares of a Specified Subsidiary

TODA CORPORATION (hereinafter referred to as the "Company") hereby announces that at the Board of Directors Meeting held on April 5, 2023, the Company has resolved to transfer all shares (holdings) of Construtora Toda do Brasil S.A. (hereinafter referred to as "TBC"), a subsidiary of the Company in the Federative Republic of Brazil, to Virgo Fundo de Investimento em Participacoes Multiestrategia (hereinafter referred to as "Virgo") as below.

1. Reason for the Transfer of Shares

Our group established TBC in the Federative Republic of Brazil in 1973 and has been involved in overseas construction business. However, in light of the economic downturn in Brazil in recent years, we have been considering withdrawing from the country, including the possibility of selling TBC. Recently, we have been in discussions with Citycon Engenharia e Construcoes Ltda. (hereinafter referred to as "Citycon") as a potential buyer, and it has been decided that the transfer to a private equity fund (Virgo) in which two investors from Citycon, Mr. Joao Carlos Farah and Mr. Renato Joao Farah, as well as Mr. Antonio Carlos Petrillo, an employee of Citycon, invest, is considered the best course of action for the Company.

2. Overview of the Specified Subsidiary Being Transferred

(1) Name	Construtora Toda do Brasil S.A.	
(2) Address	04001-902 Rua Manuel da Nobrega,1280-3° Andar Sao Paulo S.P. Brazil	
(3) Representative	Chisato Oikawa, Diretor Presidente	
(4) Business	General construction	
(5) Capital	101,019 thousand BRL (26,540 million JPY)	
(6) Year of Establishment	April 1973	
(7) Major Shareholders and Shareholding Ratio	The Company: 100%	
(8) Relationship between the Company and the Subsidiary	Capital Relationship	Wholly owned subsidiary of the Company.
	Personnel Relationship	Our employee currently serves as a director of the Subsidiary but will resign due to the transfer of shares.

	Transactional Relationship	Not applicable.		
	Status as a Related Party	Not applicable.		
(9)	Financial Situation and Operating Results for the Past Three Years	Thousands of BRL Millions of JPY unless otherwise noted.		
	Fiscal Year Ending	December 2019	December 2020	December 2021
	Net assets	26,076 685	4,803 126	(44,512) (1,169)
	Total assets	51,181 1,345	62,002 1,629	26,847 705
	Net assets per share			
	BRL	2	0	(4)
	JPY	75	13	(128)
	Sales	176,383 4,530	143,075 3,760	103,451 2,718
	Operating profit or loss	(21,300) (559)	(20,297) (533)	(45,727) (1,201)
	Net income or loss	(19,832) (521)	(21,288) (559)	(104,316) (2,741)
	Earnings or loss per share			
	BRL	(2)	(2)	(11)
	JPY	(57)	(61)	(300)
	Dividends per share			
	BRL	—	—	—
	JPY	—	—	—

3. Overview of the Transfer Counterparty

(1)	Name	Virgo Fundo de Investimento em Participacoes Multiestrategia
(2)	Business	Investment
(3)	Total Investment Amount	20 million BRL (525 million JPY)
(4)	Year of Establishment	March 2023
(5)	Major Shareholders and Shareholding Ratio	Joao Carlos Farah Renato Joao Farah Antonio Carlos Petrillo The ownership ratios of each shareholder have not been disclosed by the Counterparty.
(6)	Relationship between the Company and the Counterparty	There are no capital, personnel, or transactional relationships to be disclosed between the Company, its affiliates, and the Counterparty. Furthermore, there are no relevant matters to report to any related parties.
(7)	Financial Situation and Operating Results for the Past Three Years	Not applicable.

(Reference) Overview of the Agent for the Transfer of Shares

(1)	Name	Citycon Engenharia e Construcoes Ltda.
(2)	Address	Rua Correia de Oliveira, 48, Vila Nova Conceicao, Sao Paulo S.P. Brazil
(3)	Representative	Joao Carlos Farah, CEO
(4)	Business	General construction

(5)	Capital	18 million BRL (478 million JPY)		
(6)	Year of Establishment	June 1994		
(7)	Major Shareholders and Shareholding Ratio	Joao Carlos Farah 50% Renato Joao Farah 50%		
(8)	Relationship between the Company and the Agent	There are no capital, personnel, or transactional relationships to be disclosed between the Company, its affiliates, and the Agent. Furthermore, there are no relevant matters to report to any related parties.		
(9)	Financial Situation and Operating Results for the Past Three Years	Thousands of BRL Millions of JPY unless otherwise noted.		
	Fiscal Year Ending	December 2020	December 2021	December 2022
	Net assets	18,345 482	18,412 483	20,809 546
	Total assets	30,632 805	32,462 853	30,726 807
	Net asset per share	BRL 1,007 JPY 26,489	1,011 26,586	1,143 30,048
	Sales	12,467 327	21,874 574	18,972 498
	Operating profit	654 17	208 5	1,744 45
	Net income	67 1	67 1	1,306 34
	Net income per share	BRL 3 JPY 97	3 96	71 1,885
	Dividends per share	BEL — JPY —	— —	— —

4. Number of Shares to be Transferred and Share Ownership Before and After the Transfer

(1)	Number of Shares Owned Before the Transfer (Voting Rights Ownership Ratio)	9,135,291 shares (100%)
(2)	Number of Shares to be Transferred (Voting Rights Ownership Ratio)	9,135,291 shares (100%)
(3)	Number of Shares Owned After the Transfer (Voting Rights Ownership Ratio)	0 share (0%)

※ The transfer price is not disclosed based on the intentions of the transferee. Furthermore, the transfer price will be 15% or less of our consolidated net assets.

5. Schedule

(1)	Date of Board of Directors' Resolution	April 5, 2023
(2)	Date of Conclusion of Share Transfer Contract	Late April 2023 (planned)
(3)	Date of Share Transfer Execution:	Late April 2023 (planned)

6. Impact on Performance

In connection with this share transfer, a provision for loss on liquidation of subsidiaries and affiliates of ¥289 million will be transferred to the consolidated financial statements for the fiscal year ending March 31, 2023

Note: The conversion to Japanese yen is based on 1 BRL = 26.28 yen (as of the end of March 2023).

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