

January 23, 2023

Company name:	MELCO HOLDINGS INC.
Name of representative: (Securities code: 6676)	Hiroyuki Maki, President and CEO
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Notice Concerning the Start of Preparations for a Share-Distribution-Type Spin-off and the Start of Preparations for Listing the Shares of the Consolidated Subsidiary Shimadaya Corporation

MELCO HOLDINGS INC. (the “Company”) hereby announces that, based on a written resolution passed on January 23, 2023 in lieu of a resolution passed at a meeting of the Board of Directors pursuant to the provisions of Article 370 of the Companies Act (Act No. 86 of 2005, including subsequent revisions) and the Company’s Articles of Incorporation, the Board of Directors resolved to start preparations to distribute all of the shares of the Company’s consolidated subsidiary Shimadaya Corporation (“Shimadaya”) held by the Company to shareholders through dividends in kind (dividends of property other than cash) (the “Spin-off”) and to start preparations for listing the shares of Shimadaya.

As the reasons and purpose of the Spin-off, in light of the current conditions of drastic changes in the business environment and society, the Company aims to maximize shareholder value by executing an agile business strategy and further promoting growth in each business field by making Shimadaya, which operates the food business, separate and independent and adopting independent management, capital and share listings. The Spin-off uses a share-distribution-type spin-off under which tax exemption measures for the gain or loss on transfer with respect to the corporation distributing the shares, tax exemption measures with respect to the dividends to the shareholders receiving the distribution, and tax deferral measures for the gain or loss on transfer with respect to shareholders are created as a result of the 2017 tax reforms, and shares of the Company’s consolidated subsidiary Shimadaya are delivered to the Company’s shareholders as dividends in kind. In the Spin-off, the Company plans to issue dividends in kind (dividends of property other than cash) to shareholders that provide no right to demand distribution of monies. In addition, from the standpoint of ensuring that shareholders have opportunities to purchase and sell the shares, the Company will conduct the Spin-off under the assumption that the shares of Shimadaya will be listed on the stock exchange of Tokyo Stock Exchange, Inc. (“Tokyo Stock Exchange”). Accordingly, the Company plans to submit an initial listing application to the Tokyo Stock Exchange before conducting the Spin-off, and the Spin-off is subject to receiving listing approval from the Tokyo Stock Exchange and other conditions. At the same time, the Company will maintain the listing of its shares on the Tokyo Stock Exchange even after the Spin-off. Therefore, as a result of the Spin-off, the Company’s shareholders will hold two issues of listed shares, namely the Company’s shares and shares of Shimadaya. In addition, as a result of the Spin-off, Shimadaya will no longer be a consolidated subsidiary of the Company, and will become an independent listed company that has no capital relationship with the Company. Details of the Spin-off, time of listing, etc. are yet to be determined, and depending the results of considerations over the course of the preparations, the Company may decide not to conduct the Spin-off or list the shares.

Going forward, should any matters requiring disclosure arise regarding the Spin-off and the listing of Shimadaya’s shares, including the impact on the Group’s financial results, the Company will promptly disclose them.

Overview of Shimadaya Corporation (as of September 30, 2022)

(1) Name	Shimadaya Corporation
(2) Address	33-11 Ebisu nishi, 1-chome, Shibuya-ku, Tokyo, Japan
(3) Title and name of representative	Norio Kinoshita, President and CEO
(4) Business description	Manufacture and sale of noodles and related food products

(5) Share capital	¥1.0 billion
(6) Date of establishment	March 1949
(7) Number of issued shares	10,577,900 shares
(8) Major shareholders and percentage of shareholding	MELCO HOLDINGS INC. 100%

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