

April 28, 2023

To whom it may concern

| | |
|----------------|--|
| Company name | Mitsubishi Logistics Corporation |
| Representative | Hidechika Saito, President |
| Code number | (9301, Tokyo Stock Exchange) |
| Contact | Shiro Ochi, Executive Officer, General Manager of Planning and Operations |
| Phone | 03-3278-6611 |

**Notice Concerning Acquisition of Shares of a Global Logistics Company with Dedicated
Pharmaceutical and Healthcare and United States Government Services divisions in the
United States and the United Kingdom (To make them a Consolidated Subsidiary)**

Mitsubishi Logistics Corporation (hereinafter, "MLC") announces that, today, it has decided to enter into an agreement to acquire the shares of four specialty logistics companies with dedicated pharmaceutical and healthcare and United States government services divisions, Cavalier Logistics Management II, Inc., Cavalier International Air Freight, Inc., DC Dyna, Inc. in the United States and Cavalier Logistics U.K. Limited in the United Kingdom (hereinafter, the "Cavalier Logistics Group") through a new subsidiary to be established by MLC in the United States (hereinafter, the "U.S. Subsidiary") and make them consolidated subsidiaries (hereinafter, the "Acquisition of Shares").

The Acquisition of Shares is subject to the authorization and approval of the relevant authorities. It is expected that the process will proceed promptly and that the transaction is scheduled to be completed by August 1, 2023, subject to the satisfaction of all closing conditions.

1. Reason of the Acquisition of Shares

Cavalier Logistics Group is a highly successful logistics company with an advanced supply chain in the United States and the United Kingdom, primarily focused on logistic solutions for commercial enterprises, biopharma, healthcare and United States government agencies, and have built a good relationship as a partner in MLC's U.S. operations over the years.

In addition, in accordance with the strategy of MLC's long-term vision, MLC 2030 Vision, MLC is expanding its medical and healthcare logistics business in the United States and Europe. By affiliating Cavalier Logistics Group, MLC can build its business infrastructure in the United States and will be able to establish an integrated structure to operate in Japan, the United States and Europe.

With a large number of cutting-edge research and treatments being conducted in the United States, the market is expected to continue to grow at a higher rate than the global pharmaceutical market. By providing high-quality logistics services to customers in such markets and contributing to the resolution of various social issues, MLC group will enhance its presence in medical and healthcare

logistics market.

2. Method of the Acquisition of Shares

The U.S. Subsidiary will acquire 90% of the total outstanding shares of the Cavalier Logistics Group (See “5. Number of Shares to be Acquired, Acquisition Costs and Shareholding before and after Acquisition” below for the breakdowns of acquisitions), and all of the total outstanding shares of the Cavalier Logistics Group will be acquired by receiving in-kind contributions from the current CEO and CFO of the Cavalier Logistics Group, who hold the remaining 10% of the outstanding shares of each Cavalier Logistics Group company. As consideration of the in-kind contributions described above, the U.S. Subsidiary will deliver the current CEO and CFO 10% of the outstanding shares of the U.S. Subsidiary (Ratio of voting rights held:10%), making MLC a shareholder owning 90% of the outstanding shares of the U.S. Subsidiary (Ratio of voting rights held:90%).

In addition, with respect to certain logistics operations entrusted to Cavalier Logistics Group by the U.S. Department of State, due to restrictions on foreign investment restrictions, such operations are scheduled to be spun off from Cavalier Logistics Group to a new company established by the current CEO, and the approval for the business operations of the new company from the relevant authorities is the condition of the closing to the Acquisition of Shares. The Acquisition of Shares is also subject to the approval of the Committee on Foreign Investment in the United States (CFIUS) (The approval includes a response from the Committee on Foreign Investment in the United States stating that the acquisition does not require notification.).

3. Overview of the subsidiary to be transferred

(Reference) Simplified consolidated figures for the four Cavalier Logistics Group companies

| Operating results and financial positions of Cavalier Logistics Group for the last two years ^{*1*3} | | | |
|--|-------------------|-------------------|---------------------------------|
| As of / The year ended | December 31, 2020 | December 31, 2021 | December 31, 2022 ^{*2} |
| Consolidated Net assets | US\$23,298,146 | US\$30,586,179 | |
| Consolidated Total assets | US\$35,377,326 | US\$53,526,535 | |
| Consolidated Net sales | US\$89,937,457 | US\$146,579,819 | US\$151,950,015 |
| Consolidated Operating Profit | US\$3,213,744 | US\$11,851,506 | US\$14,570,990 |
| Consolidated Profit before taxation | US\$6,341,855 | US\$8,563,220 | US\$10,330,449 |
| Profit attributable to owners of the parents | US\$5,665,843 | US\$7,533,519 | US\$10,330,449 |

Note 1: The figures are based on unaudited simplified consolidation.

Note 2: The figures for the year ended December 31, 2022 are for reference purpose only, as the figures are prior to year-end adjustments.

Note 3: (Reference) Latest exchange rate: US \$1 = 133.72 yen (as of April 27, 2023)

3-1. Cavalier Logistics Management II, Inc.

| | | | |
|--|--|--|---------------------------------|
| (1) Name | Cavalier Logistics Management II, Inc. | | |
| (2) Location | 45085 Old Ox Road, Dulles, VA, USA | | |
| (3) Job title and name of representative | President, Timothy Holdaway | | |
| (4) Description of Business | Administrative services | | |
| (5) Share capital | US\$30,000(As of December 2021) | | |
| (6) Established | 2002 | | |
| (7) Major shareholders and ownership percentage | Timothy Holdaway | 42.167% | |
| | Louis Gallipoli | 33.167% | |
| | CAV Holdings LLC | 24.666% | |
| (8) Relationship between MLC and said company | Capital Relationship | None. | |
| | Business relationship | Business relationship exists under certain service agreements. | |
| | Personal relationship | None. | |
| | Related party relationship | None. | |
| (9) Operating results and financial positions of said company for the last three years ^{*1*3} | | | |
| As of / The year ended | December 31, 2020 | December 31, 2021 | December 31, 2022 ^{*2} |
| Net assets | US\$1,925,884 | US\$2,890,896 | US\$4,827,346 |
| Total assets | US\$3,324,411 | US\$8,830,069 | US\$10,286,863 |
| Net assets per share | US\$2,140 | US\$4,010 | US\$5,364 |
| Net sales | US\$4,695,334 | US\$6,119,542 | US\$7,139,748 |
| Operating Profit | US\$604,536 | US\$1,230,220 | US\$1,977,965 |
| Profit before taxation | US\$595,125 | US\$1,221,535 | US\$ 1,936,450 |
| Profit attributable to owners of the parents | US\$50,347 | US\$965,013 | US\$1,936,450 |
| Earnings per share | US\$56 | US\$1,072 | US\$2,152 |
| Dividend per share | US\$0 | US\$0 | US\$0 |

Note 1: The figures are unaudited

Note 2: The figures for the year ended December 31, 2022 are for reference purpose only, as the figures are prior to year-end adjustments.

Note 3: (Reference) Latest exchange rate: US \$1 = 133.72 yen (as of April 27, 2023)

3-2. Cavalier International Air Freight, Inc.

| | | | |
|--|--|--|---------------------------------|
| (1) Name | Cavalier International Air Freight, Inc. | | |
| (2) Location | 45085 Old Ox Road, Dulles, VA, USA | | |
| (3) Job title and name of representative | President, Timothy Holdaway | | |
| (4) Description of Business | Logistics operations | | |
| (5) Share capital | US\$26,465(As of December 2021) | | |
| (6) Established | 1985 | | |
| (7) Major shareholders and ownership percentage | CAV Holdings LLC | 90.000% | |
| | Timothy Holdaway | 9.500% | |
| | Louis Gallipoli | 0.500% | |
| (8) Relationship between the MLC and said company | Capital Relationship | None. | |
| | Business relationship | Business relationship exists under certain service agreements. | |
| | Personal relationship | None. | |
| | Related party relationship | None. | |
| (9) Operating results and financial positions of said company for the last three years ^{*1*3} | | | |
| As of / The year ended | December 31, 2020 | December 31, 2021 | December 31, 2022 ^{*2} |
| Net assets | US\$5,199,551 | US\$6,792,625 | US\$11,641,155 |
| Total assets | US\$17,374,683 | US\$30,191,597 | US\$30,045,181 |
| Net assets per share | US\$5,777 | US\$7,547 | US\$12,935 |
| Net sales | US\$76,122,584 | US\$121,585,081 | US\$128,536,442 |
| Operating Profit | US\$611,837 | US\$6,595,599 | US\$9,057,589 |
| Profit before taxation | US\$1,727,817 | US\$1,923,465 | US\$4,848,529 |
| Profit attributable to owners of the parents | US\$1,596,583 | US\$1,593,075 | US\$4,848,529 |
| Earnings per share | US\$1,774 | US\$1,770 | US\$5,837 |
| Dividend per share | US\$0 | US\$0 | US\$0 |

Note 1: The figures are unaudited

Note 2: The figures for the year ended December 31, 2022 are for reference purpose only, as the figures are prior to year-end adjustments.

Note 3: (Reference) Latest exchange rate: US \$1 = 133.72 yen (as of April 27, 2023)

3-3. DC Dyna, Inc.

| | |
|--|------------------------------------|
| (1) Name | DC Dyna, Inc. |
| (2) Location | 45085 Old Ox Road, Dulles, VA, USA |
| (3) Job title and name of representative | President, Timothy Holdaway |

| | | | |
|--|---------------------------------|-------------------|---------------------------------|
| (4) Description of Business | Logistics operations | | |
| (5) Share capital | US\$10,000(As of December 2021) | | |
| (6) Established | 1985 | | |
| (7) Major shareholders and ownership percentage | CAV Holdings LLC | 84.118% | |
| | Timothy Holdaway | 10.000% | |
| | John MacLaughlin | 2.941% | |
| | Cassandra Jacques | 1.471% | |
| | Brian Marshall | 1.471% | |
| (8) Relationship between MLC and said company | Capital Relationship | None. | |
| | Business relationship | None. | |
| | Personal relationship | None. | |
| | Related party relationship | None. | |
| (9) Operating results and financial positions of said company for the last three years ^{*1*3} | | | |
| As of / The year ended | December 31, 2020 | December 31, 2021 | December 31, 2022 ^{*2} |
| Net assets | US\$15,937,003 | US\$20,449,109 | US\$23,980,955 |
| Total assets | US\$17,830,859 | US\$23,265,308 | US\$26,364,001 |
| Net assets per share | US\$3,116 | US\$4,010 | US\$4,702 |
| Net sales | US\$41,540,302 | US\$51,676,998 | US\$60,301,448 |
| Operating Profit | US\$2,108,936 | US\$3,774,048 | US\$3,522,646 |
| Profit before taxation | US\$4,096,642 | US\$5,159,129 | US\$3,532,680 |
| Profit attributable to owners of the parents | US\$4,096,642 | US\$4,716,341 | US\$3,532,680 |
| Earnings per share | US\$803 | US\$963 | US\$693 |
| Dividend per share | US\$0 | US\$0 | US\$0 |

Note 1: The figures are unaudited

Note 2: The figures for the year ended December 31, 2022 are for reference purpose only, as the figures are prior to year-end adjustments.

Note 3: (Reference) Latest exchange rate: US \$1 = 133.72 yen (as of April 27, 2023)

【Important changes in circumstances expected in the future】

As described in 2. Method of the Acquisition of Shares, logistics operations related to the U.S. Department of State are scheduled to be spun off from DC Dyna, Inc. due to restrictions on foreign capital in the United States. The impact of the spin-off on the results of operations of DC Dyna, Inc. is expected to be a decrease of approximately US \$1,041,000 in Net sales and US \$89,000 in Profit before taxation.

3-4. Cavalier Logistics U.K. Limited.

| | | | |
|--|---|-------------------|---------------------------------|
| (1) Name | Cavalier Logistics U.K. Limited. | | |
| (2) Location | 3 Felthambrook Way Feltham, Greater London TW13 7DU, UK | | |
| (3) Job title and name of representative | President, Timothy Holdaway | | |
| (4) Description of Business | Logistics operations | | |
| (5) Share capital | £100(As of December 2021) | | |
| (6) Established | 2014 | | |
| (7) Major shareholders and ownership percentage | Cavalier Logistics Management II, Inc. | | 100.000% |
| (8) Relationship between MLC and said company | Capital Relationship | None. | |
| | Business relationship | None. | |
| | Personal relationship | None. | |
| | Related party relationship | None. | |
| (9) Operating results and financial positions of said company for the last three years ^{*1*3} | | | |
| As of / The year ended | December 31, 2020 | December 31, 2021 | December 31, 2022 ^{*2} |
| Net assets | £113,132 | £202,803 | £407,401 |
| Total assets | £1,381,578 | £2,170,462 | £3,357,057 |
| Net assets per share | £221 | £243 | £4,074 |
| Net sales | £3,064,100 | £5,519,462 | £7,172,539 |
| Operating Profit | £118,443 | £136,234 | £(9,002) |
| Profit (Loss) before taxation | £118,443 | £136,234 | £(9,002) |
| Profit attributable to owners of the parents | £118,443 | £136,234 | £(9,002) |
| Earnings per share | £118 | £136 | £(90) |
| Dividend per share | £0 | £0 | £0 |

Note 1: The figures are unaudited

Note 2: The figures for the year ended December 31, 2022 are for reference purpose only, as the figures are prior to year-end adjustments.

Note 3: (Reference) Latest exchange rate: £1 = 166.67 yen (as of April 27, 2023)

Disclosure of the newly established U.S. subsidiary of MLC is omitted because the U.S. Subsidiary is a holding company for the Acquisition of Shares and the establishment of the U.S. Subsidiary falls within the scope of the minimal standard criteria that do not require the timely disclosure.

4. Overview of the Counterparty to the Acquisition of Shares

| | | |
|--|---|---------|
| (1) Name | CAV Holdings LLC | |
| (2) Location | 45085 Old Ox Road, Dulles, VA, USA | |
| (3) Job title and name of representative | Managers, Timothy Holdaway and Louis Gallipoli, Sr. | |
| (4) Description of Business | Established for this Acquisition of Shares | |
| (5) Share capital | US \$30,000 (As of April 2023) | |
| (6) Established | 2023 | |
| (7) Net assets | US \$120,233,333 | |
| (8) Total assets | US \$120,233,333 | |
| (9) Major shareholders and ownership percentage | Timothy Holdaway (including associated entities) | 81.106% |
| | Louis Gallipoli (including associated entities) | 18.894% |
| (10) Relationship between the MLC and said company | Capital Relationship | None. |
| | Business relationship | None. |
| | Personal relationship | None. |
| | Related party relationship | None. |

| | |
|---|---------------------------------------|
| (1) Name | Timothy Holdaway |
| (2) Address | c/o 45085 Old Ox Road, Dulles, VA USA |
| (3) Relationship between MLC and person concerned | None. |

| | |
|---|--|
| (1) Name | Louis Gallipoli |
| (2) Address | 5192 The Pointe, Englewood, FL 34223 USA |
| (3) Relationship between MLC and person concerned | None. |

5. Number of Shares to be Acquired, Acquisition Costs and Shareholding before and after Acquisition

| | |
|---|--|
| (1) Number of Shares Held before the Change | 0 Shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0.0%) |
| (2) Number of Shares to be Acquired | • Cavalier Logistics Management II, Inc.: 900 shares (Number of voting rights: 900 units) • Cavalier International Air Freight, Inc.: 900 shares |

| | |
|--|---|
| | (Number of voting rights: 900 units) • DC Dyna, Inc.: 5,100 shares (Number of voting rights: 5,100 units) • Cavalier Logistics U.K. Limited.: 100 shares (Number of voting rights: 100 units) |
| (3) Acquisition Cost | Disclosure is withheld due to the confidentiality obligations based on discussions with the counterparties. The acquisition cost is within the scope of minimal standard criteria (less than 15% of MLC's consolidated net assets) that do not require the timely disclosure. |
| (4) Number of Shares Held after the Change | • Cavalier Logistics Management II, Inc.: 900 shares (Number of voting rights: 900 units) (Ratio of voting rights held: 100.0%) • Cavalier International Air Freight, Inc.: 900 shares (Number of voting rights: 900 units) (Ratio of voting rights held: 100.0%) • DC Dyna, Inc.: 5,100 shares (Number of voting rights: 5,100 units) (Ratio of voting rights held: 100.0%) • Cavalier Logistics U.K. Limited.: 100 shares (Number of voting rights: 100 units) (Ratio of voting rights held: 100.0%) |

Note: As described in "2. Method of the Acquisition of Shares" above, through the Share Acquisition, MLC will hold shares equivalent to 90% of the total number of issued shares of the U.S. Subsidiary (ownership ratio of voting rights: 90.0%).

6. Timetable

| | |
|---|----------------------------|
| (1) Date of resolution at the meeting of the Board of Directors | April 28, 2023 |
| (2) Date of Definitive Agreement | April 28, 2023 |
| (3) Date of completion of Acquisition of Shares | August 1, 2023 (scheduled) |

7. Future Outlook

The impact of this Acquisition of Shares to MLC's full-year consolidated earnings forecast for the fiscal year ending March 2024 is currently under review, and has not been reflected in the forecast for the fiscal year ending March 31, 2024 disclosed in the Flash report as of and for the

year ended March 31,2023, which was released today.

We will make an announcement if there are any matters to be disclosed in the future.