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Yoshiharu Signs Non-Binding Memorandum of Understanding to Acquire Las Vegas Restaurants

BUENA PARK, CA / ACCESSWIRE / September 11, 2023 /Yoshiharu Global Co.

(NASDAQ:YOSH) ("Yoshiharu" or the "Company"), a California-based restaurant operator specializing in authentic Japanese ramen, has entered into a non-binding Memorandum of Understanding ("MoU") with a restaurant operator ("Seller") to acquire Jjanga LLC, HJH LLC and Ramen Aku LLC, all located in Las Vegas, Nevada.

Yoshiharu is expected to acquire the aforementioned restaurant entities through a combination of cash (utilizing bank borrowings) and a convertible note. Under the contemplated transaction, the cash would be disbursed in installments over a predetermined number of years. Meanwhile, the convertible note would likely include a conversion provision enabling the Seller to convert the note into shares of the Company's class A common stock. The Seller, a natural person, is expected to continue as the managing director of the to-be created acquisition subsidiary entity of the Company pursuant to a separate employment and non-competition agreement.

These three acquisitions of restaurants across Las Vegas are part of Yoshiharu's expansion plan that expects to see 13 operating restaurants by the end of the year. With an annual gross revenue from the acquired restaurants exceeding \$6 million and a healthy profit margin profile, Yoshiharu expects the restaurants to play an integral and sustainable part in its overall growth strategy.

Jjanga LLC and HJH LLC would serve as an extension to the seafood-centric offerings that Yoshiharu has started to diversify into. In alignment with Yoshiharu's current Izakaya concept adopted in La Mirada, this opportunity would serve as a solid foundation for broadening the Company's offerings beyond the traditional Japanese ramen domain.

The Company believes that the acquisition of Ramen Aku LLC would enhance the robust foundation of Yoshiharu's well-established ramen sector. This acquisition would further the integration of Ramen Aku's unique specialties into Yoshiharu's existing offerings and corporate culture. The Company believes that Ramen Aku's solidified presence across the Las Vegas area would position Yoshiharu to deliver a significantly expanded and diversified array of dining options to its customers.

"I am excited to announce these strategic acquisitions, which serve as a key part of our long-term goal of expanding our restaurant count and geography," said James Chae, Yoshiharu's President, CEO and Chairman of the Board. "By tapping into the robust market there, not only can we cater to the tourists but also have the advantageous position to serve the residential customers in the Las Vegas area, offering them our unparalleled services and products and establishing a strong local footprint alongside the tourist-centric strategies."

Mr. Chae continued, "Overall, we plan to strategically acquire well-established restaurants with a track record of profitability, further bolstering our Company's overall growth strategy. We are making strong progress toward our end goal of operating 13 restaurants by the end of the year and look forward to continuing our commitment to provide an authentic Japanese dining experience."

The acquisitions are subject to successful negotiation and execution of a definitive agreement as well as several contemplated closing conditions including, without limitation, audited financial statements of the target businesses, the obtainment of all requisite licenses and permits, and other customary conditions. An executed definitive agreement is also contingent upon satisfaction by the Company of all business and legal due diligence on the target businesses and is expected to contain customary representations, warranties and covenants of transactions of this nature. The Company cannot make any assurances that a definitive agreement will be executed, however the parties are targeting finalization of a definitive agreement in the early fourth quarter 2023.

About Yoshiharu Global Co.

Yoshiharu is a fast-growing restaurant operator and was born out of the idea of introducing the modernized Japanese dining experience to customers all over the world. Specializing in Japanese ramen, Yoshiharu gained recognition as a leading ramen restaurant in Southern California within six months of its 2016 debut and has continued to expand its top-notch restaurant service across Southern California, currently owning and operating nine restaurants.

For more information, please visit www.yoshiharuramen.com.

Forward Looking Statements

This press release includes certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements regarding our position to execute on our growth strategy, and our ability to expand our leadership position. These forward-looking statements include, but are not limited to, the Company's beliefs, plans, goals, objectives, expectations, assumptions, estimates, intentions, future performance, other statements that are not historical facts and statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in, or suggested by, these forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties described in the Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations sections of our recent filings with the Securities and Exchange Commission ("SEC") which can be found on the SEC's website at www.sec.gov. Such risks, uncertainties, and other factors include, but are not limited to, the risk that we may not be able to successfully implement our growth strategy if we are unable to identify appropriate sites for restaurant locations, expand in existing and new markets, obtain favorable lease terms,

attract guests to our restaurants or hire and retain personnel; that our operating results and growth strategies will be closely tied to the success of our future franchise partners and we will have limited control with respect to their operations; the risk that we may face negative publicity or damage to our reputation, which could arise from concerns regarding food safety and foodborne illness or other matters; that minimum wage increases and mandated employee benefits could cause a significant increase in our labor costs; We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

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