

January 13, 2025



Yoshiharu Announces Financing Commitments of up to \$11.0 Million

Financing Provides Additional Operating Liquidity and Financial Flexibility to Support U.S. and International Expansion Plans

BUENA PARK, Calif., Jan. 13, 2025 (GLOBE NEWSWIRE) -- **Yoshiharu Global Co. (NASDAQ: YOSH)** ("**Yoshiharu**" or the "**Company**"), a restaurant operator specializing in authentic Japanese ramen & rolls, today announced that it has entered into a securities purchase agreement (the "Securities Purchase Agreement"), under which the Company has sold and issued a senior unsecured convertible promissory note in an original principal amount of \$1.1 million (the "Note") to Crom Structured Opportunities Fund I, LP (the "Investor"). The Company also announced that it has entered into an equity purchase agreement (the "Purchase Agreement") establishing an equity line of credit with Crom Structured Opportunities Fund I, LP, under which the Company will have the right, but not the obligation, to issue and sell to the Investor up to \$10.0 million in shares of the Company's common stock from time to time, subject to certain conditions set forth therein (the "ELOC").

The Company entered into a Securities Purchase Agreement with the Investor pursuant to which the Company issued and sold to the Investor a 10% Original Issue Discount ("OID") promissory note in the aggregate principal amount of \$1,100,000 (the "Note") for a purchase price of \$1,000,000. The Company will pay a one-time interest charge on the principal amount of the Note at a rate of 5% when such amounts become due and payable. The maturity date of the Note is January 6, 2026, unless repurchased or converted in accordance with its terms prior to such date.

The Investor has the right at any time (subject to certain ownership limitations) to convert all or any portion of the then outstanding and unpaid principal amount of the Note into shares of Class A Common Stock (the "Conversion Shares"). The conversion price will be equal to the lesser of: (i) \$5.00 or (ii) 90% of the lowest dollar volume weighted average price on any trading day during the five trading days immediately preceding the conversion date (the "Conversion Price").

Under the terms of the ELOC, Yoshiharu has the right, but not the obligation, to issue and sell to the Investor up to \$10.0 million in shares of the Company's common stock subject to customary conditions. The Company may request that the Investor purchase the ELOC Shares at any time during the commitment period commencing on January 6, 2025 (the "Effective Date") and terminating on January 6, 2027, subject to a registration statement being effective for an advance notice to be delivered. Each issuance and sale by the Company to the Investor under the Purchase Agreement (an "Advance") is to be effectuated by means of a written notice setting forth the ELOC Shares which the Company intends to require the Investor to purchase (the "Advance Notice"). The purchase price under the ELOC is 93% of the lowest VWAP during the 5 trading days following the clearing date of the respective advance shares.

The Company has also agreed to pay the Investor a commitment fee equal to 31,948 shares of Class A Common Stock (the "Commitment Shares") in consideration for the Investor's entry into the Purchase Agreement.

In accordance with the terms of the Securities Purchase Agreement, the Company agreed to file with the U.S. Securities and Exchange Commission (the "SEC") a registration statement covering the resale of all of Class A Common Stock which the Investor may acquire pursuant to the Securities Purchase Agreement and Purchase Agreement.

Yoshiharu intends to use the net proceeds from the Note and ELOC for working capital and general corporate purposes to support its future growth.

Further details on the Securities Purchase Agreement will be disclosed in a Current Report on Form 8-K that the Company intends to file with the SEC on January 13, 2025.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities referred to in this press release in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction. Any offering of Yoshiharu's common stock under the registration statements referred to in this press release will be made only by means of a prospectus.

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 and Las Vegas, currently owning and operating 14 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 filings with the SEC including our Form 10-K for the year ended December 31, 2023, and subsequent reports we file with the SEC from time to time, 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 our plans to maintain and increase liquidity may not be successful to remediate our past operating losses; 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; the risk that that minimum wage increases and mandated employee benefits could cause a significant increase in our labor costs; and the risk that our marketing programs may not be successful, and our new menu items, advertising campaigns and restaurant designs and remodels may not generate increased sales or profits. 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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Source: Yoshiharu Global Co.