As filed with the Securities and Exchange Commission on August 29, 2022.

Registration No. 333-262330

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 5
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

YOSHIHARU GLOBAL CO.
(Exact name of registrant as specified in its charter)

Delaware	**5812**	**87-3941448**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

6940 Beach Blvd., Suite D-705
Buena Park, CA 90621
(714) 694-2403
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

James Chae
Chief Executive Officer
6940 Beach Blvd., Suite D-705
Buena Park, CA 90621
(714) 694-2403
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies of all communications, including communications sent to agent for service, should be sent to:

Matthew Ogurick	**Nimish Patel**
Darina Koleva	**Blake Baron**
K&L Gates LLP	**Mitchell Silberberg & Knupp LLP**
599 Lexington Avenue	**2049 Century Park East, 18th Floor**
New York, New York 10022	**Los Angeles, California 90067**
(212) 536-3901	**(310) 312-3102**

Approximate date of commencement of proposed sale to the public:

As soon as practicable after the effective date of this Registration Statement

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended (the "Securities Act") check the following box. ☒

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with section 8(a) of the Securities Act, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to such section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Preliminary Prospectus *Subject to Completion, dated August 29, 2022*

2,750,000 Shares
Class A Common Stock

This is our initial public offering. We are offering 2,750,000 shares of Class A common stock, par value $0.0001 per share. The selling stockholders, identified herein as the Selling Stockholders, are offering up to 1,320,000 shares of our Class A common stock. The 1,320,000 shares of Class A common stock being offered by the Selling Stockholders are referred to herein as the Selling Stockholder Shares. We currently estimate that the initial public offering price will be between $4.00 and $5.00 per share of Class A common stock.

We will not receive any of the proceeds from the sale of the Class A common stock by the Selling Stockholders. The Selling Stockholder Shares will not be purchased by the underwriters or otherwise included in the underwritten offering of our Class A common stock in this public offering. The Selling Stockholders may sell or otherwise dispose of their shares in a number of different ways and at varying prices, but will not sell any Selling Stockholder Shares until after the closing of this offering. See "Selling Stockholders--Plan of Distribution." We will pay all expenses (other than discounts, concessions, commissions and similar selling expenses, if any) relating to the registration of the Selling Stockholder Shares with the Securities and Exchange Commission.

Currently, there is no public market for our common stock. We have applied to list our Class A common stock under the symbol "YOSH" on the Nasdaq Capital Market. The closing of this offering is contingent upon the successful listing of our Class A common stock on the Nasdaq Capital Market.

Following this offering, we will have two classes of outstanding common stock, Class A common stock and Class B common stock. Holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share, and all such holders will vote together as a single class except as otherwise required by applicable law. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. The beneficial owner of 100% of our Class B common stock is James Chae, our Chief Executive Officer, Chairman of the Board and founder. Upon completion of this offering, we will be controlled by Mr. Chae, who will hold approximately 78.7% of the combined voting power of our outstanding Class A common stock and Class B common stock, and will have the ability to determine all matters requiring approval by stockholders.

We are an emerging growth company as that term is used in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"), and as such, we have elected to take advantage of certain reduced public company reporting requirements for this prospectus and future filings. In addition, following this offering, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including the requirement that (i) a majority of our board of directors consist of independent directors, (ii) director nominees be selected or recommended to the board by independent directors or an independent nominating committee, and (iii) we have a compensation committee that is composed entirely of independent directors. We have nevertheless elected to comply with the requirement that a majority of our board consists of independent directors and that our compensation committee be composed entirely of independent directors.

Investing in our Class A common stock involves a high degree of risk. See Risk Factors beginning on page 12 of this prospectus.

	Per Share of Class A Common Stock	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to Yoshiharu Global Co.	$	$

(1) The underwriting discount is 8.0%; provided that it is equal to 4.0% for the sale of shares to investors introduced to the underwriters by us. The above assumes all shares are sold to investors not introduced to the underwriters by the Company. Proceeds to the Company will be higher if any shares sold in this offering are to investors introduced to the underwriters by us. The underwriting discount does not include the following additional compensation payable to the underwriters: We have agreed to pay the representative of the underwriters, EF Hutton, division of Benchmark Investments, LLC, which we refer to as EF Hutton or the representative, a non-accountable expense allowance equal to one percent (1.0%) of the total proceeds raised and to reimburse the underwriters for certain expenses incurred relating to this offering. In addition, we have agreed to issue to the representative warrants to purchase the number of shares of Class A common stock in the aggregate equal to five percent (5%) of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering. The registration statement of which this prospectus forms a part also registers the shares of Class A common stock issuable upon the exercise of the representative's warrants. "Underwriting" contains additional information regarding underwriter compensation.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

We have granted the underwriters the option for a period of 45 days to purchase up to 412,500 additional shares of Class A common stock (equal to 15% of the shares of Class A common stock), at the initial public offering price less the underwriting discounts and commissions, solely to cover over-allotments, if any.

The underwriters expect to deliver the shares of Class A common stock against payment on or about , 2022.

EF HUTTON
division of Benchmark Investments, LLC

The date of this prospectus is , 2022

YOSHIHARU GLOBAL CO.

YOSHIHARU
JAPANESE RAMEN


LIFESTYLE
ocregister.com
Here's an opinionated guide to some of the best places in O.C. for when you're craving Japanese noodle soup.
TOPramen
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You should rely only on the information contained in this prospectus and any free writing prospectus we may authorize to be delivered or made available to you. We have not, the Selling Stockholders have not and the underwriters have not, authorized anyone to provide you with additional or different information from that contained in this prospectus and any free writing prospectus we have authorized. We, the Selling Stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are offering to sell, and seeking offers to buy, shares of Class A common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the shares of Class A common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

This prospectus contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. "Risk Factors" and "Special Note Regarding Forward-Looking Statements" contain additional information regarding these risks.

For investors outside the United States: We have not, the Selling Stockholders have not, and the underwriters have not, done anything that would permit this offering, or possession or distribution of this prospectus, in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of Class A common stock and the distribution of this prospectus outside of the United States. See "Underwriting."

DEALER PROSPECTUS DELIVERY OBLIGATION

Through and including , 2022 (the 25th day after the date of the prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources (including industry publications, surveys and forecasts), and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well data from internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets which we believe to be reasonable. Although we believe the data from these third-party sources are reliable as of their respective dates, neither we nor the underwriters have independently verified the accuracy or completeness of this information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Special Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

TRADEMARKS, SERVICE MARKS AND TRADE NAMES

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or food products in this prospectus is not intended to imply a relationship with, or endorsement or sponsorship by, these other parties. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks, service marks and trade names.

BASIS OF PRESENTATION

Certain monetary amounts, percentages and other figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

In this prospectus, "Yoshiharu Global Co.," "Yoshiharu Global," "Yoshiharu," "we," "us," "our," "our company," and the "Company" refer to Yoshiharu Global Co., a Delaware corporation, together with its wholly owned subsidiaries Yoshiharu Holdings (as defined below) and Yoshiharu Franchise Co. (as defined below) unless expressly indicated or the context otherwise requires. "Yoshiharu Holdings," refers to Yoshiharu Holdings Co., a California corporation, our wholly owned subsidiary holding company, which directly owns all of our current stores and all our intellectual property assets immediately prior to this offering. "Yoshiharu Franchise" refers to Yoshiharu Franchise Co., a California corporation, our wholly owned subsidiary, which will hold the master franchisor license.

We sometimes refer to our Class A common stock as "common stock," unless the context otherwise requires. We sometimes refer to our Class A common stock and Class B common stock as "equity interests" when described on an aggregate basis. On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. The terms "dollar" or "$" refer to U.S. dollars, the lawful currency of the United States.

The Company's fiscal year end is December 31. Our financial statements are prepared in U.S. dollars and in accordance with accounting principles generally accepted in the United States ("GAAP").

NON-GAAP FINANCIAL MEASURES

Certain financial measures presented in this prospectus, such as EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are not recognized under GAAP. We define these terms as follows:

- "EBITDA" is defined as net income before interest, income taxes and depreciation and amortization.
- "Adjusted EBITDA" is defined as EBITDA plus stock-based compensation expense, non-cash rent expense and asset disposals, closure costs and restaurant impairments.
- "Restaurant-level Contribution" is defined as operating income plus depreciation and amortization and general and administrative expenses. "Restaurant-level Contribution margin" is defined as Restaurant-level Contribution divided by sales.

EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the

restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

We believe that the use of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, you should be aware when evaluating EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion.

Because of these limitations, EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin on a supplemental basis. For a reconciliation of net income to EBITDA and Adjusted EBITDA and a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution, see "Summary Historical Financial and Operating Data."

ADDITIONAL FINANCIAL MEASURES AND OTHER DATA

"Average Unit Volumes" or "AUVs" consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. AUVs are calculated by dividing (x) annual sales for the fiscal year presented for all such restaurants by (y) the total number of restaurants in that base. We make fractional adjustments to sales for restaurants that were not open for the entire fiscal year presented (e.g., a restaurant is closed for renovation) to annualize sales for such period of time. This measurement allows management to assess changes in consumer spending patterns at our restaurants and the overall performance of our restaurant base.

"Comparable restaurant sales growth" refers to the change in year-over-year sales for the comparable restaurant base. We include restaurants in the comparable restaurant base that have been in operation for at least 3 months prior to the start of the accounting period presented. Growth in comparable restaurant sales represents the percent change in sales from the same period in the prior year for the comparable restaurant base. For the fiscal years ended December 31, 2020 and December 31, 2021, there were 5 and 6 restaurants, respectively, in our comparable restaurant base. For the six months ended June 30, 2021 and June 30, 2022, there were 5 and 7 restaurants, respectively, in our comparable restaurant base. We currently own and operate 8 restaurants. This measure highlights performance of these mature restaurants, as the impact of new restaurant openings is excluded. The small number of restaurants in our comparable restaurant base may cause this measure to fluctuate and be unpredictable.

"Number of restaurant openings" reflects the number of restaurants opened during a particular reporting period. Before we open new restaurants, we incur pre-opening costs. New restaurants may not be profitable, and their sales performance may not follow historical patterns. The number and timing of restaurant openings has had, and is expected to continue to have, an impact on our results of operations.

"Average check size" is defined as (x) sales, divided by (y) restaurant check count for a given period of time. This is an indicator which management uses to analyze the dollars spent per guest in our restaurants and aids management in identifying trends in guest preferences and the effectiveness of menu changes and price increases.

PROSPECTUS SUMMARY

This summary highlights certain information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and financial statements and related notes included elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our securities. You should read this entire prospectus carefully, especially the matters set forth under the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of this prospectus and our financial statements and related notes appearing elsewhere in this prospectus, before making an investment decision. All figures are in U.S. dollars, unless otherwise stated.

Overview of Yoshiharu

Yoshiharu is a fast-growing restaurant operator and was borne out 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 our 2016 debut and has continued to expand our top-notch restaurant service across Southern California, currently owning and operating 8 restaurant stores with an additional 1 new restaurant store under construction/development and an additional 8 restaurant stores expected to open in 2022.

We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi rolls, bento menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring our Japanese ramen and cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients, such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only nutrient-rich, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms by providing happy hour specials, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.

Our success has resulted in strong financial results as illustrated by the following:

- Revenue grew from $3.2 million for the year ended December 31, 2020, to $6.5 million for the year ended December 31, 2021. This is partially attributable to recovery from the negative impact of COVID-19 on 2020 results. Revenue for the year ended December 31, 2019 was approximately $4.1 million, so after the brief downturn for fiscal 2020, the Company has recovered and returned to a path of planned growth.

- We continue to accelerate the pace of new "corporate-owned" (i.e., directly owned by us) restaurant openings and expect to operate over 17 corporate-owned locations by year end 2022 (this includes 1 new restaurant store currently under development and an additional 8 restaurant stores, of which 4 have been site selected).

- We operate in a large and rapidly growing market. We believe the consumer appetite for Asian cuisine is widespread across many demographics and we have an opportunity to expand in both existing and new U.S. markets, as well as internationally.

- Yoshiharu is in the process of registering its franchise program (which we expect to be completed by the end of 2022). Upon completion, we plan on providing franchisee opportunities domestically and internationally. In the U.S., we believe there is a potential to open 20 stores per year by franchisees. Globally, we are also exploring the idea of granting country-wide exclusivity to franchisees, which we believe will help expand our global footprint considerably. As of the date of this prospectus, we do not have a franchise program.

- Average check size is moderate and increasing. For the year ended December 31, 2019, the average check size in our stores was $30.79, which decreased 2.2% to $30.11 for the year ended December 31, 2020. For year ended December 31, 2021, average check size in our restaurants was $33.70. For the six months ended June 30, 2022, average check size was $42.16. The Company has suffered recurring losses from operations and has a significant accumulated deficit. For the years ended December 31, 2020 and December 31, 2021, and for the six months ended June 30, 2022 the Company had a net loss of $450,128, $1,630,485 and $840,414, respectively. In addition, the Company continues to experience negative cash flow from operations and has a significant accumulated deficit, which was $3,653,456 at June 30, 2022. These factors raise a substantial doubt about the Company's ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated May 27, 2022.

- Our flexible physical footprint, which has allowed us to open restaurants in sizes ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas.

Our Strengths

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Compelling Value Proposition with Broad Appeal.

Guests can enjoy our signature ramen dishes or select from our variety of fresh sushi rolls, bento, and other Japanese cuisine. The high-quality dishes at affordable prices are the result of our efficient operations. In addition, we believe our commitment to high-quality and fresh ingredients in our food is at the forefront of current dining trends as customers continue to seek healthy food options.

Attractive Restaurant-Level Economics.

At Yoshiharu, we believe our rapid table turnover, combined with our ability to service customers at both lunch and dinner, allows for robust and efficient sales in each of our restaurants. Our average unit volume ("AUV," as defined herein) was $0.9 million in 2020 and $1.2 million in 2021.

Quality of Food and Excellence in Customer Service.

We place a premium on serving high-quality, authentic Japanese cuisine. We believe in customer convenience and satisfaction and have created strong, loyal and repeat customers who help expand the Yoshiharu network to their friends, family and co-workers.

Flexibility to Pivot to Online and Delivery.

With the COVID-19 pandemic, we were able to efficiently transition from primarily in-store sales to a diversified mix of channels including takeout and delivery. As our customers habits adapt post-pandemic, we intend to invest further in our delivery and takeout programs, which currently rely on third-party providers. Yoshiharu's ramen and Japanese cuisine is ideally suited for to-go packaging and transport. Due to our flexibility in pivoting to online and delivery, we achieved out-of-store sales of $2.2 million for the year ended December 31, 2021, compared to $1.2 million for the year ended December 31, 2020, a growth rate of over 81.6%.

Our Growth Strategies

Historically, we have averaged an opening of 1 store per year utilizing solely bank debt, revenues and related party loans. However, utilizing 36.55% of the net proceeds of this offering, we expect to open 8 new corporate-owned restaurants, excluding the 1 restaurant currently under development, by the end of 2022. Based on our internal analysis, we believe that we have the potential to grow our current domestic corporate-owned restaurants and international footprint to at least 250 restaurants domestically and at least 750 restaurants internationally by utilizing revenues generated by an increased number of corporate-owned restaurants, revenues generated through our franchise program (currently we do not have such a program), proceeds from the sale of equity securities in the public markets as a publicly traded company, and debt financings. The rate of future restaurant growth in any particular period is inherently uncertain and is subject to numerous factors that are outside of our control. As a result, we do not currently have an anticipated timeframe for such expansion.

Pursue New Restaurant Development.

We are pursuing a disciplined new corporate-owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next several years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check size. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept.

Franchise Program Development.

We expect to initiate sales of franchises beginning in 2022. We expect to submit an application for franchise registration in California, and we intend to submit franchise applications in additional states in the first half of 2022. While our initial franchise development will focus on the United States, we also believe the Yoshiharu concept will attract future franchise partners around the world.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

COVID-19 Impact on Our Business

The COVID-19 pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state, and local authorities to practice social distancing or self-quarantine. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related and mandated social distancing and shelter-in-place orders. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods. The Company intends to continue selling through these delivery channels, even with a return to full capacity inside dining. Revenues were $6.5 million for the year ended December 31, 2021, demonstrating the Company has already experienced significant recovery from the impact of the pandemic on customer traffic. The combined average monthly sales for the 5 restaurant locations that were open through all of 2020 increased 63.4% for the year ended December 31, 2021, from the comparable period in the prior year.

The Company obtained substantial amounts of funding available through government entities as assistance to maintain operations and, in particular, to maintain staffing levels through periods of reduced operations as a result of the pandemic. The Company received approximately $659,000 in Paycheck Protection Program (“PPP”) loans, $450,000 in Economic Injury Disaster (“EIDL”) loans and $750,000 in Restaurant Revitalization Fund (“RRF”) loans. These funds are all in the form of loans to be repaid over time, including interest, and have been reported within the Company’s balance sheets as such. However, the PPP and RRF loans allow for loan forgiveness if the Company meets certain criteria and submits applications for forgiveness along with supporting documentation. To date, the Company has been awarded forgiveness for certain of its PPP loans, plus all accrued interest in 2021 and all the remaining PPP loans plus all accrued interest in 2022. This forgiveness was reported as Other Income for the year ended December 31, 2021 and for the six months ended June 30, 2022. The Company does anticipate applying for additional forgiveness of its RRF as allowed.

Corporate Overview

Corporate Reorganization

In September 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 7 restaurant store entities which were previously founded and wholly owned directly by James Chae and all of the intellectual property in the business held by James Chae in exchange for an issuance of a total of 9,450,900 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co. Such transfers were completed in the fourth quarter of 2021.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company’s board of directors determined to reflect the then current fair market value of the Company’s Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the execution of the underwriting agreement. Effective February 7, 2022, the Company’s board and stockholders unanimously approved the form of amended and restated certificate of incorporation, which clarifies the automatic conversion of Class B common stock held by James Chae into Class A common stock, among other things, a copy of which is attached to the registration statement as Exhibit 3.3 of which this prospectus is made a part.

Following the closing of this offering, James Chae will own all of our Class B common stock (1,000,000 shares) and 7,110,900 shares of our Class A common stock, representing approximately 78.7% of the combined voting power of our outstanding capital stock, or 77.2% if the underwriters exercise their option to purchase additional shares of Class A common stock and will have the ability to determine all matters requiring approval by stockholders. See “Risk Factors- Risks Related to our Organizational Structure” and “Principal Stockholders.” As a result, we will be a “controlled company” within the meaning of the corporate governance rules of the Nasdaq Stock Market.

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. We do not intend to list Class B common stock on any stock exchange.

Corporate and other information.

Our offices are located at 6940 Beach Blvd., Suite D-705, Buena Park, CA 90621. Our website is www.yoshiharuramen.com and our telephone number is (714) 694-2403. We expect to make our periodic reports and other information filed with or furnished to the Securities and Exchange Commission, or the SEC, available free of charge through our website as soon as reasonably practicable after those reports and other information are electronically filed with or furnished to the SEC. Information on, or otherwise accessible through, our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus. You should not consider information contained on our website to be part of this prospectus or in deciding whether to purchase shares of our Class A common stock.

Risk Factors Summary

Investing in our securities involves significant risks. You should carefully consider the risks described in "Risk Factors" before making a decision to invest in our securities. If any of these risks actually occur, our business, financial condition and results of operations would likely be materially adversely affected. In such case, the trading price of our securities would likely decline, and you may lose all or part of your investment. In reviewing this prospectus, we stress that past experience is no indication of future performance, and "Special Note Regarding Forward-Looking Statements" contains a discussion of what types of statements are forward-looking statements, as well as the significance of such statements in the context of this prospectus. Below is a summary of some of the significant risks we face:

- 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;
- we may not be able to maintain or improve our comparable restaurant sales growth;
- the restaurant industry is a highly competitive industry with many competitors;
- our limited number of restaurants, the significant expense associated with opening new restaurants, and the unit volumes of our new restaurants makes us susceptible to significant fluctuations in our results of operations;
- we have incurred operating losses and may not be profitable in the future;
- our plans to maintain and increase liquidity may not be successful;
- we depend on our senior management team and other key employees, and the loss of one or more key personnel or an inability to attract, hire, integrate and retain highly skilled personnel could have an adverse effect on our business, financial condition or results of operations;
- 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;
- we may face negative publicity or damage to our reputation, which could arise from concerns regarding food safety and foodborne illness or other matters;
- minimum wage increases and mandated employee benefits could cause a significant increase in our labor costs;
- events or circumstances could cause the termination or limitation of our rights to certain intellectual property critical to our business that is licensed from Yoshiharu Holdings Co., or we could face infringements on our intellectual property rights and be unable to protect our brand name, trademarks and other intellectual property rights;
- challenging economic conditions may affect our business by adversely impacting numerous items that include, but are not limited to: consumer confidence and discretionary spending, the future cost and availability of credit and the operations of our third-party vendors and other service providers;
- we, or our point of sale and restaurant management platform partners, may fail to secure guests' confidential, personally identifiable, debit card or credit card information or other private data relating to our employees or us;
- we will face increased costs as a result of being a public company; and
- the impact of the COVID-19 pandemic, or a similar public health threat, on global capital and financial markets, general economic conditions in the United States, and our business and operations.

Emerging Growth Company Status

We are an "emerging growth company" as defined in the JOBS Act. For as long as we are an emerging growth company, unlike other public companies that do not meet those qualifications, we are not required to:

- provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of Sarbanes-Oxley Act of 2002, as amended, or the Sarbanes-Oxley Act;
- provide more than two years of audited financial statements and related management's discussion and analysis of financial condition and results of operations in a registration statement on Form S-1;
- comply with any new requirements adopted by the Public Company Accounting Oversight Board, or the PCAOB, requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;
- provide certain disclosure regarding executive compensation required of larger public companies or hold shareholder advisory votes on executive compensation required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act; or
- obtain shareholder approval of any golden parachute payments not previously approved.

We will cease to be an "emerging growth company" upon the earliest of:

- the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues;
- the date on which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter);
- the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and
- the last day of the fiscal year following the fifth anniversary of our initial public offering.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended (the "Securities Act"), for complying with new or revised accounting standards, but we have irrevocably opted out of the extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates in which adoption of such standards is required for other public

companies.

THE OFFERING

Class A common stock offered by us	2,750,000 shares of Class A common stock (or 3,162,500 shares of Class A common stock, if the underwriters exercise in full their option to purchase additional shares of Class A common stock).
Class A common stock offered by the Selling Stockholders	Up to a maximum of 1,320,000 shares. See "Selling Stockholders" for a description of how we calculate the number of shares of Class A common stock offered by the Selling Stockholders.
Class A common stock outstanding before the offering	9,000,000 shares.
Class A common stock outstanding after the offering	11,750,000 shares (or 12,162,500 shares if the underwriters exercise their option to purchase additional shares of Class A common stock in full).
Class B common stock outstanding after the offering	1,000,000 shares.
Over-allotment option	We have granted to the underwriters a 45-day option to purchase from us up to an additional 15% of the shares of Class A common stock sold in the offering, solely to cover over-allotments, if any, at the initial public offering price, less the underwriting discounts.
Representative's warrants	We have agreed to issue to the representative of the several underwriters warrants to purchase the number of shares of Class A common stock in the aggregate equal to 5% of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering.
Use of proceeds	We expect to receive approximately $10.4 million of the net proceeds from this offering (assuming an initial public offering price of $4.50 per share of Class A common stock, which is the midpoint of the price range set forth on the cover of this prospectus) from the sale of the shares of Class A common stock offered by us (or approximately $12.1 million if the underwriters exercise in full their option to purchase additional shares of Class A common stock) after deducting underwriter discounts and commissions as set forth on page 101 of this prospectus and estimated offering expenses payable by us as set forth on page II-1 of this prospectus. Each $1.00 change in the assumed initial public offering price would change our net proceeds by approximately $2,503,000 after deducting estimated underwriting discounts and commissions. We will not receive any proceeds from the sale of the Selling Stockholder Shares by the Selling Stockholders, if any. We intend to use the net proceeds we receive from this offering to fund our expansion and development of new corporate-owned locations, expand our distribution capabilities, develop our franchise program and for other general corporate purposes. See "Use of Proceeds".

Voting rights	Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally. James Chae will hold all of the outstanding shares of our Class B common stock and will also hold 7,110,900 shares of our Class A common stock. Each share of Class B common stock will entitle its holder to 10 votes on all matters to be voted on by stockholders generally. Upon completion of this offering, we will be controlled by James Chae, which will hold approximately 78.7% of the combined voting power of our outstanding Class A common stock and Class B common stock, or approximately 77.2% if the underwriters exercise their option to an additional 15% of the shares of Class A common stock sold in the offering. Holders of our Class A common stock and Class B common stock will generally vote together as a single class, unless otherwise required by applicable law or our amended and restated certificate of incorporation. See "Description of Securities" for more information.
Conversion rights	Our Class B common stock is convertible as follows: ● at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis; ● all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total voting power of all the outstanding shares of capital stock of the Company; and ● at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.

Controlled company	Following this offering we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. See "Risk Factors—Risks Related to Our Organizational Structure" and "Management—Controlled Company."
Lock-up	We, all of our directors and officers and certain existing shareholders have agreed with the underwriters, subject to certain exceptions, not to sell, transfer or dispose of, directly or indirectly, any of our Class A common stock, Class B common stock or securities convertible into or exercisable or exchangeable for our Class A or Class B common stock for a period of 12 months after the date of the final prospectus. See "Underwriting" for more information.
Dividend policy	We do not anticipate paying any cash dividends to holders of our Class A common stock or Class B common stock in the foreseeable future. See "Dividend Policy" for additional information.

Risk factors	See "Risk Factors" for a discussion of factors that you should consider carefully before deciding whether to purchase shares of our securities.
Proposed Nasdaq Capital Market symbol	In connection with this offering, we have filed an application to list our shares of Class A common stock under the symbol "YOSH" on the Nasdaq Capital Market. The closing of this offering is contingent upon the successful listing of our common stock on the Nasdaq Capital Market.

The number of Class A common stock and Class B common stock to be outstanding after this offering is based on 9,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock outstanding as of , 2022.

Except as otherwise indicated, the number of Class A common stock and Class B common stock to be outstanding after this offering referred to above and all other information in this prospectus:

- assumes the effectiveness of our amended and restated certificate of incorporation included as an exhibit to the registration statement of which this prospectus forms a part, which we will adopt prior to the completion of this offering;
- assumes no exercise by the underwriters of their over-allotment option to purchase up to 412,500 additional shares of Class A common stock from us at an initial public offering price of $4.50 per share of Class A common stock, which represents the midpoint of the price range set forth on the cover of this prospectus;
- excludes 1,500,000 shares of Class A common stock reserved for issuance under the Yoshiharu Global Co. 2022 Equity Omnibus Incentive Plan; and
- excludes shares of common stock issuable upon the exercise of the representative's warrants.

SUMMARY HISTORICAL FINANCIAL AND OPERATING DATA

The following table summarizes our historical financial and operating data for the periods and as of the dates indicated. The statements of income data for the fiscal years ended December 31, 2020 and December 31, 2021 and the balance sheet data as of December 31, 2020 and December 31, 2021 have been derived from our audited financial statements included elsewhere in this prospectus. The statements of income data for the six months ended June 30, 2022 and 2021 and the balance sheet data as of June 30, 2022 have been derived from our unaudited interim financial statements included elsewhere in this prospectus. The financial data presented includes all normal and recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited financial statements and unaudited interim financial statements and the related notes included elsewhere in this prospectus.

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Revenue:				
Food and beverage	$ 6,536,859	$ 3,170,925	$ 3,973,690	$ 2,606,625
Total revenue	6,536,859	3,170,925	3,973,690	2,606,625
Restaurant operating expenses:				
Food, beverages and supplies	1,998,831	880,040	1,036,754	757,091
Labor	2,969,426	1,542,796	2,101,726	1,076,041
Rent and utilities	689,709	437,972	514,424	268,964
Delivery and service fees	525,638	222,723	259,707	253,348
Depreciation	138,665	114,478	464,873	62,517
Total restaurant operating expenses	6,322,269	3,198,009	4,377,484	2,417,961
Net operating restaurant operating income (loss)	214,590	(27,084)	(403,794)	188,664
Operating expenses:				
General and administrative	2,042,623	378,599	740,204	234,865
Advertising and marketing	31,952	30,054	40,583	1,998
Total operating expenses	2,074,575	408,653	780,787	236,863
Loss from operations	(1,859,985)	(435,737)	(1,184,581)	(48,199)

Other income (expense):				
PPP loan forgiveness	269,887	-	385,900	-
Other income	26,486	49,556	6,301	25,000
Interest	(52,224)	(51,590)	(40,994)	(30,906)
Total other income (expense)	244,149	(2,034)	351,207	(5,906)
Loss before income taxes	(1,615,836)	(437,771)	(833,374)	(54,105)
Income tax provision	14,649	12,357	7,040	6,609
Net loss	**$ (1,630,485)**	**$ (450,128)**	**$ (840,414)**	**$ (60,714)**
Loss per share:				
Basic and diluted	$ (0.35)	$ (0.35)	$ (0.09)	$ (0.02)
Weighted average number of common shares outstanding:				
Basic and diluted	4,714,172	1,278,973	9,450,900	3,204,525

	As of December 31,		*As of June 30,*
	2021	***2020***	***2022***
Cash	$ 1,087,102	$ -	$ 28,537
Total assets	$ 5,835,115	$ 3,014,424	$ 5,075,908
Total liabilities	$ 8,153,755	$ 4,385,804	$ 8,174,643
Total stockholders' deficit	$ (2,318,640)	$ (1,371,380)	$ (3,099,054)

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Key Financial and Operational Metrics				
Restaurants at the end of period	6	5	7	5
Average unit volumes (1)	$ 1,239,551	$ 904,745	$ N/A	$ N/A
Comparable restaurant sales growth (2)	63.4%	-29.3%	26.6%	41.9%
EBITDA (3)	(1,424,947)	(271,703)	(327,507)	39,318
Adjusted EBITDA (3)	(1,694,834)	(271,703)	(713,407)	39,318
as a percentage of sales	-25.9%	-8.6%	-18.0%	1.5%
Operating loss	(1,859,985)	(435,737)	(1,184,581)	(48,199)
Operating profit margin	-28.5%	-13.7%	-29.8%	-1.8%
Restaurant-level Contribution (3)	353,255	87,394	61,079	251,181
Restaurant-level Contribution Margin (3)	5.4%	2.8%	1.5%	9.6%

(1) Average Unit Volumes (AUVs) consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. The AUVs measure has been adjusted for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not shown on an interim basis for the six-months ended June 30, 2021 and 2022. See "Additional Financial Measures and Other Data" for the definition of AUVs.

(2) Comparable restaurant sales growth represents the change in year-over-year sales for restaurants open for at least 3 months prior to the start of the accounting period presented, including those temporarily closed for renovations during the year. The comparable restaurant sales growth measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to under performance.

(3) EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA:

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Net loss, as reported	$ (1,630,485)	$ (450,128)	$ (840,414)	$ (60,714)
Interest, net	52,224	51,590	40,994	30,906
Taxes	14,649	12,357	7,040	6,609
Depreciation and amortization	138,665	114,478	464,873	62,517
EBITDA	(1,424,947)	(271,703)	(327,507)	39,318
PPP loan forgiveness (a)	(269,887)	-	(385,900)	-
Adjusted EBITDA	$ (1,694,834)	$ (271,703)	$ (713,407)	$ 39,318

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

The following table presents a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution:

	Years Ended December 31,		Six Months Ended June 30,	
	2021	2020	2022	2021
Net restaurant operating income (loss), as reported	$ 214,590	$ (27,084)	$ (403,794)	$ 188,664
Depreciation and amortization	138,665	114,478	464,873	62,517
Restaurant-level Contribution	$ 353,255	$ 87,394	$ 61,079	$ 251,181
Operating profit margin	-28.5%	-13.70%	-29.8%	-1.8%
Restaurant-level Contribution Margin	5.4%	2.80%	1.5%	9.6%

RISK FACTORS

An investment in our Class A common stock, which we refer to in this prospectus as our "securities," involves a high degree of risk. You should carefully consider the risks and uncertainties described below before deciding whether to purchase shares of our Class A common stock. In assessing these risks, you should also refer to the other information contained in this prospectus, including our financial statements and related notes. If any of the risks described below actually occur, our business, financial condition or results of operations could be materially adversely affected. In any such case, the trading price of our Class A common stock could decline and you could lose all or part of your investment. The risks below are not the only risks we face. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial also may materially and adversely affect our business, properties, operating results or financial condition.

Risks Related to Our Business and Industry

Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets.

One of the key means of achieving our growth strategies will be through opening and operating new restaurants on a profitable basis for the foreseeable future. We opened one new restaurant in fiscal year 2020, and one new restaurant in fiscal year 2021, and one new restaurant in the first half of fiscal year 2022. We opened 1 new location in July 2022 and currently have 1 new location under construction/development, and we expect to open an additional 8 new restaurants (4 of which have been identified) in fiscal year 2022. We identify target markets where we can enter or expand, taking into account numerous factors such as the locations of our current restaurants, demographics, traffic patterns and information gathered from various sources. We may not be able to open our planned new restaurants within budget or on a timely basis, if at all, given the uncertainty of these factors, which could adversely affect our business, financial condition and results of operations. As we operate more restaurants, our rate of expansion relative to the size of our restaurant base will eventually decline.

The number and timing of new restaurants opened during any given period may be negatively impacted by a number of factors including, without limitation:

- identification and availability of locations with the appropriate size, traffic patterns, local retail and business attractions and infrastructure that will drive high levels of guest traffic and sales per unit;
- competition in existing and new markets, including competition for restaurant sites;
- the ability to negotiate suitable lease terms;
- the lack of development and overall decrease in commercial real estate due to a macroeconomic downturn;
- recruitment and training of qualified personnel in the local market;
- our ability to obtain all required governmental permits, including zonal approvals, on a timely basis;
- our ability to control construction and development costs of new restaurants;
- landlord delays;
- the proximity of potential sites to an existing restaurant, and the impact of cannibalization on future growth;
- anticipated commercial, residential and infrastructure development near our new restaurants; and
- the cost and availability of capital to fund construction costs and pre-opening costs.

Accordingly, we cannot assure you that we will be able to successfully expand as we may not correctly analyze the suitability of a location or anticipate all of the challenges imposed by expanding our operations. Our growth strategy, and the substantial investment associated with the development of each new restaurant, may cause our operating results to fluctuate and be unpredictable or adversely affect our business, financial condition or results of operations. If we are unable to expand in existing markets or penetrate new markets, our ability to increase our sales and profitability may be materially harmed or we may face losses.

Our restaurant base is geographically concentrated in California, and we could be negatively affected by conditions specific to California.

Adverse changes in demographic, unemployment, economic, regulatory or weather conditions in California have had, and may continue to have, material adverse effects on our business, financial condition or results of operations. As a result of our concentration in California, we have been, and in the future may be, disproportionately affected by adverse conditions in this specific market compared to other chain restaurants with a national footprint.

Our expansion into new markets may present increased risks due in part to our unfamiliarity with the areas and may make our future results unpredictable.

We have opened one new restaurant in fiscal year 2021, one new restaurant in the first quarter of 2022, one new restaurant in the third quarter of 2022, and we currently have 1 new location under construction/development. We plan to continue to increase the number of our restaurants in the next several years as part of our expansion strategy and expect to open an additional 8 new restaurants (4 of which have been identified) in 2022 by utilizing approximately 36.55% of the net proceeds of this offering. We may in the future open restaurants in markets where we have little or no operating experience. This growth strategy and the substantial investment associated with the development of each new restaurant may cause our operating results to fluctuate and be unpredictable or adversely affect our business, financial condition or results of operations. Restaurants we open in new markets may take longer to reach expected sales and profit levels on a consistent basis and may have higher construction, occupancy or operating costs than restaurants we open in existing markets, thereby affecting our overall profitability. New markets may have competitive conditions, consumer tastes and discretionary spending

patterns that are more difficult to predict or satisfy than our existing markets and there may be little or no market awareness of our brand in these new markets. We may need to make greater investments than we originally planned in advertising and promotional activity in new markets to build brand awareness. We also may find it more difficult in new markets to hire, motivate and keep qualified employees who share our vision, passion and business culture. If we do not successfully execute our plans to enter new markets, our business, financial condition or results of operations could be materially adversely affected.

New restaurants, once opened, may not be profitable, and the increases in average restaurant sales and comparable restaurant sales that we have experienced in the past may not be indicative of future results.

New restaurants may not be profitable and their sales performance may not follow historical patterns. In addition, our average restaurant sales and comparable restaurant sales may not increase at the rates achieved over the past several years. Our ability to operate new restaurants profitably and increase average restaurant sales and comparable restaurant sales will depend on many factors, some of which are beyond our control, including:

- consumer awareness and understanding of our brand;
- general economic conditions, which can affect restaurant traffic, local labor costs and prices we pay for the food products and other supplies we use;
- changes in consumer preferences and discretionary spending;
- competition, either from our competitors in the restaurant industry or our own restaurants;
- temporary and permanent site characteristics of new restaurants; and
- changes in government regulation.

If our new restaurants do not perform as planned, our business and future prospects could be harmed. In addition, if we are unable to achieve our expected average restaurant sales, our business, financial condition or results of operations could be adversely affected.

Our sales and profit growth could be adversely affected if comparable restaurant sales are less than we expect.

The level of comparable restaurant sales growth, which represents the change in year-over-year sales for restaurants open for at least 3 months, could affect our sales growth. Our ability to increase comparable restaurant sales depends in part on our ability to successfully implement our initiatives to build sales. It is possible such initiatives will not be successful, that we will not achieve our target comparable restaurant sales growth or that the change in comparable restaurant sales could be negative, which may cause a decrease in our profitability and would materially adversely affect our business, financial condition or results of operations. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Our failure to manage our growth effectively could harm our business and operating results.

Our growth plan includes opening new restaurants. Our existing restaurant management systems, financial and management controls and information systems may be inadequate to support our planned expansion. Managing our growth effectively will require us to continue to enhance these systems, procedures and controls and to hire, train and retain managers and team members. We may not respond quickly enough to the changing demands that our expansion will impose on our management, restaurant teams and existing infrastructure which could harm our business, financial condition or results of operations.

Our limited number of restaurants, the significant expense associated with opening new restaurants, and the unit volumes of our new restaurants makes us susceptible to significant fluctuations in our results of operations.

As of June 30, 2022 and the date of this prospectus, we operated 7 and 8 restaurants, respectively. We opened one new restaurant in fiscal year 2019 and one new restaurant in fiscal year 2020. We have opened one new restaurant in fiscal year 2021, one new restaurant in first quarter of 2022 and one new restaurant in the third quarter of 2022. We currently have 1 new location under construction/development, and we expect to open an additional 8 new restaurant stores (4 of which have been identified) in fiscal year 2022 by utilizing approximately 36.55% of the net proceeds of this offering. The capital resources required to develop each new restaurant are significant. On average, we estimate that our restaurants require a cash build-out cost of approximately $350,000-$550,000 per restaurant, net of landlord tenant improvement allowances and pre-opening costs and assuming that we do not purchase the underlying real estate. Actual costs may vary significantly depending upon a variety of factors, including the site and size of the restaurant and conditions in the local real estate and labor markets. The combination of our relatively small number of existing restaurants, the significant investment associated with each new restaurant, variance in the operating results in any one restaurant, or a delay or cancellation in the planned opening of a restaurant could materially affect our business, financial condition or results of operations.

A decline in visitors to any of the retail centers, shopping malls, lifestyle centers, or entertainment centers where our restaurants are located could negatively affect our restaurant sales.

Our restaurants are primarily located in high-activity areas such as retail centers, shopping malls, lifestyle centers, and entertainment centers. We depend on high visitor rates at these centers to attract guests to our restaurants. Factors that may result in declining visitor rates include economic or political conditions, anchor tenants closing in retail centers or shopping malls in which we operate, changes in consumer preferences or shopping patterns, changes in discretionary consumer spending, increasing petroleum prices, or other factors, which may adversely affect our business, financial condition or results of operations.

We have incurred operating losses and may not be profitable in the future. Our plans to maintain and increase liquidity may not be successful. The report of the independent registered public accounting firm includes a going concern uncertainty explanatory paragraph.

We incurred a net loss of $840,414 for the six months ended June 30, 2022 and had an accumulated deficit of $3,653,456 and cash of $28,537 on June 30, 2022. We incurred a net loss of $1.6 million for the year ended December 31, 2021 and cash of $1.1 million on December 31, 2021. These factors raise substantial doubt as to our ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated May 27, 2022. The Company currently generates its cash flow through its operating profit, sales of common shares and borrowings from banks. The Company also had cash flow from operations of $194,143 for the year ended December 31, 2021 and $133,944 for the year ended December 31, 2020. As of the date of this prospectus, the Company has not experienced any difficulty in raising funds through bank loans, and has not experienced any liquidity problems in settling payables in the normal course of business and repaying bank loans when they fall due. Successful renewal of our bank loans, however, is subject to numerous risks and uncertainties. In addition, the increasingly competitive industry conditions under which we operate have negatively impacted our results of operations and cash flows and may continue to do so in the future. These factors raise substantial doubt about our ability to continue as a going concern.

We depend on our senior management team and other key employees, and the loss of one or more key personnel or an inability to attract, hire, integrate and retain highly skilled personnel could have an adverse effect on our business, financial condition or results of operations.

Our success depends largely upon the continued services of our key executives, including James Chae. We also rely on our leadership team in setting our strategic direction, operating our business, identifying, recruiting and training key personnel, identifying expansion opportunities, arranging necessary financing, and for general and administrative

functions. From time to time, there may be changes in our executive management team resulting from the hiring or departure of executives, which could disrupt our business. The loss or replacement of one or more of our executive officers or other key employees could have a serious adverse effect on our business, financial condition or results of operations.

To continue to execute our growth strategy, we also must identify, hire and retain highly skilled personnel. We might not be successful in continuing to attract and retain qualified personnel. Failure to identify, hire and retain necessary key personnel could have a material adverse effect on our business, financial condition or results of operations.

Opening new restaurants in existing markets may negatively affect sales at our existing restaurants.

The consumer target area of our restaurants varies by location, depending on a number of factors, including population density, other local retail and business attractions, area demographics and geography. As a result, the opening of a new restaurant in or near markets in which we already have restaurants could adversely affect the sales of these existing restaurants and thereby adversely affect our business, financial condition or results of operations. Existing restaurants could also make it more difficult to build our consumer base for a new restaurant in the same market. Our core business strategy does not entail opening new restaurants that we believe will materially affect sales at our existing restaurants, but we may selectively open new restaurants in and around areas of existing restaurants that are operating at or near capacity to effectively serve our guests. Sales cannibalization between our restaurants may become significant in the future as we continue to expand our operations and could affect our sales growth, which could, in turn, materially adversely affect our business, financial condition or results of operations.

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. Additionally, our franchise partners' interests may conflict or diverge with our interests in the future, which could have a negative impact on our business.

As we grow, we will depend on the financial success and cooperation of our future franchise partners for our success. Our franchise partners will be independent business operators and will not be our employees, and as such we have limited control over how our franchise partners will run their businesses, and their inability to operate successfully could adversely affect our operating results.

We will receive royalties, franchise fees, contributions to our marketing development fund, and other fees from our franchise partners. Additionally, we will sell proprietary products to our franchise partners at a markup over our cost to produce. We expect to establish operational standards and guidelines for our franchise partners; however, we will have limited control over how our franchise partners' businesses are run, including day to day operations. Even with these operation standards and guidelines, the quality of franchised stores may be diminished by any number of factors beyond our control. Consequently, our franchise partners may not successfully operate stores in a manner consistent with our standards and requirements, such as quality, service and cleanliness, or may not hire and train qualified store managers and other store personnel or may not implement marketing programs and major initiatives such as store remodels or equipment or technology upgrades, which may require financial investment. Even if such unsuccessful operations do not rise to the level of breaching the related franchise documents, they may be attributed by customers to our brand and could have a negative impact on our business.

Our franchise partners may not be able to secure adequate financing to open or continue operating their stores. If they incur too much debt or if economic or sales trends deteriorate such that they are unable to repay existing debt, our franchise partners could experience financial distress or even bankruptcy. If a significant number of our franchise partners were to become financially distressed, it could harm our operating results through reduced royalty revenue, marketing fees, and proprietary product sales and the impact on our profitability could be greater than the percentage decrease in these revenue streams.

While we are responsible for ensuring the success of our entire system of stores and for taking a longer term view with respect to system improvements, our franchise partners will have individual business strategies and objectives, which might conflict with our interests. Our future franchise partners may from time to time disagree with us and our strategies and objectives regarding the business or our interpretation of our respective rights and obligations under the franchise agreement and the terms and conditions of the franchise partner relationship. This may lead to disputes with our franchise partners and we expect such disputes to occur from time to time in the future. Such disputes may result in legal action against us. To the extent we have such disputes, the attention, time and financial resources of our management and our future franchise partners will be diverted from our stores, which could harm our business even if we have a successful outcome in the dispute.

Actions or omissions by our future franchise partners in violation of various laws may be attributed to us or result in negative publicity that affects our overall brand image, which may decrease consumer demand for our products. Franchise partners may engage in online activity via social media or activity in their personal lives that negatively impacts public perception of our franchise partners' or our operations or our brand as a whole. This activity may negatively affect franchise partners' sales and in turn impact our revenue.

In addition, various state and federal laws govern our relationship with our future franchise partners and our potential sale of a franchise. A future franchise partner and/or a government agency may bring legal action against us based on the franchisee/franchisor relationships that could result in the award of damages to a franchise partner and/or the imposition of fines or other penalties against us.

Operating results at our restaurants could be significantly affected by competition in the restaurant industry in general and, in particular, within the dining segments of the restaurant industry in which we compete.

We face significant competition from a variety of restaurants offering both Asian and non-Asian cuisine, as well as takeout offerings from grocery stores and other outlets where Asian food is sold. These segments are highly competitive with respect to, among other things, product quality, dining experience, ambience, location, convenience, value perception, and price. Our competition continues to intensify as competitors increase the breadth and depth of their product offerings and open new locations. These competitors may have, among other things, chefs who are widely known to the public that may generate more notoriety for those competitors as compared to our brand. We also compete with many restaurant and retail establishments for site locations and restaurant-level employees.

Several of our competitors offering Asian and related choices may look to compete with us on price, quality and service. Any of these competitive factors may materially adversely affect our business, financial condition or results of operations.

Negative publicity relating to one of our restaurants could reduce sales at some or all of our other restaurants.

Our success is dependent in part upon our ability to maintain and enhance the value of our brand and consumers' connection to our brand. We may, from time to time, be faced with negative publicity relating to food quality, restaurant facilities, guest complaints or litigation alleging illness or injury, health inspection scores, integrity of our or our suppliers' food processing, employee relationships or other matters, regardless of whether the allegations are valid or whether we are held to be responsible. The negative impact of adverse publicity relating to one restaurant may extend far beyond the restaurant involved to affect some or all of our other restaurants, thereby causing an adverse effect on our business, financial condition or results of operations. A similar risk exists with respect to unrelated food service businesses, if consumers associate those businesses with our own operations.

The considerable expansion in the use of social media over recent years can further amplify any negative publicity that could be generated by such incidents. Many social media platforms immediately publish the content their subscribers and participants post, often without filters or checks on accuracy of the content posted. Information posted on such

platforms may be adverse to our interests and/or may be inaccurate. The dissemination of inaccurate or irresponsible information online could harm our business, reputation, prospects, financial condition, or results of operations, regardless of the information's accuracy. The damage may be immediate without affording us an opportunity for redress or correction.

Additionally, employee claims against us based on, among other things, wage and hour violations, discrimination, harassment or wrongful termination may also create negative publicity that could adversely affect us and divert our financial and management resources that would otherwise be used to benefit the future performance of our operations. A significant increase in the number of these claims or an increase in the number of successful claims could materially adversely affect our business, financial condition or results of operations. Consumer demand for our restaurants and our brand's value could diminish significantly if any such incidents or other matters create negative publicity or otherwise erode consumer confidence in us or our restaurants, which would likely result in lower sales and could materially adversely affect our business, financial condition or results of operations.

Food safety and foodborne illness concerns could have an adverse effect on our business, financial condition or results of operations.

We cannot guarantee that our internal controls and training will be fully effective in preventing all food safety issues at our restaurants, including any occurrences of foodborne illnesses such as salmonella, E. coli and hepatitis A. In addition, there is no guarantee that our restaurant locations will maintain the high levels of internal controls and training we require at our restaurants. Furthermore, we rely on third-party vendors, making it difficult to monitor food safety compliance and increasing the risk that foodborne illness would affect multiple locations rather than a single restaurant. Some foodborne illness incidents could be caused by third-party vendors and transporters outside of our control. New illnesses resistant to our current precautions may develop in the future, or diseases with long incubation periods could arise, that could give rise to claims or allegations on a retroactive basis. One or more instances of foodborne illness in any of our restaurants or markets or related to food products we sell could negatively affect our restaurant sales nationwide if highly publicized on national media outlets or through social media. This risk exists even if it were later determined that the illness was wrongly attributed to us or one of our restaurants. A number of other restaurant chains have experienced incidents related to foodborne illnesses that have had a material adverse effect on their operations. The occurrence of a similar incident at one or more of our restaurants, or negative publicity or public speculation about an incident, could materially adversely affect our business, financial condition or results of operations.

Governmental regulation may adversely affect our ability to open new restaurants or otherwise adversely affect our business, financial condition or results of operations.

We are subject to various federal, state and local regulations. Our restaurants are subject to state and local licensing and regulation by health, alcoholic beverage, sanitation, food and occupational safety and other agencies. We may experience material difficulties or failures in obtaining the necessary licenses, approvals or permits for our restaurants, which could delay planned restaurant openings or affect the operations at our existing restaurants. In addition, stringent and varied requirements of local regulators with respect to zoning, land use and environmental factors could delay or prevent development of new restaurants in particular locations.

We are subject to the U.S. Americans with Disabilities Act and similar state laws that give civil rights protections to individuals with disabilities in the context of employment, public accommodations and other areas, including our restaurants. We may in the future have to modify restaurants, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. The expenses associated with these modifications could be material.

Our operations are also subject to the U.S. Occupational Safety and Health Act, which governs worker health and safety, the U.S. Fair Labor Standards Act, which governs such matters as minimum wages and overtime, and a variety of similar federal, state and local laws that govern these and other employment law matters. In addition, federal, state and local proposals related to paid sick leave or similar matters could, if implemented, materially adversely affect our business, financial condition or results of operations.

We rely significantly on certain vendors and suppliers, which could adversely affect our business, financial condition or results of operations.

Our ability to maintain consistent price and quality throughout our restaurants depends in part upon our ability to acquire specified food products and supplies in sufficient quantities from third-party vendors and suppliers at a reasonable cost. We do not control the businesses of our vendors and suppliers and our efforts to specify and monitor the standards under which they perform may not be successful. Furthermore, certain food items are perishable, and we have limited control over whether these items will be delivered to us in appropriate condition for use in our restaurants. If any of our vendors or other suppliers are unable to fulfill their obligations to our standards, or if we are unable to find replacement providers in the event of a supply or service disruption, we could encounter supply shortages and incur higher costs to secure adequate supplies, which could materially adversely affect our business, financial condition or results of operations.

In addition, we use various third-party vendors to provide, support and maintain most of our management information systems. We also outsource certain accounting, payroll and human resource functions to business process service providers. The failure of such vendors to fulfill their obligations could disrupt our operations. Additionally, any changes we may make to the services we obtain from our vendors, or new vendors we employ, may disrupt our operations. These disruptions could materially adversely affect our business, financial condition or results of operations.

Continued supply chain disruptions and other forces beyond our control, and resulting changesin food and supply costs have and could continue to adversely affect our business, financial condition or results of operations.

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs, especially in light of recent supply chain disruptions. We believe we have experienced higher costs due to increased commodity prices and challenges sourcing our supplies due in part to global supply chain disruptions. For example, we believe that the cost of certain essential supplies (i.e. gloves and canola oil) has increased as a result of lower supply attributable to supply chain disruptions. Shortages or interruptions in the availability of certain supplies caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions beyond our control could also adversely affect the availability, quality and cost of our ingredients, which could harm our operations. Although historically and as of the date of this prospectus global supply chain disruptions have not materially adversely affected our business, a substantial increase in the cost of, or inability to procure, the food products most critical to our menu, such as canola oil, rice, meats, fish and other seafood, as well as fresh vegetables, could materially and adversely affect our business, financial condition or results from operations. Although we try to manage the impact that these fluctuations have on our operating results by, for example, diversifying our suppliers, we remain susceptible to continued increases in food and other essential supply costs as a result of factors beyond our control, such as the current supply chain interruptions, general economic conditions, seasonal fluctuations, weather conditions, demand, food safety concerns, generalized infectious diseases, product recalls and government regulations.

If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are disrupted for any reason, our business, financial condition, results of operations or cash flows could be adversely affected. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. In addition, because we provide moderately priced food, we may choose not to, or may be unable to, pass along commodity price increases to consumers. These potential changes in food and supply costs could materially adversely affect our business, financial condition or results of operations.

Our operations may be subject to the effects of a rising rate of inflation which may adversely impact our financial condition and results of operations.

Inflation in the United States began to rise significantly in the second half of the calendar year 2021. This is primarily believed to be the result of the economic impacts from the COVID-19 pandemic, including the global supply chain disruptions, strong economic recovery and associated widespread demand for goods, government stimulus packages and the impacts of the many government programs which has resulted in increases to the money supply as well to fund some of these programs and the associated spending to fund them which has created large government deficits in almost every jurisdiction. Global supply chain disruptions have resulted in shortages in materials and services. Such shortages have resulted in inflationary cost increases for labor, materials, and services, and could continue to cause costs to increase as well as scarcity of certain products. In addition, inflation is often accompanied by higher interest rates. The impact of COVID-19 may increase uncertainty in the global financial markets, as well as the possibility of high inflation and extended economic downturn, which could reduce our ability to incur debt or access capital and impact our results of operations and financial condition even after these conditions improve.

We are experiencing inflationary pressures in certain areas of our business, including with respect to food and beverage costs, energy costs and labor costs, however, we cannot predict any future trends in the rate of inflation or associated increases in our operating costs and how that may impact our business. Historically and as of the date hereof, inflation has not had a material effect on our results of operations. Severe increases in inflation, however, could affect the global and U.S. economies and could have a materially adverse impact on our business, financial condition or results of operations. Furthermore, future volatile, negative, or uncertain economic conditions and recessionary periods or periods of significant inflation may adversely impact consumer spending at our restaurants, which would materially adversely affect our business, financial condition and results of operations. Such effects can be especially pronounced during periods of economic contraction or slow economic growth. To the extent that we are unable to offset such cost inflation through increased menu prices or increased efficiencies in our operations and cost savings, there could be a negative impact on the our business, sales and margin performance, net income, cash flows and the trading price of our common shares.

Failure to receive frequent deliveries of fresh food ingredients and other supplies could harm our business, financial condition or results of operations.

Our ability to maintain our menu depends in part on our ability to acquire ingredients that meet our specifications from reliable suppliers. To date, notwithstanding the current supply chain disruptions which we believe have attributed to increased costs, deliveries have been consistent and not a source of material disruption to our business. However, shortages or interruptions in the supply of ingredients caused by unanticipated demand, problems in production or distribution, food contamination, inclement weather or other conditions could adversely affect the availability and quality of our ingredients in the future, which could harm our business, financial condition or results of operations. If any of our distributors or suppliers performs inadequately, or our distribution or supply relationships are materially disrupted for any reason, our business, financial condition or results of operations could be adversely affected. If we cannot replace or engage distributors or suppliers who meet our specifications in a short period of time, that could increase our expenses and cause shortages of food and other items at our restaurants, which could cause a restaurant to remove items from its menu. If that were to happen, affected restaurants could experience significant reductions in sales during the shortage or thereafter, if guests change their dining habits as a result. This reduction in sales could materially adversely affect our business, financial condition or results of operations.

In addition, our approach to competing in the restaurant industry depends in large part on our continued ability to provide authentic and traditional Japanese cuisine that is free from artificial ingredients. As we increase our use of these ingredients, the ability of our suppliers to expand output or otherwise increase their supplies to meet our needs may be constrained. We could face difficulties to obtain a sufficient and consistent supply of these ingredients on a cost-effective basis.

Labor disputes may disrupt our operations and affect our profitability, thereby causing a material adverse effect on our business, financial condition or results of operations.

As an employer, we are presently, and may in the future be, subject to various employment-related claims, such as individual or class actions or government enforcement actions relating to alleged employment discrimination, employee classification and related withholding, wage-hour, labor standards or healthcare and benefit issues. Any future actions if brought against us and successful in whole or in part, may affect our ability to compete or could materially adversely affect our business, financial condition or results of operations.

The minimum wage, particularly in California, continues to increase and is subject to factors outside of our control.

We have a substantial number of hourly employees who are paid wage rates based on the applicable federal or state minimum wage. Since January 1, 2022, the State of California has a minimum wage of $15.00 per hour. Moreover, municipalities may set minimum wages above the applicable state standards, including in the municipalities in which we operate.

The federal minimum wage has been $7.25 per hour since July 24, 2009. Any of federally-mandated, state-mandated or municipality-mandated minimum wages may be raised in the future which could have a materially adverse effect on our business, financial condition or results of operations. If menu prices are increased by us to cover increased labor costs, the higher prices could adversely affect sales and thereby reduce our margins and adversely affect our business, financial condition or results of operations.

Changes in employment laws may adversely affect our business, financial condition, results of operations or cash flow.

Various federal and state labor laws govern the relationship with our employees and affect operating costs. These laws include employee classification as exempt/non-exempt for overtime and other purposes, minimum wage requirements, tips and gratuity payments, unemployment tax rates, workers' compensation rates, immigration status and other wage and benefit requirements. Significant additional government-imposed increases in the following areas could materially affect our business, financial condition, operating results or cash flow:

- minimum wages;
- tips and gratuities;
- mandatory health benefits;
- vacation accruals;
- paid leaves of absence, including paid sick leave; and
- tax reporting.

If we face labor shortages, increased labor costs or unionization activities, our growth, business, financial condition and operating results could be adversely affected.

Labor is a primary component in the cost of operating our restaurants. We are currently experiencing labor shortages which is a risk that we share with our competitors. Availability of qualified employees is scarce. Additionally, labor costs have increased due to recent minimum wage increases in California and the fact that we employ fewer employees who are working extended hours and therefore we are experiencing an increase of overtime payable to such employees, If we continue to face labor shortages or increased labor costs because of these factors or as a result of increased competition for employees, higher employee turnover rates, additional increases in federal, state or local minimum wage rates or other employee benefits costs (including costs associated with health insurance coverage), our operating expenses could increase and our growth could be adversely affected. In addition, our success depends in part upon our ability to attract, motivate and retain a sufficient number of well-qualified restaurant operators and management personnel, as well as a sufficient number of other qualified employees, to keep pace with our expansion schedule. Qualified individuals needed to fill these positions are in short supply in some geographic areas. In addition, restaurants have traditionally experienced relatively high employee turnover rates. We are experiencing

problems in recruiting and retaining employees, and our ability to recruit and retain such individuals may delay the planned openings of new restaurants or result in higher employee turnover in existing restaurants, which could have a material adverse effect on our business, financial condition or results of operations.

If we are unable to recruit and retain sufficiently qualified individuals, our business and our growth could be adversely affected, thereby adversely affecting or business, financial condition or results of operations. Competition for these employees could require us to pay higher wages, which could result in higher labor costs. In addition, additional increases in the minimum wage would increase our labor costs. Additionally, costs associated with workers' compensation are rising, and these costs may continue to rise in the future. We may be unable to increase our menu prices in order to pass these increased labor costs on to consumers, in which case our margins would be negatively affected, which could materially adversely affect our business, financial condition or results of operations.

Although none of our employees are currently covered under collective bargaining agreements, our employees may elect to be represented by labor unions in the future. If a significant number of our employees were to become unionized and collective bargaining agreement terms were significantly different from our current compensation arrangements, it could adversely affect our business, financial condition or results of operations.

Our business could be adversely affected by a failure to obtain visas or work permits or to properly verify the employment eligibility of our employees.

Although we require all workers to provide us with government-specified documentation evidencing their employment eligibility, some of our employees may, without our knowledge, be unauthorized workers. Unauthorized workers are subject to deportation and may subject us to fines or penalties, and if any of our workers are found to be unauthorized, we could experience adverse publicity that may negatively impact our brand and may make it more difficult to hire and keep qualified employees. Termination of a significant number of employees who are unauthorized employees may disrupt our operations, cause temporary increases in our labor costs as we train new employees and result in adverse publicity. We could also become subject to fines, penalties and other costs related to claims that we did not fully comply with all recordkeeping obligations of federal and state immigration compliance laws. These factors could materially adversely affect our business, financial condition or results of operations.

Compliance with environmental laws may negatively affect our business.

We are subject to federal, state and local laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, and exposure to, hazardous or toxic substances. These environmental laws provide for significant fines and penalties for noncompliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of hazardous toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such hazardous or toxic substances at, on or from our restaurants. Environmental conditions relating to releases of hazardous substances at prior, existing or future restaurant sites could materially adversely affect our business, financial condition or results of operations. Further, environmental laws, and the administration, interpretation and enforcement thereof, are subject to change and may become more stringent in the future, each of which could materially adversely affect our business, financial condition or results of operations.

Changes in economic conditions could materially affect our ability to maintain or increase sales at our restaurants or open new restaurants.

The restaurant industry depends on consumer discretionary spending. The United States in general or the specific markets in which we operate may suffer from depressed economic activity, recessionary economic cycles, higher fuel or energy costs, low consumer confidence, high levels of unemployment, reduced home values, increases in home foreclosures, investment losses, personal bankruptcies, reduced access to credit or other economic factors that may affect consumers' discretionary spending. Sales in our restaurants could decline if consumers choose to dine out less frequently or reduce the amount they spend on meals while dining out. Negative economic conditions might cause consumers to make long-term changes to their discretionary spending behavior, including dining out less frequently on a permanent basis. If restaurant sales decrease, our profitability could decline as we spread fixed costs across a lower level of sales. Reductions in staff levels, asset impairment charges and potential restaurant closures could result from prolonged negative restaurant sales, which could materially adversely affect our business, financial condition or results of operations.

New information or attitudes regarding diet and health could result in changes in regulations and consumer consumption habits that could adversely affect our business, financial condition or results of operations.

Changes in attitudes regarding diet and health or new information regarding the adverse health effects of consuming certain foods could result in changes in government regulation and consumer eating habits that may impact our business, financial condition or results of operations. These changes have resulted in, and may continue to result in, laws and regulations requiring us to disclose the nutritional content of our food offerings, and they have resulted in, and may continue to result in, laws and regulations affecting permissible ingredients and menu offerings. For example, a number of jurisdictions have enacted menu labeling laws requiring multi-unit restaurant operators to disclose to consumers certain nutritional information, or have enacted legislation restricting the use of certain types of ingredients in restaurants. These requirements may be different or inconsistent with requirements we are subject to under the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act, collectively, the "ACA," which establishes a uniform, federal requirement for certain restaurants to post nutritional information on their menus. Specifically, the ACA requires chain restaurants with 20 or more locations operating under the same name and offering substantially the same menus to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. The ACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information upon request. Unfavorable publicity about, or guests' reactions to, our menu ingredients, the size of our portions or the nutritional content of our menu items could negatively influence the demand for our offerings, thereby adversely affecting our business, financial condition or results of operations.

Compliance with current and future laws and regulations regarding the ingredients and nutritional content of our menu items may be costly and time-consuming. Additionally, if consumer health regulations or consumer eating habits change significantly, we may be required to modify or discontinue certain menu items, and we may experience higher costs associated with the implementation of those changes, as well as adversely affect the attractiveness of our restaurants to new or returning guests. We cannot predict the impact of any new nutrition labeling requirements. The risks and costs associated with nutritional disclosures on our menus could also impact our operations, particularly given differences among applicable legal requirements and practices within the restaurant industry with respect to testing and disclosure, ordinary variations in food preparation among our own restaurants, and the need to rely on the accuracy and completeness of nutritional information obtained from third-party suppliers.

We may not be able to effectively respond to changes in consumer health perceptions or successfully implement the nutrient content disclosure requirements and to adapt our menu offerings to trends in eating habits. The imposition of menu labeling laws and an inability to keep up with consumer eating habits could materially adversely affect our business, financial condition or results of operations, as well as our position within the restaurant industry in general.

Failure to comply with antibribery or anticorruption laws could adversely affect our reputation, business, financial condition or results of operations.

The U.S. Foreign Corrupt Practices Act and other similar applicable laws prohibiting bribery of government officials and other corrupt practices are the subject of increasing emphasis and enforcement around the world. Although we have implemented policies and procedures designed to promote compliance with these laws, there can be no assurance that our employees, contractors, agents, or other third parties will not take actions in violation of our policies or applicable law. Any such violations or suspected violations could subject us to civil or criminal penalties, including substantial fines and significant investigation costs, and could also materially damage our reputation, brands,

international expansion efforts and growth prospects, business, financial condition and results of operations. Publicity relating to any noncompliance or alleged noncompliance could also harm our reputation and adversely affect our business, financial condition or results of operations.

We may need capital in the future, and we may not be able to raise that capital on favorable terms.

Developing our business will require significant capital in the future. To meet our capital needs, we expect to rely on equipment financing and facility improvements, cash flows from operations, the proceeds from this offering, future offerings and other third-party financing. Third-party financing in the future may not, however, be available on terms favorable to us, or at all. Our ability to obtain additional funding will be subject to various factors, including market conditions, our operating performance, lender sentiment. These factors may make the timing, amount, or terms and conditions of additional financings unattractive. Our inability to raise capital could impede our growth and could materially adversely affect our business, financial condition or results of operations.

The Company, from time to time, has received borrowings from a related party controlled by James Chae, the Company's Chairman and Chief Executive Officer, which may become repayable on demand. Any unexpected calls for repayment of a significant amount of such borrowings may adversely affect our business.

The Company, from time to time, has received unsecured borrowings from James Chae and his affiliate APIIS Financial, Inc., a company 100% owned and controlled by our Chairman and Chief Executive Officer, Mr. Chae, which is unsecured, non-interest bearing, and is repayable on demand. As of December 31, 2021 and December 31, 2020, the balance was $1,383,213 and $911,411, respectively. If James Chae or his affiliate APIIS Financial, Inc. chooses to call for repayment of a significant of such borrowings, the Company may be unable to procure the cash necessary and may need to liquidate some of its assets in order to make such payment, which may adversely impact our operations. Any failure to service such indebtedness or comply with any such obligations may also cause us to incur legal fees if lender brings an action for breach of contract, or otherwise adversely affect our business, financial condition, results of operation and prospects.

We are subject to all of the risks associated with leasing space subject to long-term non-cancelable leases.

We do not own any real property. Payments under our operating leases account for a significant portion of our operating expenses and we expect the new restaurants we open in the future will similarly be leased. The majority of our operating leases have lease terms of 10 years, inclusive of customary extensions which are at the option of the Company. Most of our leases require a fixed annual rent which generally increases each year, and some require the payment of additional rent if restaurant sales exceed a negotiated amount. Generally, our leases are "net" leases, which require us to pay all of the cost of insurance, taxes, maintenance and utilities. We generally cannot cancel these leases. Additional sites that we lease are likely to be subject to similar long-term non-cancelable leases. If an existing or future restaurant is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. In addition, as each of our leases expires, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close restaurants in desirable locations. If we fail to negotiate renewals, we may have to dispose of assets at such restaurant locations and incur closure costs as well as impairment of property and equipment. Furthermore, if we fail to negotiate renewals, we may incur additional costs associated with moving transferable furniture, fixtures and equipment. These potential increased occupancy and moving costs, as well as closures of restaurants, could materially adversely affect our business, financial condition or results of operations.

Macroeconomic conditions, including economic downturns, may cause landlords of our leases to be unable to obtain financing or remain in good standing under their existing financing arrangements, resulting in failures to pay required tenant improvement allowances or satisfy other lease covenants to us. In addition, tenants at shopping centers in which we are located or have executed leases, or to which our locations are near, may fail to open or may cease operations. Decreases in total tenant occupancy in shopping centers in which we are located, or to which our locations are near, may affect traffic at our restaurants. All of these factors could have a material adverse impact on our business, financial condition or results of operations.

Delays In Obtaining Construction Permits Can Have A Material Adverse Effect on Our Business.

We typically are able to negotiate approximately 6 months to complete a construction/development of our stores before we have to make our first lease payment. Construction/development of a new restaurant takes approximately 3 - 6 months once construction permits (e.g., Health and City) are issued. Prior to the COVID-19 pandemic, permits took approximately 2 months to obtain. During the pandemic and continuing as of the date of this prospectus, construction permits have been significantly delayed, causing us to incur lease payments prior to the opening of such locations, which means prior to the generation of any revenues from such stores. A delay in construction permits has had a direct impact on our ability to open our 3 stores currently under construction/development. We are also making lease payments on all 3 of such stores. There can be no assurance that construction permits will be timely obtained on future stores, or that they will ever be obtained (including with respect to the 3 stores under construction/development). There is also no assurance that we can successfully negotiate an abatement on any of our existing non-cancelable leases to alleviate such costs, or that we will have the leverage to negotiate longer periods before the first rental payment is required to be made on future leases. A significant increase in lease payments prior to opening our stores could have a material adverse effect on our profitability and growth potential, since increased lease costs could cause us to divert cash away from opening new stores. If we are unable to open new stores, we could be forced to cease operations.

We may become involved in lawsuits involving Yoshiharu Holdings Co. as the owner of intellectual property, or us as a licensee of intellectual property from Yoshiharu Holdings Co., to protect or enforce intellectual property rights, which could be expensive, time consuming, and unsuccessful.

Third parties may sue Yoshiharu Holdings Co., our wholly owned subsidiary, or us for alleged infringement of their proprietary rights. The party claiming infringement might have greater resources than we do to pursue its claims, and we could be forced to incur substantial costs and devote significant management resources to defend against such litigation, even if the claims are meritless and even if we ultimately prevail. If the party claiming infringement were to prevail, we could be forced to pay significant damages, or enter into expensive royalty or licensing arrangements with the prevailing party. In addition, any payments we are required to make, and any injunction we are required to comply with as a result of such infringement, could harm our reputation and our business, financial condition or results of operations.

Infringements on Yoshiharu Holdings Co.'s intellectual property rights, including Yoshiharu Holdings Co.'s service marks and trade secrets, could result in additional expense and could devalue our brand equity, as well as substantially affect our business, financial condition or results of operations.

Other parties may infringe on our intellectual property rights, including those which we develop or otherwise license to use, and may thereby dilute our brand in the marketplace. Any such infringement of our intellectual property rights would also likely result in a commitment of our time and resources to protect these rights through litigation or otherwise.

Our business prospects depend in part on our ability to develop favorable consumer recognition of the Yoshiharu name. Although the "YOSHIHARU RAMEN" word and design marks are federally registered marks owned by Yoshiharu Holdings Co., such marks could be imitated in ways that we or Yoshiharu Holdings Co. cannot prevent. Alternatively, third parties may attempt to cause us to change our name or not operate in a certain geographic region if our name is confusingly similar to their name. In addition, we rely on trade secrets, proprietary know-how, concepts, and recipes, some of which we license from Yoshiharu Holdings Co. Our methods or Yoshiharu Holdings Co.'s methods of protecting this information may not be adequate. Moreover, we or Yoshiharu Holdings Co. may face claims of misappropriation or infringement of third parties' rights that could interfere with our use of this information. Defending these claims may be costly and, if unsuccessful, may prevent us from continuing to use this proprietary information in the future, and may result in a judgment or monetary damages. We do not maintain confidentiality and non-competition agreements with all of our executives, key personnel, or suppliers. If competitors independently develop or otherwise obtain access to the trade secrets, proprietary know-how, concepts, or recipes we rely upon to operate our restaurants, some of which we license from Yoshiharu Holdings Co., the appeal of our restaurants could be significantly reduced and our business, financial condition or results of operations could be adversely affected.

A breach of security of confidential consumer information related to our electronic processing of credit and debit card transactions, as well as a breach of security of our employee information, could substantially affect our reputation, business, financial condition of results of operations.

The majority of our restaurant sales are by credit or debit cards. Other restaurants and retailers have experienced security breaches in which credit and debit card information has been stolen. We may in the future become subject to claims for purportedly fraudulent transactions arising out of the actual or alleged theft of credit or debit card information, and we may also be subject to lawsuits or other proceedings relating to these types of incidents. We may ultimately be held liable for the unauthorized use of a cardholder's card number in an illegal activity and be required by card issuers to pay charge-back fees. In addition, most states have enacted legislation requiring notification of security breaches involving personal information, including credit and debit card information. Any such claim or proceeding could cause us to incur significant unplanned expenses, which could have an adverse impact on our business, financial condition or results of operations. Further, adverse publicity resulting from these allegations may have a material adverse effect on us and could substantially affect our reputation and business, financial condition or results of operations.

In addition, our business requires the collection, transmission and retention of large volumes of guest and employee data, including personally identifiable information, in various information technology systems that we maintain and in those maintained by third parties with whom we contract to provide services. The collection and use of such information is regulated at the federal and state levels, as well as at the international level, in which regulatory requirements have been increasing. As our environment continues to evolve in the digital age and reliance upon new technologies becomes more prevalent, it is imperative we secure the privacy and sensitive information we collect. Failure to do so, whether through fault of our own information systems or those of outsourced third-party providers, could not only cause us to fail to comply with these laws and regulations, but also could cause us to face litigation and penalties that could adversely affect our business, financial condition or results of operations. Our brand's reputation and image as an employer could also be harmed by these types of security breaches or regulatory violations.

We rely significantly on information technology, and any material failure, weakness, interruption or breach of security could prevent us from effectively operating our business.

We rely significantly on information systems, including point-of-sale processing in our restaurants for management of our supply chain, payment of obligations, collection of cash, credit and debit card transactions and other processes and procedures. Our ability to efficiently and effectively manage our business depends significantly on the reliability and capacity of these systems. Failures of these systems to operate effectively, maintenance problems, upgrading or transitioning to new platforms, or a breach in security of these systems could result in delays in customer service and reduce efficiency in our operations. Remediation of such problems could result in significant, unplanned capital investments.

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 incur costs and expend other resources in our marketing efforts on new menu items, advertising campaigns and restaurant designs and remodels to raise brand awareness and attract and retain guests. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher sales. Additionally, some of our competitors have greater financial resources, which enable them to spend significantly more on marketing and advertising and other initiatives than we are able to. Should our competitors increase spending on marketing and advertising and other initiatives or our marketing funds decrease for any reason, or should our advertising, promotions, new menu items and restaurant designs and remodels be less effective than our competitors, there could be a material adverse effect on our business, financial condition or results of operations.

Our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media could materially adversely impact our business, financial condition or results of operations.

Our marketing efforts rely heavily on the use of social media. In recent years, there has been a marked increase in the use of social media platforms, including weblogs (blogs), mini-blogs, chat platforms, social media websites, and other forms of Internet-based communications which allow individuals access to a broad audience of consumers and other interested persons. Many of our competitors are expanding their use of social media, and new social media platforms are rapidly being developed, potentially making more traditional social media platforms obsolete. As a result, we need to continuously innovate and develop our social media strategies in order to maintain broad appeal with guests and brand relevance. We also continue to invest in other digital marketing initiatives that allow us to reach our guests across multiple digital channels and build their awareness of, engagement with, and loyalty to our brand. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher sales or increased brand recognition.

We could be party to litigation that could adversely affect us by distracting management, increasing our expenses or subjecting us to material money damages and other remedies.

Our guests may file complaints or lawsuits against us alleging we caused an illness or injury they suffered at or after a visit to our restaurants, or that we have problems with food quality or operations. We may also be subject to a variety of other claims arising in the ordinary course of our business, including personal injury claims, contract claims and claims alleging violations of federal and state law regarding workplace and employment matters, equal opportunity, discrimination and similar matters, and we are presently subject to class action and other lawsuits with regard to certain of these matters and could become subject to additional class action or other lawsuits related to these or different matters in the future. Regardless of whether any claims against us are valid, or whether we are ultimately held liable, claims may be expensive to defend and may divert time and money away from our operations and hurt our performance. A judgment in excess of our insurance coverage for any claims could materially and adversely affect our business, financial condition or results of operations. Any adverse publicity resulting from these allegations may also materially and adversely affect our reputation or prospects, which in turn could materially adversely affect our business, financial condition or results of operations.

We are subject to state and local "dram shop" statutes, which may subject us to uninsured liabilities. These statutes generally allow a person injured by an intoxicated person to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. Because a plaintiff may seek punitive damages, which may not be fully covered by insurance, this type of action could have an adverse impact on our business, financial condition or results of operations. A judgment in such an action significantly in excess of, or not covered by, our insurance coverage could adversely affect our business, financial condition or results of operations. Further, adverse publicity resulting from any such allegations may adversely affect our business, financial condition or results of operations.

Our current insurance may not provide adequate levels of coverage against claims.

There are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Such losses could have a material adverse effect on our business, financial condition or results of operations. In addition, our current insurance policies may not be adequate to protect us from liabilities that we incur in our business in areas such as workers' compensation, general liability, auto and property. In the future, our insurance premiums may increase, and we may not be able to obtain similar levels of insurance on reasonable terms, or at all. Any substantial inadequacy of, or inability to obtain, insurance coverage could materially adversely affect our business, financial condition and results of operations. As a public company, we intend to obtain directors' and officers' insurance. While we expect to obtain such coverage, we may not be able to obtain such coverage at all or at a reasonable cost now or in the future. Failure to obtain and maintain adequate directors' and officers' insurance would likely adversely affect our ability to attract and retain qualified officers and directors.

Failure to obtain and maintain required licenses and permits or to comply with alcoholic beverage or food control regulations could lead to the loss of our liquor and food

service licenses and, thereby, harm our business, financial condition or results of operations.

The restaurant industry is subject to various federal, state and local government regulations, including those relating to the sale of food and alcoholic beverages. Such regulations are subject to change from time to time. The failure to obtain and maintain licenses, permits and approvals relating to such regulations could adversely affect our business, financial condition or results of operations. Typically, licenses must be renewed annually and may be revoked, suspended or denied renewal for cause at any time if governmental authorities determine that our conduct violates applicable regulations. Difficulties or failure to maintain or obtain the required licenses and approvals could adversely affect our existing restaurants and delay or result in our decision to cancel the opening of new restaurants, which would adversely affect our business, financial condition or results of operations.

Alcoholic beverage control regulations generally require our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. Any future failure to comply with these regulations and obtain or retain liquor licenses could adversely affect our business, financial condition or results of operations.

If we fail to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in our company.

If material weaknesses or control deficiencies occur in the future, we may be unable to report our financial results accurately on a timely basis, which could cause our reported financial results to be materially misstated and result in the loss of investor confidence or delisting and cause the market price of our common stock to decline.

We have not performed an evaluation of our internal control over financial reporting, such as required by Section 404 of the Sarbanes-Oxley Act, nor have we engaged our independent registered public accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements.

Changes to accounting rules or regulations may adversely affect our business, financial condition or results of operations.

Changes to existing accounting rules or regulations may impact our business, financial condition or results of operations. Other new accounting rules or regulations and varying interpretations of existing accounting rules or regulations have occurred and may occur in the future. For instance, accounting regulatory authorities have recently issued new accounting rules which require lessees to capitalize operating leases in their financial statements in the next few years. When adopted, such change would require us to record significant operating lease obligations on our balance sheet and make other changes to our financial statements. This and other future changes to accounting rules or regulations could materially adversely affect our business, financial condition or results of operations.

We will incur increased costs as a result of being a public company.

As a public company, we expect to incur significant legal, accounting and other expenses that we did not incur as a private company, particularly after we are no longer an "emerging growth company" as defined under the JOBS Act. In addition, new and changing laws, regulations and standards relating to corporate governance and public disclosure, including the Dodd-Frank Act and the rules and regulations promulgated and to be promulgated thereunder, as well as under the Sarbanes-Oxley Act and the JOBS Act, have created uncertainty for public companies and increased costs and time that boards of directors and management must devote to complying with these rules and regulations. The Sarbanes-Oxley Act and related rules of the SEC and the Nasdaq Stock Market regulate corporate governance practices of public companies. We expect compliance with these rules and regulations to increase our legal and financial compliance costs and lead to a diversion of management time and attention from sales-generating activities. For example, we will be required to adopt new internal controls and disclosure controls and procedures. In addition, we will incur additional expenses associated with our SEC reporting requirements and increased compensation for our management team. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

We are an "emerging growth company," and we cannot be certain if the reduced reporting and disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

For as long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies." These exceptions provide for, but are not limited to, relief from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, less extensive disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements to hold a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved and an extended transition period for complying with new or revised accounting standards. We may take advantage of these reporting exemptions until we are no longer an "emerging growth company." We will remain an "emerging growth company" until the earliest of: (i) the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues; (ii) the date on which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter); (iii) the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and (iv) the last day of the fiscal year following the fifth anniversary of our initial public offering. We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock to be less attractive as a result, there may be a less active trading market for our common stock and the market price of our common stock may be more volatile.

Our management does not have experience managing a U.S. public company and our current resources may not be sufficient to fulfill our public company obligations.

Following the closing of this offering, we will be subject to various regulatory requirements, including those of the SEC and Nasdaq Stock Market. These requirements include recordkeeping, financial reporting and corporate governance rules and regulations. Our management team does not have experience in managing a U.S. public company and, historically, has not had the resources typically found in a public company. Our internal infrastructure may not be adequate to support our increased reporting obligations and we may be unable to hire, train or retain necessary staff and may be reliant on engaging outside consultants or professionals to overcome our lack of experience or employees. Our business, financial condition or results of operations could be adversely affected if our internal infrastructure is inadequate, including if we are unable to engage outside consultants or are otherwise unable to fulfill our public company obligations.

Pursuant to the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act for so long as we are an "emerging growth company."

Section 404 of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we file with the SEC as a public company, and generally requires in the same report a report by our independent registered public accounting firm on the effectiveness of our internal control over financial reporting. However, under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until we are no longer an "emerging growth company." We will be an "emerging growth company" until the earliest of: (i) the last day of the fiscal year in which we have $1.07 billion or more in annual gross revenues; (ii) the date on

which we become a "large accelerated filer" (which means the year-end at which the total market value of our common equity securities held by non-affiliates is $700 million or more as of the last business day of our most recently completed second fiscal quarter); (iii) the date on which we have issued more than $1 billion of non-convertible debt securities over a three-year period; and (iv) the last day of the fiscal year following the fifth anniversary of our initial public offering.

In addition, Section 107 of the JOBS Act also provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. An "emerging growth company" can therefore delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. However, we are choosing to "opt out" of such extended transition period and, as a result, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

The ongoing COVID-19 pandemic has adversely affected, and may continue to adversely affect, our operations, financial condition, liquidity and financial results.

Our business has been significantly adversely affected by the COVID-19 outbreak in the United States. This contagious virus, which has continued to spread, has adversely affected workforces, customers, economies and financial markets globally. In response to this outbreak, many state and local authorities had mandated the temporary closure of non-essential businesses and dine-in restaurant activity or limited indoor dining capacities. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or into limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods.

A prolonged occurrence of COVID-19 may result in restaurant re-closures, prohibition on indoor dining, and further restrictions, including possible travel restrictions and additional restrictions on the restaurant industry. Our efforts to mitigate the effect of COVID-19 on our business or the economic downturn may be unsuccessful, and we may not be able to commence operations in a timeframe that is sufficient or otherwise take actions in response to developments with regard to the pandemic. The future sales levels of our restaurants and our ability to implement our growth strategy remain highly uncertain, as the full impact and duration of the COVID-19 pandemic continues to evolve.

Risks Related to Ownership of Our Securities

There may be an adverse effect on the value and liquidity of our Class A common stock due to the disparate voting rights of our Class A common stock and our Class B common stock.

With the exception of voting rights and certain conversion rights for the Class B common stock, holders of our Class A common stock and Class B common stock have identical rights. On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. The difference in the voting rights of our Class A common stock and Class B common stock could adversely affect the value of the Class A common stock to the extent that any investor or potential future purchaser of our Class A common stock ascribes value to the superior voting rights of our Class B common stock. The existence of two separate classes of common stock could result in less liquidity for our Class A common stock than if there were only one class of our common stock. In addition, if we issue additional shares of Class B common stock in the future, there will be further dilution to investors or potential future purchasers of our Class A common stock. See "Description of Capital Stock" for a description of our Class A common stock and Class B common stock and the rights associated with them.

There is no existing market for our common stock and we do not know if one will develop. Even if a market does develop, the stock prices in the market may not exceed the offering price.

Prior to this offering, there has not been a public market for our securities or any of our equity interests. We cannot predict the extent to which investor interest in our company will lead to the development of an active trading market on the Nasdaq Capital Market, or how liquid that market may become. An active public market for our Class A common stock may not develop or be sustained after the offering. If an active trading market does not develop or is not sustained, you may have difficulty selling any shares that you buy.

The initial public offering price for the units will be determined by negotiations among us and the representative of the underwriters based upon several factors, including prevailing market conditions, our historical performance, estimates of our business potential and earnings prospects, and the market valuations of similar companies, and may not be indicative of prices that will prevail in the open market following this offering. The price at which our securities are traded after this offering may decline below the initial public offering price, meaning that you may experience a decrease in the value of your Class A common stock regardless of our operating performance or prospects.

Our quarterly operating results may fluctuate significantly and could fall below the expectations of securities analysts and investors due to seasonality and other factors, some of which are beyond our control, resulting in a decline in our stock price.

- Our quarterly operating results may fluctuate significantly because of several factors, including:
- the timing of new restaurant openings and related expense;
- restaurant operating costs for our newly-opened restaurants, which are often materially greater during the first several months of operation than thereafter;
- labor availability and costs for hourly and management personnel;
- profitability of our restaurants, especially in new markets;
- changes in interest rates;
- increases and decreases in Average Unit Volumes and comparable restaurant sales;
- impairment of long-lived assets and any loss on restaurant closures;

- macroeconomic conditions, both nationally and locally;
- negative publicity relating to the consumption of meat or seafood or other food products we serve;
- changes in consumer preferences and competitive conditions;
- expansion in existing and new markets;

- increases in infrastructure costs; and
- fluctuations in commodity prices.

Seasonal factors and the timing of holidays also cause our sales to fluctuate from quarter to quarter. As a result of these factors, our quarterly and annual operating results and comparable restaurant sales may fluctuate significantly. Accordingly, results for any one quarter are not necessarily indicative of results to be expected for any other quarter or for any year and comparable restaurant sales for any particular future period may decrease. In addition, as we expand by opening more restaurants in cold weather climates, the seasonality of our business may be amplified. In the future, operating results may fall below the expectations of securities analysts and investors. In that event, the price of our securities could be adversely impacted.

The price of our securities may be volatile and you may lose all or part of your investment.

The market price of our securities could fluctuate significantly, and you may not be able to resell your securities at or above the offering price. Those fluctuations could be based on various factors in addition to those otherwise described in this prospectus, including those described under "—Risks Related to Our Business and Industry" and the following:

- our operating performance and the performance of our competitors or restaurant companies in general;
- the public's reaction to our press releases, our other public announcements and our filings with the SEC;
- changes in earnings estimates or recommendations by research analysts who follow us or other companies in our industry;
- global, national or local economic, legal and regulatory factors unrelated to our performance;
- the number of securities to be publicly traded after this offering;
- future sales of our common stock or our equity interests by our officers, directors and significant stockholders;
- sales of our common stock by us or our stockholders, including the Selling Stockholders, in the future;
- the arrival or departure of key personnel; and
- other developments affecting us, our industry or our competitors.

In addition, in recent years the stock market has experienced significant price and volume fluctuations. These fluctuations may be unrelated to the operating performance of particular companies. These broad market fluctuations may cause declines in the market price of our securities. The price of our securities could fluctuate based upon factors that have little or nothing to do with our business, financial condition or results of operations, and those fluctuations could adversely impact the market price of our securities.

Future sales of our common stock, or the perception that such sales may occur, could depress the market price of our securities.

Sales of a substantial number of shares of our common stock in the public market, or the perception that such sales may occur, following this offering could depress the market price of our securities. This would include sales by James Chae, as detailed below under "Risk Factors—Risks Related to Our Organizational Structure—Future sales of our shares by James Chae could depress the market price of our securities." Our executive officers and directors and holders of all of our options and equity interests, including James Chae, have agreed with the underwriters not to offer, sell, dispose of or hedge any shares of common stock or securities convertible into or exchangeable for shares of common stock (including shares of our Class B common stock), subject to specified limited exceptions and extensions described elsewhere in this prospectus, during the period ending 12 months after the date of the final prospectus, except with the prior written consent of the representative of the underwriters. See "Underwriting."

Our amended and restated certificate of incorporation authorizes us to issue up to 49,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock, of which, as of the date of this prospectus, 9,000,000 shares of Class A common stock and 1,000,000 shares of Class B common stock are outstanding. The shares of Class A common stock offered in this offering will be freely tradable without restriction under the Securities Act, except for any shares of our common stock that may be held or acquired by our directors, executive officers, a consultant and other affiliates, as that term is defined in the Securities Act, which will be restricted securities under the Securities Act. Restricted securities may not be sold in the public market unless the sale is registered under the Securities Act or an exemption from registration is available.

After the expiration of the lock-up agreements, shares of our Class A common stock and Class B common stock held by our affiliates will continue to be subject to the volume and other restrictions of Rule 144 under the Securities Act. The representative of the underwriters may, in its sole discretion and at any time without notice, release all or any portion of the shares subject to the lock-up. See "Underwriting."

If you purchase shares of our common stock sold in this offering, you will incur immediate and substantial dilution.

If you purchase shares of our Class A common stock in this offering, you will incur immediate and substantial dilution in the amount of $4.13 per share (or $4.01 per share if the underwriters exercise their over-allotment option) because the initial public offering price of $4.50 per share is substantially higher than the pro forma net tangible book value per share of our outstanding Class A common stock. This dilution is due in large part to the fact that our first shareholders paid substantially less than the initial public offering price when they purchased their shares. See "Dilution."

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our market price and trading volume could decline.

The trading market for our securities will depend in part on the research and reports that securities or industry analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our securities would be negatively impacted. If we obtain securities or industry analyst coverage and if one or more of the analysts who cover us downgrades our securities or publishes inaccurate or unfavorable research about our business, our market price would likely decline. If one or more of these analysts ceases coverage of us or fails to publish reports on us regularly, demand for our securities could decrease, which could cause our market prices and trading volume to decline.

We do not intend to pay dividends for the foreseeable future.

We may retain future earnings, if any, for future operations, expansion and debt repayment and have no current plans to pay any cash dividends for the foreseeable future. Any

future determination to declare and pay cash dividends will be at the discretion of our board of directors and will depend on, among other things, our financial condition, results of operations, cash requirements, contractual restrictions and such other factors as our board of directors deems relevant. Our ability to pay dividends may also be limited by covenants under any future outstanding indebtedness we, our subsidiaries or affiliates incur. As a result, you may not receive any return on an investment in our common stock unless you sell our common stock for a price greater than that which you paid for it. See "Dividend Policy."

Provisions in our charter documents and Delaware law may delay or prevent our acquisition by a third party.

Our amended and restated certificate of incorporation and bylaws, and Delaware law, contain several provisions that may make it more difficult for a third party to acquire control of us without the approval of our board of directors. These provisions may make it more difficult or expensive for a third party to acquire a majority of our outstanding equity interests. These provisions also may delay, prevent or deter a merger, acquisition, tender offer, proxy contest or other transaction that might otherwise result in our stockholders receiving a premium over the market price for their common stock. See "Description of Securities."

Our bylaws, each to be effective in connection with the completion of this offering, will contain an exclusive forum provision, which could limit a stockholder's ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation (to be effective in connection with the completion of this offering) and our bylaws each contain an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, employees, agents or stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws, or (4) any action asserting a claim that is governed by the internal affairs doctrine. However, each provision states that it shall not apply to actions arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934. In addition, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provisions will not apply to suits brought to enforce any duty or liability created by the Securities Act or any other claim for which the federal and state courts have concurrent jurisdiction, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Any person purchasing or otherwise acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision of our bylaws which we will adopt prior to the completion of this offering. The exclusive forum provisions, if enforced, may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the exclusive forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable.

Nasdaq may delist our securities from trading on its exchange, which could limit investors' ability to make transactions in our securities and subject us to additional trading restrictions.

We intend to apply to have our Class A common stock listed on the Nasdaq Capital Market. Although after giving effect to this offering we expect to meet, on a pro forma basis, the minimum initial listing standards set forth in the Nasdaq listing standards, we cannot assure you that our securities will be, or will continue to be, listed on Nasdaq in the future.

If Nasdaq delists our securities from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on an over-the-counter market. If this were to occur, we could face significant material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our Class A common stock is a "penny stock" which will require brokers trading in our Class A common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Risks Related to Our Organizational Structure

We are controlled by James Chae, whose interests may differ from those of our other stockholders.

Immediately following this offering and the application of net proceeds from this offering, James Chae will control approximately 78.7% of the combined voting power of our equity interests through their ownership of both Class A common stock and Class B common stock. James Chae will, for the foreseeable future, have significant influence over corporate management and affairs, and will be able to control virtually all matters requiring stockholder approval so long as James Chae owns a majority of the combined voting power of our outstanding equity interests. Following this offering, if James Chae continues to own at least 1,000,000 shares of Class B common stock, James Chae will own a majority of the combined voting power of our outstanding equity interests, and effectively control the outcome of matters submitted to stockholders that require a majority vote assuming 11,750,000 shares of Class A common stock and 1,000,000 shares of Class B common stock outstanding as of the completion of this offering. James Chae is able to, subject to applicable law, elect a majority of the members of our board of directors and control actions to be taken by us and our board of directors, including amendments to our certificate of incorporation and bylaws and approval of significant corporate transactions, including, among other matters, mergers and sales of substantially all of our assets, as well as incurrence of indebtedness by us. The directors so elected will have the authority, subject to the terms of our indebtedness and applicable rules and regulations, to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. It is possible that the interests of James Chae may in some circumstances conflict with our interests and the interests of our other stockholders, including you. For example, James Chae may have different tax positions from us that could influence their decisions regarding whether and when to dispose of assets and whether and when to incur new or refinance existing indebtedness. Such indebtedness could contain covenants that prevent us from declaring dividends to stockholders. In addition, the determination of future tax reporting positions and the structuring of future transactions may take into consideration James Chae's tax or other considerations, which may differ from our considerations or our other stockholders. For additional information about our relationships with James Chae, you should read the information under the headings "Principal Stockholders" and "Certain Relationships and Related Party Transactions".

We are a "controlled company" within the meaning of the Nasdaq listing standards and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Immediately following this offering and the application of net proceeds from this offering, James Chae will control approximately 78.7% of the combined voting power of our equity interests through their ownership of both Class A common stock and Class B common stock. Because of the voting power of James Chae, we are considered a "controlled company" for the purposes of the Nasdaq Stock Market. As such, we are exempt from certain corporate governance requirements of the Nasdaq Stock Market, including the requirement that (i) a majority of our board of directors consist of independent directors, (ii) director nominees be selected or recommended to the board by independent directors or an independent nominating committee, and (iii) we have a compensation committee that is composed entirely of independent directors. While we have elected to comply with the requirements that a majority of our board consist of independent directors and that our compensation committee be composed entirely of independent directors, we will not have a Nominating and Corporate Governance Committee. Further, so long as we are considered a "controlled company" under the Nasdaq Stock Market requirements, our Compensation Committee may not always consist entirely of independent directors. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq Stock Market.

The interests of James Chae may conflict with ours or yours in the future.

Various conflicts of interest between James Chae and us could arise. Ownership interests of directors or officers of James Chae in our common stock, could create or appear to create potential conflicts of interest when those directors and officers are faced with decisions that could have different implications for James Chae. These decisions could, for example, relate to:

- disagreement over corporate opportunities;

- management stock ownership;
- employee retention or recruiting;
- our dividend policy; and
- the services and arrangements from which we benefit as a result of its relationship with James Chae.

Potential conflicts of interest could also arise if we enter into any new commercial arrangements with James Chae in the future.

Future sales of our shares by James Chae could depress the price of our securities.

After this offering, and subject to the lock-up period described below, James Chae may sell all or a portion of the shares of our Class A common stock and Class B common stock that he owns (which shares of Class B common stock would be converted automatically into Class A shares in connection with any sale). Sales by James Chae in the public market could depress the price of our securities. James Chae is not subject to any contractual obligation to maintain any ownership position in our shares, except that it has agreed not to sell or otherwise dispose of any of our equity interests for a period ending 12 months after the date of the final prospectus without the prior written consent of the representative of the underwriters, subject to specified limited exceptions and extensions described in "Underwriting." Consequently, James Chae may decide not to maintain his ownership of our equity interests once the lock-up period expires.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risks and uncertainties. The forward-looking statements are contained principally in "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." In some cases, you can identify forward-looking statements by terms such as "target," "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "continue," "predict," "potential," "plan," "anticipate" or the negative of these terms, and similar expressions intended to identify forward-looking statements. These statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these assumptions, risks and uncertainties, you should not place undue reliance on these forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

- our ability to successfully maintain increases in our comparable restaurant sales and AUVs;
- our ability to successfully execute our growth strategy and open new restaurants that are profitable;
- sales of our common stock by us or our stockholders, including the Selling Stockholders, which may result in increased volatility in our stock price;
- our ability to expand in existing and new markets;
- our projected growth in the number of our restaurants;
- macroeconomic conditions and other economic factors;
- our ability to compete with many other restaurants;
- our ability to successfully implement a franchise program;
- our reliance on vendors, suppliers and distributors;
- concerns regarding food safety and foodborne illness;
- changes in consumer preferences and the level of acceptance of our restaurant concept in new markets;

- minimum wage increases and mandated employee benefits that could cause a significant increase in our labor costs;
- the failure of our automated equipment or information technology systems or the breach of our network security;
- the loss of key members of our management team;
- the impact of governmental laws and regulations; and

- volatility in the price of our listed securities.

We discuss many of these risks in this prospectus in greater detail under the heading "Risk Factors." Also, these forward-looking statements represent our estimates and assumptions only as of the date of this prospectus. Unless required by United States federal securities laws, we do not intend to update any of these forward-looking statements to reflect circumstances or events that occur after the statement is made.

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, governmental publications, reports by market research firms or other independent sources. Some data are also based on our good faith estimates. Although we believe these third-party sources are reliable, we have not independently verified the information attributed to these third-party sources and cannot guarantee its accuracy and completeness. Similarly, our estimates have not been verified by any independent source.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

USE OF PROCEEDS

We estimate that the net proceeds we will receive from this offering will be approximately $10.4 million based on an assumed initial public offering price of $4.50 per share of Class A common stock, which is the midpoint of the price range set forth on the cover of this prospectus, after deducting estimated underwriter discounts and commissions and non-accountable expenses of $1,114,000 and estimated offering expenses of approximately $825,000 payable by us as set forth on page II-1 of this prospectus, and excluding proceeds received from any exercise of the representative's warrants.

We will not receive any of the proceeds from the sale of our common stock by the Selling Stockholders.

If the underwriters' option to purchase additional shares of Class A common stock in this offering from us is exercised in full, our net proceeds will be approximately $12.1 million after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and excluding proceeds received from any exercise of the representative's warrants.

Each $1.00 increase (decrease) in the assumed initial public offering price of $4.50 per share of Class A common stock, after deducting underwriting discounts and commissions would increase (decrease) net proceeds to us from this offering by approximately $2,503,000, that the number of shares of Class A common stock offered by us, as set forth on the cover page of this prospectus, remains the same. We may also increase or decrease the number of shares of Class A common stock we are offering. Each 100,000 increase (decrease) in the number of shares of Class A common stock we are offering would increase (decrease) the net proceeds to us from this offering by approximately $410,000, after deducting underwriting discounts and commissions, assuming no change in the assumed initial public offering price per share of Class A common stock.

We plan to use the net proceeds of this offering as follows:

- 36.55% of the net proceeds (approximately $3.8 million without the over-allotment option, or approximately $4.42 million with the over-allotment option) for our expansion and development of new corporate owned restaurant locations, including during the year ending December 31, 2022;
- 21.15% of the net proceeds (approximately $2.2 million without the over-allotment option, or approximately $2.56 million with the over-allotment option) for the expansion of our distribution capabilities, including centralized warehousing, storage and delivery;
- 21.15% of the net proceeds (approximately $2.2 million without the over-allotment option, or approximately $2.56 million with the over-allotment option) for the development of our franchise program. As of the date of this prospectus, we do not have a franchise program; and
- 21.15% of the net proceeds (approximately $2.2 million without the over-allotment option, or approximately $2.56 million with the over-allotment option) for general working capital and other corporate purposes.

Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend. The amounts and timing of our actual use of net proceeds will vary depending on numerous factors. As a result, our management will have broad discretion in the application of the net proceeds of this offering, and investors will be relying on our judgment regarding the application of the net proceeds.

Pending other uses, we intend to invest the proceeds to us in investment-grade, interest-bearing securities such as money market funds, certificates of deposit, or direct or guaranteed obligations of the U.S. government, or hold as cash. We cannot predict whether the proceeds invested will yield a favorable return.

DIVIDEND POLICY

No dividends have been declared or paid on our equity interests. We do not anticipate paying any cash dividends on shares of our Class A common stock or Class B common stock in the foreseeable future. We currently intend to retain any earnings to finance the development and expansion of our business. Any future determination to pay dividends will be at the discretion of our board of directors and will be dependent upon then-existing conditions, including our earnings, capital requirements, results of operations, financial condition, business prospects and other factors that our board of directors considers relevant. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Certain Relationships and Related Party Transactions" for additional information regarding our financial condition.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2022:

- on an actual basis, effective immediately prior to the completion of this offering;

- on a pro forma as adjusted basis, which gives effect to 1) the conversion of 1,000,000 Class A common stock into Class B common stock on a one-to-one basis, 2) the sale of 2,750,000 shares of Class A common stock in this offering, at an assumed initial public offering price of $4.50 per share of Class A common stock (the midpoint of the price range set forth on the cover page of this prospectus) after deducting estimated underwriting discounts and estimated offering expenses payable by us, and the application of the net proceeds thereof; and 3) the issuance of 549,100 shares of Class A common stock to directors and consultants without sales proceeds; and

- on a further pro forma as adjusted basis, which gives effect to the sale of an additional 412,500 shares of Class A common stock in this offering should the underwriters fully exercise the over-allotment option.

You should read the following table in conjunction with the sections entitled "Use of Proceeds," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes included in this prospectus.

	As of June 30, 2022		
	Actual	*Pro forma -As Adjusted*	*Pro forma - As Adjusted with Over-Allotment Option*
Cash[1]	**$ 28,537**	**$ 10,464,787**	**$ 12,153,974**
Debt (current and non-current):			
Bank notes payables	1,290,646	1,290,646	1,290,646
Loan payable, EIDL	450,000	450,000	450,000
Due to related party	1,417,433	1,417,433	1,417,433
Restaurant revitalization fund	700,454	700,454	700,454
Accrued liability to directors and consultants	1,098,200	-	-
Stockholders' Deficit			
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; 9,450,900 shares issued and outstanding; 11,750,000 pro forma as adjusted shares at June 30, 2022; 12,162,500 pro forma as adjusted shares with over-allotment option at June 30, 2022	946	1,176	1,217
Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding; 1,000,000 pro forma as adjusted shares at June 30, 2022; 1,000,000 pro forma as adjusted shares with over-allotment option at June 30, 2022	-	100	100
Additional paid-in-capital[2]	553,456	12,087,576	13,776,722
Accumulated deficit	(3,653,456)	(3,653,456)	(3,653,456)
Stockholders' equity (deficit)	(3,099,054)	8,435,396	10,124,583
Total Capitalization	$ 1,857,679	$ 12,293,929	$ 13,983,116

(1) Adjusted cash is the calculated from the proceeds from the sale of the shares of Class A common stock from this initial public offering, including the exercise of the underwriters' over-allotment option.

Number of Class A shares offered	2,750,000	3,162,500
Gross proceeds from the offering at $4.50 per share	$ 12,375,000	$ 14,231,250
Estimated underwriter discounts and commissions and non-accountable expenses	(1,113,750)	(1,280,813)
Estimated other expenses of issuance and distribution	(825,000)	(825,000)
	10,436,250	12,125,437

(2) Immediately prior to the offering, the Company shall issue 549,100 shares of Class A common stock as compensation to directors and consultants. The Company has accrued approximately $1.1 million of compensation expense at December 31, 2021 for the 549,100 shares at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. Upon the issuance of the 549,100 shares, the accrued liability will be adjusted to additional paid-in-capital.

DILUTION

Currently we have, and upon completion of this offering we will have, two classes of equity interests issued and outstanding: Class A common stock, which is being sold in this offering and to which we refer in this prospectus as "common stock," and Class B common stock. Dilution is the amount by which the initial public offering price paid by purchasers of shares of our equity interests exceeds the net tangible book value per share of our equity interests immediately following the completion of the offering. Net tangible book value represents the amount of our total tangible assets reduced by our total liabilities. Net tangible book value per share represents our net tangible book value divided by the number of shares of our equity interests outstanding. For purposes of dilution calculations, the number of outstanding shares after the IPO includes the 1,000,000 shares of Class B common stock as it would be exchangeable on a one-to-one basis into Class A shares and would reflect maximum dilution at that time. The Company defines total tangible assets as total assets less intangible assets (including deferred tax assets and deferred offering costs), less total liabilities. As of June 30, 2022, prior to giving effect to the offering, our net tangible book value was -$5,726,344[1] and our net tangible book value per share was -$0.57.

After giving effect to the issuance and sale of the 2,750,000 shares of Class A common stock offered in this offering and the application of the estimated net proceeds of the offering received by us, as described in "Use of Proceeds," based upon an assumed initial public offering price of $4.50 per share of Class A common stock, which is the midpoint of the price range set forth on the cover of this prospectus, and assuming that no representative warrants are exercised, our net tangible book value as of June 30, 2022 would have been approximately $4,709,906. Based on the total number of 12,750,000 shares of our equity interests after this offering, adjusted net book value per share increases to $0.37. This represents an immediate increase in net tangible book value to our existing stockholders (including James Chae) of $0.94 per share and an immediate dilution to new investors in this offering of $4.13 per share. The following table illustrates this per share dilution net tangible book value to new investors after giving effect to this offering:

Assumed initial public offering price per share of Class A common stock		$ 4.50
Net tangible book value per share as of June 30, 2022	$ (0.57)	
Increase in net tangible book value per share attributable to new investors	$ 0.94	
Adjusted net tangible book value per share after this offering		$ 0.37
Dilution per share to new investors		$ (4.13)

A $1.00 increase (decrease) in the assumed initial public offering price of $4.50 per share of Class A common stock would increase (decrease) our net tangible book value by $2,503,000, the net tangible book value per share after this offering by $0.20 and the dilution per share to new investors by $0.80, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their over-allotment option in full, the net tangible book value as of June 30, 2022 would have been approximately $6,339,093. Based on the total

number of 13,162,500 shares of our equity interests after the exercise of underwriters' over-allotment option in full, adjusted net book value per share increases to $0.49. This represents an immediate increase in net tangible book value of $1.06 per share to existing stockholders (including James Chae) and the immediate dilution in net tangible book value per share to new investors in this offering of $4.01 per share.

Assumed initial public offering price per share of Class A common stock			$	4.50
Net tangible book value per share as of June 30, 2022	$	(0.57)		
Increase in net tangible book value per share with over-allotment option attributable to new investors	$	1.06		
Adjusted net tangible book value per share after this offering			$	0.49
Dilution per share to new investors			$	(4.01)

The following table presents, as of June 30, 2022, the differences between the number of shares purchased from us, the total consideration paid to us, and the average price per share paid by existing stockholders (including James Chae) and by new investors purchasing Class A common stock at the assumed initial offering price of $4.50 per share of Class A common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing stockholders (including James Chae)	10,000,000	78.4%	$ 3,025,352	19.6%	$ 0.30
New investors	2,750,000	21.6	12,375,000	80.4	4.50
Total	12,750,000	100.0%	$ 15,400,352	100.0%	$ 1.21

If the underwriters were to fully exercise their option to purchase 412,500 additional shares of our Class A common stock, the percentage of shares of our Class A common stock held by existing stockholders (including James Chae) after this offering would be 58.5%, and the percentage of shares of our Class A common stock held by new investors after this offering would be 24.0%.

(1) As defined, net tangible assets represent total assets less intangible assets (including deferred tax assets and deferred offering costs), less total liabilities.

	As of June 30, 2022
Total assets	$ 5,075,589
Subtract Intangible assets -lease right of use	$ (2,627,290)
Total liabilities	$ (8,174,643)
Net tangible assets	$ (5,726,344)

To the extent any outstanding options or other equity awards are exercised or become vested or any additional options or other equity awards are granted and exercised or become vested or other issuances of shares of our common stock are made, there may be further economic dilution to new investors.

SELECTED FINANCIAL DATA

The following table summarizes our historical financial and operating data for the periods and as of the dates indicated. The statements of income data for the fiscal years ended December 31, 2020 and December 31, 2021 and the balance sheet data as of December 31, 2020 and December 31, 2021 have been derived from our audited financial statements included elsewhere in this prospectus. We have derived the statements of income data for the six months ended June 30, 2022 and June 30, 2021 and the balance sheet data as of June 30, 2022 from our unaudited interim financial statements included elsewhere in this prospectus. The financial data presented includes all normal and recurring adjustments that we consider necessary for a fair presentation of the financial position and results of operations for such periods.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our audited financial statements and unaudited interim financial statements and the related notes included elsewhere in this prospectus.

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	*2020*	*2022*	*2021*
Revenue:				
Food and beverage	$ 6,536,859	$ 3,170,925	$ 3,973,690	$ 2,606,625
Total revenue	6,536,859	3,170,925	3,973,690	2,606,625
Restaurant operating expenses:				
Food, beverages and supplies	1,998,831	880,040	1,036,754	757,091
Labor	2,969,426	1,542,796	2,101,726	1,076,041
Rent and utilities	689,709	437,972	514,424	268,964
Delivery and service fees	525,638	222,723	259,707	253,348
Depreciation	138,665	114,478	464,873	62,517
Total restaurant operating expenses	6,322,269	3,198,009	4,377,484	2,417,961
Net operating restaurant operating income (loss)	214,590	(27,084)	(403,794)	188,664
Operating expenses:				
General and administrative	2,042,623	378,599	740,204	234,865
Advertising and marketing	31,952	30,054	40,583	1,998
Total operating expenses	2,074,575	408,653	780,787	236,863
Loss from operations	(1,859,985)	(435,737)	(1,184,581)	(48,199)
Other income (expense):				
PPP loan forgiveness	269,887	-	385,900	-
Other income	26,486	49,556	6,301	25,000
Interest	(52,224)	(51,590)	(40,994)	(30,906)
Total other income (expense)	244,149	(2,034)	351,207	(5,906)

Income before income taxes	(1,615,836)	(437,771)	(833,374)	(54,105)
Income tax provision	14,649	12,357	7,040	6,609
Net loss	**$ (1,630,485)**	**$ (450,128)**	**$ (840,414)**	**$ (60,714)**
Loss per share:				
Basic and diluted	$ (0.35)	$ (0.35)	$ (0.09)	$ (0.02)
Weighted average number of common shares outstanding:				
Basic and diluted	4,714,172	1,278,973	9,450,900	3,204,525

	As of December 31,		*As of June 30,*
	2021	***2020***	***2022***
Cash	$ 1,087,102	$ -	$ 28,537
Total assets	$ 5,835,115	$ 3,014,424	$ 5,075,589
Total liabilities	$ 8,153,755	$ 4,385,804	$ 8,174,643
Total stockholders' deficit	$ (2,318,640)	$ (1,371,380)	$ (3,099,054)

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Key Financial and Operational Metrics				
Restaurants at the end of period	6	5	7	5
Average unit volumes (1)	$ 1,239,551	$ 904,745	$ N/A	$ N/A
Comparable restaurant sales growth (2)	63.4%	-29.3%	26.6%	41.9%
EBITDA (3)	(1,424,947)	(271,703)	(327,507)	39,818
Adjusted EBITDA (3)	(1,694,834)	(271,703)	(713,407)	39,818
as a percentage of sales	-25.9%	-8.6%	-18.0%	1.5%
Operating income	(1,859,985)	(435,737)	(1,184,581)	(48,199)
Operating profit margin	-28.5%	-13.7%	-29.8%	-1.8%
Restaurant-level Contribution (3)	353,255	87,394	61,079	251,181
Restaurant-level Contribution Margin (3)	5.4%	2.8%	1.5%	9.6%

(1) Average Unit Volumes (AUVs) consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. The AUVs measure has been adjusted for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. Since AUVs are calculated based on annual sales for the fiscal year presented, they are not shown on an interim basis for the six-months ended June 30, 2021 and 2022. See "Additional Financial Measures and Other Data" for the definition of AUVs.

(2) Comparable restaurant sales growth represents the change in year-over-year sales for restaurants open for at least 3 months prior to the start of the accounting period presented, including those temporarily closed for renovations during the year. The comparable restaurant sales growth measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to underperformance.

(3) EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We are presenting EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin because we believe that they provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. Additionally, we present Restaurant-level Contribution because it excludes the impact of general and administrative expenses which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants.

EBITDA is calculated as net income before interest expense, provision (benefit) for income taxes and depreciation and amortization. Adjusted EBITDA further adjusts EBITDA to reflect the additions and eliminations described in the table below. Restaurant-level Contribution represents operating income plus depreciation and amortization, stock-based compensation expense, non-cash rent expense, asset disposals, closure costs and restaurant impairments, general and administrative expenses, less corporate-level stock-based compensation expense. Restaurant-level Contribution margin is defined as Restaurant-level Contribution divided by sales.

We believe that the use of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures. In addition, you should be aware when evaluating EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion.

Because of these limitations, EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin on a supplemental basis. Our management recognizes that EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin have limitations as analytical financial measures, including the following:

- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect our capital expenditures or future requirements for capital expenditures;
- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect interest expense or the cash requirements necessary to service interest or principal payments associated with our indebtedness;

- EBITDA, Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect depreciation and amortization, which are non-cash charges, although the assets being depreciated and amortized will likely have to be replaced in the future, and do not reflect cash requirements for such replacements;

- Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect the costs of stock-based compensation expense, non-cash rent expense, and asset disposals, closure costs and restaurant impairments;

- Adjusted EBITDA, Restaurant-level Contribution and Restaurant-level Contribution margin do not reflect changes in, or cash requirements for, our working capital needs; and

- other companies in our industry may calculate these measures differently, limiting their usefulness as comparative measures.

A reconciliation of net income to EBITDA and Adjusted EBITDA is provided below:

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Net loss, as reported	$ (1,630,485)	$ (450,128)	$ (840,414)	$ (60,714)
Interest, net	52,224	51,590	40,994	30,906
Taxes	14,649	12,357	7,040	6,609
Depreciation and amortization	138,665	114,478	464,873	62,517
EBITDA	(1,424,947)	(271,703)	(327,507)	39,818
PPP loan forgiveness (a)	(269,887)	-	(385,900)	-
Adjusted EBITDA	$ (1,694,834)	$ (271,703)	$ (713,407)	$ 39,818

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

The following table presents a reconciliation of net restaurant operating income (loss) to Restaurant-level Contribution:

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Net restaurant operating income (loss), as reported	$ 214,590	$ (27,084)	$ (403,794)	$ 188,664
Depreciation and amortization	138,665	114,478	464,873	62,517
Restaurant-level Contribution	$ 353,255	$ 87,394	$ 61,079	$ 251,181
Operating profit margin	-28.5%	-13.70%	-29.8%	-1.8%
Restaurant-level Contribution Margin	5.4%	2.80%	1.5%	9.6%

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the "Selected Financial Data" and our financial statements and the related notes and other financial information included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Special Note Regarding Forward-Looking Statements" and "Risk Factors" sections of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview of Yoshiharu

Yoshiharu is a fast-growing Japanese restaurant operator and was borne out 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 our 2016 debut and has continued to expand our top-notch restaurant service across Southern California, currently owning and operating 8 restaurant stores with an additional 1 new restaurant store under construction/development and an additional 8 new restaurant stores expected to open in 2022.

We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi rolls, bento menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring our Japanese ramen and cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only healthy, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms providing happy hours, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.
Our success has resulted in strong financial results as illustrated by the following:

- Revenue grew from $3.2 million for the year ended December 31, 2020, to $6.5 million for the year ended December 31, 2021. This is partially attributable to recovery from the negative impact of COVID-19 on 2020 results. Revenue for the year ended December 31, 2019 was approximately $4.1 million, so after the brief downturn for fiscal 2020, the Company has recovered and returned to a path of planned growth.

- We continue to accelerate the pace of new "corporate-owned" (i.e., directly owned by us) restaurant openings and expect to operate over 17 corporate-owned locations by year end 2022 (this includes 1 new restaurant store currently under construction/development and an additional 8 restaurant stores, of which 4 have been site selected).

- We operate in a large and rapidly growing market. We believe the consumer appetite for Asian cuisine is widespread across many demographics and have an opportunity to expand in both existing and new U.S. markets, as well as internationally.

- Yoshiharu is in the process of registering its franchise program (which it expects to be complete by the end of 2022), and once that is complete, we plan on providing franchisee opportunities to open both domestically and internationally. In the U.S., we believe there is a potential to open 20 stores per year by franchisees. Globally, we are also exploring the idea of granting country-wide exclusivity to franchisees, which we believe will help expand our global footprint considerably. As of the date of this prospectus, we do not have a franchise program.

- Average check size is moderate and increasing. During the year ended December 31, 2019, the average check size in our stores was $30.79, which decreased 2.2% to $30.11 during the year ended December 31, 2020. For the year ended December 31, 2021, average check size in our restaurants was $33.70. For the six-month period ended June 30, 2022, average check size in our restaurants was $42.16.

Our flexible physical footprint, which has allowed us to open restaurants in size ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas.

Our Growth Strategies

Historically, we have averaged an opening of 1 store per year utilizing solely bank debt, revenues and related party loans. However, utilizing 36.55% of the net proceeds of this offering, in 2022, we expect in the short term (by the end of 2022) to open 8 new corporate-owned restaurants (excluding the 1 store currently under construction/development). Based on our internal analysis, we believe that we have the potential to grow our current domestic corporate-owned restaurants and international footprint to at least 250 restaurants domestically and at least 750 restaurants internationally by utilizing revenues generated by an increased number of corporate-owned restaurants, revenues generated through our franchise program (currently we do not have such a program), proceeds from the sale of equity securities in the public markets as a publicly traded company, and debt financings. The rate of future restaurant growth in any particular period is inherently uncertain and is subject to numerous factors that are outside of our control. As a result, we do not currently have an anticipated timeframe for such expansion.

Pursue New Restaurant Development.

We have pursued a disciplined new corporate owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes and geographies, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next three to five years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept.

Franchise Program Development.

We expect to initiate sales of franchises beginning in 2022. We expect to submit an application for franchise registration in California, and we expect to submit franchise applications in additional states over the next few months. While our initial franchise development will focus on the United States, we also believe the Yoshiharu concept will attract future franchise partners around the world.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

Corporate Overview

In September 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 7 restaurant store entities which were previously founded and wholly owned directly by James Chae and all of the intellectual property in the business held by James Chae in exchange for an issuance of 9,450,900 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co. Such transfers were completed in the fourth quarter of 2021.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the execution of the underwriting agreement. Effective February 7, 2022, the Company's board and stockholders unanimously approved the form of amended and restated certificate of incorporation, which clarifies the automatic conversion of Class B common stock held by James Chae into Class A common stock, among other things, a copy of which is attached to the registration statement as Exhibit 3.3 of which this prospectus is made a part.

Following the closing of this offering, James Chae will own all of our Class B common stock (1,000,000) and 7,110,900 shares of our Class A common stock, representing approximately 78.7% of the combined voting power of our outstanding capital stock, or 77.2% if the underwriters exercise their option to purchase additional shares of Class A common stock. See "Principal Stockholders." As a result, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market,

and James Chae will be able to exert significant voting influence over fundamental and significant corporate matters and transactions and may have interests that differ from yours. See "Risk Factors—Risks Related to Our Organizational Structure."

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Each share of Class B common stock is convertible into one share of Class A common stock at the option of the holder, upon transfer or in certain specified circumstances. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights. We do not intend to list Class B common stock on any stock exchange.

COVID-19 Impact on Concentration of Risk

The COVID-19 pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company felt direct impact through reduced revenues through periods of time in 2020 and 2021 when restaurant locations were forced into closure or into limited capacities. Revenues were $3.2 million for the year ended December 31, 2020, compared to $4.1 million for the year ended December 31, 2019. The three restaurant locations that were open through all of 2020 each experienced significant sales declines. Combined average monthly sales for these locations decreased 36.8% for the year ended December 31, 2020. The Company attempted to mitigate the impact of reduced inside dining through expansion of food delivery operations during the pandemic affected periods. The Company intends to continue selling through these delivery channels, even with a return to full capacity inside dining. Revenues were $6.5 million for the year ended December 31, 2021, so the Company has already experienced significant recovery from the impact of the pandemic on customer traffic during 2020. The combined average monthly sales for the 4 restaurant locations that were open through all of 2020 increased 63.4% for the year ended December 31, 2021, from the comparable period in the prior year.

Key Performance Indicators

Sales

Sales represents sales of food and beverages in restaurants, as shown on our statements of income. Several factors affect our restaurant sales in any given period including the number of restaurants in operation, guest traffic and average check.

EBITDA and Adjusted EBITDA

The following table presents a reconciliation of net income to EBITDA and Adjusted EBITDA:

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	*2020*	*2022*	*2021*
Net loss, as reported	$ (1,630,485)	$ (450,128)	$ (840,414)	$ (60,714)
Interest, net	52,224	51,590	40,994	30,906
Taxes	14,649	12,357	7,040	6,609
Depreciation and amortization	138,665	114,478	464,873	62,517
EBITDA	(1,424,947)	(271,703)	(327,507)	39,818
PPP loan forgiveness (a)	(269,887)	-	(385,900)	-
Adjusted EBITDA	$ (1,694,834)	$ (271,703)	$ (713,407)	$ 39,818

(a) Represents income recorded upon the forgiveness of payroll protection loans from the SBA.

Restaurant-level Contribution and Restaurant-level Contribution Margin

Restaurant-level Contribution and Restaurant-level Contribution margin are intended as supplemental measures of our performance that are neither required by, nor presented in accordance with, GAAP. We believe that Restaurant-level Contribution and Restaurant-level Contribution margin provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and operating results. We expect Restaurant-level Contribution to increase in proportion to the number of new restaurants we open and our comparable restaurant sales growth.

We present Restaurant-level Contribution because it excludes the impact of general and administrative expenses, which are not incurred at the restaurant-level. We also use Restaurant-level Contribution to measure operating performance and returns from opening new restaurants. Restaurant- level Contribution margin allows us to evaluate the level of Restaurant-level Contribution generated from sales.

However, you should be aware that Restaurant-level Contribution and Restaurant-level Contribution margin are financial measures which are not indicative of overall results for the Company, and Restaurant-level Contribution and Restaurant-level Contribution margin do not accrue directly to the benefit of stockholders because of corporate-level expenses excluded from such measures.

In addition, when evaluating Restaurant-level Contribution and Restaurant-level Contribution margin, you should be aware that in the future we may incur expenses similar to those excluded when calculating these measures. Our presentation of these measures should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items. Our computation of Restaurant-level Contribution and Restaurant- level Contribution margin may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate Restaurant-level Contribution and Restaurant-level Contribution margin in the same fashion. Restaurant-level Contribution and Restaurant- level Contribution margin have limitations as analytical tools, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP.

The following table reconciles operating income to Restaurant-level Contribution and Restaurant-level Contribution margin for the fiscal years ended December 31, 2021 and December 31, 2020 and for the six-month periods ended June 30, 2022 and June 30, 2021:

	Years Ended December 31,		*Six Months Ended June 30,*	
	2021	*2020*	*2022*	*2021*
Net restaurant operating income (loss), as reported	$ 214,590	$ (27,084)	$ (403,794)	$ 188,664
Depreciation and amortization	138,665	114,478	464,873	62,517
Restaurant-level Contribution	$ 353,255	$ 87,394	$ 61,079	$ 251,181
Operating profit margin	-28.5%	-13.7%	-29.8%	-1.8%
Restaurant-level Contribution Margin	5.4%	2.8%	1.5%	9.6%

Average Unit Volumes (AUVs)

"Average Unit Volumes" or "AUVs" consist of the average annual sales of all restaurants that have been open for 3 months or longer at the end of the fiscal year presented. AUVs are calculated by dividing (x) annual sales for the fiscal year presented for all such restaurants by (y) the total number of restaurants in that base. We make fractional adjustments to sales for restaurants that were not open for the entire fiscal year presented (such as a restaurant closed for renovation) to annualize sales for such period of time. This measurement allows management to assess changes in consumer spending patterns at our restaurants and the overall performance of our restaurant base. The AUVs measure is calculated excluding the West Hollywood and Lynwood, California restaurants, which closed in fiscal year 2019 due to underperformance.

The following table shows the AUVs for the fiscal years for the fiscal years ended December 31, 2021 and December 31, 2020, respectively:

	Years ended December 31,	
	2021	***2020***
Average Unit Volumes	$ 1,239,551	$ 904,745

Comparable Restaurant Sales Growth

Measuring our comparable restaurant sales growth allows us to evaluate the performance of our existing restaurant base. Various factors impact comparable restaurant sales, including:

- consumer recognition of our brand and our ability to respond to changing consumer preferences;
- overall economic trends, particularly those related to consumer spending;
- our ability to operate restaurants effectively and efficiently to meet consumer expectations;
- pricing;
- guest traffic;
- per-guest spend and average check;
- marketing and promotional efforts;
- local competition; and
- opening of new restaurants in the vicinity of existing locations.

The following table shows the comparable restaurant sales growth for the fiscal years ended December 31, 2021 and December 31, 2020 and for the six-month periods ended June 30, 2022 and June 30, 2021:

	Years ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Comparable restaurant sales growth (%)	63.4%	-29.3%	26.6%	41.9%
Comparable restaurant base	4	4	5	4

Number of Restaurant Openings

The following table shows the growth in our restaurant base for the fiscal years ended December 31, 2021 and December 31, 2020 and for the six-month periods ended June 30, 2022 and June 30, 2021:

	Years ended December 31,		*Six Months Ended June 30,*	
	2021	***2020***	***2022***	***2021***
Restaurant activity:				
Beginning of period	5	4	6	5
Openings	1	1	1	-
Closing	-	-	-	-
End of period*	6	5	7	5

* The Company opened 1 new location in July 2022.

Key Financial Definitions

Revenues. Revenues represent sales of food and beverages in restaurants. Restaurant sales in a given period are directly impacted by the number of restaurants we operate and comparable restaurant sales growth.

Food and beverage. Food and beverage costs are variable in nature, change with sales volume and are influenced by menu mix and subject to increases or decreases based on fluctuations in commodity costs. Other important factors causing fluctuations in food and beverage costs include seasonality and restaurant-level management of food waste. Food and beverage costs are a substantial expense and are expected to grow proportionally as our sales grows.

Labor. Labor includes all restaurant-level management and hourly labor costs, including wages, employee benefits and payroll taxes. Similar to the food and beverage costs that we incur, labor and related expenses are expected to grow proportionally as our sales increase. Factors that influence fluctuations in our labor and related expenses include minimum wage and payroll tax legislation, the frequency and severity of workers' compensation claims, healthcare costs and the performance of our restaurants.

Rent and utilities. Rent and utilities include rent for all restaurant locations and related taxes.

Depreciation and amortization expenses. Depreciation and amortization expenses are periodic non-cash charges that consist of depreciation of fixed assets, including equipment and capitalized leasehold improvements. Depreciation is determined using the straight-line method over the assets' estimated useful lives, ranging from three to ten years.

Delivery and service fees. The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, Grubhub and others. These third-party service providers charge delivery and order fees to the Company.

General and administrative expenses. General and administrative expenses include expenses associated with corporate and regional supervision functions that support the operations of existing restaurants and development of new restaurants, including compensation and benefits, travel expenses, stock-based compensation expenses for corporate-level employees, legal and professional fees, marketing costs, information systems, corporate office rent and other related corporate costs. General and administrative expenses are expected to grow as our sales grows, including incremental legal, accounting, insurance and other expenses incurred as a public company.

Advertising and marketing expenses. Advertising and marketing expenses include expenses associated with marketing campaigns and periodic advertising. Advertising and marketing expenses are expected to grow leading up to planned openings of restaurant locations and is expected to stabilize as an average by location as our sales grows.

Interest expense. Interest expense includes non-cash charges related to our capital lease obligations and bank notes payable.

Income tax provision (benefit). Provision for income taxes represents federal, state and local current and deferred income tax expense.

Results of Operations

Six months ended June 30, 2021 Compared to six months ended June 30, 2022

The following table presents selected comparative results of operations from our unaudited financial statements for the six months ended June 30, 2021 compared to six months ended June 30, 2022. Our financial results for these periods are not necessarily indicative of the financial results that we will achieve in future periods. Certain totals for the table below may not sum to 100% due to rounding.

	Six months ended June 30,		*Increase / (Decrease)*	
	2022	***2021***	***$***	***%***
Revenue	$ 3,973,690	$ 2,606,625	$ 1,367,065	52.4%
Restaurant operating expenses:				
Food, beverages and supplies	1,036,754	757,091	279,663	36.9%
Labor	2,101,726	1,076,041	1,025,685	95.3%
Rent and utilities	514,424	268,964	245,460	91.3%
Delivery and service fees	259,707	253,348	6,359	2.5%
Depreciation	464,873	62,517	402,356	643.6%
Total restaurant operating expenses	4,377,484	2,417,961	1,959,523	81.0%
Net operating restaurant operating income (loss)	(403,794)	188,664	(592,458)	-314.0%
General and administrative	740,204	234,865	505,339	215.2%
Advertising and marketing	40,583	1,998	38,585	1931.2%
Total operating expenses	780,787	236,863	543,924	229.6%
Loss from operations	(1,184,581)	(48,199)	(1,136,382)	2357.7%
Other income (expense):				
PPP loan forgiveness	385,900	-	385,900	N/A
Other income	6,301	25,000	(18,699)	-74.8%
Interest	(40,994)	(30,906)	(10,088)	32.6%
Loss before income taxes	(833,374)	(54,105)	(779,269)	1440.3%
Income tax provision	7,040	6,609	431	6.5%
Net loss	$ (840,414)	**$ (60,714)**	**$ (779,700)**	**1284.2%**

	Six months ended June 30,	
	2022	***2021***
	(as a percentage of revenues)	
Revenue	100.0%	100.0%
Restaurant operating expenses:		
Food, beverages and supplies	26.1%	29.0%
Labor	52.9%	41.3%
Rent and utilities	12.9%	10.3%
Delivery and service fees	6.5%	9.7%
Depreciation	11.7%	2.4%
Total restaurant operating expenses	110.2%	92.8%
Net operating restaurant operating income (loss)	-10.2%	7.2%
General and administrative	18.6%	9.0%
Advertising and marketing	1.0%	0.1%
Total operating expenses	19.6%	9.1%
Loss from operations	-29.8%	-1.8%
Other income (expense):		
PPP loan forgiveness	9.7%	0.0%
Other income	0.2%	1.0%
Interest	-1.0%	-1.2%
Loss before income taxes	-21.0%	-2.1%
Income tax provision	0.2%	0.3%
Net loss	**-21.1%**	**-2.3%**

Revenues. Revenues were $4.0 million for the six months ended June 30, 2022 compared to $2.6 million for the six months ended June 30, 2021, representing an increase of approximately $1.4 million, or 52.4%. The increase in sales for the six-month period was partially driven by $0.7 million in sales for the period from two new restaurants opened in July 2021 and February 2022. The remainder of the increase is considered to be attributable to recovery from the impact of the pandemic on customer traffic during 2021.

The five restaurant locations that were open through all of 2021 each experienced significant sales growth in the current year. Combined average monthly sales for these locations increased 26.6% for the six-month period ended June 30, 2022 from the comparable period in the prior year.

Food, beverage and supplies. Food, beverage and supplies costs were $1.0 million for the six months ended June 30, 2022 compared to $0.7 million for the six months ended June 30, 2021, representing an increase of approximately $0.3 million, or 36.9%. The increase in costs for the six-month period was primarily driven by increases in revenues from two new restaurants opened and from the recovery from lower volume experienced during the pandemic. As a percentage of sales, food, beverage and supplies costs decreased to 26.1% in the six months ended June 30, 2022 compared to 29.0% in the six months ended June 30, 2021. The decrease in costs as a percentage of sales was primarily driven by the increases in our menu prices and management's efforts to increase purchasing power on ingredients.

Labor. Labor and related costs were $2.1 million for the six months ended June 30, 2022 compared to $1.1 million for the six months ended June 30, 2021, representing an increase of approximately $1.0 million, or 95.3%. The increase in costs was largely driven by additional labor costs incurred with respect to two new restaurants opened. As a percentage of sales, labor and related costs increased to 52.9% in the six months ended June 30, 2022 compared to 41.3% in the six months ended June 30, 2021. The increase in costs as a percentage of sales was primarily driven by added labor costs for new locations without commensurate increases in sales volume for those new locations yet relative to volume at other more established locations.

Rent and utilities. Rent and utilities expenses were approximately $0.5 million for the six months ended June 30, 2022 compared to $0.3 million for the six months ended June 30, 2021, representing an increase of approximately $0.2 million, or 91.3%. The increase was primarily a result of additional occupancy expenses incurred with respect to two new restaurants opened. As a percentage of sales, rent and utilities expenses increased to 12.9% in the six months ended June 30, 2022, compared to 10.3% for the six months ended June 30, 2021. The increase in costs as a percentage of sales was primarily driven by added rent and utility costs for new locations without commensurate increases in sales volume for those new locations yet relative to volume at other more established locations.

Delivery and service fees. Delivery and service fees incurred were approximately $260,000 for the six months ended June 30, 2022 compared to $254,000 for the six months ended June 30, 2021, representing a slight increase of approximately $6,000 or 2.5%, primarily due to the comparable food sales via delivery during the comparable period. As a percentage of sales, delivery and service fees decreased to 6.5% for the six months ended June 30, 2021 compared to 9.7% for the comparable period in the prior year. The change is largely driven by the comparable food sales via delivery during the period while dine-in food sales have increased.

Depreciation and amortization expenses. Depreciation and amortization expenses incurred were approximately $465,000 for the six months ended June 30, 2022 compared to $63,000 for the six months ended June 30, 2021, representing an increase of approximately $402,000, or 643.6%. The increase was primarily due to increased depreciation for the new restaurants opened and to changes in estimated depreciable lives for existing restaurants. As a percentage of sales, depreciation and amortization expenses increased to 11.7% for the six months ended June 30, 2022 compared to 2.4% for the comparable period in the prior year. The change is largely driven by the increased depreciation as a result of the new locations and the change in estimated depreciable lives.

General and administrative expenses. General and administrative expenses were approximately $740,000 for the six months ended June 30, 2022 compared to $235,000 for the six months ended June 30, 2021, representing an increase of approximately $505,000, or 215.2%. This increase in general and administrative expenses was primarily due to the hiring of additional administrative employees, increases in professional services and corporate-level costs to support growth plans, the opening of new restaurants, as well as costs associated with outside administrative, legal and professional fees and other general corporate expenses associated with preparing to become a public company. As a percentage of sales, general and administrative expenses increased to 18.6% in the six months ended June 30, 2022 from 9.0% in the six months ended June 30, 2021, primarily due to the significant increase in necessary corporate costs mentioned above outpacing the increase in sales.

Year ended December 31, 2020 Compared to Year ended December 31, 2021

The following table presents selected comparative results of operations from our audited financial statements for the fiscal year ended December 31, 2020 compared to the fiscal year ended December 31, 2021. Our financial results for these periods are not necessarily indicative of the financial results that we will achieve in future periods. Certain totals for the table below may not sum to 100% due to rounding.

	Year ended December 31,		*Increase / (Decrease)*	
	2021	***2020***	***Dollars***	***Percentage***
Revenue	$ 6,536,859	$ 3,170,925	$ 3,365,934	106.1%
Restaurant operating expenses:				
Food, beverages and supplies	1,998,831	880,040	1,118,791	127.1%
Labor	2,969,426	1,542,796	1,426,630	92.5%
Rent and utilities	689,709	437,972	251,737	57.5%
Delivery and service fees	525,638	222,723	302,915	136.0%
Depreciation	138,665	114,478	24,187	21.1%
Total restaurant operating expenses	6,322,269	3,198,009	3,124,260	97.7%
Net operating restaurant operating income (loss)	214,590	(27,084)	241,674	-892.3%
General and administrative	2,042,623	378,599	1,664,024	439.5%
Advertising and marketing	31,952	30,054	1,898	6.3%
Total operating expenses	2,074,575	408,653	1,665,922	407.7%
Loss from operations	(1,859,985)	(435,737)	(1,424,248)	326.9%
Other income (expense):				
PPP loan forgiveness	269,887	-	269,887	n/a
Other income	26,486	49,556	(23,070)	-46.6%
Interest	(52,224)	(51,590)	(634)	1.2%
Income before income taxes	(1,615,836)	(437,771)	(1,178,065)	269.1%
Income tax provision	14,649	12,357	2,292	18.5%
Net income (loss)	**$ (1,630,485)**	**$ (450,128)**	**$ (1,180,357)**	**262.2%**

	Year ended December 31	
	2021	***2020***
	(as a percentage of revenues)	
Revenue	100.0%	100.0%
Restaurant operating expenses:		
Food, beverages and supplies	30.6%	27.8%
Labor	45.4%	48.7%
Rent and utilities	10.6%	13.8%
Delivery and service fees	8.0%	7.0%

Depreciation	2.1%	3.6%
Total restaurant operating expenses	96.7%	100.9%
Net operating restaurant operating income (loss)	3.3%	-0.9%
General and administrative	31.2%	11.9%
Advertising and marketing	0.5%	0.9%
Total operating expenses	31.7%	12.9%
Loss from operations	-28.5%	-13.7%
Other income (expense):		
PPP loan forgiveness	4.1%	0.0%
Other income	0.4%	1.6%
Interest	-0.8%	-1.6%
Income before income taxes	-24.7%	-13.8%
Income tax provision	0.2%	0.4%
Net income (loss)	**-24.9%**	**-14.2%**

Revenues. Revenues were $6.5 million for the year ended December 31, 2021 compared to $3.2 million for the year ended December 31, 2020, representing an increase of approximately $3.4 million, or 106.1%. The increase in sales for the year was primarily driven by $2.0 million in sales for the period from two new restaurants opened in August 2020 and July 2021. The location that opened in 2020 accounted for approximately $561,000 of revenue during the year ended December 31, 2020. The remainder of the increase is considered to be attributable to recovery from the impact of the pandemic on customer traffic during 2020. The four restaurant locations that were open through all of 2020 each experienced significant sales growth in the current year. Combined average monthly sales for these locations increased 63.4% for the year ended December 31, 2021 from the comparable period in the prior year.

Food, beverage and supplies. Food, beverage and supplies costs were $2.0 million for the year ended December 31, 2021 compared to $0.9 million for the year ended December 31, 2020, representing an increase of approximately $1.1 million, or 127.1%. The increase in costs for the year was primarily driven by increases in revenues from two new restaurants opened and from the recovery from lower volume experienced during the pandemic. As a percentage of sales, food, beverage and supplies costs increased to 30.6% in the year ended December 31, 2021 compared to 27.8% in the year ended December 31, 2020. The increase in costs as a percentage of sales was primarily driven by changes in our menu prices and seasonal fluctuations in cost of ingredients.

Labor. Labor and related costs were $3.0 million for the year ended December 31, 2021 compared to $1.5 million for the year ended December 31, 2020, representing an increase of approximately $1.4 million, or 92.5%. The increase in costs was largely driven by additional labor costs incurred with respect to two new restaurants opened. As a percentage of sales, labor and related costs decreased to 45.4% in the year ended December 31, 2021 compared to 48.7% in the year ended December 31, 2020. The decrease in costs as a percentage of sales was primarily driven by recovery in sales volume from levels experienced during the pandemic without commensurate increases in labor costs. This is largely a result of the Company maintaining staffing levels through the pandemic effected period, partially funded by pandemic assistance made available in the form of loans from government entities.

Rent and utilities. Rent and utilities expenses were approximately $690,000 for the year ended December 31, 2021 compared to $438,000 for the year ended December 31, 2020, representing an increase of approximately $252,000, or 57.5%. The increase was primarily a result of additional occupancy expenses incurred with respect to two new restaurants opened. As a percentage of sales, rent and utilities expenses decreased to 10.6% in the year ended December 31, 2021, compared to 13.8% for the year ended December 31, 2020. The decrease in costs as a percentage of sales was primarily driven by the increases in sales and relatively fixed occupancy costs for established locations.

Delivery and service fees. Delivery and service fees incurred were approximately $526,000 for the year ended December 31, 2021 compared to $223,000 for the year ended December 31, 2020, representing an increase of approximately $303,000, or 136.0%. The increase is primarily due to the significant growth of the food delivery operations during the pandemic affected period when inside dining operations were limited and continued into the recovery period. As a percentage of sales, delivery and service fees increased to 8.0% for the year ended December 31, 2021 compared to 7.0% for the comparable period in the prior year. The change is largely driven by the continued growth of the delivery business as a component of our business model.

Depreciation and amortization expenses. Depreciation and amortization expenses incurred were approximately $139,000 for the year ended December 31, 2021 compared to $114,000 for the year ended December 31, 2020, representing an increase of approximately $24,000, or 21.1%. The increase was primarily due to increased depreciation for the two new restaurants opened. As a percentage of sales, depreciation and amortization expenses decreased to 2.1% for the year ended December 31, 2021 compared to 3.6% for the comparable period in the prior year. The change is largely driven by the increases in sales from period to period.

General and administrative expenses. General and administrative expenses were approximately $2.0 million for the year ended December 31, 2021 compared to $379,000 for the year ended December 31, 2020, representing an increase of approximately $1.7 million, or 439.5%. This increase in general and administrative expenses was primarily due to the hiring of additional administrative employees, increases in professional services and corporate-level costs to support growth plans, the opening of new restaurants, as well as costs associated with outside administrative, legal and professional fees and other general corporate expenses associated with preparing to become a public company. As a percentage of sales, general and administrative expenses increased to 31.2% in the year ended December 31, 2021 from 11.9% in the year ended December 31, 2020, primarily due to the significant increase in necessary corporate costs mentioned above.

Quarterly Results of Operations

The following tables summarize our selected unaudited quarterly statements of operations data for each of the 8 fiscal quarters through the period ended June 30, 2022. The information for each of these fiscal quarters has been prepared on a basis consistent with our audited financial statements and, in the opinion of management, includes all adjustments of a normal, recurring nature that are necessary for the fair statement of the results of operations for these periods in accordance with GAAP. The data should be read in conjunction with our audited financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected for a full year or in any future period.

	Six months ended (amounts in thousands)							
	Jun. 30, 2022	***Mar. 31, 2022***	***Dec. 31, 2021***	***Sep. 30, 2021***	***Jun. 30, 2021***	***Mar. 31, 2021***	***Dec. 31, 2020***	***Sep. 30, 2020***
Revenue:								
Food and beverage	$ 1,938	$ 2,036	$ 2,088	$ 1,842	$ 1,382	$ 1,225	$ 1,252	$ 696
Total revenue	1,938	2,036	2,088	1,842	1,382	1,225	1,252	696
Restaurant operating expenses:								
Food, beverages and supplies	547	490	654	588	382	375	(7)	432

Labor	1,016	1,085	989	904	572	504	467	519
Rent and utilities	223	292	231	190	130	139	157	131
Delivery and service fees	120	140	142	131	126	127	62	81
Depreciation	80	386	44	32	31	31	31	29
Total restaurant operating expenses	1,986	2,392	2,060	1,845	1,241	1,176	710	1,192
Operating expenses:								
General and administrative	373	367	1,614	194	117	118	7	189
Advertising and marketing	5	36	20	10	2	-	(4)	22
Total operating expenses	378	402	1,634	204	119	118	3	211
Total restaurant and operating expenses	2,364	2,794	3,694	2,049	1,360	1,294	713	1,403
Income (loss) from operations	(426)	(758)	(1,606)	(207)	22	(69)	539	(707)
Other income (expense):								
PPP loan forgiveness	-	386	(7)	277	-	-	-	-
Other income	4	2	5	(3)	25	-	13	31
Interest	(17)	(24)	(5)	(17)	(17)	(13)	22	(41)
Total other income (expense)	(13)	364	(7)	257	8	(13)	35	(10)
Income (loss) before income taxes	(439)	(394)	(1,613)	50	30	(82)	574	(717)
Income tax provision	7	-	1	7	7	-	9	9
Net income (loss)	**$ (446)**	**$ (394)**	**$ (1,614)**	**$ 43**	**$ 23**	**$ (82)**	**$ 565**	**$ (726)**

The following table sets forth our unaudited quarterly results of operations data for each of the periods indicated as a percentage of sales:

	Six months ended							
	Jun. 30, 2022	***Mar. 31, 2022***	***Dec. 31, 2021***	***Sep. 30, 2021***	***Jun. 30, 2021***	***Mar. 31, 2021***	***Dec. 31, 2020***	***Sep. 30, 2020***
Revenue:								
Food and beverage	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Restaurant operating expenses:								
Food, beverages and supplies	28.2%	24.0%	31.3%	31.9%	27.6%	30.6%	-0.6%	62.1%
Labor	52.5%	53.3%	47.4%	49.1%	41.4%	41.1%	37.3%	74.6%
Rent and utilities	11.5%	14.3%	11.1%	10.3%	9.4%	11.3%	12.5%	18.8%
Delivery and service fees	6.2%	6.9%	6.8%	7.1%	9.1%	10.4%	5.0%	11.6%
Depreciation	4.1%	18.9%	2.1%	1.7%	2.2%	2.5%	2.5%	4.2%
Total restaurant operating expenses	102.4%	117.5%	98.7%	100.1%	89.8%	96.0%	56.7%	171.3%
Operating expenses:								
General and administrative	19.2%	18.0%	77.3%	10.5%	8.5%	9.6%	0.6%	27.2%
Advertising and marketing	0.3%	1.8%	0.9%	0.6%	0.1%	0.0%	-0.3%	3.2%
Total operating expenses	19.6%	19.8%	87.1%	11.1%	8.6%	9.6%	0.2%	30.3%
Total restaurant and operating expenses	122.0%	137.2%	177.0%	111.2%	98.4%	105.6%	56.9%	201.6%
Loss from operations	-22.0%	-37.2%	-77.0%	-11.2%	1.6%	-5.6%	43.1%	-101.6%
Other income (expense):								
PPP loan forgiveness	0.0%	18.9%	-0.3%	15.0%	0.0%	0.0%	0.0%	0.0%
Other income	0.2%	0.1%	0.2%	-0.2%	1.8%	0.0%	1.0%	4.5%
Interest	-0.9%	-1.2%	-0.2%	-0.9%	-1.2%	-1.1%	1.8%	-5.9%
Total other income (expense)	-0.7%	17.9%	-0.3%	13.9%	0.6%	-1.1%	2.8%	-1.4%
Income before income taxes	-22.7%	-19.3%	-77.3%	2.8%	2.2%	-6.7%	45.8%	-103.0%
Income tax provision	0.4%	0.0%	0.0%	0.4%	0.5%	0.0%	0.7%	1.3%
Net income (loss)	**-23.0%**	**-19.3%**	**-77.3%**	**2.4%**	**1.7%**	**-6.7%**	**45.1%**	**-104.3%**

Quarterly Sales Trends

We experienced a decline in total sales in the early part of 2020, primarily driven by closures and reduced customer traffic as a result of the pandemic. The Company also closed two stores in mid-2019 and opened one new store in August 2020, so there was a net decrease of one location when comparing quarterly results from 2020 to comparable periods in 2019. However, our sales started to increase again in the third quarter of 2020 and throughout 2021 and the second quarter of 2022 primarily attributable to recovery from the impact of the pandemic on customer traffic experienced in early part of 2020 and to the addition of one additional location (Irvine) in July 2021 and another location (La Mirada) in February 2022. The four restaurant locations that were open through all of 2020 each experienced significant sales growth in 2021, resulting in comparable period sales growth of 63.4% when compared to the comparable period in the prior year. Sales for the three months ended December 31, 2021 were 13.3% higher than the prior quarter and 66.8% higher than the comparable period in the prior year, even though there was only a net increase of one location over these periods. Sales for the three months ended March 31, 2022 were comparable to the prior quarter and 66.2% higher than the comparable period in the prior year. Sales for the three months ended June 30, 2022 were

4.8% lower than the prior quarter due to the seasonality and 40.2% higher than the comparable period in the prior year primarily due to the aforementioned two new restaurants in Irvine and La Mirada.

The Irvine location opened during the third quarter of 2021 and the sales for this store are considered to still be in an early growth stage. Once the sales for this location reach its expectation and we open the additional planned locations, sales are expected to continue to trend upward. The La Mirada location opened in February 2022 and contributed approximately $81,000 and $179,000 to the sales for the quarter ended March 31, and June 30, 2022, respectively.

Quarterly Restaurant Operating Expense Trends

Our total quarterly operating restaurant expenses decreased in the early part of 2020 primarily due to reduced customer traffic as a result of the pandemic and the net reduction of one location. However, the costs did not decrease at a rate consistent with sales. As a percentage of sales, costs increased over the early part of 2020 and then decreased back to expected levels as sales increased as discussed above. In compliance with the increase in sales since fourth quarter 2020, quarterly restaurant operating expenses have been increasing.

For the three month periods ended December 31, 2021, March 31 and June 30, 2022, the restaurant operating expenses as a percentage of sales were 98.7%, 117.5% and 102.4%, respectively. For comparison, for the three months ended December 31, 2020, March 31, and June 30, 2021, these expenses as a percentage of sales were 56.7%, 96.0% and 89.8%. This is largely attributable to the increase in the labor cost.

Quarterly General and Administrative Trends

The overall increase in quarterly general and administrative expenses over the course of the periods presented was primarily due to the hiring of additional administrative employees, increases in professional services and corporate-level costs to support growth plans, the opening of new restaurants, as well as costs associated with outside administrative, legal and professional fees and other general corporate expenses associated with preparing to become a public company.

Quarterly Depreciation and Amortization Trends

Depreciation and amortization expenses remained relatively consistent through the quarters presented, primarily to the consistency in the number of operating locations. The company closed two stores in 2019, and then opened one new location in each of 2020 and 2021, thus the number of operating stores had no net change over those two years. In the quarter ended March, 31, 2022, the Company changed its estimates of depreciable lives on many leasehold improvements and certain other property and equipment, resulting in an increase in depreciation for the quarter and thereafter. In addition, the company added another location in February 2022 and has plans to expand further, resulting in the increases in depreciation expenses during the three month periods ended March 31 and June 30, 2022.

Liquidity and Capital Resources

Our primary uses of cash are for operational expenditures and capital investments, including new restaurants, costs incurred for restaurant remodels and restaurant fixtures. Historically, our main sources of liquidity have been cash flows from operations, borrowings from banks, and sales of common shares. In recent periods, the Company received significant assistance from governmental funds available in response to closures and impact on the business as a result of the pandemic. During the year ended December 31, 2020, the Company received approximately $723,000 in loans from these government assistance programs, and received additional loans amounting to approximately $1,360,000 during the year ended December 31, 2021. Certain of these loans are eligible for forgiveness under the government plans. During the year ended December 31, 2021, PPP loans amounting to approximately $270,000 were forgiven. During the six months ended June 30, 2022, additional PPP loans amounting to approximately $386,000 were forgiven. See Note 4 (Bank Note Payables) and Note 5 (Loan Payables, PPP) to the financial statements report for a more detailed discussion.

The Company has suffered recurring losses from operations and has a significant accumulated deficit. During the audited years ended December 31, 2020 and December 31, 2021, the Company had net loss of $450,128 and $1.6 million, respectively. During the six month period ended June 30, 2022, the Company had net loss of $840,414. In addition, the company continues to experience negative cash flow from operations and has a significant accumulated deficit, which was $3,653,456 at June 30, 2022. These factors raise a substantial doubt about the company's ability to continue as a going concern, and our independent registered public accounting firm has included a going concern uncertainty explanatory paragraph in their report dated May 27, 2022.

The significant components of our working capital are liquid assets such as cash and short term receivables and inventories, reduced by accounts payable and accrued expenses. Our working capital position benefits from the fact that we generally collect cash from sales to guests the same day or, in the case of credit or debit card transactions, within several days of the related sale, while we typically have longer payment terms with our vendors.

We believe that expected cash flow from operations and the establishment of a credit facility will be adequate to fund operating lease obligations, capital expenditures and working capital obligations for at least the next 12 months. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of sales and cash flow and our ability to manage costs and working capital successfully. See "Risk Factors—Risks Related to Our Business and Industry—We may need capital in the future, and we may not be able to raise that capital on favorable terms."

Summary of Cash Flows

The following table summarizes our cash flows for the periods presented:

	Years ended December 31,		*Six Months Ended June 30,*	
	2021	*2020*	*2022*	*2021*
Statement of Cash Flow Data:				
Net cash provided by (used in) operating activities	$ 194,143	$ 133,944	$ (882,710)	$ 79,234
Net cash used in investing activities	(896,615)	(545,235)	(288,829)	(391,224)
Net cash provided by financing activities	1,789,574	333,174	112,974	652,946

Cash Flows Provided by (Used in) Operating Activities

Net cash provided by operating activities during the year ended December 31, 2021 was $194,143, which resulted from net loss of $1,630,485, non-cash charges of $138,665 for depreciation and amortization, non-cash professional fees of $1.2 million, and net cash in-flows of $707,850 from changes in operating assets and liabilities, offset by non-cash income of $269,887 from forgiveness of PPP loans. The net cash in-flows from changes in operating assets and liabilities were primarily the result of increases in inventories of $20,837 and other assets of $105,732, offset by and an increase in payables to related parties of $471,802, increases of $296,917 in accounts payable and accrued expenses and $65,700 in other payables. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The increase in accounts payable was primarily due to the timing of cash payments.

Net cash provided by operating activities during the year ended December 31, 2020 was $133,944, which resulted from net loss of $450,128, non-cash charges of $114,478 for depreciation and amortization, and net cash inflows of $469,594 from changes in operating assets and liabilities. The net loss was significantly higher for the period relative to prior periods as a result of closures and reduced customer traffic as a result of the pandemic. The net cash inflows from changes in operating assets and liabilities were primarily the result of increased payables to related parties of $535,265, partially offset by increases of $1,661 in inventories and $20,199 in other assets and a decrease of $43,330 in accounts payable and accrued expenses. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The decrease in accounts payable was primarily due to the timing of cash payments.

Net cash used in operating activities during the six months ended June 30, 2022 was $882,710, which resulted from net loss of $840,414, non-cash charges of $464,873 for depreciation and amortization, and net cash outflows of $121,269 from changes in operating assets and liabilities. The net loss was significantly higher for the period relative to prior periods as a result of restaurant startup costs and increased general and administrative expense. The net cash outflows from changes in operating assets and liabilities were primarily the result of a decrease of $97,729 in accounts payable and accrued expenses and increases of $4,571 in inventory and $53,189 in other assets, partially offset by an increase in payables to related parties of $34,220. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The decrease in accounts payable was primarily due to the timing of cash payments.

Net cash provided by operating activities during the six months ended June 30, 2021 was $79,234, which resulted from net loss of $60,714, non-cash charges of $62,517 for depreciation and amortization, and net cash inflows of $77,431 from changes in operating assets and liabilities. The net cash inflows from changes in operating assets and liabilities were primarily the result of increases of $55,609 in accounts payable and accrued expenses, $16,182 in payables to related parties, and $34,794 in other payables, partially offset by increases of $5,680 in inventories and $23,474 in other assets. The increase in payables to related parties was the result of expenditures incurred by the related parties in connection with the opening of new restaurants. The increase in accounts payable was primarily due to the timing of cash payments.

Cash Flows Used in Investing Activities

Net cash used in investing activities during the years ended December 31, 2021 and 2020 was $896,615 and $545,235, respectively. These expenditures in each period are primarily related to purchases of property and equipment in connection with current and future restaurant openings and maintaining our existing restaurants.

Net cash used in investing activities during the six months ended June 30, 2022 and 2021 was $288,829 and $391,224, respectively. These expenditures in each period are primarily related to purchases of property and equipment in connection with current and future restaurant openings and maintaining our existing restaurants.

Cash Flows Provided by Financing Activities

Net cash provided by financing activities during the years ended December 31, 2021 was $1.8 million, primarily due to $1.3 million in proceeds from the sale of common stock, $1.4 million cash received through borrowings from banks and from pandemic relief funds available from government agencies, offset by $167,145 of repayment of borrowings, and shareholder distributions of $696,575, net of shareholder contributions.

Net cash provided by financing activities during the year ended December 31, 2020 was $333,174, primarily due to approximately $909,000 cash received through borrowings from banks and from pandemic relief funds available from government agencies, net of repayments. This was partially offset by $605,194 in shareholder distributions, net of shareholder contributions.

Net cash provided by financing activities during the six months ended June 30, 2022 was $112,974, due to $60,000 in proceeds from the sale of common stock, $140,000 cash received through borrowings from banks, offset by $87,026 of repayment of borrowings.

Net cash provided by financing activities during the six months ended June 30, 2021 was $652,946, due to approximately $1,105,604 cash received through borrowings from banks and from pandemic relief funds available from government agencies. This was partially offset by $367,596 in shareholder distributions and by $56,002 of repayment of borrowings.

Contractual Obligations

The following table presents our commitments and contractual obligations as of June 30, 2022, as well as our long-term obligations:

	Payments due by period as of June 30, 2022				
	Total	2022 (remaining six months)	2023-2024	2025-2026	Thereafter
Capital lease payments	$ 3,490,902	$ 239,430	$ 865,731	$ 893,376	$ 1,492,365
Bank note payables	1,290,646	124,783	499,132	341,973	324,758
EIDL loan payables	450,000	31,897	31,034	31,034	356,035
Restaurant revitalization fund loan payable	700,454	-	700,454	-	-
Total contractual obligations	**$ 5,932,002**	**$ 396,110**	**$ 2,096,351**	**$ 1,266,383**	**$ 2,173,158**

Off-Balance Sheet Arrangements

As of June 30, 2022, we did not have any material off-balance sheet arrangements.

Quantitative and Qualitative Disclosure of Market Risks

Commodity and Food Price Risks

Our profitability is dependent on, among other things, our ability to anticipate and react to changes in the costs of key operating resources, including food and beverage and other commodities. We have been able to partially offset cost increases resulting from a number of factors, including market conditions, shortages or interruptions due to recent supply chain disruptions, weather or other conditions beyond our control, governmental regulations and inflation, by increasing our menu prices, as well as making other operational adjustments that increase productivity. However, substantial increases in costs and expenses could impact our operating results to the extent that such increases cannot be offset by menu price increases or operational adjustments.

Inflation Risk

Historically and as of the date hereof, inflation has not had a material effect on our results of operations. Severe increases in inflation, however, could affect the global and U.S. economies and could have an adverse impact on our business, financial condition or results of operations. Furthermore, future volatile, negative, or uncertain economic conditions and recessionary periods or periods of significant inflation may adversely impact consumer spending at our restaurants, which would materially adversely affect our business, financial condition and results of operations. Such effects can be especially pronounced during periods of economic contraction or slow economic growth.

The primary inflationary factors affecting our operations are labor costs, food and beverage costs, and energy costs. With respect to labor costs, our restaurant operations are subject to federal and state minimum wage and other laws governing such matters as working conditions, overtime and tip credits. Significant numbers of our restaurant personnel are paid at rates related to the federal and/or state minimum wage and, accordingly, increases in the minimum wage increase our labor costs. To the extent permitted by competition and the economy, we have mitigated increased labor costs by passing those increased costs on to our guests by increasing menu prices, and we may continue to do so if deemed necessary in future years.

With respect to increases in food and beverage costs and energy costs, we have also been able to mitigate such cost increases (which may in part be due to inflation) by increasing our menu prices, as well as making other operational adjustments that increase productivity including, for example, more efficient purchasing practices, productivity improvements and greater economies of scale.

While we have been able to partially offset increased costs of core operating resources which may be due to inflation by deploying such mitigation strategies, there can be no assurance that we will be able to continue to do so in the future. From time to time, competitive conditions could limit our menu pricing flexibility. In addition, macroeconomic conditions could make additional menu price increases imprudent. There can be no assurance that future substantial cost increases can be offset by increased menu prices or that increased menu prices will be fully absorbed by our guests without any resulting change to their visit frequencies or purchasing patterns. In addition, there can be no assurance that we will generate same sales growth in an amount sufficient to offset inflationary or other cost pressures.

Critical Accounting Policies and Estimates

Our discussion and analysis of operating results and financial condition are based upon our financial statements. The preparation of our financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, sales, expenses and related disclosures of contingent assets and liabilities. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis.

Our critical accounting policies are those that materially affect our financial statements and involve subjective or complex judgments by management. Although these estimates are based on management's best knowledge of current events and actions that may impact us in the future, actual results may be materially different from the estimates. We believe the following critical accounting policies are affected by significant judgments and estimates used in the preparation of our financial statements and that the judgments and estimates are reasonable.

Operating and Capital Leases

We currently lease all of our restaurant locations, corporate offices, and some of the equipment used in our restaurants. In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Jumpstart Our Business Startups Act of 2012

On April 5, 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other non-emerging growth companies.

We are in the process of evaluating the benefits of relying on other exemptions and reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, if as an emerging growth company we choose to rely on such exemptions, we may not be required to, among other things, (i) provide an auditor's attestation report on our systems of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act, (ii) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Act, (iii) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis), and (iv) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer's compensation to median employee compensation. These exemptions will apply until we no longer meet the requirements of being an emerging growth company. We will remain an emerging growth company until the earliest of (1) the last day of the fiscal year following the fifth anniversary of the completion of our initial public offering, (2) the last day of the fiscal year in which we have total annual gross revenue of at least $1.07 billion, (3) the date on which we are deemed to be a large accelerated filer, which means year-end at which the total market value of our common equity securities held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, and (4) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

BUSINESS

Overview of Yoshiharu

Yoshiharu is a fast-growing Japanese restaurant operator and was borne out 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 our 2016 debut and has continued to

expand our top-notch restaurant service across Southern California, currently operating 8 restaurants with an additional 1 new restaurant store under construction/development and an additional 8 restaurant stores expected to open in 2022. We take pride in our warm, hearty, smooth, and rich bone broth, which is slowly boiled for over 12 hours. Customers can taste and experience supreme quality and deep flavors. Combining the broth with the fresh, savory, and highest-quality ingredients, Yoshiharu serves the perfect, ideal ramen, as well as offers customers a wide variety of sushi rolls, bento menu and other favorite Japanese cuisine. Our acclaimed signature Tonkotsu Black Ramen has become a customer favorite with its slow cooked pork bone broth and freshly made, tender chashu (braised pork belly).

Our mission is to bring our Japanese ramen and cuisine to the mainstream, by providing a meal that customers find comforting. Since the inception of the business, we have been making our own ramen broth and other key ingredients such as pork chashu and flavored eggs from scratch, whereby upholding the quality and taste of our foods, including the signature texture and deep, rich flavor of our handcrafted broth. Moreover, we believe that slowly cooking the bone broth makes it high in collagen and rich in nutrients. Yoshiharu also strives to present food that is not only healthy, but also affordable. We feed, entertain and delight our customers, with our active kitchens and bustling dining rooms providing happy hours, student and senior discounts, and special holiday events. As a result of our vision, customers can comfortably enjoy our food in a friendly and welcoming atmosphere.

Supply Chain Disruption and Inflation

Our profitability depends in part on our ability to anticipate and react to changes in food and supply costs, especially in light of recent supply chain disruptions. We believe we have experienced higher costs due to increased commodity prices and challenges sourcing our supplies due in part to global supply chain disruptions. Although historically and as of the date of this prospectus global supply chain disruptions have not materially adversely affected our business, a substantial increase in the cost of, or inability to procure, the food products most critical to our menu, such as canola oil, rice, meats, fish and other seafood, as well as fresh vegetables, could materially and adversely affect our business, financial condition or results from operations. Because we provide moderately priced food, we may choose not to, or may be unable to, pass along commodity price increases to consumers. These potential changes in supply costs could materially adversely affect our business, financial condition or results of operations.

Historically and as of the date hereof, inflation has not had a material effect on our results of operations. Severe increases in inflation, however, could affect the global and U.S. economies and could have a materially adverse impact on our business, financial condition or results of operations. Furthermore, future volatile, negative, or uncertain economic conditions and recessionary periods or periods of significant inflation may adversely impact consumer spending at our restaurants, which would materially adversely affect our business, financial condition and results of operations. Such effects can be especially pronounced during periods of economic contraction or slow economic growth. To the extent that we are unable to offset such cost inflation through increased menu prices or increased efficiencies in our operations and cost savings, there could be a negative impact on the our business, sales and margin performance, net income, cash flows and the trading price of our common shares.

Our Strengths

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and has helped grow the business since that time. Mr. Chae leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Compelling Value Proposition with Broad Appeal.

Guests can enjoy our signature ramen dishes or select from our variety of fresh sushi rolls, bento, and other Japanese cuisine. The high-quality dishes at affordable prices are the result of our efficient operations. In addition, we believe our commitment to high-quality and fresh ingredients in our food is at the forefront of current dining trends as customers continue to seek healthy food options.

Attractive Restaurant-Level Economics.

At Yoshiharu, we believe our rapid customer turnover, combined with our ability to deliver in 2 major dayparts with lunch and dinner, allows for robust and efficient sales in each of our restaurants. Our average unit volume ("AUV", as defined herein) was $0.9 million in 2020 and $1.2 million in 2021.

Quality of Food and Excellence in Customer Service.

We place a premium on serving high-quality, authentic Japanese cuisine. We believe in customer convenience and satisfaction and have created strong, loyal and repeat customers who help expand the Yoshiharu network to their friends, family and co-workers.

Flexibility to Pivot to Online and Delivery.

During the onset of the Covid-19 pandemic, we were able to efficiently transition from primarily in-store sales to a diversified mix of channels including takeout and delivery. As our customers' habits adapt post-pandemic, we intend to invest further in our delivery and takeout programs, which currently rely on third-party providers. Yoshiharu's ramen and Japanese cuisine is ideally suited for to-go packaging and transport. Due to our flexibility in pivoting to online and delivery, we achieved out-of-store sales of $2.2 million for the year ended December 31, 2021, compared to $1.2 million for the year ended December 31, 2020, or a growth rate of over 81.6%.

Our Growth Strategies

Pursue New Restaurant Development.

We have pursued a disciplined new corporate owned growth strategy. Having expanded our concept and operating model across varying restaurant sizes and geographies, we plan to leverage our expertise opening new restaurants to fill in existing markets and expand into new geographies. While we currently aim to achieve in excess of 100% annual unit growth rate over the next three to five years, we cannot predict the time period of which we can achieve any level of restaurant growth or whether we will achieve this level of growth at all. Our ability to achieve new restaurant growth is impacted by a number of risks and uncertainties beyond our control, including those described under the caption "Risk Factors." In particular, see "Risk Factors—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets" for specific risks that could impede our ability to achieve new restaurant growth in the future. We believe there is a significant opportunity to employ this strategy to open additional restaurants in our existing markets and in new markets with similar demographics and retail environments.

Deliver Consistent Comparable Restaurant Sales Growth.

We have achieved positive comparable restaurant sales growth in recent periods. We believe we will be able to generate future comparable restaurant sales growth by growing traffic through increased brand awareness, consistent delivery of a satisfying dining experience, new menu offerings, and restaurant renovations. We will continue to manage our menu and pricing as part of our overall strategy to drive traffic and increase average check. We are also exploring initiatives to grow sales of alcoholic beverages at our restaurants, including the potential of a larger format restaurant with a sake bar concept. In addition to the strategies stated above, we expect to initiate sales of franchises in 2022.

Increase Profitability.

We have invested in our infrastructure and personnel, which we believe positions us to continue to scale our business operations. As we continue to grow, we expect to drive higher profitability both at a restaurant-level and corporate-level by taking advantage of our increasing buying power with suppliers and leveraging our existing support infrastructure. Additionally, we believe we will be able to optimize labor costs at existing restaurants as our restaurant base matures and AUVs increase. We believe that as our restaurant base grows, our general and administrative costs will increase at a slower rate than our sales.

Heighten Brand Awareness.

We intend to continue to pursue targeted local marketing efforts and plan to increase our investment in advertising. We also are exploring the development of instant ramen noodles which we would distribute through retail channels. We intend to explore partnerships with grocery retailers to provide for small-format Yoshiharu kiosks in stores to promote a limited selection of Yoshiharu cuisine.

Experienced Management Team Dedicated to Growth.

Our team is led by experienced and passionate senior management who are committed to our mission. We are led by our Chief Executive Officer, James Chae. Mr. Chae founded Yoshiharu in 2016 and leads a team of talented professionals with deep financial, operational, culinary, and real estate experience.

Properties

As of June 30, 2022, we operated 7 restaurants in California and opened 1 new location in July 2022 in California. We operate a variety of restaurant formats, including in-line and end-cap restaurants located in retail centers of varying sizes. Our restaurants currently average approximately 1,578 square feet. We lease the property for our corporate offices and all of the properties on which we operate our restaurants.

The table below shows the locations of our restaurants as of the date of this prospectus:

Store Location	Address	Year Launched
Orange	1891 N Tustin St, Orange, CA 92865	2016
Buena Park	6970 Beach Blvd, #F206 Buena Park, CA 90621	2017
Whittier	8426 Laurel Ave, STE A Whittier, CA 90605	2017
Chino	4004 Grand Ave STE C Chino, CA 91710	2019
Eastvale	4910 Hamner Ave STE 150, Eastvale, CA 91752	2020
Irvine	3935 Portola Pkwy, Irvine, CA 92602	2021
La Mirada	12806 La Mirada Blvd, La Mirada, CA 90638	2022
Cerritos	11533 South St, Cerritos, CA 90703	3Q 2022*[1]
Corona	440 N Mckinley St STE 101, Corona, CA 92879	3Q 2022*[2]

*[1] Opened in July 2022.

*[2] Under construction.

We are obligated under non-cancelable leases for the majority of our restaurants, as well as our corporate offices. The majority of our restaurant leases have lease terms of 10 years, inclusive of customary extensions which are at the option of the Company. Our restaurant leases generally require us to pay a proportionate share of real estate taxes, insurance, common area maintenance charges, and other operating costs. Some restaurant leases provide for contingent rental payments based on sales thresholds, although we generally do not expect to pay significant rent on these properties based on the thresholds in those leases. We do not own any real property.

We opened one restaurant in each fiscal year from 2019 through 2021, and we have opened two restaurants so far in 2022. We currently have 1 new location under construction/development, and we expect to open an additional 8 new restaurants (4 of which have been identified) in fiscal year 2022 by utilizing approximately 36.55% of the net proceeds of this offering.

With respect to the 1 new location under construction/development, the Company has entered into a construction agreement with Life Construction Development, Inc. for certain tenant improvements to the Corona location (Contract Agreement, dated March 5, 2021, for tenant improvements to the premises located at 440 McKinley Street, Suite 101, Corona, California in the amount of $315,000).

We have finalized site selection for 4 of the upcoming 2022 restaurants for the following sites in Riverside and Orange County: Menifee, Garden Grove, Laguna Niguel, and San Clemente. We have executed commercial lease terms for Menifee, Laguna Niguel, and San Clemente, and are in the process of negotiating a lease agreement for Garden Grove. Site selection is ongoing for the other upcoming locations.

The Company anticipates approximately $405,000 in costs for the 1 new location in development.

Assuming the Company is successful in opening the additional 8 locations in 2022 as set forth above, based on the anticipated costs of the 1 location under construction/development, 1 location opened in July 2022 and historical costs of the Company's 8 corporate-owned locations, the total anticipated costs of opening the additional 8 locations is approximately $3.8 million.

In fiscal year 2019, we closed West Hollywood and Lynwood, California restaurants due to underperformance. We cannot provide assurance that we will be able to open any specific number of restaurants in any year. See "Risk Factors—Risks Related to Our Business and Industry—Our long-term success is highly dependent on our ability to successfully identify and secure appropriate sites and timely develop and expand our operations in existing and new markets."

Site Development and Expansion

Site Selection Process

We consider site selection to be instrumental to our success. As part of our strategic site selection process, we receive potential site locations from networks of local brokers, which are then reviewed by our Development Team. This examination consists of an analysis of the lease terms and conditions, a profitability evaluation, as well as multiple site visits during all times of the day, e.g., lunch, late afternoon, dinner, weekdays and weekends, to test for traffic. The Development Team holds regular meetings for site approval with other members of our senior management team in order to get a balanced perspective on a potential site.

Our current real estate strategy focuses on high-traffic retail centers in markets with a diverse population and above-average household income for the state. We believe we are

attractive lessees for landlords given our ability to drive strong traffic comprised of above-average household income guests, and we imagine our bargaining power will become stronger as we accumulate more stores. In site selection, we also consider factors such as residential and commercial population density, restaurant visibility, traffic patterns, accessibility, availability of suitable parking, proximity to highways, universities, shopping areas and office parks, the degree of competition within the market area, and general availability of restaurant-level employees. We also invest in site analytics tools for demographic analysis and data collection for both existing and new market areas, which we believe allows us to further understand the market area and determine whether to open new restaurants in that location.

Our flexible physical footprint, which has allowed us to open restaurants in size ranging from 1,500 to 2,500 square feet, allows us to open in-line and end-cap restaurant formats at strip malls and shopping centers and penetrate markets in both suburban and urban areas. We believe we have the ability to open additional restaurants in our existing metropolitan areas. We also believe there is significant opportunity to employ the strategy in new markets with similar demographics across the U.S. and globally.

Expansion Strategy

We plan to pursue a multi-facet expansion strategy by opening new corporate restaurants in both new and existing markets, as well as utilizing the franchise market. We believe this expansion will be crucial to executing our growth strategy and building awareness of Yoshiharu as a leading Japanese casual dining brand. Expansion into new markets occurs in parallel with ongoing evaluation of existing markets, with the goal of maintaining a pipeline of top-tier development opportunities. As described under Site Selection Process, we use a systematic approach to identify and review existing and new markets.

Upon selecting a new market, we typically build one restaurant to prove concept viability in that market. We have developed a remote management system whereby our senior operations team is able to monitor restaurants in real-time from our headquarters using approximately 8 cameras installed in each restaurant. We utilize this remote management system to maintain operational quality while minimizing inefficiencies caused by a lack of economies of scale in new markets.

Due to our relatively small restaurant count, new restaurants have an outsized impact on our financial performance. In order to mitigate risk, we look to expand simultaneously in new and existing markets. We base our site selection on our most successful existing restaurants and frequently reevaluate our strategy, pacing and markets. We believe we are in the early stages of our growth story and that our restaurant model is designed to generate strong cash flow, attractive restaurant-level financial results and high returns on invested capital, which we believe provides us with a strong foundation for expansion.

Restaurant Design

Restaurant design is handled by our Development Team in conjunction with outsourced vendor relationships, e.g., architects and general contractors. Our restaurant size currently averages approximately 1,500 square feet. Seating in our restaurant is comprised of a combination of table seating and bar seats with an average seating capacity of 40-50 guests.

We are developing two main restaurant layouts. The standard restaurants will be built using our current layout and design which we believe evokes a modern and on-trend Japanese dining atmosphere. The second layout is the larger plan where we will utilize a full service restaurant and bar. We believe the new layout achieves this atmosphere. We believe our see-through kitchens reflecting the cooks preparing first hand meals, amplify the lively bustle provided by the great casual atmosphere, and serve to highlight the ambiance of getting great food in a modern Japanese style ambiance.

Construction

Construction of a new restaurant takes approximately 12 to 24 weeks once construction permits (e.g., Health and City) are issued. Our Development Team oversees the build-out process from engaging architects and contractors to design and build out the restaurant. The capital resources required to develop each new restaurant are significant. On average, we estimate our restaurant build-outs to cost approximately $350,000 - $550,000 per standard location, net of tenant allowances and pre-opening costs and assuming that we do not purchase the underlying real estate, but this figure could be significantly higher depending on the market, restaurant size, and condition of the premises upon delivery by landlord. On average, we estimate that our restaurants require a cash build-out cost of approximately $350,000-$550,000 per restaurant, net of landlord tenant improvement allowances and pre-opening costs and assuming that we do not purchase the underlying real estate. Actual costs may vary significantly depending upon a variety of factors, including the site and size of the restaurant and conditions in the local real estate and labor markets.

Restaurant Management and Operations

Restaurant Management and Employees

Our restaurants typically employ one restaurant manager, one or two supervisors, and approximately 8 to 12 additional team members. Managers, supervisors and management trainees are cross-trained throughout the restaurant in order to create competency across critical restaurant functions, both in the dining area and in the kitchen.

In addition, our senior operations team monitors restaurants in real-time from our headquarters using our remote management system of approximately 8 cameras installed in each restaurant. These team members are responsible for different components of the restaurant: cleanliness, service, and food quality.

Training and Employee Programs

We devote significant resources to identifying, selecting, and training restaurant-level employees. Our training covers leadership, team building, food safety certification, alcohol safety programs, sexual harassment training, and other topics. Management trainees undergo training for approximately 8 to 16 weeks in order to develop a deep understanding of our operations. In addition, we are developing extensive training manuals that cover all aspects of restaurant-level operations.

Our traveling “opening team” provides training to team members in advance of opening a new restaurant. We believe the opening team facilitates a smooth opening process and efficient restaurant operations from the first day a restaurant opens to the public. The opening team is typically on-site at new restaurants from two weeks before opening to four weeks after opening.

Food Preparation, Quality and Safety

We are committed to consistently providing our guests high quality, freshly prepared food. For other items we believe hand preparation achieves the best quality. Hand preparation of menu items includes, but is not limited to, frying tempura, slicing meat and fish and making pork bone broth. We believe guests can taste the difference in freshly prepared food and that adhering to these standards is a competitive advantage for our brand.

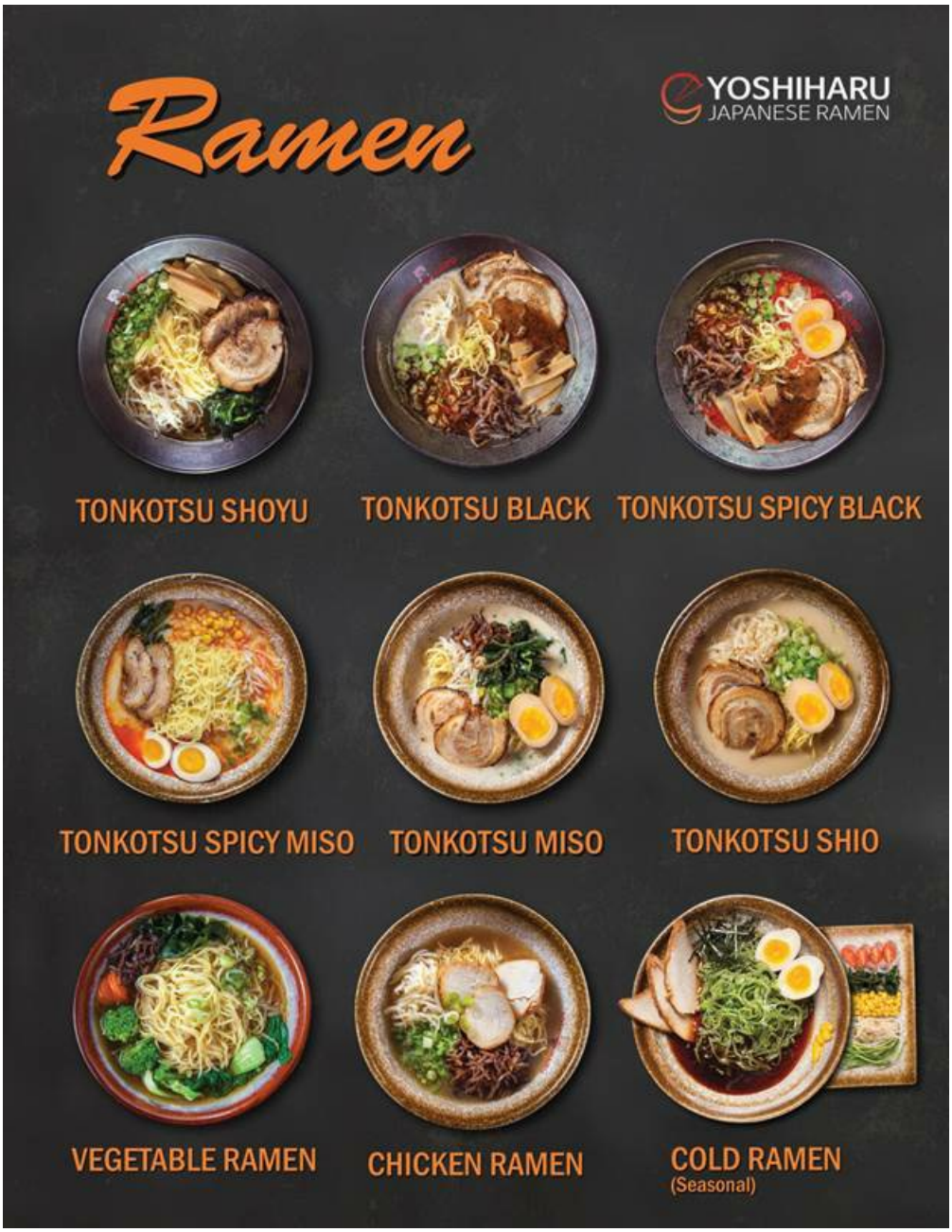
Food safety is essential to our success and we have established procedures to help ensure that our guests enjoy safe, quality food. We require each employee to complete food handler safety certification upon hiring. We have taken various additional steps to mitigate food quality and safety risks, including undergoing internal safety audits. We also consider food safety and quality assurance when selecting our distributors and suppliers.

Menu

We offer a diverse menu, including our signature ramen dishes, as well as sushi rolls, bento boxes, and other Japanese cuisine. The menu appeals to a wide range of customers, and we continue to improve upon the quality, taste and presentation. Additionally, we are able to serve the menu in a delivery and pickup format, as our food is designed to be enjoyed on premise or at customers' homes or offices. We have entered the catering business through relationships with businesses who place large format orders (i.e., Bento boxes for corporate meetings or office lunches), for delivery or pick-up. We expect that our catering business, which has a higher-than-average order value, to grow due to the early success we have experienced in the corporate channel.

New Menu Introductions

We focus advertising efforts on new menu offerings to broaden our appeal to guests and drive traffic. Our menu changes twice per year to introduce new items and remove underperforming items. We promote these new menu additions through various social media platforms, our website and in-restaurant signage.



Appetizer


GYOZA


EDAMAME


SPICY GARLIC EDAMAME


TAKOYAKI


KARA AGE


IIDAKO KARA AGE


EBI TEMPURA


POTATO SHRIMP


IKA KARA AGE


EGG ROLL


KOROKKE


KAKI FRY


TOFU NUGGETS


SEAWEED SALAD

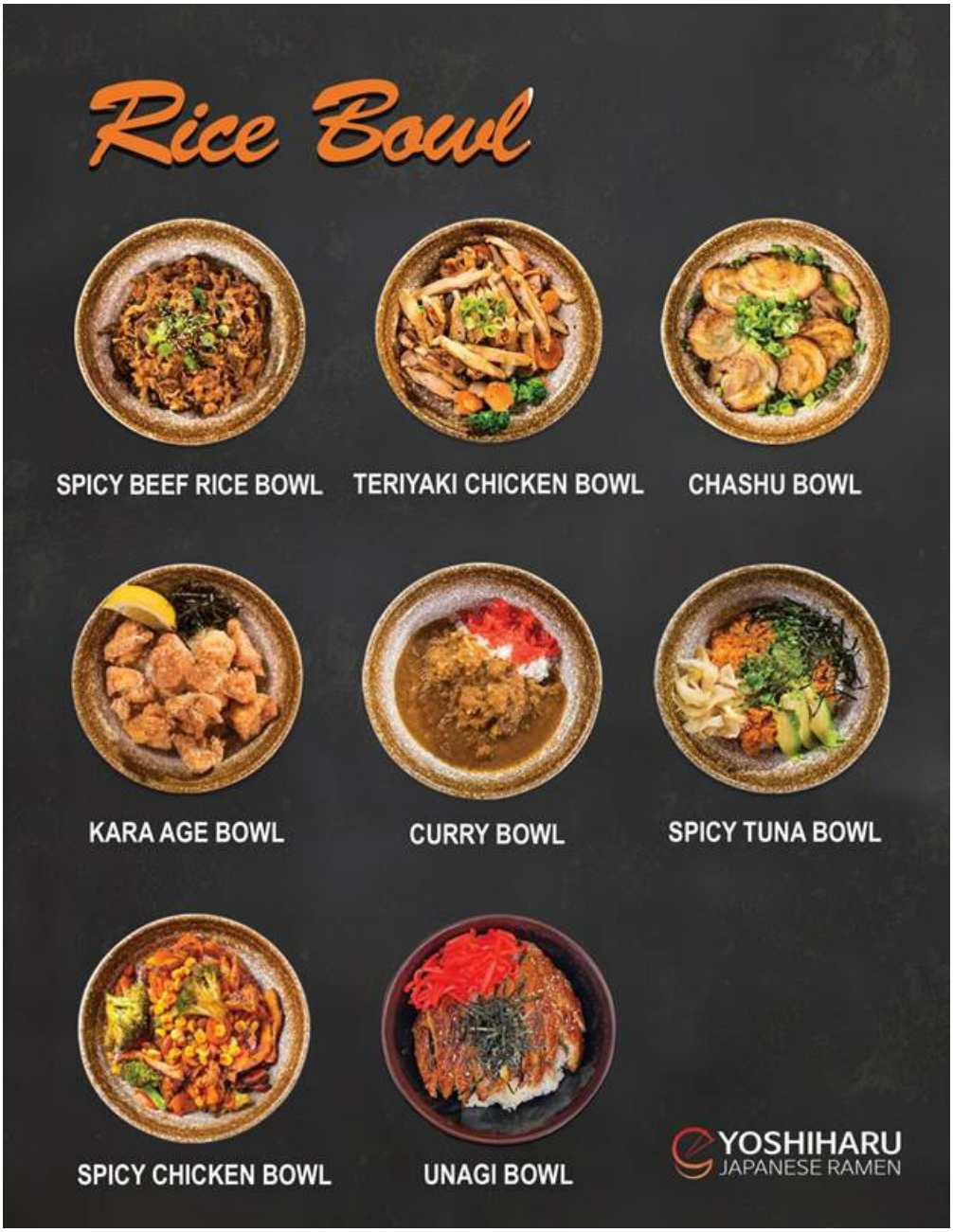

BIG PLATTER


CHICKEN SALAD


TOFU SALAD

YOSHIHARU
JAPANESE RAMEN


Bento
YOSHIHARU
JAPANESE RAMEN
DELUXE COMBINATION BENTO
BEEF STEAK BENTO
TERIYAKI CHICKEN BENTO
TONKATSU BENTO
(Pork Cutlet)
SALMON STEAK BENTO
SPICY BEEF BENTO


Rice Bowl
SPICY BEEF RICE BOWL
TERIYAKI CHICKEN BOWL
CHASHU BOWL
KARA AGE BOWL
CURRY BOWL
SPICY TUNA BOWL
SPICY CHICKEN BOWL
UNAGI BOWL
YOSHIHARU
JAPANESE RAMEN

Roll

YOSHIHARU
JAPANESE RAMEN

SALMON &
SHRIMP DYNAMITE ROLL

BAKED SALMON &
SHRIMP TEMPURA ROLL

BAKED SALMON ROLL

DELUXE SPICY
TUNA ROLL

SHRIMP TEMPURA ROLL

CLASSIC SPICY TUNA ROLL

CLASSIC CALIFORNIA
ROLL

SPICY CALIFORNIA ROLL

SPAM MUSUBI

Marketing and Advertising

We use a variety of marketing and advertising channels to build brand awareness, attract new guests, increase dining frequency, support new restaurant openings, and promote Yoshiharu as an authentic Japanese restaurant with high-quality cuisine and a distinctive dining experience. Our primary advertising channels include digital, social, and print.

Social Media

We maintain a presence on several social media platforms including Facebook and Instagram, allowing us to regularly communicate with guests, alert guests of new offerings, and conduct promotions. Our dining experience is built to provide our guests social media shareable moments, which we believe extends our advertising reach.

Suppliers

We carefully select suppliers based on product quality and authenticity and their understanding of our brand, and we seek to develop long-term relationships with them. All supply arrangements are negotiated and managed at the Yoshiharu corporate-level.

Food. Our Vice President of Operations identifies and procures high-quality ingredients at competitive prices. Each store separately makes an order to the specific vendor, and the invoices are submitted and paid by Yoshiharu at the corporate-level. We source mainly through the following Japanese-related distributors: JFC, a subsidiary of Kikkoman Corporation, Wismettac, a subsidiary of Nishimoto Co., Ltd., and Mutual Trading Co., Inc., a California corporation.

Paper. Our Vice President of Operations negotiates long term supply agreements for our logo-branded paper including takeout bags and bowls, chopsticks, as well as uniforms. We make a portion of our purchases annually in bulk at fixed prices, and deliver them to our warehouse in Anaheim, California. Each restaurant Manager receives the necessary paper supplies from our warehouse.

Management Information Systems

We utilize systems provided by Toast, Inc. for point of sale, contactless ordering, handheld ordering, online ordering and delivery, as well as marketing and payroll

management. We believe that Toast's systems provide us and our customers with streamlined operations and allows us to efficiently turn tables and improve the sales conversion cycle, while reducing third-party commissions for online orders.

Restaurant Industry Overview

According to the National Restaurant Association (the "NRA"), U.S. restaurant industry sales in calendar year 2020 were $678.0 billion and are expected to grow at a growth rate of 17.8% to $799 billion in calendar year 2021.

The restaurant industry is divided into several primary segments, including limited-service and full-service restaurants, which are generally categorized by price, quality of food, service, and location. Yoshiharu sits at the intersection of these two segments offering the experience and food quality of a full-service restaurant and the speed of service of a limited-service restaurant. We primarily compete with other full-service restaurants, which, according to the NRA, had approximately $285 billion of sales in calendar year 2019, prior to the onset of the COVID-19 pandemic, and an increase of 3.8% over 2019. The limited-service segment generated $309 billion in calendar year 2019, or 3.2% over the prior year. COVID-19 had a material impact on consumer spending at restaurants in 2020, resulting in a decrease compared to the prior year.

However, for 2021, restaurant sales are expected to increase due to rising vaccination numbers and consumers' pent-up demand. Full-service restaurants are expected to generate $261 billion of sales in calendar year 2021, an increase of 31.2% over 2020, while limited-service restaurants are expected to generate $329 billion in sales, or 10.8% over the prior year.

We believe that increased multiculturalism in the United States, driven in part by growth in the Asian demographic, contributes to a favorable macro environment for Yoshiharu's future growth. According to the U.S. Census Bureau, the Asian population is projected to be one of the fastest growing demographics in the United States, increasing in size from 20 million people in calendar year 2020 to 24.4 million people by calendar year 2030. During this time, the Asian population's share of the nation's total population is projected to increase by 15%, from approximately 6% to 6.9%.

Additionally, we believe that Yoshiharu is well-positioned to grow our share of the restaurant market as consumers seek quality, value, healthier options, and authentic global and regional cuisine in their dining choices. According to the National Restaurant Association 2019 State of the Industry report, more than 60% of customers cite the availability of healthy menu options as a key factor in restaurant choice when eating out. In addition, as referenced in the same report, ethnic spices, ethnic condiments, and Asian soups were among the projected top 25 food trends for limited-service restaurants in calendar year 2019.

We cannot provide assurance that we will benefit from these long-term demographic trends, although we believe the projected growth in the Asian population and the Asian influence on dining trends will result in an increase in demand for Japanese and Asian foods.

Competition

We face significant competition from a variety of locally owned restaurants regional, and national chain restaurants offering both Asian and non-Asian cuisine, as well as takeaway options from grocery stores. Direct competition for Yoshiharu comes primarily from Asian restaurants including other ramen noodles restaurants. Jinya Ramen Bar operates approximately 40 locations in the United States and also franchises their restaurants. We believe that we compete primarily based on product quality, dining experience, ambience, location, convenience, value perception, and price. Our competition continues to intensify as competitors increase the breadth and depth of their product offerings and open new restaurants.

Seasonality

Due to Yoshiharu's menu breadth and diversification of offerings, we do not experience significant seasonality.

Employees

As of December 31, 2021, we had approximately 130 employees, of whom 15 were exempt employees and the remainder were non-exempt employees. None of our employees are unionized or covered by collective bargaining agreements, and we consider our current employee relations to be good.

Government Regulation and Environmental Matters

We are subject to extensive and varied federal, state and local government regulation, including regulations relating, among others, to public and occupational health and safety, nutritional menu labeling, healthcare, the environment, sanitation and fire prevention. We operate each of our restaurants in accordance with standards and procedures designed to comply with applicable codes and regulations. However, an inability to obtain or retain health department or other licenses would adversely affect our operations. Although we have not experienced, and do not anticipate, any significant difficulties, delays or failures in obtaining required licenses, permits or approvals, any such problem could delay or prevent the opening of, or adversely impact the viability of, a particular restaurant or group of restaurants. Additionally, difficulties, delays or failure to retain or renew licenses, permits or approvals, or increased compliance costs due to changed regulations, could adversely affect operations at existing restaurants.

In addition, in order to develop and construct restaurants, we must comply with applicable zoning, land use and environmental regulations. Federal and state environmental regulations have not had a material effect on our operations to date, but more stringent and varied requirements of local governmental bodies with respect to zoning, land use and environmental factors could delay or even prevent construction and increase development costs for new restaurants. We are also required to comply with the accessibility standards mandated by the U.S. Americans with Disabilities Act, which generally prohibits discrimination in accommodation or employment based on disability. We may in the future have to modify restaurants, for example, by adding access ramps or redesigning certain architectural fixtures, to provide service to or make reasonable accommodations for disabled persons. While these expenses could be material, our current expectation is that any such actions will not require us to expend substantial funds.

Alcoholic beverage control regulations require each of our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license that must be renewed annually and may be revoked or suspended for cause at any time. Alcoholic beverage control regulations relate to numerous aspects of daily operations of our restaurants, including minimum age of patrons and employees, hours of operation, advertising, trade practices, wholesale purchasing, other relationships with alcohol manufacturers, wholesalers and distributors, inventory control and handling, storage and dispensing of alcoholic beverages. We are also subject in certain states to "dram shop" statutes, which generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person. We carry liquor liability coverage as part of our existing comprehensive general liability insurance.

Further, we are subject to the U.S. Fair Labor Standards Act, the U.S. Immigration Reform and Control Act of 1986, the Occupational Safety and Health Act and various other federal and state laws governing similar matters including minimum wages, overtime, workplace safety and other working conditions. Significant numbers of our food service and preparation personnel are paid at rates related to the applicable minimum wage, and further increases in the minimum wage or other changes in these laws could increase our labor costs. Our ability to respond to minimum wage increases by increasing menu prices will depend on the responses of our competitors and guests. Our distributors and suppliers also may be affected by higher minimum wage and benefit standards, which could result in higher costs of goods and services supplied by us. We may also be subject to lawsuits from our employees, the U.S. Equal Employment Opportunity Commission or others alleging violations of federal and state laws regarding workplace and

employment matters, discrimination and similar matters.

There has been increased regulation of certain food establishments in the United States, such as the requirements to maintain a Hazard Analysis and Critical Control Points ("HACCP") system. HACCP refers to a management system in which food safety is addressed through the analysis and control of potential hazards from production, procurement and handling, to manufacturing, distribution and consumption of the finished product. Many states have required restaurants to develop and implement HACCP systems and the U.S. government continues to expand the sectors of the food industry that must adopt and implement HACCP programs. We cannot assure you that we will not have to expend additional time and resources to comply with new food safety requirements either required by current or future federal food safety regulation or legislation. Additionally, our suppliers may initiate or otherwise be subject to food recalls that may impact the availability of certain products, result in adverse publicity or require us to take actions that could be costly for us or otherwise harm our business.

A number of states, counties and cities have enacted menu labeling laws requiring multi-unit restaurant operators to disclose to consumers certain nutritional information, or have enacted legislation restricting the use of certain types of ingredients in restaurants. Many of these requirements are inconsistent or interpreted differently from one jurisdiction to another. These requirements may be different or inconsistent with requirements that we are subject to under the ACA, which establishes a uniform, federal requirement for certain restaurants to post nutritional information on their menus. Specifically, the ACA requires chain restaurants with 20 or more locations in the United States operating under the same name and offering substantially the same menus to publish the total number of calories of standard menu items on menus and menu boards, along with a statement that puts this calorie information in the context of a total daily calorie intake. The ACA also requires covered restaurants to provide to consumers, upon request, a written summary of detailed nutritional information for each standard menu item, and to provide a statement on menus and menu boards about the availability of this information upon request. While our ability to adapt to consumer preferences is a strength of our concepts, the effect of such labeling requirements on consumer choices, if any, is unclear at this time.

We are subject to federal, state and local environmental laws and regulations concerning waste disposal, pollution, protection of the environment, and the presence, discharge, storage, handling, release and disposal of, or exposure to, hazardous or toxic substances ("environmental laws"). These environmental laws can provide for significant fines and penalties for non-compliance and liabilities for remediation, sometimes without regard to whether the owner or operator of the property knew of, or was responsible for, the release or presence of the hazardous or toxic substances. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of, or actual or alleged exposure to, such substances. We are not aware of any environmental laws that will materially affect our earnings or competitive position, or result in material capital expenditures relating to our restaurants. However, we cannot predict what environmental laws will be enacted in the future, how existing or future environmental laws will be administered, interpreted or enforced, or the amount of future expenditures that we may need to make to comply with, or to satisfy claims relating to, environmental laws. It is possible that we will become subject to environmental liabilities at our properties, and any such liabilities could materially affect our business, financial condition or results of operations.

We are also subject to laws and regulations relating to information security, privacy, cashless payments, gift cards and consumer credit, protection and fraud, and any failure or perceived failure to comply with these laws could harm our reputation or lead to litigation, which could adversely affect our business, financial condition or results of operations.

Furthermore, we are subject to import laws and tariffs which could impact our ability to source and secure food products, other supplies and equipment necessary to operate our restaurants.

For a discussion of the various risks we face from regulation and compliance matters, see "Risk Factors."

Intellectual Property and Trademarks

Yoshiharu Holdings Co., our wholly owned subsidiary, owns a number of patents, trademarks and service marks registered or pending with the U.S. Patent and Trademark Office ("PTO"). The Company has registered the following marks with the PTO: YOSHIHARU RAMEN (Trademark Reg. No. 5030823) and Design Mark YOSHIHARU RAMEN (Trademark Reg. No. 5045588). In addition, we have registered the Internet domain name www.yoshiharuramen.com. The information on, or that can be accessed through, our website is not part of this prospectus.

We believe that the trademarks, service marks and other intellectual property rights that we license from Yoshiharu Holdings Co. have significant value and are important to the marketing and reputation of our brand. It is our policy to pursue registration of our intellectual property whenever possible and to oppose vigorously any infringement thereof. However, we cannot predict whether steps taken to protect such rights will be adequate or whether Yoshiharu Holdings Co. will take steps to enforce such rights with regard to any intellectual property that we license from them. See "Risk Factors—Risks Related to Our Business and Industry—We may become involved in lawsuits involving Yoshiharu Holdings Co. as the owner of intellectual property, or us as a licensee of intellectual property from Yoshiharu Holdings Co., to protect or enforce our intellectual property rights, which could be expensive, time consuming, and unsuccessful." We are aware of third-party restaurants with names similar to our restaurant name in certain limited geographical areas such as in California. However, we believe such uses will not adversely affect us.

Legal Proceedings

We are currently not involved in litigation that we believe will have a materially adverse effect on our financial condition or results of operations. There is no action, suit, proceeding, inquiry or investigation before or by any court, public board, government agency, self- regulatory organization or body pending or, to the knowledge of the executive officers of our company or any of our subsidiaries threatened against or affecting our company, our common stock, any of our subsidiaries or of our company's or our company's subsidiaries' officers or directors in their capacities as such, in which an adverse decision is expected to have a material adverse effect.

MANAGEMENT

The following table sets forth certain information regarding our executive officers, directors and director nominees as of June 30, 2022.

Name	Age	Position
James Chae	58	President, Chief Executive Officer, Director and Chairman of the Board
Soojae Ryan Cho	53	Chief Financial Officer
Jay Kim	60	Director
Helen Lee	57	Director
Yusil Yeo	43	Director

Background of Executive Officers and Directors

James Chae, age 58, Chairman of the Board of Directors, Chief Executive Officer

Mr. Chae founded Yoshiharu in 2016. Led by Mr. Chae, Yoshiharu has expanded to become a leading Japanese cuisine restaurant chain in Southern California. The root of Mr.

Chae's business knowledge comes from over two decades leading a wide array of industries including both the financial services and retail services segments. Mr. Chae has been a business executive for over 10 years, serving as the President of APIIS Financial, Inc., a financial planning and wealth management firm. Prior to APIIS Financial, Inc., Mr. Chae served as the Managing Site Partner for John Hancock from January 2002 to October 2010.

Mr. Chae immigrated from South Korea to the United States as a teenager, and diligently worked to enroll at UCLA where he studied Economics. Prior to graduation, Mr. Chae began his career at California Korea Bank, one of the first banks to service Koreans living in the United States. Mr. Chae rose to the position of Loan Adjuster before venturing out on his own as an entrepreneur. While starting his own businesses, Mr. Chae often found comfort in a warm bowl of ramen to uplift him and energize his spirit, which served as the inspiration for Yoshiharu. Mr. Chae's background in the financial services industry provided him access to restaurants and retailers which helped him understand the restaurant industry and more importantly, the necessary foundations in building a successful restaurant business. Mr. Chae believed that there was a large addressable market for ramen, and together with his experience and passion for the business, founded Yoshiharu. As the founder and controlling stockholder of the Company, Mr. Chae possesses invaluable operational knowledge and insight making him qualified to serve as a member of our board of directors.

Soojae Ryan Cho, age 53, Chief Financial Officer

Mr. Cho was appointed to serve as Chief Financial Officer effective May 25, 2022. For the past five years, Mr. Cho has served as a partner in S&R Accounting Professionals, LLP where he has provided various accounting, external audit, and tax services. He has 25 years of experience in the public accounting and industry experience with US and global companies. Mr. Cho began his career with KPMG Los Angeles in 1996. After successfully completing 9 years at KPMG, Mr. Cho was recruited as a Controller and became a CFO for Prudential Securities in South Korea, a wholly owned subsidiary of Prudential Securities USA. Mr. Cho later joined Ticket Monster (TMon), a leading e-Commerce company as a Director of Finance managing over 40 accounting and finance team members. At TMon, Mr. Cho successfully led and completed mergers and acquisitions in different times with Groupon USA, Living Social, and KKR (one of the largest private equity firms in the USA), reported financial statements under US GAAP to its parent company, and worked closely with external auditors, PwC and E&Y. He has extensive experience in audits for both private and public companies, SEC reporting and due diligence transactions including post-merger integration services and IPO engagements. Mr. Cho offers specialized expertise in the automotive, manufacturing and distribution, technology, and e-Commerce industries.

Jay Kim, age 60, Director

Mr. Kim was appointed to serve as a director effective February 4, 2022. Mr. Kim serves as the Chief Executive Officer of Reborn Coffee Inc. Prior to Reborn, Mr. Kim founded Wellspring Industry, Inc. in California in 2007 which created the yogurt distribution company "Tutti Frutti" and bakery-café franchise "O'My Buns." Tutti Frutti grew to approximately 700 agents worldwide that offered self-serve frozen yogurt. Mr. Kim sold the majority ownership of Wellspring to a group of investors in 2017.

Prior to founding Wellspring, Mr. Kim was the owner of Coffee Roasters in Riverside, California from 2002 to 2007. Mr. Kim worked as the project manager for JES Inc., based in Brea, CA from 1997 to 2002 where he coordinated and managed environmental engineering projects. Mr. Kim worked as a Senior Process Engineer for Allied Signal Environment Catalyst in Tulsa, Oklahoma, from 1992 to 1997 where he coordinated and implemented projects related to plant productivity and provided leadership and direction to other engineers as required and provided information needed for Division product quotations. He also acted as the leader in a start-up plant to be based in Mexico for Allied Signal. From 1988 to 1992 he worked as the plant start-up engineer for Toyota Auto Body Inc.

Mr. Kim has a B.S, in Chemical Engineering from California State University at Long Beach and followed a Chemical office basic at US Army Chemical School in 1988. He was commissioned 1st. LT. of the US Army in 1986 and retired from the US Army in 1988. Mr. Kim possesses extensive experience in leading and building restaurant and franchise companies making him qualified to serve as a member of our board of directors and our Audit Committee.

Helen Lee, age 57, Director

Ms. Lee was appointed to serve as a director effective February 4, 2022. She has over 20 years of accounting experience helping businesses and individuals manage and grow their financial well-being. She is the founder and leading partner of L&P CPAs, Inc. specializing in tax audit defense and business consulting.

Ms. Lee obtained her California CPA license in 2004 and passed the California Bar exam in 2021. Ms. Lee possesses extensive expertise in audit and financial management, making her qualified to serve as a member of our board of directors and our Compensation Committee.

Yusil Yeo, age 43, Director

Ms. Yeo was appointed to serve as a director effective May 25, 2022. Ms. Yeo is currently the president of Grace Yeo & Associates, C.P.A., Inc, a full-service accounting firm in Los Angeles, CA and has served in such capacity for the past 5 years. She has expertise in providing comprehensive accounting services. Ms. Yeo is a member of American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. She is licensed as a Certified Public Accountant. Ms. Yeo has gained extensive accounting and tax experience through senior accountant and management roles for a variety of companies and CPA firms located in the Los Angeles area, including H&R Block and KNM Associates, Inc. Ms. Yeo holds a Bachelor of Science degree from the University of California, Los Angeles.

Ms. Yeo possesses extensive expertise and experience in financial management, making her qualified to serve as a "financial expert", a member of our board of directors and our Audit Committee.

There are no family relationships among our board of directors and executive officers.

Controlled Company

Upon completion of this offering, James Chae will continue to control a majority of the combined voting power of our outstanding equity interests. As a result, we will be a "controlled company" within the meaning of the corporate governance rules of the Nasdaq Stock Market. As a controlled company, exemptions under the standards will free us from the obligation to comply with certain corporate governance requirements, including the requirements:

- that a majority of our board of directors consists of "independent directors," as defined under the rules of the Nasdaq Stock Market;
- that we have, to the extent applicable, a Nominating and Corporate Governance Committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- that we have a Compensation Committee composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- for an annual performance evaluation of the Nominating and Corporate Governance Committee and Compensation Committee.

Since we intend to avail ourselves of the "controlled company" exception under the Nasdaq Stock Market rules, we will not have a Nominating and Corporate Governance Committee. These exemptions do not modify the independence requirements for our Audit Committee, and we intend to comply with the requirements of Rule 10A-3 of the Exchange Act and the rules of the Nasdaq Stock Market within the applicable time frame. These rules require that our Audit Committee be composed of at least three members, a majority of whom will be independent within 90 days of the date of this prospectus, and all of whom will be independent within one year of the date of this prospectus.

Based on the Nasdaq Stock Market corporate governance rules and the independence requirements of Rule 10A-3 of the Exchange Act, our board of directors has determined that Jay Kim, Helen Lee and Yusil Yeo are each an independent director. We intend that a majority of our directors will be independent prior to listing on the Nasdaq Capital Markets.

Corporate Governance and Board Structure

Our board of directors currently consists of four members, and upon the closing of this offering, will continue to consist of four members. Our bylaws that will be effective upon the completion of this offering provides that our board of directors shall consist of at least 3 directors but not more than directors and the authorized number of directors may be fixed from time to time by resolution of our board of directors. Based on the corporate governance rules of the Nasdaq Stock Market, Jay Kim, Helen Lee and Yusil Yeo are independent directors.

The authorized number of directors may be changed by resolution of the board of directors. Vacancies on the board of directors can be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum, and shall hold office until the next annual meeting of the stockholders or until his or her successor is duly elected and qualified. Mr. Chae serves as the Chairman of our board of directors. See "Risk Factors—Risks Related to Our Organizational Structure."

Our directors hold office until the earlier of their death, resignation, retirement, qualification or removal or until their successors have been duly elected and qualified.

We expect that our board of directors will fully implement our corporate governance initiatives at or prior to the closing of this offering. We believe these initiatives comply with the Sarbanes-Oxley Act and the rules and regulations of the SEC adopted thereunder. In addition, we believe our corporate governance initiatives comply with the rules of the Nasdaq Stock Market. After this offering, our board of directors will continue to evaluate, and improve upon as appropriate, our corporate governance principles and policies.

We expect our board of directors to adopt a code of business conduct, effective upon the closing of the offering, that applies to each of our directors, officers and employees. The code addresses various topics, including:

- compliance with laws, rules and regulations;
- conflicts of interest;
- insider trading;
- corporate opportunities;
- competition and fair dealing;
- fair employment practices;
- recordkeeping;
- confidentiality;
- protection and proper use of company assets; and
- payments to government personnel.

We will post on our website a current copy of the Code of Ethics and all disclosures that are required by law or market rules in regard to any amendments to, or waivers from, any provision of the Code of Ethics.

Board Committees

Upon completion of this offering, our board of directors will have two standing committees: an Audit Committee and a Compensation Committee. Each of the committees will report to the board of directors as they deem appropriate, and as the board of directors may request. In the future, our board of directors may establish other committees, as it deems appropriate, to assist it with its responsibilities. We intend to comply with the requirements of the Nasdaq Stock Market with respect to committee composition of independent directors as they become applicable to us. Each committee has the composition, duties and responsibilities described below.

Audit Committee

The Audit Committee provides assistance to the board of directors in fulfilling its oversight responsibilities regarding the integrity of financial statements, our compliance with applicable legal and regulatory requirements, the integrity of our financial reporting processes including its systems of internal accounting and financial controls, the performance of our internal audit function and independent auditor and our financial policy matters by approving the services performed by our independent accountants and reviewing their reports regarding our accounting practices and systems of internal accounting controls. The Audit Committee also oversees the audit efforts of our independent accountants and takes action as it deems necessary to satisfy itself that the accountants are independent of management.

Upon completion of this offering, our Audit Committee will consist of Jay Kim, Helen Lee and Yusil Yeo with Ms. Lee serving as the Audit Committee chairperson.

The SEC rules and the Nasdaq Stock Market rules require us to have one independent Audit Committee member upon the listing of our Class A common stock on the Nasdaq Capital Market, a majority of independent directors on the Audit Committee within 90 days of the date of the completion of this offering and all independent Audit Committee members within one year of the date of the completion of this offering. Our board of directors has affirmatively determined that Jay Kim, Helen Lee and Yusil Yeo meet the definition of "independent directors" for the purposes of serving on an Audit Committee under applicable SEC and Nasdaq Stock Market rules, and we are in compliance with these independence requirements and intend to remain in compliance within the time periods specified. In addition, Jay Kim, Helen Lee and Yusil Yeo will qualify as our "audit committee financial experts," as such term is defined in Item 407 of Regulation S-K.

In general, an "audit committee financial expert" is an individual member of the audit committee or board of directors who:

- understands generally accepted accounting principles and financial statements;
- is able to assess the general application of such principles in connection with accounting for estimates, accruals and reserves;
- has experience preparing, auditing, analyzing or evaluating financial statements comparable to the breadth and complexity to our financial statements;
- understands internal controls over financial reporting; and
- understands audit committee functions.

Our board of directors has adopted a new written charter for the Audit Committee, which will be available on our corporate website upon the completion of this offering, which will be consistent with the rules of the SEC and applicable stock exchange or market standards, including the Sarbanes-Oxley Act. Our website is not part of this prospectus.

Compensation Committee

The Compensation Committee oversees our overall compensation structure, policies and programs, and assesses whether our compensation structure establishes appropriate incentives for officers and employees. The Compensation Committee reviews and approves corporate goals and objectives relevant to compensation of our chief executive officer and other executive officers, evaluates the performance of these officers in light of those goals and objectives, sets the compensation of these officers based on such evaluations and reviews and recommends to the board of directors any employment-related agreements, any proposed severance arrangements or change in control or similar agreements with these officers. The Compensation Committee also grants stock options and other awards under our stock plans. The Compensation Committee will review and evaluate, at least annually, the performance of the Compensation Committee and its members and the adequacy of the charter of the Compensation Committee.

Upon completion of this offering, our Compensation Committee will consist of Jay Kim and Helen Lee, with Mr. Kim serving as the Compensation Committee chairperson.

Our board of directors has adopted a new written charter for the Compensation Committee, which will be available on our corporate website upon the completion of this offering. The information contained on our website does not constitute a part of this prospectus. As a controlled company, we may rely upon the exemption from the requirement that we have a Compensation Committee composed entirely of independent directors, although immediately following the completion of this offering our Compensation Committee will consist entirely of independent directors.

Compensation Committee Interlocks

We anticipate that none of our employees will serve on the Compensation Committee. None of the members of our Compensation Committee has ever been an officer or employee of us.

Corporate Governance Guidelines

Prior to the completion of this offering, our board of directors will adopt corporate governance guidelines in accordance with the corporate governance rules of the Nasdaq Stock Market.

Risk Oversight

Our board of directors is currently responsible for overseeing our risk management process. The board of directors focuses on our general risk management strategy and the most significant risks facing us and ensures that appropriate risk mitigation strategies are implemented by management. The board of directors is also apprised of particular risk management matters in connection with its general oversight and approval of corporate matters and significant transactions.

Upon completion of this offering, our board of directors will not have a standing risk management committee, but rather will administer this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. In particular, our board of directors will be responsible for monitoring and assessing strategic risk exposure, our Audit Committee will be responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures and our Compensation Committee will assess and monitor whether any of our compensation policies and programs has the potential to encourage unnecessary risk-taking. In addition, upon completion of this offering, our Audit Committee will oversee the performance of our internal audit function and consider and approve or disapprove any related-party transactions.

Our management is responsible for day-to-day risk management. This oversight includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, compliance and reporting levels.

Risk and Compensation Policies

Prior to the completion of this offering, we intend to analyze our compensation programs and policies to determine whether those programs and policies are reasonably likely to have a material adverse effect on us.

Leadership Structure of the Board of Directors

The positions of Chairman of the Board and Chief Executive Officer are presently the same person and we do not have a lead independent director. As our bylaws, which will become effective prior to the completion of this offering, and corporate governance guidelines do not require that our Chairman and Chief Executive Officer positions be separate, our board of directors believes that having positions be held by the same person is the appropriate leadership structure for us at this time. As of the date of this prospectus, we have determined that the leadership structure of our board of directors has permitted our board of directors to fulfill its duties effectively and efficiently and is appropriate given the size and scope of our company and its financial condition.

EXECUTIVE COMPENSATION

Compensation Philosophy

Our compensation philosophy includes:

- pay for performance;

- fair compensation that is competitive with market standards;
- compensation mix according to growth stage of our company as well as job level; and
- incentivizing employees to work for long-term sustainable and profitable growth of our company.

Objective of Executive Compensation Program

The objective of our compensation program is to provide a fair and competitive compensation package in the industry to each named executive officer ("NEO") that will enable us to:

- attract and hire outstanding individuals to achieve our mid-term and long-term visions;
- motivate, develop and retain employees; and
- align the financial interests of each named executive officer with the interests of our stakeholders including stockholders and encourage each named executive officer to contribute to enhance value of the Company.

Our named executive officers for fiscal year 2021, which consist of our principal executive officers, were:

- James Chae, our Chairman of the Board, President and Chief Executive Officer; and
- Kevin Hartley, former Chief Financial Officer.

Administration

Following the consummation of this offering, our Compensation Committee, which includes two independent directors, will oversee our executive compensation program and will be responsible for approving the nature and amount of the compensation paid to our NEOs. The committee will also administer our equity compensation plan and awards.

Elements of Compensation

Our compensation program for NEOs consists of the following elements of compensation, each described in greater depth below:

- base salaries;
- performance-based bonuses;
- equity-based incentive compensation; and
- general benefits.

Base Salary

Base salaries are an annual fixed level of cash compensation to reflect each NEO's performance, role and responsibilities, and retention considerations.

Performance-Based Bonus

To incentivize management to drive strong operating performance and reward achievement of our company's business goals, our executive compensation program includes performance-based bonuses for NEOs. Following consummation of this offering, our Compensation Committee will establish annual target performance-based bonuses for each NEO during the first quarter of the fiscal year.

Equity Compensation

We may pay equity-based compensation to our NEOs in order to link our long-term results achieved for our stockholders and the rewards provided to NEOs, thereby ensuring that such NEOs have a continuing stake in our long-term success.

General Benefits

Our NEOs are provided with other fringe benefits that we believe are commonly provided to similarly situated executives.

Summary Compensation Table

The following table summarizes the compensation awarded to, earned by or paid to our NEOs for fiscal years 2020 and 2021:

Summary Compensation Table – Officers

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-equity Incentive plan compensation ($)	Change in Pension Value and Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
James Chae, CEO Chairman of the Board	2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Kevin Hartley, former CFO	2021	$ 12,000	-0-	$ 50,000	-0-	-0-	-0-	-0-	$ 62,000

James Chae, CEO Chairman of the Board	2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Kevin Hartley, former CFO	2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

Narrative to Summary Compensation Table

There is no employment contract with James Chae at this time. Nor are there any agreements for compensation in the future. A salary and stock options and/or warrants program may be developed in the future.

We entered into a consulting agreement on October 1, 2021 with Kevin Hartley for his services as CFO of the Company pursuant to which Mr. Hartley received $12,000 per year and additional compensation in the form of shares common stock which the parties agreed is valued at $50,000. Effective May 23, 2022, Kevin Hartley amicably resigned as CFO of the Company and Soojae Ryan Cho was appointed new full-time CFO of the Company.

The Company engaged Soojae Ryan Cho effective May 23, 2022 to serve as Chief Financial Officer of the Company, effective immediately. The Company's offer letter provides for employment at will, for an initial term through May 22, 2023, which shall automatically renew annually, unless the Company determines not to renew the term with 60 days prior written notice. The Company has agreed to compensate Mr. Cho $144,000 per year, with yearly adjustments, based on performance. Mr. Cho shall also receive a restricted stock grant equal to $56,000 in shares of Class A common stock which will vest 3 months from the date of engagement. A copy of the Offer Letter is attached hereto as Exhibit 10.17 attached hereto.

Except as set forth above we do not currently have employment agreements with any of our NEOs.

Outstanding Equity Awards at Fiscal Year End

As of June 30, 2022, there were no outstanding equity awards for each of the NEOs.

Payments Upon Termination or Change in Control

None of our NEOs are entitled to receive payments or other benefits upon termination of employment or a change in control.

Retirement Plans

We do not maintain any deferred compensation, retirement, pension or profit-sharing plans.

Omnibus Equity Incentive Plan

On February 4, 2022, the Company adopted an incentive plan, which we refer to as the 2022 Plan, the material terms of which are described below.

Key Features

The 2022 Plan includes a number of provisions that promote best practices by reinforcing the alignment between equity compensation arrangements for eligible employees, non-employee directors and other service providers and stockholders' interests. These provisions include, but are not limited to, the following (which are qualified in their entirety by the actual text of the 2022 Plan, which is attached as Exhibit 10.17 to this Registration Statement):

- *No Discounted Options or SARs*. Stock options and SARs (as defined below) generally may not be granted with exercise prices lower than the market value of the underlying shares on the grant date.
- *No Repricing without Stockholder Approval*. Other than in connection with a change in the Company's capitalization, at any time when the purchase price of a stock option or SAR is above the market value of a share, the Company will not, without stockholder approval, reduce the purchase price of the stock option or SAR and will not exchange the stock option or SAR for a new award with a lower (or no) purchase price or for cash.
- *No Transferability*. Awards generally may not be transferred, except as otherwise provided in the 2022 Plan will or the laws of descent and distribution, unless approved by the Board and/or the Compensation Committee.
- *No Automatic Grants*. The 2022 Plan does not provide for automatic grants to any individual.
- *Multiple Award Types*. The 2022 Plan permits the issuance of nonstatutory stock options (NSOs), incentive stock options (ISOs), stock appreciation rights (SARs), restricted stock units (RSUs), restricted stock, other stock-based awards, and cash awards. This breadth of award types will enable the Company to tailor awards in light of the accounting, tax, and other standards applicable at the time of grant.
- *Clawbacks*. All awards, amounts or benefits received or outstanding under the 2022 Plan will be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with any Company clawback or similar policy or any applicable law related to such actions.
- *Independent Oversight.* The 2022 Plan is administered by a committee of independent members of the board of directors.

Material Features of the 2022 Plan

The material terms of the 2022 Plan are summarized below. This summary of the 2022 Plan is not intended to be a complete description of the 2022 Plan and is qualified in its entirety by the actual text of the 2022 Plan.

Eligibility and Participation. Awards may be granted under the 2022 Plan to officers, employees, and consultants of the company and its subsidiaries and to non-employee directors of the Company. Any of these awards may—but need not—be made as performance incentives to reward attainment of performance goals in accordance with the terms and conditions hereof.

Plan Administration. The Board of Directors has power and authority related to the administration of the 2022 Plan as are consistent with our corporate governance documents and applicable law. Pursuant to its charter, the Compensation Committee administers the 2022 Plan.

Type of Awards. The following types of awards are available for grant under the 2022 Plan: ISOs, NSOs, SARs, restricted stock, RSUs, other stock-based awards, and cash awards.

Number of Authorized Shares. The total number of shares authorized to be awarded under the Plan will not exceed 1,500,000 Shares of Class A common stock, or Shares. Shares issued under the Plan will consist in whole or in part of authorized but unissued Shares, treasury Shares, or Shares purchased on the open market or otherwise, all as determined by the Company from time to time. Subject to adjustment under Section 15 of the 2022 Plan, 1,500,000 Shares available for issuance under the Plan will be available for issuance as Incentive Stock Options.

Share Counting. Any award settled in cash will not be counted as Shares for any purpose under the Plan. If any Award expires, or is terminated, surrendered, or forfeited, in whole or in part, the unissued Shares covered by that award will again be available for the grant of awards. In the case of any substitute award, such substitute award will not be

counted against the number of Shares reserved under the 2022 Plan.

Stock Options and SARs

Grant of Options and SARs. The Compensation Committee may award ISOs, NSOs (together, "options"), and SARs to grantees under the 2022 Plan. SARs may be awarded either in tandem with or as a component of other awards or alone.

Exercise Price of Options and SARs. A SAR will confer on a grantee a right to receive, upon exercise thereof, the excess of (1) the fair market value of one Share on the date of exercise over (2) the SAR exercise price. The Award Agreement for a SAR (except those that constitute substitute awards) will specify the SAR Exercise Price, which will be fixed on the grant date as not less than the fair market value of a Share on that date. A SAR granted in tandem with an outstanding option after the grant date of such option will have a SAR Exercise Price that is equal to the option price, provided that the SAR Exercise Price may not be less than the fair market value of a Share on the grant date of the SAR.

Vesting of Options and SARs. The Board and/or Compensation Committee will determine the terms and conditions (including any performance requirements) under which an option or SAR will become exercisable and will include that information in the award agreement.

Special Limitations on ISOs. An option will constitute an ISO only if the grantee of the option is an employee of the Company or any subsidiary of the Company and to the extent that the aggregate fair market value (determined at the time the option is granted) of the Shares with respect to which all ISOs held by such grantee become exercisable for the first time during any calendar year (under the 2022 Plan and all other plans of the grantee's employer and its affiliates) does not exceed $100,000. This limitation will be applied by taking options into account in the order in which they were granted.

Restricted Shares and RSUs

At the time of grant, the Compensation Committee may establish a period of time and any additional restrictions including the satisfaction of corporate or individual performance objectives applicable to an award of Restricted Shares or RSUs. Each award of Restricted Shares or RSUs may be subject to a different restricted period and additional restrictions. Neither Restricted Shares nor RSUs may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period or before the satisfaction of any other applicable restrictions. Unless the Compensation Committee otherwise provides in an award agreement, holders of Restricted Shares will have rights as stockholders, including voting and dividend rights.

Other Stock-Based Awards

The Compensation Committee may, in its discretion, grant other stock-based awards. The terms of other stock-based awards will be set forth in the applicable award agreements, subject to the 2022 Plan requirements.

Performance Awards

The right of a grantee to exercise or receive a grant or settlement of any award, and the timing thereof, may be subject to such performance terms conditions as may be specified by the Compensation Committee. It may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance terms or conditions.

Effect of Certain Transactions

Adjustments for Changes in Capitalization. If changes in our common stock occur by reason of any recapitalization, reclassification, stock split, reverse split, combination of shares, exchange of shares, stock dividend or other distribution payable in stock, or other increase or decrease in the common stock without receipt of consideration by the Company, or if there occurs any spin-off, split-up, extraordinary cash dividend or other distribution of assets by the Company, the number and kinds of shares for which grants of awards may be made, the number and kinds of shares for which outstanding awards may be exercised or settled, and the performance goals relating to outstanding awards, will be equitably adjusted by the Company.

Adjustments for Certain Transactions. Except as otherwise provided in an award agreement, in the event of a corporate transaction, the 2022 Plan and the awards will continue in effect in accordance with their respective terms, except that after a corporate transaction either (1) each outstanding award will be treated as provided for in the agreement entered into in connection with the corporate transaction or (2) if not so provided in such agreement, each grantee will be entitled to receive in respect of each Share subject to any outstanding awards, upon exercise or payment or transfer in respect of any award, the same number and kind of stock, securities, cash, property, or other consideration that each stockholder was entitled to receive in the corporate transaction in respect of one Share. Unless otherwise determined by the Compensation Committee, such stock, securities, cash, property or other consideration will remain subject to all of the terms and conditions (including performance criteria) that were applicable to the awards before such corporate transaction. Without limiting the generality of the foregoing, the treatment of outstanding options and SARs under in connection with a corporate transaction in which the consideration paid or distributed to the stockholders is not entirely shares of common stock of the acquiring or resulting corporation may include the cancellation of outstanding options and SARs upon consummation of the corporate transaction as long as, at the election of the Compensation Committee, (A) the holders of affected options and SARs have been given a period of at least 15 days before the date of the consummation of the corporate transaction to exercise the options or SARs (to the extent otherwise exercisable) or (B) the holders of the affected options and SARs are paid (in cash or cash equivalents) in respect of each Share covered by the Option or SAR being canceled an amount equal to the excess, if any, of the per Share price paid or distributed to stockholders in the corporate transaction (the value of any noncash consideration to be determined by the Compensation Committee) over the option price or SAR Exercise Price, as applicable.

Change in Control. For any Awards outstanding as of the date of a change in control, either of the following provisions will apply, depending on whether, and the extent to which, awards are assumed, converted, or replaced by the resulting entity in a change in control, unless otherwise provided by an award agreement:

(1) To the extent such awards are not assumed, converted or replaced by the resulting entity in the change in control, then upon the change in control such outstanding awards that may be exercised will become fully exercisable, all restrictions with respect to such outstanding awards, other than for performance awards, will lapse and become vested and nonforfeitable, and for any outstanding performance awards the target payout opportunities attainable under such awards will be deemed to have been fully earned as of the change in control based upon the greater of (A) an assumed achievement of all relevant performance goals at the "target" level or (B) the actual level of achievement of all relevant performance goals against target as of the Company's fiscal quarter end preceding the change in control.

(2) To the extent such awards are assumed, converted, or replaced by the resulting entity in the change in control, if, within 24 months after the date of the change in control, the service provider has a separation from service by the Company other than for cause (which may include a separation from service by the service provider for "good reason" if provided in the applicable award agreement), then such outstanding awards that may be exercised will become fully exercisable, all restrictions with respect to such outstanding awards, other than for performance awards, will lapse and become vested and nonforfeitable, and for any outstanding performance awards the target payout opportunities attainable under such awards will be deemed to have been fully earned as of the separation from service based on the greater of an assumed achievement of all relevant performance goals at the "target" level or the actual level of achievement of all relevant performance goals against target as of the Company's fiscal quarter end preceding the change in control.

Term of Plan. Unless earlier terminated by the Board of Directors or the Compensation Committee, the authority to make grants under the 2022 Plan will terminate on the tenth anniversary of the 2022 Plan's effective date.

Employee Benefits

All of our full-time employees are eligible to participate in health and welfare plans maintained by the Company, including:

- medical, dental and vision benefits; and
- basic life and accidental death & dismemberment insurance.

Our NEOs participate in these plans on the same basis as other eligible employees. We do not maintain any supplemental health and welfare plans for our NEOs.

Nonqualified Deferred Compensation

Our NEOs did not earn any nonqualified deferred compensation benefits from us during fiscal year 2021.

Director Compensation

Our employee directors did not receive any compensation for serving as a member of our board of directors during fiscal year 2021 and after completion of this offering our directors who are also employees will continue to not receive compensation for their services as directors. Upon completion of this offering, we plan to implement a compensation plan for our non-employee directors, such that non-employee directors will receive an annual cash retainer and/or an annual grant of stock options. Our committee chairpersons will receive certain additional retainer fees.

Directors will be reimbursed for travel, food, lodging and other expenses directly related to their activities as directors, including expenses incurred in attending board meetings. Directors are also entitled to the protection provided by their indemnification agreements and the indemnification provisions in our current certificate of incorporation and bylaws, as well as the amended and restated certificate of incorporation that will become effective prior to the completion of this offering.

PRINCIPAL STOCKHOLDERS

The following table presents information regarding beneficial ownership of our equity interests as of the date of this prospectus and as adjusted to reflect our sale of Class A common stock in this offering, by:

- each stockholder or group of stockholders known by us to be the beneficial owner of more than 5% of our outstanding equity interests
- each of our directors;
- each of our named executive officers; and
- all of our directors and executive officers as a group.

Beneficial ownership is determined in accordance with the rules of the SEC, and thus represents voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all equity interests beneficially owned, subject to community property laws where applicable.

Percentage ownership of our equity interests before this offering is based on 9,000,000 shares of our Class A common stock (assuming issuance of 549,100 shares to directors and consultants) and 1,000,000 shares of our Class B common stock outstanding as of the date of this prospectus.

Percentage ownership of our equity interests after this offering assumes the sale by us of 2,750,000 shares of our Class A common stock in this offering.

On all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Upon completion of this offering and the adoption and filing of our amended and restated certificate of incorporation, the Class B common stock will be convertible as follows: (i) each share of Class B Common Stock will be automatically converted into one share of Class A common stock upon the earliest of the date such share ceases to be beneficially owned, as such term is defined under Section 13(d) of the Securities Exchange Act of 1934, (ii) each share of Class B common stock may be converted at any time into one share of Class A common stock at the option of the holder and (iii) When Mr. Chae ceases to beneficially own at least 25% of the voting power of all the outstanding shares of capital stock of the Company, all Class B common stock held by Mr. Chae shall automatically convert into Class A common stock on a 1 for 1 basis. The one-to-one conversion ratio will be equitably preserved in the event of any stock dividend, stock split or combination or merger, consolidation or other reorganization by us with another entity. With the exception of voting rights and conversion rights, holders of Class A and Class B common stock will have identical rights.

Unless otherwise indicated, the address of each individual listed in this table is c/o Yoshiharu Global Co., 6940 Beach Blvd. Suite D-705, Buena Park, CA 90621.

	Prior to this offering					After this offering				
	Shares of Class A Common Stock Beneficially Owned		Shares of Class B Common Stock Beneficially Owned		Total Voting Power Beneficially Owned	Shares of Class A Common Stock Beneficially		Shares of Class B Common Stock Beneficially Owned		Total Voting Power Beneficially Owned
	Number	Percentage	Number	Percentage		Number	Percentage	Number	Percentage	
5% Holder:										
None	—	—	—	—	—	—	—	—	—	—
Named Executive Officers and Directors:										
James Chae, CEO and Chairman	7,110,900	79.0%	1,000,000	100%	90.1%	7,110,900	60.5%	1,000,000	100%	78.7%
Kevin Hartley, former CFO (2)	—	—	—	—	—	—	—	—	—	—
Soojae Ryan Cho, CFO	—	—	—	—	—	—	—	—	—	
Jay Kim, Director	100,000[1]	1.1%	—	—	0.5%	100,000[1]	0.9%	—	—	0.5%
Helen Lee, Director	10,000	*	—	—	*	10,000	*	—	—	*
Yusil Yeo, Director	10,000	*	—	—	*	10,000	*	—	—	*

Ho Suk Gang, former Director	—	—	—	—	—	—	—	—		
Executive Officers and Directors as a Group (7 individuals)	7,230,900	80.3%	1,000,000	100%	90.7%	7,230,900	61.5%	1,000,000	100%	79.2%

(1) Indicates shares of Class A common stock that will be issued immediately prior to IPO.

(2) Excludes $50,000 in Class A common stock issuable for services pursuant to Mr. Hartley's consulting agreement, which shall be issued in 2022 after the completion of this offering. Mr. Hartley's service as CFO was terminated effective May 23, 2022.

SELLING STOCKHOLDERS

Selling Stockholder Sales

This prospectus covers the possible resale by the Selling Stockholders identified in the table below of up to 1,320,000 shares of our Class A common stock (i.e., the Selling Stockholder Shares) held by the named Selling Stockholders herein.

The Selling Stockholders may sell some, all or none of their Selling Stockholder Shares. We do not know how long such Selling Stockholders will hold the Selling Stockholder Shares before selling them, and we currently have no agreements, arrangements or understandings with the Selling Stockholders regarding the sale of any of the Selling Stockholder Shares.

Unless otherwise indicated in the footnotes to the below table, no Selling Stockholder has had any material relationship with us or any of our affiliates within the past three years other than as a securityholder of our Company. None of the Selling Stockholders hold any shares of Class B common stock.

We have prepared the following table based on information furnished to us by or on behalf of the Selling Stockholders. Since the date on which the Selling Stockholders provided this information, the Selling Stockholders may have sold, transferred or otherwise disposed of all or a portion of the Selling Stockholder Shares in a transaction exempt from the registration requirements of the Securities Act. Unless otherwise indicated in the footnotes below, we believe that: (i) none of the Selling Stockholders are broker-dealers or affiliates of broker-dealers, and (ii) no Selling Stockholder has direct or indirect agreements or understandings with any person to distribute their Selling Stockholder Shares. To the extent any Selling Stockholder identified below is, or is affiliated with, a broker-dealer, it could be deemed to be an "underwriter" within the meaning of the Securities Act. Information about the Selling Stockholders may change over time.

The following table presents information regarding the Selling Stockholders and the Selling Stockholder Shares that each may offer and sell from time to time under this prospectus. The table is prepared based on information supplied to us by the Selling Stockholders, and reflects their respective holdings as of August 26, 2022, unless otherwise noted in the footnotes to the table. Beneficial ownership is determined in accordance with the rules of the SEC, and thus represents voting or investment power with respect to our securities. Under such rules, beneficial ownership includes any shares over which the individual has sole or shared voting power or investment power as well as any shares that the individual has the right to acquire within 60 days after the date of this table. To our knowledge and subject to applicable community property rules, the persons and entities named in the table have sole voting and sole investment power with respect to all equity interests beneficially owned. The percentage of Class A common stock beneficially owned before and after the offering is based on 9,000,000 shares of our Class A common stock issued and outstanding on August 26, 2022 (assuming issuance of 549,100 shares to directors and consultants and conversion of 1,000,000 Class A shares to 1,000,000 Class B shares), and 11,750,000 shares of Class A common stock issued and outstanding after the offering (assuming the issuance and sale of 2,750,000 shares in this offering (assuming no exercise of the over-allotment option) and no exercise of any representative's warrants.

Selling Stockholder	*Number of shares of Class A common stock beneficially owned before offering*	*Percentage of Class A common stock beneficially owned before offering (2)*	*Number of Class A common shares being registered*	*Number of shares of Class A common stock owned after the offering (1)*	*Percentage of Class A common stock beneficially owned after the offering (2)*
Bok Yi Yeon (3)	15,000	*	15,000	--	--
Flora Park (4)	25,000	*	25,000	--	--
Hee Kyung Seo (5)	50,000	*	50,000	--	--
How Y Hyun (6)	10,000	*	10,000	--	--
Ja Ran Lee (7)	50,000	*	50,000	--	--
Jong Soo Rhie & Ji Youn Choo (8)	150,000	1.67%	150,000	--	--
Min Sun Kang (9)	40,000	*	40,000	--	--
Sang Yong Yeo (10)	100,000	1.11%	100,000	--	--
Soon Ok Bird (11)	50,000	*	50,000	--	--
Sung Hee Kim (12)	120,000	1.33%	120,000	--	--
Woo Hyoung Lee (13)	25,000	*	25,000	--	--
Yong Hee Lee (14)	25,000	*	25,000	--	--
Harinne Kim (15)	25,000	*	25,000	--	--
Hyeon Joo Park (16)	200,000	2.22%	200,000	--	--
Hyoungwook Kim (17)	50,000	*	50,000	--	--
Hyunjung Park (18)	5,000	*	5,000	--	--
Kyung T. Kim (19)	5,000	*	5,000	--	--
Quarter Pound Korean BBQ, Inc. (20)	50,000	*	50,000	--	--
Sithea San and Richer San (21)	5,000	*	5,000	--	--
Sunghoon Joung (22)	50,000	*	50,000	--	--
Sussy Kim (23)	20,000	*	20,000	--	--
Yong Taek Han (24)	5,000	*	5,000	--	--
Young Won Cho (25)	245,000	2.72%	245,000	--	--
TOTAL:	1,320,000	14.67%	1,320,000	--	--

* Represents ownership of less than 1%.

(1) Assumes all shares being registered hereunder by each Selling Stockholder will be sold after this offering.

(2) Assumes all shares being registered hereunder by each Selling Stockholder will be sold after this offering, and assumes no conversion of Class B common stock into Class A common stock.
(3) The address for this Selling Stockholder is 1857 BERRYHILL DR., CHINO HILLS CA 91709.
(4) The address for this Selling Stockholder is 1816 W 185TH STREET, TORRANCE CA 90504.
(5) The address for this Selling Stockholder is 2419 109TH AVE SE, BELLEVUE WA 98004.
(6) The address for this Selling Stockholder is 1755 FLAG PIN DR., CORONA CA 92833.
(7) The address for this Selling Stockholder is 5150 VIA DANIEL YORBA LINDA CA 92886.
(8) The address for this Selling Stockholder is 100 S ALAMEDA ST., LOS ANGELES CA 90012. Jong Soo Rhie and Ji Youn Choo have joint voting and dispositive control over these shares.
(9) The address for this Selling Stockholder is 15476 CANON LN., CHINO HILLS CA 91709.
(10) The address for this Selling Stockholder is 3141 MICHELSON DR., UNIT 1605, IRVINE CA 92612.
(11) The address for this Selling Stockholder is 23 FONTAIRE, COTO DE CAZA CA 92679.
(12) The address for this Selling Stockholder is 761 S MARINE CORPS DR., A2 TAMUNING GUAM 96913.
(13) The address for this Selling Stockholder is 15476 CANON LN., CHINO HILLS CA 91709.
(14) The address for this Selling Stockholder is 15476 CANON LN., CHINO HILLS CA 91709.
(15) The address for this Selling Stockholder is 42 SALTON, IRVINE CA 92602.
(16) The address for this Selling Stockholder is 166 S HAYWORTH AVE., APT 303, LOS ANGELES CA 90048.
(17) The address for this Selling Stockholder is 15204 CANON LN., CHINO HILLS CA 91709.
(18) The address for this Selling Stockholder is 12352 FRUITWOOD LN., WHITTIER CA 90602.
(19) The address for this Selling Stockholder is 15441 LORETTA DR., LA MIRADA CA 90638.
(20) The address for this Selling Stockholder is 1640 CAMINO DEL RIO NORTH, FSU12, SAN DIEGO CA 92108. Alex SJ Sung, as CEO and President, has voting and dispositive power over the shares.
(21) The address for this Selling Stockholder is 8817 RAMONA ST., BELLFLOWER CA 90706. Sithea San and Richer San have joint voting and dispositive control over these shares.
(22) The address for this Selling Stockholder is 400 BROADWAY DR., BREA CA 92821.
(23) The address for this Selling Stockholder is 5731 BEACH BLVD., #203, BUENA PARK CA 90621.
(24) The address for this Selling Stockholder is 16503 SUMMERSHADE DR., LA MIRADA CA 90638.
(25) The address for this Selling Stockholder is 65 FILBERT, IRVINE CA 92620.

Plan of Distribution

We are registering the Selling Stockholder Shares to permit the resale of the Selling Stockholder Shares by the Selling Stockholders from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale of the Selling Stockholder Shares. We will bear all fees and expenses incident to the registration of the Selling Stockholder Shares in the registration statement of which this prospectus forms a part. The Selling Stockholder Shares will not be sold through the underwriters in this offering.

The Selling Stockholders may sell all or a portion of the Selling Stockholder Shares beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the Selling Stockholder Shares are sold through underwriters or broker-dealers, the Selling Stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The Selling Stockholder Shares may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions,

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the securities as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- in transactions through broker-dealers that agree with the Selling Stockholders to sell a specified number of such securities at a stipulated price per security;
- through the writing or settlement of options or other hedging transactions, whether through an options exchange or otherwise;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The Selling Stockholders may also sell securities under Rule 144 or any other exemption from registration under the Securities Act, if available, rather than under this prospectus.

If the Selling Stockholders effect such transactions by selling Selling Stockholder Shares to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the Selling Stockholders or commissions from purchasers of the Selling Stockholder Shares for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the Selling Stockholder Shares or otherwise, the Selling Stockholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the Selling Stockholder Shares in the course of hedging in positions they assume. The Selling Stockholders may also sell Selling Stockholder Shares short and deliver Selling Stockholder Shares covered by this prospectus to close out

short positions and to return borrowed shares in connection with such short sales. The Selling Stockholders may also loan or pledge Selling Stockholder Shares to broker-dealers that in turn may sell such shares.

The Selling Stockholders may pledge or grant a security interest in some or all of the Selling Stockholder Shares owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the Selling Stockholder Shares from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act, amending, if necessary, the list of Selling Stockholders to include the pledgee, transferee or other successors in interest as Selling Stockholders under this prospectus. The Selling Stockholders also may transfer and donate the Selling Stockholder Shares in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The Selling Stockholders and any broker-dealer participating in the distribution of the Selling Stockholder Shares may be deemed to be "underwriters" within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the Selling Stockholder Shares is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of Selling Stockholder Shares being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the Selling Stockholders and any discounts, commissions or concessions allowed or reallowed or paid to broker-dealers.

Under the securities laws of some states, the Selling Stockholder Shares may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the Selling Stockholder Shares may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any Selling Stockholder will sell any or all of the Selling Stockholder Shares registered pursuant to the registration statement, of which this prospectus forms a part.

The Selling Stockholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the Selling Stockholder Shares by the Selling Stockholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the Selling Stockholder Shares to engage in market-making activities with respect to the Selling Stockholder Shares. All of the foregoing may affect the marketability of the Selling Stockholder Shares and the ability of any person or entity to engage in market-making activities with respect to the Selling Stockholder Shares.

Once sold under the registration statement, of which this prospectus forms a part, the Selling Stockholder Shares will be freely tradeable in the hands of persons other than our affiliates.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Relationship with James Chae

In September 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 7 restaurant store entities which were previously founded and wholly owned directly by James Chae and all of the intellectual property in the business held by James Chae in exchange for an issuance of 9,450,900 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co. Such transfers were completed in the fourth quarter of 2021.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock. The Company shall exchange 1,000,000 shares held by James Chae into 1,000,000 shares of Class B common stock immediately prior to the underwriting agreement. Effective February 7, 2022, the Company's board and stockholders unanimously approved the form of amended and restated certificate of incorporation, which clarifies the automatic conversion of Class B common stock held by James Chae into Class A common stock, among other things, a copy of which is attached to the registration statement as Exhibit 3.3 of which this prospectus is made a part.

From time to time, the Company borrowed money from James Chae and his affiliate APIIS Financial, Inc., a company 100% owned and controlled by Mr. Chae. The balance is non-interest bearing and due on demand. As of June 30, 2022, December 31, 2021 and December 31, 2020, the balance was $1,417,433, $1,383,213 and $911,411, respectively.

From time to time, the Company made distributions in the form of dividends to Mr. James Chae as the sole stockholder of the Company. For the years ended December 31, 2021 and 2020, Mr. James Chae was distributed $696,575 and $665,194, respectively. There were no distributions for the six-month period ended June 30, 2022.

As of the date of this prospectus, James Chae owned 100% of our outstanding Class B common (1,000,000) stock, and 79.01% of our Class A common stock, and 90.06% of our total voting power. As discussed below in "Description of Securities" and elsewhere in this prospectus, our Class B common stock has 10 votes per share, while our Class A common stock, which is the class of stock we are selling in this offering and which will be the only class of stock that is publicly traded, has one vote per share.

After the offering, 100% of our Class B common stock will be controlled by James Chae. As a result, James Chae will be able to control all matters submitted to our stockholders for approval even if he owns significantly less than 50% of the number of shares of our outstanding equity interests. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

Procedures for Approval of Related Party Transactions

We do not currently have a formal, written policy or procedure for the review and approval of related party transactions. However, all related party transactions are currently reviewed and approved by our NEOs.

Our board of directors will adopt a written related person transaction policy, effective upon the closing of this offering, which sets forth the policies and procedures for the review and approval or ratification of related party transactions. This policy will be administrated by our Audit Committee. These policies will provide that, in determining whether or not to recommend the initial approval or ratification of a related party transaction, the relevant facts and circumstances available shall be considered, including, among other factors it deems appropriate, whether the interested transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party's interest in the transaction.

DESCRIPTION OF SECURITIES

General

The following is a summary of our capital stock and provisions of our amended and restated certificate of incorporation and our bylaws, each of which will be in effect prior to the closing of this offering, and certain provisions of Delaware law. This summary does not purport to be complete and is qualified in its entirety by the provisions of our amended and restated certificate of incorporation and bylaws, copies of which will be filed with the SEC as exhibits to the registration statement, of which this prospectus forms a part.

Following the closing of this offering, we expect that our authorized capital stock will consist of 49,000,000 shares of Class A common stock, $0.0001 par value per share, 1,000,000 shares of Class B common stock and $0.0001 par value per share. We sometimes refer to our Class A common stock and Class B common stock as "equity interests" when described on an aggregate basis.

Class A Common Stock

Each share of Class A common stock has an offering price of $.

Immediately prior to this offering, there were 9,000,000 shares of Class A common stock issued and outstanding.

Following the closing of this offering, there will be 11,750,000 shares of our Class A common stock outstanding, which assumes the underwriters do not exercise their option to purchase additional shares of our Class A common stock. Pursuant to our amended and restated certificate of incorporation, holders of our Class A common stock will be entitled to one vote on all matters submitted to a vote of stockholders, and holders of our common stock will not be entitled to cumulative voting in the election of directors. This means that the holders of a majority of the combined voting power of our outstanding equity interests will be able to elect all of the directors then standing for election. Subject to the rights, if any, of the holders of any outstanding series of preferred stock, holders of our Class A common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by the board of directors. Upon the dissolution, liquidation or winding up of the Company, subject to the rights, if any, of the holders of our preferred stock, the holders of our equity interests shall be entitled to receive the assets of the Company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of Class A common stock will not have preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to our common stock. All outstanding shares of Class A common stock are, and the shares of Class A common stock offered in this prospectus will be when issued, fully paid and nonassessable.

Class B Common Stock

Prior to this offering, there were 1,000,000 shares of Class B common stock outstanding held by one stockholder of record.

Following the closing of this offering, there will be 1,000,000 shares of our Class B common stock outstanding. Pursuant to our amended and restated certificate of incorporation, our Class B common stock has the same rights as our Class A common stock except for (i) certain conversion rights as described below under "—Conversion Rights," and (ii) on all matters to be voted on by stockholders, holders of our Class A common stock are entitled to one vote per share while holders of our Class B common stock are entitled to 10 votes per share. Subject to the rights, if any, of the holders of any outstanding series of preferred stock, holders of our Class B common stock shall be entitled to receive dividends out of any of our funds legally available when, as and if declared by our board of directors. Upon our dissolution, liquidation or winding up, subject to the rights, if any, of the holders of our preferred stock, the holders of shares of our equity interests shall be entitled to receive the assets of the Company available for distribution to its stockholders ratably in proportion to the number of shares held by them. Holders of Class B common stock will not have preemptive or other subscription rights. There are no redemption or sinking fund provisions applicable to our Class B common stock. All outstanding shares of Class B common stock are fully paid and nonassessable.

James Chae will be the only holder of shares of Class B common stock.

Conversion Rights

Shares of Class A Common Stock have no conversion rights.

Each share of Class B common stock shall automatically be converted into one fully paid and non-assessable share of Class A common stock upon the earliest of (A) the date such shares cease to be beneficially owned (as such term is defined under Rule 13d-3 of the Securities Exchange Act of 1934, as amended) by James Chae and (B) at 5:00 p.m. Pacific Time on the date that Mr. Chae ceases to beneficially own (as such term is defined under Section 13(d)) at least 25% of the voting power of all the outstanding shares of capital stock of the Company.

Except for the foregoing conversion rights of the Class B common stock and provisions applicable equally to both Class A common stock and Class B common stock, including, but not limited to, the repurchase of such shares by the Company, there are no provisions which otherwise limit the lifespan of the Class B common stock or would require conversion to Class A common stock.

Voting Rights

Except as required by Delaware law or except as otherwise provided in our amended and restated certificate of incorporation, Class A common stock and Class B common stock will vote together as a single class on all matters presented to a vote of stockholders, including the election of directors. Each holder of Class A common stock is entitled to one vote for each share held of record on the applicable record date for all of these matters, while each holder of Class B common stock is entitled to 10 votes for each share held of record on the applicable record date for all of these matters.

Holders of Class A common stock have no cumulative voting rights or preemptive rights to purchase or subscribe for any stock or other securities, and there are no conversion rights or redemption or sinking fund provisions with respect to Class A common stock. Class B common stock is identical in all respects to Class A common stock, except with respect to voting and conversion rights.

Representative's Warrants

Upon the closing of this offering, there will be up to 158,125 shares of common stock issuable upon exercise of the Representative's warrants. See "Underwriting— Other Compensation" below for a description of the Representative's warrants.

Anti-Takeover Effects of Delaware Law, Our Certificate of Incorporation and Our Bylaws

Certain provisions of Delaware law and our amended and restated certificate of incorporation and bylaws that will be effective prior to the closing of the offering could make

the acquisition of the Company more difficult. These provisions of the Delaware General Corporation Law could prohibit or delay mergers or other takeover or change in control attempts and, accordingly, may discourage attempts to acquire us. These provisions, summarized below, are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and are designed to encourage persons seeking to acquire control of us to negotiate with our board of directors.

Stockholder meetings. Under our amended and restated certificate of incorporation and bylaws, only the board of directors, or the chairman of the board of directors or the Chief Executive Officer with the concurrence of a majority of the board of directors, may call special meetings of stockholders.

Requirements for advance notification of stockholder nominations and proposals. Our bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors.

Stockholder action by written consent permitted only if our parent company and its affiliates own a majority of the voting power of the equity interests. Our amended and restated certificate of incorporation authorizes the right of stockholders to act by written consent without a meeting. This provision will, in certain situations, make it more difficult for stockholders, who are not our parent company or its affiliates, to take action opposed by the board of directors.

Amendment of provisions in the certificate of incorporation. Our amended and restated certificate of incorporation requires the affirmative vote of the holders of at least two-thirds of the combined voting power of our outstanding equity interests in order to amend any provision of our amended and restated certificate of incorporation.

Amendment of provisions in the bylaws. Our bylaws will require the affirmative vote of the holders of at least a majority of the combined voting power of our outstanding equity interests in order to amend any provision of our bylaws.

Controlled company. As discussed above, our Class B common stock has 10 votes per share, while Class A common stock, which is the class of stock we are selling in this offering and which will be the only class of stock that is publicly traded, has one vote per share. After the offering, 100% of our Class B common stock will be held by James Chae. Until our dual class structure terminates, James Chae will be able to control all matters submitted to our stockholders for approval even if it owns significantly less than 50% of the number of shares of our outstanding equity interests. This concentrated control could discourage others from initiating any potential merger, takeover or other change of control transaction that other stockholders may view as beneficial.

Our amended and restated certificate of incorporation to be in effect immediately prior to the consummation of this offering provides that we will not be subject to the provisions of Section 203 of the Delaware General Corporation Law.

Exclusive Forum

Our amended and restated certificate of incorporation (to be effective in connection with the completion of this offering) and our bylaws each contain an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers, employees, agents or stockholders, (3) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our certificate of incorporation or our bylaws, or (4) any action asserting a claim that is governed by the internal affairs doctrine. However, each provision states that it shall not apply to actions arising under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934.

In addition, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. As a result, the exclusive forum provisions will not apply to suits brought to enforce any duty or liability created by the Securities Act or any other claim for which the federal and state courts have concurrent jurisdiction, and our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder.

Any person purchasing or otherwise acquiring any interest in any shares of our capital stock shall be deemed to have notice of and to have consented to this provision included in our bylaws which we will adopt prior to the completion of this offering. The exclusive forum provisions, if enforced, may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find the exclusive forum provisions to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could have a material adverse effect on our business, financial condition, results of operations and growth prospects. For example, the Court of Chancery of the State of Delaware recently determined that a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable.

Transfer Agent and Registrar

Our transfer agent and registrar is VStock Transfer, LLC, 8 Lafayette Place, Woodmere, NY, 11598, telephone (212)-828-8436.

Listing

We have applied to list our Class A common stock on the Nasdaq Capital Market under the symbol "YOSH."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has not been a public market of our Class A common stock or any of our equity securities. Future sales of our Class A common stock, including shares issued upon the exercise of outstanding options, in the public market after this offering, or the perception that those sales may occur, could cause the prevailing market price for our Class A common stock to fall or impair our ability to raise equity capital in the future. As described below, only a limited number of shares of our Class A common stock will be available for sale in the public market for a period of several months after consummation of this offering due to contractual and legal restrictions on resale described below. Future sales of our Class A common stock in the public market either before (to the extent permitted) or after restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price of our Class A common stock at such time and our ability to raise equity capital at a time and price we deem appropriate. Furthermore, although we have applied to have our Class A common stock listed on the Nasdaq Capital Market, we cannot assure you that there will be an active public trading market for our Class A common stock.

Sale of Restricted Shares

Based on the number of shares of our equity interests outstanding immediately prior to this offering, upon the closing of this offering and assuming (i) no exercise of the underwriters' option to purchase additional shares of Class A common stock to cover over-allotments and (ii) no exercise of outstanding options, we will have outstanding an aggregate of approximately 11,750,000 Class A common shares. Of these shares, all of the 2,750,000 shares of Class A common stock to be sold in this offering, and any shares sold upon exercise of the underwriters' option to purchase additional shares to cover over-allotments, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless the shares are held by any of our "affiliates" as such term is defined in Rule 144 of the Securities Act. In general, affiliates include

our executive officers, directors, and 10% shareholders. All remaining shares of equity securities held by existing stockholders immediately prior to the closing of this offering will be "restricted securities" as such term is defined in Rule 144. These restricted securities were issued and sold by us, or will be issued and sold by us, in private transactions and are eligible for public sale only if registered under the Securities Act or if they qualify for an exemption from registration under the Securities Act, including the exemptions provided by Rule 144 or Rule 701, which rules are summarized below.

Lock-Up Agreements

In connection with this offering, we, our directors, our executive officers, a consultant, certain of our existing Class A common stockholders and our Class B common stockholder (James Chae) have agreed, subject to certain exceptions, not to dispose of or hedge any shares of our equity interests or securities convertible into or exchangeable for our equity interests during the period from the date of the lock-up agreement continuing through the date 12 months after the date of the final prospectus, except with the prior written consent of the representative of the underwriters. These lock-up agreements are subject to certain limited exceptions. For additional information, see "Underwriting."

Following the lock-up period set forth in the agreements described above, and assuming that the representative of the underwriters does not release any parties from these agreements, all of the equity interests that are restricted securities or are held by our affiliates as of the date of this prospectus will be eligible for sale in the public market in compliance with Rule 144 under the Securities Act.

Rule 144

Non-affiliate resales of restricted securities

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, a person (or persons whose shares are required to be aggregated) who is not deemed to have been one of our "affiliates" for purposes of Rule 144 at any time during the three months preceding a sale, and who has beneficially owned restricted securities within the meaning of Rule 144 for at least six months, including the holding period of any prior owner other than one of our "affiliates," is entitled to sell those shares in the public market (subject to the lock-up agreements referred to above, if applicable) without complying with the manner of sale, volume limitations or notice provisions of Rule 144, but subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than "affiliates," then such person is entitled to sell such shares in the public market without complying with any of the requirements of Rule 144 (subject to the lock-up agreements referred to above, if applicable).

Affiliate resales of restricted securities

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of the Exchange Act for at least 90 days, our "affiliates," as defined in Rule 144, who have beneficially owned the shares proposed to be sold for at least six months are entitled to sell in the public market, upon expiration of any applicable lock-up agreements and within any three-month period, a number of those shares of our equity interests that does not exceed the greater of:

- 1% of the number of equity interests then outstanding, which will equal approximately shares of equity interests immediately after this offering (calculated on the basis of the assumptions described above and assuming no exercise of the underwriter's option to purchase additional shares and no exercise of outstanding options); or
- the average weekly trading volume of our Class A common stock on the Nasdaq Capital Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Such sales under Rule 144 by our "affiliates" or persons selling shares on behalf of our "affiliates" are also subject to certain manner of sale provisions, notice requirements and to the availability of current public information about us. Notwithstanding the availability of Rule 144, the holders of substantially all of our restricted securities have entered into lock-up agreements as referenced above and their restricted securities will become eligible for sale (subject to the above limitations under Rule 144) upon the expiration of the restrictions set forth in those agreements.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants or advisors who acquired equity interests from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 under the Securities Act before the effective date of the registration statement of which this prospectus is a part (to the extent such equity interests are not subject to a lock-up agreement) is entitled to rely on Rule 701 to resell such equity interests beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act in reliance on Rule 144, but without compliance with the holding period requirements contained in Rule 144. Accordingly, subject to any applicable lock-up agreements, beginning 90 days after we become subject to the public company reporting requirements of the Exchange Act, under Rule 701 persons who are not our "affiliates," as defined in Rule 144, may resell those shares without complying with the minimum holding period or public information requirements of Rule 144, and persons who are our "affiliates" may resell those shares without compliance with Rule 144's minimum holding period requirements (subject to the terms of the lock-up agreements referred to below, if applicable).

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following is a summary of certain material U.S. federal income tax considerations generally applicable to the acquisition, ownership and disposition of our shares of Class A common stock. This discussion applies only to shares of Class A common stock that are held as capital assets for U.S. federal income tax purposes and is applicable only to holders who purchased shares of Class A common stock in this offering.

This discussion is a summary only and does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including but not limited to the alternative minimum tax, the Medicare tax on certain investment income and the different consequences that may apply if you are subject to special rules that apply to certain types of investors, including but not limited to:

- our initial stockholders, officers, or directors;
- financial institutions or financial services entities;
- broker-dealers;
- governments or agencies or instrumentalities thereof;
- regulated investment companies;

- real estate investment trusts;
- expatriates or former long-term residents of the United States;
- persons that actually or constructively own 5% or more of our voting shares;
- insurance companies;
- dealers or traders subject to a mark-to-market method of accounting with respect to our shares of Class A common stock;
- persons holding our shares of Class A common stock as part of a "straddle," hedge, integrated transaction or similar transaction;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;
- partnerships or other pass-through entities for U.S. federal income tax purposes and any beneficial owners of such entities; and
- tax-exempt entities.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds our shares of Class A common stock, the U.S. federal income tax treatment of a partner, member or other beneficial owner in such partnership will generally depend upon the status of the partner, member or other beneficial owner, the activities of the partnership and certain determinations made at the partner, member or other beneficial owner level. If you are a partner, member or other beneficial owner of a partnership for U.S. federal income tax purposes holding our shares of Class A common stock, you are urged to consult your tax advisor regarding the tax consequences of the acquisition, ownership and disposition of our shares of Class A common stock.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "Code"), and administrative pronouncements, judicial decisions and final, temporary and proposed Treasury Regulations as of the date hereof, which are subject to change, possibly on a retroactive basis, and changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein. We have not sought, and do not intend to seek, a ruling from the IRS with respect to the statements made and conclusions reached in this summary. There is no guarantee that the IRS or any court would agree with such statements and conclusions. This discussion does not address any aspect of state, local or non-U.S. taxation, or any U.S. federal taxes other than income taxes (such as gift and estate taxes).

WE URGE PROSPECTIVE HOLDERS TO CONSULT THEIR TAX ADVISORS CONCERNING THE U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF OUR SHARES OF CLASS A COMMON STOCK, AS WELL AS ANY STATE, LOCAL AND NON-U.S. INCOME, ESTATE AND OTHER TAX CONSIDERATIONS.

U.S. Holders

This section applies to you if you are a "U.S. holder." A U.S. holder is a beneficial owner of our shares of Class A common stock who or that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source; or
- a trust, if (i) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons (as defined in the Code) have authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under the Treasury Regulations to be treated as a United States person.

Taxation of Distributions. If we pay distributions in cash or other property (other than certain distributions of our shares or rights to acquire our shares) to U.S. holders of shares of our Class A common stock, such distributions generally will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of current and accumulated earnings and profits will constitute a return of capital that will be applied against and reduce (but not below zero) the U.S. holder's adjusted tax basis in our Class A common stock. Any remaining excess will be treated as gain realized on the sale or other disposition of the Class A common stock and will be treated as described under "U.S. Holders — Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock" below.

Dividends we pay to a U.S. holder that is a taxable corporation generally will qualify for the dividends received deduction if the requisite holding period is satisfied. With certain exceptions (including, but not limited to, dividends treated as investment income for purposes of investment interest deduction limitations), and provided certain holding period requirements are met, dividends we pay to a non-corporate U.S. holder generally will constitute "qualified dividends" that will be subject to tax at the preferential tax rate for long-term capital gains. It is unclear whether the redemption rights with respect to the Class A common stock described in this prospectus may prevent a U.S. holder from satisfying the applicable holding period requirements with respect to the dividends received deduction or the preferential tax rate on qualified dividend income, as the case may be. If the holding period requirements are not satisfied, then a corporation may not be able to qualify for the dividends received deduction and would have taxable income equal to the entire dividend amount, and non-corporate holders may be subject to tax on such dividend at regular ordinary income tax rates instead of the preferential rate that applies to qualified dividend income.

Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock. Upon a sale or other taxable disposition of our Class A common stock (which, in general, would include a redemption of Class A common stock that is treated as a sale of such Class A common stock as described below), a U.S. holder generally will recognize gain or loss in an amount calculated as discussed in the following paragraph. Any such gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. holder's holding period for the Class A common stock so disposed of exceeds one year. Long-term capital gains recognized by non-corporate U.S. holders will be eligible to be taxed at reduced rates. The deductibility of capital losses is subject to limitations.

Generally, the amount of gain or loss recognized by a U.S. holder is equal to the difference between (i) the sum of the amount of cash and the fair market value of any property received in such disposition and (ii) the U.S. holder's adjusted tax basis in its Class A common stock so disposed of. A U.S. holder's adjusted tax basis in its Class A common stock generally will equal the U.S. holder's acquisition cost reduced by any prior distributions treated as a return of capital as discussed above under the heading "U.S. Holders — Taxation of Distributions."

Redemption of Class A Common Stock. In the event that we purchase a U.S. holder's Class A common stock in an open market transaction (each of which we refer to as a "redemption"), the treatment of the transaction for U.S. federal income tax purposes will depend on whether the redemption qualifies as a sale or exchange of the Class A common stock under Section 302 of the Code. If the redemption qualifies as a sale or exchange of the Class A common stock, the U.S. holder will be treated as described under "U.S. Holders — Gain or Loss on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock" above. If the redemption does not qualify as a sale or exchange of the Class A common stock, the U.S. holder will be treated as receiving a corporate distribution with the tax consequences described above under "U.S. Holders — Taxation of Distributions". Whether a redemption qualifies for sale or exchange treatment will depend largely on the total number of shares of our stock treated as held by the U.S. holder (including any stock constructively owned by the U.S. holder) relative to all of our shares outstanding both before and after the redemption. The redemption of Class A common stock generally will be treated as a sale of the Class A common stock (rather than as a corporate distribution) if the redemption (i) is "substantially disproportionate" with respect to the U.S. holder, (ii) results in a "complete termination" of the U.S. holder's interest in us or (iii) is "not essentially equivalent to a dividend" with respect to the U.S. holder. These tests are explained more fully below.

In determining whether any of the foregoing tests are satisfied, a U.S. holder takes into account not only stock actually owned by the U.S. holder, but also shares of our stock that are constructively owned by it. A U.S. holder may constructively own, in addition to stock owned directly, stock owned by certain related individuals and entities in which the U.S. holder has an interest or that have an interest in such U.S. holder, as well as any stock the U.S. holder has a right to acquire by exercise of an option. In order to meet the substantially disproportionate test, the percentage of our outstanding voting stock actually and constructively owned by the U.S. holder immediately following the redemption of Class A common stock must, among other requirements, be less than 80% of the percentage of our outstanding voting stock actually and constructively owned by the U.S. holder immediately before the redemption. There will be a complete termination of a U.S. holder's interest if either (i) all of the shares of our stock actually and constructively owned by the U.S. holder are redeemed or (ii) all of the shares of our stock actually owned by the U.S. holder are redeemed and the U.S. holder is eligible to waive, and effectively waives in accordance with specific rules, the attribution of stock owned by certain family members and the U.S. holder does not constructively own any other shares of our stock. The redemption of the Class A common stock will not be essentially equivalent to a dividend with respect to a U.S. holder if the redemption results in a "meaningful reduction" of the U.S. holder's proportionate interest in us. Whether the redemption will result in a meaningful reduction in a U.S. holder's proportionate interest in us will depend on the particular facts and circumstances. However, the IRS has indicated in a published ruling that even a small reduction in the proportionate interest of a small minority stockholder in a publicly held corporation who exercises no control over corporate affairs may constitute such a "meaningful reduction." A U.S. holder should consult with its own tax advisors as to the tax consequences of a redemption.

If none of the foregoing tests is satisfied, then the redemption will be treated as a corporate distribution and the tax effects will be as described under "U.S. Holders — Taxation of Distributions" above. After the application of those rules, any remaining tax basis of the U.S. holder in the redeemed shares of Class A common stock will be added to the U.S. holder's adjusted tax basis in its remaining shares, or, if it has none, to the U.S. holder's adjusted tax basis possibly in other stock constructively owned by it.

Information Reporting and Backup Withholding. In general, information reporting requirements may apply to dividends paid to a U.S. holder and to the proceeds of the sale or other disposition of our shares of Class A common stock, unless the U.S. holder is an exempt recipient. Backup withholding may apply to such payments if the U.S. holder fails to provide a taxpayer identification number, a certification of exempt status or has been notified by the IRS that it is subject to backup withholding (and such notification has not been withdrawn).

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. holder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

All U.S. holders should consult their tax advisors regarding the application of information reporting and backup withholding to them.

Non-U.S. Holders

This section applies to you if you are a "Non-U.S. holder." As used herein, the term "Non-U.S. holder" means a beneficial owner of our Class A common stock who or that is an individual, corporation, estate or trust and is not a U.S. holder, but generally does not include an individual who is present in the United States for 183 days or more in the taxable year of disposition. If you are such an individual, you should consult your tax advisor regarding the U.S. federal income tax consequences of the acquisition, ownership or sale or other disposition of our Class A common stock.

Taxation of Distributions. In general, any distributions we make to a Non-U.S. holder of shares of our Class A common stock, to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles), will constitute dividends for U.S. federal income tax purposes. Provided such dividends are not effectively connected with the Non-U.S. holder's conduct of a trade or business within the United States (and are not attributable to a U.S. permanent establishment under an applicable treaty), we will be required to withhold tax from the gross amount of the dividend at a rate of 30%, unless such Non-U.S. holder is eligible for a reduced rate of withholding tax under an applicable income tax treaty and provides proper certification of its eligibility for such reduced rate (usually on an IRS Form W-8BEN or W-8BEN-E, as applicable). In the case of any constructive dividend, it is possible that this tax would be withheld from any amount owed to a Non-U.S. holder by the applicable withholding agent, including cash distributions on other property or sale proceeds from other property subsequently paid or credited to such holder. Any distribution not constituting a dividend will be treated first as reducing (but not below zero) the Non-U.S. holder's adjusted tax basis in its shares of our Class A common stock and, to the extent such distribution exceeds the Non-U.S. holder's adjusted tax basis, as gain realized from the sale or other disposition of the Class A common stock, which will be treated as described under "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock" below. In addition, if we determine that we are classified as a "United States real property holding corporation" (see "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock" below) and shares of our Class A common stock are not considered to be regularly traded on an established securities market, we will withhold 15% of any distribution that exceeds our current and accumulated earnings and profits, including a distribution in redemption of shares of our Class A common stock.

Dividends we pay to a Non-U.S. holder that are effectively connected with such Non-U.S. holder's conduct of a trade or business within the United States (or, if an income tax treaty applies, are attributable to a U.S. permanent establishment or fixed base maintained by the Non-U.S. holder) will generally not be subject to withholding tax, provided such Non-U.S. holder complies with certain certification and disclosure requirements (usually by providing an IRS Form W-8ECI). Instead, such dividends will generally be subject to regular U.S. federal income tax as if the Non-U.S. holder were a United States resident, subject to an applicable income tax treaty providing otherwise. A Non-U.S. corporation receiving effectively connected dividends may also be subject to an additional "branch profits tax" imposed at a rate of 30% (or a lower applicable treaty rate).

Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock. Subject to the discussion of FATCA and backup withholding below, a Non-U.S. holder generally will not be subject to U.S. federal income or withholding tax in respect of gain recognized on a sale, taxable exchange or other taxable disposition of our Class A common stock, unless:

- the gain is effectively connected with the conduct of a trade or business by the Non-U.S. holder within the United States (and, under certain income tax treaties, is attributable to a permanent establishment or fixed base in the United States maintained by the Non-U.S. holder); or

- we are or have been a "United States real property holding corporation" for U.S. federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition of the applicable security or the period that the Non-U.S. holder held the applicable security, and, in the case where shares of our Class A common stock are regularly traded on an established securities market, the Non-U.S. holder has owned, directly or constructively, more than 5% of our Class A common stock at any time within the shorter of the five-year period preceding the disposition of the applicable security or such Non-U.S. holder's holding period for the applicable security. There can be no assurance that our Class A common stock will be treated as regularly traded on an established securities market for this purpose.

Unless an applicable income tax treaty provides otherwise, gain described in the first bullet point above will be subject to tax at generally applicable U.S. federal income tax rates as if the Non-U.S. holder were a United States resident. Any gains described in the first bullet point above of a Non-U.S. holder that is a foreign corporation may also be subject to an additional "branch profits tax" at a 30% rate (or a lower treaty rate).

If the second bullet point above applies to a Non-U.S. holder, gain recognized by such holder on the sale, exchange or other disposition of our Class A common stock will be subject to tax at generally applicable U.S. federal income tax rates. In addition, if shares of our Class A common stock are not considered to be regularly traded on an established securities market, such Non-U.S. holder will be subject to withholding at a rate of 15% of the amount realized upon such disposition. We believe that we are not currently and we do not anticipate becoming a United States real property holding corporation for U.S. federal income tax purposes, although there can be no assurance that we will not become a United States real property holding corporation in the future. We will be classified as a United States real property holding corporation if the fair market value of our "United States real property interests" equals or exceeds 50% of the sum of the fair market value of our worldwide real property interests plus our other assets used or held for use in a trade or business, as determined for U.S. federal income tax purposes.

Redemption of Class A Common Stock. The characterization for U.S. federal income tax purposes of the redemption of a Non-U.S. holder's Class A common stock generally will correspond to the U.S. federal income tax characterization of such a redemption of a U.S. holder's Class A common stock, as described under "U.S. Holders — Redemption of Class A Common Stock" above, and the consequences of the redemption to the Non-U.S. holder will be as described above under "Non-U.S. Holders — Taxation of Distributions" and "Non-U.S. Holders — Gain on Sale, Taxable Exchange or Other Taxable Disposition of Class A Common Stock," as applicable.

Information Reporting and Backup Withholding. Information returns will be filed with the IRS in connection with payments of dividends and the proceeds from a sale or other disposition of our shares of Class A common stock. A Non-U.S. holder may have to comply with certification procedures to establish that it is not a United States person (by providing certification of its foreign status, under penalties of perjury, on a duly executed applicable IRS Form W-8 or by otherwise establishing an exemption) in order to avoid information reporting and backup withholding requirements. The certification procedures required to claim a reduced rate of withholding under a treaty generally will satisfy the certification requirements necessary to avoid the backup withholding as well.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a Non-U.S. holder will be allowed as a credit against such holder's U.S. federal income tax liability and may entitle such holder to a refund, provided that the required information is timely furnished to the IRS.

All Non-U.S. holders should consult their tax advisors regarding the application of information reporting and backup withholding to them.

FATCA Withholding Taxes. Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance promulgated thereunder (commonly referred as the "Foreign Account Tax Compliance Act" or "FATCA") generally impose withholding at a rate of 30% in certain circumstances on dividends in respect of our shares of Class A common stock which are held by or through certain foreign financial institutions (including investment funds), unless any such institution (1) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (2) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which our shares of Class A common stock are held will affect the determination of whether such withholding is required. Similarly, dividends in respect of our shares of Class A common stock held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (1) certifies to us or the applicable withholding agent that such entity does not have any "substantial United States owners" or (2) provides certain information regarding the entity's "substantial United States owners," which will in turn be provided to the U.S. Department of Treasury. The U.S. Department of the Treasury has proposed regulations that eliminate the federal withholding tax of 30% applicable to the gross proceeds of a sale or other disposition of our Class A common stock. Withholding agents may rely on the proposed Treasury Regulations until final regulations are issued. All prospective investors should consult their tax advisors regarding the possible implications of FATCA on their investment in our shares of Class A common stock.

HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE ACQUISITION, OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, ESTATE, NON-U.S. AND OTHER TAX LAWS AND TAX TREATIES AND THE POSSIBLE EFFECTS OF CHANGES IN U.S. OR OTHER TAX LAWS.

UNDERWRITING

We are offering the shares of Class A common stock described in this prospectus through EF Hutton, division of Benchmark Investments, LLC, who is acting as the representative of the underwriters of this offering (the "Representative"). The underwriting agreement that we intend to enter into with the Representative (the "Underwriting Agreement") will provide that the obligations of the underwriters are subject to representations, warranties and conditions contained therein. The underwriters will agree to buy, subject to the terms of the Underwriting Agreement, the number of shares of Class A common stock listed opposite their names below. Pursuant to the Underwriting Agreement, the underwriters will be committed to purchase and pay for all of the shares of Class A common stock if any are purchased, other than those shares of Class A common stock covered by the over-allotment option described below.

Underwriters	Assumed Number of Shares of Class A Common Stock
EF Hutton, division of Benchmark Investments, LLC	
Total	

The underwriters have advised us that they propose to offer the shares of Class A common stock to the public at the public offering price set forth on the cover of this prospectus. The underwriters propose to offer the shares of Class A common stock to certain dealers at the same price less a concession of not more than $ per share of Class A common stock.

A copy of the form of underwriting agreement is filed as an exhibit to the registration statement of which this prospectus is a part.

The shares of Class A common stock sold in this offering are expected to be ready for delivery on or about , 2022, against payment in immediately available funds. The

underwriters may reject all or part of any order.

Over-Allotment Option

Pursuant to the Underwriting Agreement, we will grant to the underwriters an option to purchase from us up to an additional 412,500 shares of Class A common stock, representing 15% of the shares of Class A common stock sold in the offering solely to cover over-allotments, if any, at the initial public offering price, less the underwriting discounts. The underwriters may exercise this option any time during the 45-day period after the closing date of the offering, but only to cover over-allotments, if any. To the extent the underwriters exercise the option, the underwriters will become obligated, subject to certain conditions, to purchase the shares for which they exercise the option.

	Per Share of Class A Common Stock (1)	Total with No Over-Allotment (1)	Total with Over-Allotment (1)
Initial public offering price	$	$	$
Underwriting discount to be paid by us	$	$	$
Non-accountable expense allowance (1.0%)	$	$	$
Proceeds, before expenses to us	$	$	$

(1) The underwriting discount is 8.0%; provided that it is equal to 4.0% for the sale of shares to investors introduced to the underwriters by the Company. The above assumes all shares are sold to investors not introduced to the underwriters by the Company. Proceeds to the Company will be higher if any shares sold in this offering are to investors introduced to the underwriters by us.

Underwriting Discount

We have agreed to pay the underwriters a cash fee equal to eight percent (8.0%) of the aggregate gross proceeds of received by the Company from the securities sold in this offering, provided that such cash fee will be equal to four percent (4.0%) for the sale of shares to investors introduced to the underwriters by the Company. We have further agreed to pay a non-accountable expense allowance to the Representative of the underwriters equal to one percent (1.0%) of the gross proceeds received by the Company at the closing of the offering.

Other Compensation

In addition, we have agreed to issue to the Representative warrants to purchase a number of shares of common stock equal to 5.0% of the aggregate number of shares of Class A common stock sold in the offering (including shares of Class A common stock sold upon exercise of the over-allotment option). The Representative's warrants will be exercisable at any time and from time to time, in whole or in part, during the four-and-½-year period commencing six months from the date of commencement of the sales of the shares of Class A common stock in connection with this offering, at a price per share equal to 125% of the initial public offering price per share of Class A common stock. Such representative's warrants are exercisable on a cash basis. The representative's warrants have been deemed compensation by FINRA and are therefore subject to a 180-day lock-up pursuant to FINRA Rule 5110(e)(1)(A). The Representative (or permitted assignees under Rule 5110(e)(2)(B)) will not sell, transfer, assign, pledge, or hypothecate these warrants or the securities underlying these warrants, nor will they engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying securities for a period of 180 days from the effective date of the registration statement of which this prospectus is a part. In addition, the warrants provide for registration rights upon request, in certain cases. The representative's warrants will contain provisions for one demand registration of the sale of the underlying shares of Class A common stock at our expense and unlimited "piggyback" registration rights for a period of five years after the effective date of this prospectus at our expense.

We estimate that our total expenses of this offering, excluding underwriting discounts, will be approximately $825,000, which includes a maximum of $175,000 of out of pocket expenses for "road show," diligence, and reasonable legal fees and disbursements for underwriters' counsel, subject to a maximum of $50,000 in the event that this offering is not consummated. We have also agreed to reimburse the underwriters, subject to compliance with FINRA Rule 5110(g).

Indemnification

Pursuant to the Underwriting Agreement, we also intend to agree to indemnify the underwriters against certain liabilities, including civil liabilities under the Securities Act, or to contribute to payments that the underwriters may be required to make in respect of those liabilities.

Offering Information

No action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. None of the securities included in this offering may be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sales of any of the securities being offered hereby be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons who receive this prospectus are advised to inform themselves about and to observe any restrictions relating to this offering of securities and the distribution of this prospectus. This prospectus is neither an offer to sell nor a solicitation of any offer to buy our securities in any jurisdiction where that would not be permitted or legal.

The underwriters have advised us that they do not intend to confirm sales to any accounts over which they exercise discretionary authority.

Tail Rights

In the event that the Representative does not consummate the offering, the Representative shall be entitled to a cash fee equal to eight percent (8.0%) of the gross proceeds received by the Company from the sale of any securities or debt instruments to any investor actually introduced by the Representative to the Company during the engagement period (the "Tail Financing"), and such Tail Financing is consummated at any time during the engagement period or within the twelve (12) month period following the expiration of the engagement period, provided that such financing is by a party actually introduced to the Company in an offering in which the Company has direct knowledge of such party's participation and not a party that the Company can demonstrate was already known to the Company. In addition, unless (x) the Company terminates the underwriting agreement for "Cause" (as defined in the Underwriting Agreement), or (y) the Representative fails to provide the underwriting services provided in the underwriting agreement, upon termination of such agreement, if the Company subsequently completes a public or private financing with any investors introduced to the Company by the Representative during the twelve (12) month period following such termination, the Representative shall be entitled to receive the same compensation to be paid to the Representative in connection with this offering.

Lock-Up – No Sales of Securities

The Company, on behalf of itself and any successor entity, will agree in the Underwriting Agreement that, without the prior written consent of the Representative, it will not, for a period of 12 months after the date of the Underwriting Agreement (the "Lock-Up Period"), (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (ii) file or caused to be filed any registration statement with the SEC relating to the offering of any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (iii) complete any offering of debt securities of the Company, other than entering into a line of credit with a traditional bank or (iv) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of capital stock of the Company, whether any such transaction described in clause (i), (ii), (iii) or (iv) above is to be settled by delivery of shares of capital stock of the Company or such other securities, in cash or otherwise.

In addition, each of our directors, officers and certain stockholders has agreed that for a period of 12 months after the date of this prospectus, without the prior written consent of the Representative, and subject to certain exceptions, they will not, directly or indirectly, (i) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any common stock of the Company or any securities convertible into or exercisable or exchangeable for the common stock of the Company, whether now owned or hereafter acquired by such person or with respect to which such person has or hereafter acquires the power of disposition; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities; (iii) make any demand for or exercise any right with respect to the registration of any such securities; or (iv) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any such securities.

Price Stabilization, Short Positions and Penalty Bids

To facilitate this offering, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our securities during and after the offering. Specifically, the underwriters may over-allot or otherwise create a short position in our securities for their own account by selling more securities than we have sold to the underwriters. The underwriters may close out any short position by either exercising its option to purchase additional securities or purchasing securities in the open market.

In addition, the underwriters may stabilize or maintain the price of our securities by bidding for or purchasing securities in the open market and may impose penalty bids. If penalty bids are imposed, selling concessions allowed to broker-dealers participating in this offering are reclaimed if securities previously distributed in this offering are repurchased, whether in connection with stabilization transactions or otherwise. The effect of these transactions may be to stabilize or maintain the market price of our securities at a level above that which might otherwise prevail in the open market. The imposition of a penalty bid may also affect the price of our securities to the extent that it discourages resales of our securities. The magnitude or effect of any stabilization or other transactions is uncertain. These transactions may be effected on the Nasdaq Capital Market or otherwise and, if commenced, may be discontinued at any time.

In connection with this offering, the underwriters and selling group members, if any, may also engage in passive market making transactions in our securities on the Nasdaq Capital Market. Passive market making consists of displaying bids on the Nasdaq Capital Market by the prices of independent market makers and effecting purchases limited by those prices in response to order flow. Rule 103 of Regulation M promulgated by the SEC limits the amount of net purchases that each passive market maker may make and the displayed size of each bid. Passive market making may stabilize the market price of our securities at a level above that which might otherwise prevail in the open market and, if commenced, may be discontinued at any time.

Neither we nor the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our securities. In addition, neither we nor the underwriters make any representation that the underwriters will engage in these transactions or that any transaction, if commenced, will not be discontinued without notice.

Affiliations

Each underwriter and its respective affiliates are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters may in the future engage in investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. The underwriters may in the future receive customary fees and commissions for these transactions. We have not engaged the underwriters to perform any services for us in the previous 180 days, nor do we have any agreement to engage the underwriters to perform any services for us in the future, subject to the right to act as an advisor as described above.

In the ordinary course of its various business activities, each underwriter and its respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for its own account and for the accounts of its customers, and such investment and securities activities may involve securities and/or instruments of the issuer. Each underwriter and its respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Electronic Offer, Sale and Distribution

In connection with this offering, the underwriters or certain of the securities dealers may distribute prospectuses by electronic means, such as e-mail.

Selling Restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Hong Kong

The securities may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) (Companies (Winding Up and Miscellaneous Provisions) Ordinance) or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (Securities and Futures Ordinance), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the securities may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

South Korea

The securities may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for reoffering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to the applicable laws and regulations of South Korea, including the South Korea Securities and Exchange Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The securities have not been registered with the Financial Services Commission of South Korea for public offering in South Korea. Furthermore, the securities may not be resold to South Korean residents unless the purchaser of the securities complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with the purchase of the securities.

LEGAL MATTERS

The validity of the securities offered by this prospectus will be passed upon for us by K&L Gates LLP, New York, New York. Certain legal matters in connection with this offering will be passed upon for the underwriters by Mitchell Silberberg & Knupp LLP, Los Angeles, California.

EXPERTS

The financial statements as of December 31, 2021 and December 31, 2020, and for each of the two years in the period ended December 31, 2021, included in this prospectus have been audited by BF Borgers CPA PC, an independent registered public accounting firm, as stated in their report appearing herein. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the common stock. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The exhibits to the registration statement should be reviewed for the complete contents of these contracts and documents.

Upon completion of this offering, we will become subject to the information and periodic and current reporting requirements of the Exchange Act, and in accordance therewith, will file periodic and current reports, proxy statements and other information with the SEC. The registration statement, such periodic and current reports and other information can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington, D.C. 20549. Copies of such materials, including copies of all or any portion of the registration statement, can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically by means of the SEC's website at www.sec.gov.

YOSHIHARU GLOBAL CO. AND SUBSIDIARIES

Consolidated Financial Statements
As of and for the years ended December 31, 2021 and 2020
with Report of Independent Registered Public Accounting Firm

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and
Stockholders of Yoshiharu Global Co. and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Yoshiharu Global Co. as of December 31, 2021 and 2020, the related statements of operations, stockholders' equity (deficit), and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has suffered recurring losses from operations and has a significant accumulated deficit. In addition, the Company continues to experience negative cash flows from operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ BF Borgers CPA PC
BF Borgers CPA PC

We have served as the Company's auditor since 2021.

Lakewood, Colorado
May 27, 2022

Yoshiharu Global Co. and Subsidiaries
Consolidated Balance Sheets

	December 31,	
	2021	***2020***
ASSETS		
Current Assets:		
Cash	$ 1,087,102	$ -
Inventories	36,573	15,736
Total current assets	1,123,675	15,736
Non-Current Assets:		
Property and equipment, net	2,343,524	1,585,574
Operating lease right-of-use asset, net	2,209,967	1,360,896
Other assets	157,949	52,217
Total non-current assets	4,711,440	2,998,687
Total assets	**$ 5,835,115**	**$ 3,014,423**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Bank overdrafts	$ -	$ 29,060
Accounts payable and accrued expenses	1,598,334	169,813
Current portion of operating lease liabilities	214,994	188,690
Current portion of bank notes payables	235,662	162,031
Current portion of loan payable, PPP	100,334	212,567
Current portion of loan payable, EIDL	24,138	8,621
Due to related party	1,383,213	911,411
Other payables	88,437	22,737
Total current liabilities	3,645,112	1,704,930
Operating lease liabilities, less current portion	2,094,751	1,255,388
Bank notes payables, less current portion	1,002,010	923,373
Restaurant revitalization fund	700,454	-
Loan payable, EIDL, less current portion	425,862	441,379
Loan payable, PPP, less current portion	285,566	60,733

Total liabilities	8,153,755	4,385,803
Commitments and contingencies		
Stockholders' Deficit		
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; 9,450,900 and no shares issued and outstanding at December 31, 2021 and December 31, 2020, respectively	946	-
Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding at December 31, 2021 and December 31, 2020, respectively	-	-
Additional paid-in-capital	553,456	(188,823)
Stock subscriptions receivable	(60,000)	-
Accumulated deficit	(2,813,042)	(1,182,557)
Total stockholders' deficit	(2,318,640)	(1,371,380)
Total liabilities and stockholders' deficit	**$ 5,835,115**	**$ 3,014,423**

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Operations

	Year ended December 31,	
	2021	***2020***
Revenue:		
Food and beverage	$ 6,536,859	$ 3,170,925
Total revenue	6,536,859	3,170,925
Restaurant operating expenses:		
Food, beverages and supplies	1,998,831	880,040
Labor	2,969,426	1,542,796
Rent and utilities	689,709	437,972
Delivery and service fees	525,638	222,723
Depreciation	138,665	114,478
Total restaurant operating expenses	6,322,269	3,198,009
Net operating restaurant operating income (loss)	214,590	(27,084)
Operating expenses:		
General and administrative	2,042,623	378,599
Advertising and marketing	31,952	30,054
Total operating expenses	2,074,575	408,653
Loss from operations	(1,859,985)	(435,737)
Other income (expense):		
PPP loan forgiveness	269,887	-
Other income	26,486	49,556
Interest	(52,224)	(51,590)
Total other income (expense)	244,149	(2,034)
Loss before	(1,615,836)	(437,771)
Income tax provision	14,649	12,357
Net loss	**$ (1,630,485)**	**$ (450,128)**
Loss per share:		
Basic and diluted	$ (0.35)	$ (0.35)
Weighted average number of common shares outstanding:		
Basic and diluted	4,714,172	1,278,973

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Stockholders' Equity

	Class A Shares		Class B Shares					
	Shares	**Amount**	**Shares**	**Amount**	**Additional Paid-In Capital**	**Stock Subscription Receivable**	**Total Accumulated Deficit**	**Total Stockholder's Equity (Deficit)**

Balance at December 31, 2019	**-**	**$ -**	**-**	**$ -**	**$ 416,371**	**$ -**	**$ (732,429)**	**$ (316,058)**
Issuance of Common Stock A	-	-	-	-	-	-	-	-
Contributions	-	-	-	-	60,000	-	-	60,000
Distributions	-	-	-	-	(665,194)	-	-	(665,194)
Net loss	-	-	-	-	-	-	(450,128)	(450,128)
Balance at December 31, 2020	**-**	**$ -**	**-**	**$ -**	**$ (188,823)**	**$ -**	**$ (1,182,557)**	**$ (1,371,380)**
Combination of entities under common control	3,205,000	321	-	-	(321)	-	-	-
Issuance of Common Stock A for Intellectual Property Transfer from Shareholder	6,245,900	625	-	-	(625)	-	-	-
Redemption of Common Stock A	(670,000)	(67)	-	-	67	-	-	-
Issuance of Common Stock A	670,000	67	-	-	1,339,933	(60,000)	-	1,280,000
Contributions	-	-	-	-	99,800	-	-	99,800
Distributions	-	-	-	-	(696,575)	-	-	(696,575)
Net loss	-	-	-	-	-	-	(1,630,485)	(1,630,485)
Balance at December 31, 2021	**9,450,900**	**$ 946**	**-**	**$ -**	**$ 553,456**	**$ (60,000)**	**$ (2,813,042)**	**$ (2,318,640)**

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Consolidated Statements of Cash Flows

	Year ended December 31,	
	2021	***2020***
Cash flows from operating activities:		
Net loss	$ (1,630,485)	$ (450,128)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	138,665	114,478
PPP loan forgiveness	(269,887)	-
Non-cash professional expense	1,248,000	-
Changes in assets and liabilities:		
Inventories	(20,837)	(1,661)
Other assets	(105,732)	(20,199)
Accounts payable and accrued expenses	296,917	(43,330)
Due to related party	471,802	535,265
Other payables	65,700	(481)
Net cash provided by operating activities	194,143	133,944
Cash flows from investing activities:		
Purchases of property and equipment	(896,615)	(545,235)
Net cash used in investing activities	(896,615)	(545,235)
Cash flows from financing activities:		
Bank overdrafts	(29,060)	29,060
Proceeds from borrowings	1,402,354	978,300
Repayments on bank notes payables	(167,145)	(68,992)
Proceeds from sale of common shares	1,280,000	-
Shareholders' distribution	(696,575)	(665,194)
Shareholder's contribution	-	60,000
Net cash provided by financing activities	1,789,574	333,174
Net increase (decrease) in cash	1,087,102	(78,117)
Cash – beginning of period	-	78,117
Cash – end of period	**$ 1,087,102**	**$ -**
Supplemental disclosures of cash flow information		
Cash paid during the periods for:		
Interest	$ 52,224	$ 51,590
Income taxes	$ 14,649	$ 12,357

See Notes to the Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries
Notes to Consolidated Financial Statements

1. NATURE OF OPERATIONS

Yoshiharu Global Co. ("Yoshiharu") was incorporated in the State of Delaware on December 9, 2021. Yoshiharu did not have significant transactions since formation. Yoshiharu has the following wholly owned subsidiaries:

Name	Date of Formation	Description of Business
Global JJ Group, Inc. (“JJ”)	January 8, 2015	Ramen stores located in Orange, California and Buena Park, California.
Global AA Group, Inc. (“AA”)	July 21, 2016	Ramen store located in Whittier, California.
Global BB Group, Inc. (“BB”)	May 19, 2017	Ramen store located in Chino Hills, California.
Global CC Group, Inc. (“CC”)	September 23, 2019	Ramen stores located in Eastvale, California and Corona, California.
Global DD Group, Inc. (“DD”)	December 19, 2019	Ramen store located in la Mirada, California.
Yoshiharu Irvine (“YI”)	December 4, 2020	Ramen store located in Irvine, California.
Yoshiharu Cerritos (“YC”)	January 21, 2021	Ramen store located in Cerritos, California.

The Company owns several restaurants specializing in Japanese ramen and other Japanese cuisines. The Company offers a variety of Japanese ramens, rice bowls, and appetizers. Yoshiharu Global Co. and Subsidiaries will be collectively referred as the “**Company**”.

Prior to September 30, 2021, the Yoshiharu business (the “Business”) consisted of the seven separate entities listed above (collectively, the “Entities”), each wholly owned by James Chae (“Mr. Chae”), and each holding one (1) store, except for JJ, which held two stores and the Business’s intellectual property (“IP”). Effective October 2021, JJ transferred the IP to Mr. Chae. Effective October 2021, Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation (“Holdings”) for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares.

On December 9, 2021, Yoshiharu completed a share exchange agreement, whereby, the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings. This recapitalization was accounted for in accordance with the “Transactions Between Entities Under Common Control” subsections of Accounting Standards Codification (“ASC”) 805-50, Business Combinations, which requires that the receiving entity recognize the net assets received at their historical carrying amounts. A common-control transaction has no effect on the parent’s consolidated financial statements. No value was ascribed to the shares issued for the transfer of the IP since the only relevance of the aggregate number of shares issued to Mr. Chae in Holdings was to effect the 1 for 1 share exchange with Yoshiharu upon its incorporation in Delaware. ASC 805-50 also prescribes that, if the recognition of the net assets results in a “change in the reporting entity,” the receiving entity presents the transfer in its separate financial statements retrospectively. Accordingly, the assets and liabilities and the historical operations that are reflected in these consolidated financial statements are those of the subsidiaries and are recorded at the historical cost basis of the subsidiaries.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting

The consolidated financial statements include legal entities listed above as of and for the years ended December 31, 2021 and 2020.

Basis of Presentation and Consolidation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) as promulgated in the United States of America. The consolidated financial statements include Yoshiharu Global Co. and its wholly owned subsidiaries. All intercompany accounts, transactions, and profits have been eliminated upon consolidation.

Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit of $2,813,042 at December 31, 2021 and had a net loss of $1,630,485 for the year ended December 31, 2021. These matters raise substantial doubt about the Company’s ability to continue as a going concern.

While the Company is attempting to expand operations and increase revenues, the Company’s cash position may not be significant enough to support the Company’s daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While management believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect or if available, on terms acceptable to the Company. The ability of the Company to continue as a going concern is dependent upon the Company’s ability to further implement its business plan and generate additional revenue. Compared to the revenue for the year ended December 31, 2020, however, that of December 31, 2021 has increased from $3,170,925 to $6,536,859, and the Company expects consistent increase in sales with the opening of more stores.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Use of Estimates and Assumptions

The preparation of Consolidated financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Marketing

Marketing costs are charged to expense as incurred. Marketing costs were approximately $31,952 and $30,054 for the years ended December 31, 2021 and 2020, respectively, and are included in operating expenses in the accompanying Consolidated statements of income.

Delivery Fees Charged by Delivery Service Providers

The Company’s customers may order online through third party service providers such as Uber Eats, Door Dash, and others. These third-party service providers charge delivery and order fees to the Company. Such fees are expensed when incurred. Delivery fees are included in delivery and service fees in the accompanying combined statements of operations.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. The Company's net revenue primarily consists of revenues from food and beverage sales. Revenues from the sale of food items by Company-owned restaurants are recognized as Company sales when a customer receives the food that they purchased, which is when our obligation to perform is satisfied. The timing and amount of revenue recognized related to Company sales was not impacted by the adoption of Topic 606.

Inventories

Inventories, which are stated at the lower of cost or net realizable value, consist primarily of perishable food items and supplies. Cost is determined using the first-in, first out method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment Reporting

Accounting Standards Codification ("ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. The Company identifies its operating segments based on how executive decision makers internally evaluates separate financial information, business activities and management responsibility. Accordingly, the Company has one reportable segment, consisting of operating its stores.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Major improvements are capitalized, and minor replacements, maintenance and repairs are charged to expense as incurred. Depreciation and amortization are calculated on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term of the related asset. The estimated useful lives are as follows:

Furniture and equipment	5 to 7 years
Leasehold improvements	Shorter of estimated useful life or term of lease
Vehicle	5 years

Income Taxes

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of December 31, 2021 and 2020.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for un-collectible accounts and, as a consequence, believes that its accounts receivable related credit risk exposure beyond such allowance is limited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

Level 1. Observable inputs such as quoted prices in active markets;
Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, operating lease right-of-use assets, net, accounts payable and accrued expenses, notes payables, and operating lease liabilities. The estimated fair value of cash, operating lease right-of-use assets, net, and notes payables approximate its carrying amount due to the short maturity of

these instruments.

Leases

In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)" ("ASU 2016-02"). ASU 2016-02 requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases. ASU 2016-02 will also require new qualitative and quantitative disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. The Company evaluated ASU 2016-02 and adopted this guidance as of January 1, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In July 2018, the FASB issued ASU No. 2018-10, "Codification Improvements to Topic 842, Leases" ("ASU 2018-10"). The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, Leases (Topic 842) ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, Leases. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for emerging growth companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements," ("ASU 2018-11"). The amendments in ASU 2018-11 related to transition relief on comparative reporting at adoption affect all entities with lease contracts that choose the additional transition method and separating components of a contract affect only lessors whose lease contracts qualify for the practical expedient. The amendments in ASU 2018-11 are effective for emerging growth companies for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company adopted this guidance as of January 1, 2019.

In March 2019, the FASB issued ASU 2019-01, "Leases (Topic 842): Codification Improvements" ("Topic 842") ("ASU 2019-01"). These amendments align the guidance for fair value of the underlying asset by lessors that are not manufacturers or dealers in Topic 842 with that of existing guidance. As a result, the fair value of the underlying asset at lease commencement is its cost, reflecting any volume or trade discounts that may apply. However, if there has been a significant lapse of time between when the underlying asset is acquired and when the lease commences, the definition of fair value (in Topic 820, Fair Value Measurement) should be applied. (Issue 1). The ASU also requires lessors within the scope of Topic 942, Financial Services—Depository and Lending, to present all "principal payments received under leases" within investing activities. (Issue 2). Finally, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. (Issue 3). The transition and effective date provisions apply to Issue 1 and Issue 2. They do not apply to Issue 3 because the amendments for that Issue are to the original transition requirements in Topic 842. This amendment will be effective for fiscal years beginning after December 15, 2020 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company evaluated ASU 2019-01 and adopted this guidance as of January 1, 2019.

COVID-19 Impact on Concentration of Risk

The novel coronavirus ("COVID-19") pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

3. PROPERTY AND EQUIPMENT, NET

	December 31,	
	2021	***2020***
Leasehold improvement	$ 2,465,543	$ 1,605,847
Furniture and equipment	365,493	328,574
Vehicle	30,543	30,543
Total property and equipment	2,861,579	1,964,964
Accumulated depreciation	(518,055)	(379,390)

Total property and equipment, net	**$ 2,343,524**	**$ 1,585,574**

Total depreciation was $138,665 and $114,478 and for the years ended December 31, 2021 and 2020, respectively.

4. BANK NOTES PAYABLES

	December 31	
	2021	*2020*
September 22, 2017 ($250,000) - AA	$ 165,875	$ 189,185
November 27, 2018 ($780,000) - JJ	543,339	656,593
February 13, 2020 ($255,000) - CC	218,602	239,626
September 14, 2021 ($197,000) - CC	153,881	-
September 15, 2021 ($199,000) - DD	155,975	-
Total bank notes payables	1,237,672	1,085,404
Less - current portion	(235,662)	(162,031)
Total bank notes payables, less current portion	**$ 1,002,010**	**$ 923,373**

The following table provides future minimum payments as of December 31, 2021:

For the years ended	*Amount*
2022	$ 235,662
2023	235,662
2024	235,662
2025	224,102
2026	96,937
Thereafter	209,647
Total	**$ 1,237,672**

September 22, 2017 – $250,000 – Global AA Group, Inc.

On September 22, 2017, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan of $250,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2021 and December 31, 2020, the balance is $165.875 and $189,185, respectively.

4. BANK NOTES PAYABLES (Continued)

Pursuant to that certain Loan Authorization and Agreement, AA borrowed an aggregate principal amount of $250,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,888 per month which includes principal and interest with an initial interest rate of 6.75% per year. The balance of principal and interest is payable on September 22, 2027.

November 27, 2018 – $780,000 – Global JJ Group, Inc.

On November 27, 2018, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan of $780,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2021 and December 31, 2020, the balance is $543,339 and $656,593, respectively.

Pursuant to that certain Loan Authorization and Agreement, JJ borrowed an aggregate principal amount of $780,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments of $11,818.08 for a total of 83 payments, including principal and interest, are due monthly beginning on January 1, 2019. The balance of principal and interest is payable on December 1, 2025.

February 13, 2020 – $255,000 – Global CC Group, Inc.

On February 13, 2020, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $255,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2021 and December 31, 2020, the balance is $218,602 and $239,626, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $255,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,913 per month which includes principal and interest with an initial interest rate of 6.50%. The balance of principal and interest is payable on February 13, 2030.

September 14, 2021 – $197,000 – Global CC Group, Inc.

On September 14, 2021, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $197,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2021 and December 31, 2020, the balance is $153,881 and $0, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $197,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,128 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 14, 2031.

As of December 31, 2021, the CC has received $159,000 of the $197,000.

4. BANK NOTES PAYABLES (Continued)

September 15, 2021– $199,000 – Global DD Group, Inc.

On September 15, 2021, Global DD Group, Inc. (the "DD") executed the standard loan documents required for securing a loan of $199,000 from the U.S. Small Business Administration (the "SBA"). As of December 31, 2021 and December 31, 2020, the balance is $155,975 and $0, respectively.

Pursuant to that certain Loan Authorization and Agreement, DD borrowed an aggregate principal amount of $199,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,419 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 15, 2031.

As of December 31, 2021, DD has received $157,000 of the $199,000.

5. LOAN PAYABLES, PPP

	December 31	
	2021	***2020***
February 16, 2021 ($131,600 - PPP loan) - AA	$ 131,600	129,300
February 16, 2021 ($166,700 - PPP loan) - JJ	166,700	102,000
February 16, 2021 ($87,600 - PPP loan) - BB	87,600	42,000
Total loan payables, PPP	385,900	273,300
Less - current portion	(100,334)	(212,567)
Total loans payables, PPP, less current portion	**$ 285,566**	**$ 60,733**

The following table provides future minimum payments as of December 31, 2021:

For the years ended	***Amount***
2022	$ 100,334
2023	92,616
2024	92,616
2025	92,616
2026	7,718
Thereafter	-
Total	**$ 385,900**

April 22, 2020 – $102,000 – Global JJ Group, Inc.

On April 22, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $102,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

5. LOAN PAYABLES, PPP (Continued)

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On July 23, 2021, $102,000 in principal and $1,277 in interest was forgiven by the SBA.

April 22, 2020 – $129,300 – Global AA Group, Inc.

On April 22, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $129,300 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the

actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On July 21, 2021, $129,300 in principal and $1,612 in interest was forgiven by the SBA.

April 22, 2020 – $42,000 – Global BB Group, Inc.

On April 22, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $42,000 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

5. LOAN PAYABLES, PPP (Continued)

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 360 days. Commencing seven months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the two-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On July 21, 2021, $42,000 in principal and $524 in interest was forgiven by the SBA.

February 16, 2021 – $131,600 – Global AA Group, Inc.

On February 16, 2021, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $131,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

February 16, 2021 – $166,700 – Global JJ Group, Inc.

On February 16, 2021, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $166,700 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

5. LOAN PAYABLES, PPP (Continued)

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

February 16, 2021 – $87,600 – Global BB Group, Inc.

On February 16, 2021, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $87,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

6. LOAN PAYABLES, EIDL

	December 31	
	2021	***2020***
June 13, 2020 ($150,000 - EIDL) - AA	$ 150,000	$ 150,000
June 13, 2020 ($150,000 - EIDL) - BB	150,000	150,000
July 15, 2020 ($150,000 - EIDL) - JJ	150,000	150,000
Total loans payables, EIDL	450,000	450,000
Less - current portion	(24,138)	(8,621)
Total loans payables, EIDL, less current portion	**$ 425,862**	**$ 441,379**

The following table provides future minimum payments as of December 31, 2021:

For the years ended	***Amount***
2022	$ 24,138
2023	15,517
2024	15,517
2025	15,517
2026	15,517
Thereafter	363,794
Total	**$ 450,000**

June 13, 2020 – $150,000 – Global AA Group, Inc.

On June 13, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the AA's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), AA borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, AA also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, AA executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of AA, which also contains customary events of default (the "SBA Security Agreement").

June 13, 2020 – $150,000 – Global BB Group, Inc.

On June 13, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the BB's business.

6. LOAN PAYABLES, EIDL (Continued)

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), BB borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, BB also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, BB executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement,

granting the SBA a security interest in all tangible and intangible personal property of BB, which also contains customary events of default (the "SBA Security Agreement").

July 15, 2020 – $150,000 – Global JJ Group, Inc.

On July 15, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the JJ's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), JJ borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan.

7. RESTAURANT REVITALIZATION FUND

	December 31	
	2021	***2020***
June 1, 2021 (700,454 - Restaurant Revitalization Fund) - JJ	$ 700,454	$ -
Total restaurant revitalization fund	$ 700,454	$ -
Less - current portion	-	-
Total restaurant revitalization fund, less current portion	**$ 700,454**	**$ -**

The following table provides future minimum payments as of December 31, 2021:

For the years ended	***Amount***
2022	$ -
2023	700,454
2024	-
2025	-
2026	-
Thereafter	-
Total	**$ 700,454**

7. RESTAURANT REVITALIZATION FUND (Continued)

June 1, 2021 – $700,454 – Global JJ Group, Inc.

On June 1, 2021, Global JJ Group, Inc. (the "JJ") executed the documents required for securing a Restaurant Revitalization Fund (the "RRF") of $700,454 from the U.S. Small Business Administration (the "SBA") under the American Rescue Plan Act in light of the impact of the COVID-19 pandemic on the JJ's business.

The RRF is administered by the SBA. The interest rate of the loan is 0.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. No later than March 11, 2023 (the "Maturity Date"), the Company is required to pay the Lender any unused funds as well as any funds used for non-eligible expenses. The RRF contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the RRF. The occurrence of an event of default may result in the repayment of all amounts outstanding under the RRF, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the American Rescue Plan Act, RRF recipients can apply for and be granted forgiveness for all or a portion of the funds granted. Such forgiveness will be determined, subject to limitations, based on the use of the loan proceeds for payments of payroll costs, business mortgage obligation, rent, debt, utility, maintenance, construction of outdoor seating, supplies, food and beverage, supplier costs, and other business operating expenses.

As of December 31, 2021, none of the notes payables, loans payables, and restaurant revitalization fund noted above are in default.

8. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

- ***Due to related party*** – From time to time, the Company loaned money to APIIS Financial Group, a company owned by James Chae, also the majority shareholder of the Company. The balance is non-interest bearing and due on demand. As of December 31, 2021 and 2020, the balance was $1,383,213 and $911,411, respectively.

- ***Distributions*** – From time to time, the Company made distributions to James Chae, the majority shareholder and CEO of the Company. For the year ended December 31, 2021 and 2020, the Mr. James Chae was distributed $696,575 and $665,194, respectively.

- ***Combination of Entities Under Common Control -*** Effective October 2021, JJ transferred IP assets to James Chae, and then Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation ("Holdings") for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares. On December 9, 2021, the Company's sole director at the time, James Chae, approved (a) a share exchange agreement, whereby, Mr. Chae, as the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings, and (b) the redemption of 670,000 Class A shares from Mr. Chae whereby Yoshiharu would repurchase such shares from Mr. Chae at par value.

- ***Private Placement -*** In December 2021, the Company received subscriptions for sale of 670,000 shares of Class A Common Stock to investors for $2.00 per share, for total expected proceeds of $1,340,000. Many of these investors are friends and family of James Chae, the Company's majority shareholder.

9. COMMITMENTS AND CONTINGENCIES

Commitments

Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Generally, the implicit rate of interest in arrangements is not readily determinable and the Company utilizes its incremental borrowing rate in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Our variable lease payments primarily consist of maintenance and other operating expenses from our real estate leases. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

9. COMMITMENTS AND CONTINGENCIES

The Company has lease agreements with lease and non-lease components. The Company has elected to account for these lease and non-lease components as a single lease component.

In accordance with ASC 842, the components of lease expense were as follows:

For the year ended December 31,	***2021***	***2020***
Operating lease expense	$ 408,056	$ 222,519
Total lease expense	$ 408,056	$ 222,519

In accordance with ASC 842, other information related to leases was as follows:

For the year ended December 31,	***2021***	***2020***
Operating cash flows from operating leases	$ 372,307	$ 221,148
Cash paid for amounts included in the measurement of lease liabilities	$ 372,307	$ 221,148

Weighted-average remaining lease term—operating leases	7.7 Years
Weighted-average discount rate—operating leases	7%

In accordance with ASC 842, maturities of operating lease liabilities as of December 31, 2021 were as follows:

Year ending:	**Operating Lease**
2022	$ 323,687
2023	354,111
2024	365,042
2025	380,138
2026	358,563
Thereafter	1,168,181
Total undiscounted cash flows	$ 2,949,722
Reconciliation of lease liabilities:	
Weighted-average remaining lease terms	7.7 Years
Weighted-average discount rate	7%
Present values	$ 2,309,745
Lease liabilities—current	214,994
Lease liabilities—long-term	2,094,751
Lease liabilities—total	$ 2,309,745
Difference between undiscounted and discounted cash flows	$ 639,977

Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company's financial condition or results of operations.

10. SHAREHOLDERS' DEFICIT

Class A Common Stock

The Company has authorization to issue and have outstanding at any one time 49,000,000 shares of Class A common stock with a par value of $0.0001 value per share. Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally.

Prior to September 30, 2021, the Yoshiharu business (the "Business") consisted of the seven separate entities listed above (collectively, the "Entities"), each wholly owned by James Chae ("Mr. Chae"), and each holding one (1) store, except for JJ, which held two stores and the Business's intellectual property ("IP"). Effective October 2021, JJ transferred the IP to Mr. Chae. Effective October 2021, Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation ("Holdings") for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares.

On December 9, 2021, the Company's sole director at the time, James Chae, approved (a) a share exchange agreement, whereby, Mr. Chae, as the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings, and (b) the redemption of 670,000 Class A shares from Mr. Chae whereby Yoshiharu would repurchase such shares from Mr. Chae at par value.

In December 2021, the Company received subscriptions for sale of 670,000 shares of Class A Common Stock to investors for $2.00 per share, for total expected proceeds of $1,340,000. As of December 31, 2021, the Company had received $1,280,000 of the expected proceeds and recorded a Stock Subscription Receivable for the remaining $60,000. The remaining funds were received in January 2022.

Class B Common Stock

The Company has authorization to issue and have outstanding at any one time 1,000,000 shares of Class B common stock with a par value of $0.0001 per share. The shareholders of Class B common stock shall be entitled to 10 vote per share for each share of Class A common stock, and with respect to such vote, shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of this Company, and shall be entitled to vote together as a single class with holders of Class A common stock with respect to any question or matter upon which holders of Class A common stock have the right to vote, unless otherwise required by applicable law or our amended and restated certificate of incorporation. Class B common stock shall also entitle the holders thereof to vote as a separate class as set forth herein and as required by law.

The shareholders of Class B common stock shall be entitled to dividends as shall be declared by the Company's Board of Directors from time to time at the same rate per share as the Class A common stock.

The shareholders of the Class B common stock shall have conversion rights with respect to the Class B common stock into shares of Class A common stock:

- at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis;
- all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total number of shares of Class A and Class B common stock outstanding as set forth in the Exchange Agreement; and
- at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.

11. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB ASC 260, Earnings Per Share, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. The Company did not have any dilutive common shares for the years ended December 31, 2021 and 2020.

12. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after December 31, 2021. During this period, the Company did not have any material recognizable subsequent events required to be disclosed other than the following:

- **January 2022 –** The Company received the remaining $60,000 in proceeds from the 2021 sales of Class A Common Shares, in full satisfaction of the Share Subscription Receivable at December 31, 2021.
- **February 2022 (PPP Loans) –** The Company received notification from the SBA that the balance of the PPP loans of $385,900 was fully forgiven.
- **April 2022 (SBA Loan) –** The Company received approval from the SBA for an incremental loan through its Cerritos subsidiary. This loan is for $195,000 and bears interest at prime plus 2%, with an initial rate of 5.25%. The loan requires monthly payments of $2,106 and has a term of ten years from the date of initial loan disbursement.
- **February 2022 (Restaurant Opening) –** The Company opened its La Mirada location in February 2022. Other locations located in Cerritos and Corona are under ongoing construction.

Consolidated Balance Sheets

	(unaudited) June 30, 2022	*December 31, 2021*
ASSETS		

Current Assets:		
Cash	$ 28,537	$ 1,087,102
Inventories	41,144	36,573
Total current assets	69,681	1,123,675
Non-Current Assets:		
Property and equipment, net	2,167,480	2,343,524
Operating lease right-of-use asset, net	2,627,290	2,209,967
Other assets	211,138	157,949
Total non-current assets	5,005,908	4,711,440
Total assets	**$ 5,075,589**	**$ 5,835,115**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable and accrued expenses	$ 1,439,956	$ 1,598,334
Current portion of operating lease liabilities	300,140	214,994
Current portion of bank notes payables	249,566	235,662
Current portion of loan payable, PPP	-	100,334
Current portion of loan payable, EIDL	31,897	24,138
Due to related party	1,417,433	1,383,213
Other payables	88,437	88,437
Total current liabilities	3,527,429	3,645,112
Operating lease liabilities, less current portion	2,487,577	2,094,751
Bank notes payables, less current portion	1,041,080	1,002,010
Restaurant revitalization fund	700,454	700,454
Loan payable, EIDL, less current portion	418,103	425,862
Loan payable, PPP, less current portion	-	285,566
Total liabilities	8,174,643	8,153,755
Commitments and contingencies		
Stockholders' Deficit		
Class A Common Stock - $0.0001 par value; 49,000,000 authorized shares; 9,450,900 shares issued and outstanding at June 30, 2022 and December 31, 2021	946	946
Class B Common Stock - $0.0001 par value; 1,000,000 authorized shares; no shares issued and outstanding at June 30, 2022 and December 31, 2021	-	-
Additional paid-in-capital	553,456	553,456
Stock subscriptions receivable	-	(60,000)
Accumulated deficit	(3,653,456)	(2,813,042)
Total stockholders' deficit	(3,099,054)	(2,318,640)
Total liabilities and stockholders' deficit	**$ 5,075,589**	**$ 5,835,115**

See Notes to the unaudited Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries

Consolidated Statements of Operations

	(unaudited) *For the six months ended June 30,*	
	2022	***2021***
Revenue:		
Food and beverage	$ 3,973,690	$ 2,066,625
Total revenue	3,973,690	2,066,625
Restaurant operating expenses:		
Food, beverages and supplies	1,036,754	757,091
Labor	2,101,726	1,076,041
Rent and utilities	514,424	268,964
Delivery and service fees	259,707	253,348
Depreciation	464,873	62,517
Total restaurant operating expenses	4,377,484	2,417,961
Net operating restaurant operating income (loss)	(403,794)	188,664
Operating expenses:		
General and administrative	740,204	234,865
Advertising and marketing	40,583	1,998
Total operating expenses	780,787	236,863
Loss from operations	(1,184,581)	(48,199)

Other income (expense):		
PPP loan forgiveness	385,900	-
Other income	6,301	25,000
Interest	(40,994)	(30,906)
Total other income (expense)	351,207	(5,906)
Loss before income taxes	(833,374)	(54,105)
Income tax provision	7,040	6,609
Net loss	**$ (840,414)**	**$ (60,714)**
Loss per share:		
Basic and diluted	$ (0.09)	$ (0.02)
Weighted average number of common shares outstanding:		
Basic and diluted	9,450,900	3,204,525

See Notes to the unaudited Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries

Consolidated Statements of Stockholders' Equity

	Class A Shares		Class B Shares		Additional Paid-In	Stock Subscription	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Receivable	Deficit	Deficit
Balance at December 31, 2020	**1,205,000**	**$ 121**	**-**	**$ -**	**$ 476,251**	**$ -**	**$ (1,828,501)**	**$ (1,352,130)**
Issuance of Common Stock A	1,000,000	100	-	-	(100)	-	-	-
Distributions	-	-	-	-	(367,596)	-	-	(367,596)
Net loss	-	-	-	-	-	-	(60,714)	(60,714)
Balance at June 30, 2021 (unaudited)	**2,205,000**	**$ 221**	**-**	**$ -**	**$ 108,555**	**$ -**	**$ (1,889,215)**	**$ (1,780,440)**

	Class A Shares		Class B Shares		Additional Paid-In	Stock Subscription	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Receivable	Deficit	Deficit
Balance at December 31, 2021	**9,450,900**	**$ 946**	**-**	**$ -**	**$ 553,456**	**$ (60,000)**	**$ (2,813,042)**	**$ (2,318,640)**
Payments received for prior year subscription	-	-	-	-	-	60,000	-	60,000
Net loss	-	-	-	-	-	-	(840,414)	(840,414)
Balance at June 30, 2022 (unaudited)	**9,450,900**	**$ 946**	**-**	**$ -**	**$ 553,456**	**$ -**	**$ (3,653,456)**	**$ (3,099,054)**

See Notes to the unaudited Consolidated Financial Statements

Yoshiharu Global Co. and Subsidiaries

Consolidated Statements of Cash Flows

	(unaudited) *For the six months ended June 30,*	
	2022	*2021*
Cash flows from operating activities:		
Net loss	$ (840,414)	$ (60,714)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	464,873	62,517
PPP loan forgiveness	(385,900)	-
Changes in assets and liabilities:		
Inventories	(4,571)	(5,680)
Other assets	(53,189)	(23,474)
Accounts payable and accrued expenses	(97,729)	55,609
Due to related party	34,220	16,182
Other payables	-	34,794
Net cash used in operating activities	(882,710)	79,234
Cash flows from investing activities:		
Purchases of property and equipment	(288,829)	(391,224)
Net cash used in investing activities	(288,829)	(391,224)

Cash flows from financing activities:		
Bank overdrafts	-	(29,060)
Proceeds from sale of common shares	60,000	-
Proceeds from borrowings	40,000	1,086,354
Repayments on bank notes payables	12,974	(56,002)
Shareholders' distribution	-	(348,346)
Net cash provided by financing activities	112,974	652,946
Net (decrease) in cash	(1,058,565)	340,956
Cash – beginning of period	1,087,102	-
Cash – end of period	**$ 28,537**	**$ 340,956**
Supplemental disclosures of non-cash financing activities:		
Forgiveness of paycheck protection program (PPP) loan	$ 385,900	$ -
Supplemental disclosures of cash flow information		
Cash paid during the periods for:		
Interest	$ 40,994	$ 30,906
Income taxes	$ 7,040	$ 6,609

See Notes to the unaudited Consolidated Financial Statements

1. NATURE OF OPERATIONS

Yoshiharu Global Co. ("Yoshiharu") was incorporated in the State of Delaware on December 9, 2021. Yoshiharu did not have significant transactions since formation. Yoshiharu has the following wholly owned subsidiaries:

Name	Date of Formation	Description of Business
Global JJ Group, Inc. ("JJ")	January 8, 2015	Ramen stores located in Orange, California and Buena Park, California.
Global AA Group, Inc. ("AA")	July 21, 2016	Ramen store located in Whittier, California.
Global BB Group, Inc. ("BB")	May 19, 2017	Ramen store located in Chino Hills, California.
Global CC Group, Inc. ("CC")	September 23, 2019	Ramen stores located in Eastvale, California and Corona, California.
Global DD Group, Inc. ("DD")	December 19, 2019	Ramen store located in la Mirada, California.
Yoshiharu Irvine ("YI")	December 4, 2020	Ramen store located in Irvine, California.
Yoshiharu Cerritos ("YC")	January 21, 2021	Ramen store located in Cerritos, California.
Yoshiharu Clemente ("YCT")	May 2, 2022	Ramen store to be opened in San Clemente, California.
Yoshiharu Laguna ("YL")	May 2, 2022	Ramen store to be opened in Laguna, California.
Yoshiharu Ontario ("YO")	May 2, 2022	Ramen store to be opened in Ontario, California.

The Company owns several restaurants specializing in Japanese ramen and other Japanese cuisines. The Company offers a variety of Japanese ramens, rice bowls, and appetizers. Yoshiharu Global Co. and Subsidiaries will be collectively referred as the "**Company**".

Prior to September 30, 2021, the Yoshiharu business (the "Business") consisted of the seven separate entities listed above (collectively, the "Entities"), each wholly owned by James Chae ("Mr. Chae"), and each holding one (1) store, except for JJ, which held two stores and the Business's intellectual property ("IP"). Effective October 2021, JJ transferred the IP to Mr. Chae. Effective October 2021, Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation ("Holdings") for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares.

On December 9, 2021, Yoshiharu completed a share exchange agreement, whereby, the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings. This recapitalization was accounted for in accordance with the "Transactions Between Entities Under Common Control" subsections of Accounting Standards Codification ("ASC") 805-50, Business Combinations, which requires that the receiving entity recognize the net assets received at their historical carrying amounts. A common-control transaction has no effect on the parent's consolidated financial statements. No value was ascribed to the shares issued for the transfer of the IP since the only relevance of the aggregate number of shares issued to Mr. Chae in Holdings was to effect the 1 for 1 share exchange with Yoshiharu upon its incorporation in Delaware. ASC 805-50 also prescribes that, if the recognition of the net assets results in a "change in the reporting entity," the receiving entity presents the transfer in its separate financial statements retrospectively. Accordingly, the assets and liabilities and the historical operations that are reflected in these consolidated financial statements are those of the subsidiaries and are recorded at the historical cost basis of the subsidiaries.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting

The consolidated financial statements include legal entities listed above as of and for the six months ended June 30, 2022 and 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation and Consolidation

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles ("GAAP") as promulgated in the United States of America. The consolidated financial statements include Yoshiharu Global Co. and its wholly owned subsidiaries. All intercompany accounts, transactions, and profits have been eliminated upon consolidation.

Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit of $3,653,456 at June 30, 2022 and had a net loss of $840,414 for the six months ended June 30, 2022. These matters raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to expand operations and increase revenues, the Company's cash position may not be significant enough to support the Company's daily operations. Management intends to raise additional funds by way of a public or private offering. Management believes that the actions presently being taken to further implement its business plan and generate revenues provide the opportunity for the Company to continue as a going concern. While management believes in the viability of its strategy to generate revenues and in its ability to raise additional funds, there can be no assurances to that effect or if available, on terms acceptable to the Company. The ability of the Company to continue as a going concern is dependent upon the Company's ability to further implement its business plan and generate additional revenue. Compared to the revenue for the six months ended June 30, 2021, however, that for the six months ended June 30, 2022 has increased from $2,606,625 to $3,973,690, and the Company expects consistent increase in sales with the opening of more stores.

The consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Use of Estimates and Assumptions

The preparation of Consolidated financial statements in conformity with the GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Marketing

Marketing costs are charged to expense as incurred. Marketing costs were approximately $40,583 and $1,998 for the six months ended June 30, 2022 and 2021, respectively, and are included in operating expenses in the accompanying Consolidated statements of income.

Delivery Fees Charged by Delivery Service Providers

The Company's customers may order online through third party service providers such as Uber Eats, Door Dash, and others. These third-party service providers charge delivery and order fees to the Company. Such fees are expensed when incurred. Delivery fees are included in delivery and service fees in the accompanying combined statements of operations.

Revenue Recognition

The Company recognizes revenue in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. The Company's net revenue primarily consists of revenues from food and beverage sales. Revenues from the sale of food items by Company-owned restaurants are recognized as Company sales when a customer receives the food that they purchased, which is when our obligation to perform is satisfied. The timing and amount of revenue recognized related to Company sales was not impacted by the adoption of Topic 606.

Inventories

Inventories, which are stated at the lower of cost or net realizable value, consist primarily of perishable food items and supplies. Cost is determined using the first-in, first out method.

Segment Reporting

Accounting Standards Codification ("ASC") 280, "Segment Reporting," requires public companies to report financial and descriptive information about their reportable operating segments. The Company identifies its operating segments based on how executive decision makers internally evaluates separate financial information, business activities and management responsibility. Accordingly, the Company has one reportable segment, consisting of operating its stores.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Major improvements are capitalized, and minor replacements, maintenance and repairs are charged to expense as incurred. Depreciation and amortization are calculated on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are amortized over the shorter of the estimated useful life or the lease term of the related asset. The estimated useful lives are as follows:

Furniture and equipment	5 to 7 years
Leasehold improvements	Shorter of estimated useful life or term of lease
Vehicle	5 years

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. The Company had no unrecognized tax benefits identified or recorded as liabilities as of June 30, 2022.

Impairment of Long-Lived Assets

When circumstances, such as adverse market conditions, indicate that the carrying value of a long-lived asset may be impaired, the Company performs an analysis to review the recoverability of the asset's carrying value, which includes estimating the undiscounted cash flows (excluding interest charges) from the expected future

operations of the asset. These estimates consider factors such as expected future operating income, operating trends and prospects, as well as the effects of demand, competition and other factors. If the analysis indicates that the carrying value is not recoverable from future cash flows, an impairment loss is recognized to the extent that the carrying value exceeds the estimated fair value. Any impairment losses are recorded as operating expenses, which reduce net income.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and other receivables arising from its normal business activities. The Company has a diversified customer base. The Company controls credit risk related to accounts receivable through credit approvals, credit limits and monitoring procedures. The Company routinely assesses the financial strength of its customers and, based upon factors surrounding the credit risk, establishes an allowance, if required, for un-collectible accounts and, as a consequence, believes that its accounts receivable related credit risk exposure beyond such allowance is limited.

Fair Value of Financial Instruments

The Company utilizes ASC 820-10, Fair Value Measurement and Disclosure, for valuing financial assets and liabilities measured on a recurring basis. Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The guidance also establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use in valuing the asset or liability and are developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability. The guidance establishes three levels of inputs that may be used to measure fair value:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Level 1. Observable inputs such as quoted prices in active markets;
Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and
Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The Company's financial instruments consisted of cash, operating lease right-of-use assets, net, accounts payable and accrued expenses, notes payables, and operating lease liabilities. The estimated fair value of cash, operating lease right-of-use assets, net, and notes payables approximate its carrying amount due to the short maturity of these instruments.

Leases

In accordance with ASC 842, Leases, the Company determines whether an arrangement contains a lease at inception. A lease is a contract that provides the right to control an identified asset for a period of time in exchange for consideration. For identified leases, the Company determines whether it should be classified as an operating or finance lease. Operating leases are recorded in the balance sheet as: right-of-use asset ("ROU asset") and operating lease liability. ROU asset represents the Company's right to use an underlying asset for the lease term and lease liability represents the Company's obligation to make lease payments arising from the lease. ROU assets and operating lease liabilities are recognized at the commencement date of the lease and measured based on the present value of lease payments over the lease term. The ROU asset also includes deferred rent liabilities. The Company's lease arrangement generally do not provide an implicit interest rate. As a result, in such situations the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The Company includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option in the measurement of its ROU asset and liability. Lease expense for the operating lease is recognized on a straight-line basis over the lease term. The Company has a lease agreement with lease and non-lease components, which are accounted for as a single lease component.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)" ("ASU 2016-02"). ASU 2016-02 requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases. ASU 2016-02 will also require new qualitative and quantitative disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2020, with early adoption permitted. The Company evaluated ASU 2016-02 and adopted this guidance as of January 1, 2019.

In July 2018, the FASB issued ASU No. 2018-10, "Codification Improvements to Topic 842, Leases" ("ASU 2018-10"). The amendments in ASU 2018-10 provide additional clarification and implementation guidance on certain aspects of the previously issued ASU No. 2016-02, Leases (Topic 842) ("ASU 2016-02") and have the same effective and transition requirements as ASU 2016-02. Upon the effective date, ASU 2018-10 will supersede the current lease guidance in ASC Topic 840, Leases. Under the new guidance, lessees will be required to recognize for all leases, with the exception of short-term leases, a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis. Concurrently, lessees will be required to recognize a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. ASU 2018-10 is effective for emerging growth companies for interim and annual reporting periods beginning after December 15, 2019, with early adoption permitted. The guidance is required to be applied using a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative periods presented in the financial statements. The Company adopted this guidance as of January 1, 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In July 2018, the FASB issued ASU No. 2018-11, "Leases (Topic 842): Targeted Improvements," ("ASU 2018-11"). The amendments in ASU 2018-11 related to transition relief on comparative reporting at adoption affect all entities with lease contracts that choose the additional transition method and separating components of a contract affect only lessors whose lease contracts qualify for the practical expedient. The amendments in ASU 2018-11 are effective for emerging growth companies for fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. The Company adopted this guidance as of January 1, 2019.

In March 2019, the FASB issued ASU 2019-01, "Leases (Topic 842): Codification Improvements" ("Topic 842") ("ASU 2019-01"). These amendments align the guidance for fair value of the underlying asset by lessors that are not manufacturers or dealers in Topic 842 with that of existing guidance. As a result, the fair value of the underlying asset at lease commencement is its cost, reflecting any volume or trade discounts that may apply. However, if there has been a significant lapse of time between when the underlying asset is acquired and when the lease commences, the definition of fair value (in Topic 820, Fair Value Measurement) should be applied. (Issue 1). The ASU also requires lessors within the scope of Topic 942, Financial Services—Depository and Lending, to present all "principal payments received under leases" within investing activities. (Issue 2). Finally, the ASU exempts both lessees and lessors from having to provide certain interim disclosures in the fiscal year in which a company adopts the new leases standard. (Issue 3). The transition and effective date provisions apply to Issue 1 and Issue 2. They do not apply to Issue 3 because the amendments for that Issue are to the original transition requirements in Topic 842. This amendment will be effective for fiscal years beginning after

December 15, 2020 and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company evaluated ASU 2019-01 and adopted this guidance as of January 1, 2019.

COVID-19 Impact on Concentration of Risk

The novel coronavirus ("COVID-19") pandemic has significantly impacted health and economic conditions throughout the United States and globally, as public concern about becoming ill with the virus has led to the issuance of recommendations and/or mandates from federal, state and local authorities to practice social distancing or self-quarantine. The Company is continually monitoring the outbreak of COVID-19 and the related business and travel restrictions and changes to behavior intended to reduce its spread, and its impact on operations, financial position, cash flows, inventory, supply chains, purchasing trends, customer payments, and the industry in general, in addition to the impact on its employees. We have experienced significant disruptions to our business due to the COVID-19 pandemic and related suggested and mandated social distancing and shelter-in-place orders.

3. PROPERTY AND EQUIPMENT, NET

	June 30, 2022	*December 31, 2021*
Leasehold Improvement	$ 2,636,760	$ 2,465,543
Furniture and equipment	483,105	365,493
Vehicle	30,543	30,543
Total property and equipment	3,050,408	2,861,579
Accumulated depreciation	(982,928)	(518,055)
Total property and equipment, net	**$ 2,167,480**	**$ 2,343,524**

Total depreciation was $464,873 and $62,517 and for the six months ended June 30, 2022 and 2021, respectively.

4. BANK NOTES PAYABLES

	June 30, 2022	*December 31, 2021*
September 22, 2017 ($250,000) - AA	$ 153,933	$ 165,875
November 27, 2018 ($780,000) - JJ	495,657	543,339
February 13, 2020 ($255,000) - CC	207,848	218,602
September 14, 2021 ($197,000) - CC	147,216	153,881
September 15, 2021 ($199,000) - DD	185,992	155,975
April 22, 2022 ($195,000) - Cerritos	100,000	-
Total bank notes payables	1,290,646	1,237,672
Less - current portion	(249,566)	(235,662)
Total bank notes payables, less current portion	**$ 1,041,080**	**$ 1,002,010**

The following table provides future minimum payments as of June 30, 2022:

For the years ended	*Amount*
2022 (remaining six months)	$ 124,783
2023	249,566
2024	249,566
2025	237,477
2026	104,496
Thereafter	324,758
Total	**$ 1,290,646**

September 22, 2017 – $250,000 – Global AA Group, Inc.

On September 22, 2017, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan of $250,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022 and December 31, 2021, the balance is $153,933 and $165,875, respectively.

4. BANK NOTES PAYABLES (Continued)

Pursuant to that certain Loan Authorization and Agreement, AA borrowed an aggregate principal amount of $250,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,888 per month which includes principal and interest with an initial interest rate of 6.75% per year. The balance of principal and interest is payable on September 22, 2027.

November 27, 2018 – $780,000 – Global JJ Group, Inc.

On November 27, 2018, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan of $780,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022 and December 31, 2021, the balance is $495,657 and $543,339, respectively.

Pursuant to that certain Loan Authorization and Agreement, JJ borrowed an aggregate principal amount of $780,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments of $11,818.08 for a total of 83 payments, including principal and interest, are due monthly beginning on January 1, 2019. The balance of principal and interest is payable on December 1, 2025.

February 13, 2020 – $255,000 – Global CC Group, Inc.

On February 13, 2020, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $255,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022 and December 31, 2021, the balance is $207,848 and $218,602, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $255,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,913 per month which includes principal and interest with an initial interest rate of 6.50%. The balance of principal and interest is payable on February 13, 2030.

September 14, 2021 – $197,000 – Global CC Group, Inc.

On September 14, 2021, Global CC Group, Inc. (the "CC") executed the standard loan documents required for securing a loan of $197,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022 and December 31, 2021, the balance is $147,216 and $153,881, respectively.

Pursuant to that certain Loan Authorization and Agreement, CC borrowed an aggregate principal amount of $197,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,128 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 14, 2031.

As of June 30, 2022, the CC has received $159,000 of the $197,000.

4. BANK NOTES PAYABLES (Continued)

September 15, 2021– $199,000 – Global DD Group, Inc.

On September 15, 2021, Global DD Group, Inc. (the "DD") executed the standard loan documents required for securing a loan of $199,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022 and December 31, 2021, the balance is $185,992 and $155,975, respectively.

Pursuant to that certain Loan Authorization and Agreement, DD borrowed an aggregate principal amount of $199,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,419 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on September 15, 2031.

As of June 30, 2022, DD has received $197,000 of the $199,000.

April 22, 2022– $195,000 – Yoshiharu Cerritos.

On April 22, 2022, Yoshiharu Cerritos ("YC") executed the standard loan documents required for securing a loan of $195,000 from the U.S. Small Business Administration (the "SBA"). As of June 30, 2022, the balance is $100,000.

Pursuant to that certain Loan Authorization and Agreement, YC borrowed an aggregate principal amount of $195,000, with proceeds to be used for working capital purposes. Interest accrues at a variable rate that is subject to change from time to time based on changes in an independent index which is the Prime Rate as published in the Wall Street Journal per annum and will accrue only on funds actually advanced from the date of each advance. The loan requires a payment of $2,106 per month which includes principal and interest with an initial interest rate of 5.25%. The balance of principal and interest is payable on April 22, 2032.

As of June 30, 2022, YC has received $100,000 of the $195,000.

5. LOAN PAYABLES, PPP

	June 30, 2022	*December 31, 2021*
February 16, 2021 ($131,600 - PPP loan) - AA	$ -	131,600
February 16, 2021 ($166,700 - PPP loan) - JJ	-	166,700
February 16, 2021 ($87,600 - PPP loan) - BB	-	87,600
Total loan payables, PPP	-	385,900
Less - current portion	-	(100,334)
Total loans payables, PPP, less current portion	**$ -**	**$ 285,566**

February 16, 2021 – $131,600 – Global AA Group, Inc.

On February 16, 2021, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $131,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the AA's business.

5. LOAN PAYABLES, PPP (Continued)

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be

determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On February 1, 2022, $131,600 in principal and $1,262 in interest was forgiven by the SBA.

February 16, 2021 – $166,700 – Global JJ Group, Inc.

On February 16, 2021, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $166,700 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the JJ's business.

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On February 9, 2022, $166,700 in principal and $1,704 in interest was forgiven by the SBA.

February 16, 2021 – $87,600 – Global BB Group, Inc.

On February 16, 2021, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a Paycheck Protection Program Loan (the "PPP Loan") of $87,600 from the U.S. Small Business Administration (the "SBA") under its Paycheck Protection Program in light of the impact of the COVID-19 pandemic on the BB's business.

5. LOAN PAYABLES, PPP (Continued)

The PPP loan is administered by the SBA. The interest rate of the loan is 1.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. Commencing ten months after the effective date of the PPP Loan, the Company is required to pay the Lender equal monthly payments of principal and interest as required to fully amortize any unforgiven principal balance of the loan by the five-year anniversary of the effective date of the PPP Loan (the "Maturity Date"). The PPP Loan contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the PPP Loan. The occurrence of an event of default may result in the repayment of all amounts outstanding under the PPP Loan, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for payment of payroll costs and any payments of mortgage interest, rent, and utilities. Recent modifications to the PPP by the U.S. Treasury and Congress have extended the time period for loan forgiveness beyond the original eight-week period, making it possible for the Company to apply for forgiveness of its PPP loan.

On February 24, 2022, $87,600 in principal and $859 in interest was forgiven by the SBA.

6. LOAN PAYABLES, EIDL

	June 30, 2022	*December 31, 2021*
June 13, 2020 ($150,000 - EIDL) - AA	$ 150,000	$ 150,000
June 13, 2020 ($150,000 - EIDL) - BB	150,000	150,000
July 15, 2020 ($150,000 - EIDL) - JJ	150,000	150,000
Total loans payables, EIDL	450,000	450,000
Less - current portion	(31,897)	(24,138)
Total loans payables, EIDL, less current portion	**$ 418,103**	**$ 425,862**

The following table provides future minimum payments as of June 30, 2022:

For the years ended	*Amount*
2022 (remaining six months)	$ 31,897
2023	15,517
2024	15,517
2025	15,517
2026	15,517
Thereafter	356,035
Total	**$ 450,000**

6. LOAN PAYABLES, EIDL (Continued)

June 13, 2020 – $150,000 – Global AA Group, Inc.

On June 13, 2020, Global AA Group, Inc. (the "AA") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its

Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the AA's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), AA borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, AA also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, AA executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of AA, which also contains customary events of default (the "SBA Security Agreement").

June 13, 2020 – $150,000 – Global BB Group, Inc.

On June 13, 2020, Global BB Group, Inc. (the "BB") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the BB's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), BB borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan. In connection therewith, BB also received a $10,000 grant, which does not have to be repaid. During the year ended December 31, 2020, $10,000 was recorded in other income in the Statements of Operations.

In connection therewith, BB executed (i) a loan for the benefit of the SBA (the "SBA Loan"), which contains customary events of default and (ii) a Security Agreement, granting the SBA a security interest in all tangible and intangible personal property of BB, which also contains customary events of default (the "SBA Security Agreement").

July 15, 2020 – $150,000 – Global JJ Group, Inc.

On July 15, 2020, Global JJ Group, Inc. (the "JJ") executed the standard loan documents required for securing a loan (the "EIDL Loan") from the SBA under its Economic Injury Disaster Loan ("EIDL") assistance program in light of the impact of the COVID-19 pandemic on the JJ's business.

Pursuant to that certain Loan Authorization and Agreement (the "SBA Loan Agreement"), JJ borrowed an aggregate principal amount of the EIDL Loan of $150,000, with proceeds to be used for working capital purposes. Interest accrues at the rate of 3.75% per annum and will accrue only on funds actually advanced from the date of each advance. Installment payments, including principal and interest, are due monthly beginning May 14, 2021 (twelve months from the date of the SBA Loan) in the amount of $731. The balance of principal and interest is payable thirty years from the date of the SBA Loan.

7. RESTAURANT REVITALIZATION FUND

	June 30, 2022	*December 31, 2021*
June 1, 2021 (700,454 - Restaurant Revitalization Fund) - JJ	$ 700,454	$ 700,454
Total restaurant revitalization fund	$ 700,454	$ 700,454
Less - current portion	-	-
Total restaurant revitalization fund, less current portion	**$ 700,454**	**$ 700,454**

The following table provides future minimum payments as of June 30, 2022:

For the years ended	***Amount***
2022 (remaining six months)	$ -
2023	700,454
2024	-
2025	-
2026	-
Thereafter	-
Total	**$ 700,454**

June 1, 2021 – $700,454 – Global JJ Group, Inc.

On June 1, 2021, Global JJ Group, Inc. (the "JJ") executed the documents required for securing a Restaurant Revitalization Fund (the "RRF") of $700,454 from the U.S. Small Business Administration (the "SBA") under the American Rescue Plan Act in light of the impact of the COVID-19 pandemic on the JJ's business.

The RRF is administered by the SBA. The interest rate of the loan is 0.00% per annum and accrues on the unpaid principal balance computed on the basis of the actual number of days elapsed in a year of 365 days. No later than March 11, 2023 (the "Maturity Date"), the Company is required to pay the Lender any unused funds as well as any funds used for non-eligible expenses. The RRF contains customary events of default relating to, among other things, payment defaults, making materially false or misleading representations to the SBA or the Lender, or breaching the terms of the RRF. The occurrence of an event of default may result in the repayment of all amounts outstanding under the RRF, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. Under the terms of the American Rescue Plan Act, RRF recipients can apply for and be granted forgiveness for all or a portion of the funds granted. Such forgiveness will be determined, subject to limitations, based on the use of the loan proceeds for payments of payroll costs, business mortgage obligation, rent, debt, utility, maintenance, construction of outdoor seating, supplies, food and beverage, supplier costs, and other business operating expenses.

As of June 30, 2022, none of the notes payables, loans payables, and restaurant revitalization fund noted above are in default.

8. RELATED PARTY TRANSACTIONS

The Company had the following related party transactions:

- ***Due to related party*** – From time to time, the Company loaned money to APIIS Financial Group, a company owned by James Chae, also the majority shareholder of the Company. The balance is non-interest bearing and due on demand. As of June 30, 2022 and December 31, 2021, the balance was $1,417,433 and $1,383,213, respectively.

- ***Distributions –*** From time to time, the Company made distributions to James Chae, the majority shareholder and CEO of the Company. For the six months ended June 30, 2022 and 2021, the Mr. James Chae was distributed $0 and $367,596, respectively.

- ***Combination of Entities Under Common Control -*** Effective October 2021, JJ transferred IP assets to James Chae, and then Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation ("Holdings") for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares. On December 9, 2021, the Company's sole director at the time, James Chae, approved (a) a share exchange agreement, whereby, Mr. Chae, as the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings, and (b) the redemption of 670,000 Class A shares from Mr. Chae whereby Yoshiharu would repurchase such shares from Mr. Chae at par value.

- ***Private Placement -*** In December 2021, the Company received subscriptions for sale of 670,000 shares of Class A Common Stock to investors for $2.00 per share, for total expected proceeds of $1,340,000. Many of these investors are friends and family of James Chae, the Company's majority shareholder.

9. COMMITMENTS AND CONTINGENCIES

Commitments

Operating lease right-of-use ("ROU") assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset for the lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Generally, the implicit rate of interest in arrangements is not readily determinable and the Company utilizes its incremental borrowing rate in determining the present value of lease payments. The Company's incremental borrowing rate is a hypothetical rate based on its understanding of what its credit rating would be. The operating lease ROU asset includes any lease payments made and excludes lease incentives. Our variable lease payments primarily consist of maintenance and other operating expenses from our real estate leases. Variable lease payments are excluded from the ROU assets and lease liabilities and are recognized in the period in which the obligation for those payments is incurred. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense for minimum lease payments is recognized on a straight-line basis over the lease term.

The Company has lease agreements with lease and non-lease components. The Company has elected to account for these lease and non-lease components as a single lease component.

In accordance with ASC 842, the components of lease expense were as follows:

For the six months ended June 30,	***2022***	***2021***
Operating lease expense	$ 264,737	$ 164,066
Total lease expense	$ 264,737	$ 164,066

In accordance with ASC 842, other information related to leases was as follows:

For the six months ended June 30,	***2022***	***2021***
Operating cash flows from operating leases	$ 235,954	$ 150,889
Cash paid for amounts included in the measurement of lease liabilities	$ 235,954	$ 150,889
Weighted-average remaining lease term—operating leases		7.6 Years
Weighted-average discount rate—operating leases		7%

9. COMMITMENTS AND CONTINGENCIES (continued)

Commitments (continued)

In accordance with ASC 842, maturities of operating lease liabilities as of June 30, 2022 were as follows:

Year ending:	**Operating Lease**
2022 (remaining six months)	$ 239,430
2023	426,355
2024	439,376
2025	456,063
2026	437,313
Thereafter	1,492,365
Total undiscounted cash flows	$ 3,490,902
Reconciliation of lease liabilities:	
Weighted-average remaining lease terms	7.6 Years
Weighted-average discount rate	7%
Present values	$ 2,787,717
Lease liabilities—current	300,139
Lease liabilities—long-term	2,487,578
Lease liabilities—total	$ 2,787,717

Difference between undiscounted and discounted cash flows	$ 703,185

Contingencies

From time to time, the Company may be involved in certain legal actions and claims arising in the normal course of business. Management is of the opinion that such matters will be resolved without material effect on the Company's financial condition or results of operations.

10. SHAREHOLDERS' DEFICIT

Class A Common Stock

The Company has authorization to issue and have outstanding at any one time 49,000,000 shares of Class A common stock with a par value of $0.0001 value per share. Each share of Class A common stock will entitle its holder to one vote on all matters to be voted on by stockholders generally.

Prior to September 30, 2021, the Yoshiharu business (the "Business") consisted of the seven separate entities listed above (collectively, the "Entities"), each wholly owned by James Chae ("Mr. Chae"), and each holding one (1) store, except for JJ, which held two stores and the Business's intellectual property ("IP"). Effective October 2021, JJ transferred the IP to Mr. Chae. Effective October 2021, Mr. Chae contributed 100% of the equity interests in each of the Entities to Yoshiharu Holdings Co., a California corporation ("Holdings") for purposes of consolidating the Business operations into a single entity. Mr. Chae was issued an aggregate 3,205,000 shares in Holdings, which reflected the aggregate number of shares originally issued to Mr. Chae by the Entities, in exchange for 100% of each Entity (on a 1 for 1 share exchange basis). In addition, effective October 2021, Mr. Chae transferred the IP to Holdings in exchange for the issuance of 6,245,900 shares in Holdings in order to bring his total shareholdings in Holdings up to an aggregate 9,450,900 shares.

On December 9, 2021, the Company's sole director at the time, James Chae, approved (a) a share exchange agreement, whereby, Mr. Chae, as the sole shareholder of Holdings received 9,450,900 shares of Yoshiharu, representing 100% of issued shares at that time, and Yoshiharu received all of the shares of Holdings, and (b) the redemption of 670,000 Class A shares from Mr. Chae whereby Yoshiharu would repurchase such shares from Mr. Chae at par value.

In December 2021, the Company received subscriptions for sale of 670,000 shares of Class A common stock to investors for $2.00 per share, for total expected proceeds of $1,340,000. As of June 30, 2022, the Company had received $1,340,000 of the expected proceeds.

Class B Common Stock

The Company has authorization to issue and have outstanding at any one time 1,000,000 shares of Class B common stock with a par value of $0.0001 per share. The shareholders of Class B common stock shall be entitled to 10 vote per share for each share of Class A common stock, and with respect to such vote, shall be entitled, notwithstanding any provision hereof, to notice of any shareholders' meeting in accordance with the bylaws of this Company, and shall be entitled to vote together as a single class with holders of Class A common stock with respect to any question or matter upon which holders of Class A common stock have the right to vote, unless otherwise required by applicable law or our amended and restated certificate of incorporation. Class B common stock shall also entitle the holders thereof to vote as a separate class as set forth herein and as required by law.

The shareholders of Class B common stock shall be entitled to dividends as shall be declared by the Company's Board of Directors from time to time at the same rate per share as the Class A common stock.

10. SHAREHOLDERS' DEFICIT (continued)

The shareholders of the Class B common stock shall have conversion rights with respect to the Class B common stock into shares of Class A common stock:

- at such time as any shares of Class B common stock cease to be beneficially owned by James Chae, such shares of Class B common stock will be automatically converted into shares of Class A common stock on a one-for-one basis;
- all of the Class B common stock will automatically convert into Class A common stock on a one-for-one basis on such date when the number of shares of Class A and Class B common stock beneficially owned by James Chae represents less than 25% of the total number of shares of Class A and Class B common stock outstanding as set forth in the Exchange Agreement; and
- at the election of the holder of Class B common stock, any share of Class B common stock may be converted into one share of Class A common stock.

11. EARNINGS PER SHARE

The Company calculates earnings per share in accordance with FASB ASC 260, Earnings Per Share, which requires a dual presentation of basic and diluted earnings per share. Basic earnings per share are computed using the weighted average number of shares outstanding during the fiscal year. The Company did not have any dilutive common shares for the six months ended June 30, 2022 and 2021.

12. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after June 30, 2022. During this period, the Company did not have any material recognizable subsequent events required to be disclosed

YOSHIHARU GLOBAL CO.

2,750,000 SHARES OF CLASS A COMMON STOCK

PROSPECTUS

EF HUTTON
division of Benchmark Investments, LLC

, 2022

Through and including , 2022 (the 25th day after the date of the prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the various expenses, other than underwriting discounts and commissions, payable by the registrant in connection with the sale of shares of Class A common stock being registered. All of the amounts shown are estimated.

	Amount To Be Paid
SEC registration fee	$ 2,124
FINRA filing fee	8,478
Nasdaq listing fee	100,000.00
Printing and engraving expenses	10,000.00
Legal fees and expenses	575,000.00
Accounting fees and expenses	50,000.00
Transfer agent and registrar fees	10,500.00
Miscellaneous fees and expenses	68,898
Total	$ 825,000

Item 14.Indemnification of Directors and Officers.

Registrant is a Delaware corporation. Section 145(a) of the Delaware General Corporation Law (the "DGCL") provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the corporation, by reason of the fact that such person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 145(b) of the DGCL provides that a Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that such person acted in any of the capacities set forth above, against expenses (including attorney fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Further subsections of DGCL Section 145 provide that:

(a) to the extent a present or former director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145 or in the defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by such person in connection therewith;

(b) the indemnification and advancement of expenses provided for pursuant to Section 145 shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise; and

(c) the corporation shall have the power to purchase and maintain insurance of behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under Section 145.

As used in this Item 14, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether or not by or in the right of registrant, and whether civil, criminal, administrative, investigative or otherwise.

Section 145 of the DGCL makes provision for the indemnification of officers and directors in terms sufficiently broad to indemnify officers and directors of registrant under certain circumstances from liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933. Registrant's amended and restated certificate of incorporation provides, in effect, that, to the fullest extent and under the circumstances permitted by Section 145 of the DGCL, registrant will indemnify any and all of its officers and directors. Before the completion of this offering, registrant intends to enter into indemnification agreements with its officers and directors. These agreements will require registrant to indemnify these individuals to the fullest extent permitted under DGCL against liabilities that may arise by reason of their service, and to advance expenses incurred as a result of any proceeding against them as to which they could be indemnified. Registrant may, in its discretion, similarly indemnify its employees and agents.

Registrant's amended and restated certificate of incorporation also relieves its directors from monetary damages to registrant or its stockholders for breach of such director's fiduciary duty as a director to the fullest extent permitted by the DGCL. Under Section 102(b)(7) of the DGCL, a corporation may relieve its directors from personal liability to such corporation or its stockholders for monetary damages for any breach of their fiduciary duty as directors except (i) for a breach of the duty of loyalty, (ii) for failure to act in good faith, (iii) for intentional misconduct or knowing violation of law, (iv) for willful or negligent violations of certain provisions in the DGCL imposing certain requirements with respect to stock repurchases, redemptions and dividends or (v) for any transactions from which the director derived an improper personal benefit.

Registrant has purchased insurance policies which, within the limits and subject to the terms and conditions thereof, cover certain expenses and liabilities that may be incurred by directors and officers in connection with proceedings that may be brought against them as a result of an act or omission committed or suffered while acting as a director or officer of registrant.

The form of Underwriting Agreement, to be entered into in connection with this offering and to be attached as Exhibit 1.1 hereto, provides for the indemnification by the Underwriters of us and our officers and directors for certain liabilities, including liabilities arising under the Securities Act, and affords certain rights of contribution with respect thereto.

Item 15. Recent Sales of Unregistered Securities.

In each of these issuances the recipient represented that he or she was acquiring the shares for investment purposes only, and not with a view towards distribution or resale except in compliance with applicable securities laws. No general solicitation or advertising was used in connection with any transaction, and the certificate evidencing the securities that were issued contained a legend restricting their transferability absent registration under the Securities Act or the availability of an applicable exemption therefrom. Unless specifically set forth below, no underwriter participated in the transaction and no commissions were paid in connection with the transactions.

In September 2021, Yoshiharu Holdings was formed by James Chae as an S corporation for the purpose of acquiring all of the equity in each of the 7 restaurant store entities which were previously founded and wholly owned directly by James Chae and all of the intellectual property in the business held by James Chae in exchange for an issuance of 9,450,900 shares to James Chae, which constituted all of the issued and outstanding equity in Yoshiharu Holdings Co. Such transfers were completed in the fourth quarter of 2021.

Yoshiharu Global Co. was incorporated on December 9, 2021 in Delaware by James Chae for purposes of effecting this offering. On December 9, 2021, James Chae contributed 100% of the equity in Yoshiharu Holdings Co. to Yoshiharu Global Co. in exchange for the issuance by Yoshiharu Global Co. of 9,450,900 shares of Class A common stock to James Chae. On December 10, 2021, the Company redeemed 670,000 shares of Class A common stock from James Chae at par ($0.0001 per share). In December 2021, the Company conducted a private placement solely to accredited investors and sold 670,000 shares of Class A common stock at $2.00 per share, which the Company's board of directors determined to reflect the then current fair market value of the Company's Class A common stock.

The Company shall (a) issue 1,000,000 shares of Class B common stock to James Chae in exchange of 1,000,000 shares of Class A common stock currently held by James Chae, (b) issue 100,000 shares of Class A common stock to Jay Kim for services as a director and (c) issue 449,100 shares of Class A common stock to a consultant for services previously rendered to us, immediately prior to the execution of the underwriting agreement for our initial public offering.

All of the offers and sales set forth above by Yoshiharu Holdings and Yoshiharu Global Co. qualified for exemptions under Section 4(a)(2) of the Securities Act of 1933 since none of the issuances of shares involved a public offering as defined in Section 4(a)(2). We did not undertake an offering in which we sold a high number of shares to a high number of investors. In addition, James Chae had necessary investment intent as required by Section 4(a)(2) since he agreed to receive share certificates bearing a legend stating that such shares are restricted pursuant to Rule 144 of the Securities Act of 1933 Act. This restriction ensures that these shares would not be immediately redistributed into the market and therefore not be part of a "public offering." James Chae is a "sophisticated investor". Based on an analysis of the above factors, we believe we have met the requirements to qualify for exemption under section 4(a)(2) of the Securities Act of 1933 for these transactions.

Item 16. Exhibits and Financial Statement Schedules.

Exhibit No.	Description	Location
1.1	Form of Underwriting Agreement	Filed herewith
2.1	Share Exchange Agreement, by and between James Chae and Registrant dated December 9, 2021	Previously filed
3.1	Certificate of Incorporation of Registrant	Previously filed
3.2	Bylaws of Registrant	Previously filed
3.3	Form of Amended and Restated Certificate of Incorporation of Registrant	Previously filed
4.1	Specimen Class A Common Stock Certificate	Previously filed
4.2	Form of Representative's Warrant	Previously filed
5.1	Opinion of K&L Gates LLP	To be filed by amendment
10.1	Form of IPO Lock-Up Agreement	Previously filed
10.2	Form of Director and Officer Indemnity Agreement	Previously filed
10.3	Commercial Lease by and between Daniel D. Lim and Global JJ Group, Inc. dated November 1, 2015	Previously filed
10.4	Retail Center Lease Agreement by between the Source at Beach, LLC and Global JJ Group, Inc. dated May 1, 2015	Previously filed
10.5	Commercial Lease Agreement by and between Juan Caamano and Global AA Group, Inc. dated September 6, 2016	Previously filed
10.6	Shopping Center Lease by and between La Miranda Center, Inc. and Global DD Group, Inc. dated July 1, 2020	Previously filed
10.7	Retail Lease by and between Irvine Orchard Hills Retail, LLC and Yoshiharu Irvine dated December 30, 2020	Previously filed
10.8	Lease between Tarpon Property Ownership 2 LLC and Global BB Group, Inc. dated August 22, 2019	Previously filed
10.9	Shopping Center Lease by and between the Price Reit, Inc. and Global CC Group, Inc. dated March 2, 2021	Previously filed
10.10	Lease Agreement by and between SY Ventures V, LLC and Global AA Group, Inc.	Previously filed
10.11	Lease by and between Cerritos West Covenant Group LLC and Yoshiharu Cerritos dated March 2, 2021	Previously filed
10.12	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated March 23, 2021	Previously filed
10.13	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated July 23, 2021	Previously filed
10.14	Contract Agreement by and between Life Construction Development, Inc. and Yoshiharu Ramen, dated March 5, 2021	Previously filed
10.15	Promissory Note, dated November 27, 2018, by and between Global AA Group, Inc., Global JJ Group, Inc. and Pacific City Bank.	Previously filed
10.16	Yoshiharu Global Co. 2022 Omnibus Equity Incentive Plan	Previously filed
10.17	Offer Letter from Registrant to Soojae Ryan Cho, dated May 23, 2022	Previously filed

10.18	Lease by and between Ocean Ranch II, LLC and Yoshiharu Global Co., dated July 18, 2022.	Filed herewith
10.19	Shopping Center Lease by and between Center Pointe LLC and Yoshiharu Menifee, dated May 24, 2022.	Filed herewith
10.20	Lease Agreement by and between California Property Owner I, LLC and Yoshiharu Clemente, dated May 31, 2022.	Filed herewith
21.1	Subsidiaries of the Registrant	Filed herewith
23.1	Consent of Auditor	Filed herewith
23.2	Consent of K&L Gates LLP (included in Exhibit 5.1)	To be filed by amendment
24.1	Power of Attorney	Previously filed
107	Filing Fee Table	Filed herewith

No financial statement schedules are provided because the information called for is not required or is shown in the financial statements or the notes thereto.

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes to provide to the underwriters, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be a part of this registration statement as of the time it was declared effective.

(2) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Buena Park, State of California, on August 29, 2022.

YOSHIHARU GLOBAL CO.

By: */s/ James Chae*
Name: James Chae
Title: *Chairman of the Board of Directors, President and Chief Executive Officer and Principal Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ James Chae James Chae	Chairman of the Board of Directors, President, Chief Executive Officer and Principal Executive Officer	August 29, 2022
*/s/ **</* Soojae Ryan Cho	Chief Financial Officer, Treasurer and Secretary, Principal Financial and Accounting Officer	August 29, 2022
*/s/ **</* Jay Kim	Director	August 29, 2022
*/s/ **</* Helen Lee	Director	August 29, 2022
*/s/ **</* Yusil Yeo	Director	August 29, 2022

*By: */s/ James Chae*
Name: James Chae
Title: Attorney-in-fact

Exhibit 1.1

UNDERWRITING AGREEMENT
between
YOSHIHARU GLOBAL CO.
and
EF HUTTON,
division of Benchmark Investments, LLC,
as Representative of the Several Underwriters

YOSHIHARU GLOBAL CO.
UNDERWRITING AGREEMENT

New York, New York
[●], 2022

EF HUTTON,
division of Benchmark Investments, LLC
as Representative of the several Underwriters named on Schedule 1 attached hereto
590 Madison Avenue, 39th Floor
New York, New York 10022

Ladies and Gentlemen:

The undersigned, Yoshiharu Global Co., a corporation formed under the laws of the State of Delaware (the "**Company**"), hereby confirms its agreement (this "**Agreement**") with EF Hutton, division of Benchmark Investments, LLC (hereinafter referred to as "you" (including its correlatives) or the "**Representative**"), and with the other underwriters named on Schedule 1 hereto for which the Representative is acting as representative (the Representative and such other underwriters being collectively called the "**Underwriters**" or, individually, an "**Underwriter**") as follows:

1. PURCHASE AND SALE OF SECURITIES.

1.1 Firm Shares.

1.1.1 Nature and Purchase of Firm Shares.

(i) On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell to the several Underwriters, an aggregate of [●] authorized but unissued shares (the "**Firm Shares**") of Class A common stock of the Company, par value $0.0001 per share (the "**Common Stock**").

(ii) The Underwriters, severally and not jointly, agree to purchase from the Company the number of Firm Shares set forth opposite their respective names on Schedule 1 attached hereto and made a part hereof, at a purchase price of $[●] per Firm Share (92% of the public offering price for each Firm Share); provided that the purchase price shall be $[●] per Firm Share (96% of the public offering price for each Firm Share) for the sale of Firm Shares to investors introduced to the Underwriters by the Company. The Firm Shares are to be offered initially to the public at the offering price set forth on the cover page of the Prospectus (as defined in Section 2.1.1 hereof).

1.1.2 Payment and Delivery of Firm Shares.

(i) Delivery and payment for the Firm Shares shall be made at 10:00 a.m., Eastern time, on the second (2nd) Business Day following the effective date (the "**Effective Date**") of the Registration Statement (as defined in Section 2.1.1 below) (or the third (3rd) Business Day following the Effective Date if the Registration Statement is declared effective after 4:01 p.m., Eastern time) or at such earlier time as shall be agreed upon by the Representative and the Company, at the offices of Mitchell Silberberg & Knupp LLP, 2049 Century Park East, 18th Floor, Los Angeles, California 90067 (" **Representative Counsel**"), or at such other place (or remotely by facsimile or other electronic transmission) as shall be agreed upon by the Representative and the Company. The hour and date of delivery and payment for the Firm Shares is called the "**Closing Date**."

(ii) Payment for the Firm Shares shall be made on the Closing Date by wire transfer in Federal (same day) funds, payable to the order of the Company upon delivery of the certificates (in form and substance satisfactory to the Underwriters) representing the Firm Shares (or through the facilities of the Depository Trust Company ("**DTC**")) for the account of the Underwriters. The Firm Shares shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least one (1) Business Day prior to the Closing Date. The Company shall not be obligated to sell or deliver the Firm Shares except upon tender of payment by the Representative for all of the Firm Shares. The term "**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed; provided, however, for clarification, commercial banks shall not be deemed to be authorized or required by law to remain closed due to "stay-at- home," "shelter-in-place," "non-essential employee" or any other similar orders or restrictions or the closure of any physical branch locations at the direction of any governmental authority so long as the electronic funds transfer systems (including for wire transfers) of commercial banks in The City of New York generally are open for use by customers on such day.

1.2 Over-allotment Option.

1.2.1 Option Shares. For the purposes of covering any over-allotments in connection with the distribution and sale of the Firm Shares, the Company hereby grants to the Underwriters an option to purchase from the Company up to [●] additional shares of Common Stock (the "**Option Shares**"), representing fifteen percent (15%) of the Firm Shares sold in the Offering (the "**Over-allotment Option**"). The purchase price to be paid per Option Share shall be equal to the price per Firm Share set forth in Section 1.1.1 hereof. The Firm Shares and the Option Shares are hereinafter referred to together as the "**Public Securities**." The offering and sale of the Public Securities is herein referred to as the "**Offering**."

1.2.2 Exercise of Option. The Over-allotment Option granted pursuant to Section 1.2.1 hereof may be exercised by the Representative as to all (at any time) or any part (from time to time) of the Option Shares within 45 days after the date of this Agreement. The Underwriters shall not be under any obligation to purchase any Option Shares prior to the exercise of the Over-allotment Option. The Over-allotment Option granted hereby may be exercised by the giving of oral notice to the Company from the Representative, which must be confirmed in writing by overnight mail or facsimile or other electronic transmission setting forth the number of Option Shares to be purchased and the date and time for delivery of and payment for the Option Shares (the "**Option Closing Date**"), which shall not be later than one (1) Business Day after the date of the

notice or such other time as shall be agreed upon by the Company and the Representative, at the offices of Representative Counsel or at such other place (including remotely by facsimile or other electronic transmission) as shall be agreed upon by the Company and the Representative. If such delivery and payment for the Option Shares does not occur on the Closing Date, the Option Closing Date will be as set forth in the notice. Upon exercise of the Over-allotment Option with respect to all or any portion of the Option Shares, subject to the terms and conditions set forth herein, (i) the Company shall become obligated to sell to the Underwriters the number of Option Shares specified in such notice and (ii) each of the Underwriters, acting severally and not jointly, shall purchase that portion of the total number of Option Shares then being purchased as set forth in Schedule 1 opposite the name of such Underwriter.

1.2.3 Payment and Delivery. Payment for the Option Shares shall be made on the Option Closing Date by wire transfer in Federal (same day) funds, payable to the order of the Company upon delivery to the Representative of certificates (in form and substance satisfactory to the Underwriters) representing the Option Shares (or through the facilities of DTC) for the account of the Underwriters. The Option Shares shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least one (1) Business Day prior to the Option Closing Date. The Company shall not be obligated to sell or deliver the Option Shares except upon tender of payment by the Representative for applicable Option Shares.

1.3 Representative's Warrants.

1.3.1 Purchase Warrants. The Company hereby agrees to issue to the Representative (and/or its designees) on the Closing Date or the Option Closing Date, as applicable, one or more warrants for the purchase of an aggregate of up to [●] shares of Common Stock, representing 5% of the number of Firm Shares and Option Shares sold on the Closing Date or the Option Closing Date, as applicable, in the form attached hereto as Exhibit A (the "**Representative's Warrants**"), shall be exercisable, in whole or in part, commencing on a date which is six (6) months after the Effective Date and expiring on the five-year anniversary of the Effective Date at an initial exercise price per share of Common Stock of $[●], which is equal to 125.0% of the initial public offering price of the Firm Shares. The Representative's Warrants and the shares of Common Stock issuable upon exercise thereof are hereinafter referred to together as the "**Representative's Securities**." The Representative understands and agrees that there are significant restrictions pursuant to FINRA Rule 5110 against transferring the Representative's Warrants and the underlying shares of Common Stock during the one hundred eighty (180) days after the Effective Date and by its acceptance thereof shall agree that it will not sell, transfer, assign, pledge or hypothecate the Representative's Warrants, or any portion thereof, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such securities for a period of one hundred eighty (180) days following the Effective Date to anyone other than (i) an Underwriter or a selected dealer in connection with the Offering, or (ii) a bona fide officer or partner of the Representative or of any such Underwriter or selected dealer; and only if any such transferee agrees to the foregoing lock-up restrictions.

1.3.2 Delivery. Delivery of the Representative's Warrants shall be made on the Closing Date or the Option Closing Date(s), as applicable, and shall be issued in the name or names and in such authorized denominations as the Representative may request.

1.4 Non-Accountable Expenses. The Company further agrees that, in addition to the expenses payable pursuant to Section 3.10, on the Closing Date it shall pay to the Representative, by deduction from the net proceeds of the Offering contemplated herein, a non-accountable expense allowance equal to one percent (1.0%) of the aggregate gross proceeds raised in the Offering; provided, however, that in the event that the Offering is terminated, the Company agrees to reimburse the Underwriters pursuant to Section 8.3 hereof.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to the Underwriters as of the Applicable Time (as defined below), as of the Closing Date and as of the Option Closing Date, if any, as follows:

2.1 Filing of Registration Statement.

2.1.1 Pursuant to the Securities Act. The Company has filed with the U.S. Securities and Exchange Commission (the "**Commission**") a registration statement, and any amendment or amendments thereto, on Form S-1 (File No. 333-262330), including any related prospectus or prospectuses, for the registration of the Public Securities and the Representative's Securities under the Securities Act of 1933, as amended (the "**Securities Act**"), which registration statement and amendment or amendments have been prepared by the Company in all material respects in conformity with the requirements of the Securities Act and the rules and regulations of the Commission under the Securities Act (the "**Securities Act Regulations**") and will contain all material statements that are required to be stated therein in accordance with the Securities Act and Securities Act Regulations. Except as the context may otherwise require, such registration statement, as amended, on file with the Commission at the time the registration statement became effective (including the Preliminary Prospectus included in the registration statement, financial statements, schedules, exhibits and all other documents filed as a part thereof or incorporated therein and all information deemed to be a part thereof as of the Effective Date pursuant to paragraph (b) of Rule 430A (the "**Rule 430A Information**") of the Securities Act Regulations), is referred to herein as the "**Registration Statement**." If the Company files any registration statement pursuant to Rule 462(b) of the Securities Act Regulations, then after such filing, the term "**Registration Statement**" shall include such registration statement filed pursuant to Rule 462(b). The Registration Statement has been declared effective by the Commission on the date hereof.

Each prospectus used prior to the effectiveness of the Registration Statement, and each prospectus that omitted the Rule 430A Information that was used after such effectiveness and prior to the execution and delivery of this Agreement, is herein called a "**Preliminary Prospectus**." The Preliminary Prospectus, subject to completion, dated [●], 2022, that was included in the Registration Statement immediately prior to the Applicable Time is hereinafter called the "**Pricing Prospectus**." The final prospectus in the form first furnished to the Underwriters for use in the Offering, that includes the Rule 430A Information, is hereinafter called the "**Prospectus**." Any reference to the "most recent Preliminary Prospectus" shall be deemed to refer to the latest Preliminary Prospectus included in the Registration Statement.

"**Applicable Time**" means [●] [a.m./p.m.], Eastern time, on the date of this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433 of the Securities Act Regulations ("**Rule 433**"), including without limitation any "free writing prospectus" (as defined in Rule 405 of the Securities Act Regulations) relating to the Public Securities that is (i) required to be filed with the Commission by the Company, (ii) a "road show that is a written communication" within the meaning of Rule 433(d)(8)(i), whether or not required to be filed with the Commission, or (iii) exempt from filing with the Commission pursuant to Rule 433(d)(5)(i) because it contains a description of the Public Securities or of the Offering that does not reflect the final terms, in each case in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Issuer General Use Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors (other than a "*bona fide* electronic road show," as defined in Rule 433 (the "**Bona Fide Electronic Road Show**")), as evidenced by its being specified in Schedule 2-B hereto.

"**Issuer Limited Use Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not an Issuer General Use Free Writing Prospectus.

"**Pricing Disclosure Package**" means any Issuer General Use Free Writing Prospectus issued at or prior to the Applicable Time, the Pricing Prospectus and the information included on Schedule 2-A hereto, all considered together.

2.1.2 Pursuant to the Exchange Act. The Company has filed with the Commission a Form 8-A (File Number 001-[●]) providing for the registration of the Common Stock pursuant to Section 12(b) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). The registration of the Common Stock under the Exchange Act has been declared effective by the Commission on or prior to the date hereof. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act, nor has the Company received any notification that the Commission is contemplating terminating such registration.

2.2 Stock Exchange Listing. The shares of Common Stock have been approved for listing on the Nasdaq Stock Market LLC (the "**Exchange**"), subject only to official notice of issuance, and the Company has taken no action designed to, or likely to have the effect of, delisting the shares of Common Stock from the Exchange, nor has the Company received any notification that the Exchange is contemplating terminating such listing except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.3 No Stop Orders, etc. Neither the Commission nor, to the Company's knowledge, any state regulatory authority has issued any order preventing or suspending the use of the Registration Statement, any Preliminary Prospectus or the Prospectus or has instituted or, to the Company's knowledge, threatened to institute, any proceedings with respect to such an order. The Company has complied with each request (if any) from the Commission for additional information.

2.4 Disclosures in Registration Statement.

2.4.1 Compliance with Securities Act and 10b-5 Representation.

(i) Each of the Registration Statement and any post-effective amendment thereto, at the time it became effective, complied in all material respects with the requirements of the Securities Act and the Securities Act Regulations. Each Preliminary Prospectus, including the prospectus filed as part of the Registration Statement as originally filed or as part of any amendment or supplement thereto, and the Prospectus, at the time each was filed with the Commission, complied in all material respects with the requirements of the Securities Act and the Securities Act Regulations. Each Preliminary Prospectus delivered to the Underwriters for use in connection with the Offering and the Prospectus was or will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to the Commission's EDGAR filing system ("**EDGAR**"), except to the extent permitted by Regulation S-T promulgated under the Securities Act ("**Regulation S-T**").

(ii) Neither the Registration Statement nor any amendment thereto, at its effective time, as of the Applicable Time, at the Closing Date or at any Option Closing Date (if any), contained, contains or will contain an untrue statement of a material fact or omitted, omits or will omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(iii) The Pricing Disclosure Package, as of the Applicable Time, at the Closing Date or at any Option Closing Date (if any), did not, does not and will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Limited Use Free Writing Prospectus hereto does not conflict with the information contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, and each such Issuer Limited Use Free Writing Prospectus, as supplemented by and taken together with the Pricing Prospectus as of the Applicable Time, did not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements made or statements omitted in reliance upon and in conformity with information furnished to the Company with respect to the Underwriters by the Representative expressly for use in the Registration Statement, the Pricing Prospectus or the Prospectus or any amendment thereof or supplement thereto. The parties acknowledge and agree that such information provided by or on behalf of any Underwriter consists solely of the following disclosure contained in the "Underwriting" section of the Prospectus: the names of the Underwriters, the information in the table under the subheading titled "Over-Allotment Option" and the information under the subheadings titled "Price Stabilization, Short Positions, and Penalty Bids", "Offering Information", "Affiliations", and "Electronic Offer, Sale and Distribution" (the "**Underwriters' Information**").

(iv) Neither the Prospectus nor any amendment or supplement thereto (including any prospectus wrapper), as of its issue date, at the time of any filing with the Commission pursuant to Rule 424(b), at the Closing Date or at any Option Closing Date, included, includes or will include an untrue statement of a material fact or omitted, omits or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to the Underwriters' Information.

2.4.2 Disclosure of Agreements. The agreements and documents described in the Registration Statement, the Pricing Disclosure Package and the Prospectus conform in all material respects to the descriptions thereof contained therein and there are no agreements or other documents required by the Securities Act and the Securities Act Regulations to be described in the Registration Statement, the Pricing Disclosure Package and the Prospectus or to be filed with the Commission as exhibits to the Registration Statement, that have not been so described or filed. Each agreement or other instrument (however characterized or described) to which the Company is a party or by which it is or may be bound or affected and (i) that is referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or (ii) is material to the Company's business, has been duly authorized and validly executed by the Company, is in full force and effect in all material respects and is enforceable against the Company and, to the Company's knowledge, the other parties thereto, in accordance with its terms, except (x) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, (y) as enforceability of any indemnification or contribution provision may be limited under the federal and state securities laws, and (z) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought. None of such agreements or instruments has been assigned by the Company, and neither the Company nor, to the Company's knowledge, any other party is in default thereunder and, to the Company's knowledge, no event has occurred that, with the lapse of time or the giving of notice, or both, would constitute a default thereunder. To the Company's knowledge, performance by the Company of the material provisions of such agreements or instruments will not result in a violation of any existing applicable law, rule, regulation, judgment, order or decree of any governmental or regulatory agency, authority, body, entity or court, domestic or foreign, having jurisdiction over the Company or any of its assets or businesses (each, a "**Governmental Entity**" and collectively, "**Governmental Entities**"), including, without limitation, those relating to environmental laws and regulations.

2.4.3 Regulations. The disclosures in the Registration Statement, the Pricing Disclosure Package and the Prospectus concerning the effects of federal, state, local and all foreign laws, rules and regulations relating to the Offering and the Company's business as currently conducted or contemplated are correct and complete in all material respects and no other such laws, rules or regulations are required under the Securities Act and the Securities Act Regulations to be disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus which are not so disclosed.

2.4.4 No Other Distribution of Offering Materials. The Company has not, directly or indirectly, distributed and will not distribute any offering material in connection with the Offering other than any Preliminary Prospectus, any Issuer Free Writing Prospectus, the Prospectus and other materials, if any, permitted under the Securities Act and consistent with Section 3.2 below.

2.4.5 Prior Securities Transactions. No securities of the Company have been sold by the Company or by or on behalf of, or for the benefit of, any person or

persons controlling, controlled by or under common control with the Company, except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Preliminary Prospectus.

2.5 Changes After Dates in Registration Statement.

2.5.1 No Material Adverse Change. Since the respective dates as of which information is given in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except as otherwise specifically stated therein: (i) there has been no material adverse change in the financial position or results of operations of the Company, nor any change or development that, singularly or in the aggregate, would reasonably be expected to result in a material adverse change, in or affecting the condition (financial or otherwise), results of operations, business, assets or prospects of the Company (a "**Material Adverse Change**"); (ii) there have been no material transactions entered into by the Company, other than as contemplated pursuant to this Agreement; and (iii) no officer or director of the Company has resigned from any position with the Company.

2.5.2 Recent Securities Transactions, etc. Subsequent to the respective dates as of which information is given in the Registration Statement, the Pricing Disclosure Package and the Prospectus, and except as may otherwise be indicated or contemplated herein or disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not: (i) issued any securities or incurred any liability or obligation, direct or contingent, for borrowed money; or (ii) declared or paid any dividend or made any other distribution on or in respect to its capital stock.

2.6 Reserved.

2.7 Independent Accountants. BF Borgers CPA PC (the "Auditor"), whose report is filed with the Commission as part of the Registration Statement, the Pricing Disclosure Package and the Prospectus, is an independent registered public accounting firm as required by the Securities Act and the Securities Act Regulations and the Public Company Accounting Oversight Board. The Auditor has not, during the periods covered by the financial statements included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, provided to the Company any non-audit services, as such term is used in Section 10A(g) of the Exchange Act.

2.8 Financial Statements, etc. The financial statements, including the notes thereto and supporting schedules included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, fairly present the financial position and the results of operations of the Company at the dates and for the periods to which they apply; and such financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("**GAAP**"), consistently applied throughout the periods involved (provided that unaudited interim financial statements are subject to year-end audit adjustments that are not expected to be material in the aggregate and do not contain all footnotes required by GAAP); and the supporting schedules included in the Registration Statement present fairly the information required to be stated therein. Except as included therein, no historical or pro forma financial statements are required to be included in the Registration Statement, the Pricing Disclosure Package or the Prospectus under the Securities Act or the Securities Act Regulations. The as adjusted financial information and the related notes, if any, included in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been properly compiled and prepared in accordance with the applicable requirements of the Securities Act and the Securities Act Regulations and present fairly the information shown therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. All disclosures contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission), if any, comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Securities Act, to the extent applicable. Each of the Registration Statement, the Pricing Disclosure Package and the Prospectus discloses all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons, if any, that may have a material current or future effect on the Company's financial condition, changes in financial condition, results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (a) since the date of the last balance sheet included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, neither the Company nor any of its direct and indirect subsidiaries, including each entity disclosed or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus as being a subsidiary of the Company (each, a "**Subsidiary**" and, collectively, the "**Subsidiaries**") has incurred any material liabilities or obligations, direct or contingent, or entered into any material transactions other than in the ordinary course of business, (b) the Company has not declared or paid any dividends or made any distribution of any kind with respect to its capital stock, (c) there has not been any change in the capital stock of the Company, or, other than in the course of business, any grants under any stock compensation plan, and (d) there has not been any material adverse change in the Company's long-term or short-term debt. The Company represents that it has no direct or indirect Subsidiaries other than those listed in Exhibit 21.1 to the Registration Statement.

2.9 Authorized Capital; Options, etc. The Company had, at the date or dates indicated in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the duly authorized, issued and outstanding capitalization as set forth therein. Based on the assumptions stated in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company will have on the Closing Date the adjusted capitalization set forth therein. Except as set forth in, or contemplated by, the Registration Statement, the Pricing Disclosure Package and the Prospectus, on the Effective Date, as of the Applicable Time and on the Closing Date and any Option Closing Date, there will be no stock options, warrants, or other rights to purchase or otherwise acquire any authorized, but unissued shares of Common Stock of the Company or any security convertible or exercisable into shares of Common Stock of the Company, or any contracts or commitments to issue or sell shares of Common Stock or any such options, warrants, rights or convertible securities.

2.10 Valid Issuance of Securities, etc.

2.10.1 Outstanding Securities. All issued and outstanding securities of the Company issued prior to the transactions contemplated by this Agreement have been duly authorized and validly issued and are fully paid and non-assessable; the holders thereof have no rights of rescission or the ability to force the Company to repurchase such securities with respect thereto, and are not subject to personal liability by reason of being such holders; and none of such securities were issued in violation of the preemptive rights, rights of first refusal or rights of participation of any holders of any security of the Company or similar contractual rights granted by the Company. The authorized shares of Common Stock conform in all material respects to all statements relating thereto contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus. The offers and sales of the outstanding shares of Common Stock, options, warrants and other outstanding securities convertible into or exercisable for shares of Common Stock, were at all relevant times either registered under the Securities Act and the applicable state securities or "blue sky" laws or, based in part on the representations and warranties of the purchasers of such shares of Common Stock, exempt from such registration requirements. The description of the Company's stock option, stock bonus and other related plans or arrangements, and options and/or other rights granted thereunder, as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, accurately and fairly present, in all material respects, the information required to be shown with respect to such plans, arrangements, options and rights.

2.10.2 Securities Sold Pursuant to this Agreement. The Public Securities and Representative's Securities have been duly authorized for issuance and sale and, when issued and paid for, will be validly issued, fully paid and non-assessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; the Public Securities and Representative's Securities are and will be free from all preemptive rights of any holders of any security of the Company, or similar contractual rights granted by the Company; and all corporate action required to be taken for the authorization, issuance and sale of the Public Securities and Representative's Securities has been duly and validly taken. The Representative's Warrants, when issued and paid for pursuant to this Agreement, will constitute valid and binding obligations of the Company to issue and sell, upon exercise thereof and payment therefor, the underlying shares of Common Stock. The Public Securities and Representative's Securities conform in all material respects to all statements with respect thereto contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus. All corporate action required to be taken for the authorization, issuance and sale of the Representative's Warrants has been duly and validly taken; the shares of Common Stock issuable upon

exercise of the Representative's Warrants have been duly authorized and reserved for issuance by all necessary corporate action on the part of the Company and when paid for and issued in accordance with the Representative's Warrants, such shares of Common Stock will be validly issued, fully paid and nonassessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; and such shares of Common Stock are not and will not be subject to the preemptive rights of any holders of any security of the Company or similar contractual rights granted by the Company.

2.11 Registration Rights of Third Parties. Except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus, no holders of any securities of the Company or any options, warrants, rights or other securities exercisable for or convertible or exchangeable into securities of the Company have the right to require the Company to register any such securities of the Company under the Securities Act or to include any such securities in the Registration Statement or any other registration statement to be filed by the Company.

2.12 Validity and Binding Effect of Agreements. The execution, delivery and performance of this Agreement and the Representative's Warrants have been duly and validly authorized by the Company, and, when executed and delivered, will constitute, the valid and binding agreements of the Company, enforceable against the Company in accordance with their respective terms, except: (i) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally; (ii) as enforceability of any indemnification or contribution provision may be limited under the federal and state securities laws; and (iii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

2.13 No Conflicts, etc. The execution, delivery and performance by the Company of this Agreement, the Representative's Warrants, and all ancillary documents, the consummation by the Company of the transactions herein and therein contemplated and the compliance by the Company with the terms hereof and thereof do not and will not, with or without the giving of notice or the lapse of time or both: (i) result in a breach of, or conflict with any of the terms and provisions of, or constitute a default under, or result in the creation, modification, termination or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement or any other agreement or instrument to which the Company is a party or as to which any property of the Company is a party except breaches, conflicts or defaults that would not reasonably be expected to result in a Material Adverse Change; (ii) result in any violation of the provisions of the Company's Certificate of Incorporation (as the same have been amended or restated from time to time, the "**Charter**") or the bylaws of the Company (the "**Bylaws**"); or (iii) violate in any material respect any existing applicable law, rule, regulation, judgment, order or decree of any Governmental Entity as of the date hereof having jurisdiction over the Company.

2.14 No Defaults; Violations. No default exists in the due performance and observance of any term, covenant or condition of any license, contract, indenture, mortgage, deed of trust, note, loan or credit agreement, or any other agreement or instrument evidencing an obligation for borrowed money, or any other agreement or instrument to which the Company is a party or by which the Company may be bound or to which any of the properties or assets of the Company is subject. The Company is not in violation of any term or provision of its Charter or Bylaws, or in violation of any franchise, license, permit, applicable law, rule, regulation, judgment or decree of any Governmental Entity.

2.15 Corporate Power; Licenses; Consents.

2.15.1 Conduct of Business. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has all requisite corporate power and authority, and has all consents, authorizations, approvals, licenses, certificates, clearances, permits and orders and supplements and amendments thereto (each an "**Authorization**", and collectively, "**Authorizations**") of and from all Governmental Entities that it needs as of the date hereof to conduct its business purpose as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.15.2 Transactions Contemplated Herein. The Company has all corporate power and authority to enter into this Agreement and the Representative's Warrants and to carry out the provisions and conditions hereof and thereof, and all Authorizations required in connection therewith have been obtained. No Authorization of, and no filing with, any Governmental Entity or another body is required for the valid issuance, sale and delivery of the Public Securities and the Representative's Securities and the consummation of the transactions and agreements contemplated by this Agreement and the Representative's Warrants and as contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, except with respect to applicable Securities Act and Securities Act Regulations, the necessary filings and approvals from the Exchange to list the Public Securities and Representative's Securities, state or foreign securities laws and the rules and regulations of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), such consents and approvals as have been obtained and are in full force and effect, and such consents, approvals, orders, authorizations and filings the failure of which to make or obtain is not reasonably likely to result in a Material Adverse Change.

2.16 D&O Questionnaires. All information contained in the questionnaires (the "**Questionnaires**") completed by each of the Company's directors and officers immediately prior to the Offering (the "**Insiders**") as supplemented by all information concerning the Insiders as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, as well as in the Lock-Up Agreement (as defined in Section 2.25 below), provided to the Underwriters, is true and correct in all material respects and the Company has not become aware of any information which would cause the information disclosed in the Questionnaires to become materially inaccurate and incorrect.

2.17 Litigation; Governmental Proceedings. There is no action, suit, proceeding, inquiry, arbitration, investigation, litigation or governmental proceeding pending or, to the Company's knowledge, threatened against, or involving the Company or, to the Company's knowledge, any executive officer or director which has not been disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or in connection with the Company's listing application for the listing of the Public Securities on the Exchange.

2.18 Good Standing. The Company has been duly incorporated and is validly existing as a corporation and is in good standing under the laws of the State of Delaware as of the date hereof, and is duly qualified to do business and is in good standing in each other jurisdiction in which its ownership or lease of property or the conduct of business requires such qualification, except where the failure to qualify, singularly or in the aggregate, would not have or reasonably be expected to result in a Material Adverse Change.

2.19 Insurance. The Company carries or is entitled to the benefits of insurance (including, without limitation, as to directors and officers insurance coverage), with reputable insurers, in such amounts and covering such risks which the Company believes are adequate as are customary for companies engaged in similar business, and to the Company's knowledge all such insurance is in full force and effect. The Company has no reason to believe that it will not be able (i) to renew its existing insurance coverage as and when such policies expire or (ii) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not reasonably be expected to result in a Material Adverse Change.

2.20 Transactions Affecting Disclosure to FINRA.

2.20.1 Finder's Fees. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no claims, payments, arrangements, agreements or understandings relating to the payment of a finder's, consulting or origination fee by the Company or any Insider with respect to the sale of the Public Securities hereunder or any other arrangements, agreements or understandings of the Company or, to the Company's knowledge, any of its stockholders that may affect

the Underwriters' compensation, as determined by FINRA.

2.20.2 Payments Within Twelve (12) Months. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not made any direct or indirect payments (in cash, securities or otherwise) to: (i) any person, as a finder's fee, consulting fee or otherwise, in consideration of such person raising capital for the Company or introducing to the Company persons who raised or provided capital to the Company; (ii) any FINRA member; or (iii) any person or entity that has any direct or indirect affiliation or association with any FINRA member, within the twelve (12) months prior to the Effective Date, other than the payment to the Underwriters as provided hereunder in connection with the Offering.

2.20.3 Use of Proceeds. None of the net proceeds of the Offering will be paid by the Company to any participating FINRA member or its affiliates, except as specifically authorized herein.

2.20.4 FINRA Affiliation. There is no (i) officer or director of the Company, (ii) beneficial owner of 5% or more of any class of the Company's securities or (iii) beneficial owner of the Company's unregistered equity securities which were acquired during the 180-day period immediately preceding the filing of the Registration Statement that is an affiliate or associated person of a FINRA member participating in the Offering (as determined in accordance with the rules and regulations of FINRA).

2.20.5 Information. All information provided by the Company in its FINRA questionnaire to Representative Counsel specifically for use by Representative Counsel in connection with its Public Offering System filings (and related disclosure) with FINRA is true, correct and complete in all material respects.

2.21 Foreign Corrupt Practices Act. None of the Company or, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any other person acting on behalf of, and with authority from, the Company, has, directly or indirectly, given or agreed to give any money, gift or similar benefit (other than legal price concessions to customers in the ordinary course of business) to any customer, supplier, employee or agent of a customer or supplier, or official or employee of any Governmental Entity (domestic or foreign) or any political party or candidate for office (domestic or foreign) or other person who was, is, or may be in a position to help or hinder the business of the Company (or assist it in connection with any actual or proposed transaction) that could reasonably be expected to (i) subject the Company to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, have had a Material Adverse Change or (iii) if not continued in the future, adversely affect the assets, business, operations or prospects of the Company. The Company has taken reasonable steps to ensure that its accounting controls and procedures are sufficient to cause the Company to comply in all material respects with the Foreign Corrupt Practices Act of 1977, as amended.

2.22 Compliance with OFAC. None of the Company or, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company or any other person acting on behalf of, and with authority from, the Company, is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"), and the Company will not, directly or indirectly, use the proceeds of the Offering hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

2.23 Anti-Money Laundering Laws. The operations of the Company are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any Governmental Entity (collectively, the "**Anti-Money Laundering Laws**"); and no action, suit or proceeding by or before any Governmental Entity involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the Company's knowledge, threatened.

2.24 Officers' Certificate. Any certificate signed by any duly authorized officer of the Company and delivered to the Representative or to Representative Counsel on the Closing Date or on the Option Closing Date shall be deemed a representation and warranty by the Company to the Underwriters as to the matters covered thereby.

2.25 Lock-Up Agreements. Schedule 3 hereto contains a complete and accurate list of the Company's officers, directors and certain owners of record of the Company's outstanding shares of Common Stock (or securities convertible or exercisable into shares of Common Stock) (collectively, the "**Lock-Up Parties**"). The Company has caused each of the Lock-Up Parties to deliver to the Representative an executed Lock-Up Agreement, in a form substantially similar to that attached hereto as Exhibit B (the "**Lock-Up Agreement**"), prior to the execution of this Agreement.

2.26 Subsidiaries. All direct and indirect Subsidiaries of the Company are duly organized and in good standing under the laws of the place of organization or incorporation, and each Subsidiary is in good standing in each jurisdiction in which its ownership or lease of property or the conduct of business requires such qualification, except where the failure to qualify would not have a material adverse effect on the assets, business or operations of the Company taken as a whole. The Company's ownership and control of each Subsidiary is as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.27 Related Party Transactions. There are no business relationships or related party transactions involving the Company or any other person required to be described in the Registration Statement, the Pricing Disclosure Package and the Prospectus that have not been described as required under the Securities Act and the Securities Act Regulations.

2.28 Board of Directors. The Board of Directors of the Company is comprised of the persons set forth under the heading of the Pricing Prospectus and the Prospectus captioned "Management." The qualifications of the persons serving as board members and the overall composition of the board comply with the Exchange Act, the rules and regulations of the Commission promulgated thereunder (the "**Exchange Act Regulations**"), the Sarbanes- Oxley Act of 2002 and the rules promulgated thereunder (the "**Sarbanes-Oxley Act**") applicable to the Company and the listing rules of the Exchange. At least one member of the Audit Committee of the Board of Directors of the Company qualifies as an "audit committee financial expert," as such term is defined under Regulation S-K and the listing rules of the Exchange. In addition, at least a majority of the persons serving on the Board of Directors qualify as "independent," as defined under the listing rules of the Exchange.

2.29 Sarbanes-Oxley Compliance.

2.29.1 Disclosure Controls. The Company has designed a system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Exchange Act Regulations) that will comply with the requirements of the Exchange Act within the time period required and has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

2.29.2 Compliance. The Company is and at the Applicable Time and on the Closing Date will be, in material compliance with the provisions of the Sarbanes-Oxley Act that are then in effect and with which the Company is required to comply with as of the Applicable Time or on the Closing Date, and has taken reasonable steps to ensure the Company's future compliance (not later than the relevant statutory and regulatory deadlines therefor) with all of the material provisions of the Sarbanes-Oxley Act then applicable to the Company.

2.30 Accounting Controls. The Company maintains systems of "internal control over financial reporting" (as defined under Rules 13a-15 and 15d-15 under the Exchange Act Regulations) that comply with the requirements of the Exchange Act and have been designed by, or under the supervision of, its principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including, but not limited to, internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company is not aware of any material weaknesses in its internal controls. To the Company's knowledge, the Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are known to the Company's management and that have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud known to the Company's management, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

2.31 No Investment Company Status. The Company is not and, after giving effect to the Offering and the application of the proceeds thereof as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be, required to register as an "investment company," as defined in the Investment Company Act of 1940, as amended.

2.32 No Labor Disputes. No labor dispute with the employees of the Company exists or, to the knowledge of the Company, is imminent. The Company is not aware that any officer, key employee or significant group of employees of the Company plans to terminate employment with the Company.

2.33 Intellectual Property Rights. The Company owns or possesses or has valid rights to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, inventions, trade secrets and similar rights ("**Intellectual Property Rights**") necessary for the conduct of the business of the Company as currently carried on and as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to own, possess or have valid rights to use any of the foregoing would not reasonably be expected to result in a Material Adverse Change on the Company. To the knowledge of the Company, no action or use by the Company necessary for the conduct of its business as currently carried on and as described in the Registration Statement and the Prospectus would reasonably be expected to involve or give rise to any infringement of, or license or similar fees for, any Intellectual Property Rights of others. The Company has not received any notice alleging any such infringement, fee or conflict with asserted Intellectual Property Rights of others. Except as would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Change: (A) to the knowledge of the Company, there is no infringement, misappropriation or violation by third parties of any of the Intellectual Property Rights owned by the Company; (B) there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others challenging the rights of the Company in or to any such Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (C) the Intellectual Property Rights owned by the Company and, to the knowledge of the Company, the Intellectual Property Rights licensed to the Company have not been adjudged by a court of competent jurisdiction invalid or unenforceable, in whole or in part, and there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (D) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes, misappropriates or otherwise violates any Intellectual Property Rights or other proprietary rights of others, the Company has not received any written notice of such claim and the Company is unaware of any other facts which would form a reasonable basis for any such claim; and (E) to the Company's knowledge, no employee of the Company is in or has ever been in violation in any material respect of any term of any employment contract, patent disclosure agreement, invention assignment agreement, non-competition agreement, non-solicitation agreement, nondisclosure agreement or any restrictive covenant to or with a former employer where the basis of such violation relates to such employee's employment with the Company, or actions undertaken by the employee while employed with the Company. To the Company's knowledge, all material technical information developed by and belonging to the Company which has not been patented has been kept confidential. The Company is not a party to or bound by any options, licenses or agreements with respect to the Intellectual Property Rights of any other person or entity that are required to be set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus and are not described therein. The Registration Statement, the Pricing Disclosure Package and the Prospectus contain in all material respects the same description of the matters set forth in the preceding sentence. None of the technology employed by the Company has been obtained or is being used by the Company in violation of any contractual obligation binding on the Company or, to the Company's knowledge, any of its officers, directors or employees, or otherwise in violation of the rights of any persons.

2.34 Taxes. The Company has filed all returns (as hereinafter defined) required to be filed with taxing authorities prior to the date hereof or has duly obtained extensions of time for the filing thereof. The Company has paid all taxes (as hereinafter defined) shown as due on such returns that were filed and has paid all taxes imposed on or assessed against the Company except those that are being contested in good faith or as would not have, individually or in the aggregate, result in a Material Adverse Change. The provisions for taxes payable, if any, shown on the financial statements filed with or as part of the Registration Statement are sufficient for all accrued and unpaid taxes, whether or not disputed, and for all periods to and including the dates of such consolidated financial statements. Except as disclosed in writing to the Underwriters, (i) no material issues have been raised (and are currently pending) by any taxing authority in connection with any of the returns or taxes asserted as due from the Company, and (ii) no waivers of statutes of limitation with respect to the returns or collection of taxes have been given by or requested from the Company. To the Company's knowledge, there are no tax liens against the assets, properties or business of the Company. The term "**taxes**" means all federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, license, lease, service, service use, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall profits, customs, duties or other taxes, fees, assessments or charges of any kind whatever, together with any interest and any penalties, additions to tax or additional amounts with respect thereto. The term "**returns**" means all returns, declarations, reports, statements and other documents required to be filed in respect to taxes.

2.35 ERISA Compliance. The Company and any "employee benefit plan" (as defined under the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder (collectively, "**ERISA**")) established or maintained by the Company or its "ERISA Affiliates" (as defined below) are in compliance in all material respects with ERISA. "**ERISA Affiliate**" means, with respect to the Company, any member of any group of organizations described in Sections 414(b), (c), (m) or (o) of the Internal Revenue Code of 1986, as amended, and the regulations and published interpretations thereunder (the "**Code**") of which the Company is a member. No "reportable event" (as defined under ERISA) has occurred or is reasonably expected to occur with respect to any "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates. No "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates, if such "employee benefit plan" were terminated, would have any "amount of unfunded benefit liabilities" (as defined under ERISA). Neither the Company nor any of its ERISA Affiliates has incurred or reasonably expects to incur any material liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "employee benefit plan" or (ii) Sections 412, 4971, 4975 or 4980B of the Code. Each "employee benefit plan" established or maintained by the Company or any of its ERISA Affiliates that is intended to be qualified under Section 401(a) of the Code is so qualified and, to the knowledge of the Company, nothing has occurred, whether by action or failure to act, which would cause the loss of such qualification.

2.36 Compliance with Laws. The Company: (A) is and at all times has been in compliance with all statutes, rules, or regulations applicable to the business of the Company as currently conducted ("**Applicable Laws**"), except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Change; (B) has not received any warning letter, untitled letter or other correspondence or written notice from any Governmental Entity alleging or asserting noncompliance with any Applicable Laws or any Authorizations; (C) possesses all Authorizations and such Authorizations are valid and in full force and effect and are not in violation of any term of any

such Authorizations; (D) has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Governmental Entity or third party alleging that any activity conducted by the Company is in violation of any Applicable Laws or Authorizations and has no knowledge that any such Governmental Entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding that if brought, would result in a Material Adverse Result, nor, to the Company's knowledge, has there been any material noncompliance with or violation of any Applicable Laws by the Company that could reasonably be expected to require the issuance of any such communication or result in an investigation, corrective action, or enforcement action by any Governmental Entity; (E) has not received written notice that any Governmental Entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations and has no knowledge that any such Governmental Entity is considering such action; and (F) has filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and correct on the date filed (or were corrected or supplemented by a subsequent submission), except where the failure to be so in compliance would not, individually or in the aggregate, result in a Material Adverse Change.

2.37 Emerging Growth Company. From the time of the initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly in or through any Person authorized to act on its behalf in any Testing-the Waters Communication) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act. "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

2.38 Environmental Laws. The Company is in compliance with all foreign, federal, state and local rules, laws and regulations relating to the use, treatment, storage and disposal of hazardous or toxic substances or waste and protection of health and safety or the environment which are applicable to their businesses ("**Environmental Laws**"), except where the failure to comply would not, singularly or in the aggregate, result in a Material Adverse Change. There has been no storage, generation, transportation, handling, treatment, disposal, discharge, emission, or other release of any kind of toxic or other wastes or other hazardous substances by, due to, or caused by the Company (or, to the Company's knowledge, any other entity for whose acts or omissions the Company is or may otherwise be liable) upon any of the property now or previously owned or leased by the Company, or upon any other property, in violation of any law, statute, ordinance, rule, regulation, order, judgment, decree or permit or which would, under any law, statute, ordinance, rule (including rule of common law), regulation, order, judgment, decree or permit, give rise to any liability, except for any violation or liability which would not have, singularly or in the aggregate with all such violations and liabilities, a Material Adverse Change; and there has been no disposal, discharge, emission or other release of any kind onto such property or into the environment surrounding such property of any toxic or other wastes or other hazardous substances with respect to which the Company has knowledge, except for any such disposal, discharge, emission, or other release of any kind which would not have, singularly or in the aggregate with all such discharges and other releases, a Material Adverse Change. In the ordinary course of business, the Company conducts periodic reviews of the effect of Environmental Laws on its business and assets, in the course of which they identify and evaluate associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or governmental permits issued thereunder, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such reviews, the Company has reasonably concluded that such associated costs and liabilities would not have, singularly or in the aggregate, a Material Adverse Change.

2.39 Title to Property. Except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has good and marketable title in fee simple to, or has valid rights to lease or otherwise use, all items of real or personal property which are material to the business of the Company, in each case free and clear of all liens, encumbrances, security interests, claims and defects that do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company; and all of the leases and subleases material to the business of the Company and under which the Company holds properties described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, are in full force and effect, and the Company has not received any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company to the continued possession of the leased or subleased premises under any such lease or sublease.

2.40 Contracts Affecting Capital. There are no transactions, arrangements or other relationships between and/or among the Company, any of its affiliates (as such term is defined in Rule 405 of the Securities Act Regulations) and any unconsolidated entity, including, but not limited to, any structured finance, special purpose or limited purpose entity that could reasonably be expected to materially affect the Company's liquidity or the availability of or requirements for its capital resources required to be described or incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus which have not been described or incorporated by reference as required.

2.41 Loans to Directors or Officers. There are no outstanding loans, advances (except normal advances for business expenses in the ordinary course of business) or guarantees or indebtedness by the Company to or for the benefit of any of the officers or directors of the Company or any of their respective family members, except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

2.42 Ineligible Issuer. At the time of filing the Registration Statement and any post-effective amendment thereto, at the Effective Date and at the time of any amendment thereto, at the earliest time thereafter that the Company or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the Securities Act Regulations) of the Public Securities and at the Effective Date, the Company was not and is not an "ineligible issuer," as defined in Rule 405, without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an ineligible issuer.

2.43 Smaller Reporting Company. As of the time of filing of the Registration Statement, the Company was a "smaller reporting company," as defined in Rule 12b-2 of the Exchange Act Regulations.

2.44 Industry Data. The statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus are based on or derived from sources that the Company reasonably and in good faith believes are reliable and accurate or represent the Company's good faith estimates that are made on the basis of data derived from such sources.

2.45 Electronic Road Show. The Company has made available a Bona Fide Electronic Road Show in compliance with Rule 433(d)(8)(ii) of the Securities Act Regulations such that no filing of any "road show" (as defined in Rule 433(h) of the Securities Act Regulations) is required in connection with the Offering.

2.46 Margin Securities. The Company owns no "margin securities" as that term is defined in Regulation U of the Board of Governors of the Federal Reserve System (the "**Federal Reserve Board**"), and none of the proceeds of Offering will be used, directly or indirectly, for the purpose of purchasing or carrying any margin security, for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any margin security or for any other purpose which might cause any of the Public Securities to be considered a "purpose credit" within the meanings of Regulation T, U or X of the Federal Reserve Board.

2.47 Forward-Looking Statements. No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) contained in the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

2.48 Integration. Neither the Company, nor any of its affiliates, nor any person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would cause the Offering to be integrated with prior offerings by the Company for purposes of the Securities Act that would require the registration of any such securities issued in such prior offerings under the Securities Act.

2.49 Confidentiality and Non-Competition. No director, officer, key employee or consultant of the Company is subject to any confidentiality, non-disclosure, non-competition agreement or non-solicitation agreement with any employer (other than the Company) or prior employer that could materially affect his or her ability to be and act in his or her respective capacity of the Company or be reasonable expected to result in a Material Adverse Change.

2.50 Corporate Records. The minute books of the Company have been made available to the Representative and Representative Counsel and such books (i) contain minutes of all material meetings and actions of the Board of Directors (including each board committee) and stockholders of the Company, and (ii) reflect all material transactions referred to in such minutes.

2.51 Diligence Materials. The Company has provided to the Representative and Representative Counsel all materials required or necessary to respond in all material respects to the diligence request submitted to the Company or Company Counsel by the Representative.

2.52 Stabilization. Neither the Company nor, to its knowledge, any of its employees, directors or stockholders (without the consent of the Representative) has taken, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under Regulation M of the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Public Securities.

3. COVENANTS OF THE COMPANY.

The Company covenants and agrees as follows:

3.1 Amendments to Registration Statement. The Company shall deliver to the Representative, at least one (1) Business Day (or such shorter time mutually agreed by the parties hereto) prior to filing, any amendment or supplement to the Registration Statement or Prospectus proposed to be filed after the Effective Date and not file any such amendment or supplement to which the Representative shall reasonably object in writing.

3.2 Federal Securities Laws.

3.2.1 Compliance. The Company, subject to Section 3.2.2, shall comply with the requirements of Rule 430A of the Securities Act Regulations, and will, during the period required to permit the completion of the distribution of the Public Securities as contemplated in this Agreement and in the Registration Statement, the Pricing Disclosure Package and the Prospectus, notify the Representative promptly, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective or any amendment or supplement to the Prospectus shall have been filed; (ii) of its receipt of any comments from the Commission; (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information; (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any post-effective amendment or of any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus, or of the suspension of the qualification of the Public Securities and Representative's Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes or of any examination pursuant to Section 8(d) or 8(e) of the Securities Act concerning the Registration Statement; and (v) if the Company becomes the subject of a proceeding under Section 8A of the Securities Act in connection with the Offering of the Public Securities and Representative's Securities. The Company shall effect all filings required under Rule 424(b) of the Securities Act Regulations, in the manner and within the time period required by Rule 424(b) (without reliance on Rule 424(b)(8)), and shall take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. The Company shall use its best efforts to prevent the issuance of any stop order, prevention or suspension and, if any such order is issued, to obtain the lifting thereof at the earliest possible moment.

3.2.2 Continued Compliance. The Company shall comply with the Securities Act, the Securities Act Regulations, the Exchange Act and the Exchange Act Regulations so as to permit the completion of the distribution of the Public Securities as contemplated in this Agreement and in the Registration Statement, the Pricing Disclosure Package and the Prospectus. If at any time when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172 of the Securities Act Regulations ("**Rule 172**"), would be) required by the Securities Act to be delivered in connection with sales of the Public Securities, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of Representative Counsel or Company Counsel, to (i) amend the Registration Statement in order that the Registration Statement will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) amend or supplement the Pricing Disclosure Package or the Prospectus in order that the Pricing Disclosure Package or the Prospectus, as the case may be, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser; or (iii) amend the Registration Statement or amend or supplement the Pricing Disclosure Package or the Prospectus, as the case may be, in order to comply with the requirements of the Securities Act or the Securities Act Regulations, the Company will promptly (A) give the Representative notice of such event; (B) prepare any amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement, the Pricing Disclosure Package or the Prospectus comply with such requirements and, a reasonable amount of time prior to any proposed filing or use, furnish the Representative with copies of any such amendment or supplement; and (C) file with the Commission any such amendment or supplement; provided that the Company shall not file or use any such amendment or supplement to which the Representative or Representative Counsel shall reasonably object. The Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request. The Company shall give the Representative notice of its intention to make any such filing from the Applicable Time until the later of the Closing Date and the exercise in full or expiration of the Over-allotment Option specified in Section 1.2 hereof and will furnish the Representative with copies of the related document(s) a reasonable amount of time prior to such proposed filing, as the case may be, and will not file or use any such document to which the Representative or Representative Counsel shall reasonably object.

3.2.3 Exchange Act Registration. Until the later of (i) three (3) years after the date of this Agreement and (ii) the expiration date of the Representative's Warrants (or the date that all of the Representative's Warrants have been exercised, if earlier), the Company shall use its reasonable best efforts to maintain the registration of the Common Stock under the Exchange Act. The Company shall not deregister the Common Stock under the Exchange Act without the prior written consent of the Representative.

3.2.4 Free Writing Prospectuses. The Company agrees that, unless it obtains the prior written consent of the Representative, it shall not make any offer relating to the Public Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus," or a portion thereof, required to be filed by the Company with the Commission or retained by the Company under Rule 433; provided that the Representative shall be deemed to have consented to each Issuer General Use Free Writing Prospectus set forth in Schedule 2-B. The Company represents that it has treated or agrees that it will treat each such free writing prospectus consented to, or deemed consented to, by the Representative as an "issuer free writing prospectus," as defined in Rule 433, and that it has complied and will comply with the applicable requirements of Rule 433 with respect thereto, including timely filing with the Commission where required, legending and record keeping. If at any time following issuance of an Issuer Free Writing Prospectus the Company has knowledge that there has occurred or is occurring an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent

time, not misleading, the Company will promptly notify the Representative and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

3.2.5 Testing-the-Waters Communications. If at any time following the distribution of any Written Testing-the-Waters Communication the Company has knowledge that there occurred or is occurring an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company shall promptly notify the Representative and shall promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

3.3 Delivery to the Underwriters of Registration Statements. The Company has delivered or made available or shall deliver or make available to the Representative and Representative Counsel, without charge, conformed copies of the Registration Statement as originally filed and each amendment thereto (including exhibits filed therewith) and signed copies of all consents and certificates of experts, and will also deliver to each Underwriter, without charge, a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) upon receipt of a written request therefor from such Underwriter. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

3.4 Delivery to the Underwriters of Prospectuses. The Company has delivered or made available or will deliver or make available to each Underwriter, without charge, as many copies of each Preliminary Prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the Securities Act. The Company will furnish to each Underwriter, without charge, during the period when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172 of the Securities Act Regulations, would be) required to be delivered under the Securities Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

3.5 Effectiveness and Events Requiring Notice to the Representative The Company shall use its best efforts to cause the Registration Statement to remain effective with a current prospectus through and including the expiration date of the Representative's Warrants (or the date that all of the Representative's Warrants have been exercised, if earlier), and shall notify the Representative immediately and confirm the notice in writing: (i) of the effectiveness of the Registration Statement and any amendment thereto; (ii) of the issuance by the Commission of any stop order or of the initiation, or the threatening, of any proceeding for that purpose; (iii) of the issuance by any state securities commission of any proceedings for the suspension of the qualification of the Public Securities or the Representative's Securities, as applicable, for offering or sale in any jurisdiction or of the initiation, or the threatening, of any proceeding for that purpose; (iv) of the mailing and delivery to the Commission for filing of any amendment or supplement to the Registration Statement or Prospectus; (v) of the receipt of any comments or request for any additional information from the Commission; and (vi) of the happening of any event during the period described in this Section 3.5 that, in the judgment of the Company, makes any statement of a material fact made in the Registration Statement, the Pricing Disclosure Package or the Prospectus untrue or that requires the making of any changes in (a) the Registration Statement in order to make the statements therein not misleading, or (b) in the Pricing Disclosure Package or the Prospectus in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Commission or any state securities commission shall enter a stop order or suspend such qualification at any time, the Company shall use its commercially reasonable efforts to obtain promptly the lifting of such order.

3.6 Review of Financial Statements. For a period of three (3) years after the date of this Agreement, the Company, at its expense, shall cause its regularly engaged independent registered public accounting firm to review (but not audit) the Company's financial statements for each of the three fiscal quarters immediately preceding the announcement of any quarterly financial information.

3.7 Listing. The Company shall use its reasonable best efforts to maintain the listing of the shares of Common Stock on the Exchange for at least three (3) years from the date of this Agreement.

3.8 Financial Public Relations. As of the Effective Date, the Company shall have retained a financial public relations firm reasonably acceptable to the Representative and the Company, which firm shall be experienced in assisting issuers in initial public offerings of securities and in their relations with their security holders, and shall retain such firm or another firm reasonably acceptable to the Representative for a period of not less than two (2) years after the Effective Date.

3.9 Reports to the Representative.

3.9.1 Periodic Reports, etc. For a period of three (3) years after the date of this Agreement, the Company shall furnish or make available to the Representative copies of such financial statements and other periodic and special reports as the Company from time to time furnishes generally to holders of any class of its securities and also promptly furnish to the Representative: (i) a copy of each periodic report the Company shall be required to file with the Commission under the Exchange Act and the Exchange Act Regulations; (ii) a copy of every press release and every news item and article with respect to the Company or its affairs which was released by the Company; (iii) a copy of each Form 8-K prepared and filed by the Company; (iv) a copy of each registration statement filed by the Company under the Securities Act; (v) a copy of each report or other communication furnished to stockholders and (vi) such additional documents and information with respect to the Company and the affairs of any future subsidiaries of the Company as the Representative may from time to time reasonably request. Documents filed with the Commission pursuant to its EDGAR system or press releases shall be deemed to have been delivered to the Representative pursuant to this Section 3.9.1. Any documents not filed with the Commission pursuant to its EDGAR system shall be delivered to jrallo@efhuttongroup.com, with a copy to dboral@efhuttongroup.com.

3.9.2 Transfer Agent; Transfer Sheets. For a period of three (3) years after the date of this Agreement, the Company shall retain a transfer agent and registrar acceptable to the Representative (the "**Transfer Agent**") and shall furnish to the Representative at the Company's sole cost and expense such transfer sheets of the Company's securities as the Representative may reasonably request, including the daily and monthly consolidated transfer sheets of the Transfer Agent and DTC. VStock Transfer, LLC is acceptable to the Representative to act as Transfer Agent for the shares of Common Stock.

3.9.3 Trading Reports. During such time as any of the Public Securities are listed on the Exchange, the Company shall provide to the Representative, at the Company's expense, such reports published by the Exchange relating to price trading of the Public Securities, as the Representative shall reasonably request.

3.10 Payment of Expenses. The Company hereby agrees to pay on each of the Closing Date and the Option Closing Date, if any, to the extent not paid at the Closing Date, all expenses related to the Offering or otherwise incident to the performance of the obligations of the Company under this Agreement, including, but not limited to: (a) all filing fees and communication expenses relating to the registration of the Public Securities and Representative's Securities with the Commission; (b) all Public Filing System filing fees associated with the review of the Offering by FINRA; (c) all fees and expenses relating to the listing of such Public Securities and Representative's Securities on the Exchange and such other stock exchanges as the Company and the Representative together determine, including any fees charged by DTC; (d) all fees, expenses and disbursements relating to background checks of the Company's officers and directors; (e) all fees, expenses and disbursements relating to the registration or qualification of the

Public Securities under the "blue sky" securities laws of such states and other jurisdictions as the Representative may reasonably designate; (f) all fees, expenses and disbursements relating to the registration, qualification or exemption of the Public Securities under the securities laws of such foreign jurisdictions as the Representative may reasonably designate; (g) the costs of all mailing and printing of the underwriting documents (including, without limitation, the Underwriting Agreement, any Blue Sky Surveys and, if appropriate, any Agreement Among Underwriters, Selected Dealers' Agreement, Underwriters' Questionnaire and Power of Attorney), Registration Statements, Prospectuses and all amendments, supplements and exhibits thereto and as many preliminary and final Prospectuses as the Representative may reasonably deem necessary; (h) the costs and expenses of a public relations firm; (i) the costs of preparing, printing and delivering certificates representing the Public Securities; (j) fees and expenses of the Transfer Agent for the shares of Common Stock; (k) stock transfer and/or stamp taxes, if any, payable upon the transfer of the Public Securities from the Company to the Underwriters; (l) the costs associated with one set of bound volumes of the public offering materials as well as commemorative mementos and lucite tombstones, each of which the Company or its designee shall provide within a reasonable time after the Closing Date in such quantities as the Representative may reasonably request; (m) the fees and expenses of the Company's accountants; (n) the fees and expenses of the Company's legal counsel and other agents and representatives; (o) the fees and expenses of Representative Counsel; (p) the cost associated with the Underwriters' use of Ipreo's book- building, prospectus tracking and compliance software for the Offering; (q) to the extent approved by the Company in writing, the costs associated with post-Closing advertising of the Offering in the national editions of the Wall Street Journal and New York Times; and (r) the Underwriters' actual accountable expenses for the Offering, including, without limitation related to the "road show." Notwithstanding the foregoing, the Company's obligations to reimburse the Representative for any out-of-pocket expenses actually incurred as set forth in the preceding sentence shall not exceed $175,000 in the aggregate for all of the foregoing fees and expenses. The Representative may deduct from the net proceeds of the Offering payable to the Company on the Closing Date, or the Option Closing Date, if any, the expenses set forth herein to be paid by the Company to the Underwriters, less the Advance (as such term is defined in Section 8.3 hereof).

3.11 Application of Net Proceeds. The Company shall apply the net proceeds from the Offering received by it in a manner consistent with the application thereof described under the caption "Use of Proceeds" in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

3.12 Delivery of Earnings Statements to Security Holders. The Company shall make generally available to its security holders as soon as practicable, but not later than the first day of the fifteenth (15th) full calendar month following the date of this Agreement, an earnings statement (which need not be certified by an independent registered public accounting firm unless required by the Securities Act or the Securities Act Regulations, but which shall satisfy the provisions of Rule 158(a) under Section 11(a) of the Securities Act) covering a period of at least twelve (12) consecutive months beginning after the date of this Agreement.

3.13 Stabilization. Neither the Company nor, to its knowledge, any of its employees, directors or stockholders has taken or shall take, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under Regulation M of the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Public Securities.

3.14 Internal Controls. The Company shall maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary in order to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

3.15 Accountants. As of the date of this Agreement, the Company has retained an independent registered public accounting firm, as required by the Securities Act and the Securities Act Regulations and the Public Company Accounting Oversight Board, reasonably acceptable to the Representative, and the Company shall continue to retain a nationally recognized independent registered public accounting firm for a period of at least three (3) years after the date of this Agreement. The Representative acknowledges that BF Borgers CPA PC is acceptable to the Representative.

3.16 FINRA. For a period of 90 days from the later of the Closing Date or the Option Closing Date, the Company shall advise the Representative (who shall make an appropriate filing with FINRA) if it is or becomes aware that (i) any officer or director of the Company, (ii) any beneficial owner of 5% or more of any class of the Company's securities or (iii) any beneficial owner of the Company's unregistered equity securities which were acquired during the 180 days immediately preceding the filing of the Registration Statement is or becomes an affiliate or associated person of a FINRA member participating in the Offering (as determined in accordance with the rules and regulations of FINRA).

3.17 No Fiduciary Duties. The Company acknowledges and agrees that the Underwriters' responsibility to the Company is solely contractual in nature and that none of the Underwriters or their affiliates or any selling agent shall be deemed to be acting in a fiduciary capacity, or otherwise owes any fiduciary duty to the Company or any of its affiliates in connection with the Offering and the other transactions contemplated by this Agreement.

3.18 Company Lock-Up Agreements. The Company, on behalf of itself and any successor entity, agrees that, without the prior written consent of the Representative, it will not, for a period of twelve (12) months after the date of this Agreement (the "**Lock-Up Period**"), (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company; (ii) file or cause to be filed any registration statement with the Commission relating to the offering of any shares of capital stock of the Company or any securities convertible into or exercisable or exchangeable for shares of capital stock of the Company other than a registration statement on Form S-4 or S-8; (iii) complete any offering of debt securities of the Company, other than entering into a line of credit or senior credit facility with a traditional bank or other lending institution; or (iv) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of capital stock of the Company, whether any such transaction described in clause (i), (ii), (iii), or (iv) above is to be settled by delivery of shares of capital stock of the Company or such other securities, in cash or otherwise.

The restrictions contained in this Section 3.18 shall not apply to (i) the Public Securities or the Representative's Securities; (ii) the issuance by the Company of shares of Common Stock upon the exercise of a stock option or warrant or the conversion of a security, in each case outstanding on the date hereof, provided that such options, warrants, securities are disclosed in the Registration Statement, the Pricing Disclosure Package or the Prospectus and have not been amended since the date of this Agreement to increase the number of such securities or to decrease the exercise price, exchange price or conversion price of such securities or to extend the term of such securities, (iii) the issuance of shares of Common Stock issued as part of the purchase price in connection with acquisitions or strategic transactions, or (iv) the issuance by the Company of any shares of Common Stock or standard options to purchase Common Stock to directors, officers or employees of the Company in their capacity as such pursuant to an Approved Stock Plan (as defined below). "**Approved Stock Plan**" means any employee benefit plan which has been approved by the board of directors of the Company prior to or subsequent to the date hereof pursuant to which shares of Common Stock and standard options to purchase Common Stock may be issued to any employee, officer or director for services provided to the Company in their capacity as such.

3.19 Release of D&O Lock-up Period. If the Representative, in its sole discretion, agrees to release or waive the restrictions set forth in the Lock-Up Agreements described in Section 2.25 hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three (3) Business Days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit C hereto through a major news service at least two (2) Business Days before the effective date of the release or waiver.

3.20 Blue Sky Qualifications. The Company shall use its best efforts, in cooperation with the Underwriters, if necessary, to qualify the Public Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representative may reasonably designate and to maintain such qualifications in effect so long as required to complete the distribution of the Public Securities; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

3.21 Reporting Requirements. The Company, during the period when a prospectus relating to the Public Securities is (or, but for the exception afforded by Rule 172, would be) required to be delivered under the Securities Act, will file all documents required to be filed with the Commission pursuant to the Exchange Act within the time periods required by the Exchange Act and Exchange Act Regulations. Additionally, the Company shall report the use of proceeds from the issuance of the Public Securities as may be required under Rule 463 under the Securities Act Regulations.

3.22 Press Releases. Prior to the Closing Date and any Option Closing Date, the Company shall not issue any press release or other communication directly or indirectly or hold any press conference with respect to the Company, its condition, financial or otherwise, or earnings, business affairs or business prospects (except for routine oral marketing communications in the ordinary course of business and consistent with the past practices of the Company and of which the Representative is notified), without the prior written consent of the Representative, which consent shall not be unreasonably withheld, unless in the judgment of the Company and its counsel, and after notification to the Representative, such press release or communication is required by law.

3.23 Sarbanes-Oxley. For a period of one (1) year after the date of this Agreement, the Company shall at all times comply in all material respects with all applicable provisions of the Sarbanes-Oxley Act in effect from time to time.

3.24 IRS Forms. If requested by the Representative, the Company shall deliver to each Underwriter (or its agent), prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or an IRS Form W-8, as appropriate, together with all required attachments to such form.

4. CONDITIONS OF UNDERWRITERS' OBLIGATIONS.

The obligations of the Underwriters to purchase and pay for the Public Securities, as provided herein, shall be subject to (i) the continuing accuracy of the representations and warranties of the Company as of the date hereof and as of each of the Closing Date and the Option Closing Date, if any; (ii) the accuracy of the statements of officers of the Company made pursuant to the provisions hereof; (iii) the performance by the Company of its obligations hereunder; and (iv) the following conditions:

4.1 Regulatory Matters.

4.1.1 Effectiveness of Registration Statement; Rule 430A Information. The Registration Statement has become effective not later than 5:00 p.m., Eastern time, on the date of this Agreement or such later date and time as shall be consented to in writing by the Representative, and, at each of the Closing Date and any Option Closing Date, no stop order suspending the effectiveness of the Registration Statement or any post-effective amendment thereto shall have been issued under the Securities Act, no order preventing or suspending the use of any Preliminary Prospectus or the Prospectus shall have been issued and no proceedings for any of those purposes shall have been instituted or are pending or, to the Company's knowledge, contemplated by the Commission. The Company has complied with each request (if any) from the Commission for additional information. A prospectus containing the Rule 430A Information shall have been filed with the Commission in the manner and within the time frame required by Rule 424(b) under the Securities Act Regulations (without reliance on Rule 424(b)(8)) or a post-effective amendment providing such information shall have been filed with, and declared effective by, the Commission in accordance with the requirements of Rule 430A under the Securities Act Regulations.

4.1.2 FINRA Clearance. On or before the date of this Agreement, the Representative shall have received clearance from FINRA as to the amount of compensation allowable or payable to the Underwriters as described in the Registration Statement.

4.1.3 Exchange Clearance. On the Closing Date, the Common Stock shall have been approved for listing on the Exchange, subject only to official notice of issuance. On the first Option Closing Date (if any), the Company's shares of Common Stock, including the Option Shares, shall have been approved for listing on the Exchange, subject only to official notice of issuance.

4.2 Company Counsel Matters.

4.2.1 Closing Date Opinion of Counsel. On the Closing Date, the Representative shall have received the favorable opinions and negative assurance letter of K&L Gates LLP ("**Company Counsel**"), counsel to the Company, dated the Closing Date and addressed to the Representative, in form and substance reasonably satisfactory to the Representative.

4.2.2 Option Closing Date Opinions of Counsel. On the Option Closing Date, if any, the Representative shall have received the favorable opinion and negative assurance letter of Company Counsel listed in Section 4.2.1, dated the Option Closing Date, addressed to the Representative and in form and substance reasonably satisfactory to the Representative, confirming as of the Option Closing Date, the statements made by such counsel in its opinion or their respective opinions delivered on the Closing Date.

4.2.3 Reliance. The opinion of Company Counsel and any opinion relied upon by Company Counsel shall include a statement to the effect that it may be relied upon by Representative Counsel in its opinion delivered to the Underwriters.

4.3 Comfort Letters.

4.3.1 Comfort Letter. At the time this Agreement is executed the Representative shall have received a cold comfort letter from the Auditors containing statements and information of the type customarily included in accountants' comfort letters with respect to the financial statements and certain financial information contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus, addressed to the Representative and in form and substance reasonably satisfactory in all respects to the Representative and to Representative Counsel from the Auditors, dated as of the date of this Agreement.

4.3.2 Bring-down Comfort Letter. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received from the Auditors a letter, dated as of the Closing Date or the Option Closing Date, as applicable, to the effect that the Auditors reaffirms the statements made in the letter furnished pursuant to Section 4.3.1.

4.4 Officers' Certificates.

4.4.1 Officers' Certificate. The Company shall have furnished to the Representative a certificate, dated the Closing Date and any Option Closing Date (if such date is other than the Closing Date), of its Chief Executive Officer and its Chief Financial Officer stating that on behalf of the Company and not in an individual capacity that (i) such officers have examined the Registration Statement, the Pricing Disclosure Package, any Issuer Free Writing Prospectus and the Prospectus and, in their opinion, the

Registration Statement and each amendment thereto, as of the Applicable Time and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date) did not include any untrue statement of a material fact and did not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Pricing Disclosure Package, as of the Applicable Time and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), any Issuer Free Writing Prospectus as of its date and as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), the Prospectus and each amendment or supplement thereto, as of the respective date thereof and as of the Closing Date, did not include any untrue statement of a material fact and did not omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances in which they were made, not misleading, (ii) since the effective date of the Registration Statement, no event has occurred which should have been set forth in a supplement or amendment to the Registration Statement, the Pricing Disclosure Package or the Prospectus, (iii) to their knowledge after reasonable investigation, as of the Closing Date (or any Option Closing Date if such date is other than the Closing Date), the representations and warranties of the Company in this Agreement are true and correct and the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date (or any Option Closing Date if such date is other than the Closing Date), and (iv) there has not been, subsequent to the date of the most recent audited financial statements included in the Pricing Disclosure Package, any Material Adverse Change.

4.4.2 Secretary's Certificate. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received a certificate of the Company signed by the Secretary of the Company, dated the Closing Date or the Option Closing Date, as the case may be, respectively, certifying on behalf of the Company and not in an individual capacity: (i) that each of the Charter and Bylaws is true and complete, has not been modified and is in full force and effect; (ii) that the resolutions of the Company's Board of Directors relating to the Offering are in full force and effect and have not been modified; (iii) as to the accuracy and completeness of all correspondence between the Company or its counsel and the Commission; and (iv) as to the incumbency of the officers of the Company. The documents referred to in such certificate shall be attached to such certificate.

4.5 No Material Changes. Prior to and on each of the Closing Date and each Option Closing Date, if any: (i) there shall have been no Material Adverse Change in the condition or prospects or the business activities, financial or otherwise, of the Company from the latest dates as of which such condition is set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus; (ii) no action, suit or proceeding, at law or in equity, shall have been pending or threatened against the Company or any Insider before or by any court or federal or state commission, board or other administrative agency wherein an unfavorable decision, ruling or finding may reasonably be expected to cause a Material Adverse Change, except as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus; (iii) no stop order shall have been issued under the Securities Act and no proceedings therefor shall have been initiated or threatened by the Commission; and (iv) the Registration Statement, the Pricing Disclosure Package and the Prospectus and any amendments or supplements thereto shall contain all material statements which are required to be stated therein in accordance with the Securities Act and the Securities Act Regulations and shall conform in all material respects to the requirements of the Securities Act and the Securities Act Regulations, and neither the Registration Statement, the Pricing Disclosure Package nor the Prospectus nor any amendment or supplement thereto shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

4.6 No Material Misstatement or Omission. The Underwriters shall not have discovered and disclosed to the Company on or prior to the Closing Date and any Option Closing Date that the Registration Statement or any amendment or supplement thereto contains an untrue statement of a fact which, in the opinion of Representative Counsel, is material or omits to state any fact which, in the opinion of such counsel, is material and is required to be stated therein or is necessary to make the statements therein not misleading, or that the Registration Statement, the Pricing Disclosure Package, any Issuer Free Writing Prospectus or the Prospectus or any amendment or supplement thereto contains an untrue statement of fact which, in the opinion of Representative Counsel, is material or omits to state any fact which, in the opinion of Representative Counsel, is material and is necessary in order to make the statements, in the light of the circumstances under which they were made, not misleading.

4.7 Corporate Proceedings. All corporate proceedings and other legal matters incident to the authorization, form and validity of each of this Agreement, the Public Securities, the Registration Statement, the Pricing Disclosure Package, each Issuer Free Writing Prospectus, if any, and the Prospectus and all other legal matters relating to this Agreement, the Representative's Warrants and the transactions contemplated hereby shall be reasonably satisfactory in all material respects to Representative Counsel, and the Company shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

4.8 Lock-Up Agreements. On or before the date of this Agreement, the Company shall have delivered to the Representative executed copies of the Lock-Up Agreements from each of the persons listed in Schedule 3 hereto.

4.9 Representative's Warrants. On the Closing Date, the Company shall have delivered to the Representative executed copies of the Representative's Warrants.

4.10 Additional Documents. At the Closing Date and at each Option Closing Date (if any) Representative Counsel shall have been furnished with such documents and opinions as they may reasonably require for the purpose of enabling Representative Counsel to deliver an opinion to the Underwriters, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Public Securities and Representative's Securities as herein contemplated shall be reasonably satisfactory in form and substance to the Representative and Representative Counsel.

5. INDEMNIFICATION.

5.1 Indemnification of the Underwriters.

5.1.1 General. The Company shall indemnify and hold harmless each Underwriter, its affiliates and each of its and their respective directors, officers, members, employees, representatives, partners, shareholders, affiliates, counsel and agents and each person, if any, who controls any such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (collectively the "**Underwriter Indemnified Parties**," and each an "**Underwriter Indemnified Party**"), against any and all loss, liability, claim, damage and expense whatsoever (including but not limited to any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever, whether arising out of any action between any of the Underwriter Indemnified Parties and the Company or between any of the Underwriter Indemnified Parties and any third party, or otherwise) to which they or any of them may become subject under the Securities Act, the Exchange Act or any other statute or at common law or otherwise or under the laws of foreign countries, arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in (i) the Registration Statement, the Pricing Disclosure Package, the Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus (as from time to time each may be amended and supplemented); (ii) any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the Offering, including any "road show" or investor presentations made to investors by the Company (whether in person or electronically); or (iii) any application or other document or written communication (in this Section 5, collectively called "**application**") executed by the Company or based upon written information furnished by the Company in any jurisdiction in order to qualify the Public Securities and the Representative's Securities under the securities laws thereof or filed with the Commission, any state securities commission or agency, the Exchange or any other national securities exchange; or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission was made in reliance upon, and in conformity with, the Underwriters' Information. With respect to any untrue statement or omission or alleged untrue statement or omission made in the Pricing Disclosure Package, the indemnity agreement contained in this Section 5.1.1 shall not inure to the benefit of any Underwriter Indemnified Party to the extent that any loss, liability, claim, damage or expense of such Underwriter Indemnified Party (a) is based on the Underwriters' Information or material omission therefrom, (b) results from the fact that a copy of the Prospectus was not given or sent to the person asserting any such loss, liability, claim or damage at or prior to the written confirmation of sale of the Public Securities to such person as required by the Securities Act and the Securities Act

Regulations, and if the untrue statement or omission has been corrected in the Prospectus, unless such failure to deliver the Prospectus was a result of non-compliance by the Company with its obligations under Section 3.3 hereof, or (c) is found in a final, non-appealable judgment of a court of competent jurisdiction to have resulted primarily from the willful misconduct or gross negligence of such Underwriter Indemnified Party.

5.1.2 Procedure. If any action is brought against an Underwriter Indemnified Party in respect of which indemnity may be sought against the Company pursuant to Section 5.1.1, such Underwriter Indemnified Party shall promptly notify the Company in writing of the institution of such action and the Company shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense of such action, including the employment and fees of counsel (subject to the reasonable approval of such Underwriter Indemnified Party) and payment of actual expenses. Such Underwriter Indemnified Party shall have the right to employ its or their own counsel in any such case, but the fees and expenses of such counsel shall be at the expense of such Underwriter Indemnified Party unless (i) the employment of such counsel at the expense of the Company shall have been authorized in writing by the Company in connection with the defense of such action, or (ii) the Company shall not have employed counsel to have charge of the defense of such action, or (iii) the action includes both the Company and the indemnified party as defendants and such indemnified party or parties shall have been advised by its counsel that there may be defenses available to it or them which are different from or additional to those available to the Company which makes it impossible or inadvisable for the Company and such indemnified party to be represented in the action by the same counsel (in which case the Company shall not have the right to direct the defense of such action on behalf of the indemnified party), in any of which events the reasonable fees and expenses of not more than one additional firm of attorneys selected by the Underwriter Indemnified Parties who are party to such action (in addition to local counsel) shall be borne by the Company. Notwithstanding anything to the contrary contained herein, if any Underwriter Indemnified Party shall assume the defense of such action as provided above, the Company shall have the right to approve the terms of any settlement of such action, which approval shall not be unreasonably withheld.

5.2 Indemnification of the Company. Each Underwriter, severally and not jointly, shall indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and persons who control the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all loss, liability, claim, damage and expense described in the foregoing indemnity from the Company to the several Underwriters, as incurred, but only with respect to such losses, liabilities, claims, damages and expenses (or actions in respect thereof) which arise out of or are based upon untrue statements or omissions made in the Registration Statement, any Preliminary Prospectus, the Pricing Disclosure Package or Prospectus or any amendment or supplement thereto or in any application, in reliance upon, and in strict conformity with, the Underwriters' Information. In case any action shall be brought against the Company or any other person so indemnified based on any Preliminary Prospectus, the Registration Statement, the Pricing Disclosure Package or Prospectus or any amendment or supplement thereto or any application, and in respect of which indemnity may be sought against any Underwriter, such Underwriter shall have the rights and duties given to the Company, and the Company and each other person so indemnified shall have the rights and duties given to the several Underwriters by the provisions of Section 5.1.2. The Company agrees promptly to notify the Representative of the commencement of any litigation or proceedings against the Company or any of its officers, directors or any person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, in connection with the issuance and sale of the Public Securities or in connection with the Registration Statement, the Pricing Disclosure Package, the Prospectus or any Issuer Free Writing Prospectus**.**

5.3 Contribution.

5.3.1 Contribution Rights. If the indemnification provided for in this Section 5 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 5.1 or 5.2 in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company, on the one hand, and each of the Underwriters, on the other hand, from the Offering, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company, on the one hand, and the Underwriters, on the other, with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters, on the other, with respect to such Offering shall be deemed to be in the same proportion as the total proceeds from the Offering (before deducting expenses) received by the Company bear to the total underwriting discount and commissions received by the Underwriters in connection with the Offering, in each case as set forth in the table on the cover page of the Prospectus. The relative fault of the Company, on the one hand, and the Underwriters, on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company, on the one hand, or the Underwriters, on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement, omission, act or failure to act; provided that the parties hereto agree that the written information furnished to the Company through the Representative by or on behalf of any Underwriter for use in any Preliminary Prospectus, any Registration Statement or the Prospectus, or in any amendment or supplement thereto, consists solely of the Underwriters' Information and any material information that was omitted therefrom. The Company and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 5.3.1 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage, expense, liability, action, investigation or proceeding referred to above in this Section 5.3.1 shall be deemed to include, for purposes of this Section 5.3.1, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating, preparing to defend or defending against or appearing as a third party witness in respect of, or otherwise incurred in connection with, any such loss, claim, damage, expense, liability, action, investigation or proceeding. Notwithstanding the provisions of this Section 5.3.1 no Underwriter shall be required to contribute any amount in excess of the total discount and commission received by such Underwriter in connection with the Offering less the amount of any damages which such Underwriter has otherwise paid or becomes liable to pay by reason of any untrue or alleged untrue statement, omission or alleged omission, act or alleged act or failure to act or alleged failure to act. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

5.3.2 Contribution Procedure. Within fifteen (15) days after receipt by any party to this Agreement (or its representative) of notice of the commencement of any action, suit or proceeding, such party will, if a claim for contribution in respect thereof is to be made against another party ("contributing party"), notify the contributing party of the commencement thereof, but the failure to so notify the contributing party will not relieve it from any liability which it may have to any other party other than for contribution hereunder. In case any such action, suit or proceeding is brought against any party, and such party notifies a contributing party or its representative of the commencement thereof within the aforesaid 15 days, the contributing party will be entitled to participate therein with the notifying party and any other contributing party similarly notified. Any such contributing party shall not be liable to any party seeking contribution on account of any settlement of any claim, action or proceeding affected by such party seeking contribution without the written consent of such contributing party. The contribution provisions contained in this Section 5.3.2 are intended to supersede, to the extent permitted by law, any right to contribution under the Securities Act, the Exchange Act or otherwise available. Each Underwriter's obligations to contribute as provided in this Section 5.3 are several and in proportion to their respective underwriting obligation, and not joint.

6. DEFAULT BY AN UNDERWRITER.

6.1 Default Not Exceeding 10% of Firm Shares or Option Shares. If any Underwriter or Underwriters shall default in its or their obligations to purchase the Firm Shares or the Option Shares, if the Over-allotment Option is exercised hereunder, and if the number of the Firm Shares or Option Shares with respect to which such default relates does not exceed in the aggregate 10% of the number of Firm Shares or Option Shares that all Underwriters have agreed to purchase hereunder, then such Firm Shares or Option Shares to which the default relates shall be purchased by the non-defaulting Underwriters in proportion to their respective commitments hereunder.

6.2 Default Exceeding 10% of Firm Shares or Option Shares. In the event that the default addressed in Section 6.1 relates to more than 10% of the number of Firm Shares or Option Shares, the Representative may in its discretion arrange for itself or for another party or parties to purchase such Firm Shares or Option Shares to which such default relates on the terms contained herein. If, within one (1) Business Day after such default relating to more than 10% of the number of Firm Shares or Option Shares, the Representative does not arrange for the purchase of such Firm Shares or Option Shares, then the Company shall be entitled to a further period of one (1) Business Day within which to procure another party or parties satisfactory to the Representative to purchase said Firm Shares or Option Shares on such terms. In the event that neither the Representative nor the Company arrange for the purchase of the Firm Shares or Option Shares to which a default relates as provided in this Section 6, this Agreement will automatically be terminated by the Representative or the Company without liability on the part of the Company (except as provided in Sections 3.10 and 5 hereof) or the several Underwriters (except as provided in Section 5 hereof); provided, however, that if such default occurs with respect to the Option Shares, this Agreement will not terminate as to the Firm Shares; and provided, further, that nothing herein shall relieve a defaulting Underwriter of its liability, if any, to the other Underwriters and to the Company for damages occasioned by its default hereunder.

6.3 Postponement of Closing Date. In the event that the Firm Shares or Option Shares to which the default relates are to be purchased by the non-defaulting Underwriters, or are to be purchased by another party or parties as aforesaid, the Representative or the Company shall have the right to postpone the Closing Date or Option Closing Date for a reasonable period, but not in any event exceeding five (5) Business Days, in order to effect whatever changes may thereby be made necessary in the Registration Statement, the Pricing Disclosure Package or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment to the Registration Statement, the Pricing Disclosure Package or the Prospectus that in the reasonable opinion of Representative Counsel may thereby be made necessary. The term "**Underwriter**" as used in this Agreement shall include any party substituted under this Section 6 with like effect as if it had originally been a party to this Agreement with respect to such Firm Shares or Option Shares.

7. ADDITIONAL COVENANTS.

7.1 Prohibition on Press Releases and Public Announcements. The Company shall not issue press releases or engage in any other publicity, without the Representative's prior written consent, for a period ending at 5:00 p.m., Eastern time, on the first (1st) Business Day following the forty-fifth (45th) day after the Closing Date, other than normal and customary releases issued in the ordinary course of the Company's business.

7.2 [Intentionally Omitted].

7.3 Tail Period. Notwithstanding any other provision of this Agreement, in the event that the Offering is not consummated by the Underwriters as contemplated herein, the Company agrees to pay the Representative a cash fee equal to eight percent (8.0%) of the gross proceeds received by the Company from the sale of the securities offered to any investor actually introduced by the Representative to the Company during the Engagement Period (as defined below) (the "**Tail Financing**"), and such Tail Financing is consummated at any time during the Engagement Period or within the twelve (12) month period following the expiration of the Engagement Period, provided that such financing is by a party actually introduced to the Company in an offering in which the Company has direct knowledge of such party's participation and not a party that the Company can demonstrate was already known to the Company. In addition, unless (x) the Company terminates this Agreement for "Cause" (as defined below), or (y) the Representative fails to provide the underwriting services provided in this Agreement, upon termination of this Agreement, if the Company subsequently completes a public or private financing with any investors introduced to the Company by the Representative during the twelve (12) month period following such termination, the Representative shall be entitled to receive the same compensation to be paid to the Representative in connection with the Offering. "**Cause**", for the purpose of this Agreement, shall mean, as determined by a court of competent jurisdiction, willful misconduct, gross negligence or a material breach of this Agreement by the Representative. In the event that the Company believes that the Representative has engaged in conduct constituting Cause, the Company must first notify the Representative in writing of the facts and circumstances supporting such an assertion(s), and the Representative shall have twenty (20) days to cure such alleged conduct. "**Engagement Period**" shall mean the period beginning on October 14, 2021, and ending on the earlier of (i) twelve (12) months from the date of such date, (ii) the final closing, if any, of the Offering, or (iii) the date that either party to this Agreement gives the other party to this Agreement at least thirty (30) days' advance written notice of termination of that certain engagement letter agreement by and between the Company and the Representative, dated as of October 14, 2021 in accordance with the terms thereof.

8. EFFECTIVE DATE OF THIS AGREEMENT AND TERMINATION THEREOF.

8.1 Effective Date. This Agreement shall become effective when both the Company and the Representative have executed the same and delivered counterparts of such signatures to the other party.

8.2 Termination. The Representative shall have the right to terminate this Agreement at any time prior to any Closing Date, (i) if any domestic or international event or act or occurrence has materially disrupted, or in the Representative's reasonable opinion will in the immediate future materially disrupt, general securities markets in the United States; or (ii) if trading on the New York Stock Exchange or the Nasdaq Stock Market LLC shall have been suspended or materially limited, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required by FINRA or by order of the Commission or any other government authority having jurisdiction; or (iii) if the United States shall have become involved in a new war or an increase in major hostilities; or (iv) if a banking moratorium has been declared by a New York State or federal authority; or (v) if a moratorium on foreign exchange trading has been declared which materially adversely impacts the United States securities markets; or (vi) if the Company shall have sustained a material loss by fire, flood, accident, hurricane, earthquake, theft, sabotage or other calamity or malicious act which, whether or not such loss shall have been insured, will, in the Representative's reasonable opinion, make it inadvisable to proceed with the delivery of the Firm Shares or Option Shares; or (vii) if the Company is in material breach of any of its representations, warranties or covenants hereunder; or (viii) if the Representative shall have become aware after the date hereof of a Material Adverse Change, or an adverse material change in general market conditions as in the Representative's judgment would make it impracticable to proceed with the offering, sale and/or delivery of the Public Securities or to enforce contracts made by the Underwriters for the sale of the Public Securities**.**

8.3 Expenses. Notwithstanding anything to the contrary in this Agreement, except in the case of a default by the Underwriters, pursuant to Section 6.2 above, in the event that this Agreement shall not be carried out for any reason whatsoever, within the time specified herein or any extensions thereof pursuant to the terms herein, the Company shall be obligated to pay to the Underwriters their actual and accountable out-of-pocket expenses related to the transactions contemplated herein then due and payable (including the fees and disbursements of Representative Counsel) up to $50,000, inclusive of the payments totaling up to $50,000 in advance for accountable expenses previously paid by the Company to the Representative (the "**Advance**"), and upon demand the Company shall pay the full amount thereof to the Representative on behalf of the Underwriters; provided, however, that such expense cap in no way limits or impairs the indemnification and contribution provisions of this Agreement.

Notwithstanding the foregoing, any advance received by the Representative will be reimbursed to the Company to the extent not actually incurred in compliance with FINRA Rule 5110(g)(4)(A).

8.4 Indemnification. Notwithstanding any contrary provision contained in this Agreement, any election hereunder or any termination of this Agreement, and whether or not this Agreement is otherwise carried out, the provisions of Section 5 shall remain in full force and effect and shall not be in any way affected by, such election or termination or failure to carry out the terms of this Agreement or any part hereof.

8.5 Representations, Warranties, Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company or (ii) delivery of and payment for the Public Securities.

9. MISCELLANEOUS.

9.1 Constructive Knowledge. Whenever a representation or warranty or other statement in this Agreement (including, without limitation, schedules hereto) is made with respect to a party's "knowledge," such statement refers to the knowledge, after reasonable inquiry, of such party's employees or agents who were or are responsible for or involved with the indicated matter.

9.2 Notices. All communications hereunder, except as herein otherwise specifically provided, shall be in writing and shall be mailed (registered or certified mail, return receipt requested), personally delivered or sent by email or facsimile transmission and confirmed and shall be deemed given when so delivered or emailed or faxed and confirmed (which confirmation may be by email or facsimile transmission) or if mailed, two (2) days after such mailing.

If to the Representative:

EF Hutton
590 Madison Avenue, 39th Floor
New York, New York 10022
Attn: Joseph T. Rallo
Email: jrallo@efhuttongroupcm.com

with a copy (which shall not constitute notice) to:

Mitchell Silberberg & Knupp LLP
437 Madison Avenue
New York, New York 10022
Attn: Blake Baron
Fax No.: (917) 546-7686

If to the Company:

Yoshiharu Global Co.
6940 Beach Blvd., Suite D-705
Buena Park, California 90621
Attn: James Chae, Chief Executive Officer
Fax No.: [ ]

with a copy (which shall not constitute notice) to:

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attn: Matthew G. Ogurick
Fax No.: (212) 536-3901

9.3 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Agreement.

9.4 Amendment. This Agreement may only be amended by a written instrument executed by each of the parties hereto.

9.5 Entire Agreement. This Agreement (together with the other agreements and documents being delivered pursuant to or in connection with this Agreement) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and thereof, and supersedes all prior agreements and understandings of the parties, oral and written, with respect to the subject matter hereof.

9.6 Binding Effect. This Agreement shall inure solely to the benefit of and shall be binding upon the Representative, the Underwriters, the Company and the controlling persons, directors and officers referred to in Section 5 hereof, and their respective successors, legal representatives, heirs and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Agreement or any provisions herein contained. The term "successors and assigns" shall not include a purchaser, in its capacity as such, of securities from any of the Underwriters.

9.7 Governing Law; Consent to Jurisdiction; Trial by Jury. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflict of laws principles thereof to the extent that such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of New York. The Company hereby agrees that any action, proceeding or claim against it arising out of, or relating in any way to this Agreement shall be brought and enforced in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any such process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 9.1 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim. The Company agrees that the prevailing party(ies) in any such action shall be entitled to recover from the other party(ies) all of its reasonable attorneys' fees and expenses relating to such action or proceeding and/or incurred in connection with the preparation therefor. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

9.8 Execution in Counterparts. This Agreement may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Delivery of a signed counterpart of this Agreement by facsimile or email/pdf

transmission shall constitute valid and sufficient delivery thereof.

9.9 Waiver, etc. The failure of any of the parties hereto to at any time enforce any of the provisions of this Agreement shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Agreement or any provision hereof or the right of any of the parties hereto to thereafter enforce each and every provision of this Agreement. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Agreement shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

[Signature Page Follows]

If the foregoing correctly sets forth the understanding between the Underwriters and the Company, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between us.

Very truly yours,

Yoshiharu Global Co.

By: _____
Name:
Title:

as of the date first written above mentioned, on behalf of itself and as Representative of the several Underwriters named on Schedule 1 hereto:

EF HUTTON,
division of Benchmark Investments, LLC

By: _____
Name: Sam Fleischman
Title: Supervisory Principal

[Signature Page to Underwriting Agreement]

SCHEDULE 1

Underwriter	Total Number of Firm Shares to be Purchased	Number of Additional Option Shares to be Purchased if the Over-Allotment Option is Fully Exercised
EF Hutton, division of Benchmark Investments, LLC		
TOTAL		

SCHEDULE 2-A

Pricing Information

Number of Firm Shares:
Number of Option Shares:
Public Offering Price per Firm Share:
Public Offering Price per Option Share:
Underwriting Discount per Firm Share:
Underwriting Discount per Option Share:
Proceeds to Company per Firm Share (before expenses):
Proceeds to Company per Option Share (before expenses):

SCHEDULE 2-B

Issuer General Use Free Writing Prospectuses

None.

SCHEDULE 3

List of Lock-Up Parties[1]

James Chae
Soojae Ryan Cho
Jay Kim
Helen Lee
Yusil Yeo

[1] NTD: subject to the inclusion of additional parties based on completed S-1 beneficial ownership table.

EXHIBIT A

Form of Representative's Warrant

THE REGISTERED HOLDER OF THIS PURCHASE WARRANT BY ITS ACCEPTANCE HEREOF, AGREES THAT IT WILL NOT SELL, TRANSFER OR ASSIGN THIS PURCHASE WARRANT EXCEPT AS HEREIN PROVIDED AND THE REGISTERED HOLDER OF THIS PURCHASE WARRANT AGREES THAT IT WILL NOT SELL, TRANSFER, ASSIGN, PLEDGE OR HYPOTHECATE THIS PURCHASE WARRANT FOR A PERIOD OF ONE HUNDRED EIGHTY DAYS FOLLOWING THE EFFECTIVE DATE (DEFINED BELOW) TO ANYONE OTHER THAN (I) EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR AN UNDERWRITER OR A SELECTED DEALER IN CONNECTION WITH THE OFFERING, OR (II) A BONA FIDE OFFICER OR PARTNER OF EF HUTTON, DIVISION OF BENCHMARK INVESTMENTS, LLC OR OF ANY SUCH UNDERWRITER OR SELECTED DEALER.

THIS PURCHASE WARRANT IS NOT EXERCISABLE PRIOR TO [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**]. VOID AFTER 5:00 P.M., EASTERN TIME, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**].

COMMON STOCK PURCHASE WARRANT

For the Purchase of [ ] Shares of Common Stock of
Yoshiharu Global Co.

1. Purchase Warrant. THIS CERTIFIES THAT, in consideration of funds duly paid by or on behalf of EF Hutton, division of Benchmark Investments, LLC ("**Holder**"), as registered owner of this Purchase Warrant Yoshiharu Global Co., a Delaware corporation (the "**Company**"), Holder is entitled, at any time or from time to time from [ ] [**DATE THAT IS SIX MONTHS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Commencement Date**"), and at or before 5:00 p.m., Eastern time, [ ] [**DATE THAT IS FIVE YEARS FROM THE EFFECTIVE DATE OF THE OFFERING**] (the "**Expiration Date**"), but not thereafter, to subscribe for, purchase and receive, in whole or in part, up to [ ] shares of Class A common stock of the Company, par value $0.0001 per share (the "**Shares**"), subject to adjustment as provided in Section 6 hereof. If the Expiration Date is a day on which banking institutions are authorized by law to close, then this Purchase Warrant may be exercised on the next succeeding day which is not such a day in accordance with the terms herein. During the period ending on the Expiration Date, the Company agrees not to take any action that would terminate this Purchase Warrant. This Purchase Warrant is initially exercisable at $[ ] per Share; provided, however, that upon the occurrence of any of the events specified in Section 6 hereof, the rights granted by this Purchase Warrant, including the exercise price per Share and the number of Shares to be received upon such exercise, shall be adjusted as therein specified. The term "**Exercise Price**" shall mean the initial exercise price or the adjusted exercise price, depending on the context. The term "**Effective Date**" shall mean [ ], 2022, the date on which the Registration Statement on Form S-1 (File No. 333- [ ]) of the Company was declared effective by the Securities and Exchange Commission.

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2. Exercise.

2.1 Exercise Form. In order to exercise this Purchase Warrant, the exercise form attached hereto must be duly executed and completed and delivered to the Company, together with this Purchase Warrant and payment of the Exercise Price for the Shares being purchased payable in cash by wire transfer of immediately available funds to an account designated by the Company or by certified check or official bank check. If the subscription rights represented hereby shall not be exercised at or before 5:00 p.m., Eastern time, on the Expiration Date, this Purchase Warrant shall become and be void without further force or effect, and all rights represented hereby shall cease and expire.

2.2 Cashless Exercise. If at any time after the Commencement Date there is no effective registration statement registering, or no current prospectus available for, the resale of the Shares by the Holder, then in lieu of exercising this Purchase Warrant by payment of cash or check payable to the order of the Company pursuant to Section 2.1 above, Holder may elect to receive the number of Shares equal to the value of this Purchase Warrant (or the portion thereof being exercised), by surrender of this Purchase Warrant to the Company, together with the exercise form attached hereto, in which event the Company shall issue to Holder, Shares in accordance with the following formula:

$X = Y(A-B)$

A

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised; A = The fair market value of one Share; and

B = The Exercise Price.

For purposes of this Section 2.2, the fair market value of a Share is defined as follows:

(i) if the Company's common stock is traded on a securities exchange, the value shall be deemed to be the closing price on such exchange prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; or

(ii) if the Company's common stock is actively traded over-the-counter, the value shall be deemed to be the closing bid price prior to the exercise form being submitted in connection with the exercise of the Purchase Warrant; if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Company's Board of Directors.

2.3 Legend. Each certificate for the securities purchased under this Purchase Warrant shall bear a legend as follows unless such securities have been registered under the Securities Act of 1933, as amended (the "**Securities Act**"):

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE LAW. NEITHER THE SECURITIES NOR ANY INTEREST THEREIN MAY BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND APPLICABLE STATE LAW WHICH, IN THE OPINION OF COUNSEL TO THE COMPANY, IS AVAILABLE."

3. Transfer.

3.1 General Restrictions. The registered Holder of this Purchase Warrant agrees by his, her or its acceptance hereof, that such Holder will not: (a) sell, transfer, assign, pledge or hypothecate this Purchase Warrant or the securities issuable hereunder for a period of one hundred eighty (180) days following the Effective Date to anyone other than: (i) EF Hutton, division of Benchmark Investments, LLC ("**EF Hutton**") or an underwriter or a selected dealer participating in the Offering, or (ii) a bona fide officer or partner of EF Hutton or of any such underwriter or selected dealer, in each case in accordance with FINRA Conduct Rule 5110(e)(1), or (b) for a period of one hundred eighty (180) days following the Effective Date, cause this Purchase Warrant or the securities issuable hereunder to be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of this Purchase Warrant or the securities hereunder, except as provided for in FINRA Rule 5110(e)(2). On and after one hundred eighty (180) days after the Effective Date, transfers to others may be made subject to compliance with or exemptions from applicable securities laws. In order to make any permitted assignment, the Holder must deliver to the Company the assignment form attached hereto duly executed and completed, together with the Purchase Warrant and payment of all transfer taxes, if any, payable in connection therewith. The Company shall within five (5) business days transfer this Purchase Warrant on the books of the Company and shall execute and deliver a new Purchase Warrant or Purchase Warrants of like tenor to the appropriate assignee(s) expressly evidencing the right to purchase the aggregate number of Shares purchasable hereunder or such portion of such number as shall be contemplated by any such assignment.

3.2 Restrictions Imposed by the Securities Act. The securities evidenced by this Purchase Warrant shall not be transferred unless and until: (i) the Company has received the opinion of counsel for the Holder that the securities may be transferred pursuant to an exemption from registration under the Securities Act and applicable state securities laws, the availability of which is established to the reasonable satisfaction of the Company (the Company hereby agreeing that the opinion of K&L Gates LLP shall be deemed satisfactory evidence of the availability of an exemption), or (ii) a registration statement or a post-effective amendment to the Registration Statement relating to the offer and sale of such securities has been filed by the Company and declared effective by the U.S. Securities and Exchange Commission (the "**Commission**") and compliance with applicable state securities law has been established.

4. Registration Rights.

4.1 Demand Registration.

4.1.1 Grant of Right. The Company, upon written demand (a "**Demand Notice**") of the Holders of at least 51% of the Purchase Warrants and/or the underlying Shares, agrees to register, on one (1) occasion, all or any portion of the Shares underlying the Purchase Warrants (collectively, the " **Registrable Securities**"). On such occasion, the Company will file a registration statement with the Commission covering the Registrable Securities within sixty (60) days after receipt of a Demand Notice and use its reasonable best efforts to have the registration statement declared effective promptly thereafter, subject to compliance with review by the Commission; provided, however, that the Company shall not be required to comply with a Demand Notice if the Company has filed a registration statement with respect to which the Holder is entitled to piggyback registration rights pursuant to Section 4.2 hereof and either: (i) the Holder has elected to participate in the offering covered by such registration statement or (ii) if such registration statement relates to an underwritten primary offering of securities of the Company, until the offering covered by such registration statement has been withdrawn or until thirty (30) days after such offering is consummated. The Company covenants and agrees to give written notice of its receipt of any Demand Notice by any Holders to all other registered Holders of the Purchase Warrants and/or the Registrable Securities within ten (10) days after the date of the receipt of any such Demand Notice.

4.1.2 Terms. The Company shall bear all fees and expenses attendant to the registration of the Registrable Securities pursuant to Section 4.1.1, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. The Company agrees to use its reasonable best efforts to cause the filing required herein to become effective promptly and to qualify or register the Registrable Securities in such states as are reasonably requested by the Holders; provided, however, that in no event shall the Company be required to register the Registrable Securities in a State in which such registration would cause: (i) the Company to be obligated to register or license to do business in such State or submit to general service of process in such State, or (ii) the principal stockholders of the Company to be obligated to escrow their shares of capital stock of the Company. The Company shall cause any registration statement filed pursuant to the demand right granted under Section 4.1.1 to remain effective for a period of at least twelve (12) consecutive months after the date that the Holders of the Registrable Securities covered by such registration statement are first given the opportunity to sell all of such securities. The Holders shall only use the prospectuses provided by the Company to sell the shares covered by such registration statement, and will immediately cease to use any prospectus furnished by the Company if the Company advises the Holder that such prospectus may no longer be used due to a material misstatement or omission. Notwithstanding the provisions of this Section 4.1.2, the Holder shall be entitled to a demand registration under this Section 4.1.2 on only one (1) occasion and such demand registration right shall terminate on the fifth anniversary of the Effective Date in accordance with FINRA Rule 5110(g)(8)(C).

4.2 "Piggy-Back" Registration.

4.2.1 Grant of Right. In addition to the demand right of registration described in Section 4.1 hereof, the Holder shall have the right, for a period of no more than seven (7) years from the Effective Date in accordance with FINRA Rule 5110(g)(8)(D), to include the Registrable Securities as part of any other registration of securities filed by the Company (other than in connection with a transaction contemplated by Rule 145(a) promulgated under the Securities Act or pursuant to Form S-8 or Form S-4 or any equivalent form); provided, however, that if, solely in connection with any primary underwritten public offering for the account of the Company, the managing underwriter(s) thereof shall, in its reasonable discretion, impose a limitation on the number of shares of Class A common stock which may be included in the Registration Statement because, in such underwriter(s)' judgment, marketing or other factors dictate such limitation is necessary to facilitate public distribution, then the Company shall be obligated to include in such Registration Statement only such limited portion of the Registrable Securities with respect to which the Holder requested inclusion hereunder as the underwriter shall reasonably permit. Any exclusion of Registrable Securities shall be made pro rata among the Holders seeking to include Registrable Securities in proportion to the number of Registrable Securities sought to be included by such Holders; provided, however, that the Company shall not exclude any Registrable Securities unless the Company has first excluded all outstanding securities, the holders of which are not entitled to inclusion of such securities in such Registration Statement or are not entitled to pro rata inclusion with the Registrable Securities.

4.2.2 Terms. The Company shall bear all fees and expenses attendant to registering the Registrable Securities pursuant to Section 4.2.1 hereof, but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable

Securities. In the event of such a proposed registration, the Company shall furnish the then Holders of outstanding Registrable Securities with not less than thirty (30) days' written notice prior to the proposed date of filing of such registration statement. Such notice to the Holders shall continue to be given for each registration statement filed by the Company until such time as all of the Registrable Securities have been sold by the Holder. The holders of the Registrable Securities shall exercise the "piggy-back" rights provided for herein by giving written notice within ten (10) days of the receipt of the Company's notice of its intention to file a registration statement. Except as otherwise provided in this Purchase Warrant, there shall be no limit on the number of times the Holder may request registration under this Section 4.2.2; provided, however, that such registration rights shall terminate on the seventh anniversary of the Effective Date.

4.3 General Terms.

4.3.1 Indemnification. The Company shall indemnify the Holders of the Registrable Securities to be sold pursuant to any registration statement hereunder and each person, if any, who controls such Holders within the meaning of Section 15 of the Securities Act or Section 20(a) of the Securities Exchange Act of 1934, as amended ("**Exchange Act**"), against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which any of them may become subject under the Securities Act, the Exchange Act or otherwise, arising from such registration statement but only to the same extent and with the same effect as the provisions pursuant to which the Company has agreed to indemnify the Underwriters contained in Section 5.1 of the Underwriting Agreement between the Underwriters and the Company, dated as of [ ], 2022. The Holders of the Registrable Securities to be sold pursuant to such registration statement, and their successors and assigns, shall severally, and not jointly, indemnify the Company, against all loss, claim, damage, expense or liability (including all reasonable attorneys' fees and other expenses reasonably incurred in investigating, preparing or defending against any claim whatsoever) to which they may become subject under the Securities Act, the Exchange Act or otherwise, arising from information furnished by or on behalf of such Holders, or their successors or assigns, in writing, for specific inclusion in such registration statement to the same extent and with the same effect as the provisions contained in Section 5.2 of the Underwriting Agreement pursuant to which the Underwriters have agreed to indemnify the Company.

4.3.2 Exercise of Purchase Warrants. Nothing contained in this Purchase Warrant shall be construed as requiring the Holders to exercise their Purchase Warrants prior to or after the initial filing of any registration statement or the effectiveness thereof.

4.3.3 Documents Delivered to Holders. The Company shall furnish to each Holder participating in any of the foregoing offerings and to each underwriter of any such offering, if any, a signed counterpart, addressed to such Holder or underwriter, of: (i) an opinion of counsel to the Company, dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, an opinion dated the date of the closing under any underwriting agreement related thereto), and (ii) a "cold comfort" letter dated the effective date of such registration statement (and, if such registration includes an underwritten public offering, a letter dated the date of the closing under the underwriting agreement) signed by the independent registered public accounting firm which has issued a report on the Company's financial statements included in such registration statement, in each case covering substantially the same matters with respect to such registration statement (and the prospectus included therein) and, in the case of such accountants' letter, with respect to events subsequent to the date of such financial statements, as are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to underwriters in underwritten public offerings of securities. The Company shall also deliver promptly to each Holder participating in the offering requesting the correspondence and memoranda described below and to the managing underwriter, if any, copies of all correspondence between the Commission and the Company, its counsel or auditors and all memoranda relating to discussions with the Commission or its staff with respect to the registration statement and permit each Holder and underwriter to do such investigation, upon reasonable advance notice, with respect to information contained in or omitted from the registration statement as it deems reasonably necessary to comply with applicable securities laws or rules of FINRA. Such investigation shall include access to books, records and properties and opportunities to discuss the business of the Company with its officers and independent auditors, all to such reasonable extent and at such reasonable times as any such Holder shall reasonably request.

4.3.4 Underwriting Agreement. The Company shall enter into an underwriting agreement with the managing underwriter(s), if any, selected by any Holders whose Registrable Securities are being registered pursuant to this Section 4, which managing underwriter shall be reasonably satisfactory to the Company. Such agreement shall be reasonably satisfactory in form and substance to the Company, each Holder and such managing underwriters, and shall contain such representations, warranties and covenants by the Company and such other terms as are customarily contained in agreements of that type used by the managing underwriter. The Holders shall be parties to any underwriting agreement relating to an underwritten sale of their Registrable Securities and may, at their option, require that any or all the representations, warranties and covenants of the Company to or for the benefit of such underwriters shall also be made to and for the benefit of such Holders. Such Holders shall not be required to make any representations or warranties to or agreements with the Company or the underwriters except as they may relate to such Holders, their Shares and their intended methods of distribution.

4.3.5 Documents to be Delivered by Holders. Each of the Holders participating in any of the foregoing offerings shall furnish to the Company a completed and executed questionnaire provided by the Company requesting information customarily sought of selling security holders.

4.3.6 Damages. Should the registration or the effectiveness thereof required by Sections 4.1 and 4.2 hereof be delayed by the Company or the Company otherwise fails to comply with such provisions, the Holders shall, in addition to any other legal or other relief available to the Holders, be entitled to obtain specific performance or other equitable (including injunctive) relief against the threatened breach of such provisions or the continuation of any such breach, without the necessity of proving actual damages and without the necessity of posting bond or other security.

4.4 Termination of Registration Rights. The registration rights afforded to the Holders under this Section 4 shall terminate on the earliest date when all Registrable Securities of such Holder either: (i) have been publicly sold by such Holder pursuant to a Registration Statement, (ii) have been covered by an effective Registration Statement on Form S-1 or Form S-3 (or successor form), which may be kept effective as an evergreen Registration Statement, or (iii) may be sold by the Holder within a 90 day period without registration pursuant to Rule 144 or consistent with applicable SEC interpretive guidance (including CD&I no. 201.04 (April 2, 2007) or similar interpretive guidance).

5. New Purchase Warrants to be Issued.

5.1 Partial Exercise or Transfer. Subject to the restrictions in Section 3 hereof, this Purchase Warrant may be exercised or assigned in whole or in part. In the event of the exercise or assignment hereof in part only, upon surrender of this Purchase Warrant for cancellation, together with the duly executed exercise or assignment form and funds sufficient to pay any Exercise Price and/or transfer tax if exercised pursuant to Section 2.1 hereto, the Company shall cause to be delivered to the Holder without charge a new Purchase Warrant of like tenor to this Purchase Warrant in the name of the Holder evidencing the right of the Holder to purchase the number of Shares purchasable hereunder as to which this Purchase Warrant has not been exercised or assigned.

5.2 Lost Certificate. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Purchase Warrant and of reasonably satisfactory indemnification or the posting of a bond, the Company shall execute and deliver a new Purchase Warrant of like tenor and date. Any such new Purchase Warrant executed and delivered as a result of such loss, theft, mutilation or destruction shall constitute a substitute contractual obligation on the part of the Company.

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6. Adjustments.

6.1 Adjustments to Exercise Price and Number of Securities. The Exercise Price and the number of Shares underlying the Purchase Warrant shall be subject to adjustment from time to time as hereinafter set forth:

6.1.1 Share Dividends; Split Ups. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is increased by a stock dividend payable in Shares or by a split up of Shares or other similar event, then, on the effective day thereof, the number of Shares purchasable hereunder shall be increased in proportion to such increase in outstanding Shares, and the Exercise Price shall be proportionately decreased.

6.1.2 Aggregation of Shares. If, after the date hereof, and subject to the provisions of Section 6.3 below, the number of outstanding Shares is decreased by a consolidation, combination or reclassification of Shares or other similar event, then, on the effective date thereof, the number of Shares purchasable hereunder shall be decreased in proportion to such decrease in outstanding Shares, and the Exercise Price shall be proportionately increased.

6.1.3 Replacement of Securities upon Reorganization, etc. In case of any reclassification or reorganization of the outstanding Shares other than a change covered by Section 6.1.1 or 6.1.2 hereof or that solely affects the par value of such Shares, or in the case of any share reconstruction or amalgamation or consolidation of the Company with or into another corporation (other than a consolidation or share reconstruction or amalgamation in which the Company is the continuing corporation and that does not result in any reclassification or reorganization of the outstanding Shares), or in the case of any sale or conveyance to another corporation or entity of the property of the Company as an entirety or substantially as an entirety in connection with which the Company is dissolved, the Holder of this Purchase Warrant shall have the right thereafter (until the expiration of the right of exercise of this Purchase Warrant) to receive upon the exercise hereof, for the same aggregate Exercise Price payable hereunder immediately prior to such event, the kind and amount of shares of stock or other securities or property (including cash) receivable upon such reclassification, reorganization, share reconstruction or amalgamation, or consolidation, or upon a dissolution following any such sale or transfer, by a Holder of the number of Shares of the Company obtainable upon exercise of this Purchase Warrant immediately prior to such event; and if any reclassification also results in a change in Shares covered by Section 6.1.1 or 6.1.2, then such adjustment shall be made pursuant to Sections 6.1.1, 6.1.2 and this Section 6.1.3. The provisions of this Section 6.1.3 shall similarly apply to successive reclassifications, reorganizations, share reconstructions or amalgamations, or consolidations, sales or other transfers.

6.1.4 Changes in Form of Purchase Warrant. Except as may otherwise be required under Section 6.2 hereof, this form of Purchase Warrant need not be changed because of any change pursuant to this Section 6.1, and Purchase Warrants issued after such change may state the same Exercise Price and the same number of Shares as are stated in the Purchase Warrants initially issued pursuant to this Agreement. The acceptance by any Holder of the issuance of new Purchase Warrants reflecting a required or permissive change shall not be deemed to waive any rights to an adjustment occurring after the Commencement Date or the computation thereof.

6.2 Substitute Purchase Warrant. In case of any consolidation of the Company with, or share reconstruction or amalgamation of the Company with or into, another corporation (other than a consolidation or share reconstruction or amalgamation which does not result in any reclassification or change of the outstanding Shares), the corporation formed by such consolidation or share reconstruction or amalgamation shall execute and deliver to the Holder a supplemental Purchase Warrant providing that the holder of each Purchase Warrant then outstanding or to be outstanding shall have the right thereafter (until the stated expiration of such Purchase Warrant) to receive, upon exercise of such Purchase Warrant, the kind and amount of shares of stock and other securities and property receivable upon such consolidation or share reconstruction or amalgamation, by a holder of the number of Shares for which such Purchase Warrant might have been exercised immediately prior to such consolidation, share reconstruction or amalgamation, sale or transfer. Such supplemental Purchase Warrant shall provide for adjustments which shall be identical to the adjustments provided for in this Section 6. The above provision of this Section shall similarly apply to successive consolidations or share reconstructions or amalgamations.

6.3 Elimination of Fractional Interests. The Company shall not be required to issue certificates representing fractions of Shares upon the exercise of the Purchase Warrant, nor shall it be required to issue scrip or pay cash in lieu of any fractional interests, it being the intent of the parties that all fractional interests shall be eliminated by rounding any fraction up or down, as the case may be, to the nearest whole number of Shares or other securities, properties or rights.

7. Reservation and Listing. The Company shall at all times reserve and keep available out of its authorized Shares, solely for the purpose of issuance upon exercise of the Purchase Warrants, such number of Shares or other securities, properties or rights as shall be issuable upon the exercise thereof. The Company covenants and agrees that, upon exercise of the Purchase Warrants and payment of the Exercise Price therefor, in accordance with the terms hereby, all Shares and other securities issuable upon such exercise shall be duly and validly issued, fully paid and non- assessable and not subject to preemptive rights of any stockholder. As long as the Purchase Warrants shall be outstanding, the Company shall use its commercially reasonable efforts to cause all Shares issuable upon exercise of the Purchase Warrants to be listed (subject to official notice of issuance) on all national securities exchanges (or, if applicable, on the OTC Bulletin Board or any successor trading market) on which the Shares issued to the public in the Offering may then be listed and/or quoted.

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8. Certain Notice Requirements.

8.1 Holder's Right to Receive Notice. Nothing herein shall be construed as conferring upon the Holders the right to vote or consent or to receive notice as a stockholder for the election of directors or any other matter, or as having any rights whatsoever as a stockholder of the Company. If, however, at any time prior to the expiration of the Purchase Warrants and their exercise, any of the events described in Section 8.2 shall occur, then, in one or more of said events, the Company shall give written notice of such event at least fifteen (15) days prior to the date fixed as a record date or the date of closing the transfer books for the determination of the stockholders entitled to such dividend, distribution, conversion or exchange of securities or subscription rights, or entitled to vote on such proposed dissolution, liquidation, winding up or sale. Such notice shall specify such record date or the date of the closing of the transfer books, as the case may be. Notwithstanding the foregoing, the Company shall deliver to each Holder a copy of each notice given to the other stockholders of the Company at the same time and in the same manner that such notice is given to the stockholders.

8.2 Events Requiring Notice. The Company shall be required to give the notice described in this Section 8 upon one or more of the following events: (i) if the Company shall take a record of the holders of its Shares for the purpose of entitling them to receive a dividend or distribution payable otherwise than in cash, or a cash dividend or distribution payable otherwise than out of retained earnings, as indicated by the accounting treatment of such dividend or distribution on the books of the Company; (ii) the Company shall offer to all the holders of its Shares any additional shares of capital stock of the Company or securities convertible into or exchangeable for shares of capital stock of the Company, or any option, right or warrant to subscribe therefor; or (iii) a dissolution, liquidation or winding up of the Company (other than in connection with a consolidation or share reconstruction or amalgamation) or a sale of all or substantially all of its property, assets and business shall be proposed.

8.3 Notice of Change in Exercise Price. The Company shall, promptly after an event requiring a change in the Exercise Price pursuant to Section 6 hereof, send notice to the Holders of such event and change ("**Price Notice**"). The Price Notice shall describe the event causing the change and the method of calculating same and shall be certified as being true and accurate by the Company's Chief Executive Officer or Chief Financial Officer.

8.4 Transmittal of Notices. All notices, requests, consents and other communications under this Purchase Warrant shall be in writing and shall be deemed to have been duly made when hand delivered or mailed by express mail or private courier service: (i) if to the registered Holder of the Purchase Warrant, to the address of such Holder as shown on the books of the Company, or (ii) if to the Company, to the following address or to such other address as the Company may designate by notice to the Holders:

If to the Holder:

EF Hutton
590 Madison Avenue, 39th Floor
New York, New York 10022
Attn: Joseph T. Rallo

with a copy (which shall not constitute notice) to:

Mitchell Silberberg & Knupp LLP
437 Madison Avenue
New York, New York 10022
Attn: Blake Baron
Fax No.: (917) 546-7686

If to the Company:

Yoshiharu Global Co.
6940 Beach Blvd., Suite D-705
Buena Park, California 90621
Attn: James Chae, Chief Executive Officer
Fax No.: [ ]

with a copy (which shall not constitute notice) to:

K&L Gates LLP
599 Lexington Avenue
New York, New York 10022
Attn: Matthew G. Ogurick
Fax No.: (212) 536-3901

9. Miscellaneous.

9.1 Amendments. The Company and EF Hutton may from time to time supplement or amend this Purchase Warrant without the approval of any of the Holders in order to cure any ambiguity, to correct or supplement any provision contained herein that may be defective or inconsistent with any other provisions herein, or to make any other provisions in regard to matters or questions arising hereunder that the Company and EF Hutton may deem necessary or desirable and that the Company and EF Hutton deem shall not adversely affect the interest of the Holders. All other modifications or amendments shall require the written consent of and be signed by the party against whom enforcement of the modification or amendment is sought.

9.2 Headings. The headings contained herein are for the sole purpose of convenience of reference, and shall not in any way limit or affect the meaning or interpretation of any of the terms or provisions of this Purchase Warrant.

9.3 Entire Agreement. This Purchase Warrant (together with the other agreements and documents being delivered pursuant to or in connection with this Purchase Warrant) constitutes the entire agreement of the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings of the parties, oral and written, with respect to the subject matter hereof.

9.4 Binding Effect. This Purchase Warrant shall inure solely to the benefit of and shall be binding upon, the Holder and the Company and their permitted assignees, respective successors, legal representatives and assigns, and no other person shall have or be construed to have any legal or equitable right, remedy or claim under or in respect of or by virtue of this Purchase Warrant or any provisions herein contained.

9.5 Governing Law; Submission to Jurisdiction; Trial by Jury. This Purchase Warrant shall be governed by and construed and enforced in accordance with the laws of the State of New York, without giving effect to conflict of laws principles thereof. The Company hereby agrees that any action, proceeding or claim against it arising out of, or relating in any way to this Purchase Warrant shall be brought and enforced in the New York Supreme Court, County of New York, or in the United States District Court for the Southern District of New York, and irrevocably submits to such jurisdiction, which jurisdiction shall be exclusive. The Company hereby waives any objection to such exclusive jurisdiction and that such courts represent an inconvenient forum. Any process or summons to be served upon the Company may be served by transmitting a copy thereof by registered or certified mail, return receipt requested, postage prepaid, addressed to it at the address set forth in Section 8 hereof. Such mailing shall be deemed personal service and shall be legal and binding upon the Company in any action, proceeding or claim. The Company and the Holder agree that the prevailing party(ies) in any such action shall be entitled to recover from the other party(ies) all of its reasonable attorneys' fees and expenses relating to such action or proceeding and/or incurred in connection with the preparation therefor. The Company (on its behalf and, to the extent permitted by applicable law, on behalf of its stockholders and affiliates) and the Holder hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

9.6 Waiver, etc. The failure of the Company or the Holder to at any time enforce any of the provisions of this Purchase Warrant shall not be deemed or construed to be a waiver of any such provision, nor to in any way affect the validity of this Purchase Warrant or any provision hereof or the right of the Company or any Holder to thereafter enforce each and every provision of this Purchase Warrant. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Purchase Warrant shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

9.7 Execution in Counterparts. This Purchase Warrant may be executed in one or more counterparts, and by the different parties hereto in separate counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement, and shall become effective when one or more counterparts has been signed by each of the parties hereto and delivered to each of the other parties hereto. Such counterparts may be delivered by facsimile transmission or other electronic transmission.

9.8 Exchange Agreement. As a condition of the Holder's receipt and acceptance of this Purchase Warrant, Holder agrees that, at any time prior to the complete exercise of this Purchase Warrant by Holder, if the Company and EF Hutton enter into an agreement ("**Exchange Agreement**") pursuant to which they agree that all outstanding Purchase Warrants will be exchanged for securities or cash or a combination of both, then Holder shall agree to such exchange and become a party to the Exchange Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Purchase Warrant to be signed by its duly authorized officer as of the __ day of _____, 2022.

Yoshiharu Global Co.

By: _____
Name:
Title:

[*Form to be used to exercise Purchase Warrant*]

Date: , 20

The undersigned hereby elects irrevocably to exercise the Purchase Warrant for shares of Class A common stock, par value $0.0001 per share (the '**Shares**"), of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), and hereby makes payment of $ (at the rate of $ per Share) in payment of the Exercise Price pursuant thereto. Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been exercised.

or

The undersigned hereby elects irrevocably to convert its right to purchase Shares of the Company under the Purchase Warrant for Shares, as determined in accordance with the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where,

X = The number of Shares to be issued to Holder;

Y = The number of Shares for which the Purchase Warrant is being exercised;

A = The fair market value of one Share which is equal to $; and

B = The Exercise Price which is equal to $ per share

The undersigned agrees and acknowledges that the calculation set forth above is subject to confirmation by the Company and any disagreement with respect to the calculation shall be resolved by the Company in its sole discretion.

Please issue the Shares as to which this Purchase Warrant is exercised in accordance with the instructions given below and, if applicable, a new Purchase Warrant representing the number of Shares for which this Purchase Warrant has not been converted.

Signature_____
Signature Guaranteed _____

INSTRUCTIONS FOR REGISTRATION OF SECURITIES

Name: _____
(Print in Block Letters)

Address: _____

NOTICE: The signature to this form must correspond with the name as written upon the face of the Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

[*Form to be used to assign Purchase Warrant*]

ASSIGNMENT

(To be executed by the registered Holder to effect a transfer of the within Purchase Warrant):

FOR VALUE RECEIVED, _ does hereby sell, assign and transfer unto the right to purchase shares of Class A common stock, par value $0.0001 per share, of Yoshiharu Global Co., a Delaware corporation (the "**Company**"), evidenced by the Purchase Warrant and does hereby authorize the Company to transfer such right on the books of the Company.

Dated: _____, 20__

Signature_____

Signature Guaranteed_____

NOTICE: The signature to this form must correspond with the name as written upon the face of the within Purchase Warrant without alteration or enlargement or any change whatsoever, and must be guaranteed by a bank, other than a savings bank, or by a trust company or by a firm having membership on a registered national securities exchange.

EXHIBIT B

Form of Lock-Up Agreement

_____, 2022

EF HUTTON,

division of Benchmark Investments, LLC

as Representative of the Underwriters

590 Madison Avenue, 39th Floor

New York, New York 10022

Ladies and Gentlemen:

The undersigned understands that EF Hutton, division of Benchmark Investments, LLC (the "**Representative**") proposes to enter into an Underwriting Agreement (the "**Underwriting Agreement**") with Yoshiharu Global Co., a Delaware corporation (the "**Company**"), providing for the public offering (the "**Public Offering**") of shares of Class A common stock of the Company, par value $0.0001 per share (the "**Common Stock**" or the "**Securities**").

To induce the Representative to continue its efforts in connection with the Public Offering, the undersigned hereby agrees that, without the prior written consent of the Representative, the undersigned will not, during the period commencing on the date hereof and ending twelve (12) months after the date of the Underwriting Agreement (the "**Lock-Up Period**"), (1) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any Common Stock or any securities convertible into or exercisable or exchangeable for the Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition (collectively, the "**Lock-Up Securities**"); (2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise; (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities; or (4) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any Lock-Up Securities. Notwithstanding the foregoing, and subject to the conditions below, the undersigned may transfer Lock-Up Securities without the prior written consent of the Representative in connection with (a) transactions relating to Lock-Up Securities acquired in open market transactions after the completion of the Public Offering; provided that no filing under Section 13 or Section 16(a) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period in connection with subsequent sales of Lock-Up Securities acquired in such open market transactions; (b) transfers of Lock-Up Securities as a bona fide gift, by will or intestacy or to a family member or trust for the benefit of a family member (for purposes of this lock-up agreement, "family member" means any relationship by blood, marriage or adoption, not more remote than first cousin); (c) transfers of Lock-Up Securities to a charity or educational institution; or (d) if the undersigned, directly or indirectly, controls a corporation, partnership, limited liability company or other business entity, any transfers of Lock- Up Securities to any shareholder, partner or member of, or owner of similar equity interests in, the undersigned, as the case may be; provided that in the case of any transfer pursuant to the foregoing clauses (b), (c) or (d), (i) it shall be a condition to any such transfer that (i) the transferee/donee agrees to be bound by the terms of this lock-up agreement (including, without limitation, the restrictions set forth in the preceding sentence) to the same extent as if the transferee/donee were a party hereto; (ii) each party (donor, donee, transferor or transferee) shall not be required by law (including without limitation the disclosure requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the Exchange Act) to make, and shall agree to not voluntarily make, any filing or public announcement of the transfer or disposition prior to the expiration of the Lock-Up Period; and (iii) the undersigned notifies the Representative at least two (2) business days prior to the proposed transfer or disposition.

In addition, the foregoing restrictions shall not apply to (i) the exercise or vesting of stock options or other equity awards granted pursuant to the Company's equity incentive plans; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, (ii) the conversion or exercise of convertible debt or warrants; provided that it shall apply to any of the undersigned's Common Stock issued upon such exercise, or (iii) the establishment of any new plan (a "**Plan**") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act; provided that no sales of the undersigned's Securities shall be made pursuant to such new Plan prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof), and such a Plan may only be established if no public announcement of the establishment or existence thereof and no filing with the Securities and Exchange Commission or other regulatory authority in respect thereof or transactions thereunder or contemplated thereby, by the undersigned, the Company or any other person, shall be required, and no such announcement or filing is made voluntarily, by the undersigned, the Company or any other person, prior to the expiration of the Lock-Up Period (as such may have been extended pursuant to the provisions hereof).

The undersigned also agrees and consents to the entry of stop transfer instructions with the Company's transfer agent and registrar against the transfer of the undersigned's Securities subject to this lock-up agreement except in compliance with this lock-up agreement.

If the undersigned is an officer or director of the Company, (i) the undersigned agrees that the foregoing restrictions shall be equally applicable to any Securities that the undersigned may purchase in the Public Offering; (ii) the Representative agrees that, at least three (3) business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, the Representative will notify the Company of the impending release or waiver; and (iii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two (2) business days before the effective date of the release or waiver. Any release or waiver granted by the Representative hereunder to any such officer or director shall only be effective two (2) business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer of Lock-Up Securities not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this lock-up agreement to the extent and for the duration that such terms remain in effect at the time of such transfer.

The undersigned understands that the Company and the Representative are relying upon this lock-up agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this lock-up agreement is irrevocable and shall be binding upon the undersigned's heirs, legal representatives, successors and assigns.

The undersigned understands that, if the Underwriting Agreement does not become effective, or if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Securities to be sold thereunder, the undersigned shall be released from all obligations under this lock-up agreement.

This lock-up agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

Very truly yours,

_____
(Name - Please Print)

_____
(Signature)

_____
(Name of Signatory, in the case of entities - Please Print)

_____
(Title of Signatory, in the case of entities – Please Print)

_____
(Name - Please Print)

Address: _____

_____

_____

EXHIBIT C

Form of Press Release

[_____]

[Date]

Yoshiharu Global Co. (the "Company") announced today that EF Hutton, division of Benchmark Investments, LLC, acting as representative for the underwriters in the Company's recent public offering of the Company's Class A common stock, is [waiving] [releasing] a lock-up restriction with respect to _____ shares of Class A common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on_____, 2__, and such shares of Class A common stock may be sold on or after such date.

This press release is not an offer or sale of the securities in the United States or in any other jurisdiction where such offer or sale is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act of 1933, as amended.

LEASE

BETWEEN

OCEAN RANCH II, LLC

AND

YOSHIHARU GLOBAL CO.
dba YOSHIHARU RAMEN LAGUNA NIGUEL

FOR

OCEAN RANCH II
LAGUNA NIGUEL, CALIFORNIA

DATED: 7/18/2022 | 8:10:54 PM PDT, **2022**

The submission of this Lease by Landlord, its broker, agent or representative, for examination or execution by Tenant, does not constitute an option or offer to lease the Premises upon the terms and conditions contained herein or a reservation of the Premises in favor of Tenant; it being intended hereby that notwithstanding the preparation of space plans and/or tenant improvements plans, etc., and/or the expenditure by Tenant of time and/or money while engaged in negotiations in anticipation of it becoming the Tenant under this Lease, or Tenant's forbearing pursuit of other leasing opportunities, or even Tenant's execution of this Lease and submission of same to Landlord, that this Lease shall become effective and binding upon Landlord only upon the execution hereof by Landlord and its delivery of a fully executed counterpart hereof to Tenant. No exception to the foregoing disclaimer is intended, nor shall any be implied, from expressions of Landlord's willingness to negotiate with respect to any of the terms and conditions contained herein.

Lease

Table of Contents

SCHEDULE OF EXHIBITS

LEASE

This Lease ("Lease") is entered into as of the date set forth in Section 1.1 by and between Landlord and Tenant.

ARTICLE 1
BASIC LEASE PROVISIONS

The words, figures and definitions set forth in the following Sections are part of this Lease wherever appropriate reference is made thereto, unless modified elsewhere in this Lease.

1.1 Effective Date: means 7/18/2022 | 8:10:54 PM PDT, 2022.

1.2 Landlord: means OCEAN RANCH II, LLC, a California limited liability company.

1.3 Tenant: means YOSHIHARU GLOBAL CO., a Delaware corporation.

1.4 Tenant's Trade Name: means Yoshiharu Ramen Laguna Niguel. (Section 7.1)

1.5 Project: means the commercial development commonly known as the Ocean Ranch Village as shown on the site plan (the "Site Plan") attached hereto as Exhibit A. The Project is located in the City of Laguna Niguel, County of Orange, State of California.

1.6 Premises: means the area shown on Exhibit B to this Lease, and depicted as 32341 Golden Lantern, Suite B, Laguna Niguel, California, containing approximately one thousand five hundred fifty-seven (1,557) square feet of Floor Area. (Section 2.1)

1.7 Permitted Use: Tenant shall use the Premises solely for the purpose of the operation of a first class ramen restaurant consistent with Tenant's locations throughout California, serving the food consistent with the menu attached hereto as Exhibit K. Provided that Tenant (a) obtains and maintains a valid and proper Liquor License (defined in Section 7.11, below), (b) complies with all federal, state, municipal and other governmental laws, regulations and rules with respect to the sale and consumption of alcoholic beverages in the Premises, and (c) complies with applicable provisions of this Lease, Landlord agrees that, subject to and without derogating from the other provisions of this Lease, Tenant shall have the right to sell alcoholic beverages at retail for consumption within the Premises, subject to and in accordance with all applicable provisions of the Liquor License. Tenant expressly assumes the risk that it may not be able to obtain the Liquor License and that the failure to obtain the Liquor License and/or Tenant's inability to serve alcoholic beverages at the Premises at any time during the Term shall in no way impair the validity or effectiveness of this Lease or modify or affect Tenant's obligations under this Lease. The Premises shall be used for no other use or purpose whatsoever, and shall be subject to the existing "exclusive uses" and "prohibited uses" set forth in Exhibit J attached hereto (collectively, the "Use Restrictions"). Without limiting the foregoing, the Permitted Use hereunder shall at all times be subject to the terms of Article 7 of this Lease, including, without limitation, Sections 7.1 and 7.5.

1.8 Term: means the period commencing on the Commencement Date and expiring upon the expiration of the one hundred twentieth (120th) full calendar month after the Rent Commencement Date (defined below). (Section 3.1)

1.9 Option Term: means two (2) Option Terms of five (5) years each, the first such Option Term being referred to herein as "Option Term One" and the second such Option Term being referred to herein as "Option Term Two". (Section 3.4).

1.10 Minimum Monthly Rent and Minimum Annual Rent (Sections 4.2 and 4.3):

Period		Minimum Annual Rent	Minimum Monthly Rent	Rate per Square Foot per Month
RCD -	12th full calendar month after the RCD	$84,078.00	$7,006.50	$4.50
13th full calendar month after the RCD -	24th full calendar month after the RCD	$84,078.00	$7,006.50	$4.50
25th full calendar month after the RCD -	36th full calendar month after the RCD	$86,600.34	$7,216.70	$4.64

37th full calendar month after the RCD -	48th full calendar month after the RCD	$89,198.35	$7,433.20	$4.77
49th full calendar month after the RCD -	60th full calendar month after the RCD	$91,874.30	$7,656.19	$4.92
61st full calendar month after the RCD -	72nd full calendar month after the RCD	$94,630.53	$7,885.88	$5.06
73rd full calendar month after the RCD -	84th full calendar month after the RCD	$97,469.45	$8,122.45	$5.22
85th full calendar month after the RCD -	96th full calendar month after the RCD	$100,393.53	$8,366.13	$5.37
97th full calendar month after the RCD -	108th full calendar month after the RCD	$103,405.33	$8,617.11	$5.53
109th full calendar month after the RCD -	120th full calendar month after the RCD	$106,507.49	$8,875.62	$5.70

If Tenant properly exercises its Option to Extend the Lease pursuant to Section 3.4 of this Lease, Minimum Monthly Rent and Minimum Annual Rent shall be as set forth in Section 4.3(b).

1.11 Minimum Rent: means, as the context requires, either Minimum Monthly Rent or Minimum Annual Rent.

1.12 Breakpoint: means $1,500,000.00 for the period commencing on the Commencement Date and expiring at the end of the twelfth (12th) full calendar month (such period the "First Lease Year"); provided, on the first day after the expiration of the First Lease Year, and on each anniversary of such date thereafter the Breakpoint shall be increased by three percent (3%) over the Breakpoint in effect immediately prior to such date.

1.13 Commencement Date; Rent Commencement Date: "Commencement Date" means the earlier of (i) one hundred eighty (180) days after the Delivery Date (defined below), or (ii) the date Tenant opens for business to the public from the Premises. Each of "Rent Commencement Date" and "RCD" means the date that is one hundred eighty (180) days after the Delivery Date.

1.14 Percentage Rent Rate: means six percent (6%).

1.15 Promotional Charge: means $0.50 per square foot of Floor Area per annum, subject to adjustment as provided in Article 19.

1.16 Radius Restriction: means a distance of three (3) miles from all outer perimeters of the Project. (Section 7.4).

1.17 Insurance Limits: means Three Million Dollars ($3,000,000.00). (Article 9)

1.18 Guarantor: means, collectively and jointly and severally, (a) YOSHIHARU HOLDINGS CO., a California corporation, and (b) James Chae and Jennie Chae, a married couple.

1.19 Landlord's Address For Rent And Notices: c/o Shea Properties, 130 Vantis, Suite 200 Aliso Viejo, CA 92656, Attention: Senior VP of Asset Management; with a copy to: Legal Department. (Section 20.1)

1.20 Security Deposit: means Eleven Thousand Seven Hundred Seven and 36/100 Dollars ($11,707.36). (Section 20.2)

1.21 Tenant's Address For Notices: 6940 Beach Blvd., Suite D-705, Buena Park, CA 90621. Additionally, any default notice shall be forwarded to: 6940 Beach Blvd., Suite D-413, Buena Park, CA 90621. 32341 Golden Lantern, Suite B, Laguna Niguel, CA 92677. (Section 20.1)

1.22 Broker: means Jones Lang Lasalle Brokerage, Inc., and CBRE, Inc., representing Landlord, and Yun Law Group, representing Tenant. (Section 20.10)

1.23 Tenant Improvement Allowance: means an amount not to exceed Seventy Thousand Sixty Five and 00/100 Dollars ($70,065.00) (based upon the amount of Forty-Five Dollars ($45.00) per square foot of Floor Area within the Premises). (Exhibit C).

1.24 Prepaid Rent: means Eight Thousand Three Hundred Sixty-One and 09/100 Dollars ($8,361.09).

ARTICLE 2
PREMISES

2.1 Lease of Premises. Subject to the provisions of this Lease, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, which is a part of the Project. Tenant expressly acknowledges and agrees that Tenant shall lease and accept the Premises in their **"AS-IS", "WHERE-IS" "WITH ALL FAULTS"** condition and state of repair. Moreover, Tenant agrees that except as may otherwise be expressly stated in this Lease, that no representations, or warranties, or inducements, with respect to any condition of the Premises have been made by Landlord, or its designated representatives, to Tenant, or its designated representatives. In furtherance of the foregoing, Tenant hereby acknowledges that no promises to decorate, alter, repair or improve the Premises, either before or after the execution of this Lease have been made to Tenant by Landlord, other than the Tenant Improvement Allowance set forth in Section 1.23. Notwithstanding the foregoing, Landlord shall deliver the Premises to Tenant with the existing mechanical, electrical and plumbing systems (collectively, the "MEP Systems") in good working order. If Tenant discovers that any of the MEP Systems were not in an operable and working condition as of the Delivery Date and provides written notice to Landlord of such deficiency within sixty (60) days after the Delivery Date and such deficiency was not caused by Tenant, its agents or employees, then Landlord shall not be liable to Tenant for any damages but Landlord, at no cost to Tenant and as Tenant's sole and exclusive remedy, shall perform such work or take such other action as may be necessary to place the applicable MEP System in the operable and working condition. If Tenant does not give Landlord written notice of any deficiency of any MEP Systems within the aforementioned sixty (60) days, then Landlord shall not be responsible for correcting such condition pursuant to this Section 2.1 but, rather, such condition shall be corrected as otherwise provided in the Lease. Notwithstanding the above, Landlord's obligation hereunder does not cover the cost of normal repair, maintenance or replacement expected in light of the specifications of the applicable equipment or any damage to the MEP Systems resulting from the acts or omissions of Tenant, its employees, agents and/or invitees. The taking of possession of the Premises by Tenant shall conclusively establish that the Premises were at such time complete and in good, sanitary and satisfactory condition and repair with all work required to be performed by Landlord, if any, pursuant to Exhibit C, except as expressly provided otherwise in this Lease, completed and without any obligation on Landlord's part to make any alterations, upgrades or improvements thereto.

2.2 Delivery Date. Provided that Landlord has received no later than the Delivery Date (defined below) the full payment of Prepaid Rent and Security Deposit, as well as insurance certificates, all as provided in this Lease (or, at Landlord's sole election, any of the foregoing), then Landlord shall make good faith efforts to cause the Delivery Date to occur no later than five (5) business days following the Effective Date. "Delivery Date" means the date Landlord makes the Premises available to Tenant for occupancy and the commencement of Tenant's Work.

2.3 Reservation. Landlord reserves the right to use the exterior walls, floor, roof and plenum in, above and below the Premises for the installation, maintenance, use and replacement of pipes, ducts, utility lines, systems and structural elements serving the Project and for such other purposes as Landlord deems necessary. In exercising its rights reserved herein, Landlord shall not materially and unreasonably interfere with the operation of Tenant's business on the Premises.

2.4 Floor Area. The term "Floor Area", as used in this Lease, shall mean all areas designated by Landlord for the exclusive use of a tenant measured from the exterior surface of exterior walls (and extensions, in the case of openings) and from the center of interior demising walls, and shall include, but not be limited to, restrooms, areas utilized for retail sales, warehouse or storage areas, clerical or office areas, employee areas and any other areas included in the measurement of the Floor Area of the buildings within the Project by applicable governmental authorities for purposes of determining the required number of parking spaces for the Project; provided, however, that the following areas shall not be included in such calculations: (i) space attributable to any multi-deck, platform, rack or other multi-level system used solely for the storage of merchandise which is located vertically above ground floor; (ii) mezzanine areas; and (iii) outdoor sales and seating areas. Deductions shall not be allowed for columns, sprinkler risers, roof drains, vents, piping, wastelines, conduit, ventilation shafts and related items serving the other tenant spaces. Floor Area for Tenant (and other tenants in the Project) shall include a proportionate share of electrical, janitorial and telephone rooms, and interior and exterior corridors, if any, leading to service areas utilized by Tenant (or such other tenants) (the "Adjacent Area"), which proportionate share shall be reasonably determined by Landlord based upon the Floor Area of the Premises and the Floor Area of the premises in the Project which benefit from the Adjacent Area. Landlord shall have the right, following the Commencement Date, to cause the Floor Area of the Premises to be remeasured by a licensed architect. Upon determination of the actual Floor Area of the Premises in the manner set forth above, the Minimum Rent and all other charges payable by Tenant under this Lease which are determined with reference to the Floor Area of the Premises shall be adjusted accordingly.

ARTICLE 3
TERM

3.1 Term of Lease. This Lease shall be effective from and after the Effective Date. The Term shall commence on the Commencement Date and shall continue, unless sooner terminated in accordance with the provisions of this Lease, for the number of months specified in Article 1 from the first day of the first full calendar month following the Rent Commencement Date.

3.2 Commencement of Tenant's Work. Tenant shall perform "Tenant's Work" (as specified in Exhibit C) so as to allow Tenant to open for business from the Premises as provided in Exhibit C hereto. Tenant agrees that the failure of Landlord to deliver possession of the Premises by the time provided herein will not give rise to any claim for damages by Tenant against Landlord or permit Tenant to rescind or terminate this Lease. If the Delivery Date has not occurred within twelve (12) months from the Effective Date, then either party shall have the right to terminate this Lease upon written notice of such election to the other prior to the actual delivery of the Premises, and thereafter neither party will have any liability or obligations under this Lease to the other, except for any liability or obligations expressly stated in this Lease to survive termination hereof, including the reimbursement of Prepaid Rent and Security Deposit.

3.3 Commencement Date Notice. Landlord shall have the right to give Tenant written notice in substantially the form of Exhibit D (the "Commencement Date Notice") confirming the Commencement Date and, in such event, Tenant shall acknowledge such Commencement Date by returning to Landlord an executed copy of the Commencement Date Notice within ten (10) days of Tenant's receipt thereof. If Tenant fails to return the Commencement Date Notice to Landlord within such ten (10) day period, then Tenant shall conclusively be deemed to have approved the contents of the Commencement Date Notice.

3.4 Option To Extend. Provided that (i) Tenant is not in default of any provision of this Lease at the time of exercise of an option to extend provided herein or at any time thereafter prior to the commencement of the applicable "Option Term" (as hereinafter defined), (ii) Tenant is not, and has not been, in monetary or material non-monetary default at any time under this Lease beyond applicable notice and cure periods, and (iii) Tenant is open for business to the public for the Permitted Use and operating from the entirety of the Premises in accordance with this Lease, Tenant shall have the option to extend the Term for the additional period(s) set forth in Section 1.9 of this Lease (each such period being referred to herein as an "Option Term") only by giving Landlord written notice at least six (6) months, but no more than twelve (12) months, before the expiration of the then current Term. All of the terms, covenants, conditions, provisions and agreements applicable to the initial Term shall be applicable to each Option Term, except that the Minimum Rent payable during each Option Term shall be as set forth in this Lease. The option to extend the Term pursuant hereto by the Option Term shall be personal to the original Tenant signatory to this Lease and shall not be exercisable by or for the benefit of any assignee or subtenant of Tenant, other than: (a) an assignee in connection with an assignment approved by Tenant pursuant to Article 12 below where (x) such assignee's tangible net worth is equal to or greater than the aggregate tangible net worth of Tenant and Guarantor as of the Effective Date, and (y) the Permitted Use and Trade Name used by such assignee is the same as the Permitted Use and Trade Name originally set forth under this Lease; or (b) an assignee in connection with a "Permitted Transfer" pursuant to Section 12.4 below. All references in this Lease to the "Term" shall be deemed to mean the initial Term as extended by the Option Term(s), as applicable.

ARTICLE 4
RENT

4.1 Rent. Subject to Section 4.2 below with respect to Tenant first obligation to pay Minimum Rent from and after the Rent Commencement Date, from and after the Commencement Date, Tenant shall pay "Rent" (as hereinafter defined) to Landlord at the address set out in Section 1.19, or upon written notice from Landlord, to Landlord's assignee or such other place as Landlord may from time to time designate in writing to Tenant, without prior demand, deduction or set-off, as more particularly set forth in this Article 4.

4.2 Minimum Rent. Tenant shall pay to Landlord Minimum Rent, initially at the monthly rate provided in Section 1.10 and thereafter as adjusted in accordance with Section 4.3 below, on the first day of each calendar month during the Term commencing on the Rent Commencement Date. Concurrently with Tenant's execution and delivery of this Lease to Landlord, Tenant shall pay to Landlord the Security Deposit and the Prepaid Rent (which Prepaid Rent shall be applied against the first obligation of Tenant to pay full Minimum Monthly Rent and Additional Rent under this Lease). If the Commencement Date occurs on a day other than the first day of a calendar month, Minimum Monthly Rent for the first and last partial months shall be prorated on the basis of the number of actual days in such month.

4.3 Rent Adjustment.

(a) The Minimum Annual Rent payable under Section 1.10 and this Article 4 shall be adjusted on each of the dates and to the amounts specified in Section 1.10.

(b) The Minimum Annual Rent of the Premises during the initial twelve (12) calendar months of each of Option Term One and Option Term Two shall be one hundred three percent (103%) of the Minimum Annual Rent payable immediately prior to the applicable Option Term. On the first anniversary of the first day of the applicable Option Term and each anniversary thereafter, the Minimum Annual Rent shall be increased by three percent (3%).

4.4 Additional Rent. All monetary obligations of Tenant under this Lease that are in addition to the Minimum Annual Rent shall be deemed additional rent ("Additional Rent"). Minimum Rent and Additional Rent are sometimes collectively referred to herein as "Rent".

4.5 Delayed Opening Rent. If Tenant fails to open for business to the public in the Premises on or before the Rent Commencement Date, Tenant shall pay to Landlord, as Additional Rent, and in addition to Minimum Rent, One Thirtieth (1/30th) of the then-current Minimum Monthly Rent per day for each day within the period beginning upon the Rent Commencement Date and continuing through the date upon which Tenant is open for business and operating in accordance with this Lease.

4.6 Late Payments. If any installment of Minimum Rent or Additional Rent is not received by Landlord from Tenant within five (5) days after the date when due, Tenant shall immediately pay to Landlord a late charge equal to ten percent (10%) of the delinquent amount. Landlord and Tenant agree that this late charge represents a reasonable estimate of the costs and expenses Landlord will incur and is fair compensation to Landlord for its loss suffered by reason of late payment by Tenant.

4.7 Percentage Rent.

(a) During the Term, Tenant shall pay to Landlord, as provided below, the dollar amount by which the percent specified in Section 1.14 ("Percentage Rent Rate") of Tenant's "Gross Sales" (as hereinafter defined) exceeds the Breakpoint during each calendar year (or, at Landlord's election, its fiscal year), or portion thereof, of the Term ("Percentage Rent").

(b) Tenant shall furnish or cause to be furnished to Landlord a statement of the monthly Gross Sales of Tenant within ten (10) days after the close of each calendar month and a statement of the annual Gross Sales of Tenant within thirty (30) days after the close of each calendar year. Such statements shall be in a form substantially similar to Exhibit E attached hereto or in another form mutually acceptable to Landlord and Tenant. Such statements shall be certified as an accurate accounting of Tenant's Gross Sales by an authorized representative of Tenant. Tenant shall pay Percentage Rent each calendar year on the tenth (10th) day of the month immediately following the month during which Gross Sales exceed the Breakpoint for such calendar year. Thereafter, Tenant shall pay Percentage Rent monthly on all additional Gross Sales during the remainder of such calendar year, such payments to be made on the same date Tenant submits its written statement of monthly Gross Sales. Percentage Rent for a Partial Year (as defined below) shall be calculated on a prorated basis (such proration or adjustment being based upon the actual number of days in such Partial Year). A "Partial Year" means that portion of the Term prior to the first full calendar year or following the last full calendar year of the Term.

(c) The term "Gross Sales", as used in this Lease, shall mean the gross selling price of all goods, wares and merchandise sold or rented (including, but not limited to, food and beverages; provided, however, this reference to food and beverages shall not be deemed to permit the sale of food or beverages from the Premises if not otherwise expressly permitted by this Lease), and the charges for all services performed by Tenant or any other person or entity in, at, or from the Premises for cash, credit or otherwise, without reserve or deduction for uncollected amounts, including but not limited to sales and services (a) where the orders originate in, at or from the Premises, regardless from whence delivery or performance is made, (b) pursuant to mail, telephone, catalogue, facsimile, internet, electronic, video and computer orders, and orders by means of other technology-based systems whether now existing or hereafter developed, and other orders received, placed or filled at the Premises, (c) resulting from transactions originating in, at or from the Premises, and (d) except as hereinafter specifically provided, deposits not refunded to customers. Notwithstanding the foregoing, Gross Sales shall not include the following: (i) sales taxes, use taxes, luxury taxes, excise taxes or similar taxes imposed by governmental entities upon the sale of merchandise or services, but only if collected from customers separately from the selling price and paid directly to the respective governmental entities; (ii) proceeds from the sale of fixtures, equipment or property which are not stock in trade; (iii) refunds to customers to the extent that such refunds relate to a prior inclusion of the same transaction; (iv) direct catalog or internet sales made through Tenant's catalog or internet division, but catalog or internet orders taken at the Premises and paid or charged at or through the Premises will be included in Gross Sales; (v) any exchange of merchandise between Tenant's stores or warehouses where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at or from the Premises; (vi) insurance proceeds; (vii) sales at no profit to Tenant from vending machines located in non-sales areas of the Premises and which are for the exclusive use of Tenant's employees; (viii) sums collected on claims against transportation companies or carriers; (ix) value of gift certificates until redeemed or otherwise booked by Tenant as a completed sale; (x) layaway sales (except when the sale is completed or the deposit converted to income by Tenant); (xi) amounts received for a customer service at no profit to Tenant, such as gift wrapping, shipping, alterations and repair charges; (xii) sales to jobbers made for the purpose of clearing stock of old or obsolete merchandise; (xiii) cost of check verification charges, credit card charges paid to credit card companies, not exceeding one percent (1%) of Gross Sales per calendar year; (xiv) sales to employees of Tenant at a discount, not exceeding one percent (1%) of Gross Sales per calendar year; and (xv) uncollectible or so-called bad debts in the year claimed by Tenant for federal income tax purposes to the extent the amount deducted or excluded does not exceed one percent (1%) of Tenant's Gross Sales for any calendar year, provided that any amounts subsequently collected in respect of such bad debts shall be included in Gross Sales when collected (the "Exclusions from Gross Sales"). Tenant shall use its reasonable good faith efforts to maximize Gross Sales from the Premises.

(d) Recordation of Sales. At the time of a sale or other transaction, Tenant shall record the sale or other transaction in a cash register with sealed continuous tape, or on a computer, or by using any other method of recording sequentially numbered purchases and keeping a cumulative total.

(e) Books and Records. For a period of three (3) years following the submittal of its certified annual statement for each calendar or fiscal year, Tenant shall keep and maintain full and accurate books of account and records relative to transactions from the Premises in accordance with generally accepted accounting principles consistently applied. The books of account and records kept and maintained by Tenant for audit purposes shall include all records, receipts, journals, ledgers and documents reasonably necessary to enable Landlord or its auditors to perform a complete and accurate audit of Gross Sales and Exclusions from Gross Sales in accordance with generally accepted accounting principles.

(f) Audits. Landlord, at any time within three (3) years after receipt of any certified annual statement and upon not less than ten (10) days prior Notice to Tenant, may cause an audit to be made of Gross Sales and Exclusions from Gross Sales and all of Tenant's records and books necessary (in Landlord's judgment) to audit such items. Tenant shall make all such books and records available for the audit at the Premises or at Tenant's offices in the continental United States. If the audit discloses an underpayment of Percentage Rent, Tenant shall immediately pay to Landlord the amount of the underpayment, with "Interest" (as hereinafter defined), which shall accrue from the date the payment should have been made through and including the date of payment. If the audit discloses an underreporting of Gross Sales in excess of two percent (2%) of the reported Gross Sales, whether or not additional Percentage Rent is due, then Tenant shall also immediately pay to Landlord all reasonable costs and expenses incurred in the audit and in collecting the underpayment, including auditing costs and attorneys' fees. If the audit discloses an overpayment of Percentage Rent, and provided Tenant is not in arrears as to the payment of any Minimum Annual Rent or Additional Rent, Landlord shall refund to Tenant the amount of any overpayment. In no event shall Tenant have the right to offset any overpayment against future Minimum Rent or Additional Rent payable under this Lease.

ARTICLE 5
TAXES AND UTILITIES

5.1 Taxes.

(a) As used in this Lease, the term "Taxes" shall include, without limitation, the following: (i) any form of tax or assessment, fee, license fee, license tax, business license fee, possessory interest tax, commercial rental tax, levy, charge, assessment, penalty or tax whatsoever imposed by any federal, state, county or city authority having jurisdiction or any political subdivision thereof or any district, including any special assessment district for any improvement, maintenance, school, street, storm drain, sidewalk, community facility, traffic lights, parking facilities, park and ride, drainage, lighting or landscaping, which are imposed on any legal or equitable interest of Landlord in the Project, including any landscape maintenance district or community facilities district; (ii) any tax on Landlord's right to receive, or the receipt of, Rent or income from the Project or against Landlord's business of leasing the Project and any tax based on the size of the Project, including without limitation, gross receipts, sales, transaction privilege, margin and other similar taxes, but excluding any tax determined solely by reference to the net income of Landlord; (iii) any tax, bond or charge for police or fire protection, street, sidewalk and road maintenance, refuse collection or other services provided to the Project by any governmental agency; (iv) any tax imposed upon this transaction or based upon a re-assessment of the Project due to improvements to the Project, or a change in the fee ownership of the Project or the transfer of all or part of Landlord's interest in the Project; (v) any charge or fee (whether or not constituting tax receipts to a governmental agency) replacing, in whole or in part, any tax now or previously included within the definition of Taxes, including for services formerly provided without charge to property owners or occupants or to increase tax increments to governmental agencies; (vi) any vehicle parking or trip tax; and (vii) the Supervision Fee. Taxes shall be reduced by any sums paid directly by occupants of the Project on separately assessed tax parcels. If the method of taxation of real estate prevailing to the time of execution hereof shall be, or has been altered, so as to cause the whole or any part of the taxes now, hereafter or theretofore levied, assessed or imposed on real estate to be levied, assessed or imposed on Landlord, wholly or partially, as a capital levy or otherwise, or on or measured by the rents received therefrom, then such new or altered taxes attributable to the Project shall be included within the term "Taxes", except that the same shall not include any enhancement of said tax attributable to other income of Landlord. The term "Taxes" shall not include Landlord's general net income taxes, inheritance, estate or gift taxes.

(b) From and after the Commencement Date, Tenant shall pay to Landlord a share of the Taxes pursuant to subparagraph (c) below. Taxes for any partial year shall be prorated. Landlord shall collect Tenant's payment of its share of Taxes after the actual amount of Taxes are ascertained or in advance, monthly, based upon estimated Taxes. If Landlord elects to collect Tenant's share of Taxes based upon estimates, Tenant shall pay to Landlord from and after the Commencement Date, and thereafter on the first (1st) day of each month during the Term, an amount estimated by Landlord to be the monthly Taxes payable by Tenant. Landlord may periodically adjust the estimated amount. If Landlord collects Taxes based upon estimated amounts, then following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish Tenant with a statement covering the year just expired showing the total Taxes for the Project for such year, the total Taxes payable by Tenant for such year, and the payments previously made by Tenant with respect to such year, as set forth above. If the actual Taxes payable for such year exceed Tenant's prior payments, Tenant shall pay to Landlord the deficiency within ten (10) days after its receipt of the statement. If Tenant's payments exceed the actual

Taxes payable for that year, and provided Tenant is not in arrears as to the payment of any Minimum Annual Rent or Additional Rent, Landlord shall refund to Tenant the amount of any overpayment. In no event shall Tenant have the right to offset any overpayment against future Taxes and/or other Additional Rent payable under this Lease. With regard to the Taxes described in Section 5.1(a)(ii), Landlord shall have the right, at its option, either to include any one or more thereof within the Taxes allocated by reference to Tenant's proportionate share as provided in subparagraph (c) below, or to recover from Tenant, or direct that Tenant pay directly, the amount of any one or more of such Taxes attributable to the payments made by Tenant under this Lease.

(c) If the Premises and underlying realty are part of a larger parcel for assessment purposes or are within a multi-level building ("larger parcel"), Tenant's share of the Taxes shall be determined by multiplying all of the Taxes on the larger parcel, excluding Taxes on the "Common Area" (as hereinafter defined), by a fraction, the numerator of which shall be the Floor Area of the Premises and the denominator of which is the number of square feet of Floor Area located in the larger parcel as of the commencement of the applicable calendar or fiscal year (as the case may be), exclusive of the Floor Area of the Other Stores and exclusive of the "Joint Use Facilities" (as hereinafter defined). Tenant acknowledges that the Project may be a mixed use property, and that Landlord may incur and allocate certain Taxes to portions of the Project used or held for use as residential, office and commercial uses and to portions of the Project used or held for use as retail premises equitably by Landlord to reflect improvements to the Project, the nature of the use of portions thereof, or the buildings from time to time designated by Landlord as included within the Project. Notwithstanding anything contained in this Article 5 to the contrary, in the event Landlord reasonably determines that the improvements comprising the Premises have a value greater than the value of a majority of the other premises in the Project or within the land covered by the applicable tax bill, Landlord shall have the right to make such reasonable adjustments to Tenant's share of the Taxes so that Tenant pays Taxes on the value of the improvements comprising the Premises which is in excess of the value of the majority of other premises in the Project or within the land covered by the applicable tax bill. Notwithstanding the foregoing, if the premises and underlying realty of any owner or tenant of a portion of the Project is separately assessed for Tax purposes, such Taxes for such separately assessed premises and underlying realty may be excluded in the Taxes payable by Tenant under this Lease, and if such Taxes are excluded, the Floor Area on such owner's or tenant's parcel shall not be included in the denominator for purposes of calculation of Tenant's share of Taxes.

5.2 Other Property Taxes. Tenant shall pay, prior to delinquency, all taxes, assessments, license fees and public charges levied, assessed or imposed upon its business operation, trade fixtures, merchandise and other personal property in, on or upon the Premises. If any such items of property are assessed with property of Landlord, then the assessment shall be equitably divided between Landlord and Tenant.

5.3 Contesting Taxes. If Landlord retains a consultant to review the Taxes and/or elects to contest (either formally or informally through negotiations) any Taxes levied or assessed against the Project during the Term, such costs shall be included in Taxes. However, if Landlord is successful in such contest (whether by settlement or otherwise), Landlord shall pay to Tenant that portion of the total refund which is attributable to Tenant's proportionate share of Taxes prorated in the same manner as set forth in Section 5.1(c).

5.4 Utilities.

(a) Payments. Tenant agrees to pay directly to the appropriate utility company all charges for utility services supplied to Tenant for which there is a separate meter and/or submeter to the Premises. Tenant agrees to pay to Landlord its share of all charges for utility services supplied to the Premises for which there is no separate meter or submeter upon billing by Landlord of Tenant's share based on the reasonable estimates of Landlord's consultant or engineer or, at Landlord's election, Tenant shall pay Landlord's cost for installing separate meters and/or submeters and shall thereafter pay based upon such meters or submeters, plus where allowed by law, the Supervision Fee. Landlord shall have the right at any time and from time to time during the Term to either continue to contract with the existing provider of any utility service for the Premises or to contract with a different company to provide such service. Tenant shall be responsible for the payment of all sewer connection, hook-up fees for sewer services supplied to the Premises and all other charges imposed in connection with the commencement of any utilities at the Premises including, without limitation, any impact fees related thereto. Tenant hereby acknowledges timely receipt of any and all data, ratings and other reports required to be disclosed by Landlord under California Public Resources Code Section 25402.10. With respect to any utilities paid directly by Tenant (or any party claiming by, through or under Tenant) to the provider for any energy consumed at the Premises, Tenant, promptly upon request, shall deliver to Landlord (or, at Landlord's option, execute and deliver to Landlord an instrument enabling Landlord to obtain from such provider) any data about such consumption that Landlord, in its reasonable judgment, is required to disclose to a prospective buyer, tenant or Lender or prospective Lender under California Public Resources Code §25402.10 or any similar law.

(b) Provision of Utility Services. If Landlord elects to furnish any utility services to the Premises, Tenant shall purchase its requirements thereof from Landlord so long as the rates charged by Landlord are competitive with those offered directly by the local public utility. In the event that any utilities are furnished by Landlord, whether sub-metered or otherwise, then and in that event Tenant shall pay Landlord for such utilities, including a reasonable administrative charge for Landlord's supervision of such utilities. Regardless of the entity which supplies any of the utility services, Landlord shall not be liable in

damages for any failure or interruption of any utility or service. No failure or interruption of any utility or service shall entitle Tenant to terminate this Lease or discontinue making payments of Minimum Annual Rent, Percentage Rent, or Additional Rent.

(c) Estimates. At Landlord's option, Landlord may estimate Tenant's utility costs for each calendar year, in which event, Tenant shall pay to Landlord in monthly installments one-twelfth (1/12th) of the annual estimate on the first (1st) day of each calendar month, subject to an annual reconciliation. Landlord may adjust the utility estimates charged to Tenant at the end of any calendar quarter on the basis of Landlord's experience and reasonably estimated costs.

ARTICLE 6
COMMON AREA

6.1 Common Area Definition. The term "Common Area", as used in this Lease, shall mean all areas within the exterior boundaries of the Project (or areas immediately adjacent to the Project such as, but not limited to, landscaped medians), now or later made available for the general use of Landlord and other persons entitled to occupy Floor Area in the Project.

6.2 Non-Exclusive Use. The use and occupancy by Tenant of the Premises shall include the non-exclusive use of the Common Area (except those portions of the Common Area on which have been constructed or placed permanent or temporary kiosks, displays, carts and stands and except areas used in the maintenance or operation of the Project) in common with Landlord and the other tenants of the Project and their customers and invitees.

6.3 Control of and Changes to Common Area. Landlord shall have the sole and exclusive control of the Common Area, and the right to make changes to the Common Area at Landlord's sole and absolute discretion. Landlord shall operate and maintain the Common Area in good order and condition; provided, however, if any owner, tenant or occupant of any portion of the Project maintains Common Area located upon its parcel or demised premises (Landlord shall have the right in its sole discretion to allow any purchaser, tenant or occupant to so maintain Common Area located upon its parcel or demised premises and to be excluded from participation in the payment of certain Common Area expenses), Landlord shall not have any responsibility for the maintenance of that portion of the Common Area and tenant shall have no claims against Landlord arising out of any failure of such owner, tenant or occupant to so maintain is portion of the Common Area. Landlord's rights shall include, but not be limited to, the right to (a) restrain the use of the Common Area by unauthorized persons; (b) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (c) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; (d) temporarily close any portion of the Common Area for repairs, improvements or Alterations, to discourage non-customer use, to prevent dedication or an easement by prescription, for health and safety purposes, for use of same for periodic special events or for any other reason deemed sufficient in Landlord's reasonable judgment; and (e) renovate, upgrade or change the shape and size of the Common Area or add, eliminate or change the extent of the Common Area and/or the location of improvements within the Common Area including, without limitation, buildings, parking areas, roadways and curb cuts, and to construct buildings on the Common Area. Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit A and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project. Further, notwithstanding anything to the contrary contained in this Lease, Landlord shall have the right, at any time and from time to time during the Term, to remodel, renovate, reduce or expand, in any manner, the Project or a portion thereof, which work may include the addition or removal of shops and/or the addition or removal of buildings to the Project. Notwithstanding anything to the contrary in this Lease, in exercising its rights under this Section Landlord shall not make or affirmatively permit any changes to the Project which will (a) materially adversely obstruct or materially adversely affect access to and from the Premises via Tenant's storefront entrance, or (b) materially adversely affect the visibility of Tenant's storefront identification signage, entrance and display windows from the Common Area located immediately adjacent to the Premises, provided that, this sentence shall not apply in instances where such access and/or visibility is (i) temporarily affected as a result of repairs, remodeling, renovation, compliance with Applicable Laws or other construction to the Project (to the extent that Landlord is diligently pursuing the completion thereof), or (ii) affected because Landlord is required by Applicable Laws to install an item that otherwise violates this Section.

6.4 Common Area Costs.

(a) The term "Common Area Costs", as used in this Lease, shall mean all costs and expenses incurred by Landlord in (i) operating, managing, policing, insuring, repairing and maintaining the Common Area and the on-site management and/or security offices, nonprofit community buildings and child care centers, if any, as may be located in the Project from time to time (which offices, buildings and center, if any are constructed by Landlord, as determined in Landlord's sole and absolute discretion, shall hereinafter be referred to as the "Joint Use Facilities"), (ii) maintaining, repairing and replacing the exterior surface of exterior walls (and storefronts and storefront awnings if Landlord has elected to include the cleaning of same as part of Common Area maintenance) and maintaining, repairing and replacing roofs of the buildings from time to time constituting the Project, and (iii) operating, insuring, repairing, replacing and maintaining all utility facilities and systems including, without limitation, sanitary sewer lines and systems, fire protection lines and systems, security lines and systems and storm drainage lines and systems not exclusively serving the premises of any tenant or store ("Common Utility Facilities"), Common Area furniture and equipment, seasonal and holiday decorations, promotional costs, Common Area lighting fixtures,

Project sign monuments or pylons (but not the tenant identification signs thereon) and directional signage. Common Area Costs shall include the actual costs incurred by Landlord for personnel (whether employees of Landlord or third party contractors) employed in the management and operation of the Project. Such personnel costs shall be proportionately allocated by Landlord in Landlord's sole yet reasonable discretion. Common Area Costs shall include, without limitation, the following: Expenses for maintenance, landscaping, repaving, resurfacing, repairs, replacements, painting, lighting, cleaning, trash removal (subject to Landlord's right to equitably allocate trash removal costs based upon Tenant's use of its Premises in accordance with Section 8.4 below), security, management offices, non-refundable contributions toward reserves for replacements, maintenance and/or repairs such as, but not limited to, major parking lot repairs and repainting of buildings, fire protection and similar items; depreciation or rental on equipment; charges, surcharges and other levies related to the requirements of any Federal, state or local governmental agency; expenses related to the Common Utility Facilities; Taxes on the improvements and land comprising the Common Area; rental loss insurance; comprehensive or commercial general liability insurance on the Common Area; insurance deductibles; reserves for insurance deductibles; maintenance and repair of grease interceptors (provided, however, Landlord shall have the right to allocate such costs to the tenants utilizing such grease interceptors), standard "all risks" fire and extended coverage insurance with, at Landlord's option, earthquake, flood and/or terrorism damage endorsements covering the Common Areas; costs of management of the Project (whether such management services are provided by Landlord or a third party contractor); and a sum (the "Supervision Fee") payable to Landlord for administration and overhead in an amount equal to fifteen percent (15%) of the Common Area Costs, Tenant's share of Taxes pursuant to Section 5.1 and Tenant's share of insurance premiums pursuant to Section 9.5. In addition to any reserves as set forth above, Common Area Costs shall specifically include capital expenditures, repairs, improvements, and replacements including, without limitation, amortization of such capital items over their useful lives (with an interest factor reasonably determined by Landlord, but in no event in excess of the "Interest Rate" (as hereinafter defined)), each of which useful life shall be reasonably determined by Landlord (provided, however, if Tenant's share of the cost of the capital expenditure would not exceed five percent (5%) of its Minimum Annual Rent, Landlord shall not be obligated to amortize such capital expenditure). In the event Tenant contests the billing of any Common Area Costs charged during the Term, such dispute shall not entitle Tenant to withhold or delay or offset or deduct from the payment of Common Area Costs as billed by Landlord pending the resolution of any such dispute, or otherwise affect Tenant's obligation to pay Common Area Costs as and when billed by Landlord pursuant to this Lease.

(b) Notwithstanding anything to the contrary contained in this Lease, Common Area Costs shall not include any charge which would duplicate or otherwise result in double reimbursement to Landlord for a single expenditure made by Landlord. Notwithstanding anything contained in Section 6.4(a), Common Area Costs shall not include (i) the cost of providing or performing improvements, work or repairs to or within the premises of another tenant or occupant of the Project where such improvements are of a nature which are not Landlord's responsibility to perform pursuant to this Lease, except where Landlord may do such improvements, work or repairs both to such other premises and to the Premises; (ii) any interest or principal payments on financing secured by a deed of trust or mortgage on the Project and rental under any ground or underlying lease or leases of the land on which the Project is constructed; (iii) any interest and penalties incurred as a result of Landlord's late payment of any bill; (iv) any bad debt loss, rent loss or reserves for bad debt or rent loss; (v) legal and other fees, leasing commissions, advertising expenses, solicitation, negotiation, execution and other costs incurred exclusively in connection with the leasing of the Project, including without limitation, cost of tenant improvements; (vi) any items for which Landlord is reimbursed by insurance or otherwise compensated, to the extent of the net receipts from such insurance or compensation, including direct reimbursement by any tenant or occupant of the Project (exclusive of reimbursement pursuant to a provision similar to this Article 6); (vii) costs of repair or restoration work following a casualty or condemnation, if and to the extent Landlord is reimbursed by insurance, or if and to the extent covered by the net proceeds of any condemnation award; (viii) costs associated exclusively with the operation of the business of the entity which constitutes Landlord which are not directly related to the operation of the Project and which relate to the following: the formation of the entity which constitutes Landlord; the internal accounting and legal matters which relate exclusively to preparation of the tax returns and financial statements of such entity, together with the gathering of data therefor; the cost of defending any lawsuits with any mortgagee; the costs of selling, syndication, financing, mortgaging or hypothecating any of Landlord's interest in the real property and improvements constituting the Project; and the costs of any dispute between Landlord and any employee to the extent that the other costs attributable to the employment of such employee are not permitted to be included within Common Area Costs pursuant to this Lease; (ix) costs attributable to enforcing leases against other tenants in the Project, such as attorneys' fees, court costs, adverse judgments and similar expenses; (x) the portion of any fee or charge for services paid to a party owned by or under common ownership with Landlord to the extent that the same exceeds the competitive cost for such services were they not so rendered by a party affiliated with Landlord; (xi) depreciation on the buildings of the Project charged for financial or tax accounting purposes; and (xii) wages, salaries or other compensation paid to executive employees; provided, however, Common Area Costs may include the salaries and related costs and expenses of the on-site manager and his or her support staff, including the contributions and premiums for fringe benefits, unemployment insurance, workers' compensation insurance and pension plan contributions, and reasonable expenses for technical training to improve or maintain the proficiency of on-site personnel, and other similar expenses and to the extent any employee, agent or independent contractor of Landlord performs work or services for shopping centers or other properties in addition to the services performed in connection with the Project, an allocable portion of his or her compensation with respect to work not performed in connection with the Project; (xiii) any charge relating to Landlord's net income taxes; (xiv) to the extent Landlord is reimbursed by third parties other than tenants, the cost of repairs made by Landlord because of the total or partial destruction of the building in which the Premises are located or the other

improvements in the Project, or the condemnation of a portion of the building in which the Premises are located or the Project; (xv) costs arising from the presence of any "Hazardous Materials" (as defined in Section 18.1) within, upon or beneath the Premises or Project prior to the Rent Commencement Date by reason of Landlord's acts or any other third party; (xvi) the costs of special services rendered to tenants (including Tenant) for which a special charge is made to such tenants; (xvii) any costs borne directly by Tenant under this Lease; (xviii) loan payments of any type.

6.5 Proration of Common Area Costs. The Common Area Costs shall be prorated in the following manner:

(a) From and after the Commencement Date, Tenant shall pay to Landlord, on the first (1st) day of each calendar month, an amount estimated by Landlord to be the monthly amount of Tenant's share of the Common Area Costs. The estimated monthly charge may be adjusted periodically by Landlord on the basis of Landlord's reasonably anticipated costs.

(b) Following the end of each calendar year or, at Landlord's option, its fiscal year, Landlord shall furnish to Tenant a statement covering the calendar or fiscal year (as the case may be) just expired, showing by cost category the actual Common Area Costs for that year, the total Floor Area of the Project, the amount of Tenant's share of the Common Area Costs for that year, and the monthly payments made by Tenant during that year for the Common Area Costs. If Tenant's share of the Common Area Costs exceeds Tenant's prior payments, Tenant shall pay to Landlord the deficiency within fifteen (15) days after receipt of such annual statement. If Tenant's payments for the calendar year exceed Tenant's actual share of the Common Area Costs, and provided Tenant is not in arrears as to the payment of any Minimum Annual Rent or Additional Rent, Landlord shall provide a credit to Tenant with respect to Tenant's future obligation to pay Minimum Annual Rent equal to the amount of the overpayment (or if the Term expires prior to such Tenant credit being redeemed, then Landlord shall refund to Tenant the amount of any such unredeemed overpayment). In no event shall Tenant have the right to offset any overpayment against future Common Area Costs and/or other Additional Rent payable under this Lease. An appropriate proration of Tenant's share of the Common Area Costs as of the Commencement Date and the expiration date of the Term shall be made.

(c) Portions of the Project are, or may be, owned or leased from time to time by various persons or entities occupying facilities which maintain, repair and/or replace their own facilities and, therefore, contribute to the Common Area Costs on a basis other than that described herein (collectively, "Other Stores"). The contributions received from the Other Stores towards the Common Area Costs shall be credited against the total Common Area Costs and the balance thereof shall be prorated in the following manner: Tenant's share of the Common Area Costs shall be determined by multiplying the Common Area Costs that remain after applying the contributions paid by the Other Stores by a fraction, the numerator of which is the number of square feet of Floor Area in the Premises and the denominator of which is the number of square feet of Floor Area located in the Project as of the commencement of the applicable calendar or fiscal year (as the case may be), exclusive of the Joint Use Facilities. Notwithstanding the foregoing, if any owner or tenant of a portion of the Project separately maintains its own Common Area, Common Area Costs shall not include costs relating to the Common Area so maintained by such owner or tenant, and the Floor Area on such owner's or tenant's parcel shall not be included in the denominator for purposes of calculation of Tenant's share of Common Area Costs.

(d) Notwithstanding anything contained in this Section 6.5 to the contrary, at Landlord's option: (i) Landlord shall have the right to allocate certain Common Area Costs to less than all of the occupants in the Project, in which event Tenant's share of such costs (the "Cost Pool") shall be as follows: (A) in the event Tenant is one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 6.5(c), but the denominator used to determine such share shall exclude those occupants not participating in such Cost Pool; or (B) in the event Tenant is not one of the occupants participating in such Cost Pool, its share of such Common Area Costs shall be calculated in the manner set forth in Section 6.5(c), but the denominator used to determine such share shall exclude those occupants participating in such Cost Pool; or (ii) Landlord shall have the right to cause Tenant to directly pay for any extraordinary expenses resulting from Tenant's operations from the Premises (e.g., a restaurant user with an outdoor patio may be directly responsible for the extraordinary costs incurred by Landlord in cleaning the Common Area directly adjacent to such outdoor patio area).

(e) Notwithstanding anything contained in this Section 6.5 to the contrary, Landlord shall have the right to cause Tenant to directly pay for any extraordinary expenses resulting from Tenant's business operations from the Premises including, without limitation, additional expenses in connection with the removal of Tenant's trash in excess of Tenant's proportionate share of such costs as calculated in the manner set forth in Section 6.5(c).

6.6 Parking. Tenant and its employees shall park their vehicles only in the parking areas from time to time designated for that purpose by Landlord. Without limiting the generality of the foregoing, if Landlord implements any program related to parking, parking facilities or transportation facilities including, but not limited to, any program of parking validation, employee shuttle transportation during peak traffic periods or other program to limit, control, enhance, regulate or assist parking by customers of the Project, Tenant agrees to participate in the program and to pay its proportionate share of the costs of the program under reasonable rules and regulations from time to time established by Landlord. Tenant shall furnish Landlord with a list of its and its employees' vehicle license numbers at any time during the Term within ten (10) days after Landlord's written request. Tenant authorizes Landlord without notice to tow, at Tenant's

expense, any vehicle belonging to Tenant or Tenant's employees parked in violation of these provisions and/or to attach violation stickers or notices to any such vehicle. Tenant agrees to assume responsibility for compliance by its employees with these parking provisions and to indemnify and defend Landlord and its agents from and against all cost, expense and liability arising from Landlord's reasonable enforcement efforts.

ARTICLE 7
TENANT'S CONDUCT OF ITS BUSINESS

7.1 Permitted Use and Trade Name. Tenant shall use the Premises solely for the use specified in Section 1.7, and Landlord shall have no obligation whatsoever to agree to or accept any other use of the Premises. Notwithstanding the foregoing, Landlord will not unreasonably withhold, condition or delay its consent to a change in use to another retail use upon any Permitted Transfer, or any requested Transfer of this Lease, provided that such retail use (1) is lawful, (2) does not conflict with any exclusive use of any other tenant of the Project at the time Tenant requests such change in use (and Landlord shall provide Tenant a then current list of exclusive uses at the Project promptly after receipt of written notice from Tenant requesting the same in connection with such contemplated change in use by Tenant), (3) does not conflict with any recorded restrictions on use at the time, (4) is not contrary to or in violation of any restriction contained in any lease for space within the Project between Landlord and any other tenant of the Project in effect as of the date Tenant requests such change in use, (5) is of at least the general quality of operation and merchandise as the then existing tenants of the Project, (6) does not adversely impact the "tenant mix" in the Project (in Landlord's reasonable discretion), and (7) is not contrary to or in violation of any restriction that may be imposed by the city in which the Project is located nor does such change in use require different or additional entitlements to allow such use to operate in the Premises (including, but not limited to, any additional parking allocation). Tenant shall use the Premises solely under the trade name specified in Section 1.4 and shall not use the Premises under a different trade name without Landlord's prior written consent, which consent may be given or withheld in Landlord's sole and absolute discretion. Notwithstanding anything to the contrary contained herein, in no event shall Tenant use or occupy the Premises, or permit the Premises to be used or occupied, in violation of any exclusive use, prohibited use or use restriction provision set forth or disclosed in Section 7.5 or Exhibit J attached hereto.

7.2 Covenant to Open and Operate. Tenant covenants to open for business to the public with the Premises fully fixturized, staffed and stocked with merchandise and inventory on or before the Rent Commencement Date and thereafter, subject to temporary closures for casualty, condemnation, remodel (to the extent approved by Landlord), or "force majeure" (as hereinafter defined) which prevents Tenant from conducting its normal business operations in the Premises, to operate continuously and uninterruptedly in the entirety of the Premises throughout the Term the business described in Section 1.7.

7.3 Hours of Business. From and after the Rent Commencement Date, Tenant shall keep the entire Premises continuously open for business during all days and all hours that the Project is open for business. As of the date hereof, the Project is open for business all days except Thanksgiving Day, Christmas Day, New Year's Day and Easter Day and Monday through Saturday from 10:00 a.m. to 9:00 p.m. and Sunday from 11:00 a.m. to 7:00 p.m., which days and hours Landlord may change from time to time (it being agreed and understood that Tenant may, subject to applicable laws and governmental limitations, be open or closed for business from the Premises at times which are earlier or later than the operating hours listed in this Section 7.3 (i.e., "after hours"), so long as Tenant pays its share (together with other tenants that are also open during the subject after hours periods) of all extra costs and expenses incurred by Landlord in connection with such after-hours usage). Tenant shall have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public.

7.4 Radius Restriction. During the Term, neither Tenant nor any entity affiliated with Tenant shall own, operate or have any financial interest in any business similar to the business of Tenant, as set forth in Section 1.7, if such other business is opened after the Effective Date and its front door or storefront opening is located within the Radius Restriction set forth in Section 1.16. Without limiting Landlord's remedies, if Tenant violates this covenant, Landlord, for so long as Tenant is operating the other business and without limitation of any other rights or remedies Landlord may have for such violation (including, without limitation, injunctive relief and the remedies set forth in Section 14.2 hereof), may (a) include the gross sales (as the term Gross Sales is defined in this Lease) of the other business in the Gross Sales made from the Premises for the purpose of computing Percentage Rent, or (b) increase the Minimum Annual Rent in effect during the period of the violation of this covenant by twenty-five percent (25%). Landlord or its authorized representative, at all reasonable times during the Term and for a period of at least three (3) years after expiration or earlier termination of this Lease, shall have the right to inspect, audit, copy and make extracts of the books, records and accounts pertaining to such other business, in the manner set forth in Section 4.7, for the purpose of determining and verifying the additional Percentage Rent due to Landlord pursuant to this Section.

7.5 Prohibited Uses. Tenant shall not use the Premises or Common Area, or any part thereof, in violation of the "Underlying Agreements" (as hereinafter defined) or any rules and regulations, including those attached hereto as Exhibit F, which are promulgated by Landlord and delivered to Tenant from time to time governing the Project, provided that they are not inconsistent with any express provisions of this Lease. Tenant shall not use any portion of the Premises or Project: (a) to conduct or advertise any auction, bankruptcy, fire, distress, liquidation, relocation, close-out, going out of business, sheriff's or receiver's sale on or from the Premises, or any other sale that, in Landlord's reasonable opinion, adversely

affects the reputation of the Project; (b) to sell any so-called "Army and Navy", surplus, or previously worn or "used" goods, as those terms are generally used at this time and from time to time hereafter, except for fine antique furniture and antique jewelry or fine used clothes; (c) to store, sell or display any merchandise or other objects outside the exterior walls, permanent doorways or roof of the Premises; (d) to damage, deface or overload the plumbing, electrical, "HVAC System (as hereinafter defined) or structural systems of the Premises; (e) to conduct any activity which may make void or voidable or increase the premium on any insurance coverage on the Project or parts thereof; (f) in a manner which is a public or private nuisance including any which creates undue noise, sound, vibration, litter or odor; (g) for the placement of any aerial or antenna on the roof or exterior walls of the Premises; or (h) for any use set forth on Exhibit J of this Lease. In addition to the foregoing, Tenant agrees to conduct its business in a manner to avoid consistent reasonable complaints from neighboring residents and other tenants regarding objectionable noises, odors, vibrations, or nuisances. If there are reasonable, consistent complaints about noises, odors, vibrations, or other nuisances emanating from the Premises then Tenant shall, at a minimum, implement reasonable mitigation and reduction measures as reasonably required by Landlord.

7.6 Compliance With Law. Tenant, at Tenant's sole expense, shall comply with all applicable local, state and federal statutes, regulations, rules, codes, including building codes, ordinances and other requirements of governmental authorities now or hereafter in effect (the "Applicable Laws") pertaining to the use or condition of the Premises and the conduct of Tenant's business. Tenant shall give to Landlord immediate written notice upon Tenant's becoming aware that the use or condition of the Premises is in violation of any Applicable Laws.

7.7 Deliveries. Subject to the Applicable Laws, Tenant shall: (a) cause the loading or unloading of trucks or similar delivery vehicles and the parking of service vehicles in the Project to be done only in the loading and service areas which shall be designated by Landlord and, to the extent feasible, such deliveries shall be completed between 7:00 a.m. and 10:00 a.m. each day; (b) not obstruct the sidewalks, adjoining street or Common Areas of the Project; and (c) perform or cause to be performed the loading and unloading of trucks, delivery and service vehicles and the parking of service vehicles only during such hours and days and in accordance with procedures that are established by Landlord from time to time and communicated to Tenant.

7.8 Condition of Premises. If the Term shall be longer than five (5) full calendar years, then Landlord may, at any time after the expiration of the fourth (4th) full calendar year and prior to the commencement of the next to last full calendar year of the Term, require Tenant, at Tenant's cost, to make cosmetic changes to the Premises as necessary to maintain the Premises as a first-class store. Such refurbishment or renovation shall be as reasonably specified by Landlord by written notice to Tenant, and may include new carpeting, painting, new wallcovering, new interior and exterior signs and new tenant fixtures. All such work by Tenant shall be in accordance with Section 8.3 and shall be completed within six (6) months after the date of Landlord's notice.

7.9 Exclusive.

(a) Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in monetary or material non-monetary default beyond applicable notice and cure periods, and (ii) Tenant is open and operating in the Premises in accordance with the Permitted Use that would, itself, constitute a Competing Business (as defined below), Landlord agrees not to lease any portion of the Project to a Competing Business during the Term. A "Competing Business" is hereby defined as a restaurant whose primary use is the sale of ramen. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Business that has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (B) operation by a tenant or occupant in the Project as a Competing Business where such tenant or occupant is operating from a premises with more than 10,000 square feet of Floor Area, and/or (C) a Pre-Existing Tenant (hereinafter defined). For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (1) who is open for business on or prior to the Effective Date, or (2) whose lease is dated on or prior to the Effective Date hereof, or (3) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (1) or (2) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (3) who is an assignee, sublessee or licensee of a tenant described in any of the immediately preceding clauses (1), (2) and/or (3).

(b) If Landlord leases to a Competing Business in violation of this Section, then Tenant, as its sole and exclusive remedy, shall have the right to pay, in lieu of Minimum Rent, an amount ("Substitute Rent") equal to fifty percent (50%) of Tenant's then applicable Minimum Monthly Rent that Tenant would otherwise pay. Tenant's payment of Substitute Rent shall commence thirty (30) days after Tenant's written notification to Landlord of a violation of this Section and shall continue until the earlier of (i) the date the violative tenant ceases to operate in the Project in violation of the terms and conditions of this Section 7.9, or (ii) the date which is twelve (12) months after Tenant's written notification to Landlord of a violation of this Section 7.9 (such twelve (12) month period hereinafter referred to as the "Substitute Rent Period"). If such Competing Business shall continue to operate in the Project after the expiration of the Substitute Rent Period, then, at the end of the Substitute Rent Period, Tenant shall, at its election and as its sole and exclusive remedy, either (x) immediately commence to pay the full Minimum Rent due under this Lease or (y) terminate the Lease upon Notice to Landlord. If Tenant elects to terminate this Lease, then Tenant shall give Landlord Notice ("Tenant's Termination Notice"), within ten (10) days after the end of the Substitute

Rent Period which shall be effective thirty (30) days after the date Landlord receives the Tenant's Termination Notice. During such thirty (30) day period, Tenant shall abide by all of the terms, conditions and covenants of this Lease, except that Tenant may continue to pay Substitute Rent during such thirty (30) day period. If Tenant fails to provide Tenant's Termination Notice to Landlord within such ten (10) day period, then Tenant's right to terminate this Lease hereunder shall be null and void, and Tenant shall commence to pay the full Minimum Rent otherwise due under this Lease as of the first day after the end of the Substitute Rent Period.

(c) Tenant shall have no remedy for a violation of this Section if another tenant or occupant in the Project violates a provision of its lease or license agreement regarding its premises, which either does not permit or specifically prohibits the Competing Business that violates Tenant's exclusive use rights set forth herein, and Landlord uses commercially reasonable, diligent, good faith efforts to enforce Landlord's rights under such lease or license agreement and to obtain judicial relief if necessary. For purposes hereof, "judicial relief" shall mean Landlord attempting to obtain a temporary restraining order, preliminary injunction, order resulting from an arbitration proceeding enjoining the Competing Business; provided, however, Landlord shall not be required to appeal any adverse decision denying judicial relief. In addition, Tenant may institute an action to obtain judicial relief against such tenant or occupant described in this section. Further, notwithstanding anything in the foregoing to the contrary, Landlord shall not be obligated to maintain or enforce the terms of this Section or any similar provision of this Lease to the extent such maintenance or enforcement would violate any anti-trust law applicable to similar business transactions within the State of California. If such anti-trust violation is the basis of a claim or counterclaim against Landlord in connection with Landlord's efforts to enforce Landlord's rights under a lease or license agreement which either does not permit or specifically prohibits the Competing Business that violates Tenant's exclusive rights, then Landlord shall promptly consult with Tenant regarding Tenant's desire to further pursue enforcement of this provision. If Tenant desires to have Landlord pursue further enforcement of this provision, then Tenant shall defend, indemnify and save Landlord and its employees, agents and assigns harmless from and against any and all losses, damages, actions, causes of action, claims, liabilities, demands, costs and expenses including, without limitation, reasonable attorneys' fees, arising out of any claim or counterclaim against Landlord in connection with Landlord's attempted enforcement of this provision. If, however, Tenant does not desire to have Landlord further pursue enforcement, then this Section shall be null and void and of no further force or effect.

(d) Landlord shall have the right to provide a copy of this Section or a description of the terms hereof to any tenant or occupant or prospective tenant or occupant of the Project.

ARTICLE 8
REPAIRS AND MAINTENANCE

8.1 Landlord's Repair Obligations. Landlord shall maintain in good condition and repair the structural components and foundations, roof, and exterior surfaces of the exterior walls of all buildings in the Project (exclusive of doors, door frames, door checks, windows, window frames and, unless Landlord elects to include cleaning of the storefronts and storefront awnings of tenants of the Project as part of Common Area maintenance pursuant to Section 6.4 above, storefronts and storefront awnings). It is acknowledged by Tenant that, at Landlord's sole discretion, the cost of some or all of Landlord's maintenance obligations referenced in the preceding sentence shall be prorated and paid as Common Area Costs. Notwithstanding anything to the contrary contained in this Lease, Landlord shall not be liable for failure to make repairs required to be made by Landlord under the provisions of this Lease unless Tenant has previously notified Landlord in writing of the need for such repairs and Landlord has failed to commence and complete the repairs within the period of time following receipt of Tenant's written notification set forth in Section 15.1 below.

8.2 Tenant's Repair and Maintenance Obligations. Except for the portions and components of the Premises to be maintained by Landlord as set forth in Section 8.1, Tenant, at its expense, shall keep the Premises and all utility facilities and systems exclusively serving the Premises ("Tenant Utility Facilities") in first-class order, condition and repair and shall make replacements necessary to keep the Premises and Tenant Utility Facilities in such condition; provided, however, Tenant shall have no right to spray paint the exterior or interior of the windows or doors. All replacements shall be of a quality equal to or exceeding that of the original. At the option of Landlord, (a) Tenant shall contract with a service company approved by Landlord for the regular (but not less frequently than quarterly) maintenance, repair and/or replacement (when necessary) of the heating, ventilating and air conditioning equipment serving the Premises (the "HVAC System") and shall provide Landlord with a copy of any service contract within ten (10) days following its execution, or (b) Landlord may contract with a service company of its own choosing (or provide such service itself) for the maintenance, repair and/or replacement of the HVAC System and bill Tenant periodically for the cost of same or based upon estimates in a manner similar to the way in which Taxes are estimated and billed. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all of the HVAC System expense billed to Tenant. Tenant shall be required to utilize Landlord's roofing contractor in the event Tenant desires to penetrate the roof of the Premises or for any repairs, alterations or improvements permitted to be made to the roof of the Premises by Tenant pursuant to the terms of this Lease.

In addition to Tenant's obligations set forth above, if required by Applicable Law for Tenant's use in connection with Tenant's permitted use from the Premises, Tenant shall, at Tenant's sole cost and expense, install a grease interceptor and operate, maintain, repair, replace and clean such grease interceptor in first class order, condition and repair and shall make all replacements necessary to keep such

grease interceptor in such condition. At the option of Landlord, (a) Tenant shall contract with a service company approved by Landlord for the regular (but not less frequently than quarterly) cleaning, maintenance, repair and/or replacement (when necessary) of the grease interceptor equipment serving the Premises (the "Grease Interceptor Equipment") and shall provide Landlord with a copy of any service contract within ten (10) days following request therefor, or (b) Landlord may contract with a service company of its own choosing (or provide such service itself) for the cleaning, maintenance, repair and/or replacement of the Grease Interceptor Equipment and bill Tenant periodically for the cost of same or based upon estimates in a manner similar to the way in which Taxes are estimated and billed. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all Grease Interceptor Equipment expenses billed to Tenant. To the extent any such Grease Interceptor Equipment is located on the roof of the Premises, such rooftop equipment shall be designed, installed, and maintained in accordance with Applicable Law and plans and specifications reasonably approved by Landlord in advance. Landlord's roofing contractor shall be used for the installation of such equipment. Landlord may, at its sole discretion, implement a rooftop grease maintenance management program under which food use tenants and occupants of the Project will be obligated to participate at their prorated share of cost. Notwithstanding the foregoing, in the event the Grease Interceptor Equipment is installed by Landlord for Tenant's use in common with other tenants or occupants of the Project, Tenant shall pay its proportionate share of the cost of installing and maintaining such Grease Interceptor Equipment in an amount as reasonably determined by Landlord.

8.3 Alterations. After initially opening the Premises for business, Tenant shall not make or cause to be made to the Premises any addition, renovation, alteration, reconstruction or change (collectively, "Alterations") (i) costing in excess of Five Thousand Dollars ($5,000.00) per calendar year, (ii) involving structural changes or additions or any change to the Tenant Utility Facilities, (iii) affecting the exterior storefront, fire sprinkler systems, exterior walls, floor slab, or roof of the Premises, (iv) requiring or resulting in any penetration of the roof, demising walls or floor slab of the Premises, or (v) affecting the interior design, décor, theme or atmosphere of the Premises, without first obtaining the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Tenant shall provide Landlord with copies of all plans ("Alteration Plans") required by the City (or other applicable governmental authority(ies)) to be prepared for any permits required for Tenant's proposed Alterations concurrently with Tenant's written request for Landlord's approval. Tenant shall construct such Alterations strictly in accordance with the Alteration Plans approved by the City (or other applicable governmental authority(ies)) and Landlord with a licensed contractor reasonably acceptable to Landlord. Tenant shall make no modifications to the approved Alterations Plans without the prior written consent of Landlord. Any Alterations constructed without Landlord's consent in violation of this Section 8.3, any changes to the approved Alteration Plans without Landlord's consent, any Alterations constructed without the use of a contractor approved by Landlord, and any Alterations that fail to conform to the approved Alteration Plans shall be considered non-conforming and shall, upon Landlord's written demand and without constituting an election of remedies hereunder, be removed or modified by Tenant to conform with the approved Alterations Plans, at Tenant's sole cost and expense. Tenant shall provide Landlord with not less than ten (10) days prior written notice of the commencement of any Alterations in the Premises and Landlord shall have the right to enter upon the Premises to post customary notices of non-responsibility with respect thereto. Subject to Section 20.7, all improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions and other items comprising Tenant's Work pursuant to Exhibit C, but excluding trade fixtures and signs, shall be deemed to be the property of Landlord upon installation thereof. Within thirty (30) days after the completion of any Alterations, Tenant shall deliver to Landlord a set of "as built" plans depicting the Alterations as actually constructed or installed. If Tenant shall make any permitted Alterations, Tenant shall carry "Builder's All Risk" insurance in an amount reasonably determined by Landlord covering the construction of such Alterations and such other insurance as Landlord may reasonably require. Any Alterations to the Premises which are required by reason of any present or future law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Premises or the Project or of any insurance company insuring the Premises, and regardless of whether or not such Alteration pertains to the nature, construction or structure of the Premises or to the use made thereof by Tenant, shall be at the sole cost of Tenant regardless of whether the work is performed by Landlord or Tenant. Any Alterations to the Premises or the Tenant Utility Systems which are required by reason of any present or future law, ordinance, rule, regulation or order of any governmental authority having jurisdiction over the Premises or the Project or of any insurance company insuring the Premises, and regardless of whether or not such Alteration pertains to the nature, construction or structure of the Premises or to the use made thereof by Tenant, shall be at the sole cost of Tenant regardless of whether the work is performed by Landlord or Tenant.

8.4 Trash Removal. Tenant shall deposit trash and rubbish only within receptacles approved by Landlord. Tenant shall cause trash receptacles to be emptied at Tenant's cost and expense; provided, however, at Landlord's option, Landlord may provide trash removal services, the cost of which shall be paid for by Tenant either (a) as a Common Area Cost, or (b) pursuant to an equitable proration of said costs by Landlord based upon Tenant's use of its Premises in accordance with Section 6.5(c).

8.5 Pest Control Requirements. If any event of pest or vermin infestation is found in the Premises or anywhere else in the Project that Landlord reasonably determines is related to Tenant's or Tenant's employees or customers use of the Premises or the operation of Tenant's business, then, at Landlord's option, (a) Tenant shall, at its sole cost and expense, immediately contract with a bonded professional pest and sanitation control operator to remedy such infestation, or (b) Landlord may contract with a professional pest and sanitation company of its own choosing and bill Tenant for the cost of the same. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all of such expense billed to Tenant.

8.6 Odor And Noise Control. Throughout Term Tenant shall, at Tenant's sole expense, maintain the Premises in a clean, sanitary and quiet manner and shall take such steps as may be necessary, in the reasonable discretion of Landlord, to keep the Premises and/or contiguous other tenant-occupied premises and the Project free of nuisances, odors and loud sounds, including music associated with Tenant's business or from the operation of any instrument, apparatus, equipment, radio, television or amplification system. Upon Tenant's receipt of notice of any complaint of odor or noise that may be resulting from, directly or indirectly, the operation of Tenant's business, Tenant, at Tenant's sole expense, shall take such steps as may be necessary to immediately remedy such odor or noise. Notwithstanding anything to the contrary, Landlord understands and agrees that some reasonable odors are associated with the operation of a restaurant and that the presence of such reasonable odors in the exterior of the Premises (but not within the premises of other tenants at the Project) shall not be considered offensive, noxious, or objectionable, and shall not constitute a breach of this Lease, a nuisance, or a violation of any rules or regulations of Landlord, provided that such odors do not exceed those customarily emitted by other first-class restaurants in similar shopping centers.

8.7 Restaurant Provisions.

(a) Tenant covenants and agrees that during the entire Term of the Lease, Tenant will conduct in the Premises a high-grade operation serving first-quality food for on-premises consumption, and that the Premises will be kept reasonably clean at all times. Tenant agrees to use all efforts which may be necessary to minimize odors and noises emitting from the Premises. Tenant further agrees that it will, promptly upon receipt of Notice from Landlord, take whatever steps may be necessary in order to comply with improvements of food, service, appearance, and the like in the Premises, as reasonably requested by Landlord from time to time; and failure so to do shall be deemed to be a default hereunder, invoking all of the provisions with respect to default contained in this Lease. Without limiting the terms and conditions of Section 14.1, below, Tenant agrees that it shall constitute a default hereunder if Tenant's fails to maintain a health department rating of "A" (or such other highest health department or similar rating as is available) and such failure continues for more than ten (10) days.

(b) Tenant shall use "Cloroben PT" or a similar type of chemical in all drain lines, in accordance with the manufacturer's recommendations, to help dissolve any grease build-up in the Premises.

(c) Tenant shall, at its expense: (i) have the filters in the hoods to the food processing exhaust systems removed daily and washed; (ii) have the hoods, exhaust ducts and fans scraped and cleaned, to remove all grease and other materials, a minimum of once every three (3) months, or as designated by Landlord, a record of such cleaning to be presented to Landlord; and (iii) if gas is used in the Premises, install a proper gas cut off-valve in the Premises. In the event that Tenant fails to perform the foregoing obligations, Landlord may perform, on behalf and at the expense of Tenant. In addition, Landlord shall have the right to access the Premises to conduct periodic inspections of the hoods, exhaust ducts and fans.

(d) If Tenant fails to comply with any of the provisions of this Section 8.7, such failure to do so shall be deemed to be a default of this Lease, permitting Landlord all rights with respect to default contained in this Lease. Landlord shall have the same remedies (even if such payment is due to such contractor and not to Landlord) as Landlord has for nonpayment of Rent hereunder.

8.8 Intentionally omitted.

8.9 Liquor License. At all times that Tenant sells liquor or other alcoholic beverages from the Premises, Tenant shall (a) provide Landlord with a copy of its liquor license (the "Liquor License"), (b) pay all fees and keep and operate the Liquor License in good standing and in compliance with local rules and regulations and the rules and regulations of the California Department of Alcohol Beverage Control and free from liens of liquor wholesalers or others and taxes, (c) not transfer the Liquor License or the physical location of the Liquor License, or sublease the Liquor License, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, and (d) maintain the broadest available Liquor Legal Liability insurance (sometimes also known as "dram shop" insurance) policy or policies with minimum combined limits of at least the minimum limits of insurance specified in Section 1.17, above, plus minimum limits of coverage of at least $5,000,000 under an umbrella policy covering excess Liquor Legal Liability, or such higher limits as Landlord may from time to time request, which shall insure Tenant and Landlord and Landlord's designees against any and all claims, demands or actions for personal and bodily injury to, or death of, one person or multiple persons in one or more accidents, and for damage to property.

ARTICLE 9
INSURANCE

9.1 Tenant's Insurance. Tenant, at its sole cost and expense, commencing on the earlier of (i) the Delivery Date, or (ii) the date Tenant is given earlier access to the Premises, and continuing during the Term, shall procure, pay for and keep in full force and effect the following types of insurance, in at least the amounts and in the forms specified below:

(a) Commercial general liability insurance with coverage limits of not less than the combined single limit for bodily injury, personal injury, death and property damage liability per occurrence

specified in Section 1.17, insuring against any and all liability of the insured with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises or related to the exercise of any rights of Tenant pursuant to this Lease, subject to increases in amount as Landlord may reasonably require from time to time. All such liability insurance shall specifically insure the performance by Tenant of the indemnity agreement as to liability for injury to or death of persons and injury or damage to property set forth in Section 9.6. Further, all such liability insurance shall include, but not be limited to, personal injury, blanket contractual, cross-liability and severability of interest clauses, products/completed operations, broad form property damage, independent contractors, owned, non-owned and hired vehicles and, if alcoholic beverages are served, sold, consumed or obtained in the Premises, liquor law liability.

(b) Worker's compensation coverage as required by law, including employer's liability coverage, with a limit of not less than One Million Dollars ($1,000,000.00) and waiver by Tenant's insurer of any right of subrogation against Landlord and Landlord's property manager by reason of any payment pursuant to such coverage.

(c) Business interruption or loss of income insurance in amounts sufficient to insure Tenant's business operations for a period of not less than one (1) year.

(d) Plate glass insurance covering all plate glass on the Premises at full replacement value. Tenant shall have the option either to insure this risk or to self-insure.

(e) Insurance covering all of Tenant's Work, Tenant's leasehold improvements, Alterations permitted under Article 8, trade fixtures, merchandise and personal property from time to time in, on or about the Premises in an amount not less than their full replacement value from time to time, including replacement cost endorsement, providing protection against any peril included within the classification Fire and Extended Coverage, sprinkler damage, vandalism, malicious mischief and such other additional perils as covered in an "all risks" standard insurance policy. Any policy proceeds shall be used for the repair or replacement of the property damaged or destroyed unless this Lease shall cease and terminate under the provisions of Article 10. Landlord shall have the right from time to time during the Term by written notice to Tenant to increase the limits of insurance Tenant is required to carry hereunder, provided that Landlord shall not increase such limits above those from time to time typically required in new leases of similar premises located in the Project.

(f) Any insurance policies designated necessary by Landlord with regard to Tenant's, or Tenant's contractors', construction of Tenant's Work, as well as with regard to the construction of any Alterations including, but not limited to, contingent liability and "all risks" builders' risk insurance, in amounts acceptable to Landlord.

9.2 Policy Form. All policies of insurance required of Tenant herein shall be issued by insurance companies with a general policy holder's rating of not less than "A" and a financial rating of not less than Class "X", as rated in the most current available "Best's Key Rating Guide", and which are admitted and qualified to do business in the State of California. All such policies, except for the Worker's Compensation coverage, shall name and shall be for the mutual and joint benefit and protection of Landlord, Tenant and Landlord's agents and, at Landlord's option, Landlord's mortgagee(s) or beneficiary(ies), as additional insured. The policies described in subparagraphs (c) and (e) of Section 9.1 shall also name Landlord and Landlord's mortgagee(s) or beneficiary(ies) as loss payees. Executed copies of the policies of insurance or certificates thereof shall be delivered to Landlord prior to Tenant, its agents or employees entering the Premises for any purpose. Thereafter, executed copies of renewal policies or certificates thereof shall be delivered to Landlord within thirty (30) days prior to the expiration of the term of each policy. All policies of insurance delivered to Landlord must contain a provision that the company writing the policy will give to Landlord thirty (30) days' prior written notice of any cancellation or lapse or the effective date of any reduction in the amounts of insurance. All policies required of Tenant herein shall be endorsed to read that such policies are primary policies and any insurance carried by Landlord or Landlord's property manager shall be excess and noncontributing with such policies. No policy required to be maintained by Tenant shall have a deductible greater than Twenty-Five Thousand Dollars ($25,000.00) unless approved in writing by Landlord.

9.3 Blanket Policies. Notwithstanding anything to the contrary contained in this Article 9, Tenant's obligation to carry insurance may be satisfied by coverage under a so-called blanket policy or policies of insurance; provided, however, that the coverage afforded Landlord will not be reduced or diminished and the requirements set forth in this Lease are otherwise satisfied by such blanket policy or policies.

9.4 Increased Premiums Due to Use of Premises. Tenant shall not do any act in or about the Premises which will tend to increase the insurance rates upon the Premises or the Project of which the Premises are a part. Tenant agrees to pay to Landlord, upon demand, the amount of any increase in premium for insurance resulting from Tenant's use of the Premises, whether or not Landlord shall have consented to the act on the part of Tenant. If Tenant installs upon the Premises any electrical equipment which constitutes an overload of the electrical lines servicing the Premises, Tenant, at its own expense, shall make whatever changes are necessary to comply with the requirements of the insurance underwriters and any appropriate governmental authority.

9.5 Reimbursement of Insurance Premiums by Tenant. Landlord, at all times from and after the Delivery Date, shall maintain in effect during the Term a policy or policies of insurance covering the

building of which the Premises are a part (including boiler and machinery) in an amount not less than eighty percent (80%) of the full replacement cost (exclusive of the cost of excavations, foundations and footings) or the amount of insurance Landlord's mortgagee(s) or beneficiary(ies) may require Landlord to maintain, whichever is the greater, providing protection against any peril generally included in the classification "Special Form Causes of Loss" or "Fire and Extended Coverage", loss of rental income insurance and such other additional insurance as covered in an "all risks" standard insurance policy or maintained by Landlord in Landlord's sole discretion, with earthquake, flood, terrorism and/or environmental coverage insurance if deemed necessary by Landlord in Landlord's sole judgment or if required by Landlord's mortgagee(s) or beneficiary(ies) or by any Federal, state, county, city or local authority. Landlord's obligation to carry this insurance may be brought within the coverage of any so called blanket and/or umbrella policy or policies of insurance carried and maintained by Landlord. From and after the Commencement Date, Tenant agrees to pay to Landlord, as Additional Rent, its share of the cost to Landlord of this insurance, including deductibles, reasonable reserves and any self-insured retention plus the Supervision Fee. The cost of such insurance for any partial year of the Term shall be prorated. Payment shall be made in the same manner set forth for payment of Taxes in Section 5.1(b). Tenant's share of the premiums for this insurance shall be a fractional portion of the premiums, the numerator of which shall be the Floor Area of the Premises and the denominator of which shall be the Floor Area of all areas which are covered by this insurance as of the commencement of the applicable calendar or fiscal year, exclusive of the Joint Use Facilities.

9.6 Indemnity. "Landlord" for the purposes of this Section 9.6 shall mean and include Landlord and Landlord's directors, officers, shareholders, members, partners, agents and employees. To the fullest extent permitted by law, Tenant covenants with Landlord that Landlord shall not be liable for any damage or liability of any kind or for any injury to or death of persons or damage to property of Tenant or any other person occurring from and after the Delivery Date (or such earlier date if Tenant is given earlier access to the Premises) from any cause whatsoever related to the use, occupancy or enjoyment of the Premises by Tenant or any person thereon or holding under Tenant including, but not limited to, injury, death or damage resulting from Landlord's negligence of any type or kind (including gross, active or affirmative negligence) and damages resulting from any labor dispute. Tenant shall pay for, defend (with an attorney approved by Landlord), indemnify, and save Landlord harmless against and from any real or alleged damage or injury and from all claims, suits, proceedings judgments, fines, penalties, liabilities, costs and expenses, including attorney's fees and costs, arising out of or connected with Tenant's use of the Premises and its facilities, or any repairs, Alterations or improvements (including original improvements and fixtures specified as Tenant's Work) which Tenant may make or cause to be made upon the Premises, any breach of this Lease by Tenant and any loss or interruption of business or loss of rental income resulting from any of the foregoing; provided, however (and though Tenant shall in all cases accept any tender of defense of any action or proceeding in which Landlord is named or made a party and shall, notwithstanding any allegations of negligence or misconduct on the part of Landlord, defend Landlord as provided herein), this Section 9.6 shall not require Tenant to indemnify Landlord for such damage or injury to the extent and in the proportion that the same is ultimately determined to be attributable to Landlord's commission of a negligent, affirmative act or Landlord's willful misconduct. This obligation to indemnify shall include all of Landlord's attorneys' fees, litigation costs, investigation costs and court costs and all other costs, expenses and liabilities incurred by Landlord or its counsel from the first notice that any claim or demand is to be made or may be made. Tenant's obligations under this Section 9.6 shall survive the termination of this Lease.

9.7 Waiver of Subrogation. Except to the extent that insurance required to be maintained by Tenant pursuant to this Article 9 covers loss to Landlord, Landlord and Tenant each waive any rights each may have against the other on account of any loss or damage occasioned to Landlord or Tenant, as the case may be, their respective property, the Premises or its contents, or to other portions of the Project arising from any liability, loss, damage or injury caused by fire or other casualty for which property insurance is carried or required to be carried pursuant to this Lease. The insurance policies obtained by Landlord and Tenant pursuant to this Lease shall contain endorsements waiving any right of subrogation which the insurer may otherwise have against the non-insuring party. If Landlord has contracted with a third party for the management of the Project, the waiver of subrogation by Tenant herein shall also run in favor of such third party.

9.8 Failure by Tenant to Maintain Insurance. If Tenant refuses or neglects to secure and maintain insurance policies complying with the provisions of this Article 9 or to provide copies of policies or certificates or copies of renewal policies or certificates within the time periods set forth in this Article 9, Landlord may, but is not required to, secure the appropriate insurance policies and Tenant shall pay, upon demand, the cost of the same to Landlord, as Additional Rent. Landlord's election to secure or not to secure the appropriate insurance on Tenant's behalf as described in the foregoing sentence shall in no event be deemed a waiver of any of Landlord's remedies under this Lease, at law or in equity for Tenant's failure to properly maintain insurance as required by this Lease.

9.9 Sufficiency of Coverage. Neither Landlord nor any of Landlord's agents make any representation that the types of insurance and limits specified to be carried by Tenant under this Lease are adequate to protect Tenant. If Tenant believes that any such insurance coverage is insufficient, Tenant shall provide, at its own expense, such additional insurance as Tenant deems adequate. Nothing contained herein shall limit Tenant's liability under this Lease.

ARTICLE 10
DAMAGE/DESTRUCTION

10.1 Insured Casualty. In the case of damage by fire or other perils covered by the insurance required under Section 9.5, the following provisions shall apply:

(a) Within a period of sixty (60) days after all applicable permits have been obtained, Landlord shall commence such repair, reconstruction and restoration of the Premises as Landlord, in its reasonable business judgment, deems necessary, and shall diligently prosecute the same to completion; provided, however, that Tenant, at its cost, shall repair and restore all items of Tenant's Work, any Alterations and other leasehold improvements and replace its stock in trade, trade fixtures, furniture, furnishings and equipment. Tenant shall commence this work promptly upon delivery of possession of the Premises to Tenant and shall diligently prosecute same to completion.

(b) Notwithstanding the foregoing, if the Premises is totally destroyed, or if the Project is destroyed to an extent of at least fifty percent (50%) of the then full replacement cost thereof as of the date of destruction, then (i) if the destruction occurs during the last two (2) years of the Term, Landlord and Tenant shall each have the right to terminate this Lease, and (ii) if the destruction occurs prior to the last two (2) years of the Term, Landlord shall have the right to terminate this Lease. In each case, the termination right shall be exercised by the terminating party giving written notice to the other party within thirty (30) days after the date of destruction.

10.2 Uninsured Casualty. If the Premises or the Project are damaged as a result of any casualty not covered by the insurance required to be carried under Section 9.5, Landlord, within sixty (60) days after all applicable permits have been obtained, shall commence repair, reconstruction or restoration of the Premises to the extent provided herein and shall diligently prosecute the same to completion or, if the damage to the Premises, or to the buildings in the Project excluding the Premises, and excluding any freestanding buildings, is greater than ten percent (10%) of the total replacement cost, Landlord may elect within said ninety (90) days not to so repair, reconstruct or restore the damaged property, in which event, at Landlord's option, this Lease shall cease and terminate upon the expiration of such ninety (90) day period. In the event Landlord elects to restore the Premises, Tenant shall have the same repair, restoration and replacement obligations it has pursuant to Section 10.1(a).

10.3 Distribution of Proceeds. In the event of the termination of this Lease pursuant to this Article 10, all proceeds from the Fire and Extended Coverage and/or property insurance carried by Tenant pursuant to Article 9 and all insurance covering Tenant's Work and Tenant's leasehold improvements, but excluding proceeds for trade fixtures, merchandise, signs and other personal property, shall be disbursed and paid to Landlord, and all proceeds from Fire and Extended Coverage and/or property insurance carried by Landlord pursuant to Article 9 shall be retained by Landlord.

10.4 Abatement. In the event of repair, reconstruction and restoration, as provided in this Article 10, and provided Tenant has maintained the business interruption or loss of income insurance required pursuant to Article 9, to the extent that the proceeds of such business interruption or loss of income insurance may be exhausted during the period of repair, reconstruction and restoration, Minimum Annual Rent payable hereunder shall be thereafter abated proportionately with the degree to which Tenant's use of the Premises is impaired during the remainder of the period of repair, reconstruction and restoration; provided, however, the amount of Minimum Annual Rent abated pursuant to this Section 10.4 shall in no event exceed the amount of loss of rental income insurance proceeds actually received by Landlord. Tenant shall continue the operation of its business on the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and provided that Tenant is continuing the operation of its business on the Premises, the obligation of Tenant to pay Percentage Rent and Additional Rent shall remain in full force and effect. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or the building of which the Premises are a part, Tenant's personal property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

10.5 Waiver of Termination. Tenant waives any statutory rights of termination which may arise by reason of any partial or total destruction of the Premises including, without limitation, the provisions of Section 1932(2) and Section 1933(4) of the Civil Code of the State of California and any amendments thereto or of any law which may hereafter be passed during the Term of this Lease.

ARTICLE 11
CONDEMNATION

11.1 Taking. The term "Taking", as used in this Article 11, shall mean an appropriation or taking under the power of eminent domain by any public or quasi-public authority or a voluntary sale or conveyance in lieu of condemnation but under threat of condemnation.

11.2 Total Taking. In the event of a Taking of the entire Premises, this Lease shall terminate and expire as of the date possession is delivered to the condemning authority and Landlord and Tenant shall each be released from any liability accruing pursuant to this Lease after the date of such termination, but Minimum Annual Rent, Percentage Rent, and Additional Rent for the last month of Tenant's occupancy shall be prorated and Landlord shall refund to Tenant any Minimum Annual Rent and Additional Rent paid in advance.

11.3 Partial Taking. If there is a Taking of (a) more than twenty-five percent (25%) of the Floor Area of the Premises, or (b) a portion of the Premises and, regardless of the amount taken, the remainder of the Premises is not, in Tenant's reasonable judgment, suitable for the operation of Tenant's business, either Landlord or Tenant may terminate this Lease, as of the date Tenant is required to vacate a portion of the Premises, upon giving notice in writing of such election to the other party within thirty (30) days after receipt by Tenant from Landlord of written notice that a portion of the Premises has been so appropriated or taken.

11.4 Award. The entire award or compensation in any such condemnation proceeding, whether for a total or partial Taking, or for diminution in the value of the leasehold or for the fee, shall belong to and be the property of Landlord; and, in any event, the holder of any mortgage or deed of trust encumbering the Project shall, as between Tenant and such party, have a first priority to the extent of the unpaid balance of principal and interest on its loan. Without derogating the rights of Landlord or said lender under the preceding sentence, Tenant shall be entitled to recover from the condemning authority such compensation as may be separately awarded by the condemning authority to Tenant or recoverable from the condemning authority by Tenant in its own right for the taking of trade fixtures and equipment owned by Tenant and for the expense of removing and relocating its trade fixtures and equipment, but only in the event that the compensation awarded to Tenant shall be in addition to and shall not diminish the compensation awarded to Landlord as provided above.

11.5 Continuation of Lease. In the event of a Taking, if Landlord and Tenant elect not to terminate this Lease as provided above (or have no right to so terminate), Landlord agrees, at Landlord's cost and expense as soon as reasonably possible after the Taking, to restore the Premises (to the extent of the condemnation proceeds) on the land remaining to a complete unit of like quality and character as existed prior to the Taking and, thereafter, Minimum Rent shall be reduced on an equitable basis, taking into account the relative value of the portion taken as compared to the portion remaining, and Landlord shall be entitled to receive the total award or compensation in such proceedings.

11.6 Waiver of Right to Terminate. Tenant hereby waives the provisions of California Code of Civil Procedure Section 1265.130, which allows Tenant to petition the Superior Court to terminate this Lease in the event of a partial Taking of the Premises.

ARTICLE 12
ASSIGNMENT AND SUBLEASES

12.1 Landlord's Consent Required. Tenant shall not assign, sublet, enter into franchise, license or concession agreements, change ownership or voting control, or otherwise transfer (including any transfer by operation of law) all or any part of this Lease, Tenant's interest in the Premises or Tenant's business (collectively, "Transfer") without first procuring the written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed, subject to the terms, covenants and conditions contained in this Lease; provided, however, under no circumstances shall Tenant mortgage, encumber, pledge or hypothecate this Lease or its interest in the Premises. If Tenant is a corporation (other than a public corporation whose stock is traded on a nationally recognized stock exchange) or an unincorporated association, limited liability company or partnership, the transfer or assignment of a controlling interest in such entity, or any other transfer or assignment the intent of which is to circumvent the Landlord's approval rights pursuant to this Article 12, shall be deemed a Transfer. Tenant hereby waives the provisions of Section 1995.310 of the California Civil Code, or any successor statute, and all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and on behalf of the proposed transferee.

12.2 Procedures. Should Tenant desire to enter into a Transfer, Tenant shall request, in writing, Landlord's consent to the proposed Transfer at least sixty (60) days before the intended effective date of the proposed Transfer, which request shall include the following: (a) full particulars of the proposed Transfer including its nature, effective date, terms and conditions; (b) a description of the identity, net worth and previous business experience of the proposed transferee ("Transferee"); (c) a complete business plan prepared by the proposed transferee; (d) any further information relevant to the proposed Transfer which Landlord shall reasonably request; and (e) a payment to Landlord in an amount equal to One Thousand and 00/100 Dollars ($1,000.00) in order to pay Landlord for costs incurred in connection with reviewing such proposed Transfer, including all attorneys' fees reasonably incurred by Landlord in connection with any such Transfer. Within forty-five (45) days after receipt of Tenant's request for consent to the proposed Transfer together with all of the above-required information, Landlord shall respond and shall have the right either to: (i) consent to the proposed Transfer; or (ii) refuse to consent to the proposed Transfer.

12.3 Standard for Consent. Tenant agrees that Landlord may refuse its consent to the proposed transfer on any reasonable grounds, and (by way of example and without limitation) Tenant agrees that it shall be reasonable for Landlord to withhold its consent if any of the following situations exist or may exist: (a) the use to which the Premises will be put by the proposed transferee is different than the use set forth in Section 1.7; (b) the proposed transferee's financial condition is inadequate to support all of the financial and other obligations of Tenant under this Lease; (c) the business reputation or character of the proposed transferee is not reasonably acceptable to Landlord; (d) the proposed transferee is not likely to conduct on the Premises a business of a quality substantially equal to that conducted by Tenant; (e) the nature of the proposed transferee's proposed or likely use of the Premises would impose an increased burden on the Common Area, or involve any increased risk of the presence, use, release or discharge of "Hazardous Materials" (as defined in Section 18.1); (f) Landlord has not received assurances acceptable

to Landlord in its reasonable discretion that all past due amounts owing from Tenant to Landlord, if any, will be paid and all other defaults on the part of Tenant, if any, will be cured prior to the effective date of the proposed Transfer; (g) in Landlord's reasonable business judgment the annual Percentage Rent Landlord anticipates receiving from the proposed Transferee is less than the average annual Percentage Rent Landlord has received from Tenant during the two (2) years immediately prior to the proposed Transfer; (h) in Landlord's reasonable business judgment the Transfer or Transferee would breach any covenant of Landlord respecting radius, location, use or exclusivity relating to the Project, or, in Landlord's reasonable discretion, conflict with, be incompatible with or have an adverse impact on the tenant mix of the Project; (i) a default hereunder exists, and (j) the proposed Transferee is negotiating with Landlord to lease space in the Project. Any purported Transfer without Landlord's prior written consent shall be void and of no force or effect and shall not confer any estate or benefit on anyone. A consent to one (1) Transfer by Landlord shall not be deemed to be a consent to any subsequent Transfer to any other party.

12.4 Permitted Transfers. Notwithstanding anything to the contrary contained in this Article 12, provided that Tenant is not in default under the terms and conditions of this Lease, an assignment of this Lease or a subletting of the Premises to an affiliate ("Affiliate") of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant or any corporation or other business entity that succeeds to the business of Tenant and all other affiliated entities of Tenant operating under the same trade name) as a result of a merger, consolidation, sale of assets, or other business reorganization other than as a result of a bankruptcy), shall not be deemed a Transfer under this Article 12, provided that (i) Tenant notifies Landlord of any such assignment or sublease prior to the effective date thereof and promptly supplies Landlord with any documents or information requested by Landlord regarding such assignment or sublease or such Affiliate (including, in the event of an assignment, evidence of the assignee's assumption of Tenant's obligations under this Lease or, in the event of a sublease, evidence of the sublessee's assumption, in full, of the obligations of Tenant with respect to the portion of the Premises so subleased, other than the payment of rent), (ii) such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (iii) such assignment or sublease does not cause Landlord to be in default under any lease at the Project, (iv) such Affiliate is sufficiently capitalized to perform the obligations of Tenant under this Lease, and (v) with respect to a subletting only, Tenant and such Affiliate execute Landlord's standard consent to sublease form. An assignment pursuant to the immediately preceding sentence may be referred to herein as a "Permitted Transfer" and an assignee of Tenant's entire interest in this Lease pursuant to the immediately preceding sentence may be referred to herein as a "Permitted Transferee." "Control," as used in this Article 12, shall mean the ownership, directly or indirectly, of greater than fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of greater than fifty-one percent (51%) of the voting interest in, an entity. The provisions of this Section 12.4 shall not be available to any assignee or sublessee of Tenant's interest in this Lease, unless such Transferee obtained its interest in this Lease pursuant to the provisions of this Section 12.4.

12.5 No Releases. No Transfer (including, without limitation, a Permitted Transfer), whether with or without Landlord's consent, shall relieve Tenant or any Guarantor hereunder from its covenants and obligations under this Lease. The transferor Tenant and any Guarantor (collectively, "Transferor") shall be bound by the following after any Transfer: (a) any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of this Lease, the giving of any consent to any matter or thing relating to this Lease, or the granting of any indulgence or extension of time to the Transferee may be done without notice to Transferor and without releasing Transferor from any of its obligations hereunder; (b) the obligations of Transferor hereunder shall not be released by any modification of this Lease, regardless of whether Transferor consents thereto or receives notice thereof; and (c) Transferor unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in this Lease contained on Tenant's part to be paid, kept, performed and observed.

12.6 Form. Any Transfer shall be evidenced by an instrument in form and content satisfactory to Landlord and executed by Tenant and the transferee, assignee, sublessee, licensee or concessionaire, as the case may be.

12.7 Transfer Premium.

(a) Intentionally Omitted.

(b) Intentionally Omitted.

12.8 Acceptance of Rent. The acceptance by Landlord of any payment due hereunder from any person other than Tenant shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any assignment or subletting.

12.9 Tenant Remedies. If Landlord withholds or conditions its consent and Tenant believes that Landlord did so contrary to the terms of this Lease, Tenant's sole remedy shall be to prosecute an action for declaratory relief to determine if Landlord properly withheld or conditioned its consent, and Tenant hereby waives all other remedies.

ARTICLE 13
SIGNAGE AND ADVERTISING

13.1 General Prohibition. Except as permitted by this Lease or as expressly permitted by Landlord in writing, Tenant shall not place or permit the placing outside of or on the defined exterior roof, doors, windows or walls of the Premises or Common Areas or on or within four (4) feet of any doors or windows any signs, lettering, placards, sign easels, awnings, aerials, flagpoles, displays or the like. No advertising medium shall be utilized by Tenant which can be heard or seen outside the Premises including, without limitation, flashing lights, searchlights, message boards, lit sign boards, neon, loudspeakers, phonographs, radios or televisions. Tenant shall not display, paint, place or distribute any handbill, bumper sticker or other advertising device on any vehicle parked in the Project. Tenant shall, upon Landlord's request, remove any such sign, advertisement, display, decoration, marquee or awning in violation of this Section 13.1 within three (3) days following such request. If Tenant fails to remove any such sign, advertisement, decoration, marquee or awning within such three (3) day period, Landlord may enter upon the Premises and remove the same.

13.2 Internal Signs. Subject to the limitations set forth in Section 13.1 (including such limitations on window signage (which shall not be permitted without Landlord's prior consent and which, if permitted, shall be subject to compliance with the Sign Criteria and Applicable Laws)) and Section 7.8, Tenant may, at its own expense, erect and maintain upon the interior floor sales areas of the Premises (meaning those areas of the Premises not visible from outside of the Premises) professionally prepared, first-class signs and advertising matter for retail sales from the Premises, which are not hand-lettered, and are customary and appropriate in the conduct of Tenant's business and for a family oriented shopping center.

13.3 Exterior Premises Signs. Subject to the provisions of this Section and Section 7.8, Tenant shall have the non-exclusive right to install and use on the exterior of the building in which the Premises is located (with the exception of the roof), at the locations set forth on Landlord's sign criteria (the "Sign Criteria") attached hereto as Exhibit H, exterior signs (the "Tenant's Exterior Signs") which comply with Landlord's Sign Criteria, Applicable Laws and are approved by Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed. Tenant shall, at its own cost and expense, (a) acquire all permits for Tenant's Exterior Signs, and (b) design, fabricate and install Tenant's Exterior Signs. Tenant shall pay all costs to maintain and keep in good repair and aesthetic condition all installations, signs and advertising devices which it is permitted by Landlord to maintain, and Tenant shall replace such signs as required in accordance with Section 7.8. Where Landlord deems necessary, Tenant shall be required to utilize Landlord's sign designer and a sign fabricator from a list of preapproved fabricators in the design and fabrication of Tenant's Exterior Signs, respectively. Upon expiration or termination of this Lease, Tenant shall promptly remove all such installations, signs and devices at its own expense and reimburse Landlord for the cost to repair and repaint any damage and discoloration caused by such removal or original installation. Tenant shall keep all of the Tenant's Exterior Signs lit from dusk until dawn (or such other hours as Landlord may designate in writing from time to time) each day throughout the Term.

ARTICLE 14
DEFAULTS BY TENANT

14.1 Events of Default by Tenant. Should Tenant at any time be in default with respect to any payment of Minimum Rent, Additional Rent or any other charge payable by Tenant pursuant to this Lease for a period of five (5) days after the date such payment is due, or should Tenant be in default in the prompt and full performance of any other of its promises, covenants or agreements herein contained for more than thirty (30) days (provided, however, if the failure to perform cannot be rectified or cured within such thirty (30) day period, the failure to perform shall be deemed to be rectified or cured if Tenant, within such thirty (30) day period, shall have commenced to rectify or cure the failure to perform and shall thereafter diligently and continuously prosecute same to completion) after written notice thereof from Landlord to Tenant specifying the particulars of the failure to perform, then Landlord may treat the occurrence of any one (1) or more of the foregoing events as a default of this Lease and, in addition to any or all other rights or remedies of Landlord by law provided, Landlord shall have the right, at Landlord's option, without further notice or demand of any kind to Tenant or any other person, (a) to declare the Term ended and to re-enter and take possession of the Premises and remove all persons therefrom, or (b) without declaring this Lease terminated and without terminating Tenant's right to possession, (i) to re-enter the Premises and occupy the whole or any part for and on account of Tenant and to collect any unpaid rentals and other charges which have become payable or which may thereafter become payable and/or (ii) pursuant to California Civil Code Section 1951.4, Landlord may continue this Lease in effect after Tenant's default of this Lease and abandonment of the Premises and recover rent as it becomes due, or (c) even though it may have re-entered the Premises as provided in clause (b) above, to thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises. Any notice given by Landlord above shall be in lieu of, and not in addition to, any notice required under Section 1161 of the Code of Civil Procedure of California or any similar, superseding statute, or any other notice required under the laws of California. The rights and remedies of Landlord specified in this Lease shall be cumulative and in addition to any rights and remedies not specified in this Lease.

In addition, Landlord may treat the occurrence of any of the following events as a default of this Lease: (i) Tenant's making of any general arrangement or assignment for the benefit of creditors or becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant the same is dismissed within 60 days); (ii) the appointment of a trustee or receiver to

take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within 30 days; or (iii) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within 30 days; (iv) the discovery that any financial statement of Tenant or of any Guarantor given to Landlord was materially false; (v) the death of a Guarantor, (vi) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of the Guaranty (as defined in Section 20.9(v) hereof), (vii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (viii) a Guarantor's refusal to honor the Guaranty, or (ix) a Guarantor's breach of any Guaranty obligation on an anticipatory basis, and Tenant's failure, within 30 days following written notice of any such event, to provide written alternative assurance or security, satisfactory to Landlord in its sole discretion. In the event that any provision of this Section 14.1 is adjudged by a court of competent jurisdiction to be contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

14.2 Landlord Remedies. Should Landlord elect to terminate this Lease pursuant to the provisions of Sections 14.1(a) or (c) above, Landlord may, in addition to all other remedies which may be available under applicable law and/or equity, recover from Tenant, as damages, the following: (a) the worth at the time of award of any unpaid rental which had been earned at the time of the termination, plus (b) the worth at the time of award of the amount by which the unpaid rental which would have been earned after termination until the time of award exceeds the amount of rental loss Tenant proves could have been reasonably avoided, plus (c) the worth at the time of award of the amount by which the unpaid rental for the balance of the Term after the time of award exceeds the amount of rental loss that Tenant proves could be reasonably avoided, plus (d) any other amounts necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom plus, at Landlord's election, any other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of California including, without limitation, California Civil Code Section 1951.2. As used in subparagraphs (a) and (b) above, the "worth at the time of award" is computed by allowing interest at the Interest Rate. As used in subparagraph (c) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%). In addition to the foregoing rights and remedies, Landlord shall have the right, but not the obligation, without further notice to Tenant, to incur any expense necessary to perform the obligations of Tenant which Tenant has failed to perform or to otherwise cure Tenant's default, and Tenant shall pay to Landlord the cost thereof upon written demand by Landlord. Additionally, Landlord shall have the right to remedy any failure to perform of an emergency nature, in the event Tenant fails to commence to cure any failure to perform creating an emergency situation promptly upon being given notice which is reasonable under the circumstances, and Landlord shall have the right to remedy such a failure to perform without notice (if the giving of notice is not reasonably practicable) in the event of an emergency. Landlord's right to perform Tenant's obligations pursuant to this Section shall not be deemed to: (i) impose any obligation on Landlord to do so; (ii) render the Landlord liable to the Tenant or any third party for an election not to do so; (iii) relieve the Tenant from any performance obligation hereunder; (iv) relieve the Tenant from any indemnity obligation as provided in this Lease, or (v) cure Tenant's failure to perform or limit in any manner any of Landlord's rights and remedies under this Lease including, without limitation, Landlord's right to terminate the Lease due to a default by Tenant.

14.3 Definition of Rental. For purposes of this Article 14 only, the term "rental" shall be deemed to be Minimum Annual Rent, Additional Rent and all other sums required to be paid by Tenant pursuant to the terms of this Lease. All sums, other than Minimum Annual Rent, shall, for the purpose of calculating any amount due under the provisions of Section 14.2(c) above, be computed on the basis of the average monthly amount accruing during the immediately preceding sixty (60) month period, except that if it becomes necessary to compute these sums before the sixty (60) month period has occurred, then these sums shall be computed on the basis of the average monthly amount accruing during the shorter period.

ARTICLE 15
DEFAULTS BY LANDLORD

15.1 Landlord's Default. If Landlord fails to perform any of the covenants, provisions or conditions contained in this Lease on its part to be performed within thirty (30) days after written notice of default (or if more than thirty (30) days shall be required by Landlord, if Landlord shall fail to diligently proceed to commence to cure the default after written notice), then Landlord shall be liable to Tenant for all damages sustained by Tenant as a direct result of Landlord's breach, but Tenant shall not be entitled to terminate this Lease as a result thereof and in no event shall Landlord be liable for consequential damages or Tenant's lost profits resulting from Landlord's default. Notwithstanding anything contained in this Lease to the contrary, it is expressly understood and agreed that any judgment against Landlord resulting from any default or other claim under this Lease shall be satisfied only out of the net rents, issues, profits and other income actually received from the operation of the Project, and Tenant shall have no claim against Landlord or any of Landlord's personal assets for satisfaction of any judgment with respect to this Lease.

15.2 Cure by Landlord's Lender. If any part of the Premises is at any time subject to a "Loan" (as defined in Section 17.1), and this Lease or the rentals due from Tenant hereunder are assigned by Landlord to "Landlord's Lender" (as defined in Section 17.1) and Tenant is given written notice of the assignment including the post office address of Landlord's Lender, then Tenant shall also give written notice of any default by Landlord to Landlord's Lender, specifying the default in reasonable detail and affording

Landlord' Lender a reasonable opportunity to make performance for and on behalf of Landlord. If and when Landlord's Lender has made performance on behalf of Landlord, the default shall be deemed cured.

ARTICLE 16
TITLE AND QUIET ENJOYMENT

16.1 Superior Agreements. Tenant agrees that it will not violate the terms and conditions of (i) covenants, conditions, restrictions, easements, encumbrances and other matters of record (collectively referred to herein as the "Agreements"); or (ii) the entitlements for the Project (collectively referred to herein as the "Entitlements"). The Agreements and Entitlements are sometimes collectively referred to herein as the "Underlying Agreements". Tenant further agrees to execute and return to Landlord, within twenty (20) days of written demand by Landlord, an agreement in recordable form subordinating this Lease to any of the Underlying Agreements.

16.2 Quiet Enjoyment. Upon Tenant's observation and performance of all of the covenants, terms and conditions of this Lease to be observed and performed by Tenant, Tenant shall peaceably and quietly hold and enjoy the Premises from and after delivery thereof to Tenant until the expiration or sooner termination of this Lease; subject, however, to (a) the rights of the parties as set forth in this Lease, (b) the terms of the Underlying Agreements to which this Lease is subordinate, and (c) disturbances, odors and similar inconveniences which are commonly associated with shopping centers of the type and size of the Project and/or with tenants located in such shopping centers.

ARTICLE 17
SUBORDINATION, ATTORNMENT AND ESTOPPEL CERTIFICATE

17.1 Subordination to Loans. This Lease is subject and subordinate to the lien of any mortgage, deed of trust or the interest of any lease in which Landlord is the lessee (and to all advances made or hereafter to be made upon the security of any of the foregoing) (individually, a "Loan" and collectively, the "Loans"). Tenant agrees that it will conform to and will not violate the terms of any Loan. Tenant acknowledges that Landlord's mortgagee, the beneficiary of a deed of trust of Landlord or a lessor of Landlord ("Landlord's Lender") may elect to cause the lien created by the Loan to be subordinate to this Lease. Subject to such election, if any Loan is not of record as of the date of this Lease, then this Lease shall automatically become subordinate to such Loan upon recordation thereof. Tenant further agrees to execute and return to Landlord, within ten (10) days of written demand by Landlord, an agreement in the form required by Landlord's lender subordinating this Lease to any such Loan. Tenant shall not unreasonably withhold its consent to changes or amendments to this Lease requested by Landlord's Lender so long as such changes do not materially alter the economic terms of this Lease or materially diminish the rights, or materially increase the obligations, of Tenant.

17.2 Attornment. In the event of the exercise of the power of sale under any Loan or in the event any proceedings are brought for foreclosure (or, in the case of a master lease, termination) under any such Loan, Tenant shall attorn to the purchaser or lessor under such lease upon any foreclosure, sale or lease termination and recognize the purchaser or lessor as Landlord under this Lease, provided that the purchaser or lessor shall acquire and accept the Premises subject to this Lease.

17.3 Estoppel Certificate. Tenant agrees, upon not less than ten (10) days prior notice by Landlord, to execute, acknowledge and deliver to Landlord, a statement in writing in substantially the form of Exhibit G hereto or in such other form as may be required by Landlord's Lender or the purchaser of Landlord's interest in the Project ("Estoppel Certificate").

ARTICLE 18
ENVIRONMENTAL MATTERS

18.1 Hazardous Materials. Tenant, at its sole cost and expense, shall comply with all federal, state and local laws and regulations relating to the storage, use, handling and disposal of hazardous, toxic or radioactive matter including, without limitation, those materials identified in Sections 66680 and 66685 of Title 22 of the California Administrative Code, Division 4, Chapter 30 ("Title 22"), as amended from time to time (collectively, "Hazardous Materials"). Tenant represents and warrants that, except for materials falling within the definition of "Hazardous Materials" which are normally used and properly disposed of in the ordinary course of Tenant's business, or which are sold in Tenant's store in the ordinary course of Tenant's business, neither Tenant, nor its agents, servants, employees, contractors, nor anyone else acting on Tenant's behalf will store, dispose of, produce, use, transport or manufacture any Hazardous Materials on the Premises or any portion of the Project. Tenant shall immediately notify Landlord and provide to Landlord a copy or copies of any environmental entitlements or inquiries related to the Premises. The clean-up and disposal of any Hazardous Materials located or released onto or about the Project by Tenant or its agents, contractors or employees shall be performed by Tenant at Tenant's sole cost and expense and shall be performed in accordance with all applicable laws, rules, regulations and ordinances, pursuant to a site assessment and removal/remediation plan prepared by a licensed and qualified geotechnical engineer and submitted to and approved in writing by Landlord prior to the commencement of any work. The foregoing notwithstanding, Landlord in Landlord's sole and absolute discretion may elect, by written notice to Tenant, to perform the clean-up and disposal of such Hazardous Materials from the Premises and/or the Project. In such event, Tenant shall pay to Landlord the reasonable cost of same upon receipt

from Landlord of Landlord's written invoice therefor. Notwithstanding any other term or provision of this Lease, Tenant shall permit Landlord or Landlord's agents or employees to enter the Premises at any time, upon reasonable prior notice, to inspect, monitor and/or take emergency or long-term remedial action with respect to Hazardous Materials on or affecting the Premises or to discharge Tenant's obligations hereunder with respect to such Hazardous Materials when Tenant has failed, after demand by Landlord, to do so. In exercising its rights in the immediate foregoing sentence, Landlord shall take reasonable measures, to the extent practicable, to minimize interference with, or interruption of, the operation of Tenant's business in the Premises. All costs and expenses incurred by Landlord in connection with performing Tenant's obligations hereunder shall be reimbursed by Tenant to Landlord within thirty (30) days of Tenant's receipt of written request therefor. Notwithstanding anything to the contrary herein this Section 18.1, Lease, or anywhere else, Tenant shall not be responsible for, shall have no liability or obligations with respect to, and shall not be obligated to pay for or take any action with respect to (i) the existence of any Hazardous Materials on, within, under, for and/or about the Premises or Project which occurred or existed prior to the Delivery Date.

18.2 Conservation. Tenant shall cooperate with and participate in conservation programs for water, electricity and natural gas and recycling programs instituted by the governmental entity with jurisdiction over the Project and/or Landlord, including those for the collection of cardboard, metals, plastics and glass.

ARTICLE 19
PROMOTIONAL SERVICES AND ADVERTISING

19.1 Promotional Charge. Tenant agrees to pay to Landlord an annual charge ("Promotional Charge") as set forth in Section 1.15, the first such Promotional Charge being due and owing from Tenant to Landlord upon the Commencement Date, and on each subsequent anniversary thereof. On each anniversary of the Commencement Date, the Promotional Charge shall be increased by five cents ($.05) per square foot of Floor Area in the Premises.

19.2 Project Name. Tenant shall not use the name "Ocean Ranch Village" or "Ocean Ranch II" or "Ocean Ranch Laguna Niguel" for any purpose other than as the address of the business to be conducted by Tenant in the Premises, and Tenant shall not acquire any property right in or to any name which contains said word combination as a part thereof. Landlord shall have the right to change the name of the Project at any time at Landlord's sole and absolute discretion.

ARTICLE 20
MISCELLANEOUS PROVISIONS

20.1 Notices. Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, by same-day or overnight private courier, or by telecopy facsimile with electronic confirmation of delivery (provided that a duplicate thereof is concurrently sent by another method), addressed to the party to be served at the address indicated in Article 1 or such other address as the party to be served may from time to time designate in a Notice to the other party. Notice personally served shall be effective when delivered to (or refused by) the party upon whom such Notice is served. If served by registered or certified mail, Notice shall be conclusively deemed served on the date shown on the return receipt, but if delivery is refused or the Notice is unclaimed, Notice shall conclusively be deemed given forty eight (48) hours after mailing. If served by private courier, Notice to the addressee shall be effective when delivered to (or refused by) the party upon whom such Notice is served. Copies of any Notice shall be sent to the addresses, if any, designated for service of copies of Notices in Article 1. Notices sent in accordance with this Section shall be effective in the case of fax notices, upon receiving confirmation that the facsimile has been transmitted (provided that if the faxed notice is received outside normal business hours [i.e., after 5:00 p.m. on weekdays, and anytime on weekends or holidays], such notice shall not be effective until the next business day).

20.2 Security Deposit. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all of the terms, covenants and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provision of this Lease, including but not limited to the provisions relating to the payment of Rent, Landlord may (but shall not be required to), in Landlord's sole and absolute discretion, use, apply or retain all or any part of the Security Deposit for the payment of any Rent or any other sum in default or for the payment of any amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within five (5) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall not then be in default, and there exists no circumstance such that Tenant would become in default over the passage of time, the Security Deposit, or any balance thereof, shall be returned to Tenant (or, at Landlord's option, to the last assignee of Tenant's interest hereunder) within thirty (30) days following the expiration of the Lease Term. Tenant hereby waives any and all rights with regard to the Security Deposit set forth in California Civil Code Section 1950.7, or any similar, related or successor provision of law.

20.3 Relocation.

(a) Landlord shall have the right to require Tenant to elect either to relocate its business to other premises in the Project or to terminate this Lease, upon and subject to the terms and conditions set forth below. If Landlord desires to exercise its option, Landlord shall make an offer in writing to Tenant to amend this Lease to relocate Tenant to other premises in the Project upon the following terms and conditions: (i) the premises covered by Landlord's offer (the "Offered Premises") shall have an area not more than twenty percent (20%) greater or twenty percent (20%) less than the Floor Area of the Premises originally covered by this Lease at such location in the Project as may be specified by Landlord; (ii) if Tenant elects to relocate to the Offered Premises, Landlord shall, at its sole cost and expense, install interior leasehold improvements in the Offered Premises of a quality and character similar to the leasehold improvements constructed in the Premises at the commencement of the Term; (iii) the Minimum Annual Rent and all other charges payable in respect of the Offered Premises shall be at the same rate per square foot provided in this Lease, with an abatement of the rentals and charges payable under this Lease for any period between the Relocation Effective Date and the Relocation Date; (iv) the rentals and charges payable under this Lease by reference to the Floor Area of the Premises covered hereby shall from and after the Relocation Date be payable by reference to the Floor Area of the Offered Premises; (v) on the day immediately preceding the Relocation Effective Date, Tenant shall surrender the Premises originally covered by this Lease to Landlord in the condition and in the manner provided in this Lease for the surrender of the Demised Premises at the end of the Term; and (vi) upon and following the Relocation Date, the Offered Premises shall, for all purposes, be the "Premises" covered by this Lease.

(b) Landlord shall make the offer described above upon written notice to Tenant (with the date such notice is given being referred to below as the "Notice Date"), and the "Relocation Effective Date" for purposes of this Section 20.3 shall be the date which is the ninety-first (91st) day after the Notice Date or, if later, the effective date stated in Landlord's notice. The "Relocation Date" for purposes of this Section 20.3 shall be the Relocation Effective Date or such later date for the relocation of Tenant's business to the Offered Premises as Landlord may from time to time specify by written notice to Tenant. For a period of thirty (30) days following the Notice Date, Tenant shall have the right to accept the offer by written notice of acceptance given to Landlord. If Tenant desires that this Lease terminate, Tenant may give written notice to Landlord of its election to terminate this Lease or Tenant may simply fail to accept Landlord's offer within thirty (30) days following the Notice Date, which failure shall constitute a rejection by Tenant of the offer and an election by Tenant to terminate this Lease. In the event that Tenant shall fail to accept Landlord's offer, Landlord shall have no further obligation whatsoever to offer to Tenant any premises in the Project or to negotiate with Tenant for a lease covering the Offered Premises or any other premises in the Project.

(c)In the event that Tenant shall elect to terminate this Lease, either by written rejection of Landlord's offer to relocate or by failure to accept such offer within the time period specified above, the Term shall automatically terminate upon the Relocation Effective Date. In the event of such termination, Tenant shall, upon the Relocation Effective Date, surrender possession of the Premises to Landlord in the condition and in the manner provided in this Lease for the surrender of the Premises at the end of the Term. Following such surrender, Landlord shall pay to Tenant an amount equal to the then unamortized cost of the leasehold improvements installed by Tenant at its expense within the Premises at the commencement of the Term, such amortization to be calculated as of the Relocation Effective Date on a straight-line basis, without allowing interest, over the Term as originally provided in this Lease. Tenant shall furnish to Landlord such backup information as Landlord may reasonably request in connection with the determination of any amount due to Tenant in respect of the unamortized cost of leasehold improvements.

20.4 Force Majeure. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, pandemics, epidemics, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, and other causes (except financial) beyond the reasonable control of the party obligated to perform, shall excuse the performance by that party for a period equal to the prevention, delay or stoppage, except the obligations imposed with regard to Minimum Rent and Additional Rent to be paid by Tenant pursuant to this Lease.

20.5 Confidentiality. Landlord and Tenant agree that the terms of this Lease are confidential and constitute proprietary information of the parties hereto. Disclosure of the terms hereof could adversely affect the ability of Landlord to negotiate with other tenants of the Project. Each of the parties hereto agrees that such party, and its respective partners, officers, directors, employees, agents and attorneys, shall not disclose the terms and conditions of this Lease to any other person without the prior written consent of the other party hereto except pursuant to an order of a court of competent jurisdiction; provided, however, Landlord shall have the right to provide any exclusive use provision or any other reasonably relevant information or exhibit (including, without limitation, the Site Plan and a depiction of the Premises) to any tenant or prospective tenant of the Project. Provided, further, however, that Landlord may disclose the terms hereof to any lender or prospective lender now or hereafter having a lien on Landlord's interest in the Project, to any potential purchaser of Landlord's interest in the Project, to any insurer or prospective insurer of the Project (or any portion thereof), and either party may disclose the terms hereof to its respective independent accountants who review its respective financial statements or prepare its respective tax returns, to any prospective transferee of all or any portion of their respective interests hereunder (including a prospective sublessee or assignee of Tenant), to any governmental entity, agency or person to whom disclosure is required by applicable law, regulation or duty of diligent inquiry and in connection with any

action brought to enforce the terms of this Lease, on account of the breach or alleged breach hereof or to seek a judicial determination of the rights or obligations of the parties hereunder.

20.6 Charges. The charges described herein shall be in addition to any other rights or remedies available to Landlord at law or in equity or under this Lease. Following twenty-four (24) hours' written notice from Landlord to Tenant, (i) if Tenant violates any provision of Article 13, Tenant shall pay a fine of Two Hundred Fifty Dollars ($250.00) per day to Landlord for each day that such violation continues; (ii) if Tenant breaches Tenant's obligations under Section 7.2, Tenant shall pay to Landlord a fee equal to twenty-five percent (25%) of the Minimum Rent, computed on a daily basis for each day that Tenant is in breach of the provisions of Section 7.2; (iii) if Tenant fails to fully and promptly comply with the provisions of Section 18.2 hereof, Tenant shall pay to Landlord a fine of Fifty Dollars ($50.00) for each violation in addition to any penalty which may be imposed by law; (iv) if Tenant fails to strictly comply with the requirements of Sections 8.4 concerning the disposal of rubbish generated by Tenant, then Tenant shall pay to Landlord One Hundred Dollars ($100.00) per day for each day or partial day that each violation continues (after notice of such first violation, no prior notice of any subsequent violation shall be required); (v) if Tenant or its employees fail to park their vehicles in the parking areas designated pursuant to Section 6.6, Landlord may charge Tenant Twenty-Five Dollars ($25.00) per day for each day or partial day per vehicle parked in any areas other than those designated (after notice of such first violation, no prior notice of any subsequent violation shall be required); or (vi) if Tenant fails to submit any required document, certificate, report, insurance policy or certificate as and when required in this Lease, Tenant shall pay to Landlord a "Service Charge" in the amount of One Hundred Dollars ($100.00) for each week or portion thereof that said failure continues. All amounts due under this Section 20.6 shall be payable by Tenant within ten (10) days following demand therefor.

20.7 Surrender. Upon the expiration or earlier termination of the Term, Tenant shall peaceably and quietly surrender the Premises broom clean and in the same condition (including, at Landlord's option, the demolition and removal of any Alterations made by Tenant to the Premises, unless at the time Landlord gave its consent to such Alterations Landlord agreed in writing that Tenant would not have to demolish and remove such Alterations upon the termination of this Lease) as the Premises were in upon delivery of possession of same to Tenant by Landlord, reasonable wear and tear and any damage to the Premises which Tenant is not required to repair pursuant to Article 10 or Article 11 excepted. Subject to the foregoing, Tenant shall remove from the Premises all of Tenant's trade fixtures, furniture, equipment, signs, improvements (including Tenant Work), additions and Alterations to the extent such items are not permanently affixed to the Premises, and immediately repair any damage occasioned to the Premises by reason of such removal so as to leave the Premises in a neat and clean condition. At Landlord's election, any property left in the Premises by Tenant after the expiration or earlier termination of the Term shall become the property of Landlord without any cost to Landlord, or Landlord may remove same from the Premises and dispose of all or any portion of such property, in which latter event Tenant shall, upon demand, pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal. Tenant waives any and all rights it may have under California Civil Code §1980 et seq. and any successor statutes.

20.8 Holding Over. In the event that Tenant shall, without Landlord's prior written consent, fail to surrender possession of the Premises at the expiration or earlier termination of the Term, no holdover tenancy shall be created, and Tenant shall be a tenant at sufferance with no right whatsoever to continue to use or occupy the Premises. Any holding over with the prior written consent of Landlord after expiration of the Term shall be construed to be a tenancy from month to month at a minimum rent of one hundred fifty percent (150%) of the Minimum Annual Rent required to be paid by Tenant for the last year of the Term and shall otherwise be on the terms and conditions herein specified so far as applicable, including the payment of Percentage Rent and Additional Rent as herein provided. Any holding over without Landlord's consent shall entitle Landlord to recover possession of the Premises as provided by this Lease and by law.

20.9 Access to Premises. Landlord, its agents, contractors, servants and employees may enter the Premises following reasonable prior notice to Tenant and Landlord's good faith efforts to coordinate such entry with Tenant's on-site management so as to minimize interference with Tenant's business operations (except in a case of emergency): (a) to examine the Premises; (b) to perform any obligation or exercise any right or remedy of Landlord under this Lease; (c) to make repairs, alterations, improvements or additions to the Premises or to other portions of the Project as Landlord deems necessary or desirable; (d) to cure any Tenant default (after Landlord has provided Tenant notice and an opportunity to cure such default pursuant to Article 14); (e) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (f) to perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence such repairs or, after commencing same, fail to diligently pursue such repairs to completion within three (3) days after written demand by Landlord; and (g) to show the Premises to prospective purchasers, tenants and/or occupants. If Landlord makes any repairs which Tenant is obligated to make pursuant to the terms of this Lease, Tenant shall pay the cost of such repairs to Landlord, as Additional Rent, promptly upon receipt of a bill from Landlord for same. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all such repairs billed to Tenant. In exercising its right of entry herein provided, Landlord shall not materially and unreasonably interfere with the operation of Tenant's business on the Premises. In addition, during the last one hundred eighty (180) days of the Term or earlier termination of this Lease, Landlord shall have the right to go upon the Premises to show same to prospective tenants during normal business hours and upon reasonable notice to Tenant.

20.10 General Provisions.

(a) Any waiver by either party of a breach by the other party of a covenant of this Lease shall not be construed as a waiver of a subsequent breach of the same covenant.

(b) It is understood that there are no oral or written agreements or representations between the parties hereto affecting this Lease and this Lease supersedes and cancels any and all previous negotiations, arrangements, representations, brochures, agreements and understandings, if any, between Landlord and Tenant. No provision of this Lease may be amended except by an agreement in writing signed by Landlord and Tenant.

(c) This Lease shall be governed by and construed in accordance with the laws of California without giving effect to the choice of law provisions thereof.

(d) Subject to the terms of this Lease, all rights and obligations of Landlord and Tenant under this Lease shall extend to and bind the respective heirs, executors, administrators and the permitted concessionaires, successors, subtenants and assignees of the parties. If more than one individual or entity comprises Tenant, the terms, conditions, covenants, obligations and agreements imposed on each individual or entity that comprise Tenant under this Lease shall be joint and several.

(e) If Tenant or Landlord is a corporation, partnership or limited liability company, each individual executing this Lease on behalf of the corporation, partnership or limited liability company (in his/her representative capacity only) represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of the corporation, partnership or limited liability company and that this Lease is binding upon the corporation, partnership or limited liability company.

(f) Tenant waives any and all rights of redemption granted under any present and future laws in the event Landlord obtains the right to possession of the Premises by reason of the violation by Tenant of any of the covenants and conditions of this Lease or otherwise.

(g) Tenant represents and warrants that it has not had any dealings with any realtors, brokers or agents in connection with the negotiation of this Lease, except as may be specifically set forth in Section 1.22, and agrees to pay any realtors, brokers or agents not referenced in Section 1.22 and to hold Landlord harmless from the failure to pay any realtors, brokers or agents and from any cost, expense or liability for any compensation, commission or charges claimed by any other realtors, brokers or agents claiming by, through or on behalf of Tenant with respect to this Lease and/or the negotiation hereof.

(h) The voluntary or other surrender of this Lease by Tenant or a mutual cancellation of this Lease shall not effect a merger and shall, at Landlord's sole option, terminate all existing subleases or subtenancies or operate as an assignment to Landlord of any or all of such subleases or subtenancies.

(i) Any claim, demand, cause of action or defense of any kind by Tenant which is based on or arises in connection with this Lease, the negotiations prior to its execution, or any asserted statement, representation, arrangement, agreement or understanding between Landlord and Tenant which is not expressly stated in this Lease shall be barred unless Tenant commences an action thereon, or interposes in a legal proceeding a defense based thereon, within six (6) months after the date of the asserted inaction or omission, or the date of the occurrence of the event or action to which the claim, demand, cause of action or defense relates, whichever applies.

(j) Neither this Lease nor any memorandum hereof shall be recorded by either party hereto.

(k) The term "Landlord" as used in this Lease, so far as covenants or obligations on the part of the Landlord are concerned, shall be limited to mean and include only the owner or owners, at the time in question, of the fee title to, or a lessee's interest in a ground lease of, the Project. In the event of any transfer or conveyance of any such title or interest (other than a transfer for security purposes only), the transferor shall be automatically relieved of all covenants and obligations on the part of Landlord contained in this Lease accruing after the date of such transfer or conveyance. Landlord and Landlord's transferees and assignees shall have the absolute right to transfer all or any portion of their respective title and interest in the Project, the Premises and/or this Lease without the consent of Tenant, and such transfer or subsequent transfer shall not be deemed a violation on Landlord's part of any of the terms and conditions of this Lease. Should Landlord sell, exchange or assign this Lease (other than a conditional assignment as security for a loan), then Landlord, as transferor, shall be relieved of any and all obligations on the part of Landlord accruing under this Lease from and after the date of such transfer provided that Landlord's successor in interest shall assume such obligations from and after such date. Written notice of any such transfer shall be given to Tenant.

(l) Except where another rate of interest is specifically provided for in this Lease, any amount due from either party to the other under this Lease which is not paid when due, shall bear interest at the rate per annum ("Interest Rate") equal to the prime interest rate published from time to time by the Wall Street Journal plus two (2) percentage points (but in no event to exceed the maximum lawful rate) from the date such amount was originally due to and including the date of payment.

(m) Tenant shall pay all costs for work performed by or on account of it and shall keep the Premises and the Project free and clear of mechanics' liens or any other liens. Tenant shall give Landlord immediate notice of any lien filed against the Premises or the Project as a result of any work of

improvement performed by or on behalf of Tenant. Tenant shall immediately cause any lien to be discharged or removed of record by either paying the amount thereof or recording a statutory lien release bond in an amount equal to one hundred fifty percent (150%) of the amount of said lien, or such other amount as may be adequate to cause the lien to be released as an encumbrance against the Premises and the Project. If Tenant shall fail to do so within five (5) days after written demand by Landlord to cause the effect of said claim, stop notice or lien to be removed, rescinded or dismissed, in addition to such other remedies it may have, Landlord shall have the right (but not the obligation) to use whatever means in its discretion it may deem appropriate to cause said claim, stop notice, or lien to be rescinded, discharged, compromised, dismissed or removed including, without limitation, (a) posting a bond pursuant to California law; or (b) paying a sum sufficient to discharge, in full, any and all such claims, demands, or liens. Any such sums paid by Landlord, including attorneys' fees and bond premiums, shall be immediately due and payable to Landlord by Tenant.

(n) Landlord and Tenant desire and intend that any disputes arising between them with respect to or in connection with this Lease be subject to expeditious resolution in a court trial without a jury. Therefore, to the extent permitted by law, Landlord and Tenant each hereby waive the right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding or other hearing brought by either Landlord against Tenant or Tenant against Landlord on any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

(o) In the event that, at any time after the date of this Lease, either Landlord or Tenant shall institute any action or proceeding against the other relating to the provisions of this Lease or any default hereunder, the party not prevailing in such action or proceeding shall reimburse the prevailing party for its actual attorneys' fees, and all fees, costs and expenses incurred in connection with such action or proceeding, including, without limitation, any post-judgment fees, costs or expenses incurred on any appeal or in collection of any judgment. If either Tenant, any guarantor of Tenant's obligations under the Lease or any indemnitor of Landlord files for protection under or otherwise becomes subject to the bankruptcy laws, then each of them individually agrees that Landlord shall be entitled to recover, as part of any claim in any such bankruptcy case, its actual attorneys' fees in connection with the assertion of its rights and remedies, including, without limitation, fees and costs incurred in connection with advising Landlord as to its rights and enforcement (whether through negotiation, legal proceedings or otherwise) of its rights under this Lease and the Guaranty, if any.

(p) Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord, in the exercise of its sole business judgment, shall determine to best promote the interests of the Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or number of tenants shall, during the Term of this Lease, occupy any space in the Project.

(q) Landlord shall have the right to design and install "Coming Soon" signs for Tenant to be displayed in or about the Project prior to Tenant's opening for business from the Premises. In the event Landlord displays "Coming Soon" signs on Tenant's behalf, Tenant agrees to reimburse Landlord the reasonable cost of such sign(s) within thirty (30) days following receipt of reasonable evidence thereof; provided, however, in no event shall Tenant be required to pay for more than two (2) signs or more than Two Hundred Dollars ($200.00) per sign.

(r) Rent required to be paid pursuant to the provisions of this Lease shall be paid in lawful currency of the United States of America or, upon not less than thirty (30) days' written notice from Landlord to Tenant, by check; provided, however, that if Tenant's check should for any reason fail to clear the bank and is returned unpaid to Landlord twice in any twelve (12) month period, then for the next twelve (12) calendar months, at Landlord's option, Tenant shall pay Rent by cashier's or certified check.

(s) In the event that permanent or temporary storefronts are not in place at the Premises, Tenant shall, at Tenant's sole cost and expense, erect temporary barricades and screening in order to insure safety of pedestrians, to reasonably contain construction dust and debris and to prevent unreasonable interference with pedestrian use of Common Area sidewalks or the visibility of the premises of other tenants of the Project. The barricades and screening will be erected at locations, and with materials, colors and content, if any, approved by Landlord, in Landlord's reasonable discretion. To the extent a rear door exists at the Premises, all construction activity undertaken by Tenant in the Premises must be coordinated from the rear of the Premises, with all construction personnel and materials entering and leaving the Premises from the rear of the Premises.

(t) Landlord may, but shall have no obligation to, from time to time, employ one or more persons or entities to patrol or provide security for the Common Areas. Notwithstanding any such activity, Tenant shall have the sole responsibility of providing security for the Premises and the persons therein. Under no circumstances shall Landlord be liable to Tenant or to any other person by reason of any theft, burglary, robbery, assault, trespass, unauthorized entry, vandalism, or any other act of any third person occurring in or about the Premises. Nothing contained herein shall be deemed to create any liability upon Landlord for any damage to motor vehicles of customers or employees or for loss of property from within such motor vehicles. To the extent that, in Landlord's reasonable opinion, the conduct of Tenant's business causes the need for security services or measures at the Project which are in addition to those otherwise provided by Landlord, Tenant shall alone bear the incremental costs for such services or

measures. Tenant agrees to pay such costs to Landlord within thirty (30) days following reasonable evidence thereof.

(u) This Lease is subject to and conditional upon Tenant's delivery to Landlord, concurrently with Tenant's execution and delivery of this Lease, of four (4) originally executed counterpart of the Guaranty in the form of and upon the terms contained in Exhibit "I" attached hereto and incorporated herein by this reference, which shall be fully executed by the Guarantor(s) specified in Section 1.18.

(v) Within fifteen (15) days after Landlord's written request, Tenant shall furnish Landlord with financial statements or other reasonable financial information reflecting Tenant's and Guarantor's current financial condition, certified by Tenant or its financial officer. If Tenant or Guarantor is a publicly-traded corporation, delivery of Tenant's or Guarantor's, as the case may be, last published financial information shall be satisfactory for purposes of this Section.

(w) All of the exhibits referenced in this Lease are incorporated herein by this reference.

(x) Any Site Plan attached hereto is merely for the purpose of showing the general layout of the Project and is not to be deemed to be a warranty, representation or agreement on the part of Landlord that the Project is or will be exactly as depicted therein or that tenants depicted therein (if any) are now in occupancy or will be in occupancy at any time during the Lease Term. Tenant acknowledges and agrees that any Site Plan attached hereto is not final, is not to scale and is subject to change without notice to Tenant. Without limitation of the foregoing, Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit A hereto and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project.

(y) The submission of this Lease for examination or execution by Tenant does not constitute a reservation of or option for the Premises and this Lease shall not become effective as a Lease until it has been executed by Landlord and delivered to Tenant. This Lease shall not become effective as a Lease until it has been executed and delivered by Landlord and delivered to Tenant. Neither party may claim any legal rights against the other by reason of actions taken in reliance on the submission of this Lease including any partial performance of the transactions contemplated in it. Tenant acknowledges and agrees that Landlord will have the right to terminate the negotiations of the Lease or refuse to execute this Lease for any reason or no reason and that neither party owes the other party any duty to negotiate a final Lease. Execution of this Lease by Tenant shall be irrevocable; provided, however, the return to Landlord of Tenant-executed copies of this Lease shall not be binding upon Landlord, notwithstanding any preparation or anticipatory reliance or expenditures by Tenant or any time interval, until Landlord has in fact executed and actually delivered a fully-executed copy of this Lease to Tenant.

(z) Time is of the essence with respect to the performance of all obligations to be performed or observed by the parties under this Lease.

(aa) No payment by Tenant or receipt by Landlord of a lesser amount than the rent payment herein stipulated shall be deemed to be other than on account of the rent, nor shall any endorsement or statement on any check or any letter accompanying any check or payment as rent be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease. Tenant agrees that each of the foregoing covenants and agreements shall be applicable to any covenant or agreement either expressly contained in this Lease or imposed by any statute or at common law.

(bb) This Lease may be executed in two or more fully or partially executed counterparts, each of which will be deemed an original binding the signer thereof against the other signing parties, but all counterparts together will constitute one and the same instrument. Signatures to this Lease or any amendment hereof transmitted by telecopy or electronic mail shall be valid and effective to bind the party so signing. Each party agrees to promptly deliver an execution original of this Lease (and any amendment hereto) with its actual signature to the other party, but a failure to do so shall not affect the enforceability of this Lease (or any amendment hereto), it being expressly agreed that each party to this Lease shall be bound by its own telecopied or e-mailed signature and shall accept the telecopied or e-mailed signature of the other party to this Lease.

(cc) Tenant acknowledges that the Premises has not undergone inspection by a Certified Access Specialist (CASp), as defined in California Civil Code Section 55.52, and Landlord is not providing any representations or warranties regarding whether the Premises, the Common Area or any other portion of the Project meets all applicable construction-related accessibility standards. Landlord hereby notifies Tenant pursuant to California Civil Code Section 1938 that: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Landlord and Tenant hereby agree that notwithstanding anything in this Lease or California Civil Code Section 1938 to the contrary, (i) Tenant may,

at its option and at its sole cost, cause a CASp to inspect the Premises and determine whether the Premises complies with all of the applicable construction-related accessibility standards under state law, (ii) the parties shall mutually coordinate and reasonably approve of the timing of any such CASp inspection so that Landlord may, at its option, have a representative present during such inspection, and (iii) if Tenant elects to perform a CASp inspection: (A) Tenant shall ensure that such inspection performed shall be limited solely to the Premises and not the Common Areas, (B) such inspection shall be performed at Tenant's sole cost and expense, (C) if the CASp inspection finds the Premises (or any other property covered by the inspection) to be non-compliant, then Tenant shall remedy any violations found to exist at its sole cost and expense and in accordance with the terms and conditions of this Lease by no later than the date that is sixty (60) days after the results of the CASp inspection are received regardless of whether or not Tenant terminates this Lease pursuant to any termination right set forth herein, if any, and (D) Tenant shall be responsible for obtaining and providing to Landlord a copy of the CASp compliance certificate confirming the correction of any such violations noted in the CASp inspection report.

(dd) Tenant certifies that: (i) neither it nor its officers, directors or controlling owners are acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order, the United States Department of Justice, or the United States Treasury Department as a terrorist, "Specially Designated National or Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control ("SDN"); (ii) neither it nor its officers, directors or controlling owners are engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) neither it nor its officers, directors or controlling owners are in violation of Presidential Executive Order 13224, the USA Patriot Act, the Bank Secrecy Act, the Money Laundering Control Act or any regulations promulgated pursuant thereto. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities and expenses (including reasonable attorneys' fees and costs) arising from or related to any breach of the foregoing certification. Should Tenant, during the term of this Lease, be designated an SDN, then Landlord may, at its sole option, terminate this Lease.

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IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease on the day and year first above written.

"Landlord"

OCEAN RANCH II, LLC, a California limited liability company

By: Shea Properties Management Company, Inc., a Delaware corporation
Its: Manager

DocuSigned by:
By: Timothy Sullivan
EF3AA30DA87A4A7...
Name: Timothy Sullivan
Its: Authorized Agent

DocuSigned by:
By: Lillian Kuo
Name: Lillian Kuo
Its: Assistant Secretary

CA Broker's License #01382566

"Tenant"

Yoshiharu Global Co.,
a Delaware corporation

By: James Chae
3C04C2C53F4B47B...
Name: James Chae
Title: CEO

EXHIBIT A

SITE PLAN

This Site Plan is merely for the purpose of showing the general layout of the Project and is not to be deemed to be a warranty, representation or agreement on the part of Landlord that the Project is or will be exactly as depicted therein or that tenants depicted therein (if any) are now in occupancy or will be in occupancy at any time during the Lease Term. This Site Plan is not final, is not to scale and is subject to change without notice to Tenant. Without limitation of the foregoing, Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit A and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project.

EXHIBIT B

DEPICTION OF PREMISES

This Site Plan is merely for the purpose of showing the general layout of the Project and is not to be deemed to be a warranty, representation or agreement on the part of Landlord that the Project is or will be exactly as depicted therein or that tenants depicted therein (if any) are now in occupancy or will be in occupancy at any time during the Lease Term. This Site Plan is not final, is not to scale and is subject to change without notice to Tenant. Without limitation of the foregoing, Landlord, at any time, may change the shape, size, location, number and extent of the improvements shown on Exhibit B and eliminate, add or relocate any improvements to any portion of the Project, and may add land to and/or withdraw land from the Project.

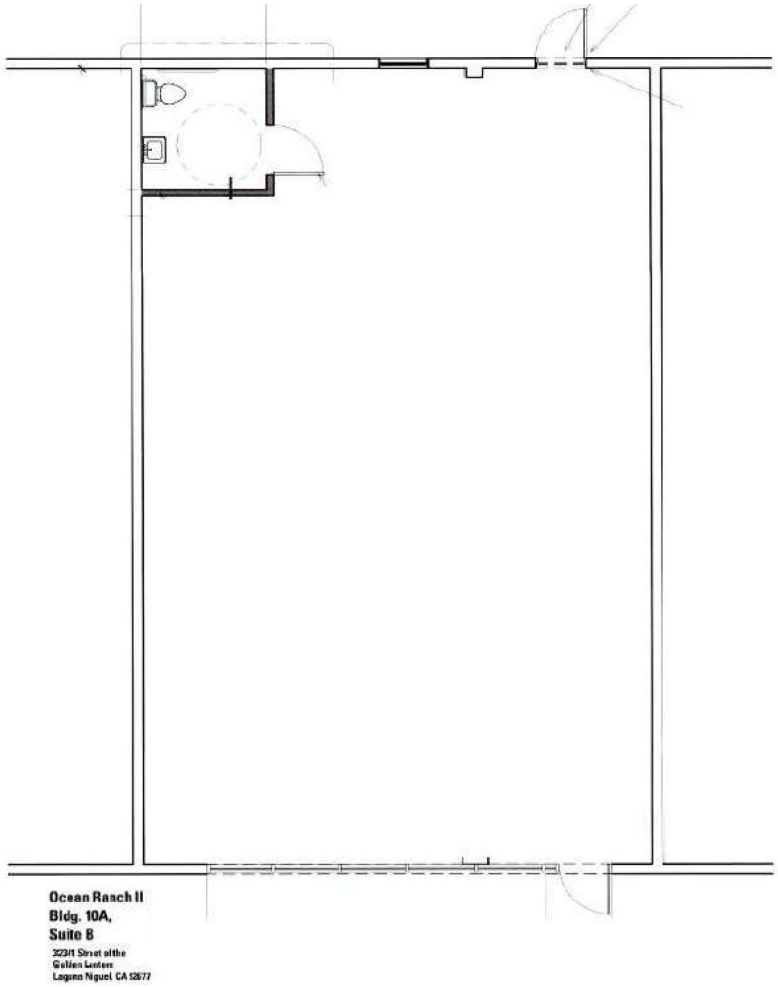


EXHIBIT C

CONSTRUCTION EXHIBIT

1. LANDLORD'S WORK; TENANT'S WORK; APPROVAL PROCESS FOR PLANS

1.1. Landlord's Work. The Premises are being delivered in an "as is" condition with prior tenant improvement work having been performed by the previous occupant of the space.

1.2 Tenant's Work. Tenant shall, at Tenant's expense, be responsible for all improvements to the Premises and the installation of all furnishings, fixtures and equipment (the "Tenant's Work") necessary for Tenant to open from the Premises for the use set forth in Section 1.7 of this Lease (which shall include, but not be limited to, the design, fabrication and installation of Tenant's signs and all fees and permits required to be paid in connection with Tenant's Work).

1.3. Delivery of Floor Plans. Within thirty (30) days following Landlord's delivery to Tenant of a site plan and floor plan (the "Premises Drawings") for the Premises showing building elevations and the stub locations of plumbing, electrical and mechanical systems, column spacing and overall dimensions (of, if such Premises Drawings were provided to Tenant prior to the Effective Date, within thirty (30) days after the Effective Date), Tenant shall provide to Landlord preliminary plans and specifications ("Tenant's Preliminary Plans") for the Tenant's Work.

1.4. Approval of Tenant's Preliminary Plans. Landlord shall approve or disapprove Tenant's Preliminary Plans within fifteen (15) days from Landlord's receipt of a complete set of Tenant's Preliminary Plans and all other necessary documentation for Landlord's review of Tenant's Preliminary Plans and such additional information as Landlord may reasonably request. Landlord's disapproval of Tenant's Preliminary Plans shall be effective by delivery to Tenant within such fifteen (15) day period of a writing setting forth, with specificity, the reasons for such disapproval. Within five (5) days of the receipt by Tenant of Landlord's objections, Tenant shall cause Tenant's Preliminary Plans to be modified and shall deliver the modified plans to Landlord for its approval. Landlord shall have ten (10) days from its receipt thereof to approve such modified Tenant's Preliminary Plans in the same manner as set forth above. This procedure shall be followed until all reasonable objections have been resolved and Tenant's Preliminary Plans are approved, but in any event such process shall not continue for more than forty-five (45) days following the delivery by Landlord to Tenant of the Premises Drawings. In the event that Landlord has not approved Tenant's Preliminary Plans within such forty-five (45) day period, Landlord shall have the option of terminating this Lease upon five (5) days' written notice to Tenant. Landlord's and Tenant's approval of Tenant's Preliminary Plans shall be evidenced by their initialing and dating each page thereof.

1.5. Approval of Tenant's Final Plans.

(a) Within ten (10) days of Tenant's receipt of the approved Tenant's Preliminary Plans, Tenant shall prepare and deliver to Landlord final plans and specifications ("Tenant's Final Plans") for Landlord's approval. Tenant's Final Plans shall be prepared by a licensed architect and shall include Tenant's finish schedule for interior decoration of the Premises including, without limitation, storefront design, vertical transportation design, if any, exiting systems, concrete slab, insulation, smoke and gas venting, monitoring and alarm systems, if required, locations of electrical outlets, machinery, electrical equipment, transformers, plumbing and piping fixtures, any air conditioning, heating and fire protection requirements, switch gear panels and equipment and information necessary for the preparation of or revisions to Landlord's structural, mechanical, electrical, plumbing and fire sprinkler systems engineering working drawings.

(b) Upon Landlord's receipt of a complete set of Tenant's Final Plans and all other necessary documentation for Landlord's review of Tenant's Final Plans, Landlord shall approve or disapprove Tenant's Final Plans within fifteen (15) days of Landlord's receipt of all items thereof. Landlord's disapproval shall be effected by Landlord's delivery to Tenant within such fifteen (15) day period of a writing setting forth, with specificity, the reasons for such disapproval. Within five (5) days of the receipt by Tenant of Landlord's objections, Tenant shall cause Tenant's Final Plans to be modified and shall deliver the modified Tenant's Final Plans to Landlord for its approval. Landlord shall have ten (10) days from its receipt thereof to approve such modified Tenant's Final Plans in the same manner as set forth above. This procedure shall be followed until all reasonable objections have been resolved and Tenant's Final Plans have been approved, but in any event, such process shall not continue for more than forty-five (45) days following the approval by Landlord of Tenant's Preliminary Plans. In the event that Tenant's Final Plans have not been approved by Landlord and Tenant within such forty-five (45) day period, then Landlord shall have the option of terminating this Lease upon five (5) days' written notice to Tenant. Tenant's and Landlord's approval of the Tenant's Final Plans shall be evidenced by their initialing and dating of each page thereof.

1.6. Plan Check.

(a) Intentionally Deleted.

(b) Tenant's Work. Within thirty (30) days after the Effective Date, Tenant's Contractor shall submit Tenant's Final Plans to the Department of Building and Safety for the jurisdiction in which the

Project is located ("Building Department") for necessary plan checks and approvals. Any and all plan check corrections shall be made by Tenant's architect at Tenant's expense. In the event that Tenant does not secure requisite building permits for Tenant's Work within forty-five (45) days following Landlord's and Tenant's approval of Tenant's Final Plans, Landlord shall have the right to terminate the Lease upon five (5) days' written notice to Tenant.

1.7. Timely Performance. Tenant agrees to cause any plans, specifications, drawings, schedules and documents to be provided by it hereunder to be prepared promptly and in coordination with the activities of Landlord and its agents.

1.8. Exculpation. Landlord's architect, contractors and engineers are independent contractors. If Landlord has introduced Tenant to them, Landlord has done so as an accommodation to Tenant. Even though Tenant's Preliminary Plans, Tenant's Final Plans and any changes thereto may be approved by Landlord and/or Landlord's architect and engineers, and notwithstanding any advice or assistance which may be rendered to Tenant and/or Tenant's architect and/or engineers by Landlord or employees or affiliates of Landlord or Landlord's architect and engineers, Landlord shall not be responsible for any omissions or errors contained therein.

2. CONSTRUCTION COSTS

2.1. Costs Incurred by Landlord. Tenant shall be liable for and shall pay to Landlord within thirty (30) days following Landlord's presentation of itemized statements to Tenant detailing the following costs: (a) the costs to acquire, pay fees for, install or connect any separate utility meters or submeters which service the Premises; (b) offsets and backcharges for corrective work undertaken by Landlord or Landlord's contractors as a result of Tenant Delay or damage to the Premises or Project caused by Tenant, Tenant's employees or agents, or Tenant's Contractor, or as a result of conflicts, errors and/or omissions in design and/or construction caused by Tenant and/or Tenant's consultants, which offsets and backcharges shall include actual costs allocable to Tenant (where calculable) or Tenant's reasonably estimated share of such costs (when actual costs are not calculable); (c) costs incurred by Landlord in connection with Tenant's Work such as, but not limited to, the following: temporary power installation, rental of equipment, temporary electricity hook-up and fees, temporary fire protection installation, construction water installation, temporary toilets provided by Landlord, site security, temporary site fencing and site clean-up required by Landlord; (d) temporary electricity and water consumed by Tenant in connection with Tenant's Work; (e) an amount equal to the costs for any alterations made by Landlord or Landlord's contractors to the Common Area or to any other premises in the Project to accommodate the improvements in Tenant's Final Plans; (f) Tenant's share of the following (as reasonably estimated by Landlord) costs, fees and charges incurred by Landlord: sewer connection fees, flood control, storm sewer, potable and reclaimed water connection fees and charges, utility installation and connection fees and charges, fire department mitigation fees and charges, Fire Department connection fees and charges, on and offsite traffic mitigation fees, costs and charges, and any plan check and permit processing fees or charges; and (g) any Tenant's Work completed by Landlord including, but not limited to, construction of elevator and escalator pits and sprinkler distribution, underslab utilities, concrete slab, venting and monitoring systems, any additions or revisions to electrical panel size or capacity, or increase in air conditioning tonnage, over that stated, if at all, in Schedule 1, when requested by Tenant.

2.2. Corrective Work. Landlord shall endeavor to present any construction item requiring correction to Tenant prior to undertaking corrective action on Tenant's behalf. Failure to notify Tenant of required corrective action shall not relieve Tenant of its obligation to reimburse Landlord for costs or charges for which Landlord can reasonably demonstrate Tenant is responsible. Tenant shall reimburse Landlord for all such costs or charges within thirty (30) days of presentation of an invoice with documentation for such charges.

3. CONSTRUCTION

3.1. Tenant's Contractor. Any and all items of Tenant's Work shall be performed and completed using a licensed contractor of Tenant's choice ("Tenant's Contractor"); provided, however, Tenant's Contactor shall be subject to Landlord's approval, which approval shall not be unreasonably withheld or delayed. Tenant shall enter into a written contract ("Construction Contract") for the construction of Tenant Work's with Tenant's Contractor, which Construction Contract shall be subject to Landlord's approval, which approval shall not be unreasonably withheld or delayed. It shall be reasonable for Landlord to disapprove Tenant's Contractor if Tenant's Contractor (a) does not have at least five (5) years' experience in building quality retail space; (b) does not have a good reputation in the construction industry; (c) does not have the financial ability to meet its obligations under the Construction Contract; (d) is not licensed in the State of California to perform Tenant's Work; or (e) does not provide evidence to Landlord that the insurance described in Section 9.1(f) of this Lease is in effect prior to Tenant or Tenant's Contractor commencing any work at the Premises.

3.2. Construction Barricades. Landlord shall have the right to erect a temporary barricade (the "Temporary Barricade") enclosing the Premises storefront, which Temporary Barricade shall be constructed of such materials and in such dimensions as Landlord may determine in its sole discretion. The cost of constructing and installing the Temporary Barricade, including, without limitation, painting and graphics, shall be reimbursed to Landlord by Tenant within ten (10) days after Tenant's receipt of a bill therefor. Tenant shall not move, remove or otherwise disturb the Temporary Barricade. Landlord shall remove the

Temporary Barricade at such time as it reasonably determines that all work in the Premises has been completed.

3.3. Delivery of Documents. Within thirty (30) days following the date that Tenant first conducts business at the Premises, Tenant shall deliver to Landlord (a) reproducible mylar record drawings, stamped "Record Premises Drawings" dated and signed by Tenant or Tenant's Contractor (such drawings shall depict all of Tenant's Work and a cover shall be provided indexing all drawings, including their author, and the date of each); (b) specifications for all disciplines (where used as a part of the contract documents for Tenant's Work); (c) operations and maintenance manuals, operating instructions, warranties and guarantees for all Tenant furnished fixed equipment such as elevators, escalators, HVAC system, fire protection equipment, etc.; (d) copies of all permits, liquor licenses, if applicable, Health Department permits, if applicable, certificates of insurance and business licenses; (e) an original, wet stamped approved (by design discipline and governing authorities) permit set and all changes thereto for all disciplines (alternately reproducible copies of all permit sets may be substituted provided all governmental approval stamps and signatures are legible and sufficiently dark to reproduce); and (f) an original certificate of occupancy for the Premises and completed signed inspection cards. In the event that Tenant does not deliver to Landlord the Record Premises Drawings and/or certificate of occupancy within the periods prescribed above, Landlord shall have the right to procure such Record Premises Drawings and/or certificate of occupancy on Tenant's behalf and at Tenant's expenses. Tenant shall reimburse Landlord within thirty (30) days following receipt from Landlord of a statement specifying the costs and fees incurred by Landlord in securing such Record Premises Drawings and/or certificate of occupancy.

4. DEFINITIONS. As used herein and in this Lease, "Tenant Delay" means Tenant's failure to furnish complete and accurate information and/or assistance as and when required of Tenant pursuant to this Exhibit C and/or Tenant's failure to render Tenant's approval or disapproval within the time limits set forth in this Exhibit C; or Tenant's changes in Tenant's Preliminary Plans and/or Tenant's Final Plans, following approval by Landlord and Tenant of the foregoing; or Tenant's interference with the construction process; or delays caused by agents of Tenant, or delays resulting from building code requirements and/or the requirement for material or labor which is not readily available.

5. TENANT IMPROVEMENT ALLOWANCE. Notwithstanding anything contained in the Lease to the contrary, and subject to and upon the terms and conditions provided below, Landlord agrees to contribute the amount set forth in Section 1.23 for the work to be done by Tenant as set forth in this Exhibit C as Tenant's Work, excepting that said sum shall not in any event apply towards Tenant's trade fixtures, furniture, equipment, permit fees, plan review fees, signs or architect fees. Said sum is hereinafter referred to as the "Tenant Improvement Allowance". Landlord shall pay to Tenant the Tenant Improvement Allowance within forty-five (45) days after items (a) through (f) below are satisfied:

(a) All building permits for Tenant's Work have been issued by the applicable governmental authorities and copies of such building permits have been delivered to Landlord;

(b) All required inspections of Tenant's Work by the applicable governmental agencies have taken place and the completed Tenant's Work has passed all such inspections;

(c) Tenant has completed all of Tenant's Work;

(d) Tenant has opened for business to the public from the Premises;

(e) Tenant has submitted to Landlord all of the following documents and instruments: (i) Tenant shall obtain, record and post on the Premises a Notice of Completion, if required or permitted by law, within three (3) days following substantial completion of Tenant's Work and forward to Landlord a conformed copy of the recorded Notice of Completion within three (3) days thereafter; (ii) Tenant shall obtain a Certificate of occupancy (or other appropriate documentation permitting the Premises to be occupied) within thirty (30) days following substantial completion of Tenant's Work; (iii) Tenant shall obtain and provide Landlord with a copy of all building permits with sign-offs executed by appropriate governmental agencies within three (3) days following substantial completion of Tenant's Work; (iv) Tenant shall obtain and deliver to Landlord AIA Document G702, completed, executed and certified by Tenant's architect, together with AIA Document G703, completed and to which shall be affixed Tenant's Contractor's signed certification, within thirty (30) days after substantial completion of Tenant's Work; (v) Tenant shall obtain executed, final unconditional lien waivers for all work performed, and materials furnished, by Tenant's Contractor, all subcontractors and all materials and services suppliers, as well as an affidavit from Tenant's Contractor that no liens exist as a result of Tenant's Work, and shall provide Landlord with copies of each within thirty (30) days after substantial completion of Tenant's Work; (vi) Tenant shall deliver to Landlord, within thirty (30) days after substantial completion of Tenant's Work, a set of "as built" plans depicting the Premises as actually constructed and in other respects in accordance with the requirements for Tenant's Construction Plans specified herein, (vii) Tenant shall obtain an architect's certification that the Premises were constructed in accordance with Tenant's Final Plans and deliver the same to Landlord upon substantial completion of Tenant's Work; and (viii) Tenant shall submit to Landlord an original executed estoppel certificate in the form attached to the Lease as Exhibit G or such other form as may be required by Landlord's lender; and

(f) Tenant is not in default of any provisions of the Lease and has paid to Landlord all amounts owing to Landlord pursuant to the Lease as of the date reimbursement is to be made.

All items of Tenant's Work paid for with the Tenant Improvement Allowance shall be deemed Landlord's property under the terms of the Lease.

EXHIBIT D

COMMENCEMENT DATE NOTICE

TO: _____
_____
_____

DATE: _____

RE: Lease; Date of Lease _____ ("Lease"); between _____ ("Tenant") and _____ ("Landlord").

This will confirm the following:

1. In accordance with Section 1.13 of the Lease, the Commencement Date of the Term is _____, 20__ and the expiration date is _____, unless the Option is properly and timely exercised by Tenant.

2. In accordance with Article 2 of the Lease:

(a) The Floor Area of the Premises is _____ square feet; and

(b) The Minimum Rent is _____ Dollars ($_____) per month.

(c) Tenant has accepted possession of the Premises described in the Lease.

(d) The Lease is in full force and effect and has not been modified or amended.

If Tenant fails to return this notice within ten 10 days of the date set forth above, Tenant shall conclusively be deemed to have approved the above.

"LANDLORD":

_____

CA Broker's License #: 01382566_____

Approved:

TENANT:

Date: _____

EXHIBIT E

GROSS SALES REPORT

PROJECT NAME: OCEAN RANCH II, LAGUNA NIGUEL, CALIFORNIA

TENANT NAME_____

For the Period of_____

TOTAL RECEIPTS: $_____

Less Sales Tax: $_____

Less Other Exclusions: $_____

GROSS SALES (as defined in the Lease): $_____

PERCENTAGE RENT CALCULATION:

Gross Sales (i.e. $_____) x _____% = $_____

Less Breakpoint Amount $_____

PERCENTAGE RENT DUE $_____

SIGNATURE _____

DATE_____

NOTE: Signature constitutes certification that the information contained in this statement is true, accurate and complete. If Tenant is a corporation or other entity, this statement must be signed by a properly authorized person, such as an officer, general partner or manager of Tenant. We encourage you to send as much detailed information as practical to support your calculations; however, in addition to documentation normally provided **IT IS ESSENTIAL THAT THIS FORM BE COMPLETED AND RETURNED** to ensure that all rental information is properly recorded to your account. If the figures you submit differ from the monthly reports previously submitted, please include an explanation.

EXHIBIT F

RULES AND REGULATIONS

Tenant shall comply with the following rules and regulations:

1. Tenant shall keep the Premises in a neat and clean condition, free from any objectionable noises, odors or nuisances, shall operate its business without unreasonable noise or vibration emanating from the Premises, and shall comply with all applicable health, safety and police laws, ordinances and regulations of any governmental authority having jurisdiction over the Premises or the Project; provided, however, the foregoing shall not be construed to require Tenant to perform any repairs which are the obligation of Landlord pursuant to this Lease. In addition, Tenant shall, at its sole cost and expense, keep Tenant's installation and/or pick-up areas adjacent to the Premises in a neat and clean condition, and shall be responsible for removing from the Project any litter or debris resulting from Tenant's use of such installation and/or pick-up areas.

2. Tenant shall not sell merchandise from vending machines or allow any coin or token operated vending machine on the Premises, except those provided for the convenience of Tenant's employees and pay telephones provided for the convenience of its customers.

3. Tenant shall deposit trash and rubbish only within receptacles approved by Landlord. Landlord shall cause trash receptacles to be emptied at Tenant's cost and expense; provided, however, at Landlord's option, Landlord may provide trash removal services, the cost of which shall be paid for by Tenant either (a) as a Common Area Expense, or (b) pursuant to an equitable proration of said costs by Landlord.

4. Tenant shall not display or sell merchandise or allow carts, signs or any other object to be stored or to remain outside the Premises.

5. Tenant shall not erect any aerial or antenna on the roof, exterior walls or any other portion of the Premises.

6. Tenant shall not solicit or distribute materials in the Common Area.

7. Tenant shall neither conduct on the Premises, nor advertise with respect to the Premises, any liquidation, "going out of business", distress, "lost our lease" or similar sale.

8. No advertising medium shall be utilized by Tenant which can be heard or seen outside the Premises including, without limitation, flashing lights, searchlights, loudspeakers, phonographs, radios or televisions; provided, however, Tenant shall be permitted to use music and video within the Premises as part of its merchandising so long as the volume of same is maintained at levels which do not cause disturbance of other tenants of the Project. Tenant shall not display, paint or place any handbill, bumper sticker or other advertising device on any vehicle parked in the Common Area. Tenant shall not distribute any handbills or other advertising matter in the Project.

9. Tenant shall adequately staff the Premises with sufficient employees to handle the maximum business and carry sufficient stock of merchandise of such amount, character and quality to accomplish this purpose.

10. Tenant shall keep the display windows and signs, if any, well lighted during the hours of sundown to 11:00 p.m.

11. Tenant shall keep the Premises and exterior and interior portions of windows, doors and all other glass or plate glass fixtures in a neat, clean, sanitary and safe condition.

12. Tenant shall warehouse, store or stock at the Premises only such merchandise as Tenant intends to offer for sale at retail.

13. Tenant shall use for office or other non-selling purposes only such space as is reasonably required for Tenant's business.

14. Tenant shall not use or suffer or permit to be used the Premises or any part thereof in any manner that will constitute a nuisance or unreasonable annoyance to the public, to other occupants of the Project or to Landlord, or that will injure the reputation of the Project, or for any hazardous purpose or in any manner that will impair the structural strength of the building.

15. Tenant's employees and agents shall not loiter in the parking area or in the landscaped areas or other driveways, entrances and exits to the Project, and they shall use the same only as passageways to and from their respective work area.

16. Tenant shall not mark, drive nails, screw or drill into, paint or in any way deface the exterior walls, roof, foundations, bearing walls or pillars without the prior written consent of Landlord. The expense

of repairing any breakage, stoppage or damage resulting from a violation of this rule shall be borne by Tenant. No boring or cutting of wires shall be allowed, except with the consent of Landlord.

17. No awning or shade shall be affixed or installed over or in the show windows or the exterior of the Premises by Tenant, except with the prior written consent of Landlord. If Tenant desires window drop curtains in the show windows of the Premises, the same must be of such uniform shape, color, material and make as may be prescribed by Landlord and must be put up as directed by Landlord (and shall be paid for by Tenant).

18. Tenant shall not use any machinery within the Premises, even though its installation may have been permitted, which may cause any unreasonable noise or jar, or tremor to the floors or walls, or which by its weight might injure the floors of the Premises.

19. Except for customary office equipment or trade fixtures or package handling equipment, no machinery of any kind will be allowed in the Premises without the written consent of Landlord. Landlord may limit weight, size and position of all safes, fixtures and other equipment used in the Premises. In the event Tenant shall require heavy equipment in the Premises, Tenant shall notify Landlord of such fact and shall pay the cost of structural bracing to accommodate same. All damage done to the Premises or the Project by delivering, installing, removing or maintaining heavy equipment shall be repaired at the expense of Tenant.

20. Tenant's agents and employees shall not interfere in any way with other tenants or patrons of the Project, nor bring into nor keep within the boundaries of the Project any animal or bird, or any bicycle or other vehicle, except such vehicles as are permitted to park in the parking area, and shall park in the areas designated from time to time for employee parking generally.

21. All freight must be moved into, within and out of the Premises only during such hours as may be prescribed by applicable governmental rules, regulations and ordinances, and according to such reasonable rules as may be promulgated from time to time by Landlord.

22. Landlord reserves the right to exclude or expel from the Project any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of the rules and regulations of the Project.

23. During emergency conditions, and after normal business hours, Landlord reserves the right to close and keep locked any and all entrances and exit doors of the Project and gates or doors closing the parking areas.

24. Landlord reserves the right at any time to change or rescind any one or more of these rules or regulations or to make such other and further reasonable rules and regulations as in Landlord's judgment may from time to time be necessary for the management, safety, care and cleanliness of the Premises and Project, and for the preservation of good order therein, as well as for the convenience of occupants, tenants and patrons of the Project. Tenant shall abide by any such additional rules or regulations. No waiver of any rule or regulation by Landlord shall be effective unless expressed in writing and signed by Landlord.

25. In no event shall the Tenant: (i) permit to be installed at the Premises any gaming machines, (ii) permit the Premises to be used as a sports or other entertainment viewing facility (except that single or multiple television and ""big screen" television units within restaurants shall be permitted), (iii) permit the Premises to be used as a billiard room or pool hall, or for the placement of any pool tables (except that pool tables may be included within certain restaurants in the Project provided that Landlord has consented in writing to the same), (iv) permit the Premises to be used as an off-track betting parlor, massage parlor, discotheque, dance hall, banquet hall, night club, lounge, bar or tavern (except that bars or the service of alcoholic beverages and/or dancing, music and other forms of entertainment may be included within restaurants in the Project provided that Landlord has consented in writing to the same), a pornographic or adult store or entertainment venue, (v) conduct any use at the Premises that creates a nuisance or materially increases noise or the emission of dust, odor, smoke or gases, or materially increases fire, explosion, or radioactive hazards, (vi) conduct its business with drive-up or drive-through lanes except as expressly agreed to by Landlord in writing, and (vii) permit any use at the Premises involving Hazardous Materials (except as may be customary in first class shopping centers in the metropolitan area in which the Project is located).

PARKING RULES AND REGULATIONS

In addition to the foregoing rules and regulations and the parking provisions contained in the Lease to which this Exhibit F is attached, the following rules and regulations shall apply with respect to the use of the Project's parking areas.

1. Every parker is required to park and lock his/her own vehicle. All responsibility for damage to or loss of vehicles is assumed by the parker and Landlord shall not be responsible for any such damage or loss by water, fire, defective brakes, the act or omissions of others, theft, or for any other cause.

2. Tenant shall not leave vehicles in the parking areas overnight nor park any vehicles in the parking areas other than automobiles, motorcycles, motor driven or non-motor driven bicycles or four wheeled trucks.

3. No overnight or extended term storage of vehicles shall be permitted; provided, however, a vehicle may be parked overnight if and only if such overnight parking is registered with security (if any) and the reason for such overnight parking is (a) the vehicle has broken down and needs to be towed, or (b) the owner of the vehicle is an employee of a tenant of the Project and is traveling overnight for business purposes. The vehicle owner must provide the following information to security (if any) for overnight parking registration: (i) owner's name, company name, space number and telephone number; (ii) vehicle year, make and model; (iii) vehicle license number; (iv) location of vehicle; and (v) the dates the vehicle will be left in the parking structure. Notwithstanding the foregoing, if any vehicle registered with security has been reported as stolen to the police, such vehicle will be immediately towed.

4. Vehicles must be parked entirely within painted stall lines of a single parking stall.

5. All directional signs and arrows must be observed.

6. The speed limit within all parking areas shall be five (5) miles per hour.

7. Parking is prohibited: (a) in areas not striped for parking; (b) in aisles; (c) where "no parking" signs are posted; (d) on ramps; (e) in cross hatched areas; and (f) in such other areas as may be designated by Landlord.

8. Washing, waxing, cleaning or servicing of any vehicle in any area not specifically reserved for such purpose is prohibited.

9. Landlord may refuse to permit any person who violates these rules to park in the parking areas, and any violation of the rules shall subject the vehicle owner to one (1) warning and thereafter the vehicle shall be subject to removal, at such vehicle owner's expense, except that a violation of rules 2 or 3 shall be subject to the immediate removal of the vehicle without warning, at such vehicle owner's expense.

EXHIBIT G

ESTOPPEL CERTIFICATE

The undersigned, as Tenant under that certain Lease (the "Lease") made and entered into as of _____, 20__ by and between _____, as Landlord, and the undersigned, as Tenant, for the Premises outlined on Exhibit A attached hereto and incorporated herein by this reference, which Premises are commonly known as Space "___" at "_____, _____, California, certifies as follows:

1. The undersigned has commenced occupancy of the Premises described in this Lease. The Commencement Date under this Lease is _____, 20__.

2. The Lease is in full force and effect as of the date hereof and has not been modified, supplemented or amended in any way except as follows:

3. The Lease represents the entire agreement between the parties as to the Premises.

4. Minimum Rent became payable on _____, 20__.

5. The Term commenced on _____, 20__ and expires on _____, 20__.

6. Except as indicated in Paragraph 7 below, no rental has been paid in advance and no security deposit has been deposited with Landlord, except for the Security Deposit in the amount of $_____, deposited, if at all, with Landlord pursuant to Sections 1.20 and 20.2 of this Lease.

7. Minimum Rent in the sum of $_____ for the month of _____, 20__, has been paid.

8. As of the date hereof, the undersigned has no defenses or offsets against any of Tenant's obligations under this Lease and there are no uncured defaults of Landlord or any events which (with or without the giving of notice, the lapse of time, or both) constitute a default of Landlord or Tenant under this Lease, except _____.

9. The undersigned has no rights of first refusal or options to (a) purchase all or any portion of the Premises or the Project; or (b) renew or extend the Term, except as provided in Sections 1.9 and 3.4 of this Lease.

10. The undersigned has not received nor is it aware of any notification from the Department of Building and Safety, the Health Department or any other City, County or State authority having jurisdiction, that work is required to be done to the improvements constituting the Premises or the Project or that the existing improvements in any way violate existing laws, ordinances or regulations.

11. The undersigned has no knowledge of any actions, suits, material claims, legal proceedings or any other proceedings, including without limitation threatened or pending eminent domain proceedings, affecting the Premises, at law or in equity, before any court or governmental agency, domestic or foreign.

12. The undersigned has not assigned, sublet, encumbered, pledged, hypothecated, transferred or conveyed (or suffered any of the preceding) any interest in this Lease or the Premises.

13. The undersigned hereby represents and warrants that to the best of its knowledge all statements contained herein are true and correct.

14. The undersigned acknowledges that this Certificate may be delivered to any proposed mortgagee, trust deed beneficiary, lessor, lessee, purchaser or successor-in-interest to Landlord, of all or any portion of the Premises or the Project, and acknowledges that it recognizes that if the same is done, said proposed mortgagee, trust deed beneficiary, lessor, lessee, purchaser or successor-in-interest will be relying upon the statements contained herein in making the lease, purchase or loan or in accepting an assignment of this Lease as collateral security, and that receipt by it of this Certificate is a condition of the making of such lease, purchase or loan. Tenant shall be estopped from denying that the statements made herein by Tenant are true.

Executed at _____, _____, on the _____ day of _____, 20__.

TENANT:

_____
a _____
By: _____
Its: _____

EXHIBIT H

SIGN CRITERIA

[Attached]

OCEAN RANCH VILLAGE
THE SECOND PHASE
Tenant Sign Criteria

March 4, 1993

Prepared for:
Ocean Ranch II,
Shea Business Properties
655 Brea Canyon Road
Walnut, CA 91789

TABLE OF CONTENTS

EXHIBIT "C-1"

OCEAN RANCH VILLAGE
TENANT SIGN CRITERIA

OBJECTIVE

The objective of the Tenant Sign Criteria is to provide design standards and specifications that assure consistency in quality, color, size, placement, and configuration for tenant signs throughout Ocean Ranch Village. Tenant signs shall be carefully designed, fabricated and installed to equal or exceed the standards normally associated with commercial retail signage.

SUBMITTALS AND APPROVALS

1. There is a formal process for the creation, review and approval of tenant signs at Ocean Ranch Village. The Owner or his managing agent (hereinafter referred to as "Owner") shall provide the concept design for **required** tenant signage. Upon execution of Tenant's lease and in accordance with the terms outlined herein, the Tenant shall provide to the Owner's property manager the following information for use by the designated sign design consultant (see Attachment C):

   a. Store name

   b. Logo images and colors

   c. Specifications or samples of interior materials, colors, and finishes

   d. Other graphic material or ideas that the tenant may wish to incorporate in his signage

2. The Owner shall designate a sign fabricator who is well-qualified in the techniques and processes required to implement the intent of the concept design. Only approved sign contractors shall be allowed. The Owner shall provide tenant with a list of approved sign fabricators.

3. Prior to sign fabrication, tenant shall submit for Owner-approval three (3) complete sets of working drawings reflecting the concept design provided by the Owner. All sign plans submitted for Owner approval must conform to requirements of the City of Laguna Niguel. In addition to working drawings, such submissions shall include:

   a. Elevation of storefront showing design, location, size and layout of sign drawn to scale indicating dimensions, attachment devices and construction detail.

   b. Sample board showing colors and materials including building fascia, letter faces, returns, and other details as requested by the Owner.

   c. Section through letter and/or sign panel showing the dimensioned projection of the face of the letter and/or sign panel and the illumination.

4. All tenant sign submittals shall be reviewed by the Owner and/or his agent for conformance with the sign plan criteria and with the concept design provided by the Owner.

5. Within ten (10) working days after receipt of Tenant's working drawings, Owner shall either approve the submittal contingent upon any required modifications or disapprove Tenant's sign submittal, which approval or disapproval shall remain the sole right and discretion of the Owner. If working drawings are disapproved, the Tenant must resubmit revised plans until Owner approval is obtained. A full set of final plans must be approved and stamped by the Owner prior to permit application or sign fabrication. Approved sign plans shall become a part of the Lease Agreement.

6. Requests to establish signs that vary from the provisions of this sign plan shall be submitted to the Owner for approval and then submitted to the City of Laguna Niguel Community Development Director. The Owner may approve signs that depart from the specific provisions and constraints of this Sign Plan in order to:

   a. Encourage exceptional sign design

b. Accommodate imaginative, unique, and otherwise tasteful signage that is deemed to be within the spirit and intent of the sign plan

c. Mitigate problems in the application of the sign plan

Any signs not consistent with the approved sign program but consistent with City sign standards shall require the approval of a Changed Plan application by the City of Laguna Niguel. Signs which exceed the City sign standards shall require the approval of a Site Development permit by the City of Laguna Niguel. Prior to application to the City for individual sign permits, the Tenant shall be required to process any necessary applications as outlined above in this paragraph

7. Following Owner's approval of proposed signage, Tenant or his agent shall submit to the City of Laguna Niguel applications for all permits for fabrication and installation by Sign Contractor. The City of Laguna Niguel Community Development Director shall review submittal for compliance with the intent of these criteria. The Community Development Director shall have the discretionary authority to review all sign proposals and to deny approval for any submittal which does not comply with the intent or purpose of the sign program. Tenant shall furnish Owner with a copy of said approved permits prior to installation of Tenant's sign(s).

8. Fabrication and installation of all signs shall be performed in accordance with the standards and specifications outlined in these guidelines and in the final approved plans and working drawings. Owner may perform an in-shop inspection prior to installation. Signs shall be inspected upon installation to assure conformance. Any work deemed unacceptable shall be rejected and shall be corrected or modified at the Tenant's expense as required by the Owner or his agent.

9. Tenant shall install the approved signage within 45 days after approval of shop drawings. If signage is not in place by that date, Owner may order fabrication and installation on Tenant's behalf and at the Tenant's expense.

TENANT RESPONSIBILITY

Tenant shall be responsible for the following expenses relating to signage for his store:

- design consultant's fees per Attachment C
- 100% of permit processing costs and application fees
- 100% of costs for sign fabrication and installation including review of shop drawings and patterns (see Attachment C)
- all costs relating to signage removal, including repair of any damage to the building

Tenant shall also be responsible for maintaining the appearance and operating condition of all signs once they are installed.

NON-CONFORMING SIGNS

Owner may, at its sole discretion and at Tenant's expense, correct, replace or remove any sign that is installed without written approval and/or that is deemed not to be in conformance with the plans as submitted and with the Tenant Sign Criteria.

PROHIBITED SIGNS

Only those sign types provided for herein and specifically approved in writing by the Owner will be allowed. The following signs are prohibited:

1. Outdoor advertising.
2. Outdoor advertising structures.
3. Roof signs.

4. Freestanding signs, except as provided in this text.
5. Advertising devices and advertising displays.
6. Rotating, revolving, flashing or moving signs, except as provided in this text.
7. Vehicles or other signs or devices in the public right-of-way when used as advertising devices or displays.
8. Vehicles or other signs or devices not permitted by this section when used as advertising devices or displays.
9. Advertising signs on bus benches, within or outside of the public right-of-way.
10. Off-premise signs (other than directional signs) installed for the purpose of advertising a project, event, person or subject not related to the premises upon which said sign is located.

REQUIRED IDENTIFICATION SIGNAGE

Each retail Tenant shall, at his own expense, provide and install a minimum of one primary identification sign in accordance with the criteria outlined herein for Tenant's specific building location. Primary identification signs include Types M, N1-N4, and O for restaurant, theater, and pad tenants respectively; Types H1 and H2 for "showroom" tenants; and Types I, J, K1A, K1B, and L for other in-line retail tenants.

Each Tenant in Buildings 5A, 5B, and 6 shall also provide and install one Blade Sign (Type P1 or P2) at the primary storefront entrance. Signs that incorporate custom logos and creative design elements are encouraged.

OPTIONAL IDENTIFICATION SIGNAGE

In addition to required signage, Tenants may also implement Type Q paving graphics (Building 6 only) and/or Type R window signs as outlined in the criteria that follow.

INFORMATIONAL SIGNS

Tenant will be permitted to place upon **main entrance** to its premises not more than a 144 square inch area of white vinyl or screenprinted lettering as outlined on Attachment D. Copy may include hours of business, emergency phone numbers, and suite number.

In addition, Tenant is allowed a **back door** sign to identify the service entrance. Such sign shall be configured as an 19" x 17-1/2" painted acrylic plaque. Colors, typestyle, and exact location are to be as specified by the Owner (see Attachment D).

DESIGN GUIDELINES

1. Design Objective

The primary objective of the sign criteria is to generate high quality tenant signage that reflects a unique and sophisticated retail, dining and entertainment environment. A diversity of sign types and styles is encouraged to impart a lively quality. Treatments encouraged by the plan include:

- mixed-media signs incorporating multi-dimensional forms and combinations of colors, shapes, materials, and lighting techniques
- application of innovative technologies (e.g., laser and fiber optics)
- fusion of contemporary elements to create a unique appearance

2. Acceptable Sign Treatments

A mixed-media approach where signage is composed of several different elements and lighting techniques is encouraged. The following treatments are considered appropriate:

- dimensional geometric shapes
- painted metal
- screens, grids, or mesh
- etched metal or glass
- polished metal
- glazed tile patterns
- mosaic tile designs
- cut steel or fabricated steel
- signs silkscreened on glass
- neon accents or trimming
- signs incorporated to support a retail window display
- dimensional letter forms with seamless edge treatment
- opaque acrylic materials with matte finishes
- internally illuminated signs with seamless opaque cabinets and pop-through lettering and/or neon

3. Lighting

In keeping with the sophisticated character of the project, identity signs for tenants should be illuminated using a variety of lighting techniques. One or more of the following are encouraged:

- reverse channel neon
- open channel neon
- fiber optics
- bud light sculptures
- rope lighting
- day-glow iridescent with black light
- silhouette illumination
- internal illumination
- front lighting
- area lighting
- animation permitted in selected locations

All front lighting should be baffled and obscured in channels where possible. Where fixtures, shades, or other elements are exposed, they should contribute to the design of the storefront.

All exposed or skeletal neon must be backed with an opaque coating, unless otherwise specified herein or approved in writing by the Owner. All housings and posts for exposed neon signs must be painted out to match the building background immediately behind and adjacent to the sign.

The following shall be prohibited:

- exposed conduits and raceways
- electrified neon attached to glass tubing surrounds or crossbars; neon in display windows should be attached to clear acrylic backing
- front lighting fixtures that compete with the storefront design

4. Colors

The following guidelines are to be adhered to in selecting colors for tenant signage:

- sign colors should be selected to provide sufficient contrast against building background colors
- colors within each sign should be harmoniously blended
- sign colors should be compatible with building background colors
- signage colors should provide variety and excitement
- color of letter returns should contrast with face colors for good daytime readability
- interior of open channel letters should be painted dark when against light backgrounds
- neon colors should complement related signage elements

All sign colors are subject to review and approval by the Owner as part of the tenant sign submittal.

5. Typestyles

The use of logos and distinctive typestyles is encouraged for all tenant signs. Tenants may adapt established typestyles, logos and/or images that are in use on similar buildings operated by them in California, provided that said images are architecturally compatible and approved by the Owner. Type may be arranged in one or two lines of copy and may consist of upper and/or lower case letters.

6. Ground Sign

Where ground signs are permitted, they may be located within and coordinated with landscape treatments within building setback areas. Ground signs are subject to the size and height requirements outlined in the approved sign plan. Final working drawings shall include sight distance analysis and dimensioned site plans to insure appropriate setbacks are provided.

7. Primary Tenant Identification Signs

The variety of Ocean Ranch Village's storefront and architectural treatments provides opportunities for diverse primary sign solutions.

Tenant Wall Signs

Tenant wall signs shall be subject to the following development standards:

a. Signs may be multi-level with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in Part 2 of these Design Guidelines

b. Copy shall consist of tenant name and/or logo

c. One sign is allowed per tenant building elevation which faces a street frontage or parking lot (to be located on separate elevations), as permitted by the approved sign plan

d. Sign placement shall adhere to the following margins:

(1) Horizontal Margin
Up to 80% of the lease space width is available for sign lettering and figures

(2) Vertical Margin
As specified per individual sign type (see exhibits)

e. For purposes of calculating copy area, wall signage shall be considered to be composed of three elements:

(1) Lettering
Includes the letters and characters that form the sign copy, exclusive of any figures, symbols and decorative elements

(2) Closed-Line Figure
Refers to a graphic shape or mass formed by and enclosed within continuously drawn lines, exclusive of sign lettering

(3) Open Lines
Refers to simply drawn lines that do not connect to form a two-dimensional mass or enclosed area

f. Sign measurements shall be calculated in the following manner:

(1) Sign Area
The entire area within which a single continuous perimeter of not more than eight (8) straight lines enclose the extreme limits of writing, representation, emblem or any figure of similar character, together with any material or color forming any integral part of the display or used to differentiate such sign from the background against which it is placed, provided that in the case of a sign design with more than one (1) exterior surface (e.g., double face sign) the area shall be computed as including only the maximum single display surface which is visible from any ground position at one (1) time. The supports, uprights or structures on which any such sign is supported shall not be included in determining the sign area unless such supports, uprights or structure are or is designed in such a manner as to form an integral background of the display.

(2) Sign Height
The greatest vertical distance measured from the ground level directly beneath the sign to the top of the sign. Signs shall not exceed the building height limit of the district in which they are located. When signs are constructed on hillsides or embankments where the sign suppots are at varying lengths, height shall be measured from the horizontal mid point of the sign.

g. Sizes and quantities for tenant signs shall be as outlined in the criteria for each sign type. Notwithstanding the maximum square footage specified for copy area allowances, adequate amounts of visual open space shall be provided around wall signs so that signs appear balanced and in scale in relation to their backgrounds.

8. **Secondary Tenant Signage and Graphics**

In addition to the primary tenant identification signs, secondary graphics are encouraged in paving at shop entries and allowed at windows. See exhibits for Sign Types Q and R.

9. **Special Event Signs**

Temporary banner signs shall require sign permits in accordance with City of Laguna Niguel sign regulations.

GENERAL PROVISIONS

1. Signs shall be designed in a manner that is not only imaginative but also of high graphic quality. In addition, signs should be compatible with and complementary to adjacent facades.

2. Only those tenant sign types provided for in the sign plan and/or specifically approved in writing by the Owner will be allowed. All sign colors must conform to the Owner's established color palette, if any, and are subject to review and approval by the Owner as part of the tenant sign submittal.

3. A variety of graphic styles, logos, and scripts shall be encouraged.

4. Notwithstanding the maximum square footages and dimensions specified for copy area allowances, signs and typography in all cases shall appear balanced and in scale within the context of the sign space and the building as a whole. All signs shall fit comfortably into designated architectural spaces, leaving sufficient margins and negative space on all sides. Thickness, height, and color of sign lettering shall be visually balanced and in proportion to other signs on the building.
5. Dimensional letters and plaques shall be affixed without visible means of attachment, unless attachments make an intentional statement.
6. All sign locations, including placement of signs on storefronts, building facades, or beneath overhangs, shall be subject to review and approval by the Owner.
7. Details of finished signage shall match the exact specifications of the Owner-approved shop drawings.
8. All sign fabrication work shall be of excellent quality. All logo images and typestyles shall be accurately reproduced. Lettering that approximates typestyles shall not be acceptable. The Owner reserves the right to reject any fabrication work deemed to be below standard.
9. The Tenant shall, upon termination of his lease and at his own expense, remove all signs associated with his lease space and repair, patch, and repaint building walls to match their original condition.

CONSTRUCTION REQUIREMENTS

The following shall apply to all sign types:

1. Prior to commencing any fabrication work, sign contractors shall provide to Owner a certificate of insurance naming Owner as additional insured(s) for liability coverage in the amount of $1,000,000.00.
2. Approved sign permits shall be obtained from the City of Laguna Niguel prior to commencing any sign fabrication.
3. Underwriter's Laboratory-approved labels shall be affixed to all electrical fixtures. Fabrication and installation of electrical signs shall comply with all national and local building and electrical codes.
4. Electrical service for tenant signs shall be connected to the house panel and timer.
5. Penetrations into building walls, where required, shall be made waterproof. Damage to existing finishes caused by sign installation or removal shall be repaired at Tenant's expense.
6. Surfaces with color mixes and hues prone to fading (e.g., pastels, fluorescent, complex mixtures, and intense reds, yellows and purples) shall be coated with ultra- violet inhibiting clear coat in a matte finish.
7. Joining of materials (e.g., seams) shall be finished in such a way as to be unnoticeable. Visible welds shall be continuous and ground smooth. Rivets, screws and other fasteners that extend to visible surfaces shall be flush, filled, and finished so as to be unnoticeable.
8. Finished surfaces of metal shall be free from canning and warping. All sign finishes shall be free of dust, orange peel, drips and runs and shall have a uniform surface conforming to the highest standards of the industry.
9. In no case shall any manufacturer's label be visible from the street from normal viewing angles.
10. Sign permit stickers shall be affixed to the bottom edge of signs, and only that portion of the permit sticker that is legally required to be visible shall be exposed.
11. Tenants shall maintain all storefront signage in like-new condition. Owner may, at its sole discretion and at Tenant's expense, replace, refurbish, or remove any sign that has become deteriorated.
12. Signs must be made of durable rust-inhibited materials that are appropriate and complementary to the building.

13. Threaded rods or anchor bolts shall be used to mount sign letters which are spaced out from background panel. Angle clips attached to letter sides will not be permitted.

14. Letter returns shall be painted to contrast with color of letter faces. Return colors shall be compatible with associated brick or awning color.

15. Surface brightness of all illuminated materials shall be color compatible with brick or awning. Light leaks will not be permitted.

16. All ferrous and non-ferrous metals shall be separated with non-conductive gaskets to prevent electrolysis. In addition to gaskets, stainless steel fasteners shall be used to secure ferrous to non-ferrous metals.

17. All conduit, raceways, crossovers, wiring, ballast boxes, transformers, and other equipment necessary for sign connection shall be concealed. All bolts, fastenings and clips shall consist of enameling iron with porcelain enamel finish; stainless steel, anodized aluminum, brass or bronze; or carbon-bearing steel with painted finish. No black iron materials will be allowed.

18. Paint colors and finishes must be reviewed and approved by the Owner. Color coatings shall exactly match the colors specified on the approved plans. All paint finishes shall be matte.

19. Signs illuminated with neon shall use 30 m.a. transformers. The ballast for fluorescent lighting shall be 430 m.a. Fluorescent lamps shall be single pin (slimline) with 12" center-to-center lamp separation. All lighting must match the exact specifications of the approved working drawings.

20. The back side of all bare neon used for signage shall be painted to provide an opaque finish. Paint color shall exactly match the Owner-approved specification.

21. Location of all openings for conduit sleeves and support in sign panels and building walls shall be indicated by the sign contractor on drawings submitted to the Owner. Sign contractor shall install same in accordance with the approved drawings.

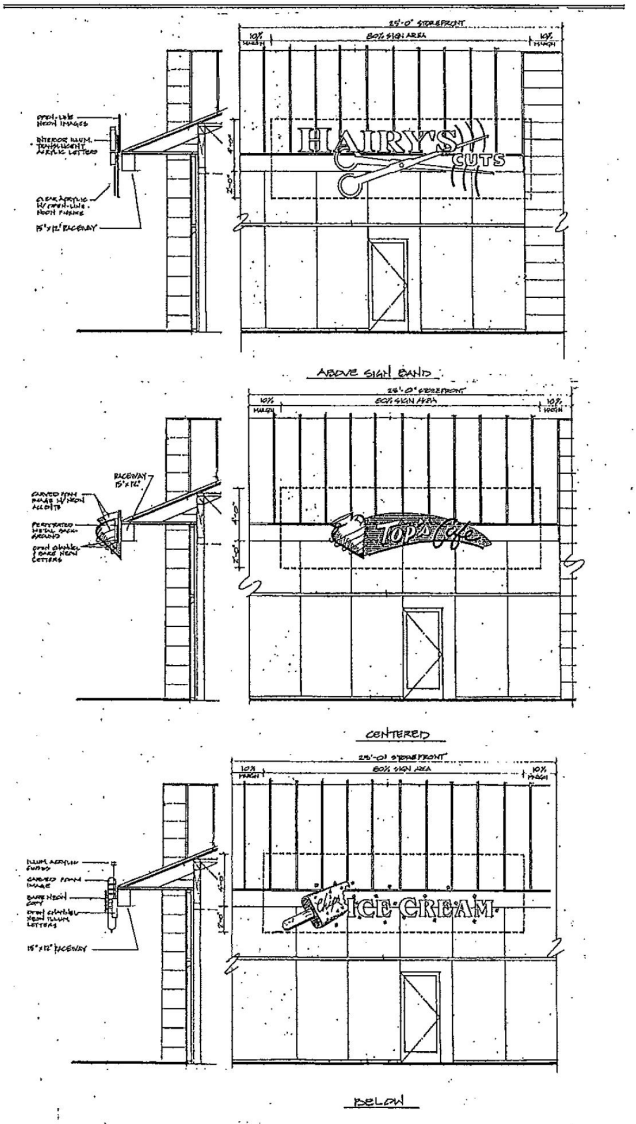
SIGN TYPE CRITERIA

Only those sign types outlined herein will be allowed unless specifically approved in writing by the Owner. Signage shall conform to the criteria specific to each sign type, as well as to any general guidelines and provisions for sign treatments, colors and lighting as outlined herein.

SIGN TYPE: H1 "Showroom" Tenant Identification on Sign Band (Buildings 5 and 10 / South and East Elevations)

MATERIALS	A variety of wall sign treatments is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines, except as restricted below*
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of neon illumination per Design Guidelines.
LOCATION	One sign allowed per tenant building elevation (to be located on separate elevations). Signs may be centered on the sign band or above or below the sign band with some sign element overhanging the band's horizontal center line. No sign lettering or closed line figures to extend more than 4' above, or 2' below, bottom of architectural sign band.
*** NOTE**	**Tenant wall signs parallel to Golden Lantern (Buildings 5 & 10)** 1. Wall signs which parallel the Street of the Golden Lantern (Signs H1 and H2) shall be turned off at 10 p.m. or concurrent withthe latest tenant's close of business, but no later than midnight. 2. Total aggregate area of translucent acrylic sign faces shall not exceed 50% of the total permitted sign area. 3. Exposed neon shall be limited to decorative elements (logo, etc.) of permitted sign area, and shall not exceed 20% of the total permitted sign area. 4. Neon colors shall be limited to a palette of three soft, complementary colors (ivory, pale turquoise, purple) 5. Neon intensity shall be restricted: No 60 milliamp transformers shall be permitted.

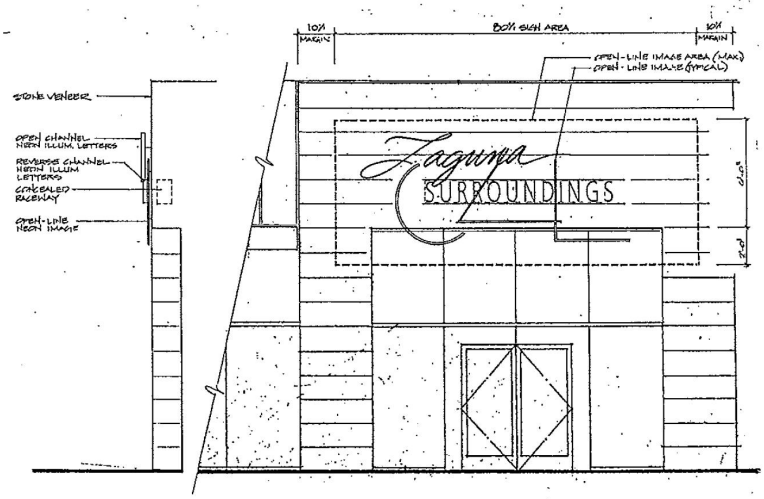
SIGN TYPE: H1 "Showroom" Tenant Identification on Sign Band (Building 5/ South and East Elevations)



SIGN TYPE: H2 "Showroom" Tenant Identification on Stone Veneer (Building 5/ South and East Elevations)

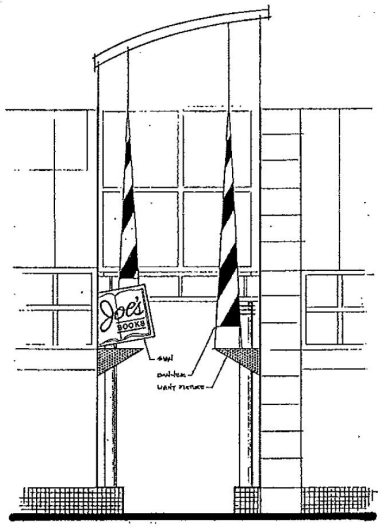
MATERIALS	A variety of wall sign treatments is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines, except as restricted below*
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of neon illumination per Design Guidelines.
LOCATION	One sign allowed per tenant building elevation (to be located on separate elevations). Signs may be centered on the sign band or above or below the sign band with some sign element overhanging the band's horizontal center line. No sign lettering or closed line figures to extend more than 4' above, or 2' below, bottom of architectural sign band.
*** NOTE**	**Tenant wall signs parallel to Golden Lantern (Buildings 5 & 10)** 1. Wall signs which parallel the Street of the Golden Lantern (Signs H1 and H2) shall be turned off at 10 p.m. or concurrent withthe latest tenant's close of business, but no later than midnight. 2. Total aggregate area of translucent acrylic sign faces shall not exceed 50% of the total permitted sign area. 3. Exposed neon shall be limited to decorative elements (logo, etc.) of permitted sign area, and shall not exceed 20% of the total permitted sign area. 4. Neon colors shall be limited to a palette of three soft, complementary colors (ivory, pale turquoise, purple) 5. Neon intensity shall be restricted: No 60 milliamp transformers shall be permitted.

SIGN TYPE: H2 "Showroom" Tenant Identification on Stone Veneer (Building 5/ South and East Elevations)



SIGN TYPE: I "Penny Lane" Tenant Identification Blade Sign (Building 6 / Along Both Sides of Arcade Corridor)

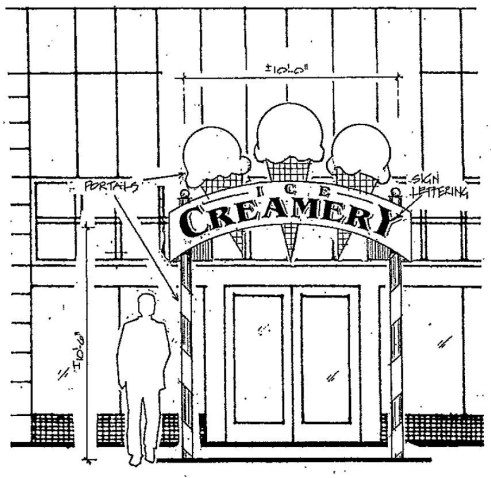
MATERIALS	A variety of projecting, multi-dimensional, double-faced blade sign treatments is encouraged. Variety of materials as provided for in the Design Guidelines.
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of sign lettering per face per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Signs may be double-faced, with faces parallel or angled. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per guidelines. Animation permitted in this area
LOCATION	One sign allowed per storefront, co-located with light sconce and shortened pennant provided. 7'-6" minimum vertical clearance, ground to bottom of sign. Sign elements may not project more than 4'-0" horizontally from storefront.

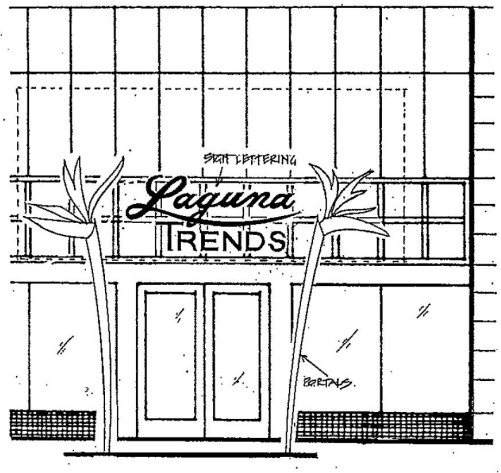


SIGN TYPE: J Tenant Identification on Entry Portal (Building 6/ West Elevation)

MATERIALS	Free-standing entry "portal" treatments, in a variety of materials, including fabricated metals or paint-finished, shaped high-density foam on metal structural frames. Portals may incorporate signage lettering elements or lettering elements may be mounted on projecting architectural canopy. Materials for sign lettering elements per Design Guidelines.
COPY	Tenant logo / name and sculptural elements
COPY AREA	Maximum of one square foot of sign lettering per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of signage elements not to exceed 80% of overall storefront width. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per guidelines. Limited animation permitted in this area
LOCATION	One sign and entry treatment allowed per tenant building elevation (to be located on separate elevations). Top of canopy-mounted sign lettering not to exceed 8'-0" above top of architectural canopy. Portal elements not to exceed 18'-0" o.a. height. Suspended horizontal portal element to observe minimum 10'-0" vertical clearance.

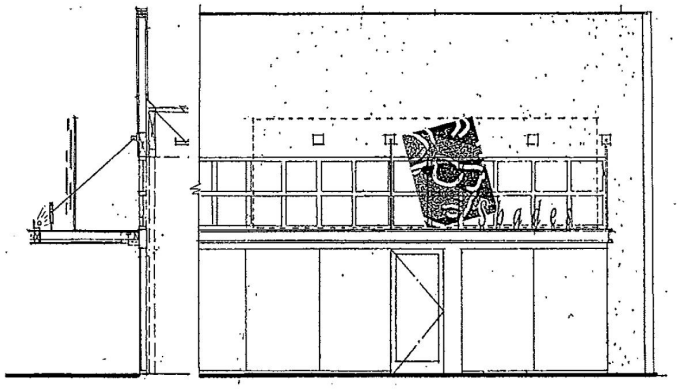
SIGN TYPE: J Tenant Identification on Entry Portal (Building 6/ West Elevation)





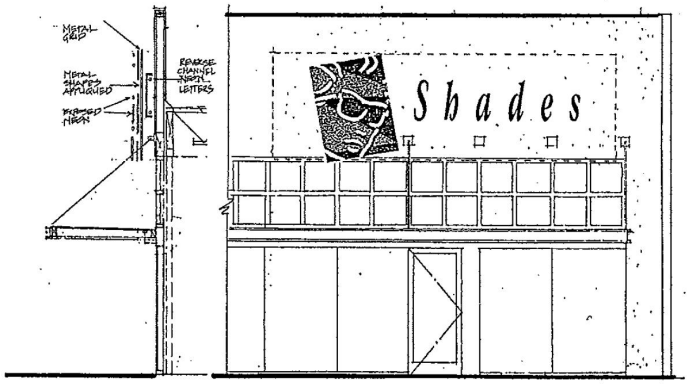
SIGN TYPE: K1A Tenant Identification Sign on Storefront Canopy (Building 6 / East Elevation)

MATERIALS	A variety of layered and dimensional treatments encouraged - per Design Guidelines. Freestanding background element with appliques; freestanding dimensional letters with double neon footlight.
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Maximum height of sign lettering or closed line figures not to exceed 6'-0" above top of architectural canopy. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per Design Guidelines.
LOCATION	One sign allowed per tenant building back elevation (to be located on separate elevations).



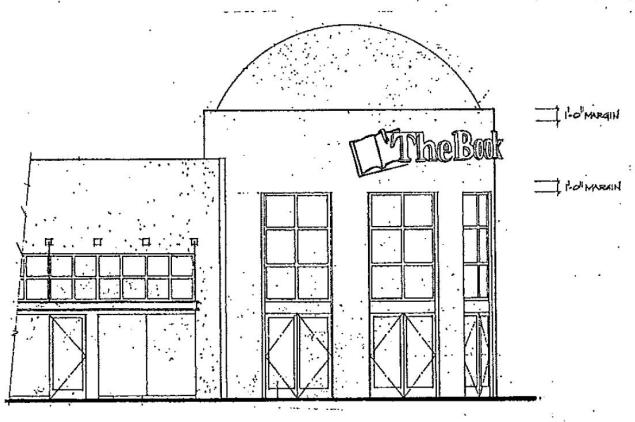
SIGN TYPE: K1B Open-Line Neon Tenant Identification Sign Above Storefront Canopy (Building 6 / East Elevation)

MATERIALS	A variety of wall sign treatment is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Maximum height of all sign elements not to exceed 6'-0" above glazed area above canopy. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per Design Guidelines
LOCATION	One sign allowed per tenant building elevation (to be located on separate elevations).



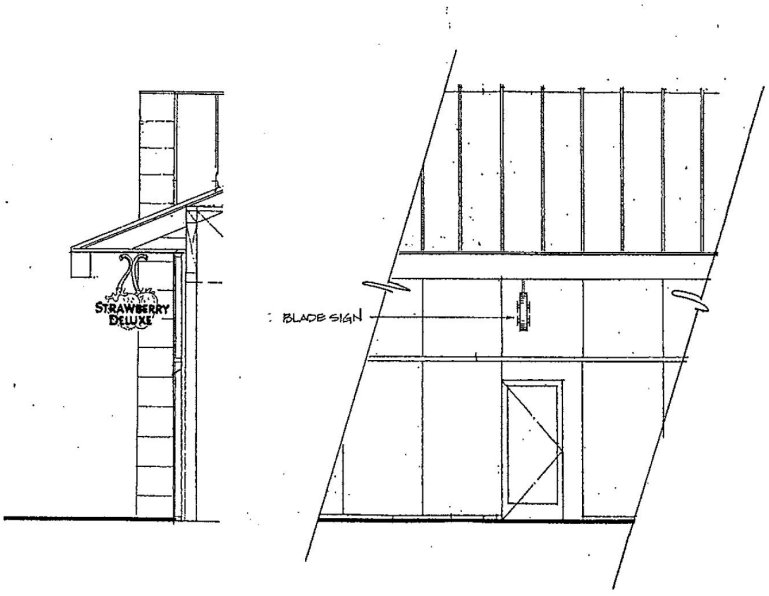
SIGN TYPE: L Tenant Identification Tower Sign (Building 6 / North Elevation)

MATERIALS	A variety of wall sign treatments is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Aggregate wall signage not to exceed 150 square feet per business.
COPY HEIGHT	Sign lettering and closed line figures not to exceed 5'-0" maximum o.a. height and to observe 1'-0" minimum margins above window and below top of building wall.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per Design Guidelines
LOCATION	One sign allowed per circular tower element



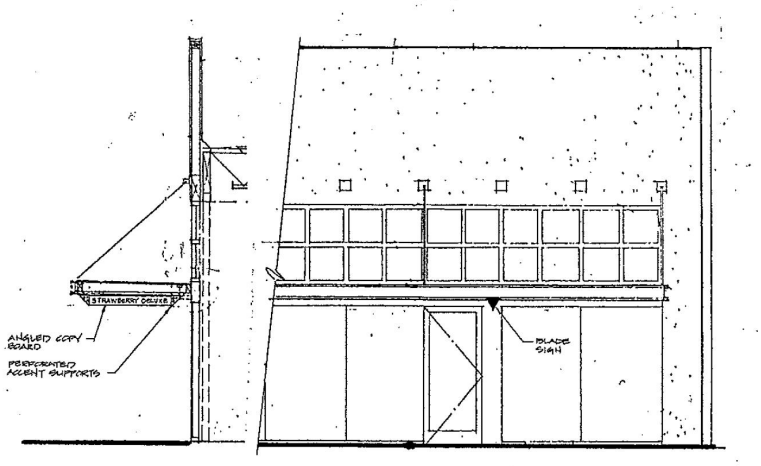
SIGN TYPE: P1 Tenant Blade Sign (Buildings 5A and 5B)

MATERIALS	A variety of projecting, multi-dimensional, double-faced blade sign treatments is encouraged. Variety of materials as provided for in the Design Guidelines.
COPY	Tenant name/logo
COPY AREA	Maximum of ten (10) square feet of sign area
TYPE FACE	Custom tenant logo/name
COLORS	Custom colors, as provided for in Design Guidelines
LIGHTING	Shall not be internally illuminated
LOCATION	One sign per tenant storefront near entrance; must observe minimum 9'-0" vertical clearance from bottom of sign to finished walk



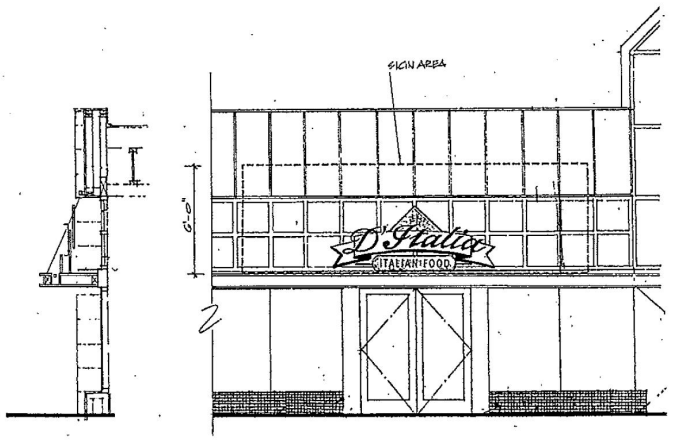
SIGN TYPE: P2 Tenant Blade Sign (Building 6)

MATERIALS	Acrylics, vinyls and paint-finished metals
COPY	Tenant name/logo
COPY AREA	Two square feet per face (double-faced)
TYPE FACE	Custom tenant logo/name
COLORS	Custom colors, as provided for in Design Guidelines
LIGHTING	Shall not be internally illuminated
LOCATION	One sign per tenant storefront near entrance; at locations where vertical clearance is inadequate for Type P1 Tenant Blade Signs



SIGN TYPE: M Restaurant Identification Sign (Building 11B)

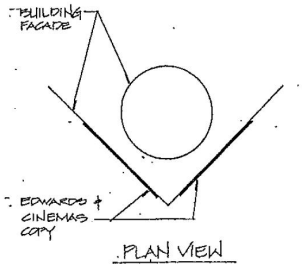
MATERIALS	A variety of above-canopy sign treatments is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per linear foot of tenant store frontage, except that if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width. Aggregate wall signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of illumination per Design Guidelines
LOCATION	Up to four (4) signs allowed per restaurant tenant, not to exceed one sign per building elevation. No lettering or closed line figures to exceed 6'-0" in height above top of architectural canopy.
***NOTE:**	Signs for restaurant uses other than Building 11B (i.e., restaurants located in pad buildings) shall conform to the criteria for pad tenant signage (see Sign Type "O"). All pad building signage shall be reviewed and approved as part of Site Development Permit.



SIGN TYPE: N1 Theater Identification Wall Sign (Building 4 / South Elevation)

MATERIALS	Dimensional internally illuminated channel letters
COPY	Major tenant - "Edwards Cinemas"
COPY AREA	Total aggregate copy area for theater building wall signs not to exceed 110 square feet (not including reader boards or window displays) Total exposed decorative neon not to exceed 40 square feet.
COPY HEIGHT	3' max letter height
TYPE FACE	Custom tenant typeface
COLORS	Custom tenant logo colors
LIGHTING	A variety of illumination as specified in Design Guidelines. Lighting of the theater wall signs which parallel the Street of the Golden Lantern (Sign N1) shall be turned off 30 minutes after the start of the last show or 12 midnight, whichever is earlier. No exposed neon shall be permitted on the theater identification sign on the elevation parallel to the Street of the Golden Lantern.
LOCATION	Building #4, South elevation

SIGN TYPE: N1 Theater Identification Wall Sign (Building 4 / South Elevation)



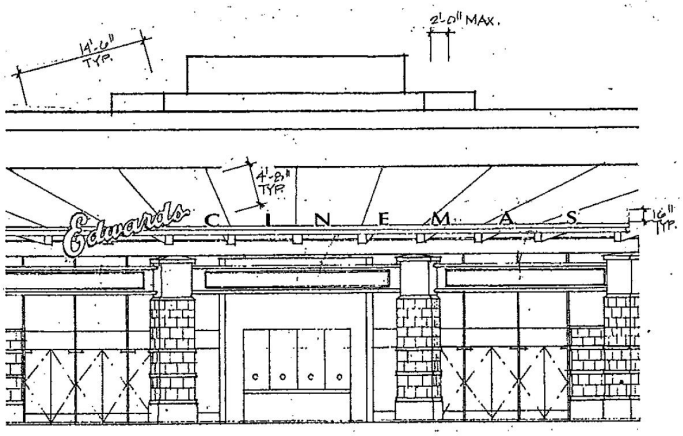
SIGN TYPE: N2 Theater Window Displays (Building 4 / West Elevation)

MATERIALS	Internally-illuminated movie posters, etc. Window displays per tenant requirements, internally-illuminated cabinets for changeable copy reader boards
COPY	Movie titles
COPY AREA	Total aggregate reader board area not to exceed 168 square feet
COPY HEIGHT	10" maximum letter height
TYPE FACE	Per tenant requirements
COLORS	Per tenant requirements
LIGHTING	Internal illumination
LOCATION	Integral with building architecture, west elevation, Building #4
HOURS OF OPERATIONS	Reader boards to be turned off at close of operation

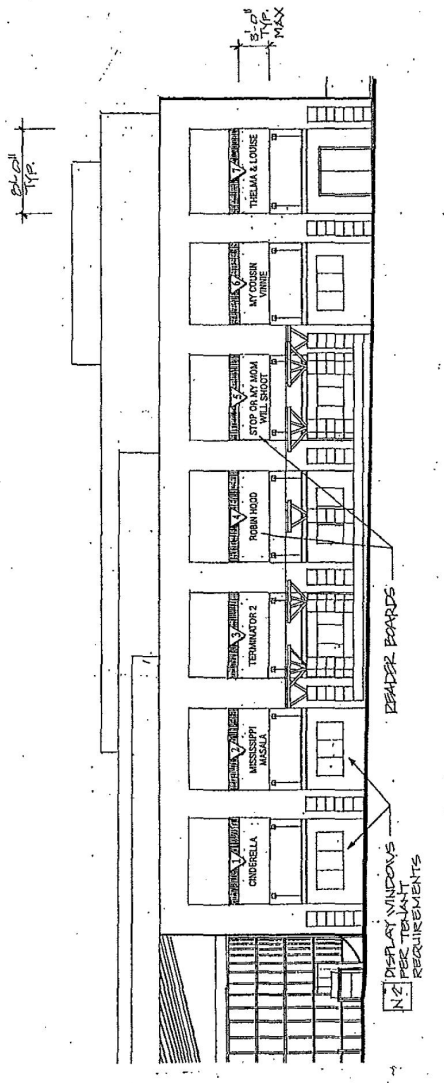
SIGN TYPE: N3 Theater Identification Entry Sign (Building 4 / West Elevation)

MATERIALS	Open channel and reverse channel neon letters
COPY	Tenant logo / name
COPY AREA	Total aggregate copy area for building wall signs not to exceed 88 square feet.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of neon illumination
LOCATION	Theater Building #4, Lobby entry elevation - opposite fountain

SIGN TYPE: N3 Theater Identification Entry Sign
(Building 4 / West Elevation)

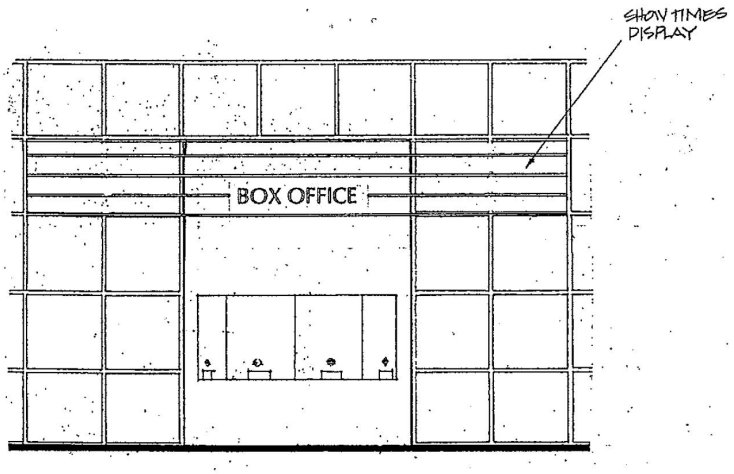


SIGN TYPE: N2 Theater Window Displays
(Building 4 / West Elevation)



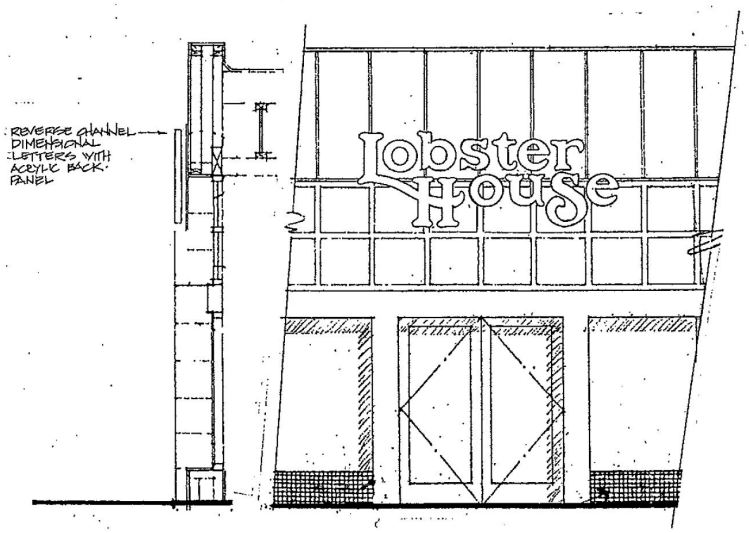
SIGN TYPE: N4 Theater Box Office Sign (Building 4 / North Elevation)

MATERIALS	Open channel and reverse channel neon letters
COPY	Tenant logo / name
COPY AREA	Total aggregate copy area for theater building wall signs not to exceed 150 square feet
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of neon illumination
LOCATION	One sign allowed at box office entrance



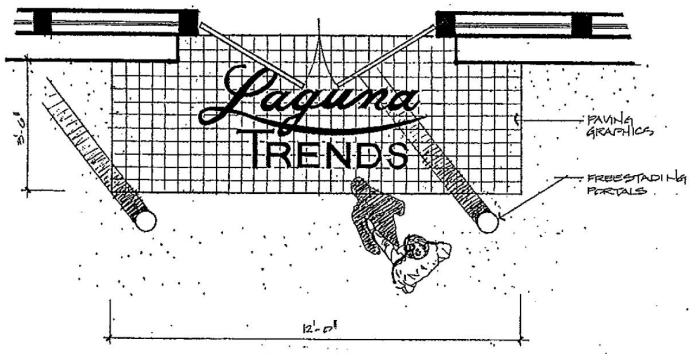
SIGN TYPE: O Pad Tenant Identification Wall Sign (Buildings 2, 3, 7, 8 and 9)

MATERIALS	A variety of wall sign treatments is encouraged. Signs may be multi-layered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	One square foot of signage lettering per linear foot of tenant storefrontage. Aggregate signage not to exceed 150 square feet per business.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Variety of neon illumination per Design Guidelines
LOCATION	Up to four (4) signs allowed per pad tenant, not to exceed one sign per tenant building elevation. Signs to be individually sized and positioned for comfortable "fit" according to building design and architectural details. A pad tenant monument sign (Type D) may be an option along primary facing street in lieu of a wall sign facing the primary street.
APPROVALS	Final tenant signage, including design, location, size, number, and type shall require Site Development Permit approval by the Planning Commission. Individual tenant monument signs may be permitted subject to Site Development permit approval by the Planning Commission.



SIGN TYPE: Q Tenant Paving Graphics (Building 6)

MATERIALS	A variety of materials, (glazed tile, terrazzo, brick, mosaic, etc.)complementary to storefront
COPY	Tenant logo / graphic image or other decorative imagery
DIMENSIONS	3'-6" maximum depth, 12' maximum length
COPY AREA	Max Tenant copy area not to exceed 65% of total area
TYPE FACE	Custom tenant logotype or graphic element
COLORS	Complementary to store theme
LIGHTING	May be illuminated from canopy or portal above
LOCATION	At storefront entrances



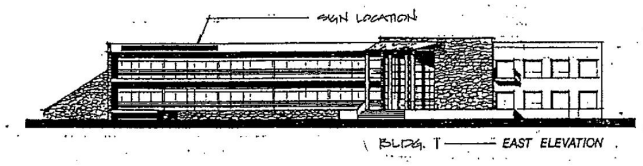
SIGN TYPE: R Tenant Window Signs (Retail Tenants / All Buildings)

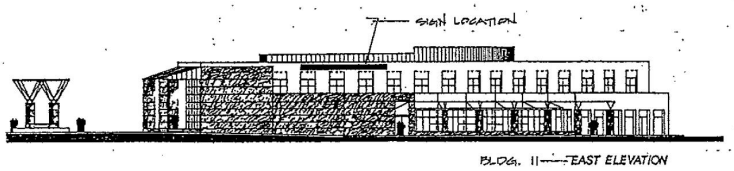
1. Window signs may be incorporated as part of a tenant storefront display. Window signs should be designed to augment the display of merchandise and appropriately scaled so as not to dominate the window area. Lettering and graphics must not exceed 15% of the window area. Signs should be highly creative and imaginative, with design of all window signs subject to Owner's approval prior to installation. Use of windows strictly as sign boards or backgrounds is prohibited.

2. No illuminated signs shall be placed inside a building within three feet from a window. (Note: This condition shall expire on August 25, 1993, or upon adoption of any subsequent ordinance by the City of Laguna Niguel regulating the placement of illuminated signs in a window, whichever comes first. Illuminated signs inside a building shall conform to any subsequent ordinance adopted by the City of Laguna Niguel regulating the placement of illuminated signs on a window.)

SIGN TYPE: S Office Tenant Identification Wall Sign (Buildings 1, 11A, and 11B)

Building wall signage for the identification of office tenants is strictly limited by the provisions of the approved sign plan. Establishment of office tenant wall signs shall be at the sole discretion of the Owner, and design for specific signs shall require the Owner's review and approval.





SIGN TYPE: D Office Tenant Identification Monument

Monument signage for office tenant identification is strictly limited by the approved sign plan. Establishment of monument signs shall be at the sole discretion of the Owner. Sign design is subject to Owner review / approval.

No Exhibit

ATTACHMENT A
Designated Sign Fabricators

The following fabricators have been approved by the Owner to fabricate and install tenant signage at Ocean Ranch Village. Only a pre-qualified Owner-approved contractor may be selected.

Ocean Ranch II
Approved Sign Fabricators

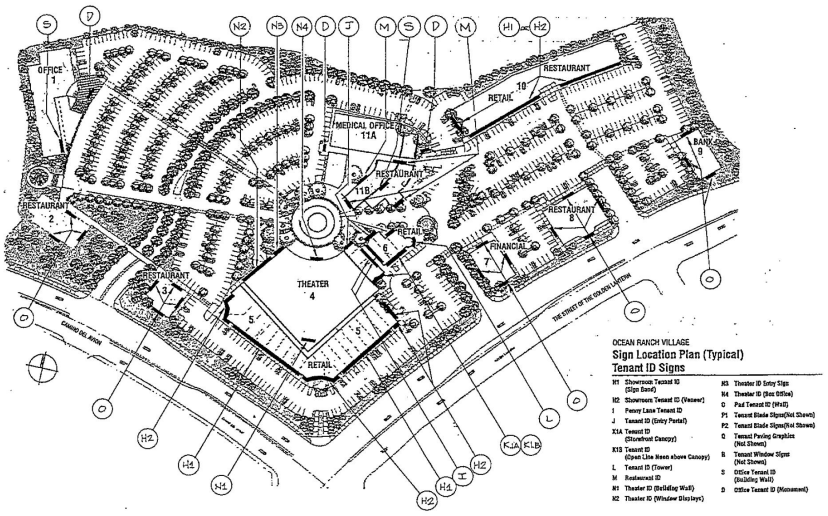
1 Pacific Sign Center
949-248-7474 (office)
mark@pacificsigncenter.com
Mark Kuwahara

2 C&C Signs
714-537-8175
714.548.9458
bob@c-csigns.com

3 Promotional Signs
(949) 458-1000
jroetman@promosigns.com
John Roetman

4 Fabrication Arts
619-232-5087
Barry Cogdill

ATTACHMENT B
Tenant Sign Location Plan



ATTACHMENT C
Design Services and Fees

Design Consultant

Graphic Solutions, 1750 Kettner Boulevard, San Diego, California, shall provide the concept design for all required tenant signage. Tenant shall provide to the Owner's property manager the information outlined herein (see Page 2) for Graphic Solutions' use in developing sign design concepts.

Services and Fees

I. Design / Standard Service (Limited Scope)

1. Prelimnary phone discussion with property manager.
2. Create concept design for each tenant's first identification sign type incorporating tenant's logo image and/or logotype. Signs to be configured to meet parameters approved for Ocean Ranch Village.
3. Specify sign colors (i.e., provide color chips) and lighting techniques.
4. Provide scaled line drawings indicating sizes, materials, colors, lighting and placement of sign on building elevation.
5. Adjust design per client comments.
6. Coordinate with designated fabricator to send approved drawing and answer questions via phone.

- SignTypes H, I, K, and L .....$800.00 per sign
- Sign Type J.....$1,250.00 per sign
- Secondary Signs (Types P and Q):

  Design for pedestrian-oriented blade signs and paving signs, when created in conjunction with design for tenant's primary wall sign, will be provided for a fee of $250.00 for each tenant's first secondary sign and $150 for the same tenant's second secondary sign.

- Sign Types M, N, O, and S:

  Design for restaurant signage (M), theater signage (N), pad tenant (O), and office tenant wall signs will be quoted individually on request.

II. Shop Drawings and Patterns

1. Review sign fabricator's shop drawings..... $375.00 per sign*
2. Provide full-scale patterns of sign graphics to designated fabricator..... $375.00 per sign

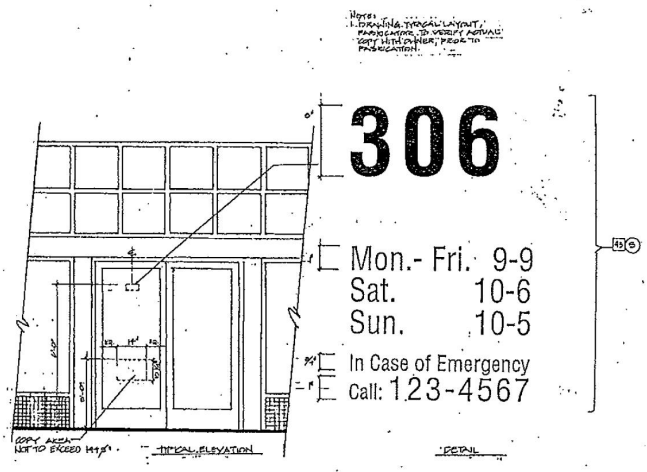
*Note: Fees assume that tenant will retain the services of a qualified designated fabricator approved by Graphic Solutions.

III. Additional Services

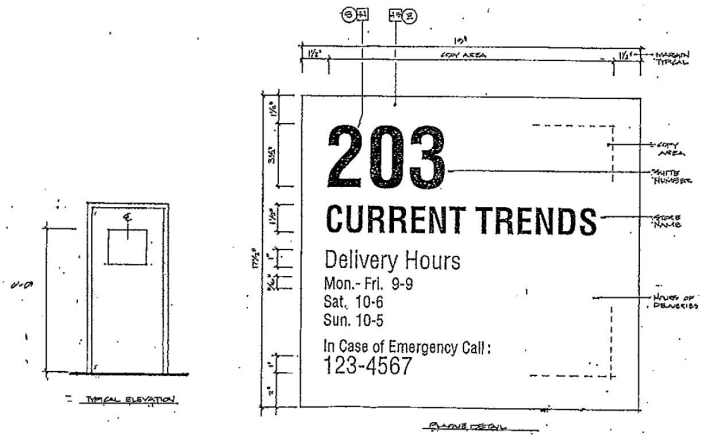
In addition to the standard services outlined above, the following work will be provided on a time and materials basis at current hourly rates plus expenses:

- additional concept designs and/or extensive design adjustments
- camera-ready art (for printing and other applications)
- models or prototypes
- contract administration services / preparation of bid packages and review bids, etc.
- colored comps / renderings / presentation graphics
- meetings (with clients, tenants, fabricators, or City)
- review of sign designs prepared by others
- engineering calculations
- update current tenant sign layout record on building elevations

ATTACHMENT D
Informational Signs (Front and Back Doors)



FRONT DOOR



BACK DOOR

OCEAN RANCH VILLAGE II

BUILDING 11

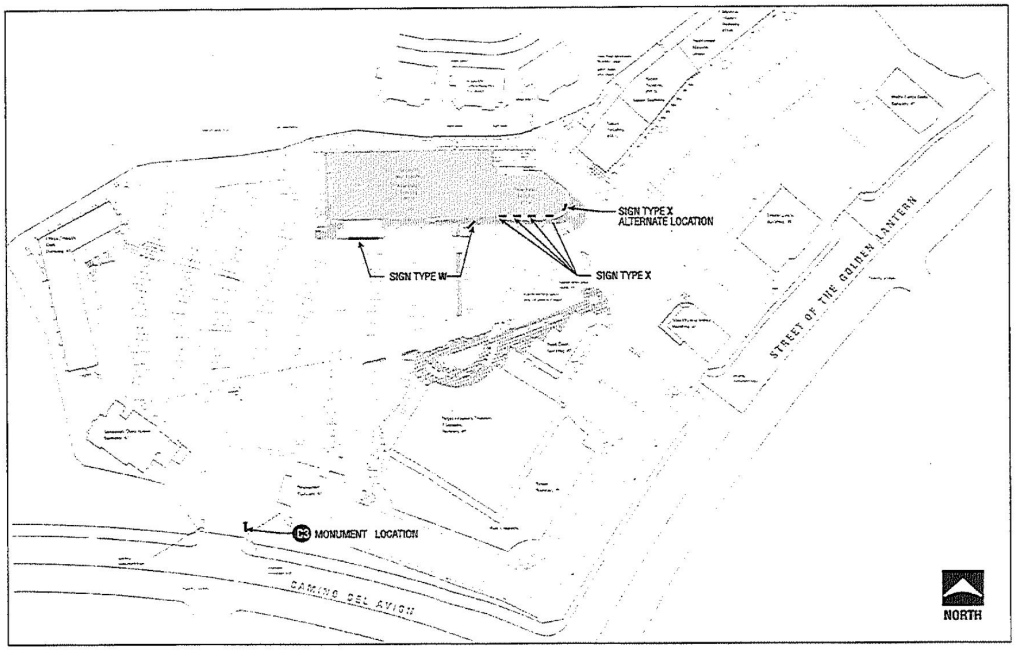
SIGN PLAN

Date: 2 May 2005

Prepared by:
GRAPHIC SOLUTIONS
2952 Main Street
San Diego, California 92113
(619) 239-1335

Page 39

OCEAN RANCH VILLAGE II SIGN PLAN
SIGN LOCATIONS
Building #11



SIGN LOCATION MAP

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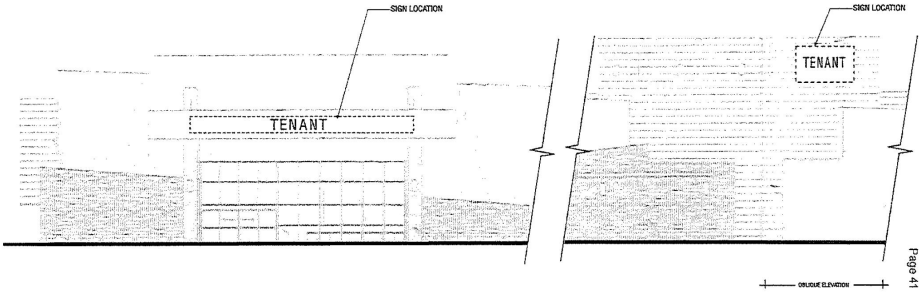
OCEAN RANCH VILLAGE II SIGN PLAN

SIGN TYPE W TENANT WALL SIGN

Building #11

MATERIALS	A variety of wall sign treatment is encouraged. Signs may be multilayered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	Up to 200 sq. ft. maximum aggregate. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width or available architectural background.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Any combination of illumination techniques using reverse channel, front illumination and/or concealed uplights.
LOCATION	Up to (2) maximum on front building elevation. Signage on rear of building not permitted

TYPICAL SIGN LOCATIONS
BUILDING 11 - SOUTH ELEVATION

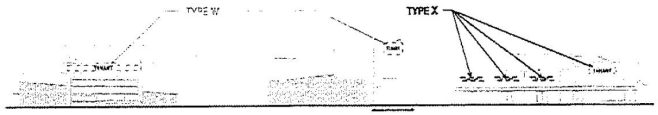


OBLIQUE ELEVATION

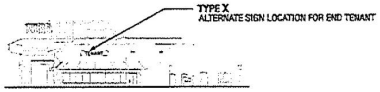
OCEAN RANCH VILLAGE II SIGN PLAN

SIGN TYPE X TENANT WALL SIGN
Building #11

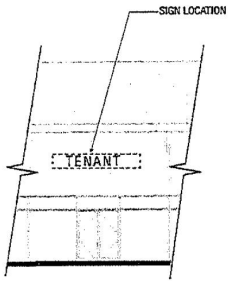
MATERIALS	A variety of wall sign treatment is encouraged. Signs may be multilayered with reverse channel silhouette, exposed neon or other acceptable treatment as provided for in the Design Guidelines
COPY	Tenant logo / name
COPY AREA	Maximum of one square foot of signage lettering per linear foot of tenant store frontage, except if the building frontage is less than 25 feet, one sign having a maximum area of twenty-five (25) square feet shall be permitted. Tenants occupying spaces with multiple building elevations shall be allowed a minimum of twenty-five (25) square feet of signage lettering per sign per building elevation. Width of all signage elements (letters closed & open figures) not to exceed 80% of overall storefront width.
TYPE FACE	Custom tenant logo / name
COLORS	Custom colors as provided for in Design Guidelines
LIGHTING	Any combination of illumination techniques using reverse channel, front illumination and/or concealed uplights.
LOCATION	One sign allowed per tenant on front elevation or alternate location for end cap tenant. Signage on rear of building not permitted.



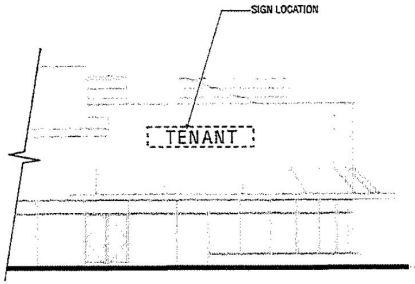
TYPICAL SIGN LOCATIONS
BUILDING 11 - SOUTH ELEVATION



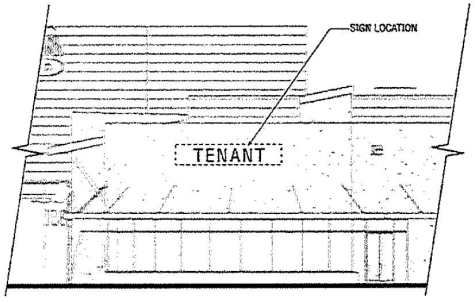
TYPICAL SIGN LOCATIONS
BUILDING 11 - EAST ELEVATION



SOUTH ELEVATION



SOUTH ELEVATION

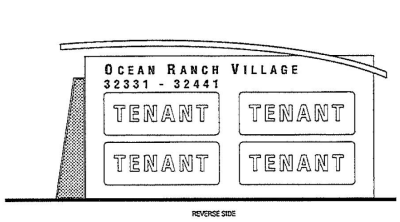


EAST ELEVATION

OCEAN RANCH VILLAGE II SIGN PLAN

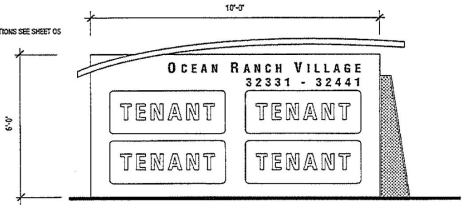
SIGN TYPE C MULTI-TENANT MONUMENT IDENTIFICATION (Address Sign)
Building #11

MATERIALS	Stone wall, perforated metal, stainless and neon
COPY	Tenant name / logo project addressing
DIMENSIONS	6' maximum average height overall, 10' max length overall (exclusive of buttress), maximum 50 sq. ft., 6 " in height
COPY AREA	Aggregate sign lettering area shall not exceed 50 sq. ft.
COPY HEIGHT	20" maximum initial cap or logo height
TYPE FACE	Custom tenant typestyles / logo
COLORS	Custom tenant logo colors subject ot owner approval
LIGHTING	Ground lit, halo or external illumination only, except for internally illuminated channel accent (no exposed neon).
LOCATION	One at entrance on the Street of The Golden Lantern in addition to existing monument signs.



REVERSE SIDE

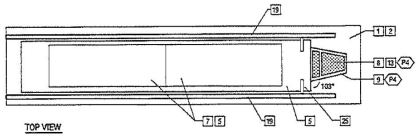
FOR SPECIFICATIONS SEE SHEET 05

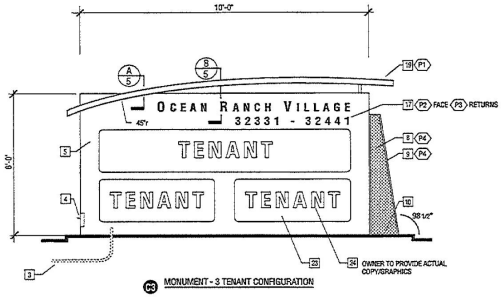


(P3) MONUMENT - 4 TENANT CONFIGURATION

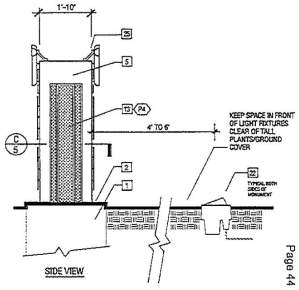
OCEAN RANCH VILLAGE II SIGN PLAN

SIGN TYPE C MULTI-TENANT MONUMENT IDENTIFICATION (Address Sign)



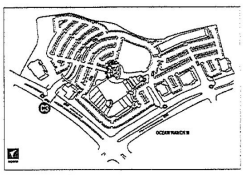


(P3) MONUMENT - 3 TENANT CONFIGURATION

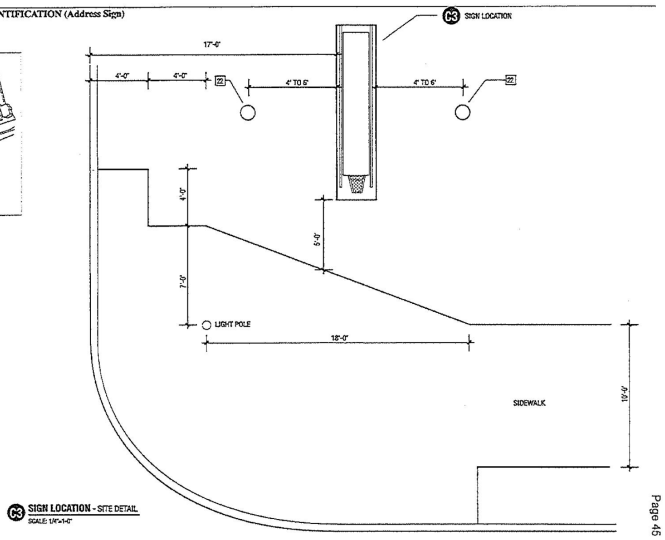


SIDE VIEW

OCEAN RANCH VILLAGE II SIGN PLAN
SIGN TYPE C MULTI-TENANT MONUMENT IDENTIFICATION (Address Sign)



SIGN LOCATIONS - SITE PLAN
NOT TO SCALE



C3 SIGN LOCATION - SITE DETAIL
SCALE: 1/4"=1'-0"

OCEAN RANCH VILLAGE II SIGN PLAN
SIGN TYPE C MULTI-TENANT MONUMENT IDENTIFICATION (Address Sign)

PAINTS

ID	COLOR	FINISH	DESCRIPTION
P1	TEAL GREEN	SEMIGLOSS	TO MATCH PMS #321 C
P2	CREAM	SEMIGLOSS	TO MATCH PMS #7510 C
P3	PURPLE	SEMIGLOSS	TO MATCH PMS #259 C
P4	COPPER	METALLIC	* TO MATCH COPPER LEAF #205

* BY CRES-LITE 800-445-6810

ACRYLICS/PLASTICS

ID	COLOR	OPQ./TRNSL.	DESCRIPTION
A1	WHITE	TRANSLUCENT	PLEXIGLAS 7328
A2	TURQUOISE	TRANSLUCENT	PLEXIGLAS 2308

NEON

ID	COLOR	GAS	DESCRIPTION
N1	WHITE	ARGON	EGL 4500 WHITE

NOTE:
NEW MONUMENT C3 MUST MATCH COLORS, MATERIALS AND DIMENSIONS OF EXISTING MONUMENTS. SIGN CONTRACTOR TO EXAMINE & MEASURE EXISTING MONUMENTS ON SITE PRIOR TO SUBMITTING SHOP DRAWINGS.

SIGN SPECIFICATIONS

1. **FOOTING:** CONCRETE FOOTING PER SIGN CONTRACTOR'S ENGINEERING.
2. **MOW STRIP:** 6" WIDE CONCRETE MOW STRIP, SLOPE AWAY FROM MONUMENT.
3. **ELECTRICAL CONDUIT:** CONCEALED 20 AMP DEDICATED CIRCUIT.
4. **CUT OFF SWITCH:** CUT OFF SWITCH MOUNTED ON SIDE AWAY FROM STREET, FACE OF SWITCH TO BE FLUSH WITH FACE OF ROCK VENEER.
5. **STONE VENEER:** STONE VENEER TO MATCH PROJECT "BOUQUET CANYON" VENEER. STONE, GROUT, GROUT JOINTS & PATTERN TO MATCH EXISTING MONUMENTS.
6. **INTERNAL STRUCTURE:** ALUMINUM FRAMING FASTENED TO CONCRETE PAD AS REQUIRED, 3/4" CEMENT BOARD FASTENED TO FRAME FOR STONE ATTACHMENT.
7. **ACCESS PANEL:** WATERPROOF PANELS FOR ACCESS TO INTERNAL RACEWAY WITH STONE VENEER COVERING. PROVIDE INSET LIFTING HANDLES.
8. **PERFORATED PANEL:** PERFORATED ALUMINUM PANEL TO MATCH PANELS ON EXISTING MONUMENTS, WELDED TO ALUMINUM FRAMING.
9. **FRAME:** 1"x1" EXTERNAL ALUMINUM FRAME.
10. **BOTTOM PANEL:** 1/8" THICK ALUMINUM BOTTOM PANEL WELDED (CONTINUOUS) TO ALUMINUM FRAME.
11. **FLUORESCENT TUBE:** FLUORESCENT LIGHT FIXTURE POSITIONED IN CENTER OF VERTICAL SPACE, MOUNT TO STONE VENEER. FABRICATOR TO "FOG" ENDS OF TUBES TO CREATE CENTER ILLUMINATION GLOW. LIGHTING EFFECT & COLOR TO MATCH EXISTING MONUMENTS.
12. **ACRYLIC PANEL:** TRANSLUCENT WHITE (7328) 1/4" ACRYLIC PANEL MOUNTED BEHIND PERFORATED ALUMINUM.
13. **ACCESS PANEL:** REMOVABLE ACCESS PANEL. FACE MOUNTED TO FRAME.
14. **SCREWS:** FLAT HEAD COUNTER SUNK STAINLESS STEEL SHEET SCREWS, PAINTED TO MATCH SURROUNDING MATERIAL.
15. **ELECTRICAL SUPPLY:** CONCEALED ELECTRICAL SUPPLY.
16. **FRAME:** ALUMINUM FRAME FLUSH MOUNTED TO STONE VENEER, HORIZONTAL GROUT JOINTS TO BE FILLED.
17. **LETTER:** 1/2" ALUMINUM LETTERS DRILLED & TAPPED, BACKPAINED INTO INTERNAL SUPPORT STRUCTURE WITH THREADED STAINLESS STEEL BACKPINS & EPOXY ADHESIVE.
18. **BACKPINS:** THREADED STAINLESS STEEL BACKPINS PAINTED TO MATCH GROUT COLOR.
19. **LIGHT BAR:** HALF ROUND, 2 1/2" DIAMETER, FORMED ALUMINUM LIGHT BAR WITH ENCLOSED ENDS & ACRYLIC FACE.
20. **ACRYLIC PANEL:** 1/4" ACRYLIC FACE PANEL SECURED TO ALUMINUM LIGHT BAR.
21. **NEON:** INTERNAL NEON ILLUMINATION.
22. **LIGHT FIXTURE:** BELOW GRADE LIGHT FIXTURE POSITIONED TO EVENLY ILLUMINATE MONUMENT FACE, IGM LTV732 WW 150MH.
23. **TENANT PANEL:** 1/8" STAINLESS STEEL WITH #4 BRUSH FINISH, 1 1/2" RADIUS CORNERS, SECURED TO ROCK VENEER WITH NON-RUSTING BACKPINS & EPOXY, PANELS MUST BE IN PLANE WITH EACH OTHER & MUST NOT TILT OR BOW.
24. **TENANT COPY:** 1/2" ACRYLIC LETTERS/GRAPHICS, PAINTED TO MATCH CORPORATE COLORS, MOUNTED FLUSH TO STAINLESS STEEL PANEL.
25. **BRACKET:** ALUMINUM ANGLE BRACKET FOR LIGHT BAR, PAINTED MATTE GRAY TO MATCH STONE VENEER.

EXHIBIT I
GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("Guaranty") is entered into as of the ____ day of _____, 20___, by YOSHIHARU HOLDINGS CO., a California corporation ("Holdings Guarantor"), and JAMES CHAE and JENNIE CHAE, a married couple ("Chae Guarantor") (Holdings Guarantor and Chae Guarantor, collectively, referred to in this Guaranty as "Guarantor"), for the benefit of OCEAN RANCH II, LLC, a California limited liability company ("Landlord"), with reference to the following facts:

A. Landlord and YOSHIHARU GLOBAL CO., a Delaware corporation ("Tenant"), have entered or will enter into a lease of even date herewith (the "Lease").

B. By its covenants herein set forth, Guarantor has induced Landlord to enter into the Lease, which was made and entered into in consideration for Guarantor's said covenants.

1. Guarantor irrevocably and unconditionally guarantees, without deduction by reason of setoff, defense or counterclaim, to Landlord and its successors and assigns the full and punctual payment, performance and observance by Tenant, of all of the amounts, terms, covenants and conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed.

2. If Tenant shall at any time default in the punctual payment, performance and observance of any of the amounts, terms, covenants or conditions in the Lease contained on Tenant's part to be paid, kept, performed and observed, Guarantor will pay, keep, perform and observe same, as the case may be, in the place and stead of Tenant. Guarantor shall also pay to Landlord all reasonable and necessary incidental damages and expenses incurred by Landlord as a direct and proximate result of Tenant's failure to perform, which expenses shall include reasonable attorneys' fees and interest on all sums due and owing Landlord by reason of Tenant's failure to pay same, at the maximum rate allowed by law.

3. Any act of Landlord, or its successors or assigns, consisting of a waiver of any of the terms or conditions of the Lease, the giving of any consent to any matter or thing relating to the Lease, or the granting of any indulgence or extension of time to Tenant may be done without notice to Guarantor and without releasing Guarantor from any of its obligations hereunder.

4. The obligations of Guarantor hereunder shall not be released by Landlord's receipt, application or release of any security given for the performance and observance of any covenant or condition in the Lease contained on Tenant's part to be performed or observed, nor by any modification of the Lease, regardless of whether Guarantor consents thereto or receives notice thereof.

5. The liability of Guarantor hereunder shall in no way be affected by: (a) the release or discharge of Tenant in any creditor's, receivership, bankruptcy or other proceeding; (b) the impairment, limitation or modification of the liability of Tenant or the estate of Tenant in bankruptcy, or of any remedy for the enforcement of Tenant's liability under the Lease resulting from the operation of any present or future provision of the Federal Bankruptcy Code or other statutes or from the decision of any court; (c) the rejection or disaffirmance of the Lease in any such proceedings; (d) the assignment or transfer of the Lease by Tenant or the subletting of all or any portion of the Premises (as defined in the Lease); (e) any disability or other defense of Tenant; (f) the cessation from any cause whatever of the liability of Tenant; (g) the exercise by Landlord of any of its rights or remedies reserved under the Lease or by law; or (h) any termination of the Lease.

6. If Tenant shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Tenant shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to Landlord the amount of all accrued, unpaid and accruing Minimum Annual Rent and other charges due under the Lease to the date when the debtor-in-possession, the trustee or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Minimum Annual Rent and other charges under the Lease for the remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (a) pay Landlord an amount equal to the Minimum Annual Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (b) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

7. Guarantor may be joined in any action against Tenant in connection with the obligations of Tenant under the Lease and recovery may be had against Guarantor in any such action. Landlord may enforce the obligations of Guarantor hereunder without first taking any action whatever against Tenant or its successors and assigns, or pursuing any other remedy or applying any security it may hold. Guarantor hereby waives all rights to assert or plead at any time any statute of limitations as relating to the Lease, the obligations of Guarantor hereunder and any surety or other defense in the nature thereof including, without limitation, the provisions of California Civil Code Section 2845 or any similar, related or successor provision

of law. Guarantor also hereby waives the provisions of Sections 2809, 2810, 2819 and 2850 of the California Civil Code and their successors, and all other waivable defenses.

8. Until all of the covenants and conditions in the Lease on Tenant's part to be performed and observed are fully performed and observed, Guarantor: (a) shall have no right of subrogation against Tenant by reason of any payment or performance by Guarantor hereunder; and (b) subordinates any liability or indebtedness of Tenant now or hereafter held by Guarantor to the obligations of Tenant to Landlord under the Lease.

9. This Guaranty shall apply to the Lease, any extension, renewal, modification or amendment thereof, to any assignment, subletting or other tenancy thereunder and to any holdover term following the Lease Term granted under the Lease, or any extension or renewal thereof.

10. In the event of any litigation between Guarantor and Landlord with respect to the subject matter hereof, the unsuccessful party in such litigation shall pay to the successful party all fees, costs and expenses thereof, including reasonable attorneys' fees and expenses.

11. If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

12. This instrument constitutes the entire agreement between Landlord and Guarantor with respect to the subject matter hereof, superseding all prior oral and written agreements and understandings with respect thereto. It may not be changed, modified, discharged or terminated orally or in any manner other than by an agreement in writing signed by Guarantor and Landlord.

13. This Guaranty shall be governed by and construed in accordance with the laws of the State of California.

14. Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing. Notices shall be given by personal service or by United States certified or registered mail, postage prepaid, return receipt requested, or by telegram, mailgram or same-day or overnight private courier, addressed to the party to be served at the address indicated below or such other address as the party to be served may from time to time designate in a Notice to the other party.

15. Any action to declare or enforce any right or obligation under the Lease may be commenced by Landlord in the Superior Court of Orange County, California. Guarantor hereby consents to the jurisdiction of such Court for such purposes. Any notice, complaint or legal process so delivered shall constitute adequate notice and service of process for all purposes and shall subject Guarantor to the jurisdiction of such Court for purposes of adjudicating any matter related to this Guaranty. Landlord and Guarantor hereby waive their respective rights to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding and/or hearing brought by either Landlord against Guarantor or Guarantor against Landlord on any matter whatever arising out of, or in any way connected with, the Lease or this Guaranty.

16. This Guaranty may be assigned in whole or part by Landlord upon written notice to Guarantor, but it may not be assigned by Guarantor without Landlord's prior written consent, which may be withheld in Landlord's sole and absolute discretion.

17. The terms and provisions of this Guaranty shall be binding upon and inure to the benefit of the heirs, personal representatives, successors and permitted assigns of the parties hereto.

18. Any married person who signs this Guaranty expressly agrees that recourse may be had against his or her separate property for all obligations hereunder.

19. This Guaranty may be signed in multiple counterparts each of which shall be deemed an original, but all of which shall, taken together, be but one and the same instrument.

20. Notwithstanding anything to the contrary set forth in this Guaranty, this Guaranty shall expire and be of no further force or effect (except for any claims, losses, liabilities or any other sums which relate to acts or omissions of Tenant accruing prior to Chae Guarantor's release (which such claims, losses, liabilities or other sums Chae Guarantor shall remain fully responsible for)) with respect to Chae Guarantor only (without any effect on the liability of Holdings Guarantor under this Guaranty) upon the Chae Guarantor Termination Date. "Chae Guarantor Termination Date" means the last to occur of (a) the date upon which an initial public offering by either of Tenant or Holdings Guarantor occurs where the aggregate funds raised by the sale of the applicable shares is no less than Thirteen Million and 00/100 Dollars ($13,000,000.00), and (b) the date on which Landlord receives from Chae Guarantor written notice (and reasonable documentation evidencing the same) of the occurrence of the events described in the foregoing subclause (a). Notwithstanding anything to the contrary set forth in this Guaranty, the release of Chae Guarantor shall not occur unless, as of the Chae Guaranty Termination Date, Tenant has not been in default of the Lease beyond any applicable notice and cure periods at any time.

[Remainder of page intentionally left blank. Signature page to follow.]

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date first above written.

"GUARANTOR"

HOLDINGS GUARANTOR:

YOSHIHARU HOLDINGS CO.,
a California corporation

By:
Name:
Its:

Fed. Tax ID No. .: 87-3821974

CHAE GUARANTOR:

DocuSigned by:
James Chae
3C84C3C53E4B47B...

JAMES CHAE, an individual
Social Security No. .: 557-65-3840

DocuSigned by:
Jennie Chae
5AA1D41C284E4B8...

JENNIE CHAE, an individual
Social Security No. .: 609304860

Landlord's Address for Notices:

OCEAN RANCH II, LLC
c/o Shea Properties
130 Vantis, Suite 200
Aliso Viejo, CA 92656
Attn: Senior VP of Asset Management

With a Copy to:

OCEAN RANCH II, LLC
c/o Shea Properties
130 Vantis, Suite 200
Aliso Viejo, CA 92656
Attn: Legal Department

Guarantor's Addresses for Notices:

Address: 15476 Canon Lane, Chino Hills, CA 91709

Telephone No.: (213) 272-1780

EXHIBIT J

PROHIBITED, RESTRICTED AND EXCLUSIVE USES

The provisions set forth in this Exhibit are taken from leases and other agreements relating to the Project which are effective, executed or in the process of being negotiated. Although certain provisions may be stated in terms of prohibitions or restrictions regarding Landlord, or may provide that a tenant or occupant of the Project has rent reduction, termination or other special rights upon the violation of certain provisions or the failure of certain conditions, Tenant acknowledges and agrees that it shall not use the Premises in any way that will violate (or cause Landlord to violate) any such provisions or conditions or in any manner that will give the tenant or occupant under the agreement any such special remedy. In each instance in which a provision below refers to premises of a particular store, the provisions shall continue to be applicable to the premises originally occupied or to be occupied by such store, including in respect of the operations of any successor, transferee or other occupant under the applicable agreement or otherwise in possession of the store premises. In each instance in which the terms of any provision below are stated to be applicable to a particular area or zone, Tenant acknowledges that the provision is not material to Tenant's operations or that Tenant has obtained from Landlord a description of the area or zone to which the provision is applicable and has determined that the Premises are not located within such area or zone. The provisions set forth below reflect revisions to the clauses included in particular agreements to conform to certain of the defined terms used in the Lease (except that references below to "Tenant" refer to the tenant benefited by the provision), redact certain language not relevant for purposes of this Exhibit, and in other respects appropriately describe the applicable restrictions. In no event shall Tenant have the right to enforce any of the following provisions against Landlord or any other tenant or occupant of the Project.

EXCLUSIVE, RESTRICTIVE AND PROHIBITED USES

A. **EXCLUSIVE USES**. The following exclusives have been granted or are expected to be granted to tenants of the Shopping Center and may not be violated by any tenant other than the tenant to whom such exclusive has been granted:

AMAZING LASH STUDIO

Section 7.9: Notwithstanding anything to the contrary contained in this Lease, provided (a) Tenant is not in default, and (b) Tenant is operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business whose primary use is providing eyelash extensions and refills, and eye enhancing services (such as eyebrow and eyelash tinting and eyelash perming). Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, under leases in effect when Tenant initially took possession of the Premises and which permit (or do not prohibit) such tenants, their successors or assigns, to operate a Competing Business; or (ii) any tenant or occupant of the Project which leases more than 5,000 sq.ft

BOARD & BREW

Section 7.10(a): Notwithstanding anything to the contrary contained in this Lease, provided (i) Tenant is not in default after the lapse of any applicable notice and cure period, and (ii) Tenant is open and operating in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project to a Competing Restaurant. A "**Competing Restaurant**" is hereby defined as a quick service restaurant primarily serving submarine style and/or deli style sandwiches for on-premises consumption; but expressly excluding quick service restaurants serving hamburgers, hot dogs, burritos, falafels and the like. For purposes of the preceding sentence, the words "primarily serving" shall mean that the sale of submarine and/or deli style sandwiches accounts for more than seventy-five (75%) of the annual Gross Sales of such business from its location in the Project. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (A) operation by a tenant or occupant in the Project as a Competing Restaurant who has been permitted to do so based upon or as a result of a bankruptcy, insolvency or similar action or otherwise permitted to do so as a result of an action or order by a court, (B) a Pre-Existing Tenant (hereinafter defined), or (C) any tenant or occupant using or occupying more than fifteen thousand (15,000) square feet of Floor Area in the Project. For purposes hereof, a "Pre-Existing Tenant" shall mean any tenant (whether such tenant occupies its original premises or relocated and/or expanded its premises) (I) who is open for business on or prior to the Effective Date, or (II) whose lease is dated on or prior to the Effective Date hereof, or (III) who is in possession of its space pursuant to a renewal or extension of the lease of a tenant described in either of the immediately preceding clauses (I) or (II) (whether or not such renewal or extension is pursuant to an express right to renew or extend contained in the lease), or (IV) who is an assignee, sub lessee or licensee of a tenant described in any of the immediately preceding clauses (I), (II) and/or (III).

CHIPOTLE

Section 7.9: Landlord shall not enter into a lease for a term commencing during the Term for the operation

in the Project to an occupant that derives more than 20% of their gross sales from the sale of burritos, wraps, fajitas or tacos. Additionally, Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project of the following named tenants: El Pollo Loco, Wahoo's, Qdoba, Rubio's, Café Rio, Chronic Tacos or Baja Fresh. This restriction does not apply to any tenant who occupies more than 5,000 square feet in the Project or any traditional Mexican fast food drive-thru national chain tenant such as Taco Bell or Del Taco.

CINEPOLIS

Section 7.9: From and after the Effective Date, Landlord shall not enter into a lease for a term commencing during the Term of this Lease for the operation in the Project of a movie theatre or cinema exhibiting motion pictures.

FACIALWORKS

Section 7.9: Notwithstanding anything to the contrary contained in this Lease, provided (a) Tenant is not in default, and (b) Tenant is operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business that generates more than twenty percent (20%) of its sales from non-surgical, non-medical facial and skin care treatments. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, under leases in effect when Tenant initially took possession of the Premises and which permit (or do not prohibit) such tenants, their successors or assigns, to operate a Competing Business; or (ii) any tenant or occupant of the Project which leases more than 5,000 sq.ft.

HAMMER & NAILS

Section 7.9: Notwithstanding anything to the contrary contained in this Lease, provided (a) Tenant is not in default beyond any applicable notice and cure periods, and (b) Tenant is operating a business in the Premises in accordance with the Permitted Use, subject to permitted closures as expressly set forth in Lease, Landlord agrees not to lease, rent, occupy, or permit any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business that provides hand and foot grooming services specifically for men. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, under leases in effect when Tenant initially took possession of the Premises and which permit (or do not prohibit) such tenants, their successors or assigns, to operate a Competing Business, provided, however, that with respect to such pre-existing tenants, Landlord agrees that to the extent Landlord has reasonable control over any such tenant's use and changes in use, Landlord shall exercise such control to enforce and protect Tenant's exclusive use rights described herein; or (ii) any tenant or occupant of the Project which leases more than 5,000 sq.ft.

NEKTER JUICE BAR

Section 7.9: Landlord shall not enter into a lease for a term commencing during the Lease Term for the operation in the Project to an occupant operating a juice bar as its primary use.

OMNIPOINT COMMUNICATIONS

Section 7.9: During the Term, subject to the following terms and the satisfaction of each and all of the following conditions, Landlord shall not execute a lease for premises in the Project (other than the Premises) for the operation of more than one (1) "Competitive Store" (as defined below) (the "Competitive Store Restriction"); provided, however, that Tenant's sole and exclusive rights and remedies for Landlord's violation of the foregoing covenant shall be as specified in subsection (e) below. A "Competitive Store" shall mean a tenant or other occupant within the Project who sells wireless communication products and services.

PANDA EXPRESS

Section 1.10: Owner agrees not to lease space within the Shopping Center to more another tenant whose primary business is a Chinese restaurant operation.

PEET'S COFFEE & TEA

Section 1.10: So long as Tenant operates the Premises for the use set forth in this Section 1.10, and so long as Tenant is not in monetary default under the terms of this Lease, Landlord will not lease space in the Shopping Center to any tenant or consent to an assignment of subletting whose primary use is the sale of gourmet, brand-identified coffee or tea beverages, freshly ground or whole coffee beans and/or tea leaves; provided, however, other tenants in the Shopping Center shall be permitted to sell coffee and tea beverages so long as such sales are incidental to such tenant's primary use ("Tenant Exclusive"). . . all restaurant tenants within the Shopping Center shall be entitled to sell coffee and tea beverages provided such sales are incidental to the restaurant's primary use; provided, however, such restaurant tenants shall not be entitle to sell whole coffee beans or tea leaves for consumption off the premises of the Shopping Center.

RESTORE HYPER WELLNESS + CRYOTHERAPY

Section 7.11: Notwithstanding anything to the contrary contained in this Lease, provided (a) Tenant is not in default beyond applicable notice and cure periods, and (b) Tenant is operating a business in the Premises in accordance with the Permitted Use, Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business whose primary use is providing Cryotherapy, Cryoskin, allergy testing and shots or IV drip therapies. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, under leases in effect as of the date of this Lease and which permit (or do not prohibit) such tenants, their successors or assigns, to operate a Competing Business; (ii) any tenant or occupant of the Project which leases more than 5,000 sq.ft., or (iii) to any tenant or occupant of the Project providing Cryotherapy, Cryoskin, allergy testing and shots or IV drip therapies in conjunction with a licensed medical facility.

SAN DIEGO COUNTY CREDIT UNION

Section 7.9: During the Term, subject to the following terms and the satisfaction of each and all of the following conditions, Landlord shall not execute leases for premises or amend or modify any existing leases for premises in the Project (other than the Premises) for the operation of a "Credit Union" or an "Automated Teller Machine" (collectively, the "Credit Union/ATM Restriction"). A "Credit Union" shall mean a tenant or other occupant within the Project that is chartered by the State of California, another state of the United States of America or by the federal government as a credit union and that provides the following services to the public: deposit services, including, without limitation, the depositing and cashing of checks, monies or other negotiable instruments, the maintaining of deposit accounts, and/or the issuance of cashier's checks, traveler's checks or other similar negotiable instruments, real estate loans, vehicle loans, business loans, personal loans, safety deposit boxes, lines of credit, credit cards, debit cards or similar credit facilities (collectively, "Financial Institution Services"). An "Automated Teller Machine" shall mean an electronic information processing device that is installed or placed indoors (i.e., within another premises or structure) within the Project or outdoors (i.e., a free standing structure or in or through the exterior walls of a building or other structure) within the Project that (v) dispenses monies, (w) accepts the deposit of monies, (x) transfers monies, (y) allows users to obtain information about their Financial Institution Services accounts; and/or (z) provides customary Financial Information Services or a customer/financial institution communication terminal system, provided that in no event shall a device be considered to be an Automated Teller Machine hereunder if it does not dispense monies.

Notwithstanding anything contained herein to the contrary, the ATM Restriction shall not apply to any grocery store or drug store now or hereafter located in the Project nor to any other current or future occupant of the Project whose business usually and customarily includes an Automated Teller Machine as part of its use.

SEASURF FISH COMPANY

Section 7.9: . . . Landlord agrees not to lease any portion of the Project to a Competing Business during the Term. A "Competing Business" is hereby defined as a seafood restaurant where more than twenty percent (20%) of the appetizers and entrees (collectively) on such restaurant's menu contain seafood products.

SPORT CLIPS

Section 7.9: . . . Landlord agrees not to lease any portion of the Project as a Competing Business. A "Competing Business" is hereby defined as any business operating as a value prices hair salon or barber shop. Notwithstanding anything to the contrary in the foregoing, this provision shall not be applicable to (i) any tenants in the Project, their successors and assigns, under leases in effect when Tenant initially took possession of the Premises and which permit (or do not prohibit) such tenants, their successors or assigns, to operate a Competing Business; or (ii) any tenant or occupant of the Project which leases more than 5,000 sq.ft.

TRADER JOE'S

Section 6.5: Landlord agrees that no other tenant or occupant of the Shopping Center shall be entitled to sell alcoholic beverages for off-site consumption, prepared take-home dinners or fresh produce. . .The exclusive right to sell prepared take home dinners shall also not be applicable to any permitted restaurants in the Shopping Center.

B. **PROHIBITED USES**. None of the following uses shall be conducted in the Project: (i) funeral homes; (ii) any production, manufacturing, industrial, or storage use of any kind or nature, except for storage and/or production of products incidental to the retail sale thereof from the Project; (iii) entertainment or recreational facilities ("entertainment or recreational facilities" shall include, but are not limited to, a bowling alley, skating rink, game room, electronic or mechanical games arcade, auditorium, sports or other entertainment viewing facility (except that single or multiple television and "big screen" television units within restaurants shall be permitted), billiard room or pool hall (except that pool tables may be included within restaurants permitted hereunder), off-track betting parlor, health spa, massage parlor (excluding "Massage Envy" or similar national chain therapeutic massage retailer operating in a first-class manner), discotheque,

dance hall, banquet hall, night club, lounge, bar or tavern (except that bars or the service of alcoholic beverages and/or dancing, music and other forms of entertainment may be included within restaurants permitted hereunder), "head shop," pornographic or "adult" store (including, without limitation, an adult bookstore or other establishment engaged in the business of selling, exhibiting or delivering pornographic or obscene materials), or other place of public amusement); (iv) training or education facilities ("training or educational facilities" shall include, but are not limited to, a beauty school, child care facility, barber college, library, classroom, reading room, church, school, or any other operation catering primarily to students or trainees rather than to customers, but shall exclude "Sylvan," "Kumon" or similar national chain tenants operating in a first-class manner); (v) car washes, gasoline or service stations, or the displaying, repairing, renting, leasing, or sale of any motor vehicle, boat, or trailer; (vi) dry cleaner with on-premises cleaning; (vii) any use which creates a nuisance or materially increases noise or the emission of dust, odor, smoke, gases, or materially increases fire, explosion, or radioactive hazards in the Project; (viii) any business with drive-up or drive-through lanes except as designated on the Site Plan; (ix) second-hand or thrift stores (but excluding designer consignment stores), pawn shops or flea markets; (x) recycling facility (other than free-standing recycling machines); (xi) hotels or motor inns; and (xii) any use involving hazardous materials, except as may be customary in first class neighborhood shopping centers in the metropolitan area where the Project is located. Except as specifically provided for above, the Project shall only be used for the conduct of retail sales of goods (including food) and/or services found in comparable shopping centers of a similar size in the metropolitan marketing area in which the Project is located. The parking and other common facilities shall not be burdened by either large scale or protracted use by persons other than customers of occupants of the Project.

EXHIBIT K

MENU

[See attached]

Menu

TONKOTSU SHOYU

Pork Bone Broth with Flavored Soy Sauce Base and Garlic Paste

Toppings : Pork Chashu, Green Onions, Bean Sprouts, Bamboo Shoots, Wakame and Sesame Seeds

$14.50

TONKOTSU BLACK

Pork Bone Broth with Flavored Soy Sauce Base and Garlic Paste

Toppings : Pork Chashu, Green Onions, Bean Sprouts, Wood Ear Mushrooms, Bamboo Shoots, Roasted Black Garlic Oil and Sesame Seeds

$15.50

TONKOTSU SHIO

Pork Bone Broth with Shio Tare (Seasoned salt base)

Toppings : Pork Chashu, Bean Sprouts, Green Onions, Flavored Egg and Sesame Seeds

$14.50

VEGETABLE RAMEN

Vegetable Broth with Flavored Soy Sauce Base and Garlic Paste

Toppings : Assorted Vegetables, Green Onions, Bean Sprouts, Wood Ear Mushrooms, Wakame and Sesame Seeds

$14.00 (Regular Noodles)

TONKOTSU SPICY BLACK

Pork Bone Broth with Miso Paste Base

Toppings: Pork Chashu, Green Onions, Bean Sprouts, Wood Ear Mushrooms, Bamboo Shoots, Roasted Black Garlic Oil, House Spicy Paste, Flavored Egg and Sesame Seeds

$16.50

EXTRA TOPPINGS

CHASHU (PORK / CHICKEN) **$2.95**

MENMA Bamboo Shoots **$1.50**

TOFU **$1.50**

BLACK GARLIC OIL **$2.00**

AGI TAMA Flavored Egg **$1.50**

KIKURAGE Wood Ear Mushroom **$1.00**

WAKAME Wet Seaweed **$1.00**

CORN **$1.00**

SPICY PASTE **$1.00**

MOYASHI Bean Sprouts **$1.00**

KIZAMI NORI Dried Seaweed **$1.00**

GREEN ONIONS **$1.00**

TONKOTSU SPICY MISO

Pork Bone Broth with Miso Paste Base

Spicy Level ***LV1 - Mild***
LV2 - Spicy
LV3 - Hot

Toppings : Pork Chashu, Flavored Egg, Green Onions, Bean Sprouts, Corn, House Spicy Paste, Wakame and Sesame Seeds

$15.50

CHICKEN RAMEN

Vegetable Broth with Chicken Base

Toppings: Chicken Chashu, Green Onions, Bean Sprouts, Wood Ear Mushrooms and Sesame Seeds

$14.50

SPICY BEEF **$5.50**
GRILLED CHICKEN **$5.00**
ASSORTED VEGETABLES ... **$2.50**
(Bok Choy, Spinach, Carrots, Broccoli)
EXTRA SOUP **$3.50**
EXTRA NOODLES **$1.50**
CHANGE TO SPINACH NOODLES **$2.00**
(Salad/Sushi)

TONKOTSU MISO

Pork Bone Broth with Miso Paste Base

Toppings : Pork Chashu, Flavored Egg, Green Onions, Bean Sprouts, Wood Ear Mushrooms, Wakame and Sesame Seeds

$14.50

COLD RAMEN

(Seasonal)

Flavored Soy Sauce

Toppings: Chicken Chashu, Flavored Egg, Dried Seaweed, Bean Sprouts, Wakame, Corn, Cucumber, Mustard Sauce, Tomato and Sesame Seeds

$15.00

RAMEN COMBINATIONS

GYOZA **$5.50**
TAKOYAKI **$5.50**
KARA-AGE **$5.50**

YOSHIHARU
JAPANESE RAMEN

Appetizer

GYOZA
(Grilled or Deep Fried)
$6.00

EDAMAME
(Boiled Soy Bean)
$4.50

SPICY GARLIC EDAMAME
$6.00

TAKOYAKI
(Fish Cake Ball with Diced Octopus Stuffing)
$8.00

KARA AGE
(Popcorn Chicken)
$8.00

IIDAKO KARA AGE
(Fried Baby Octopus)
$8.00

EBI TEMPURA
(Fried Shrimp)
$8.00

POTATO SHRIMP
(Deep Fried Shrimp Wrapped with Potato Strings)
$8.00

IKA KARA AGE
(Fried Squid Legs)
$8.00

EGG ROLL
(Vegetables)
$6.00

KOROKKE
(Deep Fried Mashed Potatoes with Vegetable Mix)
$7.50

KAKI FRY
(Deep Fried Oyster)
$8.00

TOFU NUGGETS
(Deep Fried Tofu)
$7.00

SEAWEED SALAD
$7.50

BIG PLATTER
(Assorted Tempura, Including Ebi, Gyoza, Kakiage, Zucchini, Tofu Nuggets, Sweet Potato, Egg Roll Serves 3)
$17.00

Salad

CHICKEN SALAD
$10.50

TOFU SALAD
$10.50

Bento

DELUXE COMBINATION BENTO
$20.95

BEEF STEAK BENTO
$17.50

TERIYAKI CHICKEN BENTO
$15.50

TONKATSU BENTO
(Pork Cutlet)
$16.50

SALMON STEAK BENTO
$17.50

SPICY BEEF BENTO
$16.50

Rice Bowl

SPICY BEEF RICE BOWL
Thinly Sliced Ribeye, Onions, Spicy Paste
$11.50

TERIYAKI CHICKEN BOWL
Spicy Teriyaki Chicken, Carrots, Broccoli, Corn
$10.50

CHASHU BOWL
Pork Chashu, Green Onions, Dried Seaweed
$10.50

KARA AGE BOWL
Chicken Kara Age, Seaweed
$10.50

CURRY BOWL
(SPICY, CONTAINS DAIRY)
Curry with Ground Pork, Pickled Radish
$11.00

SPICY TUNA BOWL
(CONTAINS SESAME SEED OIL)
Spicy Tuna Mix, Avocado, White Pickled Ginger, Seaweed, Green Onion
$13.00

SPICY CHICKEN BOWL
Teriyaki Chicken, Carrots, Broccoli, Corn, Special Spicy Sauce
$11.00

UNAGI BOWL
Baked freshwater eel, Seaweed, Red Pickled Ginger
$15.50

Kid's Meal

AGE LIMIT 7-AND-UNDER
SMALL RAMEN (CHASHU 1PC)
WITH DEEP FRIED GYOZA (4 PCS)
$8.00

* STEAMED RICE $2.00
* MISO SOUP $2.00

Roll

SALMON & SHRIMP DYNAMITE ROLL
$14.00

BAKED SALMON & SHRIMP TEMPURA ROLL
$14.00

BAKED SALMON ROLL
$13.00

DELUXE SPICY TUNA ROLL
$10.50

SHRIMP TEMPURA ROLL
$10.50

CLASSIC SPICY TUNA ROLL
$9.50

CLASSIC CALIFORNIA ROLL
$8.50

SPICY CALIFORNIA ROLL
$8.50

SPAM MUSUBI
$4.50

SPICY SALMON & SHRIMP DYNAMITE ROLL $14.00
SPICY BAKED SALMON & SHRIMP TEMPURA ROLL $14.00
SPICY BAKED SALMON ROLL $13.00
SPICY SHRIMP TEMPURA ROLL $10.50

Drink

COKE / DIET COKE $2.50
SPRITE $2.50
CALPICO $3.00
UCC GREEN TEA $3.00
RAMUNE $3.50
MELON CREAM SODA $4.00

Beer

SAPPORO $5.00
SAPPORO LIGHT $5.00
ASAHI $5.00
SAPPORO DRAFT BEER
Pint $4.50
Pitcher $17.00
KIRIN DRAFT BEER
Pint $4.50
Pitcher $17.00

Sake

NIGORI $13.00
FLAVORED NIGORI $17.00
(Strawberry / Mango)
GINJO $13.00
KIKUSUI $17.00

*Drink menu may vary by location
Please ask a server for additional details

MACARON ICE CREAM
(Mango / Raspberry / Vanilla / Green Tea / Chocolate)
$4.00 (EACH)

MOCHI ICE CREAM
(Mango / Matcha Green Tea / Strawberry / Black Sesame)
$4.00 (2PCS) $11.00 (1CASE)

MATCHA CHEESECAKE
$8.00 (1SLICE)

YOSHIHARU
JAPANESE RAMEN

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DocuSign

Certificate Of Completion

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Document Pages: 104
Signatures: 5
Certificate Pages: 5
Initials: 0
AutoNav: Enabled
EnvelopeId Stamping: Enabled
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Aliso Viejo, CA 92656
mary.jewett@sheaproperties.com
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Signer Events	Signature	Timestamp
James Chae jchae@yoshiharuramen.com President & CEO Security Level: Email, Account Authentication (None)	DocuSigned by: James Chae 3C04C2C53F4B47B...	Sent: 7/11/2022 7:16:23 AM Resent: 7/12/2022 8:49:48 AM Resent: 7/12/2022 8:50:29 AM Resent: 7/14/2022 10:32:21 AM Viewed: 7/15/2022 11:08:28 AM Signed: 7/15/2022 11:10:30 AM
Electronic Record and Signature Disclosure: Accepted: 7/15/2022 11:08:28 AM ID: 2e9989d7-6b2f-40e8-bf82-d9508931fdeb		
Jennie Chae Jenniechae@gmail.com Security Level: Email, Account Authentication (None)	DocuSigned by: Jennie Chae 5AA1D41C384E4B8...	Sent: 7/15/2022 11:10:32 AM Viewed: 7/15/2022 5:34:17 PM Signed: 7/15/2022 5:34:52 PM
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Timothy Sullivan tim.sullivan@sheaproperties.com VP, Asset Management Security Level: Email, Account Authentication (None)	DocuSigned by: Timothy Sullivan FE4AA30D4A74447...	Sent: 7/15/2022 5:34:54 PM Viewed: 7/17/2022 8:22:51 PM Signed: 7/17/2022 8:27:41 PM
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Lillian Kuo Lillian.kuo@sheaproperties.com Assistant Secretary Security Level: Email, Account Authentication (None)	DocuSigned by: Lillian Kuo 93F677CB17734D2...	Sent: 7/17/2022 8:27:43 PM Viewed: 7/18/2022 8:08:19 PM Signed: 7/18/2022 8:10:54 PM
Electronic Record and Signature Disclosure: Accepted: 7/18/2022 8:08:19 PM ID: b46f7c7d-9144-4001-9f60-181f63b105cd		

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Signature Adoption: Pre-selected Style
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Signature Adoption: Pre-selected Style
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	**Status**	**Timestamp**
Agent Delivery Events	**Status**	**Timestamp**
Intermediary Delivery Events	**Status**	**Timestamp**
Certified Delivery Events	**Status**	**Timestamp**
Carbon Copy Events	**Status**	**Timestamp**
Witness Events	**Signature**	**Timestamp**
Notary Events	**Signature**	**Timestamp**
Envelope Summary Events	**Status**	**Timestamps**
Envelope Sent	Hashed/Encrypted	7/11/2022 7:16:23 AM
Certified Delivered	Security Checked	7/18/2022 8:08:19 PM
Signing Complete	Security Checked	7/18/2022 8:10:54 PM
Completed	Security Checked	7/18/2022 8:10:54 PM
Payment Events	**Status**	**Timestamps**
Electronic Record and Signature Disclosure		

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

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How to contact Shea Properties:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

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To advise Shea Properties of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at spappsupport@jfshea.net and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

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ii. send us an e-mail to spappsupport@jfshea.net and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	WindowsÂ® 2000, WindowsÂ® XP, Windows VistaÂ®; Mac OSÂ® X
Browsers:	Final release versions of Internet ExplorerÂ® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safariâ„¢ 3.0 or above (Mac only)
PDF Reader:	AcrobatÂ® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

** These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

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CENTER POINTE
SHOPPING CENTER LEASE

BY AND BETWEEN

CENTER POINTE LLC,
a Delaware limited liability company
("Landlord")

and

YOSHIHARU MENIFEE,
a California corporation
d.b.a. Yoshiharu Ramen
("Tenant")

TABLE OF CONTENTS

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The following exhibits are attached hereto and incorporated herein by this reference:

LEASE SUMMARY

This Lease Summary is attached to and incorporated into that certain Lease between Landlord and Tenant as defined below. For purposes of the attached Lease, the following terms shall have the following meanings:

Effective Date:	5/24/2022
Shopping Center:	Center Pointe
Landlord:	Center Pointe LLC, a Delaware limited liability company
Landlord's Notice Address:	c/o Tourmaline Capital 11250 El Camino Real, Suite 102 San Diego, CA 92130 Attn: Jonathan Cheng Telephone: (619) 686-8600
Tenant:	Yoshiharu Menifee, a California corporation
Tenant's Notice Address:	Yoshiharu Menifee 6940 Beach Blvd., Suite D-705 Buena Park, CA 90621 Attn: James Chae Telephone: (714) 998-1940 Additionally, any default notice shall be forwarded to: Yun Law Group, PC 6940 Beach Blvd., Suite D-413 Buena Park, CA 90621 Attn: Andrew Yun, Esq. Telephone: (657) 202-5828
Guarantor:	James Chae and Jennie Chae, husband and wife, on behalf of each of their marital, community and sole and separate estates, jointly and severally

Guarantor's Address:	James Chae 1891 North Tustin Street Orange, CA 92865 Telephone: (714) 998-1940
Tenant's Trade Name: **(Section 8.1)**	Yoshiharu Ramen
Permitted Use: **(Section 8.1)**	The Premises shall be used for the operation of a restaurant serving Japanese food and beverages and specializing in ramen dishes, all for on- and off-Premises consumption and as listed on the menu attached hereto as **Exhibit I** ("**Tenant's Menu**"), provided, however, that Tenant may make minor changes to the Menu from time to time, provided that (1) the items offered on such revised menu and the original theme and concept of the restaurant remain substantially the same as that which is in existence as of the Effective Date, and (2) such minor changes do not violate any exclusive use in the Shopping Center. In addition, and in connection with the operation of a "Yoshiharu Ramen" restaurant at the Premises offering the items on the Menu, Tenant may sell beer and/or wine for on-Premises consumption only, provided that Tenant, at its sole cost and expense, obtains, maintains and complies with all permits, licenses and/or governmental or quasi-governmental approvals required for the sale of beer and wine from the Premises (copies of such permits and approvals shall be provided to Landlord promptly after receipt by Tenant). The Premises shall be used solely for the use stated above (the "**Permitted Use**") and for no other use or purpose. The Premises shall not be used in violation of any exclusive or prohibited use that is binding on the Premises as of the Effective Date, which exclusive and prohibited uses are set forth in **Exhibit J** (Existing Use Restrictions) attached hereto.
Direct Competitor Restriction: **(Section 8.6)**	Subject to the terms of Section 8.7 below, after the Effective Date, Landlord shall not lease any space in Shops 1, Pad 3 or Pad 4 of the Shopping Center (as depicted on the Site Plan), other than the Premises, to another tenant whose primary use is the operation of a restaurant that primarily serves ramen dishes (the "**Direct Competitor**"). Hereafter, Shops 1, Pad 3 and Pad 4 may be referred to as the "**Direct Competitor Restricted Area**".
Premises Address:	27311 Newport Road, Suite 320, Menifee, CA 92584

Floor Area of Premises: (Section 1)	Approximately 1,800 square feet, as set forth in Section 1.
Initial Term: (Section 2.1)	One hundred twenty (120) full calendar months after the Rent Commencement Date, plus any period of time from the Delivery Date through the Rent Commencement Date.
Option Period(s): (Section 2.3)	Two (2) consecutive five (5) year periods.
Delivery Date: (Section 2.1)	The date Landlord delivers possession of the Premises to Tenant in accordance with the terms of Section 2.1 below.
Rent Commencement Date: (Section 3.1)	The earlier of two hundred ten (210) days after the Delivery Date or the date Tenant opens for business in the Premises.
Base Rent: (Section 3.1)	**Months** — **Per Month** Delivery Date to Rent Commencement Date: $0.00 RCD to end of Month 12: $7,650.00 13-24: $7,879.50 25-36: $8,115.89 37-48: $8,359.37 49-60: $8,610.15 61-72: $8,868.45 73-84: $9,134.50 85-96 $9,408.54 97-108: $9,690.80 109-120 $9,981.52 **Option Periods** See Section 3.4. Tenant shall pay the first month's Base Rent upon Tenant's execution and delivery of the Lease to Landlord. Said payment shall be credited towards Tenant's account for the first month of the Initial Term.
Percentage Rent:	None.
Security Deposit: (Section 3.3)	Eight Thousand Nine Hundred Sixty Two and 50/100 Dollars ($8,962.50) due and payable upon Tenant's execution and delivery of this Lease to Landlord.

Estimated Common Area Expenses, Real Property Taxes and Landlord's Insurance (Section 4)	Tenant shall pay the estimated Common Area Expenses, Real Property Taxes and Landlord's Insurance for the first month One Thousand Three Hundred Twelve and 50/100 ($1,312.50) upon Tenant's execution and delivery of this Lease to Landlord. These payments shall be credited towards Tenant's account for the first month of the Initial Term.
Total Initial Payment Upon Lease Execution: (Previous 3 Items Above)	Tenant shall pay Landlord a total of Seventeen Thousand Nine Hundred Twenty Five ($17,925.00) with its execution and delivery of this Lease (i.e., $7,650.00 for the first month's Base Rent, $1,312.50 for the first month's estimated Common Area Expenses, Real Property Taxes and Landlord's Insurance, and $8,962.50 for the Security Deposit).
Construction Allowance: (Exhibit "C" Section 1.2)	Seventy Two Thousand and 00/100 Dollars ($72,000.00) (based on Forty and 00/100 Dollars ($40.00) per square foot of Floor Area.
Minimum Business Hours: (Section 8.4)	Sunday – Thursday: 11:00 a.m. – 9:00 p.m. Friday - Saturday: 11:00 a.m. – 10:00 p.m.
New Locations Restriction:	None.

SHOPPING CENTER LEASE

THIS SHOPPING CENTER LEASE ("Lease") is made and entered into as of the Effective Date by and between Center Pointe LLC, a Delaware limited liability company ("**Landlord**"), and Yoshiharu Menifee, a California corporation, d.b.a. Yoshiharu Ramen ("**Tenant**").

1. PREMISES.

1.1. Premises. In consideration of the mutual promises, covenants and conditions herein set forth, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord that certain space (herein called "**Premises**") located in the Shopping Center, as described in the Lease Summary, which are deemed to contain the number of square feet of Floor Area set forth in the Lease Summary. The Premises are depicted on the site plan attached as **Exhibit B** attached hereto (the "**Site Plan**") and **Exhibit B-1** (Premises) attached hereto. The Shopping Center is described in **Exhibit A** and is depicted on the Site Plan. Tenant acknowledges that neither Landlord nor any of its agents or representatives has made any representation or warranty of any kind to Tenant with regard to the condition of the Premises or the Shopping Center or their suitability or feasibility for Tenant's intended uses, alterations or otherwise, except only as expressly set forth with specificity in this Lease.

Tenant acknowledges that Landlord intends to develop the Shopping Center and such development may occur in one or more phases. Tenant acknowledges that the construction of any improvements after the Rent Commencement Date may involve barricading, materials storage, noise, dust, vibration, scaffolding, demolition, structural alterations, the presence of workmen and equipment, rearrangement of parking areas, common areas, roadways and lighting facilities, redirection of vehicular and pedestrian traffic, and other inconveniences typically associated with construction, and that Landlord has informed Tenant of this potential interference. Landlord agrees that any such construction activities shall be performed in a manner consistent with industry-standard construction practices and Landlord shall take commercially reasonable steps to minimize the adverse impact upon the Premises occasioned by such construction activities. Tenant agrees that any development of the Shopping Center (or a portion thereof) after the Rent Commencement Date by Landlord shall not entitle Tenant to any abatement of Rent or other compensation from Landlord for any inconvenience occasioned thereby.

Furthermore, Tenant acknowledges that the Shopping Center may not remain as shown on the Site Plan and, so long as none of the following unreasonably prevent access or use of the Premises or impair visibility of the Premises, or reduce the number of parking spaces available below that required by applicable codes, Landlord may relocate, increase, reduce or otherwise change the number, dimensions, or locations of buildings, parking areas, drives, exits, entrances, walks and other Common Area as may be reasonably necessary or desirable in Landlord's good faith business judgment, or to accommodate the redevelopment or renovation of the Shopping Center (or a portion thereof) in general, or the redevelopment of other tenants' spaces at the Shopping Center. In furtherance of the foregoing, Tenant acknowledges that Landlord is permitted to construct one or more buildings in the future and that the construction of one or both such buildings will not violate the provisions of the preceding sentence.

1.2. Reservation. Landlord reserves the right to use the exterior walls, floor, roof and plenum in, above and below the Premises for the repair, maintenance, use and replacement of pipes, ducts, utility lines and systems, structural elements serving the Shopping Center and for such other purposes as Landlord deems necessary. In exercising its rights reserved herein, Landlord shall not unreasonably interfere with the operation of Tenant's business on the Premises.

1.3. Floor Area. The term "Floor Area", as used in this Lease, shall mean all areas for the exclusive use of a tenant measured from the exterior surface of exterior walls (and extensions, in the case of openings) and from the center of interior demising walls, and shall include, but not be limited to, restrooms, mezzanines, warehouse or storage areas, clerical or office areas and employee areas; provided, however, that the following areas shall not be included in such calculations: (i) space attributable to any multi-deck, platform, rack or other multi-level system used solely for the storage of merchandise which is located vertically above ground floor; (ii) balcony, subterranean, basement or mezzanine space not utilized for retail sales area; (iii) outdoor sales and seating areas; and (iv) office space for Landlord's onsite personnel. Following the demising of the Premises, Landlord may cause the Floor Area of the Premises to be measured by a licensed architect or measurement professional. If Landlord's measurement of the Premises determines the actual Floor Area of the Premises varies from the Floor Area set forth in the Lease Summary, then the Minimum Rent, Construction Allowance and all other amounts payable by Tenant under this Lease which are determined with reference to the Floor Area of the Premises shall be adjusted accordingly.

2. TERM.

2.1. Term. The Initial Term shall be for the number of years set forth in the Lease Summary, commencing on the Rent Commencement Date and terminating on the last day of the last month of the Lease Term. "**Lease Term**" shall mean the Initial Term and any exercised Option Period (as defined herein). Landlord agrees to deliver and Tenant agrees to accept from Landlord possession of the Premises in its as-is condition without representation or warranty by Landlord. At Landlord's election, Landlord may send Tenant a notice requesting that Tenant execute and deliver to Landlord a confirmation letter similar to the form attached hereto as **Exhibit E** confirming Tenant's possession of the Premises, the Rent Commencement Date and any other terms reasonably requested by Landlord, and, if Landlord makes such request, then Tenant shall execute and delivery such requested confirmation within ten (10) days after the notice from Landlord.

2.2. Lease Year. For the purpose of this Lease and the anniversary dates for rental adjustments, the first "**Lease Year**" shall begin on the Rent Commencement Date and shall expire on the last day of the month that is twelve (12) full calendar months following the Rent Commencement Date. For the purposes of the remainder of the Lease Term, **"Lease Year**" shall mean each consecutive twelve (12) month period following the first Lease Year.

2.3. Option Periods. Provided Tenant has not been in default in the payment of Rent (after receipt of notice and the expiration of the applicable cure period) at any time during the Lease Term, Tenant is not in default at the time Tenant delivers an Option Notice (after receipt of notice and the expiration of the applicable cure period) and Tenant is in physical possession of

and then operating from the entire Premises at the time when Tenant delivers an Option Notice, Tenant may extend the Lease Term for the number of Option Periods set forth in the Lease Summary by giving notice of exercise thereof ("**Option Notice**") to Landlord at least one hundred eighty (180), but not more than three hundred sixty-five (365), days before the date the Lease Term would otherwise expire. If Tenant is in default (after receipt of notice and the expiration of the applicable cure period) on the date of giving an Option Notice, such Option Notice shall be null and void; and if Tenant is default (after receipt of notice and the expiration of the applicable cure period) on the date the Option Period is to commence, such Option Period shall not commence and this Lease shall expire at the end of the Lease Term. If Tenant delivers a valid Option Notice, the Lease Term shall thereby be extended on all terms and provisions contained in this Lease, except that the number of Options Periods remaining shall in each instance be reduced by one and the Base Rent shall be adjusted as set forth in this Lease.

3. RENT, SECURITY DEPOSIT AND OPTION RENT.

3.1. Rental Payment. Tenant shall pay to Landlord the Base Rent set forth in the Lease Summary in advance in monthly installments on or before the first day of each and every month of the Lease Term from and after the Rent Commencement Date; provided, however, the first month's Base Rent shall be payable by Tenant upon execution of this Lease. Base Rent for any period during the Lease Term, which is for less than a full calendar month, shall be prorated based on the number of actual days in the month. Base Rent adjustments set forth herein shall occur on the first (1st) day of the Lease Year specified in Section 2.2 above. All Rent shall be payable without demand, deduction or offset to Landlord at the address stated in the Lease Summary, or to such other persons or at such other places and in such manner as Landlord may designate in writing. References in this Lease to "**Additional Rent**" shall mean all monetary amounts owing from Tenant to Landlord other than Base Rent. The terms "**Rent**" and "**Rental**" shall mean all Base Rent, and other charges that may be due from Tenant to Landlord pursuant to this Lease. Landlord hereby agrees to allow Tenant to pay all Rent due hereunder by electronic funds transfer ("**EFT**"). Upon Tenant's request, Landlord shall furnish to Tenant all information necessary to allow Tenant to make payments by EFT.

3.2. Gross Sales.

3.2.1. Reporting. Within thirty (30) days after the end of each calendar quarter during the Term, Tenant shall furnish Landlord with a written statement, certified by Tenant to be correct, showing the total Gross Sales (defined below) made from the Premises during said calendar quarter (as well as a year to date summary), which statement shall be detailed in monthly increments for such calendar year (and year to date).

3.2.2. Gross Sales Defined. "**Gross Sales**" is defined as the aggregate amount of the actual sales and rental price of all merchandise sold, including gift and merchandise certificates, or rented from and all charges for services rendered at or from the Premises, and all other receipts related to the business conducted by Tenant, its subtenants, assignees, successors, licensees, concessionaires, and any other parties permitted to use the Premises during the Lease Term, whether for cash, credit or any other method of payment, including, but not limited to: (i) Sales by mail, email, telephone, catalog, facsimile, internet, electronic, video, and computer and mobile device orders from any Website, and orders by means of other technology-based

systems, whether currently existing or developed hereafter, that are placed or filled at or from the Premises; (ii) Receipts from orders received, placed or filled at or from the Premises or filled at other stores or locations to the extent such orders were taken at or from the Premises originally and Tenant, in the normal course of its business operations, credits or attributes such orders to its business at the Premises; (iii) Sales from merchandise, food or beverages prepared, received or filled by Tenant at or sold from the Premises for off-premises consumption or use, including, but not limited to, deliveries, take-out, catering or for sale in any other location of Tenant (or any subtenant, assignee, successor, licensee or concessionaire) and the sale or rental of all equipment and services provided by Tenant in connection with such sale or rental of merchandise, food and beverages, including, but not limited to, waiters, bartenders, cleaning staff, dishes, glassware, linens and silverware; (iv) Revenues and fees collected by Tenant from vending machines, video and amusement games, pay telephones, postal service, and newspaper revenue, whether operated by coin, computer, credit card or otherwise, that are located within the Premises; (v) Revenues and fees collected by Tenant in connection with the use of any automated teller machines within the Premises; (vi) Sums deposited with and forfeited to Tenant; (vi) The fair market value of any trade-ins of used products received by Tenant; (vii) Fees from restocking or returns received from customers for returned products; (viii) Gross proceeds from any lottery, theater, sporting or other event ticket sales; (ix) Proceeds from any layaway, credit or installment sales; (x) Slotting or placement fees, revenues, and rebates or expense reductions received by Tenant with respect to products or sold or displayed within the Premises; (xi) Fees and charges for services in connection with merchandise or services purchased at the Premises, including, without limitation, for product maintenance or repair, provision of electronic service, warranties, and catering; and (xii) Monies or other consideration accepted or received by or on behalf of Tenant not specifically excluded from Gross Sales herein. A "**Website**" is defined as a website on the internet, whether operated by or on account of Tenant either directly or with the assistance of another entity or any other website on the internet, where Tenant's goods or services are offered for sale or lease. Any transaction on an installment basis, including any layaway sale or like transaction, or otherwise involving the extension of credit, shall be treated as a sale for the full price at the time that the goods are delivered to a customer (or the services are performed for a customer), irrespective of the time of payment or when title passes.

Gross Sales shall not include any of the following: (i) credits or refunds to customers for merchandise purchased at the Premises and returned or exchanged, but only to the extent that the original cost of the merchandise was included in the Gross Sales for the Premises; (ii) transfers of merchandise from the Premises to other stores or warehouses of Tenant or its affiliated companies made solely for the convenient operation of Tenant's or any subtenant's, licensee's or concessionaire's business and not to avoid consummating a sale made in or from the Premises; (iii) any sales tax or other tax imposed under any laws, ordinances, orders or regulations, whether now or hereafter in force, upon or based upon the gross receipts of Tenant or the sale or sales price of merchandise and which must be paid by Tenant, whether or not collected by Tenant from its customers; and (iv) returns of merchandise to shippers or manufacturers.

3.3. Security Deposit. Concurrent with Tenant's execution of this Lease, Tenant shall furnish Landlord with the Security Deposit set forth in the Lease Summary. If Tenant defaults in the performance of any provision hereof, Landlord may use, apply or retain any part thereof for the payment of any Rent or other sum in default, or for the payment of any other amount which Landlord may spend or become obligated to spend by reason of Tenant's default, or to

compensate Landlord for any loss or damage which Landlord may suffer by reason of Tenant's default. Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, and all other provisions of law, now or hereafter in force, which provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage, foreseeable or unforeseeable, caused by the act or omission of Tenant or any officer, employee, agent or invitee of Tenant. If any portion of the Security Deposit is used or applied, Tenant shall, within five (5) days of receiving notice of said use or application, restore the Security Deposit to its original amount. Landlord shall not be required to keep the Security Deposit separate from its general funds, and Tenant shall not be entitled to interest on such deposit. Provided Tenant is not in default (after receipt of notice and the expiration of the applicable cure period), the Security Deposit or any balance thereof shall be returned to Tenant within thirty (30) days after the expiration or sooner termination of the Lease Term and after delivery of exclusive possession of the Premises to Landlord in the condition required by this Lease. Upon the annual anniversary of any Lease Year hereunder, Landlord shall have the right to increase said Security Deposit to two hundred percent (200%) of the then current Base Rent. Within five (5) days after receipt of such notice, Tenant shall deposit said increase with Landlord.

3.4. Option Rent. If Tenant delivers an Option Notice in a timely manner (and is otherwise entitled to exercise the applicable option), then effective as of the first day of the first Option Period, the Base Rent shall be increased to the greater of the Fair Market Rent (as defined hereafter) or one hundred three percent (103%) of the Base Rent due for the period immediately preceding the applicable Option Period. The "**Fair Market Rent**" of the Premises shall be determined as follows: At least one hundred twenty (120) days prior to the commencement of the Option Period, Landlord shall notify Tenant in writing of Landlord's determination of the Fair Market Rent. If Tenant objects to Landlord's determination of the Fair Market Rent of the Premises for the Option Period, then Tenant shall notify Landlord in writing of such objection within ten (10) business days after receipt of Landlord's notice of the Fair Market Rent determination. Thereafter, Landlord and Tenant shall confer and if Landlord and Tenant are unable to agree upon the Fair Market Rent for the Premises within another ten (10) business days after Tenant's notice to Landlord, then the Fair Market Rent shall be determined by appraisal as provided below. Until the appraisal procedures are finalized, Tenant shall pay Base Rent at the same rate as for the last year immediately preceding the expiration of the Initial Term or the first Option Period, as the case may be. Within ten (10) business days after the Fair Market Rent is determined by the appraisal procedure set forth below, Tenant shall reimburse Landlord for any underpayment of Base Rent owing for prior months. Within fifteen (15) days after the expiration of the period when Landlord and Tenant are unable to agree upon the Fair Market Rent, the Premises shall be appraised by an MAI appraiser chosen by Landlord ("**First Appraisal**") and the appraisal report shall be forwarded to Landlord and Tenant. If the First Appraisal is unacceptable to Tenant, then Tenant shall so advise Landlord in writing within five (5) business days after receipt of the First Appraisal and Tenant shall engage an MAI appraiser to appraise the Premises ("**Second Appraisal**") whose appraisal report shall be forwarded to Landlord and Tenant within fifteen (15) days after the expiration of such 5-business day period. If the Second Appraisal is unacceptable to Landlord, then Landlord shall advise Tenant within five (5) business days after receipt of the Second Appraisal, and the first and second appraiser shall together

choose a third MAI appraiser to appraise the Premises ("**Third Appraiser**"). If Landlord and Tenant are unable to agree upon the Third Appraiser, then either Landlord or Tenant shall apply to the then President of the local chapter of the Appraisal Institute to select the Third Appraiser. Said Third Appraiser shall be selected within three (3) business days of the request for appointment, shall meet the criteria set forth below and shall not have represented Landlord or Tenant previously. The cost of the First Appraisal shall be borne by Landlord. The cost of the Second Appraisal shall be borne by Tenant. The Third Appraiser shall review the First Appraisal and the Second Appraisal and select either the First Appraisal or the Second Appraisal as the Fair Market Rent of the Premises, but may not make a different determination of the Fair Market Rent. The party whose appraisal of the Fair Market Rent was not selected shall bear the cost of the Third Appraiser. Each appraiser shall have no less than five (5) years of experience appraising retail property in the local commercial area and shall appraise the Premises for its highest and best retail use. On each anniversary of the commencement date of the Option Period, Base Rent shall be increased by three percent (3%) over the Base Rent in effect immediately prior to such anniversary.

4. PRO RATA SHARE OF COMMON AREA EXPENSES, TAXES AND INSURANCE. Commencing on the Rent Commencement Date, Tenant shall pay to Landlord, as Additional Rent, one-twelfth (1/12th) of an amount reasonably estimated by Landlord to be Tenant's Pro Rata Share (as herein defined) of the total annual Common Area Expenses, Real Property Taxes, and the costs of Landlord's Insurance, as defined in Sections 5, 6 and 7, respectively, of this Lease; provided, however, the first month's estimated Common Area Expenses, Real Property Taxes and the costs of Landlord's Insurance shall be payable by Tenant upon execution of this Lease. Tenant's Pro Rata Share shall equal the ratio of the total square feet of the Floor Area of the Premises to the total square feet of the Floor Area of all the buildings constructed in the Shopping Center, excepting any office space for onsite personnel; any outdoor sales and seating areas; any mezzanine, balcony or subterranean or basement space not used for retail sales area; and any space for multi-deck, platform, rack or multi-level system used solely for the storage of merchandise which is located vertically to the ground floor, as of the end of each calendar year. Tenant's Pro Rata Share shall be subject to adjustment by Landlord to reflect Tenant's share of a particular cost that is not applicable to all the tenants within the Shopping Center. Landlord may adjust its estimate of such expenses at the end of any calendar quarter on the basis of Landlord's experience and reasonably anticipated costs. In furtherance of the foregoing, Landlord shall have the right to allocate certain Common Area Expenses, Real Property Taxes and the costs of Landlord's Insurance to the occupants in the Shopping Center to which such Common Area Expenses, Real Property Taxes and/or costs of Landlord's Insurance are allocable, in which event Tenant's share of such costs (the "**Cost Pool**") shall be as follows: (A) in the event Tenant is one of the occupants participating in such Cost Pool, its share of such Common Area Expenses, Real Property Taxes and/or costs of Landlord's Insurance, as applicable, shall be calculated in the manner set forth in Article 4, but the denominator used to determine such share shall exclude those occupants not participating in such Cost Pool; or (B) in the event Tenant is not one of the occupants participating in such Cost Pool, its share of such Common Area Expenses, Real Property Taxes and/or costs of Landlord's Insurance, as applicable, shall be calculated in the manner set forth in Article 4, but the denominator used to determine such share shall exclude those occupants participating in such Cost Pool. Following the end of each calendar year (and after the date of expiration or sooner termination of this Lease), Landlord shall furnish to Tenant a statement showing in reasonable detail the Common Area Expenses,

Real Property Taxes and cost of Landlord's Insurance during such calendar year (or portion thereof prior to the expiration or sooner termination of this Lease). If Tenant's share of such costs exceeds Tenant's payments so made, Tenant shall pay Landlord the deficiency within twenty (20) days after receipt of such statement. If such payments exceed Tenant's share of such costs, Tenant shall be entitled to credit the excess against payments for such costs next thereafter to become due Landlord as set forth above. Tenant's failure to give Landlord written notice of any objection to the statement within ninety (90) days after the statement is sent shall constitute a waiver of any objection or inquiry Tenant may have about the statement or for any examination of Landlord's records. Upon the expiration of the Lease Term or earlier termination of this Lease, if Tenant is not in default hereunder, Landlord shall promptly refund to Tenant the amount of any excess, less any sums owing from Tenant to Landlord.

5. COMMON AREA.

5.1. Common Area. "**Common Area**" is defined as all areas and facilities within the Shopping Center not appropriated to the exclusive occupancy of tenants, including, but not limited to, all vehicle parking spaces or areas, roads, traffic lanes, driveways, sidewalks, pedestrian walkways, landscaped areas, signs, service delivery facilities, common storage areas, common utility facilities and all other areas for non-exclusive use in the Shopping Center which may from time to time exist. Common Areas shall include the roofs and exterior walls (other than storefronts) of buildings in the Shopping Center (provided that the use of such roofs and exterior walls shall be reserved to Landlord and any designee(s) of Landlord expressly authorized to use all or any part thereof), all shared utility systems to the point of entry to any individual leased premises and all utility systems which are exterior to the buildings other than: (a) heating, ventilating and cooling system components or elements which serve individual tenants, and (b) sewer laterals to the point of junction with a common sewer line, which shall be the responsibility of individual tenant whose premises are served by such lateral.

5.2. Common Area Expenses. The term "**Common Area Expenses**" shall include, without limitation, all amounts paid or incurred by Landlord for the maintenance, repair, replacement, operation and management of the Common Area, including the costs of: gardening; landscaping; repaving; resurfacing; restriping; security; all costs incurred by Landlord pursuant to Section 8.4 (whether Landlord reimburses said costs or directly incurs such costs); property management fees (whether such management services are provided by Landlord or a third party contractor and which may include the allocated costs of the property manager's expenses and salaries); repairs, maintenance and replacements of bumpers, directional signs and other markers; painting; lighting and other utilities; cleaning, trash removal from the Common Area; Tenant's trash removal (if contracted by Landlord); depreciation and replacement of equipment; and all costs for insurance covering the Common Area, including, without limitation, commercial general liability and all-risk property damage for the improvements to the Common Area (including earthquake and /or flood insurance, if purchased by Landlord) and the cost of any deductibles or self-insured retentions relating to said insurance. Additionally, Common Area Expenses shall include an administrative fee equal to fifteen percent (15%) of the Common Area Expenses, Real Property Taxes and Landlord's Insurance.

Notwithstanding anything to the contrary contained in this Lease, Tenant's Share of Common Area Expenses shall not include any charge which would duplicate or otherwise result in a

double reimbursement to Landlord for the same expenditure. Notwithstanding anything contained in this Section 5.2 to the contrary, Common Area Expenses shall not include (i) the cost of providing or performing improvements, work or repairs to or within the interior premises of another tenant or occupant of the Shopping Center where such improvements are of a nature which are not Landlord's responsibility to perform pursuant to this Lease, except when Landlord does such improvements, work or repairs both to such other premises and to the Premises; (ii) any interest or principal payments on any loans, including any financing secured by a deed of trust or mortgage on the Shopping Center and rental under any ground or underlying lease or leases of the land on which the Shopping Center is constructed; (iii) any interest and penalties incurred as a result of Landlord's late payment of any bill; (iv) any bad debt loss, rent loss or reserves for bad debt or rent loss; (v) legal and other fees, leasing commissions, advertising expenses, solicitation, negotiation, execution and other costs incurred exclusively in connection with the leasing of the Shopping Center, including without limitation, costs of tenant improvements; (vi) any items for which Landlord is reimbursed by insurance or otherwise compensated, to the extent of the net receipts from such insurance or compensation, including direct reimbursement by any tenant or occupant of the Shopping Center (exclusive of reimbursement pursuant to a provision similar to this Article 5); (vii) any repair or restoration costs following a casualty or condemnation, if and to the extent Landlord is reimbursed by insurance, or if and to the extent covered by the net proceeds of any condemnation award; (viii) any costs associated exclusively with the operation of the business of the entity which constitutes Landlord which are not directly related to the operation of the Shopping Center and which relate to the following: the formation of the entity which constitutes Landlord; the internal accounting and legal matters which relate exclusively to preparation of the tax returns and financial statements of such entity, together with the gathering of data therefor; the cost of defending any lawsuits with any mortgagee; the costs of selling, syndication, financing, mortgaging or hypothecating any of Landlord's interest in the real property and improvements constituting the Shopping Center; and the costs of any dispute between Landlord and any employee to the extent that the other costs attributable to the employment of such employee are not permitted to be included within Common Area Expenses pursuant to this Lease; (ix) any costs attributable to enforcing leases against other tenants in the Shopping Center, such as attorneys' fees, court costs, adverse judgments and similar expenses; (x) the portion of any fee or charge for services paid to a party owned by or under common ownership with Landlord to the extent that the same materially exceeds the competitive cost for such services were they not so rendered by a party affiliated with Landlord; (xi) any depreciation on the buildings of the Shopping Center charged for financial or tax accounting purposes; (xii) any wages, salaries or other compensation paid to executive employees; provided, however, Common Area Expenses may include the salaries and related costs and expenses of the property manager and his or her support staff, including the contributions and premiums for fringe benefits, unemployment insurance, workers' compensation insurance and pension plan contributions, and reasonable expenses for technical training to improve or maintain the proficiency of on-site personnel, and other similar expenses and to the extent any employee, agent or independent contractor of Landlord performs work or services for shopping centers or other properties in addition to the services performed in connection with the Shopping Center, an allocable portion of his or her compensation with respect to work not performed in connection with the Shopping Center; (xiii) any charge relating to Landlord's net income taxes; (xiv) the cost of correcting defects in the original construction of the Building or in the building equipment, or other improvements in

the Shopping Center; (xv) the costs of any capital improvements, except as amortized over the useful life of the capital improvement in question as determined by GAAP, consistently applied, so that the Common Area Expenses for each calendar year includes only the annual amortization for that calendar year; (xvi) any costs arising from the presence of any Hazardous Materials (as defined in Section 17.2) which existed within, upon or beneath the Premises or Shopping Center prior to the Rent Commencement Date; (xvii) the costs of special services rendered to tenants (including Tenant) for which a special charge is made to such tenants (i.e. such charges are collected in a manner other than Common Area Expenses); and (xviii) any costs borne directly by Tenant under this Lease.

5.3. Control of the Common Area. Subject to the Shopping Center CC&Rs, Landlord shall have the exclusive control of the Common Area and may exclude any person from use thereof except bona fide customers and service suppliers of Tenant. Subject to the Shopping Center CC&Rs, Landlord's rights include, without limitation, the right to (a) utilize from time to time any portion of the Common Area for promotional, entertainment and related matters; (b) place permanent or temporary kiosks, displays, carts and stands in the Common Area and to lease same to tenants; and (c) temporarily close any portion of the Common Area for repairs, improvements or alterations, to discourage non-customer use, to prevent dedication or an easement by prescription or for any other reason deemed sufficient in Landlord's reasonable judgment. Tenant acknowledges that Landlord, subject to the Shopping Center CC&Rs, may change the shape, size, location, number and extent of the improvements to any portion of the Shopping Center without Tenant's consent. Notwithstanding any provision to the contrary in this Lease, Landlord shall not exercise its control in a manner that materially and adversely affects the accessibility to or visibility of the Premises. Tenant and its employees and invitees shall observe faithfully and comply with the rules and regulations, as amended, for the Shopping Center attached hereto as **Exhibit H** and any amendments thereto or other reasonable rules and regulations governing the Shopping Center, which shall be applied in a non-discriminatory manner. Notwithstanding the foregoing, Landlord shall provide Tenant with written notice prior to implementing any changes to the rules and regulations.

5.4. Landlord's Obligations Related to Shopping Center. Tenant acknowledges that Landlord may not own other portions of the Shopping Center. Therefore, notwithstanding any contrary provision of this Lease, to the extent that Landlord is not the party obligated to perform or comply with a specific obligation under the Shopping Center CC&Rs or the Governing Documents, the underlying title documents or any other recorded instrument affecting the Shopping Center, Landlord shall be deemed to have performed and/or complied with the Lease obligation at issue for so long as Landlord uses commercially reasonable and diligent efforts to cause the responsible party to perform or comply with said obligation.

6. TAXES. The term "**Real Property Taxes**" shall include, without limitation, any general or special assessment, tax, commercial rental tax, in lieu tax, levy, charge, or similar imposition imposed by any authority, including any government or any school, agricultural, lighting, drainage or other improvement or special assessment district, or any agency or public body, as against any legal or equitable interest of Landlord in the Premises and/or the Shopping Center or arising out of Tenant's occupancy of the Premises or which are attributable to the Premises, together with the reasonable costs of professional consultants and/or counsel to analyze tax bills and prosecute any protests, refunds and appeals for the period covered during the Lease Term.

Tenant's liability with respect to such taxes and assessments shall be prorated on the basis of a 365-day year to account for any fractional portion of a fiscal tax year included in the Lease Term at its commencement or expiration (or sooner termination).

7. INSURANCE; INDEMNITY; SUBROGATION.

7.1. General. All insurance policies required to be carried by Tenant under this Lease shall be written by companies rated A-/IX or better in the most recent edition of "Best's Insurance Guide" and authorized to do business in the state in which the Premises are located and Tenant's liability insurance under Sections 7.2 and 7.3 below shall name Landlord and any other parties designated by Landlord as additional insureds utilizing ISO Endorsement Form CO 2011 11/85 or equivalent, and Tenant's special form insurance under Section 7.3 shall name Landlord as a loss payee thereunder, as Landlord's interest may appear. Any deductible amounts under any insurance policies required hereunder shall be subject to Landlord's prior written approval. Tenant shall deliver to Landlord certified copies of its insurance policies or an original certificate evidencing that such coverage is in effect on or before the Delivery Date and thereafter at least thirty (30) days before the expiration dates of expiring policies. Coverage shall not be canceled or materially changed without Landlord's prior written approval. Tenant's liability insurance policy(ies) shall contain an endorsement stating that Tenant's coverage shall be primary insurance with respect to Landlord and its property administrator, and the officers, directors and employees of Landlord and its property administrator, and any insurance or self-insurance maintained by Landlord and/or its property administrator shall be in excess of, and not contributing with, Tenant's insurance. Coverage shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to any aggregate limit applicable to the insuring party's policy(ies).

7.2. Tenant's Liability Insurance. At all times during the Lease Term, Tenant shall keep in force a policy of commercial general liability insurance insuring against any liability arising out of the use, occupancy, or maintenance of the Premises by Tenant or any of the Tenant Parties (as defined hereinafter defined) and the acts, omissions and negligence of Tenant or any of the Tenant Parties in and about the Premises and the Shopping Center. As of the Delivery Date, such insurance shall provide coverage for and shall be in the amount of not less than Two Million Dollars ($2,000,000.00) per occurrence/Four Million Dollars ($4,000,000.00) aggregate for bodily injury and property damage. Landlord shall have the right to increase the amount of insurance required hereunder to reflect changing market conditions or industry standards. Tenant's coverage shall be primary insurance as respects Landlord, its property administrator, its officers, its agents and its employees, as well as the officers, agents and employees of Landlord's property administrator. Any insurance or self-insurance maintained by Landlord shall be excess of Tenant's insurance and shall not contribute with it. Coverage shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability. Tenant's coverage must be on an occurrence basis and may not be on a claims made basis.

7.3. Tenant's Other Insurance. Tenant shall maintain special form property coverage, with sprinkler leakage, vandalism and malicious mischief endorsements on all of Tenant's fixtures, including tenant improvements and betterments, equipment and Personal Property (as hereinafter defined) on the Premises in an amount not less than one hundred percent (100%) of

their full guaranteed replacement value, the proceeds of which shall, so long as the Lease is in effect, be used for the repair or replacement of the property so insured. Such insurance shall include loss of income, business interruption and extra expense insurance. Tenant shall maintain Worker's Compensation insurance in accordance with the laws of the state in which the Premises are located and employer's liability insurance with a limit of not less than One Million Dollars ($1,000,000.00) each accident. Tenant shall maintain business interruption insurance in an amount equal to all Rent payable under this Lease for a period of twelve (12) months (at the then current Rent charged). Tenant shall maintain plate glass insurance, sufficient to pay for the replacement of and any or all damages to exterior plate glass and storefront supports in the Premises. In the event Tenant sells or serves alcoholic beverages from the Premises, Tenant shall maintain a customary policy of liquor liability insurance with limits no less than those required above with respect to Tenant's commercial general liability insurance under Section 7.2.

7.4. Landlord's Insurance. Landlord shall keep and maintain in full force and effect, a policy of first-party property damage insurance, including special form coverage, in the amount of the full replacement value of the Premises and the building that contains the Premises ("**Building**") as such values may exist from time to time (subject to such deductible or self-insured amounts designated by Landlord), excluding foundations, footings and excavations. The term "**Landlord's Insurance**" shall include the costs and premiums related to all insurance maintained by Landlord, including loss of rental insurance, earthquake and flood insurance, if purchased by Landlord, and shall include any deductibles and self-insured retentions actually incurred by Landlord. Tenant shall not do or permit to be done any act which shall invalidated or be in conflict with Landlord's Insurance or increase the premium applicable to Landlord's Insurance. If Tenant's use of the Premises increases the premium for any Landlord's Insurance, then Tenant shall pay to Landlord, in monthly installments as Additional Rent, the full amount of such increase in premium.

7.5. Waiver of Subrogation. Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income and benefits (even though such loss or damage might have been occasioned by the negligence of such party, its agents, employees or contractors) if such loss or damage is or should be covered by insurance benefiting the party suffering such loss or damage or is required to be covered by insurance pursuant to this Lease. Landlord and Tenant agree that deductibles under Tenant's insurance policies and other amounts that are self-insured by Landlord or Tenant shall be deemed covered by insurance and all claims for recovery thereof are waived. Landlord and Tenant shall require their respective insurance companies issuing the policy(ies) addressed in Section 7 to include a standard waiver of subrogation provision in their respective policies.

7.6. Indemnification and Waiver By Tenant. To the fullest extent permitted by law, subject to the waiver of subrogation set forth in Section 7.5, except to the extent any damage to property or injury is caused by the gross negligence or willful misconduct of Landlord, Tenant agrees (and Tenant shall cause its contractors and subcontractors to agree) that neither Landlord nor Landlord's employees, agents, representatives and contractors shall be liable for any injury to or death of persons or damage to property of Tenant (or its contractors and subcontractors) or any other person from the date of this Lease. Tenant shall defend, indemnify and hold Landlord and Landlord's agents, officers, directors, employees, contractors, property manager and lenders

harmless against and from any and all claims, liabilities, losses, damages, suits, costs and expenses of any kind or nature including without limitation reasonable attorneys' fees ("Claims") arising from or relating to (a) the use of the Premises or the Common Areas by Tenant or any of the Tenant Parties, or (b) any acts, omissions, negligence, or default of Tenant or any of the Tenant Parties, except to the extent any such Claim is caused by the gross negligence or willful misconduct of Landlord. The terms of the indemnification by Tenant set forth in this Section shall survive the expiration or earlier termination of this Lease.

8. USE.

8.1. Use Defined. The Premises shall be used for the purposes set forth in the Lease Summary only and for no other purpose or use. Tenant shall operate its business at the Premises in a first class manner, as found in a first class shopping facility, under the trade name set forth in the Lease Summary and shall not change its trade name without Landlord's prior written consent which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, subject to Landlord's prior written consent, in the event Tenant changes the trade name of a majority of its stores in California, Tenant shall change the trade name of its store located at the Premises to such trade name. Tenant shall not conduct any sidewalk sale, auction, distress sale, or going-out-of-business sale on the Premises, without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole and absolute discretion. Tenant shall use the Premises in such a way as not to annoy other tenants of the Shopping Center or create a nuisance or cause the cancellation of any insurance policy covering the Premises. Tenant further covenants and agrees that during the Lease Term, the Premises and every part thereof shall be kept by Tenant in a clean condition, free of any objectionable noises and odors. If Tenant operates a restaurant, nail salon or other operation that emits odors or sounds that potentially could disturb other tenants of the Shopping Center, Tenant shall, as part of Tenant's Work, install sound and odor absorbent wall insulation and proper ventilation, and operate Tenant's business in a manner that will not permit the passage of sound and/or odors through the wall(s) to the adjacent space(s). Tenant shall keep the Premises, front and rear walkways adjacent to the Premises and any service delivery facilities allocated for the use of Tenant, clean and free from rubbish and dirt at all times and shall store all trash and garbage within the Premises or in designated refuse areas.

8.2. Continuous and Full Operation. Tenant shall open for business in the Premises within two hundred ten (210) days after the Delivery Date and thereafter, subject to Permitted Closures, Tenant shall operate continuously and uninterruptedly during the Lease Term for the Permitted Use from the entirety of the Premises. If Tenant, after initially opening for business, fails to operate its business from the entirety of the Premises for the Permitted Use, continuously and uninterruptedly, fully stocked and staffed, subject to Permitted Closures, for a period of ten (10) or more consecutive days, then in addition to Landlord's rights and remedies under this Lease including, without limitation, Section 8.3, Landlord shall have the right to terminate this Lease upon written notice to Tenant (which notice shall be in lieu of, not in addition to, notice pursuant to Section 13.1). If Landlord terminates this Lease pursuant to this Section 8.2, then Landlord shall have all rights and remedies set forth in Section 13.2 and Tenant shall have no right to cure such default pursuant to Section 13.1 or otherwise.

8.3. Minimum Business Hours. Tenant shall operate from the Premises during the required Minimum Business Hours set forth in the Lease Summary; provided, however Tenant shall not be required to operate on Thanksgiving Day, Christmas Day, New Year's Day and Easter Day. Moreover, subject to Applicable Laws, Tenant may open earlier or operate later than the Minimum Business Hours, provided that Tenant pays its proportionate share of all extra costs and expenses incurred by Landlord in connection with such after-hours operations (together with other tenants that are also open earlier or later than the standard operating hours for the Shopping Center). Tenant shall have its window displays, exterior signs and exterior advertising displays adequately illuminated continuously during those hours and days that the Premises are required to be open for business to the public. If Tenant fails to operate during the Minimum Business Hours more than one (1) time in any Lease Year, except as may result from cessation of business operations due to a Permitted Closure, then Tenant agrees to pay to Landlord an additional charge equal to one half day's Base Rent for each such day that the Premises are not operated during the required hours.

8.4. Conditions of Record. Landlord's title is subject to: (a) the effect of any covenants, conditions, restrictions, easements, development agreements, mortgages or deeds of trust, ground leases, rights of way and any other matters or documents of record now or hereafter recorded against Landlord's title, including without limitation, that certain Master Declaration of Covenants, Conditions and Restrictions of Menifee Town Center recorded on September 24, 2015 as Instrument No. 2015-0423856 in the Official Records of the County of Riverside, California (the "**Official Records**"), as amended by that certain Supplementary Declaration of Menifee Town Center recorded on September 25, 2015 as Instrument No. 2015-0426079 in the Official Records, that certain Parcel 3 Supplementary Declaration of Menifee Town Center recorded on September 14, 2016 as Instrument No. 2016-0397300 in the Official Records, that certain First Amendment to Master Declaration of Covenants, Conditions and Restrictions of Menifee Town Center recorded on November 16, 2017 as Instrument No. 2017-0481527 in the Official Records, and that certain Supplementary Declaration of Menifee Town Center Northwest Commercial Center recorded on July 12, 2019 as Instrument No. 2019-0256150 in the Official Records (collectively, and as any of such documents may be amended subsequently,the "**Master Declaration**"); that certain Declaration of Development Covenants, Conditions and Restrictions of Menifee Town Center Planning Area 1 recorded August 5, 2019 as Doc. #2019-0293314 in the Official Records (the "**Planning Area 1 Declaration**"); that certain Declaration of Covenants, Conditions and Restrictions of Menifee Town Center Parcels 1 and 2 (Shopping Center) whether or not recorded as of the Effective Date (the "**Shopping Center CC&Rs)** (collectively, the Master Declaration, the Planning Area 1 Declaration, and the Shopping Center CC&Rs shall be referred to collectively as the "**Governing Documents**"); (b) the effects of any zoning laws of the city, county and state where the Shopping Center is situated; and (c) general and special taxes and assessments not delinquent. Tenant agrees that this Lease is subject and subordinate to the Governing Documents and any amendments or modifications thereto (including the Shopping Center CC&Rs, whether or not the Shopping Center CC&Rs are recorded as of the Effective Date), that Tenant will conform to and will not violate said matters of record, including the Governing Documents, and that Tenant's failure to comply with the terms of the Governing Documents, pursuant to Section 6.7 of the Master Declaration, shall be a default under this Lease.

8.5. Shopping Center CC&Rs. In accordance with the terms of the Shopping Center CC&Rs, Tenant's employees shall park in one of the Employee Parking Areas designated on the Site Plan to the Shopping Center CC&Rs at all times, Tenant shall limit any construction staging for Tenant's Work and/or any Alterations to the interior of the Premises to the extent possible and shall not permit any such staging to occur within any portion of the Common Area other than the Staging Area for the Building designated on the Site Plan to the Shopping Center CC&Rs, and any construction vehicles and trucks accessing the Premises for construction purposes shall use the access road designated as the "Construction Vehicle Access Road" on the Site Plan to the Shopping Center CC&Rs.

8.6. Reserved.

8.7. Direct Competitor Restriction. From and after the Effective Date, Landlord shall not lease any space in the Direct Competitor Restricted Area, other than the Premises, to a Direct Competitor (as defined in the Lease Summary), subject to the following terms and the satisfaction of each and all of the following condition (the "**Direct Competitor Restriction**"):

(a) Tenant's Trade Name continues to be as specified in the Lease Summary.

(b) The Direct Competitor Restriction is not applicable to (i) any premises located within the Direct Competitor Restricted Area that is subject to a lease entered into before the Effective Date, even if such occupants complete construction and/or open for business after the Effective Date ("**Direct Competitor Restricted Area Existing Tenant(s)**"), (ii) any new leases or extensions of existing leases entered into with Direct Competitor Restricted Area Existing Tenants (including, without limitation, their assignees and sublessees), (iii) any portion of the Shopping Center except the Direct Competitor Restricted Area, or (iv) any other restaurant located within the Direct Competitor Restricted Area that serves ramen dishes on an incidental basis as part of the standard operation of such other restaurant.

(c) The Direct Competitor Restriction shall terminate automatically if Tenant fails to continuously operate its business in the entire Premises in accordance with this Lease, excepting "**Permitted Closures**", which as used in this Lease shall mean closures for reasonable periods of time for remodeling as permitted under this Lease (not to exceed sixty (60) days in any twelve (12) month period), closures due to rebuilding and repair after casualty and closures due to Force Majeure (as defined in Section 33.5 below) which prevents Tenant from operating its business in the Premises.

(d) The Direct Competitor Restriction shall terminate automatically without notice to Tenant and be of no further force or effect effective as of the date which is the earliest of: (i) a Transfer (as defined in Section 12.1 below) which requires Landlord's prior written consent; (ii) a change in the Permitted Use set forth in the Lease Summary; (iii) the effective date of any default by Tenant under the Lease; or (iv) the expiration or earlier termination of the Lease. The Direct Competitor Restriction shall cease to apply to any products that Tenant discontinues selling or services Tenant discontinues providing.

Notwithstanding anything contained herein to the contrary, Landlord shall not be obligated to maintain or enforce the terms of this Section 8.7 or any similar provisions of the

Lease to the extent same would be in violation of any anti-trust law. If such anti-trust violation is the basis of a claim or counterclaim against Landlord in connection with Landlord's attempted enforcement of this exclusive, then Landlord shall promptly consult with Tenant regarding Tenant's desire to further pursue enforcement of this exclusive. In addition, Tenant shall defend, indemnify and save Landlord and its employees, agents and assigns harmless from and against any and all losses, damages, actions, causes of action, claims, liabilities, demands, costs and expenses including, without limitation, attorneys' fees, arising out of the Direct Competitor Restriction set forth herein or arising out of the enforcement of the Direct Competitor Restriction. Landlord shall have the right to provide a copy of this Section 8.7 to any tenant or prospective tenant of the Shopping Center.

9. MAINTENANCE, REPAIRS, ALTERATIONS.

9.1. Tenant's Obligations.

9.1.1. Premises. Subject to Landlord's obligations as expressly set forth in this Lease, Tenant, at its sole cost and expense, shall make all repairs and/or replacements to the Premises and shall keep at all times the Premises in good order and repair, including without limitation the storefront, all doors, signage, plate glass, all plumbing, heating, ventilating and air conditioning ("**HVAC**") unit(s), fire sprinkler system, electrical and lighting facilities and equipment within the Premises or exclusively serving the Premises. As part of its maintenance obligations hereunder, Tenant shall keep the Premises free of mold, and any conditions that could reasonably be expected to give rise to mold on the Premises, including without limitation, observed or suspected instances of water leakage or mold growth ("**Mold Conditions**"). Tenant shall promptly repair and safely remove any Mold Conditions occurring within the Premises, and Tenant shall, at Landlord's request, provide Landlord with copies of all maintenance schedules, reports and notices prepared by, for or on behalf of Tenant concerning Mold Conditions. Subject to Section 7.5, Tenant shall also be responsible for the repair of any and all damage to the Premises and/or Shopping Center caused by any act of Tenant or its employees, agents or contractors and for any repairs necessitated by alterations, additions or improvements made by or on behalf of Tenant. If Tenant fails to perform any of its obligations, Landlord may, at its option, after five (5) days written notice to Tenant, enter the Premises and put the same in good order and repair and the cost of Landlord's work, together with an administrative fee of fifteen percent (15%) of such costs, shall become due and payable as Additional Rent by Tenant to Landlord. Tenant shall enter into a service contract (the "**Service Contract**") within thirty (30) days after the Delivery Date with a maintenance contractor approved by Landlord, providing for servicing of HVAC systems and equipment within the Premises, at intervals not less frequent than once each calendar quarter. The Service Contract shall include all scheduled maintenance as recommended by the equipment manufacturer, as set forth in the operation/maintenance manual. Notwithstanding the foregoing, Landlord may (but shall not be obligated to) elect to maintain the HVAC equipment serving the Premises, in which event, Tenant shall pay to Landlord all costs and expenses for the repair, maintenance and replacement of all HVAC equipment for the Premises as part of the Common Area Expenses as estimated by Landlord, subject to reconciliation on an annual basis based on the actual amount of costs.

9.1.2. Grease Interceptor. In addition to Tenant's obligations set forth above, Tenant, at Tenant's sole cost and expense, shall install the required grease interceptor equipment

for the Premises (the "**Grease Interceptor Equipment**") as part of Tenant's Work (it being acknowledged by Tenant that the City restricts Tenant from sharing the Grease Interceptor Equipment required for any other premises). After such installation, Tenant shall service, clean, maintain, repair and replace (as and when necessary) the Grease Interceptor Equipment and keep the same in good order, condition and repair. At the option of Landlord, (a) Tenant shall contract with a service company approved by Landlord for the regular (but not less frequently than quarterly) cleaning, maintenance, repair and/or replacement (when necessary) of the Grease Interceptor Equipment and shall provide Landlord with a copy of any service contract within ten (10) days following request therefor, or (b) Landlord may contract with a service company of its own choosing (or provide such service itself) for the cleaning, maintenance, repair and/or replacement of the Grease Interceptor Equipment and bill Tenant periodically for the cost of same or based upon estimates in a manner similar to the way in which Common Area Expenses are estimated and billed. Landlord shall be entitled to obtain an administration fee of fifteen percent (15%) on all Grease Interceptor Equipment expenses billed to Tenant.

9.1.3. Cooking Exhaust System. If required by code, Tenant shall install and maintain in good working order (and replace as necessary) throughout the Lease Term, all at Tenant's sole cost and expense, a fire extinguishing system and grease filters within the hood and duct of the cooking facility which satisfies the requirements now and hereafter established by municipal codes and Landlord's property insurer and to provide Landlord with a certificate evidencing that this system has been installed. Tenant acknowledges that grease can damage the roof. Therefore, Tenant agrees to regularly clean and maintain the cooking exhaust system and ductwork (consistent with industry standards and manufacturers recommendations) in order to avoid offensive odors and to prevent damage to the roof. Additionally, Tenant shall install (and maintain and replace as necessary) any additional equipment necessary to protect Landlord's roof system from grease (e.g., a sand pan).

9.1.4. Odor; Ventilation System. Tenant acknowledges that this Lease prevents the use of the Premises in a manner that shall be offensive, and that unless properly conducted, the operation of a restaurant can cause odors in and about the Premises. Tenant agrees that it shall install and maintain in good working order (and replace as necessary) throughout the Lease Term, all at Tenant's sole cost and expense, such ventilation and other equipment as may be required by municipal codes, building, health, and/or safety codes and as may be necessary to relieve the Premises and the adjoining and surrounding premises of any odors caused by Tenant's business operation, which may include special vents to create negative pressure; failure to do same shall constitute a default under this Lease. Tenant shall defend, indemnify and hold Landlord harmless of and from any loss, liability, claim, action, cause of action, demand, cost or expense arising out of odor or other conditions in the Premises. Tenant agrees to exercise special care in its handling of garbage, waste, and refuse and will remove such materials from the Shopping Center as frequently as is necessary in order to eliminate all odors.

9.1.5. Pest Control. Tenant acknowledges that this Lease requires Tenant to keep the Premises free of rodents, vermin, insects and other pests and that, unless properly conducted, the presence of food can attract such pests. Tenant agrees that it will properly store its products, regularly clean and exterminate the Premises, and take all measures necessary to prevent rodents, vermin, insects and other pests from entering the Premises or the Shopping Center. Tenant further agrees that, in the event any such pests are discovered in or about the

Premises, Tenant will immediately take all necessary and appropriate measures to relieve the Shopping Center of such pests. Tenant agrees to exercise special care in its handling of garbage, waste, and refuse and will remove such materials from the Shopping Center as frequently as is necessary in order to prevent pests from entering the Premises or the Shopping Center.

9.2. Landlord's Obligations. Subject to the foregoing, Landlord shall keep and maintain in good condition and repair (or replace, if necessary) the Building, including but not limited to, the roof, exterior walls, structural parts and structural floor of the Premises and the Building, fire protection services (not exclusively serving the Premises), and pipes and conduits outside the Premises for the furnishing to the Premises of various utilities (except to the extent that the same are the obligation of the appropriate public utility company), as well as all other maintenance obligations for an owner of a building set forth in the Shopping Center CC&Rs and Governing Documents. Said maintenance, repair and replacements shall include, without limitation, steam cleaning the exterior surface of the Building and the sidewalk immediately adjacent to the Building, graffiti removal, and painting the exterior of the Building, as necessary. Notwithstanding anything to the contrary contained in this Lease, Landlord shall not be liable to Tenant for failure to make repairs as herein specifically required of Landlord, unless Tenant has previously notified Landlord in writing of the need for such repairs and Landlord has failed to commence and complete said repairs within the time periods set forth in Section 13.3 of this Lease. Tenant shall reimburse Landlord for all costs and expenses incurred by Landlord pursuant to this Section, together with a management and administrative fee of fifteen percent (15%) of the amount thereof, which amounts Tenant shall pay as part of the Common Area Expenses. All such costs may be collected through Cost Pools. Tenant, specifically waives the provisions of California Civil Code Section 1942, if applicable.

Subject to Tenant's maintenance and use of the HVAC system in accordance with the terms of this Lease and Tenant not altering the working order and/or or condition of the HVAC system during the performance of Tenant's Work, Landlord warrants that the HVAC system shall be in good operating condition for three hundred sixty-five (365) days after the Delivery Date. Subject to the foregoing, if the HVAC system is not in good working order during such 365-day period and if Tenant fulfilled its maintenance obligations under this Lease, then Landlord shall perform all required maintenance and/or repair work required to place the HVAC system in such condition at no cost to Tenant.

9.3. Surrender. Upon the expiration of the Term or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord in good and broom clean condition, with all of Tenant's trade fixtures, signs and personal property removed, excepting ordinary wear and tear and damage which is caused by fire or other casualty which Landlord is obligated to repair. Tenant shall also remove any Tenant-installed improvements that Landlord may require to be removed.

9.4. Alterations. As used in this Lease, "**Alteration(s)**" shall mean any alteration(s), addition and/or improvement made to the Premises by Tenant or any of the Tenant Parties. Tenant shall not make any structural or exterior Alteration to the Premises. Tenant shall not make any non-structural Alteration to the Premises costing in excess of Five Thousand Dollars ($5,000.00) in the aggregate without Landlord's prior written consent, which consent may not be

unreasonably withheld. In addition, Tenant shall not make any Alteration which affects the storefront of the Premises, the electrical, HVAC or other utility or mechanical systems serving the Premises, or the exterior walls or roof of the Premises (including roof penetrations), nor shall Tenant erect any mezzanine or increase the size of same, if one shall be initially constructed, without the prior written consent of Landlord, which consent may be granted or withheld in Landlord's sole reasonable and absolute discretion, which shall not be unreasonably withheld, conditioned or delayed. Alterations made by Tenant or any of the Tenant Parties (whether or not requiring Landlord's prior written consent), shall be performed in a good and workmanlike, lien-free manner, in compliance with Applicable Laws (as defined in Section 17.1 below), including, without limitation, with applicable permits and approvals required therefor having been obtained by Tenant and copies thereof given to Landlord, in compliance with plans and specifications therefor which have been approved in advance by Landlord (if Landlord's consent was required for the applicable work), and in a manner so as to avoid interference with the operation of business by other occupants of the Shopping Center. Within thirty (30) days following completion of any Alterations requiring the consent of Landlord, Tenant shall deliver a set of "as built" plans and specifications reflecting the Premises as improved by such Alterations. If Tenant shall make any Alterations requiring the consent of Landlord, Tenant shall carry "Special Form – Causes of Loss" or "Builder's All Risk" insurance in an amount reasonably determined by Landlord covering the construction of such Alterations and such other insurance as Landlord may reasonably require.

All Alterations to be made to the Premises requiring Landlord's consent shall be under the supervision of a competent architect or competent licensed structural engineer satisfactory to Landlord and shall be made in accordance with plans and specifications with respect thereto, approved in writing by Landlord before the commencement of work. Failure of Landlord to approve or disapprove any such plans and specifications within fifteen (15) days of submission shall be deemed its disapproval of same. All work with respect to any Alterations must be done in a good and workmanlike manner and diligently prosecuted to completion to the end that the Premises shall at all times be a complete unit except during the period of work. Upon completion of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County in which the Premises is located in accordance with Section 8182 of the Civil Code of the State of California or any successor statute. Such Alterations shall be considered as improvements and shall become an integral part of the Premises upon installation thereof and shall not be removed by Tenant. All improvements to the Premises by Tenant including, but not limited to, light fixtures, floor coverings and partitions, and other items comprising Tenant's Work pursuant to Exhibit "C", but excluding trade fixtures and signs, shall be deemed to be the property of Landlord upon installation thereof. All materials used in any Alterations to the Premises shall be new or like new quality and condition. Any such Alterations shall be performed and done strictly in accordance with the laws and ordinances relating thereto. In performing the work of any such Alterations, Tenant shall have the work performed in such manner as not to obstruct the access to the premises of any other occupant to the Shopping Center. Tenant shall furnish Landlord with a copy of all applicable construction permits and plans so that Landlord may hold in its file a complete and accurate set of permits and plans for all Alterations to the Premises and for all of Tenant's Work on the Premises.

9.5. Personal Property. Personal property, fixtures and equipment used in the conduct of Tenant's business and placed by Tenant on or in the Premises (collectively "**Personal**

Property") shall be new and consist of first quality materials, consistent with comparable stores with similar tenants typically found in other first-class shopping centers. Provided Tenant is not in default under the Lease, no such Personal Property shall become a part of the realty and may be removed by Tenant at any time. Any Personal Property belonging to Tenant shall be deemed abandoned if not removed within five (5) business days after the expiration or sooner termination of the Lease Term and may, if so elected by Landlord, become the property of Landlord; provided, however, Landlord may in all circumstances require Tenant to remove all Personal Property from the Premises. If Tenant fails to remove Tenant's Personal Property from the Premises, Landlord may retain or remove the same from the Premises and dispose of all or any portion of such Personal Property, in which latter event, Tenant, upon demand, shall pay to Landlord the actual expense of such removal and disposition together with the cost of repair of any and all damage to the Premises resulting from or caused by such removal. Tenant hereby waives any and all rights it may have under California Civil Code Sections 1980 through 1993.09 and any successor statutes. Upon the Delivery Date and for the balance of the Lease Term, Tenant shall pay, prior to delinquency, any taxes and assessments that may be assessed or levied on or against any of Tenant's Personal Property.

10. UTILITIES. Tenant shall pay for all water, sewer, gas, electricity, trash and other utilities used by Tenant during the Lease Term, all of which shall be measured through meters or sub meters to be maintained by Tenant; provided, however, if any such services are not or cannot be separately metered or sub metered to Tenant, Tenant shall pay its proportionate share (as equitably determined by Landlord) of all charges for utilities jointly metered with other premises. Tenant hereby authorizes each utility company providing utility service to the Premises to provide/release utility consumption or similar data to Landlord for the purpose of assisting Landlord in Landlord's compliance obligations with legal disclosure requirements concerning utility consumption, including, without limitation, Section 25402.10 of the Public Resources Code of California. Landlord shall have the right at any time and from time to time during the Term to either continue to contract with the existing provider of any utility or trash service for the Premises or to contract with an alternate third party, as designated by Landlord, to provide such services. Tenant shall be responsible for the payment of all sewer and/or other utility connections, impact and/or hook-up fees for sewer and other utilities services supplied to the Premises and any other charges imposed in connection with the commencement of said services. If Landlord elects to furnish any utility services to the Premises, Tenant shall purchase its requirements thereof from Landlord so long as the rates charged by Landlord are competitive with those offered directly by the local public utility. In the event that any utilities or services are furnished by Landlord, whether sub-metered or otherwise, then and in that event Tenant shall pay Landlord for such utilities or services, including a reasonable administrative charge for Landlord's supervision of such utilities or services in a manner similar to the way in which Common Area Expenses are estimated and billed or, alternatively, if determined by Landlord in its reasonable discretion, Tenant shall pay a third party designated by Landlord for such utilities or services. Regardless of the entity which supplies any of the utility services, Landlord shall not be liable in damages for any failure or interruption of any utility or service. No failure or interruption of any utility or service shall entitle Tenant to terminate this Lease or discontinue making payments of Base Rent or Additional Rent.

11. MECHANIC'S LIENS. Tenant shall keep the Premises and the Shopping Center free and clear of all mechanic's liens, stop notices, demands and claims arising from work done by or for

Tenant or for persons claiming under Tenant, and Tenant shall defend, indemnify and hold Landlord harmless from and against any Claims arising from or relating to the same. If Tenant fails to remove or satisfy any mechanic's lien, stop notice or claim in connection with work performed by or on behalf of Tenant within five (5) days after written notice by Landlord, Landlord shall have the right (but not the obligation), in addition to any other rights or remedies of Landlord, to use whatever means in its discretion it may deem appropriate to cause said claim, stop notice, or lien to be rescinded, discharged, compromised, dismissed or removed, including, without limitation, posting a bond. Any such sums paid by Landlord, including attorneys' fees and bond premiums, shall be immediately due and payable to Landlord by Tenant. Tenant shall immediately give Landlord notice of any claim, demand, stop notice or lien made or filed against the Premises or the Shopping Center and/or any action affecting title to the Premises or Shopping Center.

12. ASSIGNMENT AND SUBLETTING.

12.1. Landlord's Right of Consent. Tenant shall not transfer, assign, sublet, enter into any franchise, license or concession agreements, change ownership or voting control, mortgage, encumber, pledge or hypothecate all or any part of this Lease, Tenant's interest in the Premises or Tenant's business (collectively "**Transfer**") without first obtaining Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed except that Landlord's consent to a proposed mortgage, encumbrance, pledge or hypothecation of this Lease or Tenant's interest in the Premises may be granted or withheld in Landlord's sole and absolute discretion. Without limiting the circumstances in which it may be reasonable for Landlord to withhold its consent to a Transfer, Landlord and Tenant agree that it would be reasonable for Landlord to withhold its consent in the following instances: (a) the proposed transferee is a governmental agency; (b) in Landlord's reasonable judgment, the use of the Premises by the proposed transferee would (i) entail any alterations which would lessen the value of the leasehold improvements in the Premises, (ii) require increased services by Landlord, (iii) result in increased risk of liability to Landlord from the operation of the proposed transferee's business, (iv) violate any applicable laws or any negative covenant as to use contained in any other lease of space in the Shopping Center, or (v) be incompatible with the then tenant mix in the Shopping Center; (c) in Landlord's reasonable judgment, the financial worth of the proposed transferee is insufficient to cover the monetary obligations of the Lease; (d) in Landlord's reasonable judgment, the proposed transferee does not have a good reputation as a tenant of property; (e) Landlord has experienced previous defaults by or is in litigation with the proposed transferee; (f) the proposed transferee is a tenant in the Shopping Center or is a person or entity with whom Landlord is negotiating for other space in the Shopping Center; (g) Tenant is in default of any obligation of Tenant under this Lease (after receipt of notice and the expiration of the applicable cure period); or (h) in the case of a sublease of less than the entire Premises, the Sublease would result in the division of the Premises into more than two separately demised subleased premises. Should Tenant desire to make a Transfer hereunder, Tenant shall give Landlord thirty (30) days prior written notice thereof ("**Tenant's Notice of Intent to Transfer** "), which (i) shall state that Tenant intends to Transfer the Lease as of a specific date (the "**Transfer Date**"); (ii) shall identify the proposed transferee; (iii) shall set forth all material terms and conditions of the proposed Transfer; and (iv) shall be accompanied by certified financial statements of the proposed transferee for the three (3) fiscal years immediately preceding such proposed Transfer or such other documentation or information relating to the financial strength and credit

worthiness of the proposed transferee as may be reasonably acceptable to the Landlord. Tenant shall pay a fee to Landlord of One Thousand Five Hundred Dollars ($1,500.00) for the administrative costs of processing any proposed Transfer, plus any attorneys' fees incurred by Landlord, whether or not the proposed Transfer is consummated, said fee to be increased proportionately to, and at the same time as, increases in Base Rent hereunder. If Tenant shall enter into a Transfer hereunder (other than a Permitted Transfer, as defined below), Tenant shall pay to Landlord fifty percent (50%) of any transfer premium (as hereinafter defined). For the avoidance of doubt, no transfer premium shall be payable by Tenant to Landlord regarding a Permitted Transfer. If the Transfer is a subletting, license or concession of any portion of the Premises, "**transfer premium**" shall mean all Rent, Additional Rent or other consideration payable by such subtenant, licensee or concessionaire to Tenant or on behalf of Tenant in connection with the subletting, license or concession in excess of the Rent, Additional Rent and other sums payable by Tenant under this Lease during the term of the sublease, license or concession on a per square foot basis if less than all of the Premises are subleased, licensed or subject to a concession agreement, less the reasonable costs actually incurred by Tenant to secure the sublease, license or concession. In the event of any Transfer other than a subletting, license or concession, "**transfer premium**" shall mean any consideration paid by the transferee to Tenant in connection with such Transfer which Landlord reasonably determines is allocable to the leasehold value of this Lease, less the reasonable costs actually incurred by Tenant to secure the Transfer. If part of the transfer premium shall be payable by the transferee other than in cash, then Landlord's share of such non-cash consideration shall be in such form as is reasonably satisfactory to Landlord. Any Transfer other than as permitted in this Section 12.1 shall be null and void. Notwithstanding the above, acceptance of any payment of rent and other charges by Landlord from any party other than Tenant named herein shall not be deemed a consent to a Transfer or a waiver of any of Landlord's rights in connection with any proposed Transfer hereunder. If Landlord withholds or conditions its consent to a proposed Transfer and Tenant believes that Landlord did so contrary to the terms of this Lease, Tenant's sole remedy shall be to prosecute an action for declaratory relief to determine if Landlord properly withheld or conditioned its consent, and Tenant hereby waives all other remedies.

Notwithstanding any contrary provision of this Article 12, Tenant shall not be required to pay a transfer premium to Landlord with respect to (i) a Permitted Transfer in accordance with the terms of Section 12.4 below or (ii) an assignment of this Lease to Tenant's parent corporation or to a franchisee of Tenant, provided that any franchisee (a) has been approved by Landlord in accordance with the terms of this Section 12.1, (b) has satisfied all of Tenant's or Tenant's parent corporation's franchising requirements, and (c) will continue to operate the Premises as a typical Yoshiharu Ramen restaurant.

12.2. Reserved.

12.3. No Release of Tenant. Should Tenant make a Transfer as permitted in this Section, Tenant shall nevertheless remain primarily liable to Landlord for full payment of the Rent and other charges and full performance of Tenant's other obligations under this Lease. No consent by Landlord to any modification, amendment or termination of this Lease, or extension, waiver or modification of payment or performance of any obligation under this Lease, shall affect the continuing liability of Tenant for its obligations and liabilities hereunder, and Tenant waives any defense arising out of or based thereon. With respect to any Transfer permitted in this

Section, such Transfer shall not be valid or effective unless and until Tenant delivers to Landlord a copy of a written agreement in form and substance satisfactory to Landlord pursuant to which, in the case of an assignment, the assignee assumes all of the obligations and liabilities of Tenant under this Lease and, in the case of any other Transfer, the transferee agrees that such Transfer shall be subject to all of the covenants, terms and conditions of this Lease.

12.4. Permitted Transfer. Notwithstanding any contrary provision of this Lease, subject to the provisions of this Section 12.4, Tenant, without Landlord's consent, may assign this Lease as part of the transfer of Tenant's stock on a nationally recognized stock exchange such as NYSE or NASDAQ provided that all assets related to the Yoshiharu Ramen chain and/or any other similar restaurants owned and/or controlled by James Chae are transferred in such stock offering. Any such Transfer may be referred to as a "**Permitted Transfer**" and the assignee may be referred to as a "**Permitted Transferee**." Tenant shall provide Landlord with the assignment of this Lease (reasonably satisfactory to Landlord) documenting that the Permitted Transferee has assumed all of Tenant's obligations under this Lease, and in no event shall Tenant be released from liability under this Lease as a result of a Permitted Transfer.

13. DEFAULTS, REMEDIES.

13.1. Tenant's Default. Tenant shall be in default in the event of any of the following: (i) if Tenant fails to make any payment of Rent, including Additional Rent or any other sum or amount payable hereunder and such failure shall continue for three (3) days after written notice by Landlord; (ii) if Tenant fails to deliver a completed Estoppel Certificate to Landlord within the ten (10) day period set forth in Section 24.1, any financial statement within the ten (10) day period set forth in Section 24.2 below or any document or instrument required under Article 27 within the ten (10) day period specified therein, (iii) if Tenant fails to perform any other obligation to be performed by Tenant hereunder and such failure shall continue for ten (10) days after written notice by Landlord; provided, however, if the nature of such default is such that the same cannot reasonably be cured within a ten (10)-day period, then Tenant shall not be deemed to be in default if it shall commence such cure within such ten (10) day period and thereafter rectify and cure such default with due diligence; (iv) if Tenant abandons or vacates the Premises; (v) if Tenant files a petition or institutes any proceedings under the Bankruptcy Code, or if any such proceeding or similar kind or character be filed against Tenant; or (vi) if Tenant is in monetary default three (3) times in any twelve (12) month period. Any notice given by Landlord pursuant to clauses (i) or (ii) of this Section shall be in lieu of and not in addition to, any notice required under of the California Code of Civil Procedure Section 1161 of or any similar, superseding statute. When this Lease requires service of a notice, that notice shall replace rather than supplement any equivalent or similar statutory notice, including any notices required by California Code of Civil Procedure section 1161 or any similar or successor statute. When a statute requires service of a notice in a particular manner, service of that notice (or a similar notice required by this Lease) in the manner required by this Lease shall replace and satisfy the statutory service-of-notice procedures, including those required by California Code of Civil Procedure Section 1162 or any similar or successor statute. Landlord's acceptance, either before or after issuance of any notice of default (including without limitation any notice required under California Code of Civil Procedure Section 1161 or any similar or successor statute), of any partial payment of the rent due hereunder shall not, pursuant Section 1161.1(c) of the California Code of Civil Procedure, constitute a waiver of any of Landlord's rights, specifically and without

limitation Landlord's right to pursue an unlawful detainer action. Instead, acceptance of any partial payment of the rent shall serve as evidence of that payment only.

13.2. Remedies in Default.

13.2.1. In the event of a default by Tenant, Landlord, in addition to any other remedies available to it at law or in equity, including injunction, at its option, without further notice or demand of any kind to Tenant or any other person, may: (i) terminate this Lease and Tenant's right to possession of the Premises and recover possession of the Premises and remove all persons therefrom; (ii) have the remedies described in California Civil Code Section 1951.4 (Landlord may continue the Lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations); or (iii) even though it may have re-entered the Premises, thereafter elect to terminate this Lease and all of the rights of Tenant in or to the Premises.

13.2.2. Tenant's right to possession shall not be deemed to have been terminated by efforts of Landlord to relet the Premises, by its acts of maintenance or preservation with respect to the Premises, including its entry upon the Premises, appointment of a receiver to protect Landlord's interests hereunder, or by any action, in unlawful detainer or otherwise, to obtain possession of the Premises, unless Landlord shall have notified Tenant in writing that Landlord has so elected to terminate this Lease. Tenant covenants that the service by Landlord of any notice pursuant to the unlawful detainer statutes of the State of California and the surrender of possession pursuant to such notice shall not be deemed to be a termination of this Lease. In the event of any entry or taking possession of the Premises as aforesaid, Landlord shall have the right, but not the obligation, to: (i) remove therefrom all or any part of the personal property located therein and place the same in storage at the expense and risk of Tenant and/or (ii) erect a barricade and partition the Premises at the expense of Tenant.

13.2.3. Should Landlord elect to terminate this Lease pursuant to the provisions of Section 13.2.1(i) or 13.2.1(iii) above, Landlord may recover from Tenant as damages, the following: (i) the worth at the time of the award of any unpaid rent and other charges which had been earned at the time of termination; plus (ii) the worth at the time of the award of the amount by which the unpaid rent and other charges which would have been earned after termination until the time of the award exceeds the amount of the loss of such rent and other charges that Tenant proves could have been reasonably avoided; plus (iii) the worth at the time of the award of the amount by which the unpaid rent and other charges for the balance of the Lease Term after the time of the award exceeds the amount of the loss of such rent and other charges that Tenant proves could have been reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all of the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom. Tenant hereby waives any and all rights conferred by Section 3275 of the Civil Code of California and by Sections 1174(c) and 1179 of the Code of Civil Procedure of California and any and all other laws and rules of law from time to time in effect during the Lease Term providing that Tenant shall have any right to redeem, reinstate or restore this Lease following its termination by reason of Tenant's breach.

13.2.4. As used in Section 13.2.3(i) and 13.2.3(ii) above, the "worth at the time of the award" shall be computed by allowing interest at the interest rate specified in Article 19. As used in Section 13.2.3(iii) above, the "worth at the time of the award" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%). All sums, other than Base Rent, shall, for the purpose of calculating any amount due under the provisions of Section 13.2.3(iii) above, be computed on the basis of the average monthly amount accruing during the immediately preceding sixty (60) month period, except that if it becomes necessary to compute these sums before the sixty (60) month period has occurred, then these sums shall be computed on the basis of the average monthly amount accruing during the shorter period.

13.2.5. In addition to the foregoing rights and remedies, Landlord shall have the right, but not the obligation, without further notice to Tenant, to incur any expense necessary to perform the obligations of Tenant which Tenant has failed to perform or to otherwise cure Tenant's default, and Tenant shall pay to Landlord the cost thereof, plus an administration fee of fifteen percent (15%) of such cost, upon written demand by Landlord. Additionally, Landlord shall have the right to remedy any default of an emergency nature, in the event Tenant fails to commence to cure any default creating an emergency situation promptly upon being given notice which is reasonable under the circumstances, and Landlord shall have the right to remedy such a default without notice (if the giving of notice is not reasonably practicable) in the event of an emergency. Tenant shall pay to Landlord the cost thereof, plus an administration fee of fifteen percent (15%) of such cost, upon written demand by Landlord. Landlord's right to perform Tenant's obligations pursuant to this Section shall not be deemed to: (i) impose any obligation on Landlord to do so; (ii) render Landlord liable to Tenant or any third party for an election not to do so; (iii) relieve Tenant from any performance obligation hereunder; (iv) relieve Tenant from any indemnity obligation as provided in this Lease; or (v) cure Tenant's default or limit in any manner any of Landlord's rights and remedies under this Lease including, without limitation, Landlord's right to terminate this Lease due to such default by Tenant (after receipt of notice and the expiration of the applicable cure period).

13.2.6. The parties acknowledge that in order to protect the mix of tenants within the Shopping Center and to provide the sales volume anticipated from Tenant's business operations within the Premises, the purpose for which Tenant may use the Premises have been specifically limited by the provisions of Article 8 hereof, and that the economics of this Lease, particularly with respect to the agreed upon Minimum Rent and Additional Rent, were established on the basis of Tenant's expected business operations for the Permitted Use under the Trade Name set forth in the Lease Summary. Anything in this Lease to the contrary notwithstanding, if Tenant becomes subject to voluntary or involuntary proceedings under the United States Bankruptcy Code (the "Bankruptcy Code") and Tenant or any trustee, receiver or other custodian of Tenant or of its assets or properties shall assign this Lease, any and all amounts paid or to be paid by or for the account of the assignee in consideration of such assignment shall be and remain the property of Landlord, and any and all such amounts received by Tenant or such trustee, receiver or custodian shall be held in trust for Landlord and remitted to Landlord promptly after receipt thereof. If Landlord is not permitted to terminate this Lease because of the provisions of the Bankruptcy Code, Tenant agrees, as a debtor in possession or any trustee for Tenant, within fifteen (15) days after Landlord's request to the Bankruptcy Court, to assume or reject this Lease. Tenant, on behalf of itself and any trustee, agrees not to seek or

request an extension or adjournment of the application to assume or reject this Lease. In no event after the assumption of this Lease shall an existing default remain uncured for a period more than the earlier of ten (10) days or the time period specified in this Lease. If a filing of a petition under the Bankruptcy Code occurs, Landlord shall not have an obligation to provide Tenant with services or utilities unless Tenant has paid and is current in all payments of rental and Additional Rent.

13.3. Default by Landlord. Landlord's failure to perform any of the terms, covenants, conditions, agreements, or provisions of this Lease required to be done by Landlord, within thirty (30) days after written notice by Tenant to Landlord of said failure shall be deemed a default by Landlord (except that when the nature of the Landlord's obligation is such that more than thirty (30) days are reasonably required for its performance, then Landlord shall not be deemed in default if it commences performance within the thirty (30) day period and thereafter diligently pursues the cure to completion). If any part of the Premises are at any time subject to a mortgage or deed of trust, and this Lease or the rentals due from Tenant hereunder are assigned by Landlord to a mortgagee, trustee or beneficiary ("**Lienholder**" for purposes of this Section only) and Tenant is given written notice of the assignment including the post office address of Lienholder, then Tenant shall also give written notice of any default by Landlord to the Lienholder, specifying the default in reasonable detail and affording the Lienholder a reasonable opportunity to make performance for and on behalf of Landlord. If and when the Lienholder has made performance on behalf of Landlord, the default shall be deemed cured. In no event shall Tenant have the right to terminate this Lease as a result of Landlord's default unless Tenant is unable to operate its business in the Premises for a period of thirty (30) consecutive days as a result of Landlord's default. In no event shall Landlord be liable for any indirect, special or consequential damages or any injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring, and in no event shall Tenant be entitled to deduct any sums from Rent. Tenant's remedies shall be limited to: (i) an action at law for costs incurred by Tenant to correct a Landlord default, (ii) an injunction or restraining order to stop or prevent Landlord from violating Tenant's rights under this Lease, or (iii) an action at law to terminate this Lease. Nothing herein contained shall be interpreted to mean that Landlord excuses Tenant from the payment of Rent due hereunder as a result of any default by Landlord.

14. DESTRUCTION.

14.1. Landlord's Option to Terminate. In the event of: (a) damage to the Premises or Shopping Center caused by an uninsured casualty; (b) a casualty causing damage to the Premises or Shopping Center which cannot be repaired within one hundred twenty (120) days from the date of damage or destruction under the laws and regulations of the Governmental Authorities (as defined in Section 17.1 below) with jurisdiction; or (c) a casualty occurring during the last two (2) years of the Lease Term, Landlord may terminate this Lease following the date of the damage upon written notice to Tenant following the casualty.

14.2. Repairs; Rental Abatement. In the event of an insured casualty which may be repaired within one hundred twenty (120) days from the date of the damage, or, in the alternative, in the event Landlord does not elect to terminate this Lease under the terms of

Section 14.1 above, then this Lease shall continue in full force and effect and the Premises shall be reconstructed with the obligations of the parties being as set forth in Section 14.3. Such partial destruction shall in no way annul or void this Lease, except that Tenant shall be entitled to a proportionate reduction of Base Rent following the casualty until such time as Landlord's required restoration work in the Premises is substantially completed. Such reduction shall be an amount that reflects the degree of interference with Tenant's business. So long as Tenant conducts its business in the Premises, there shall be no abatement until the parties agree on the amount thereof. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises or the Building of which the Premises are a part, Tenant's Personal Property or any inconvenience or annoyance occasioned by such damage, repair, reconstruction or restoration.

14.3. Limitation on Repairs. In the event of any reconstruction of the Premises under this Article 14, Landlord's obligation to reconstruct the Premises shall be to the extent reasonably practicable and to the extent of available proceeds, to restore the Premises to the condition in which they were delivered to Tenant. Landlord's repair obligations shall in no way include any construction obligations originally imposed on Tenant or subsequently undertaken by Tenant.

14.4. Waiver of Tenant's Rights of Termination. Tenant hereby waives all statutory or common-law rights of termination in respect to any partial destruction or casualty, which Landlord is obligated to repair or may elect to repair under the terms of this Article, including without limitation, the provisions of California Civil Code Sections 1932(2) and 1933(4) and any present or future laws or case decisions to the same effect.

14.5. Shopping Center Damage. In the event that the Shopping Center is destroyed to the extent of not less than thirty-three and one-third percent (33 1/3%) of the replacement cost thereof, Landlord may elect to terminate this Lease, whether the Premises be injured or not, in the same manner as in Section 14.1 above. In all events, a total destruction of the Shopping Center or the Premises shall, at Landlord's option, terminate this Lease.

15. CONDEMNATION.

15.1. Taking. If any portion of the Building or the Common Area shall be taken under any right of eminent domain, or any transfer in lieu thereof and such taking renders the Premises unsuitable, in the reasonable judgment of Landlord, for Tenant's business operations, then Tenant or Landlord may terminate this Lease by giving written notice to the other within twenty (20) days after such taking. If this Lease is not so terminated, Landlord shall repair and restore the Building and/or the Shopping Center, as the case may be, as practicable (but shall not be required to expend more than the amount of the award received by Landlord for such purpose) and this Lease shall continue in full force and effect, but commencing with the date on which Tenant is deprived of the use of any portion of the Premises, the Base Rent shall be proportionately abated to the extent to which Tenant's use of the Premises is impaired, as reasonably determined by Landlord.

15.2. Award. Any and all awards payable by the condemning authority or other governmental agency in connection with a taking under the right of eminent domain shall be the

sole property of Landlord. Tenant hereby waives the provisions of any law (including, without limitation, California Code of Civil Procedure Section 1265.130) allowing Tenant to terminate this Lease in the event of a condemnation of the Premises or Shopping Center.

16. ADVERTISING, SIGNS AND DISPLAYS. Tenant shall not erect or install in, upon or about the Premises any exterior or interior signs or advertising media, or window or door lettering or placards, without Landlord's consent which may be withheld in Landlord's reasonable and absolute discretion. All such signs shall comply with all applicable laws, ordinances, rules and regulations and the Tenant Sign Criteria attached hereto as **Exhibit D** and shall be maintained by Tenant in first-class condition and state of repair. Tenant acknowledges that Tenant received and reviewed a copy of the Tenant Sign Criteria before the Effective Date. Tenant shall not use any advertising media that can be heard or seen outside the Premises, such as loudspeakers, phonographs or radio broadcasts. Upon expiration of this Lease, Tenant shall promptly remove all signs installed hereunder, "cap-off" the electrical wiring thereto and repair all damage caused thereby.

17. COMPLIANCE WITH LAWS.

17.1. Laws Generally. Tenant, at its sole cost and expense, shall comply with all existing and future laws, ordinances, orders, rules, regulations and requirements of all governmental and quasi-governmental authorities with jurisdiction ("**Governmental Authorities**"), including the Americans With Disabilities Act ("**ADA**" and collectively, "**Applicable Laws**") having jurisdiction over the Premises and shall perform all work required to comply therewith, including, without limitation, any such Alterations or other work required to comply with Applicable Laws with respect to the Common Area to the extent arising from, triggered by, or relating to use of the Premises by Tenant or any of the Tenant Parties, Tenant's Work, any Alterations by Tenant or any of the Tenant Parties, or Tenant's Personal Property. Any such Alterations or other work to be performed by Tenant shall be subject to terms and conditions of Section 9.4. If any such work would involve changes to the Common Area or the structure, exterior or mechanical, electrical or plumbing systems of the Building, then Landlord shall have the right, but not the obligation to perform such work, and Tenant shall reimburse Landlord the cost thereof within ten (10) days after receipt of billing.

17.2. Compliance with Environmental Laws.

17.2.1. Tenant shall not cause or permit any hazardous or toxic materials or substances ("**Hazardous Material**") including, without limitation, asbestos, to be brought upon, stored, used, handled, transported, generated, released or disposed of, on, in, under or about the Premises, the Common Areas or any portion of the Shopping Center by Tenant, any assignee, subtenant, licensee or concessionaire of Tenant or any of their respective agents, employees, contractors or invitees (collectively, "**Tenant Parties**"); provided Tenant shall have the right to maintain upon the Premises such Hazardous Materials as are reasonably necessary for the conduct of Tenant's business and the proper maintenance of the Premises as long as such Hazardous Materials are used and stored in compliance with Applicable Laws. At all times and in all respects, Tenant and the other Tenant Parties shall comply with Applicable Laws relating to Hazardous Materials.

17.2.2. Tenant shall immediately notify Landlord in writing of (i) any enforcement, clean-up, removal or other governmental or regulatory action instituted, completed or threatened pursuant to any Hazardous Materials Requirements; (ii) any claim made or threatened by any person against Tenant, any of the Tenant Parties, or the Premises including, without limitation, any buildings located thereon, relating to damage, contribution, cost recovery compensation, loss or injury resulting from or claimed to result from any Hazardous Materials; and (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Premises, including any complaints, notices, warnings or asserted violations in connection therewith. Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) business days after any Tenant Party first receives or sends the same, copies of all claims, reports, complaints, notices, warnings or asserted violations, relating in any way to the Premises or Tenant's or any Tenant Party's use thereof.

17.2.3. If at any time during or after the Lease Term, Hazardous Materials are found to exist in or on the Premises (including the soils and underground water) or to have contaminated the soils, air or underground water of the Premises, then Tenant, at its sole cost and expense, shall: (i) promptly remove such Hazardous Materials; and (ii) take all such remedial action required by Applicable Laws. (collectively, "**Remedial Work**") All Remedial Work by Tenant shall be conducted (a) in a diligent and timely fashion by licensed contractors acting under the supervision of a consulting environmental engineer, (b) pursuant to a detailed written plan for the Remedial Work approved by Landlord and any applicable Authorities; (c) with such insurance coverage pertaining to liabilities arising out of the Remedial Work as is then customarily maintained with respect to such activities; and (d) only following receipt of any required permits, licenses or approvals. The selection of the contractors and consulting environmental engineer to perform and supervise the Remedial Work, the contracts entered into with such parties, any disclosures to or agreements with any public or private agencies or parties relating to Remedial Work and the written plan for the Remedial Work (and any changes thereto) each shall, be subject to Landlord's prior written approval. In addition, Tenant shall submit to Landlord, promptly upon receipt or preparation, copies of any and all reports, studies, analyses, correspondence, governmental comments or approvals, proposed Remedial Work contracts and similar information prepared or received by Tenant in connection with any Remedial Work. Notwithstanding the foregoing, Landlord shall have the right, but not the obligation, to perform or cause to be performed the Remedial Work at Tenant's sole cost and expense; provided, however, Landlord shall perform the Remedial Work, at its sole cost and expense, if Tenant can prove that the Hazardous Materials were present in or on the Premises before the date of this Lease and that such removal and/or remediation was not necessitated by any work or any other activity performed by Tenant. Landlord shall take commercially reasonable measures to minimize any interference with or interruption of Tenant's business operations in the Premises in exercising its rights in this Section 17.2.3

17.2.4. Tenant shall indemnify, defend, protect and hold Landlord and each of its partners, employees, agents, attorneys, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, losses and expenses (including attorneys' fees), arising from or caused in whole or in part, directly or indirectly, by the failure of Tenant or any Tenant Party failure to comply with the terms of this Section, or the use, analysis, storage, transportation, disposal, release, threatened release, discharge or generation by Tenant or

any Tenant Party of Hazardous Materials to, in, on, under, about or from the Premises or any portion of the Shopping Center including, without limitation, any buildings located thereon. The terms of the indemnification by Tenant set forth in this Section shall survive the expiration or earlier termination of this Lease.

17.3. Accessibility Disclosures. In compliance with its disclosure obligations under Section 1938 of the California Civil Code, Landlord hereby Tenant notifies Tenant that, as of the Effective Date, the Premises have not been inspected by a Certified Access Specialist (as referred to in Section 1938 of the California Civil Code). As such, Landlord hereby advises Tenant as follows:

> "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises."

If Tenant elects to have a Certified Access Specialist ("**CASp**") inspect the Premises, then Tenant shall: (a) provide Landlord with prior written notice of such election and mutually agree with Landlord on the arrangements for the time and manner of the CASp inspection, (b) promptly give Landlord a copy of the resulting report (the "**CASp Report**") upon receipt, (c) be responsible, at its sole cost and expense, for the cost of the CASp Report and for completing any repairs or modifications that are necessary to correct violations of construction-related accessibility standards noted in the CASp Report and any additional work necessitated thereby (all of which Tenant shall complete as expeditiously as possible following the issuance of the CASp Report and in compliance with this Lease, including without limitation Section 9 ("**Maintenance, Repairs, Alterations**"), unless Landlord elects at its option to perform such work at Tenant's expense), and (d) not disclose and cause its partners, members, officers, directors, managers, shareholders, employees, agents, brokers and attorneys to not disclose the CASp Report to any person other than Landlord (and except as necessary for Tenant to complete the repairs and corrections of violations noted in the CASp Report) without first obtaining the prior written consent of Landlord. Tenant's obligation to indemnify Landlord and related parties under Section 7.6 shall apply equally to Claims arising out of any CASp investigation initiated by Tenant, including as a result of any violations discovered thereby.

18. HOLDING OVER.

18.1. With Landlord's Consent. If Tenant, with Landlord's consent, remains in possession of the Premises after the expiration or sooner termination of the Lease, such possession by Tenant shall be deemed to be a month-to-month tenancy, terminable on thirty (30) days prior written notice given at any time by either party. All provisions of this Lease shall apply to the month-to-month tenancy, except those specifying the Lease Term, options to extend

and Base Rent, which shall be one hundred fifty percent (150%) of the Base Rent paid in the month immediately preceding the month-to-month tenancy.

18.2. Without Landlord's Consent. If Tenant, without Landlord's consent, remains in possession of the Premises after the expiration of the Lease Term or sooner termination of the Lease, (a) such possession by Tenant shall be deemed a tenancy at sufferance only and not a renewal of this Lease or an extension of the Lease Term, (b) monthly installments of Base Rent and Additional Rent shall be payable in an amount equal to two (2) times the Base Rent and Additional Rent in effect as of the last full calendar month of the Lease Term (not taking into consideration any Rent abatement to which Tenant might have been entitled for such month), and each shall be due and payable at the times specified therefor in this Lease, and (c) such tenancy shall be subject to every other term, covenant and agreement contained herein other than any provisions for rent concessions, Landlord's Work, or optional rights of Tenant requiring Tenant to exercise the same by written notice (such as any options to extend the Lease Term). Nothing contained in this Section 18.2 shall be construed as a consent by Landlord to any holding over by Tenant, or limit any of Landlord's rights and remedies incident to a holding over under this Lease, at law or in equity.

19. LATE CHARGE AND INTEREST.

19.1. Late Charge. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of rent or other sum due from Tenant shall not be received by Landlord's designee on the date such rent or other sums are due Landlord, Tenant shall pay to Landlord a late charge equal to the lesser of ten percent (10%) of such overdue amount or the maximum amount allowed by usury law. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. In addition, Tenant shall pay to Landlord any attorney fees and expenses incurred by Landlord by reason of Tenant's failure to pay rent and/or other charges when due hereunder.

19.2. Interest. Any sum due and payable to Landlord under the terms of this Lease which is not paid when due shall bear interest from the date when the same becomes due and payable by the provisions hereof until paid at a per annum interest rate equal to the maximum rate allowed by applicable usury law.

20. QUIET ENJOYMENT. So long as Tenant is not in default hereunder (after receipt of notice and the expiration of the applicable cure period), then, subject to the other terms and conditions of this Lease, Tenant shall not incur any manner of hindrance or interference with its quiet enjoyment, possession and use from Landlord.

21. RIGHT OF ENTRY. Landlord and its authorized representatives shall have the right to enter the Premises at all reasonable times upon reasonable prior notice without diminution or abatement of Rent. Landlord and Tenant shall coordinate such entry with Tenant's on-site management so as to minimize interference with Tenant's business operations (except in a case of emergency): (a) to examine the Premises; (b) to perform any obligation or exercise any right

or remedy of Landlord under this Lease; (c) to make repairs, alterations, improvements or additions to the Premises or to other portions of the Shopping Center as Landlord deems necessary or desirable; (d) to cure any Tenant failure to perform (after Landlord has provided Tenant notice and an opportunity to cure such default pursuant to Article 14); (e) to perform work necessary to comply with laws, ordinances, rules or regulations of any public authority or of any insurance underwriter; (f) to perform work that Landlord deems necessary to prevent waste or deterioration in connection with the Premises should Tenant fail to commence such repairs or, after commencing same, fail to diligently pursue such repairs to completion within three (3) days after written demand by Landlord; and (g) to show the Premises to prospective purchasers, tenants and/or occupants. In exercising its right of entry herein provided, Landlord shall not materially and unreasonably interfere with the operation of Tenant's business on the Premises. During the last ninety (90) days of the Lease Term, Landlord shall have the right to show the Premises to prospective tenants upon reasonable notice to Tenant and Landlord reserves the right to place a "For Lease" sign on the outside of the Premises.

22. WAIVERS. No delay or omission in the exercise of any right or remedy of Landlord with respect to any default by Tenant (after receipt of notice and the opportunity to cure) shall impair such right or remedy or be construed as a waiver. The receipt and acceptance by Landlord of delinquent Rent or other payments due hereunder shall not constitute a waiver of any other default nor shall Landlord's acceptance, either before or after issuance of any notice of default (including without limitation any notice required under California Code of Civil Procedure Section 1161 or any similar or successor statute), of any partial payment of the rent due hereunder shall not, pursuant Section 1161.1(c) of the California Code of Civil Procedure, constitute a waiver of any of Landlord's rights, specifically and without limitation Landlord's right to pursue an unlawful detainer action. Instead, acceptance of any partial payment of the rent shall serve as evidence of that payment only. Landlord's consent or approval shall not be deemed to render unnecessary the obtaining of Landlord's consent to or approval of any subsequent act by Tenant, whether or not similar to the act so consented to or approved.

23. TRANSFER OF LANDLORD'S INTEREST. If Landlord conveys in a sale, exchange or otherwise all of its interest in the Premises, then Landlord, on consummation of the conveyance, shall thereupon automatically be released from any obligation or liability thereafter accruing under this Lease.

24. ESTOPPEL CERTIFICATES.

24.1. Tenant shall, within ten (10) days after notice from Landlord, execute and deliver to Landlord an Estoppel Certificate, in the form attached hereto as **Exhibit G**, or such other form as Landlord may require. Failure to deliver the certificate within said ten (10) day period shall be a default under this Lease and an acknowledgment that: (i) this Lease is in full force and effect and has not been modified except as represented by Landlord; (ii) there are no uncured defaults in Landlord's performance hereunder; (iii) not more than one (1) month's Base Rent has been paid in advance; and (iv) that there is no security deposit except as represented by Landlord. If Tenant fails to deliver the completed and signed Estoppel Certificate to Landlord within said ten (10) day period, then Landlord may charge Tenant Two Thousand and 00/100 Dollars ($2,000.00) per day as liquidated damages for each day after the expiration of such 10-day period until the Tenant completed and signed Estoppel Certificate is delivered to Landlord.

24.2. If Landlord intends to finance, refinance or sell the Building (whether as part of a sale of the Shopping Center or not), Tenant, within ten (10) days after receipt of Landlord's written request therefor, shall deliver to Landlord or any potential lender or purchaser designated by Landlord such financial statements of Tenant as may be reasonably required by such lender or purchaser, including but not limited to Tenant's financial statements for the past three (3) years. All such financial statements shall be received by Landlord and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

25. ATTORNEY'S FEES. If either party hereto brings an action at law or in equity to enforce, interpret or seek redress for the breach of this Lease, then the prevailing party in such action shall be entitled to recover all court costs, witness fees and reasonable attorneys' fees, at trial, arbitration or on appeal in addition to all other appropriate relief. Such costs shall be recoverable whether or not suit is actually filed or a judgment entered.

26. REAL ESTATE BROKERS; FINDERS. Except for a separate agreement between Landlord and Retail Insite Commercial Real Estate and Yun Law Group, PC (whose commissions shall be paid by Landlord pursuant to a separate agreement), each party represents that it has not had dealings with any real estate broker, finder or other person with respect to this Lease. Each party shall indemnify, defend, protect and hold the other party harmless from and against all claims, costs, demands, action, liabilities, losses and expenses (including the reasonable attorneys' fees of counsel chosen by the other party) arising out of or resulting from any claims that may be asserted against such other party by any broker, finder or other person with whom the party bearing the indemnity obligation has or purportedly has dealt, other than any party referenced in this Article 26.

27. SUBORDINATION AND ATTORNMENT.

27.1. Subordination. This Lease and all of Tenant's rights and interests in the leasehold estate hereunder, shall be subject and subordinate to any mortgages or deeds of trust that now encumber or may hereafter be placed upon the Premises and to the rights of the mortgagees or beneficiaries thereunder, any and all advances made or to be made thereunder, the interest thereon and all modifications, renewals, replacements and extensions thereof. If any such mortgagee or beneficiary so elects in writing, then this Lease shall be superior to the lien of the mortgage or deed of trust held by such mortgagee or beneficiary, whether this Lease is dated or recorded before or after such mortgage or trust deed. Any such mortgagee or beneficiary may make such election by executing and recording in the appropriate office of the county where the Premises are situated, a notice reciting that this Lease shall be superior to the lien of the mortgage or deed of trust of such mortgagee or beneficiary. From and after the recordation of such notice, this Lease shall be superior to the lien of said mortgage or deed of trust and shall not be extinguished by a foreclosure thereof or any sale thereunder. This Section shall be self-operative, and no further instrument of subordination shall be required to effect a subordination hereunder; provided, however, upon request, Tenant shall promptly execute and deliver to Landlord, or any such mortgagee or beneficiary, any documents or instruments required by any of them to evidence subordination of this Lease hereunder or to make this Lease prior to the lien of any mortgage or deed of trust as herein specified. If Tenant fails or refuses to do so within ten (10) days after written request therefor by Landlord or such mortgagee or beneficiary, such failure or refusal shall constitute an event of default hereunder by Tenant, but shall in no way

affect the validity or enforceability of the subordination to or by the mortgage or deed of trust held by such mortgagee or beneficiary.

27.2. Attornment by Tenant. Upon enforcement of any rights or remedies under any mortgage or deed of trust to which this Lease is subordinated, Tenant shall, at the election of the purchaser or transferee under such right or remedy, attorn to and recognize such purchaser or transferee as Tenant's landlord under this Lease. Tenant shall execute and deliver any document or instrument required by such purchaser or transferee confirming the attornment hereunder within ten (10) days after receipt of request therefor.

28. LIMITATION ON LIABILITY. In consideration of the benefits accruing hereunder, Tenant on behalf of itself and all successors and assigns of Tenant covenants and agrees that, in the event of any actual or alleged failure, breach or default hereunder by Landlord: (a) the sole and exclusive remedy shall be against Landlord's interest in the Shopping Center; (b) no partner or member of Landlord shall be sued or named as a party in any suit or action (except as may be necessary to secure jurisdiction of the partnership or limited liability company); (c) no service of process shall be made against any partner or member of Landlord (except as may be necessary to secure jurisdiction of the partnership or limited liability company); (d) no partner or member of Landlord shall be required to answer or otherwise plead to any service of process; (e) no judgment will be taken against any partner or member of Landlord; (f) any judgment taken against any partner or member of Landlord may be vacated and set aside at any time after the fact; (g) no writ of execution will be levied against the assets of any partner or member of Landlord; and (h) the obligations under this Lease do not constitute personal obligations of the individual partners, members, directors, officers or shareholders of Landlord and Tenant shall not seek recourse against individual partners, directors, officers or shareholders of Landlord or any of their personal assets for satisfaction in any liability in respect to this Lease; and (i) these covenants and agreements are enforceable both by Landlord and also by any partner or member of Landlord.

29. NO ACCORD AND SATISFACTION. No payment by Tenant, or receipt by Landlord, of a lesser amount than the rent or other payment herein provided shall be deemed to be other than on account of the earliest rent or other payment due and payable hereunder, nor shall any endorsement or statement on any check, or letter accompanying any check or payment, as rent or other payment be deemed an accord and satisfaction. Landlord may accept any such check or payment without prejudice to Landlord's right to recover the balance of such rent or other payment or pursue any other right or remedy provided in this Lease. Landlord's acceptance, either before or after issuance of any notice of default (including without limitation any notice required under California Code of Civil Procedure Section 1161 or any similar or successor statute), of any partial payment of the rent due hereunder shall not, pursuant to Section 1161.1(c) of the California Code of Civil Procedure, constitute a waiver of any of Landlord's rights, specifically and without limitation Landlord's right to pursue an unlawful detainer action. Instead, acceptance of any partial payment of the rent shall serve as evidence of that payment only.

30. RESERVED.

31. OTHER TENANCIES. Landlord reserves the absolute right to enter into such other tenancies in the Shopping Center as Landlord, in its sole discretion, determines may best promote the Shopping Center. Landlord does not warrant, represent or covenant, expressly or impliedly, that any specific lease or leases now or hereafter in effect between Landlord and any third (3rd) party will be continued in effect for any period of time, or that any other tenant, tenants, owner or occupant, shall continue during the Lease Term to occupy any space in the Shopping Center.

32. NOTICES. Every notice, demand or request (collectively "Notice") required hereunder or by law to be given by either party to the other shall be in writing and shall be served on the parties at the addresses set forth in the Lease Summary or such other address as the party to be served may from time to time designate in a Notice to the other party. Any such Notices shall be sent either by: (a) United States certified or registered mail, postage prepaid, return receipt requested; (b) overnight delivery using a nationally recognized overnight courier, which shall provide evidence of delivery upon sender's request; (c) personal delivery; or (d) facsimile ("fax"), in which case Notice shall be deemed delivered upon receipt of confirmation of transmission of such Notice (provided a follow up Notice is: (i) mailed by certified or registered U.S. Mail, postage prepaid, return receipt requested; (ii) delivered by overnight delivery; or (iii) delivered by personal delivery within one (1) business day thereafter). All notices given in the manner specified herein shall be effective upon the earliest to occur of: (i) actual receipt; (ii) the date of inability to deliver to the intended recipient as evidenced by the U.S. Postal service or courier; or (iii) the date of refusal by the intended recipient to accept delivery as evidenced by the U.S. Postal service or courier.

33. CONFIDENTIALITY. Tenant acknowledges and agrees that the terms of this Lease constitute proprietary information of Landlord, and that disclosure of the terms could adversely affect Landlord's ability to negotiate other leases or impair Landlord's relationships with other tenants. Accordingly, Tenant agrees that it and its partners, officers, directors, employees and attorneys shall not disclose the terms and conditions of this Lease to any other party, either directly or indirectly, without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed.

34. MISCELLANEOUS.

34.1. Cumulative Remedies. No remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now hereafter existing at law or in equity by statute.

34.2. Waiver of Trial by Jury. Landlord and Tenant desire and intend that any disputes arising between them with respect to or in connection with this Lease be subject to expeditious resolution in a court trial without a jury. Therefore, to the extent permitted by law, Landlord and Tenant each hereby waive the right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding or other hearing brought by either Landlord against Tenant or Tenant against Landlord or any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury or damage, or the enforcement of any remedy under any

law, statute, or regulation, emergency or otherwise, now or hereafter in effect. If the foregoing waiver of the right to trial by jury is determined to be unenforceable, then Landlord and Tenant agree that any claim, cause of action, proceeding or other dispute concerning this Lease other than unlawful detainer or any similar possessory actions, including any question of law or fact relating thereto, shall, at the written request of either Landlord or Tenant, be determined by judicial reference pursuant to California Code of Civil Procedure Section 638 et seq. Landlord and Tenant shall select a single neutral referee, who shall be a retired state or federal judge. In the event that Landlord and Tenant cannot agree upon a referee, the court shall appoint the referee. The referee shall report a statement of decision to the court. In his or her statement of decision, the referee shall award all costs, including reasonable attorneys' fees, to the prevailing party, if any, and may order the referee's fees to be paid or shared by the parties in such manner as the referee deems just. Nothing in this paragraph shall limit the right of Landlord at any time to exercise self-help remedies as provided in this Lease, or obtain provisional remedies from the court or judicial referee. The referee shall also determine all issues relating to the applicability, interpretation and enforcement of this paragraph.

34.3. Severability. The unenforceability, invalidity or illegality of any provision of this Lease shall not render the other provisions unenforceable, invalid or illegal.

34.4. Governing Laws. This Lease shall be construed and interpreted in accordance with the laws of the State of California.

34.5. Force Majeure. If by reason of any event of Force Majeure either party to this Lease is prevented, delayed or stopped from performing any act which such party is required to perform under this Lease, the deadline for performance of such act by the party obligated to perform shall be extended for a period of time equal to the period of prevention, delay or stoppage resulting from the Force Majeure event, unless this Lease specifies that Force Majeure is not applicable to the particular obligation. As used in this Lease, the term "Force Majeure" shall include, but not be limited to, fire or other casualty, bad weather, inability to secure materials, strikes or labor disputes (over which the obligated party has no direct or indirect bearing in the resolution thereof, or if said party does have such bearing, said dispute occurs despite said party's good faith efforts to resolve the same), acts of God, acts of the public enemy or other hostile governmental action, civil commotion, governmental restrictions, regulations or controls affecting, and/or other events over which the party obligated to perform (or its contractor or subcontractors) has no control. Force Majeure shall not apply to any payment of any amounts owed by either party to the other.

34.6. Counterparts. This Lease may be executed in multiple counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same instrument.

34.7. Electronic Signature. Landlord and Tenant agree that electronic signatures on this Lease and/or electronic original versions of this Lease and any associated guaranties, acknowledgments and related documents, including without limitation signatures effected through an electronic signature process, documents delivered in PDF or comparable format and delivery of any of the same via electronic mail or comparable manner, shall conclusively have the same effect as actual original signatures and documents. Landlord and Tenant waive any and

all rights to object to the enforceability of this Lease based on the form or delivery of signature or executed documents. The parties shall endeavor in good faith to promptly follow delivery of such electronic signatures or documents with actual original versions of the same provided that failure to do so does not alter the conclusive effectiveness of the electronic versions and is not a default under this Lease.

34.8. Successors and Assigns. Subject to the provisions of Article 12 regarding assignment and subletting, all of the provisions, terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns.

34.9. Relationship. Nothing contained in the Lease shall be deemed or construed by the parties or by any third person to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between Landlord and Tenant.

34.10. Integration; Modification. This Lease contains all of the representations, understandings and agreements of the parties with respect to the demise of the Premises and may not be amended or modified except by a written agreement signed by both parties.

34.11. Time of Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time performance is specified. If Tenant elects to dispute any billing or reconciliation from Landlord, Tenant must do so within one hundred eighty (180) days after Tenant's receipt of such billing or reconciliation or Tenant shall be deemed to have waived all rights to so dispute the same.

34.12. Approvals. Except as expressly provided otherwise herein, all approvals under this Lease, by either Landlord or Tenant, shall be given in a timely manner and shall not be unreasonably withheld.

34.13. Survival of Obligations. All obligations of Tenant accrued as of the date of acceptance or rejection of this Lease due to the bankruptcy of Tenant, and those accrued as of the date of termination or expiration of this Lease for any reason whatsoever, shall survive such acceptance, rejection, termination or expiration.

34.14. Guarantor. At Landlord's option, it shall be a condition precedent to the effectiveness of this Lease, that concurrently with Tenant's delivery to Landlord of executed originals of this Lease, Tenant shall cause the person(s) or entity specified as the "Guarantor" in the Lease Summary to deliver to Landlord an executed original of the Guaranty of Lease in the form attached hereto as Exhibit F.

34.15. Time Periods. If the time period by which any right, option or election provided under this Lease must be exercised, or by which any act required hereunder must be performed, expires on a Saturday, Sunday or legal or bank holiday, then such time period shall be automatically extended through the close of business on the next regularly scheduled business day. The term "**business day**" shall mean any day other than Saturday, Sunday or legal or bank holiday.

34.16. OFAC Certification. Tenant certifies that:

34.16.1. It is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and

34.16.2. It is not engaged in this transaction, directly or indirectly, on behalf of, or instigating or facilitation this transaction, directly or indirectly, on behalf of any such person, group, entity or nation.

Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the respective dates set opposite their signatures below, but the Effective Date shall be as first set forth above in the Lease Summary.

LANDLORD:

Center Pointe LLC.,
a Delaware limited liability company

By:_____
Jonathan Cheng
Manager

TENANT:

Yoshiharu Menifee,
a California corporation,
d.b.a. Yoshiharu Ramen

DocuSigned by:
By: James Chae
3C04C2C53E4B47B
James Chae
Its: President & CEO

EXHIBIT A
SHOPPING CENTER LEGAL DESCRIPTION

THE LAND IS SITUATED IN THE CITY OF MENIFEE, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL ONE: (APN 360-860-001)

PARCEL 1 OF PARCEL MAP NO. 36299-1, IN THE CITY OF MENIFEE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 238, PAGES 88 THROUGH 93, INCLUSIVE OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, AS AMENDED BY THAT CERTAIN CERTIFICATE OF CORRECTION COC 16-001 RECORDED APRIL 26, 2016, AS INSTRUMENT NO. 2016- 0165375 OF OFFICIAL RECORDS.

PARCEL TWO: (APN 360-860-017)

ALL OF PARCEL 2 OF PARCEL MAP NO. 36299-1, IN SECTION 3, TOWNSHIP 6 SOUTH, RANGE 3 WEST, OF THE SAN BERNARDINO BASE AND MERIDIAN, IN THE CITY OF MENIFEE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 238, PAGES 88 THROUGH 93, INCLUSIVE OF PARCEL MAPS, RECORDS OF THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM THAT PORTION OF PARCEL 2 OF SAID PARCEL MAP, HEREINAFTER REFERRED TO AS STRIP #1, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF PARCEL 13 OF PARCEL MAP NO. 36299-1;

THENCE ALONG THE EASTERLY LINE OF SAID PARCEL 2, NORTH 00°43'20" EAST 458.89 FEET;

THENCE LEAVING SAID EASTERLY LINE, NORTH 89°30'17" WEST 115.00

FEET; THENCE SOUTH 00°43'20" WEST 463.24 FEET;

THENCE SOUTH 89°16'40" EAST 18.46 FEET;

THENCE NORTH 58°45'09" EAST 60.12 FEET;

THENCE SOUTH 39°12'05" EAST 47.71 FEET TO A POINT IN THE SOUTHEASTERLY BOUNDARY OF SAID PARCEL 2, SAID POINT ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF
70.00 FEET, A RADIAL BEARING TO SAID POINT BEARS NORTH 39°12'05" WEST;

THENCE NORTHEASTERLY ALONG SAID CURVE AND SOUTHEASTERLY BOUNDARY, THROUGH A CENTRAL ANGLE OF 14°32'42" AND AN ARC LENGTH OF FEET TO THE POINT OF BEGINNING.

THE FOREGOING DESCRIBED PARCEL IS ALSO KNOWN AS PARCEL D OF THAT CERTAIN LOT LINE ADJUSTMENT NO. LLA 17-001 RECORDED IN THE OFFICIAL RECORDS OF RIVERSIDE COUNTY ON FEBRUARY 5, 2018, AS INSTRUMENT NO. 2018-0044407, AND AS RECORDED FEBRUARY 16, 2018, AS INSTRUMENT NO. 2018-
0060635.

APN: 360-860-001 & 017

EXHIBIT B
SITE PLAN

This Exhibit is for reference only and is not a representation as to size, dimension or location of any tenant in the Shopping Center. All buildings, improvements, occupants (if any) and uses (if any) shown on this site plan are subject to modification at Landlord's discretion without notice.

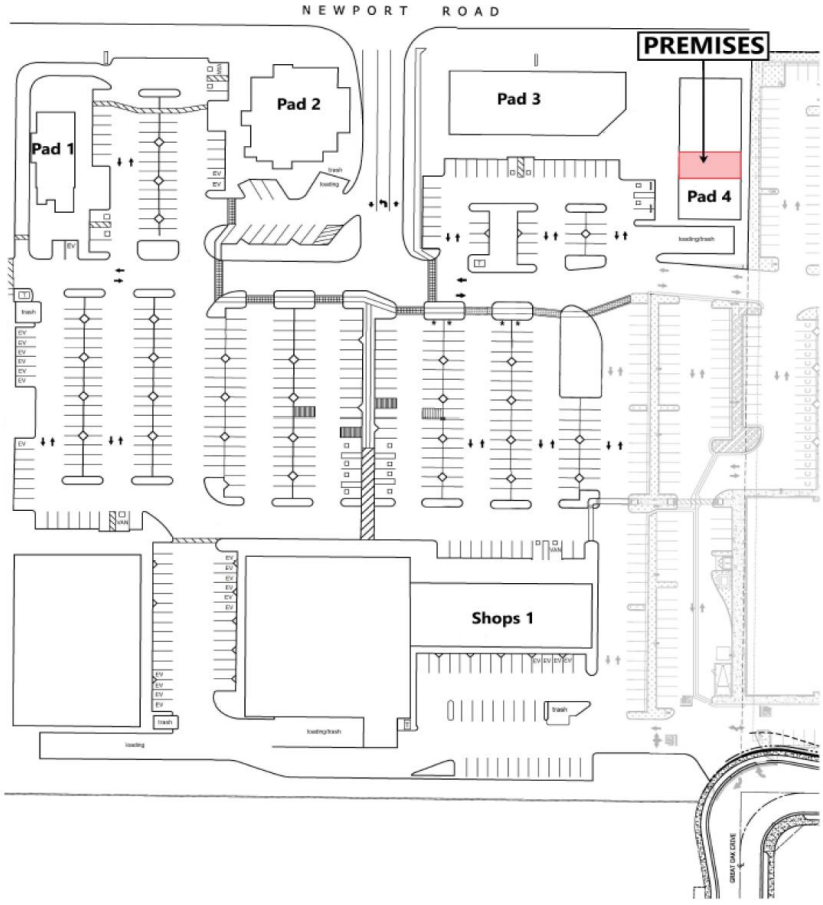


EXHIBIT B-1
PREMISES

This Exhibit is for reference only and is not a representation as to size, dimension or location of any tenant in the Shopping Center. All buildings, improvements, occupants (if any) and uses (if any) shown on this site plan are subject to modification at Landlord's discretion without notice.

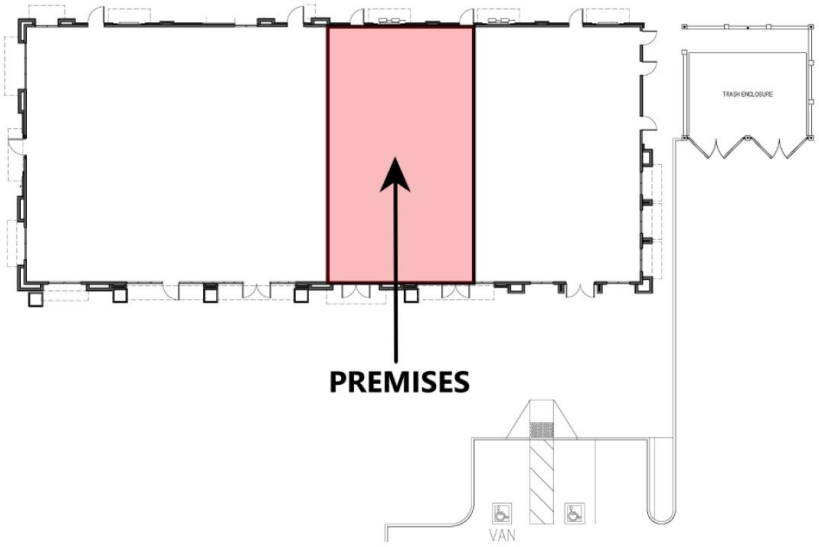


EXHIBIT C
CONSTRUCTION OBLIGATIONS

1. LANDLORD'S WORK

1.1 Landlord's Work Defined. Tenant inspected and is aware of the present condition of the Premises and the Shopping Center prior to the Effective Date. Consequently, Tenant accepts possession of the Premises in its "as is" condition, without representation or warranty by Landlord. Therefore, Landlord has no obligation with respect to construction within or about the Premises or the Shopping Center and there is no so-called "**Landlord's Work**".

Landlord hereby warrants to Tenant that the HVAC system (to the extent installed as of the Effective Date) shall be in good working order and condition as of the Delivery Date.

1.2 Construction Allowance: Notwithstanding anything to the contrary contained in this **Exhibit C** and provided Tenant is not in default under this Lease, Landlord agrees to contribute the Construction Allowance toward the actual cost of improvements to the Premises made by Tenant subject to Tenant submitting receipted invoices from Tenant's contractors to Landlord demonstrating that the Construction Allowance was spent on Tenant improvements. In no event shall any portion of the Construction Allowance be applied to the costs of Tenant's signs, trade fixtures or equipment, merchandise, permit fees, plan review fees and design fees. The Construction Allowance must be used (i.e., Tenant's Work fully complete and the Construction Allowance disbursed) within six (6) months following the Effective Date or shall be deemed forfeited with no further obligation by Landlord with respect thereto. Provided that Tenant is not in default under this Lease, is open for business, has commenced the payment of Base Rent, and there are no liens or claims related to Tenant's Work, Landlord shall pay the Construction Allowance to Tenant within thirty (30) days after the last of the requirements of Section 2.8. of this **Exhibit C** have been satisfied.

2. TENANT'S WORK

2.1 Except for Landlord's Work, Tenant, at Tenant's sole expense, shall be responsible for design, plans, approvals, permits, fees, and construction for all work necessary to conduct Tenant's business in the Premises (including but not limited to demolition, plumbing, concrete slab alterations, electrical power and lighting, natural gas piping and connections, hoods, coolers, HVAC systems, interior framing, drywall, upgrades to occupancy separation walls, interior doors, storefront and exterior door alterations if any, casework, millwork, floor and wall finishes, fixtures, furnishings, equipment, fire sprinkler alterations, life safety systems, fire extinguishers and fire suppression systems, and signage), and such work shall be referred to hereinafter as "Tenant's Work." Tenant shall immediately commence the preparation of plans for Tenant's Work and, upon receipt of Landlord's design approval and permits from governmental agencies, shall diligently prosecute the construction of Tenant's Work to completion.

2.2 Drawings and Specifications. Within thirty (30) days after the later to occur of: (i) the date Landlord delivers Landlord's Plans (as defined above) to Tenant or (ii) the Effective Date, Tenant, at Tenant's expense, shall submit to Landlord three (3) sets of fully detailed

working drawings covering all aspects of Tenant's Work, prepared, stamped and signed by a California licensed Architect (or licensed California Engineer, as appropriate). As soon as practicable after receipt thereof, Landlord shall notify Tenant in writing either that the drawings are: "Approved as Submitted"; "Approved Subject to Comments"; or "Disapproved," with requirements for changes and/or submittal of supplementary information. Within ten (10) days of receipt after such disapproval, Tenant shall submit to Landlord three (3) sets of corrected and/or supplemented drawings for final approval. If approved, Landlord shall return to Tenant one set of drawings, bearing Landlord's written approval; these plans shall be the "**Final Drawings**" for Tenant's Work. If not approved, the foregoing process shall repeat. Landlord's approval of any plans does not guarantee code compliance, efficiency, safety, or accuracy, for which Tenant is solely responsible. Notwithstanding Landlord's review and approval of the Final Drawings, neither Landlord, nor its agents, servants or employees shall have any liability in any respect to any inadequacies, deficiencies, errors or omissions in Final Drawings.

2.3 Signage. As part of Tenant's Work, Tenant shall install on the exterior of the Premises a sign identifying its business of a design and at a location approved by Landlord. All signage shall be reviewed for approval separately, per **Exhibit D** of the Lease, and Tenant shall not construe Landlord's approval of Tenant's construction plans as approval of any signage that may appear in such construction plans. At Landlord's option, Tenant's sign(s) shall be wired to a common area electrical circuit controlled by Landlord's time clock(s) for the Shopping Center.

2.4 Permits and Code Compliance. Tenant shall make timely applications for all governmental approvals and permits necessary for Tenant's Work, including signage, and shall pay for all governmental and utility fees and charges in connection with all of Tenant's Work, including but not limited to plan check fees, planning review fees, building permit fees, and, utility hook-up fees and sewer connection charges for Tenant's specific use. Tenant's Work shall conform to governmental approvals and permits, and all applicable local, State and federal laws, building, health, and safety codes, ordinances, rules, regulations, and standards. Where discrepancies exist among the various regulations and Landlord requirements, the strictest standards shall govern, but changes to the Final Drawings required by governmental agencies shall be subject to Landlord's approval. Tenant shall be solely responsible for obtaining timely inspections and approvals by governing agencies as necessary during construction.

2.5 Insurance. Tenant agrees to indemnify and hold harmless Landlord, and Landlord's partners, employees and agents, from all liability in connection with Tenant's Work. During performance of Tenant's Work and all fixturization and merchandising activities (and during any subsequent repairs, modifications, alterations and/or renovations of the Premises), in addition to other insurance required under this Lease, Tenant shall provide or cause its contractor(s) to provide, insurance as specified in this Section 2.5, and such insurance as may from time to time be required by Applicable Laws and/or Governmental Authorities, together with such other insurance as is reasonably necessary or appropriate under the circumstances. All insurance policies required under this **Exhibit C** shall name Landlord, Landlord's agents and beneficiaries, Landlord's on-site representatives, Landlord's architect and Landlord's general contractor as additional insureds, except for Tenant's Worker's Compensation Insurance which shall contain an endorsement waiving all rights of subrogation against Landlord, Landlord's property management company and personnel and Landlord's architect, engineer, contractors,

agents and beneficiaries. All policies shall provide that Landlord be given thirty (30) days prior written notice of any alteration or termination of coverage.

2.5.1. Worker's Compensation. Tenant shall obtain Worker's Compensation Insurance, as required by state law and Employer's Liability Insurance with limits of not less than Five Hundred Thousand Dollars ($500,000.00) and any other insurance required by any employee benefit acts or other statutes applicable where the work is to be performed as will protect the contractor and subcontractors from any and all liability under the aforementioned acts.

2.5.2. Commercial General Liability Insurance. Tenant shall obtain Commercial General Liability Insurance (including Contractor's Protective Liability) with a combined single limit (bodily injury and property damage) of not less than Two Million Dollars ($2,000,000.00) per occurrence and in the aggregate. Such insurance shall provide for explosion, collapse and underground coverage and contractual liability coverage and shall insure the general contractor and/or subcontractors against any and all claims for personal injury, including death resulting therefrom and damage to the property of others and arising from his operations under the contract, whether such operations are performed by the general contractor, subcontractors or any of their subcontractors, or by anyone directly or indirectly employed by any of them. Such insurance policy shall include (i) a products/completed operations endorsement; (ii) endorsements deleting the employee exclusion on personal injury and the liquor liability exclusion; and (iii) a cross-liability endorsement or a severability of interest clause. Such insurance shall be primary and Landlord's insurance shall be excess insurance only.

2.5.3. Commercial Automobile Liability Insurance. Tenant shall obtain Commercial Automobile Liability Insurance, including the ownership, maintenance and operation of any automotive equipment, owned, hired and non-owned in an amount not less than Two Million Dollars ($2,000,000.00) combined single limit (bodily injury and property damage) per occurrence and in the aggregate. Such insurance shall insure the general contractor and/or subcontractors against any and all claims for bodily injury, including death resulting therefrom and damage to the property of others arising from his operations under the contract, whether such operations are performed by the general contractor, subcontractor or any of their subcontractors, or by anyone directly employed by any of them.

2.5.4. Builder's Risk Insurance - Completed Value Builder's Risk Damage Insurance Coverage. Tenant shall provide an "All Physical Loss" Builder's Risk insurance policy on the work to be performed for Tenant in the Premises as it relates to the building within which the Premises are located. The policy shall include as insureds Tenant, its contractor and subcontractors and Landlord, as their respective interests may appear within the Premises and within one hundred feet (100') thereof. The amount of insurance to be provided shall be one hundred percent (100%) replacement cost.

2.6 Prior to Construction. Prior to any operations or construction at the Premises, Tenant must secure the Landlord's written approval of the Final Drawings per Section2.2. of this **Exhibit C**. At least five (5) working days prior to the commencement of construction, Tenant shall deliver to Landlord the following which shall be subject to Landlord's approval:

2.6.1. Contact List. A list of names, addresses, regular and 24-hour "emergency" phone numbers, fax numbers for Tenant's construction representative, general contractor, mechanical, and electrical subcontractors, and any other known subcontractors, plus license numbers for all contractors.

2.6.2. Schedule. Schedule for Tenant's Work, including starting and completion dates, fixturization periods, merchandising periods, and projected date for "open-for-business."

2.6.3. Insurance. Certificates of Insurance, naming Landlord and the other required parties as additional insureds, both for Tenant (per Lease) and Tenant's contractor(s) (per **Exhibit C**, Section2.5., above).

2.6.4 Permits. Photocopy of permit card(s) for Tenant's Work as issued by governing agencies.

2.6.5. Bonds. Landlord may require Tenant to obtain or cause its contractor(s) to obtain payment and performance bonds, naming Landlord as beneficiary, covering the faithful performance of the contract(s) for the construction of Tenant's Work and the payment of all obligations arising thereunder.

2.7 Construction. Tenant's Work shall be performed in a first-class, professional manner in conformity with the approved Final Drawings, except where Landlord has given prior written approval for modifications. Only new, first-quality materials shall be used. The quality of Tenant's Work shall be subject to the approval of Landlord and Landlord shall make any determination as to whether Tenant's Work conforms to the Final Drawings. Landlord shall be allowed to enter the Premises during construction for inspection, coordination and emergency purposes.

2.7.1. General Contractor. Tenant shall use a licensed, bondable, general contractor, experienced in commercial construction, possessing good labor relations, and approved by Landlord for the construction of Tenant's Work. Landlord reserves the right to disapprove any contractors to whom Landlord has a reasonable objection.

2.7.2. Disruptive Conduct. Tenant and Tenant's contractor(s) shall plan and execute their work to minimize disruption of the normal business operations of existing tenants and the Shopping Center. This may require special scheduling of disruptive aspects of Tenant's Work, at Tenant's sole expense. All of Tenant's Work shall be conducted within the interior of the Premises, to the greatest extent possible, not in the common area. Tenant shall comply with noise abatement measures required by Landlord and any nuisance is strictly prohibited.

2.7.3. Safety. All of Tenant's Work must be planned and conducted in an orderly manner, with the highest regard for the safety of the public, the workers, and the property, and in conformity with all local, California and federal job-safety requirements, including OSHA and Cal-OSHA regulations. All workers shall be properly attired, and wear long pants, shirts, and work shoes. At no time will pipes, wires, boards or other construction materials cross public areas where harm could be caused to the public. If Tenant fails to comply with these requirements, Landlord shall have the right, at Tenant's cost, to cause remedial action as deemed necessary by Landlord to protect the public and the property.

2.7.4. Protection of Existing Conditions. Tenant shall, at Tenant's sole cost and expense, furnish all necessary ramps, barricades, coverings, etc., to protect Landlord's facilities and adjoining premises from damage due to Tenant's Work. All costs to repair such damage to Landlord's facilities and to adjoining premises will be performed at the expense of Tenant. Landlord may accomplish actual repair work at Landlord's option.

2.7.5. Utilities During Construction. Tenant shall arrange and pay for temporary utilities and facilities, including electricity, water, sanitary facilities, etc., as necessary for the completion of Tenant's Work. Tenant shall not use Landlord's or common area utilities and services for construction purposes, without Landlord's prior written approval.

2.7.6. Trash Removal and Cleanup. At all times, Tenant shall keep the Shopping Center clean and free of dirt, dust, stains, trash, etc. related to Tenant's Work. During construction, fixturing and merchandising, Tenant shall, at Tenant's cost, cause the removal and legal disposal of all trash, debris, packaging, and waste materials from the Premises on a daily basis. Upon Landlord's prior approval, Tenant may place trash disposal bins at locations designated by Landlord. If Tenant fails to provide trash disposal and cleanup per these requirements, Landlord shall have the right to cause the removal of such trash and debris or performance of appropriate clean up at Tenant's sole cost and expense. Tenant and/or Tenant's contractor(s) shall not use the Shopping Center trash bins or receptacles for construction-related disposal under any circumstances.

2.7.7. Building Shell Alterations. There are to be no alterations or modifications to the Landlord's building shell or any structural element thereof, utilities, fire protection services or Common Area improvements, without Landlord's prior written consent, which may be withheld in Landlord's sole discretion. If Tenant's Work entails structural changes to the Premises, Tenant shall submit detailed structural plans and calculations for Landlord's review at Tenant's expense, not to exceed Five Thousand and 00/100 Dollars ($5,000.00). Tenant's Work shall not commence until Landlord has approved all structural modification plans in writing.

2.7.8. Roofing. There shall be no penetrations of the roof or installation of radio or television antennas without the prior written approval of Landlord, which may be withheld in Landlord's sole discretion. All flashing, counter-flashing and roofing repairs shall conform to the requirements of Landlord and such work shall be paid for by Tenant and performed by a roofing subcontractor approved by Landlord. At Landlord's option, Tenant shall use the same roofing contractor used by Landlord for any roofing work, to maintain Landlord's roof guarantee.

2.7.9. Landlord's Right to Perform Work. Landlord shall have the right, but not the obligation, to perform, on behalf of and for the account of Tenant, subject to reimbursement of the cost thereof by Tenant, any and all of Tenant's Work which Landlord determines, in its sole discretion, should be performed immediately and on an emergency basis and/or for the best interest of the Shopping Center and public safety, including without limitation, work which pertains to structural, mechanical, electrical, sprinkler, general utility systems and roofing.

2.7.10. Guarantees. Tenant shall require each contractor and subcontractor to guarantee in writing his portion of Tenant's Work to be free from defects in workmanship and

materials for a minimum of one (1) year from the date of completion of Tenant's Work and shall repair or replace, without additional charge, all work done under its contract which shall become defective within such one (1) year period. All such guarantees must inure to the benefit of, and be enforceable by, both Landlord and Tenant.

2.8 Completion. Prior to Tenant opening for business, Tenant shall deliver to Landlord the following:

2.8.1. Certificate of Occupancy. Copy of a permanent *Certificate of Occupancy* for the Premises, as issued by the governing Building Department ***or*** final inspection sign off on City Inspection Record, as applicable.

2.8.2. Lien Releases. Copies of *Final Unconditional Waiver of Lien Rights* for all Tenant's contractors, subcontractors, and suppliers.

2.8.3 Reserved.

2.8.4. Other Documentation. Any other information or documentation, as requested by Landlord in its sole discretion.

2.9 Other. During the Lease Term, Tenant shall deliver to Landlord detailed Working Drawings and appropriate calculations for any and all proposed modifications to the Premises entailing alterations to the architectural, mechanical, electrical, fire protection, or structural systems, for Landlord's written approval prior to construction. Interior painting, wall covering, carpeting and placement of movable trade fixtures are considered normal maintenance items and do not require Landlord approvals, but otherwise must meet the requirements of this **Exhibit C**. All other alterations require Landlord's written approval, and will be subject to the same procedures and requirements described herein for the original Tenant's Work, except that no additional Construction Allowance shall be payable unless expressly agreed to in writing by Landlord.

EXHIBIT D
TENANT SIGN CRITERIA

Center Pointe Tenant Sign Criteria (Project Address: 27251 – 27311 Newport Road, Menifee CA 92584), prepared for Center Pointe LLC (Manager / Approving Party) by Superior Electrical Advertising, Inc. as approved by the City of Menifee (Administratively Approved Date: 09/09/2020; Approval Community Development).

EXHIBIT E
CONFIRMATION LETTER

_____, 20__

Tenant Name
Company Name
Tenant Address
Tenant Address

RE: CONFIRMATION LETTER
Add Tenant d.b.a./Shopping Center Name and Unit # here

Dear Tenant:

On _____, _____, a _____ as Landlord and {Tenant}, as Tenant entered into a Lease for the above referenced property. By execution of this letter, the parties acknowledge they have agreed to the following:

1. Delivery Date:_____
2. Rent Commencement Date: _____
3. Term Expiration Date:_____
4. Tenant's Pro Rata Share of Common Area Expenses, Taxes and Insurance: _____
5. Number of Option Periods: _____
6. Option Notification Date: _____
7. Floor Area of Premises: _____
8. The monthly Base Rent due under this Lease is as follows:

	From	To	Amount
Initial Term			
First Option			
Second Option			

9. Security Deposit: _____
10. Premises Address:_____

Please execute and date both copies of this letter in the space provided below and return both copies at your earliest convenience. Tenant's failure to sign this Confirmation Letter and return it to Landlord within 10 days after receipt shall be deemed to be Tenant's acceptance of this Letter, including, but not limited to, the Delivery Date and the Term Expiration Date contained herein.

LANDLORD:

_____,
a _____

By:_____
Name:_____
Its:_____

TENANT:

_____,
a _____
d.b.a._____

By:_____
Name:_____
Its:_____

By:_____
Name:_____
Its:_____

EXHIBIT F
GUARANTY OF LEASE

THIS GUARANTY OF LEASE ("**Guaranty**") is made as of _____, (the "**Effective Date**") by James Chae and Jennie Chae, husband and wife, on behalf of each of their marital, community and sole and separate estates, jointly and severally (collectively, the "**Guarantors**" and individually, each a "**Guarantor**"), whose addresses are set forth below opposite their signatures, in favor of Center Pointe LLC, a Delaware limited liability company ("Landlord"), with reference to the following facts:

A. Landlord and Yoshiharu Menifee, a California corporation, dba Yoshiharu Ramen ("**Tenant**") desire to enter into a lease dated _____ (the **"Lease**") concerning the premises located at 27311 Newport Road, Suite 320, Menifee, CA 92584;

B. Each Guarantor has a financial interest in Tenant; and

C. Landlord would not execute the Lease if each Guarantor did not execute and deliver to Landlord this Guaranty.

NOW, THEREFORE, in consideration of the execution of the foregoing Lease by Landlord and as a material inducement to Landlord to execute the Lease, each Guarantor hereby jointly, severally, unconditionally and irrevocably guaranties the prompt payment by Tenant of all rents and all other sums payable by Tenant under the Lease and the faithful and prompt performance by Tenant of each and every one of the terms, conditions and covenants of the Lease to be kept and performed by Tenant, and further agree as follows:

1. It is specifically agreed that the terms of the Lease may be modified by agreement between Landlord and Tenant, or by a course of conduct, and the Lease may be assigned by Landlord or any assignee of Landlord without consent or notice to any Guarantor and that this Guaranty shall guarantee the performance of the Lease as so modified.

2. This Guaranty and each Guarantor's obligations hereunder shall not be released, modified or affected by the failure or delay on the part of Landlord to enforce any of the rights or remedies of Landlord under the Lease, whether pursuant to the terms thereof or at law or in equity or by any release of any person liable under the terms of the Lease (including, without limitation, Tenant), whether contemplated by the terms of the Lease or otherwise, or by any release of any other guarantor from any liability with respect to Guarantor's obligations hereunder.

3. No notice of default need be given to any Guarantor; it being specifically agreed that this Guaranty is a continuing guarantee under which Landlord may proceed immediately against Tenant and/or against any Guarantor following any breach or default by Tenant or for the enforcement of any rights which Landlord may have as against Tenant under the terms of the Lease or at law or in equity. This Guaranty is a guaranty of payment and performance and not of collection, and is not conditioned or contingent upon the genuineness, validity, regularity or enforceability of the Lease or the pursuit by Landlord of any remedies which it now has or may hereafter have with respect thereto, at law, in equity or otherwise. Each Guarantor recognizes

that there are some obligations and liabilities of Tenant under the Lease that survive the termination of the Lease and that this Guaranty shall survive any termination under the Lease.

4. Landlord shall have the right to proceed against each Guarantor hereunder following any breach or default by Tenant without first proceeding against Tenant and without previous notice to or demand upon either Tenant or any Guarantor.

5. Each Guarantor hereby waives and agrees not to assert any defense, to the extent permitted by law, with respect to: (a) all notices to Guarantor, to Tenant, or to any other person, including, but not limited to, notices of the acceptance of this Guaranty or the creation, renewal, extension, assignment, modification or accrual of any of the obligations owed to Landlord under the Lease and enforcement of any right or remedy with respect thereto, and notice of any other matters relating thereto, (b) notice of acceptance of this Guaranty, (c) demand of payment, presentation or protest, (d) all right to assert or plead any statute of limitations relating to this Guaranty or the Lease, (e) any right to require Landlord to proceed against Tenant or any other guarantor or any other person or entity liable to Landlord, (f) any right to require Landlord to apply to any default, any security deposit or other security it may hold under the Lease, (g) any right to require Landlord to proceed under any other remedy Landlord may have before proceeding against Guarantor, (h) any right of subrogation, (i) any right or defense that may arise by reason of the incapability, lack of authority, death or disability of Tenant or any other person, and (j) all principles or provisions of law which conflict with the terms of this Guaranty. Each Guarantor further agrees that Landlord may enforce this Guaranty upon the occurrence of an event of default under the Lease, notwithstanding any dispute between Landlord and Tenant with respect to the existence of said default or performance of the obligations under the Lease or any counterclaim, set-off or other claim which Tenant may allege against Landlord with respect thereto. Moreover, each Guarantor agrees that such Guarantor's obligations shall not be affected by any circumstances which constitute a legal or equitable discharge of a guarantor or surety.

6. Each Guarantor does hereby subrogate all existing or future indebtedness of Tenant to such Guarantor to the obligations owed to Landlord under the Lease and this Guaranty.

7. Each Guarantor agrees that nothing contained herein shall prevent Landlord from suing on the Lease or from exercising any rights available to it under the Lease and that the exercise of any of the aforesaid rights shall not constitute a legal or equitable discharge of such Guarantor. Each Guarantor hereby waives all of its rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to such Guarantor by reason of California Civil Code §§ 2787 to 2855, inclusive. Without limiting the generality of the foregoing, Guarantor hereby expressly waives any and all benefits under California Civil Code §§ 2809, 2810, 2819, 2845, 2847, 2848, 2849 and 2850, and the second sentence of California Civil Code § 2822(a). In addition, each Guarantor hereby waives any rights or defenses such Guarantor may have because Tenant's obligations are or may be secured by real property or an estate for years, including, without limitation, any rights or defenses that are based upon, directly or indirectly, the application of §§ 580a, 580b, 580d or 726 of the California Code of Civil Procedure to Tenant's obligations. Each Guarantor further agrees that Landlord (not Tenant) shall have the right to designate the portion of Tenant's obligations under the Lease that is satisfied by a partial payment by Tenant. Each Guarantor agrees that such Guarantor shall have no right of subrogation against Tenant or any right of

contribution against any other guarantor (including any other Guarantor under this Guaranty) unless and until all amounts due under the Lease have been paid in full and all other obligations under the Lease have been satisfied. Each Guarantor further agrees that to the extent the waiver of such Guarantor's rights of subrogation and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation Guarantor may have against Tenant shall be junior and subordinate to any rights Landlord may have against Tenant, and any rights of contribution Guarantor may have against any other guarantor shall be junior and subordinate to any rights Landlord may have against such other guarantor (including any other Guarantor under this Guaranty). To the extent any dispute exists at any time between or among Guarantor and any other guarantor (including any other Guarantor under this Guaranty) as to any guarantor's (including Guarantor's) right to contribution or otherwise, Guarantor agrees to indemnify, defend and hold Landlord harmless from and against any loss, damage, claim, demand, cost or any other liability (including without limitation, reasonable attorneys' fees and costs) Landlord may suffer as a result of such dispute.

8. The obligations of each Guarantor hereunder shall not be altered, limited or affected by any case, voluntary or involuntary, involving the bankruptcy or insolvency of Tenant or any defense which Tenant may have by reason of an order, decree or decision of any court or administrative body resulting from any such case. Landlord shall have the sole right to accept or reject any plan on behalf of each Guarantor proposed in any case, voluntary or involuntary, involving the bankruptcy, insolvency, receivership, reorganization, liquidation or arrangement of Tenant and to take any other action which such Guarantor would be entitled to take in such case, including, without limitation, the decision to file or not file a claim, provided that such rights of Landlord shall only persist until such time as the obligations to Landlord under the Lease and this Guaranty are fully satisfied. Each Guarantor acknowledges and agrees that any payment which accrues with respect to Tenant's obligations under the Lease after the commencement of any such proceeding (or, if any such payment ceases to accrue by operation of law by reason of the commencement of such proceeding, such payment as would have accrued if said proceedings had not been commenced) shall be included in each Guarantor's obligations hereunder because it is the intention of the parties that said obligations should be determined without regard to any rule or law or order which may relieve Tenant of any of its obligations under the Lease. Each Guarantor hereby permits any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person to pay Landlord, or allow the claim of Landlord in respect of, any such payment accruing after the date on which such proceeding is commenced. Each Guarantor hereby assigns to Landlord such Guarantor's right to receive any payments from any trustee in bankruptcy, receiver, debtor-in-possession, assignee for the benefit of creditors or similar person by way of dividend, adequate protection payment or otherwise.

9. If Tenant shall become insolvent or be adjudicated bankrupt, whether by voluntary or involuntary petition, if any bankruptcy action involving Tenant shall be commenced or filed, if a petition for reorganization, arrangement or similar relief shall be filed against Tenant, or if a receiver of any part of Tenant's property or assets shall be appointed by any court, Guarantor shall pay to Landlord the amount of all accrued, unpaid and accruing Base Rent and other charges due under the Lease to the date when the debtor-in-possession, the trustee or administrator accepts the Lease and commences paying same. At such time as the debtor-in-possession, the trustee or administrator rejects the Lease, however, Guarantor shall pay to Landlord all accrued, unpaid and accruing Base Rent and other charges under the Lease for the

remainder of the Lease Term. At the option of Landlord, Guarantor shall either: (a) pay Landlord an amount equal to the Base Rent and other charges which would have been payable for the unexpired portion of the Lease Term reduced to present-day value; or (b) execute and deliver to Landlord a new lease for the balance of the Lease Term with the same terms and conditions as the Lease, but with Guarantor as tenant thereunder. Any operation of any present or future debtor's relief act or similar act, or law or decision of any court, shall in no way affect the obligations of Guarantor or Tenant to perform any of the terms, covenants or conditions of the Lease or of this Guaranty.

10. Each Guarantor's liability under this Guaranty shall continue until all rents due under the Lease have been paid in full in cash and until all other obligations to Landlord have been satisfied, and shall not be reduced by virtue of any payment by Tenant of any amount due under the Lease. If all or any portion of Tenant's obligations under the Lease is paid or performed by Tenant, the obligations of each Guarantor hereunder shall continue and remain in full force and effect in the event that all or any part of such payment(s) or performance(s) is avoided or recovered directly or indirectly from Landlord as a preference, fraudulent transfer or otherwise.

11. Each Guarantor warrants and represents to Landlord that such Guarantor now has and will continue to have full and complete access to any and all information concerning the Lease, the value of the assets owned or to be acquired by Tenant, Tenant's financial status and its ability to pay and perform the obligations owed to Landlord under the Lease. Each Guarantor further warrants and represents that such Guarantor has reviewed and approved a copy of the Lease and is fully informed of the remedies Landlord may pursue, with or without notice to Tenant, in the event of default under the Lease. So long as any of Guarantor's obligations hereunder remain unsatisfied or owing to Landlord, each Guarantor shall keep fully informed as to all aspects of Tenant's financial condition and the performance of said obligations.

12. Each Guarantor hereby covenants and agrees with Landlord that if an event of default shall at any time occur in the payment of any sums due under the Lease by Tenant or in the performance of any other obligation of Tenant under the Lease, each Guarantor shall upon demand pay such sums and any arrears thereof to Landlord in legal currency of the United States of America for payment of public and private debts, and take all other actions necessary to cure such default and perform such obligations of Tenant.

13. Any notice, statement, demand, consent, approval or other communication required or permitted to be given, rendered or made by either party to the other either pursuant to this Guaranty or pursuant to any applicable law or requirement of public authority shall be in writing (whether or not so stated elsewhere in this Guaranty) and shall be deemed to have been properly given, rendered or made only if hand-delivered (by overnight courier or otherwise) or sent by United States mail, registered or certified mail, postage pre-paid, return receipt requested, addressed to the other party at its address set forth below, and shall be deemed to have been given, rendered or made upon delivery or refusal to accept delivery as indicated on the return receipt. By giving notice as provided above, either party may designate a different address for notices, statements, demands, consents, approvals or other communications intended for it.

14. Each Guarantor represents and warrants to Landlord as follows: (i) no consent of any other person, including, without limitation, any creditors of Guarantor, and no license, permit, approval or authorization of, exemption by, notice or report to, or registration, filing or declaration with, any governmental authority is required by Guarantor in connection with this Guaranty or the execution, delivery, performance, validity or enforceability of this Guaranty and all obligations required hereunder; (ii) this Guaranty has been duly executed and delivered by Guarantor, and constitutes the legally valid and binding obligation of Guarantor enforceable against Guarantor in accordance with its terms; and (iii) the execution, delivery and performance of this Guaranty will not violate any provision of any existing law or regulation binding on Guarantor, or any order, judgment, award or decree of any court, arbitrator or governmental authority binding on Guarantor, or of any mortgage, indenture, lease, contract or other agreement, instrument or undertaking to which Guarantor is a party or by which Guarantor or any of Guarantor's assets may be bound, and will not result in, or require, the creation or imposition of any lien on any of Guarantor's property, assets or revenues pursuant to the provisions of any such mortgage, indenture, lease, contract, or other agreement, instrument or undertaking.

15. This Guaranty shall be binding upon Guarantor, and Guarantor's heirs, representatives, administrators, executors, successors and assigns and shall inure to the benefit of and shall be enforceable by Landlord, its successors, endorsees and assigns. If a Guarantor is married, such Guarantor expressly agrees that recourse may be had against his or her separate property, as well as any community property, for all of the obligations hereunder.

16. The obligations of Tenant under the Lease to execute and deliver estoppel statements and financial statements as provided therein shall be deemed to also require each Guarantor hereunder to do and provide the same with respect to such Guarantor; provided, however, if any Guarantor is a corporation that is required to make periodic public filings with the Securities and Exchange Commission and such filings are available to the public, such Guarantor shall not be required to deliver financial statements to Landlord.

17. The term "Landlord" refers to and means the Landlord named in the Lease and also Landlord's successors and assigns whether by outright assignment or by an assignment for security purposes. The term "Tenant" refers to and means the Tenant named in the Lease and also any assignee of Tenant's interest in the Lease or sublessee of Tenant.

18. If either party hereto brings an action at law or in equity to enforce, interpret or seek redress for the breach of this Guaranty, then the prevailing party in such action shall be entitled to recover all court costs, witness fees and reasonable attorneys' fees, at trial, arbitration or on appeal in addition to all other appropriate relief.

19. This Guaranty shall be governed by and construed in accordance with the laws of the State of California, and in a case involving diversity of citizenship, shall be litigated in and subject to the jurisdiction of the courts of California.

20. Every provision of this Guaranty is intended to be severable. In the event any term or provision hereof is declared to be illegal or invalid for any reason whatsoever by a court

of competent jurisdiction, such illegality or invalidity shall not affect the balance of the terms and provisions hereof, which terms and provisions shall remain binding and enforceable.

21. If there is more than one Guarantor, this Guaranty may be executed in any number of counterparts each of which shall be deemed an original and all of which shall constitute one and the same Guaranty with the same effect as if all Guarantors had signed the same signature page. Any signature page of this Guaranty may be detached from any counterpart of this Guaranty and re-attached to any other counterpart of this Guaranty identical in form hereto but having attached to it one or more additional signature pages. Any signature on this Guaranty and/or version of this Guaranty delivered electronically and any associated acknowledgments and related documents, including without limitation signatures effected through an electronic signature process, documents delivered in PDF or comparable format and delivery of any of the same via electronic mail or comparable manner shall have the same effect as an actual original signature and document. Guarantor hereby waives any right to object to the enforceability of this Guaranty based on the form or delivery of signature or the executed Guaranty. If Guarantor delivers any signature or the Guaranty electronically, then Guarantor shall deliver the original signature or Guaranty to Landlord, provided that failure to do so does not alter the conclusive effectiveness of the electronic version and is not a default under this Guaranty.

22. No failure or delay on the part of Landlord to exercise any power, right or privilege under this Guaranty shall impair any such power, right or privilege, or be construed to be a waiver of any default or any acquiescence therein, nor shall any single or partial exercise of such power, right or privilege preclude other or further exercise thereof or of any other right, power or privilege.

23. This Guaranty constitutes the entire agreement between Guarantor and Landlord with respect to the subject matter hereof. No provision of this Guaranty or right of Landlord hereunder may be waived nor may Guarantor be released from any obligation hereunder except by a writing duly executed by an authorized officer, member or partner of Landlord.

24. The liability of Guarantor and all rights, powers and remedies of Landlord hereunder and under any other agreement now or at any time hereafter in force between Landlord and Guarantor relating to the Lease shall be cumulative and not alternative and such rights, powers and remedies shall be in addition to any rights, powers and remedies given to Landlord by law.

25. If there is more than one undersigned Guarantor, (a) the term "Guarantor", as used herein, shall include all of the undersigned; (b) each provision of this Guaranty shall be binding on each one of the undersigned, who shall be jointly and severally liable hereunder; and (c) Landlord shall have the right to join one or all of them in any proceeding or to proceed against them in any order.

26. If the ownership of the leases and assets of the "Yoshiharu Ramen" brand are transferred as the result of an initial public offering (IPO) under the NYSE or NASDAQ and the Lease is assigned as a result thereof, then Landlord agrees to accept a new guaranty (the "**New Guaranty**") from Yoshiharu Holdings Co., a California corporation. The New Guaranty shall be

upon the same terms as this Guaranty. After the New Guaranty is fully executed and delivered to Landlord (in the form approved by Landlord), then Landlord shall release James Chae and Jennie Chae as the Guarantors of this Lease.

IN WITNESS WHEREOF, Guarantor has executed this Guaranty as of the date written below:

"GUARANTOR"

James Chae and Jennie Chae, husband and wife,
on behalf of each of their marital, community and sole
and separate estates, jointly and severally

By:_____
James Chae

By:_____
Jennie Chae

Date:_____

Guarantor's Address for Notices:

James Chae
1891 North Tustin Street
Orange, CA 92865

Telephone: (714) 998-1940

Landlord's Address for Notices:

Center Pointe LLC
c/o Tourmaline Capital
11250 El Camino Real, Suite 102
San Diego, CA 92130
Attn: Jonathan Cheng

Telephone: (619) 686-8600

RE: Center Pointe / Yoshiharu Ramen

EXHIBIT G
TENANT ESTOPPEL CERTIFICATE

RE: That certain lease dated _____ (the "Lease") between _____ ("Landlord") and _____ "Tenant") for premises located at _____, containing approximately [_____]_square feet (the "Premises"), as further described in the Lease.

The undersigned, as Tenant under the above referenced Lease, hereby certifies as follows:

1. The above-referenced Lease has not been modified or amended in any way, except for the following modifications or amendments, if any (it will be presumed that there are no modifications or amendments unless they are specified here):_____
_____
_____ (as so modified or amended, the "Lease"). The Lease represents the entire agreement between the parties as to the leasing of the Premises.

2. The Lease is in full force and effect.

3. To Tenant's knowledge, neither Landlord nor Tenant is in any default under the Lease and no event has occurred and is continuing which, with notice or the passage of time or both, would constitute a material default by either of them under the Lease, except as follows: _____.

4. All conditions under the Lease to be performed by Landlord as a condition to the full effectiveness of the Lease have been satisfied. As of this date, Tenant has (a) no claims against the Landlord, and (b) no defenses or offsets against the enforcement of the Lease by the Landlord.

5. The term of the Lease began on _____, and expires on _____ (including renewal options already exercised, if any). The term is subject to _____ [(_____)] outstanding renewal option(s) of _____ (_____) years each pursuant to Section _____ of the Lease (it will be presumed that there are no outstanding renewal options unless they are specified here).

6. Tenant has opened for business in the Premises and is currently conducting business therein.

7. The base rent obligation of Tenant under the Lease is in effect and the current base rent (exclusive of any operation expense costs) is _____ ($_____) per month. The base rent is subject to periodic increases or adjustment pursuant to Section _____ of the Lease.

8. There is no percentage rent due under the Lease.

9. No rent has been paid for any period after the end of the current calendar month.

10. The current amount of security deposit held by Landlord is [$_____].

11. Tenant has no notice or knowledge of any assignment, hypothecation or pledge by Landlord of the rent payable under the Lease.

12. Tenant has no right of first refusal, option or other right to purchase all or any portion of the Premises or the Property of which the Premises is a part.

13. Tenant does not have any exclusive right to use the Premises for any use or uses, nor does the Lease provide for any restriction or prohibition on any use or uses on the property of which the Premises are a part, except as set forth in the Lease.

14. From and after the date hereof, Tenant will not pay any rent under the Lease more than thirty (30) days in advance of its due date.

This certification is made for the benefit of Landlord, [_____ (Lender)] and any lenders with an interest in any deed of trust now or hereafter encumbering the property of which the Premises are a part.

IN WITNESS WHEREOF, the undersigned Tenant has executed this Certificate as of the date written below.

TENANT:

_____
a _____
d.b.a.:_____

By:_____
Name:_____
Its:_____

Date:_____, 20__

EXHIBIT H
RULES AND REGULATIONS

Landlord hereby establishes the following rules and regulations for the safety, care and cleanliness of (i) the store areas (hereinafter referred to as the "**demised premises**") of any tenant or tenants of the Shopping Center (hereinafter referred to as the "**tenant**"); (ii) the Common Area; and (iii) the Shopping Center in general. The following is not intended to be exclusive, but to indicate the manner in which the right to use the store and common areas is limited and controlled by Landlord.

1. All floor areas of the demised premises, doors, fixtures, windows and plate glass shall be maintained in a clean, safe and good condition.

2. All trash, refuse and waste materials shall be stored in adequate containers and regularly removed from the demised premises. These containers shall not be visible to the general public and shall not constitute a health or fire hazard, or a nuisance to any other tenant. In the event that any tenant shall fail to remedy such a health or fire hazard or nuisance within five (5) days after written notice by Landlord, Landlord may remedy and/or correct such health or fire hazard or nuisance at the expense of the Tenant involved.

3. No portion of the Premises shall be used for lodging purposes.

4. Tenants may use the demised premises only for the use as stated in the lease and for no other purpose. Without Landlord's consent, tenants may not utilize the common areas, sidewalks or walkways adjacent to the demised premises nor the roof of the demised premises for any of the following uses: to display, store, or place any merchandise, equipment or devices; to install public telephones/telecommunication systems, newsstands, vending or other coin operated machines; nor may the demised premises be used to conduct any type of distress or "going out of business" sale or "lost our lease" sale; to store any merchandise or materials or other properties, other than those reasonably necessary for the operation of a tenant's business, or to black out or otherwise obstruct the windows of the demised premises. The roof of the Premises shall not be used for the storage of merchandise or equipment. In addition, no shopping carts and/or baskets may be stored outside the designated areas. Landlord may, from time to time, inspect the Premises to insure compliance with the foregoing provisions.

5. Other than those areas, if any, specifically designated as Premises on the Site Plan attached hereto, all tenants and their authorized representatives and invitees shall use any roadway or walkway (including the enclosed mall, if any) only for ingress and egress from the stores in the Shopping Center in accordance with directional or other signs or guides. Roadways shall not be used at a speed in excess of five (5) miles per hour and shall not be used for parking or stopping, except for the immediate loading or unloading of passengers. Walkways (including the enclosed mall, if any) shall be used only for pedestrian travel.

6. Other than those areas, if any, specifically designated as Premises on the Site Plan attached hereto, the parking areas shall be used only for parking motor vehicles, which shall be parked in an orderly manner within the designated painted lines while such representative and invitees are present at the Center. No parking areas shall be used for commuter parking. During

peak periods of business activity, Landlord can impose any and all controls Landlord deems necessary to operate the parking lot including but not limited to, the length of time for parking use. Parking in front of the designated area will subject the vehicle to being towed off the parking lot.

7. Landlord may furnish either within the Shopping Center or reasonably close thereto, a limited amount of space for employee parking, which designation may be changed by Landlord from time to time at Landlord's sole and absolute discretion. Tenant shall furnish Landlord with its and its employees' license numbers within five (5) days after requested by Landlord and tenant shall thereafter notify Landlord of any change within five (5) days after such change occurs. If tenant or its employees fail to park their vehicles in designated parking areas, Landlord may charge tenant Twenty-Five Dollars ($25.00) per day for each day or partial day per vehicle parked in any areas other than those designated. Tenant hereby authorizes Landlord to tow away from the Shopping Center, at tenant's expense, any vehicle or vehicles belonging to tenant or tenant's employees that are parked in violation of the foregoing. Notwithstanding the foregoing or anything to the contrary contained elsewhere in the Lease or exhibits, Landlord may, in its sole discretion, charge for automobile or other vehicular parking, and/or install parking meters in the parking areas comprising the Shopping Center. Tenant's customers will be afforded such free parking with validation as Landlord provides to a majority of the tenants in the Shopping Center.

8. No person shall use any of the common areas, (or any cars in the parking lot) for any of the following uses without the prior written consent of Landlord: (i) vending, peddling or soliciting orders for sale or distributing of any matter; (ii) exhibiting or distributing any written material; (iii) soliciting membership or contributions for any purpose; (iv) parading, patrolling, picketing, demonstrating of any kind; (v) any purpose when none of the businesses in the Shopping Center are open for business; (vi) any sound-making or lighting device; (vii) discarding any paper, glass or extraneous matter of any kind, except in designated receptacles; (viii) using a sound-making device that is annoying or unpleasant to the general public; or (ix) damaging any sign, light standard, or fixture, landscaping material or other improvement or property within the Center.

9. If a tenant provides its customers with the use of shopping carts and/or baskets, such tenant shall be responsible for causing said carts and/or baskets to be stored only in areas designated by Landlord. If such tenant fails to routinely collect and store said carts as necessary (at least twice on a daily basis), Landlord may assume the responsibility of same and may bill the tenant involved on an estimated monthly basis for such service.

10. All deliveries or shipments of any kind to and from the Premises, including loading and unloading of goods, shall be made by way of the rear of the Premises or at any such reasonable location designated by Landlord, and only at such reasonable times designated for such purpose by Landlord. Trailers and/or trucks servicing the Premises shall remain parked in the Shopping Center only during those periods reasonably necessary to service tenant's operations, and then only in locations designated by Landlord. No person shall use any utility area or truck loading area reserved for use in conducting business, except for the specific purpose for which permission to use these areas has been given.

11. Tenant shall not place, or cause or allow to be placed, any signs, placards, banners, flags, pictures, advertisements, notices or lettering whatsoever, in, about or on the exterior of the Premises or Shopping Center except in and at such places as may be consented to by Landlord in writing or as allowed by the Tenant Sign Criteria, as the same may be amended by Landlord from time to time. Any such signs, placard, advertisement, picture, notice or lettering so placed may be removed by Landlord without notice to and at the expense of tenant. All lettering and graphics on doors shall conform to the Tenant Sign Criteria.

12. Tenant assumes any and all responsibility for protecting its Premises from theft, robbery and pilferage, which includes keeping doors locked and other means of entry to the Premises closed.

The above listing of specific prohibitions is not intended to be exclusive, but is intended to indicate the manner in which the right to use the common areas solely as a means of access and convenience in shopping at the business establishments in the Shopping Center is limited and controlled by Landlord.

EXHIBIT I
TENANT'S MENU

EXHIBIT J
EXISTING USE RESTRICTIONS

EXCLUSIVE USES

Nail'd It. Landlord shall not lease to a business whose primary use is the operation of a nail salon primarily providing manicure and pedicure services.

Monsta Snow. Landlord shall not lease to a business whose primary use is for serving shaved snow, bubble waffles with ice cream and/or soft serve, and boba tea beverages.

Wendy's. Landlord agrees not to sell, lease or permit the use or occupancy of any portion of the Center owned or controlled by Landlord to a national, regional or independent quick service or fast food restaurant specializing in the sale of hamburgers that directly competes with Tenant. Direct competitors of Tenant include, by way of example but not limited to, McDonald's, Jack-in-the-Box and Burger King. The foregoing exclusive shall not be deemed to be violated by Landlord selling, leasing or permitting the use or occupancy of any portion of the Center to (a) any restaurant that sells hamburgers only on an incidental basis, (b) any restaurant that possesses a liquor license and serves liquor, or (c) any full service restaurant over 3,900 square feet. As an accommodation to Tenant's request, Landlord has agreed that it shall not lease any portion of the Center for use as The Habit Burger Grill or as a Five Guys Burgers & Fries without regard to whether their respective current or present format or concepts would be permitted uses under this Lease.

Western Dental. Landlord agrees not to lease or permit the use or occupancy of any portion of the Center owned or controlled by Landlord to any tenant whose primary business is the operation of a general dental, orthodontic, specialty dental, pediatric dental, or oral surgery-related office (the "Exclusive Use").

Sleep Number. Landlord shall not lease any space in the Shopping Center to another tenant whose primary business is the display and/or retail sale of mattresses

Sprout's. Tenant shall have the exclusive right in the Shopping Center to conduct the operation and sale, either singly or in any combination, of any of the following activities or merchandise: (i) the operation of a grocery store, meat or seafood market or produce market, or the sale of any such items; (ii) the sale of vitamins and supplements, ethnic foods, natural or health food, pet food, or packaged ice cream; (iii) the sale of natural cosmetics, natural health or beauty products; (iv) the sale of packaged beer and wine for off-premises consumption; (v) the operation of a full service bakery; and (vi) the operation of an over-the-counter delicatessen offering sliced or butchered meats and cheeses for off-premises consumption (all of which are included in and referred to as "Tenant's Exclusive"), and all other Shopping Center tenants or occupants are prohibited from engaging in Tenant's Exclusive except on an Incidental Basis (defined below), provided that there shall be no exception for the sale of fresh meat, seafood and produce. "Incidental Basis" means the area dedicated to the sale of such items occupies the lesser of: (a) 250 square feet of Gross Floor Area; or (b) 3% of the sales area of the subject premises; provided not more than 2 linear feet of retail selling space shall be dedicated to the display and sale of any one category of ancillary products. Tenant's Exclusive shall not restrict the following

specific uses (collectively referred to as "Exempted Uses"): (i) coffee shops, sandwich shops or restaurants which primarily serve food for on-premises consumption, such as Starbucks, Panera Bread, Corner Bakery, Jimmy John Sandwiches, Jersey Mike's, Firehouse Subs, Einstein's Bagels as such businesses currently operate as of the Effective Date and future evolutions of their business shall not violate Tenant's Exclusive, donut shop or bagel shop, or Subway; (ii) ice cream, smoothie or frozen yogurt shops; (iii) a pick up or delivery outlet (such as a pizza delivery shop or Chinese carry-out) which occupies not more than 2,500 square feet of Gross Floor Area each; (iv) a cosmetic store such as ULTA, Bath & Body Works, Sally's Beauty as such businesses currently operate as of the Effective Date and future evolutions of their business shall not violate Tenant's Exclusive or similar beauty supply type store, day spa or a salon such as Aveda Salon or Massage Envy as such businesses currently operate as of the Effective Date and future evolutions of their business shall not violate Tenant's Exclusive; (v) a nationally recognized drugstore with full service pharmacy or drug store such as CVS, Walgreens or Rite Aid that sells alcohol as such businesses currently operate as of the Effective Date and future evolutions of their business shall not violate Tenant's Exclusive; (vi) hair salons; (vii) a nationally or regionally recognized retailer which primarily sells beer, wine and liquor for off premises consumption such as Total Wine and Bev Mo as such businesses currently operate as of the Effective Date and future evolutions of their business shall not violate Tenant's Exclusive; or (viii) a convenience store that sells alcohol and does not occupy more than 2,500 square feet of Gross Floor Area.

Berkshire Hathaway HomeServices California Properties. Landlord shall not lease any space in the building that contains the Premises ("Building"), other than the Premises, to another tenant whose primary use is the operation of a residential real estate brokerage office. [For reference purposes, the "Building" is Pad 3]

Luna Grill. Landlord shall not lease any space in the Shopping Center (nor allow any other tenant to conduct any use in violation of the following to the extent Landlord has the right to prohibit such use and/or withhold consent to any change of use), other than the Premises, to another restaurant that offers kabobs, gyros, falafel, hummus, pita bread and lavash bread (the "Restricted Items") other than on an incidental basis. In furtherance of the foregoing, a "Direct Competitor" shall mean another restaurant or tenant whose aggregate sale of the Restricted Items exceeds fifteen percent (15%) of their overall gross sales.

Urbane Café: Landlord shall not lease any space in Shops 1, Pad 3 or Pad 4 of the Shopping Center (as depicted on the Site Plan), other than the Premises, to another tenant whose primary use is the operation of a fast casual café selling sandwiches, salads, soups and pizzas (a "Direct Competitor" and the "Direct Competitor Restriction"). The Direct Competitor Restriction is not applicable to: … (iv) any cafe / restaurant primarily offering sub or made-to-order deli-style sandwiches, including but not limited to cafes such as Subway, Jersey Mikes or Firehouse Subs.

Fishbone Seafood: Landlord shall not lease any space in Shops 1, Pad 3 or Pad 4 of the Shopping Center (as depicted on the Site Plan), other than the Premises, to another tenant whose primary use is the operation of a fast casual seafood restaurant specializing in grilled and fried fish, shrimp and oysters (the "**Direct Competitor**"). Hereafter, Shops 1, Pad 3 and Pad 4 may be referred to as the "**Direct Competitor Restricted Area**". The Direct Competitor Restriction

is not applicable to: …/ (iii) any portion of the Shopping Center except the Direct Competitor Restricted Area; (iv) any sushi, poke or other restaurant specializing in raw fish. or (v) any other restaurant located within the Direct Competitor Restricted Area which serves fish, shrimp or oysters on an incidental basis as part of the standard operation of such restaurant (e.g., a restaurant that serves fish or shrimp tacos, etc.).

PROHIBITED USES

Sprout's. The following uses (collectively, "Prohibited Uses") are prohibited in any portion of the Shopping Center:

a. any so-called single price point discount or discount dollar stores (such as Dollar Tree, 99 Cents and More, Family Dollar, Dollar General, or any stores with a similar business plan or similar operation);

b. any use causing unreasonably loud noises (including any business using exterior loudspeakers);

c. manufacturing facility;

d. dry cleaner (except either (i) 1 dry cleaner which does not use perchloroethylene or any other Hazardous Substances, or (ii) 1 facility for drop off and pick up of clothing cleaned at another location shall be permitted, provided neither of the foregoing uses shall be located immediately adjacent to the Premises);

e. any facility for the sale, lease or rental of automobiles, trucks, motorcycles, recreational vehicles, boats or other vehicles;

f. car wash, tire store, automobile repair shop or service station or any facility storing or selling gasoline or diesel fuel in or from tanks;

g. used clothing or thrift store, a "Salvation Army" or "Goodwill" type store or similar business, or a "second hand" store where principle business is selling used merchandise;

h. a donation drop-off facility;

i. a "surplus" store selling under stock or overstock merchandise or liquidation outlet, except Fallas Paredas, DD's or other stores operating under similar business plans and operation shall be permitted to operate within the Shopping Center;

j. amusement center, carnival, virtual reality, laser tag, jump/trampoline facility, game arcade, or a children's recreational facility or play center of any kind, including, but not limited to, concepts such as "Boomerang's," "Funtastic," "Chuck E. Cheese," "Jump Zone" and "Peter Piper Pizza", or other stores operating under similar business plans and operations;

k. spa or massage parlor (except (i) 1 "Massage Envy" or similar therapeutic massage retailer operating in a first-class manner, and (ii) 1 nail salon shall be permitted,

provided such uses may not (a) occupy more than 2,500 square feet of Gross Floor Area, or (b) be located immediately adjacent to the Premises);

l. adult book shop or adult movie house;

m. mortuary or funeral parlor;

n. coin operated laundry;

o. cocktail lounge, bar or tavern or sale of alcoholic beverages, whether or not packaged (except the sale of alcoholic beverages in conjunction with the operation of (i) a restaurant not prohibited under this Lease shall be permitted provided such use may not be located within a 200 foot radius of the exterior wall of the Premises; (ii) a wine bar or beer and/or hard cider tasting room that does not occupy more than 2,000 square feet of Gross Floor Area and provided such use may not be located within a 200 foot radius of the exterior wall of the Premises, (iii) a nationally recognized drugstore with full service pharmacy or drug store such as CVS, Walgreens or Rite Aid that sells alcohol as such businesses currently operate as of the Effective Date of the Lease and future evolutions of their business that do not violate Tenant's Exclusive; (iv) a nationally or regionally recognized retailer which primarily sells beer, wine, and liquor for off premises consumption such as Total Wine and Bev Mo as such businesses currently operate as of the Effective Date of the Lease and future evolutions of their business that do not violate Tenant's Exclusive; and (v) a convenience store that sells alcohol and does not occupy more than 2,500 square feet of Gross Floor Area);

p. night club;

q. cinema or theater;

r. health club, gym or exercise facility exceeding 3,000 square feet of Gross Floor Area and located within a 300 foot radius of the Premises; except such uses shall be permitted in any Future Building in the Future Development provided, however, that if the City requires Landlord to remove 14 parking stalls located along the west wall of the Premises and replace such stalls with a 20 foot wide sidewalk, any health club, gym or exercise facility located in any Future Building shall not exceed 16,500 square feet of Gross Floor Area;

s. bowling alley, pool hall, or skating rink;

t. animal raising or storage facility (except incidental to a full-line retail pet supply store);

u. pawn shop, auction house, flea market, swap meet, or junk yard;

v. the drilling for and/or removal of subsurface substances, dumping, disposal, incineration or reduction of garbage or refuse, other than in enclosed receptacles intended for such purposes;

w. hotels or lodging facilities intended for human use;

x. church;

y. gun range or shooting club;

z. a day-care facility, educational facility or School (defined below) except (i) 1 "Sylvan," "Kumon" or similar tenant operating in a first-class manner shall be permitted provided such use may not be located within a 300 foot radius of the Premises, and further provided such use may not occupy more than 2,500 square feet of Gross Floor Area, and (ii) a day-care facility shall be permitted in any Future Building in the Future Development; provided, however, that if the City requires Landlord to remove 14 parking stalls located along the west wall of the Premises and replace such stalls with a 20 foot wide sidewalk, any a day-care facility located in any Future Building shall not exceed 16,500 square feet of Gross Floor Area; for purposes of this provision, "School" means a beauty school, barber college, reading room, place of instruction or any other operation serving primarily students or trainees rather than retail customers;

aa. drive-throughs; except in the location(s) shown on Exhibit A and as part of business operations of buildings located adjacent to Newport Road;

bb. any restaurant located within 200 feet of the Premises, except such use shall be permitted in "Shops 1" as shown on Exhibit A so long as any such restaurant use(s) shall be located a minimum of 50 feet from the east demising wall of the Premises and individually shall not occupy more than 2,000 square feet of Gross Floor Area, and in the aggregate shall not exceed 4,750 square feet of Gross Floor Area within Shops 1. Restaurants located outside of 200 foot from the Premises shall be limited as follows: up to 4,000 square feet of Gross Floor Area within the buildable area of Pad 1, up to 8,000 square feet of Gross Floor Area within the buildable area of Pad 2, up to 10,000 square feet of Gross Floor Area in the aggregate within the building areas of Pad 3 and Pad 4 provided that no single restaurant use in the building areas of Pad 3 or Pad 4 shall exceed 4,000 square feet of Gross Floor Area;

cc. any facility related to the occult sciences, such as palm readers, astrologers, fortune tellers, tea leaf readers or prophets;

dd. frozen food locker or sales facility, or milk distribution center;

ee. nursing home, old age center, or governmental facility (other than a post office), recruiting center or employment center;

ff. (i) any office, medical and/or professional uses located outside of 200 foot of the exterior wall of the Premises occupying in the aggregate more than 5,000 square feet of the Gross Floor Area and (ii) any office, medical and/or professional uses located within 200 feet of the exterior wall of the Premises, except office, medical and/or professional uses shall be permitted in any Future Building in the Future Development provided that (a) such uses shall not occupy more than 15,000 square feet of Gross Floor Area in the aggregate (or 12,750 square feet of Gross Floor Area in the aggregate if the City requires Landlord to remove 14 parking stalls located along the west wall of the Premises and replace such stalls with a 20 foot wide sidewalk), (b) the employees of such uses shall be required to park in the parking areas located along the westerly boundary of the Shopping Center and (c) signs shall be posted between the Premises

and the Future Development identifying the parking areas along the westerly boundary as "Office/Medical/Professional, as applicable, and Retail Parking" and remaining parking as "Retail Only Parking";

gg. abortion clinic (notwithstanding the otherwise permitted medical uses in clause (ff) above);

hh. any tobacco store, hookah lounge or electronic cigarette type store or medical or otherwise marijuana dispensaries.

LEASE AGREEMENT

This lease (the "Lease") is made as of May 31, 2022 | 11:30 AM PDT (the "Effective Date") by and between **CALIFORNIA PROPERTY OWNER I, LLC**, a Delaware limited liability company ("Landlord"), and **YOSHIHARU CLEMENTE**, a California corporation, ("Tenant").

In consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Landlord and Tenant agree as follows:

1. Basic Lease Provisions. Wherever used in this Lease, the following terms shall have the meanings indicated, and where appropriate, constitute definitions of the same.
   (a) Shopping Center: Ocean View Plaza, 638 Camino de Los Mares, San Clemente, California 92673 (Building Unit: #405901)
   (b) Premises: Unit #16 consisting of approximately 2,154 square feet. The Premises and the Shopping Center are shown approximately on Exhibit "A" attached hereto.
   (c) Landlord's Notice Address: California Property Owner I, LLC, % Brixmor Property Group, 450 Lexington Avenue, Floor 13, New York, NY 10017, Attention: General Counsel; with a copy to Brixmor Property Group, 1525 Faraday Avenue, Suite 350, Carlsbad, CA 92008, Attention: VP, Legal Services.
   (d) Tenant's Notice Address: Yoshiharu Clemente, 6940 Beach Blvd, Unit D-705, Buena Park, CA 90621, Attention: James Chae; with a copy to Yoshiharu Clemente, 15476 Canon Lane, Chino Hills, CA 91709, Attention: James Chae and an additional copy to 6940 Beach Blvd., Unit D-413, Buena Park, CA 90621, Attention: Andrew Yun.
   Tenant's Contact Information: Telephone: 213.272.1780; and Email: jchae@yoshiharuramen.com
   (e) Trade Name: Tenant shall operate under the trade name "Yoshiharu Ramen"; and not change it without Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed.
   (f) Guarantor: JAMES CHAE and JENNIE YEON CHAE, a married couple.
   (g) Permitted Use: Tenant shall continuously use and occupy the Premises solely for the operation of a first-class, fast causal, ramen restaurant with no house deliveries (excluding food delivery services such as UberEats, GrubHub, Doordash, etc); and, in conjunction with Tenant's operation of a first-class, fast casual, ramen restaurant and on an incidental basis thereto, Tenant may serve alcoholic beverages to its restaurant customers for on premises consumption only provided, (i) Tenant's kitchen is open and serving its full restaurant menu and (ii) the sale of alcoholic beverages does not exceed 20% of Tenant's Gross Sales, as defined herein, and (iii) Tenant, at Tenant's sole cost and expense, obtains and thereafter maintains at all times during the Term of the Lease, a policy or policies of Liquor Law Legal Liability Insurance and Dram Shop liability insurance satisfactory to Landlord ("Permitted Use"). Tenant shall not use or permit the use of the Premises for any other use, business, or purpose without Landlord's prior written consent, which shall not be unreasonably withheld, conditioned or delayed. See Section 43 for Outdoor Seating Area.
   (h) Term: The Term shall commence on the date Landlord makes the Premises available to Tenant (the "Possession Date") and terminate on the last day of the month in which the 10th anniversary of the Rent Commencement Date occurs. As used in this Lease, "Term" means the initial term of this Lease together with any option periods, extensions, or renewals thereof; and the "Expiration Date" shall that mean the last day of the Term.
   (i) Rent Commencement Date: The earlier to occur of: (i) the 180th day from and including the Possession Date; or (ii) the date the Premises are opened for business.
   (j) Minimum Rent: The Minimum Rent during the Term shall be payable by Tenant to Landlord in monthly installments beginning on the Rent Commencement Date and on the first day of each calendar month thereafter, in advance, as follows:

INITIAL TERM

FROM MONTH	THROUGH MONTH	PSF AMOUNT	MONTHLY
1	12	$53.10	$9,531.45
13	24	$54.69	$9,816.86
25	36	$56.33	$10,111.23
37	48	$58.02	$10,414.59
49	60	$59.76	$10,726.92
61	72	$61.55	$11,048.23
73	84	$63.40	$11,380.30
85	96	$65.30	$11,721.35
97	108	$67.26	$12,073.17
109	120	$69.28	$12,435.76

OPTION TERM

FROM MONTH	THROUGH MONTH	PSF AMOUNT	MONTHLY
1	60	$71.36	$12,809.12

The first month shall mean the period from the Rent Commencement Date through the last day of the first full calendar month immediately following the Rent Commencement Date.

   (k) Percentage Rent: None.
   (l) Additional Rent:
      (1) Initial Monthly Operating Expense Payment: $757.49 per month ($4.22 per square foot).
      (2) Initial Monthly Tax Payment: $594.15 per month ($3.31 per square foot).

(3) Initial Monthly Insurance Payment: $59.24 per month ($0.33 per square foot).

(m) Security Deposit: $10,942.33.

(n) Rent Deposit: Subject to collection, Landlord acknowledges receipt of a rent deposit of $10,942.33. The Rent Deposit will be credited to the first full month's installment of Rent (as defined in Section 4).

(o) Tenant's Percentage: A fraction, the numerator of which is the square footage of the Premises and the denominator of which is the square footage of the constructed leasable area of the Shopping Center (whether leased, vacant, or occupied), excluding any separately maintained, assessed, billed, or insured buildings or parcels. All measurements of the Premises and other space in the Shopping Center shall be made from the outside of the exterior walls and from the center of interior walls.

(p) Broker: Tenant represents and warrants that, except for Yun Law Group, there are no claims for brokerage commissions or finders' fees in connection with this Lease. Tenant shall indemnify Landlord against and hold it harmless from all liabilities arising from any such claim by any broker or finder.

2. Delivery and Premises Condition. Landlord leases to Tenant and Tenant rents from Landlord the Premises for the Term excepting and reserving to Landlord the roof, any space above the finished ceiling and below the finished floor of the Premises, the exterior walls, and the land upon which the Premises is located. Subject to the terms of this Lease, Landlord's grant includes the non-exclusive license to use the Common Areas (as defined in Section 19). Tenant shall take possession of the Premises on the Possession Date. Tenant accepts the Premises in their "AS-IS" / "WHERE-IS" condition without any representation or warranty from Landlord as to the fitness thereof for Tenant's use and occupancy.

3. Minimum Rent. Tenant shall pay to Landlord the Minimum Rent, without prior demand or invoice and without any offset or deduction, on or before the first day of each month during the Term, in advance, at the address designated by Landlord. Tenant's obligation to pay Minimum Rent shall commence on the Rent Commencement Date. Starting with the first day of the month after Landlord has sent Tenant the set-up instructions to Tenant's email address set forth in Section 1(d), Tenant shall make all Rent payments via the online payment portal. Minimum Rent shall be prorated for any partial month at the beginning or end of the Term.

4. Additional Rent and Rent. In addition to Minimum Rent, all other payments to be made by Tenant to Landlord shall be, and deemed to be, additional rent ("Additional Rent"), whether or not designated as such. Landlord shall have the same remedies for the failure to pay Additional Rent as Landlord has for a non-payment of Minimum Rent. Tenant's obligation to pay Additional Rent shall commence on the Possession Date and (unless otherwise stated in this Lease), Additional Rent shall be due and payable within 30 days after written demand therefor. Additional Rent shall be prorated for any partial month at the beginning or end of the Term. "Rent" means Minimum Rent, Percentage Rent (if any), and Additional Rent, individually or in the aggregate. Tenant's covenant to pay Rent is an independent covenant of Tenant and the payment thereof shall not be subject to any withholding, offset, or deduction of any kind. Landlord may apply any Rent payment towards any debt or obligation of Tenant without regard to Tenant's instructions. No endorsement or statement made on any check or any communication accompanying such payment shall constitute an accord and satisfaction; and Landlord may accept such payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other available remedy.

5. Re-occurring Additional Rent Payments.

(a) Operating Expense Payment. Commencing on the Rent Commencement Date, the Operating Expense Payment initially shall be the amount set forth in Section 1(l)(1) and shall increase by three percent on each January 1st during the Term. Landlord may re-set Tenant's Operating Expense Payment every five years during the Term to the amount then being quoted by Landlord to new tenants.

(b) Real Estate Taxes. "Taxes" (also known as "Real Estate Taxes") shall mean all real estate taxes, fees, betterments and assessments (including special assessments), payments in lieu of taxes and assessments, and both ad valorem and non-ad valorem taxes, however the same may be designated, levied, assessed, or imposed at any time by any governmental authority upon or against the Premises, land, and/or buildings of the Shopping Center; and any fees, assessments, or charges imposed by governmental authorities. Any tax upon the land and/or buildings or other tax levied or imposed by any taxing authority in lieu of the present method of real estate taxation shall be deemed to be Taxes. Commencing on the Rent Commencement Date, Tenant shall pay to Landlord, in equal monthly installments on the first day of each calendar month during the Term, Tenant's Share of Taxes. "Tenant's Share of Taxes" means Taxes multiplied by Tenant's Percentage. In addition, Tenant shall pay the full amount or allocable amount of any other tax or assessment chargeable directly or indirectly to, or calculated by reference to, the Premises or Tenant's use of the Premises. If the taxing authority changes the prevailing method of taxation, such new method still shall constitute "Taxes" for purposes hereof. Landlord may contest any and all Taxes, including prosecuting any applicable tax certiorari proceeding; and Taxes shall include the costs of such contest, including all legal fees, tax consultants, appraisal fees, mediation fees, and court costs.

(c) Insurance Payment. Commencing on the Rent Commencement Date, Tenant shall pay to Landlord, in equal monthly installments on the first day of each calendar month during the Term, Tenant's Share of Insurance Costs. "Tenant's Share of Insurance Costs" shall mean the costs and expenses of every kind and nature paid or incurred by Landlord to procure and maintain insurance for the Shopping Center (collectively, the "Insurance Costs") multiplied by Tenant's Percentage.

6. Reconciliation Statements. The Operating Expense Payment is an agreed-upon contribution towards the Shopping Center's operating expenses and, except for Taxes, and Insurance Costs, there will be no reconciliation of the Shopping Center's actual operating expenses. Within a reasonable time after the end of each fiscal year, Landlord shall furnish to Tenant a statement or statements showing: (i) the total amount of Taxes and Insurance Costs paid or incurred by Landlord during such period; (ii) Tenant's Share of such cost (*i.e.*, Tenant's Percentage multiplied by said costs) plus the administrative fee referenced above; and (iii) the credit or balance due. Tenant shall pay

any balance due to Landlord within 30 days after delivery of such statement; and Landlord shall credit any overpayment to Tenant's account against the next installment(s) of Tenant's Share of such cost. At the end of each fiscal year, Landlord may adjust Tenant's monthly payment to equal one-twelfth of Tenant's Share of Taxes and Insurance Costs as estimated by Landlord for the forthcoming year. Landlord may designate/change its fiscal year. Until the issuance of the reconciliation statement referenced herein, Tenant shall pay the initial amounts set forth in Section 1(l) on account of Tenant's Share of Taxes and Insurance Costs. Near or at the end of the Term, Landlord will render a final (or estimated final) statement to Tenant for all Rent accruing through the Expiration Date ("Final Reconciliation Statement"). Tenant shall pay any balance due on the Final Reconciliation Statement by the 15th day from receipt thereof; and Landlord shall refund any balance owed within 30 days after sending the Final Reconciliation Statement.

7. Taxes on Rentals, Personal Property Taxes, and Taxes on Leasehold. If the Shopping Center is located in a jurisdiction that presently or in the future imposes a sales tax or other tax on Rent, Tenant shall pay the tax assessed by such taxing authority, simultaneously with each payment of Rent, when due to Landlord. Tenant shall be responsible for, and shall pay before delinquency, all taxes assessed against any leasehold interest or improvements, alterations, fixtures, and/or personal property of any kind owned by or placed in, upon or about the Premises by Tenant, whether such taxes are assessed against Landlord or Tenant.

8. Late Fee, Interest, and Returned Check Fee. If Tenant does not make any Rent payment by the fifth day from and including its due date (a "late payment"), then a late fee of $0.05 for each dollar overdue shall become immediately due to Landlord (the "Late Fee"). In addition, all late payments shall bear interest at rate of nine percent per annum. If any check from Tenant is not honored by Tenant's bank, then Tenant shall pay an administrative charge of $150.00 per dishonored check. The parties stipulate that the Late Fee, interest payment, and check-dishonored fee constitute a fair and reasonable estimate of the damages incurred by Landlord, which actual damages are impractical to ascertain.

9. Security Deposit. Subject to collection, Tenant has deposited with Landlord the Security Deposit set forth in Section 1(m). Landlord shall hold the Security Deposit, without liability for interest, as security for performance by Tenant of all of Tenant's obligations under this Lease. Landlord may apply the Security Deposit in Landlord's reasonable discretion (or any part thereof) for: (i) any unpaid and past due Rent; (ii) any sum expended by Landlord on Tenant's behalf; (iii) any expenses/damages incurred by Landlord by reason of Tenant's default and/or breach; and/or (iv) any final balance owing to Landlord pursuant to the Final Reconciliation Statement (*See*, Section 6). Should Landlord apply all or any portion of the Security Deposit, Tenant shall remit to Landlord an amount sufficient to restore the Security Deposit to its original balance within seven days of demand therefor by Landlord. Provided Tenant shall fully and faithfully comply with all of the provisions of this Lease, then Landlord shall return the Security Deposit (or any remaining balance thereof) to Tenant, within 30 days after the later to occur of: the Expiration Date; the date upon which Tenant has surrendered the Premises in the condition required by this Lease; or the issuance of the Final Reconciliation Statement. Landlord's return of the Security Deposit to the then-holder of Tenant's interest under this Lease (according to Landlord's books and records) shall relieve Landlord from all further obligation and liability to Tenant with regard thereto. In the event of a transfer of Landlord's interest in the Premises, Landlord shall transfer the Security Deposit to said transferee and thereafter shall be relieved from all further obligation and liability to Tenant for the Security Deposit.

10. Tenant's Covenant to Open and Operate. Tenant shall open for business under the Trade Name within 30 days of the Rent Commencement Date and thereafter be open and continuously operate in the entire Premises, fully fixtured, stocked, and staffed, during the Shopping Center's hours of operation. If Tenant fails to open within the time-specified herein, then, in addition to Landlord's rights and remedies under Section 29, Minimum Rent shall increase by 150% for the period commencing on the Rent Commencement Date and ending on the day Tenant's opens for business, which Tenant stipulates is a fair and reasonable estimate of Landlord's damages given the impact on the Shopping Center. Further, in the event at any time during the Term, Tenant vacates or abandons the Premises, or fails to maintain any or all of the Shopping Center's hours of operation, then, in addition to Landlord's rights and remedies under Section 29, the Minimum Rent shall increase by 150%, which Tenant stipulates is a fair and reasonable estimate of Landlord's damages given the impact on the Shopping Center that are impractical to ascertain. Tenant shall display, sell, and advertise only first-quality merchandise; and store/stock only such goods, wares, and merchandise as Tenant intends to sell from the Premises. Tenant shall not conduct any sales or promotions other than in the ordinary course of the Tenant's regular business operations, including any auction, fire, bankruptcy, restaurant closing, "lost our lease," or going out of business sale. Tenant shall abide by the Shopping Center rules and regulations promulgated by Landlord. Landlord's consent to Tenant's Permitted Use shall not constitute a representation or warranty by Landlord that such use is lawful or permitted. Tenant shall not perform any acts or carry on any practice that (i) would violate the rights of any other tenants in the Shopping Center, including any exclusive, restriction, or restrictive covenant affecting the Shopping Center, (ii) cause, or may cause, any noise, music, or odors to emanate from the Premises, (iii) cause damage to the Shopping Center, or (iv) be a nuisance, disturbance, or menace to Landlord, the other tenants, or the public. Landlord acknowledges and agrees that odors commonly associated with Tenant's Permitted Use shall not be deemed to be objectionable odor.

11. Competing Operations. Tenant (either directly or through an affiliate, subsidiary, or related person or entity) shall not open another restaurant for a competing business within a radius of three miles from the outside boundary of the Shopping Center measured in a straight line without reference to road mileage.

12. Gross Sales Reports. By February 15th of each year during the Term, Tenant shall deliver to Landlord a report of Tenant's Gross Sales for the preceding calendar year certified to be true and accurate by Tenant. "Gross Sales" means the sum of all sales of goods, services, and all other income and receipts whatsoever of all business conducted in or from the Premises (whether made for cash, on credit, or otherwise). If Tenant fails to provide any

Gross Sales report when due, then Tenant shall incur a late fee of $150.00 per month per report until such report is received by Landlord.

13. Utilities. Tenant shall apply for and pay for all utilities used at the Premises together with all connection fees, tap fees, taxes and/or other charges levied thereon. If any utility is measured by a master meter, then Tenant shall pay Landlord for Tenant's utility consumption within 20 days of receipt of Landlord's invoice. Tenant shall submit to Landlord such data with respect to Tenant's consumption of electricity, gas and water in the Premises, Tenants generation of waste at the Premises, and diversion of waste from landfill within 15 days after the end of each calendar quarter during the Term. Landlord may designate the electrical service provider for the Shopping Center; and Tenant shall contract for electrical service for the Premises either with the Landlord or, at Landlord's option, directly with Landlord's designated service provider. In addition, Landlord may, subject to applicable law, install systems and equipment in the Shopping Center that will generate alternative or renewable energy and/or recycled water and/or obtain the same from third party vendors for consumption in the Shopping Center, including the Premises. Landlord may install equipment (including sub-meters) and other appurtenances in and around the Shopping Center and the Premises to cause alternative/ renewable energy and/or recycled water to be furnished to the Shopping Center. If Landlord designates or changes a service provider, Tenant shall cooperate with Landlord or Landlord's service provider, including, providing access (at reasonable times and upon reasonable notice) to the electric lines, feeders, risers, wiring, and related equipment within the Premises. Electrical service to the Premises may be furnished by one or more companies providing electrical generation, transmission, and/or distribution services. In such event, Tenant shall purchase and pay for the same either directly to the supplier or, at Landlord's option, as Additional Rent. Landlord may charge Tenant for the cost of electric service to the Premises as a single charge or divided into and billed in a variety of categories such as distribution charges, transmission charges, generation charges, public good charges, or other similar categories. Landlord may aggregate the electrical service for the Premises and other premises within the Shopping Center, purchase electricity for the Shopping Center, including the Premises, through a broker and/or buyers group, and change the providers and manner of purchasing electricity from time to time. Landlord may discontinue supplying such utility service(s) upon prior written notice to Tenant sufficient for Tenant to obtain replacement service. Landlord shall be entitled to receive a utility management fee (if permitted by law) for the services provided by Landlord in connection with the selection of utility companies and the negotiation and administration of contracts for the generation of electricity to the Shopping Center. If not installed, but separate metering is available for any utility, Landlord may install such separate meter at Landlord's expense. Landlord shall not be liable for any loss, damage, or expense that Tenant may sustain or incur because of any interruption, failure, interference, change, or defect in the supply or character of utilities furnished to the Premises.

14. Trash Removal. Tenant shall pay for the cost of trash collection and disposal from the Premises and related recycling services. Tenant shall use the trash hauling service designated by Landlord for the Shopping Center.

15. Tenant's Work.
    (a) Tenant shall complete all work to prepare the Premises for Tenant's use and occupancy, at Tenant's sole cost, in accordance with the plans and specifications approved by Landlord ("Tenant's Work"). Tenant shall equip the Premises with all furniture, fixtures, and equipment necessary for the operation of Tenant's business. Within 20 days from and including the Effective Date, Tenant shall submit to Landlord for approval, complete construction plans and specifications, prepared by licensed architects and engineers previously approved in writing by Landlord, describing Tenant's Work in CAD file format. Tenant shall not commence any construction in the Premises until Landlord has approved Tenant's plans. Within five business days from and including the date Landlord approves Tenant's plans, Tenant shall apply for all permits, approvals, and licenses necessary for Tenant to perform Tenant's Work and operate Tenant's Permitted Use in the Premises (the "Permits"). Tenant thereafter shall pursue approval of the Permits with all continuity, diligence, and dispatch. Tenant shall provide Landlord with copies of all permit applications and other government filings contemporaneous with submitting the same to the applicable governmental authority. For Construction Allowance, *See*, Rider Section 50.
    (b) The following shall apply whenever Tenant is performing work in/at the Premises, including Tenant's Work: Tenant shall not perform any other work in or outside the Premises during the Term without Landlord's consent, which shall not be unreasonably withheld, conditioned or delayed. All work shall be performed in a first-class workmanlike manner and in compliance with applicable laws, building codes, and safety standards/regulations. Tenant shall pursue completion of such work with all continuity, diligence, and dispatch. Landlord shall have the right but not the obligation to enter the Premises at reasonable times to inspect Tenant's work. Landlord's approval of any plans and consent to perform the work described therein shall not constitute an agreement that such plans or work conform to applicable legal requirements. Tenant shall not install any equipment that will exceed the capacity of any utility. Tenant may retain only licensed and insured contractors approved by Landlord who shall comply with Landlord's Contractor's Rules and Regulations. Within 30 days of completing Tenant's Work, Tenant shall send Landlord a (1) copy of Tenant's certificate of occupancy and (2) set of as-built drawings of the Premises in CAD file format. Tenant promptly shall procure the cancellation or discharge of all notices of violation arising from Tenant's work. Tenant promptly shall pay all contractors and materialmen for Tenant's work; and procure, at Tenant's expense, the satisfaction or discharge of record of all liens and encumbrances within 15 days after notice of the filing thereof. Landlord may, at its option, bond, or pay-off the lien or claim amount without inquiring into the validity thereof; and Tenant shall reimburse Landlord for Landlord's expenses incurred to discharge said lien (including reasonable attorney's fees) and an administrative charge of 15%. Landlord may post at the Premises notices of non-responsibility, or such other notices that under applicable law will preclude the filing of a mechanic's lien. Tenant will indemnify Landlord and save Landlord harmless from and against all claims, actions, suits at law or equity, judgments, expenses, damages, costs, liabilities, fines, and debts in connection, arising from or in any way related to: any injury, loss, or damage arising from any of Tenant's

work, including any labor strife (including legal fees and/or private security expenses) and any mechanic's and other liens and encumbrances filed in connection with Tenant's work (including Landlord's legal fees).

16. Signage. Before opening, Tenant shall purchase an identification sign and install it above the Premises entrance. Prior to installing any sign, Tenant shall submit a proposed signage rendering (in a form suitable for applying for any required permits and approvals) showing, at a minimum, the placement of such signage on a picture of the actual storefront with the proposed dimensions thereof and the proposed method of installation ("Sign Package") for Landlord's review and approval. All signs, awnings, and canopies shall comply with all applicable laws and codes (without the need for a variance); and the Landlord's sign criteria. Except for Tenant's storefront sign, Tenant shall not install or maintain any other sign, awning, or canopy in or outside the Premises or in the Shopping Center. Subject to the provisions of this Section 16 and Exhibit "C" and full compliance with any applicable governmental code and signage criteria, Tenant shall be permitted to install its standard "Yoshiharu Ramen" signage and graphics on the storefront of the Premises, all such signage subject to Landlord's prior review and approval as required herein, such approval not to be unreasonably withheld, conditioned, or delayed.

17. Repairs. Landlord shall keep the foundations, roof, and structural portions of the outer walls of the Premises in good repair. Except as set forth above, Landlord shall not be required to make any other repairs of any kind upon the Premises. Tenant shall, at its own cost and expense, make all other repairs and replacements to the Premises including the fixtures, equipment (including the heating, ventilation and air conditioning equipment and system ("HVAC")), and utility lines (*e.g.*, electrical, gas, plumbing, and sewage facilities/lines) exclusively serving the same up to the point of connection to the main line(s). In addition, Tenant shall keep the Premises in a clean, sanitary, and attractive condition. Tenant shall keep in effect an HVAC maintenance agreement, with a contractor approved by Landlord, which agreement shall require, at a minimum, quarterly visits during the Term followed by a written HVAC condition report with a copy sent to Landlord. If after notice, Tenant fails to make any repair or replacement as required by this Lease, Landlord may, in addition to any other rights it may have under this Lease, make such repairs or replacement on Tenant's behalf at Tenant's cost. In such event, Tenant shall reimburse Landlord for Landlord's actual out of pocket costs within 30 days after demand therefor.

18. Access. Landlord may enter the Premises at reasonable times and upon reasonable prior notice to Tenant and Landlord's good faith efforts to coordinate such entry with Tenant's on-site management to make repairs, perform regular maintenance, make inspections, and show the same to prospective tenants (during the last 180 days of the Term), purchasers, and other parties. If the Premises contain means of access to the roof, basement, or electrical/riser room, Landlord may enter the Premises at reasonable times and upon reasonable prior notice to gain access thereto. In exercising its rights under this Section, Landlord shall take reasonable measures to minimize the disruption of Tenant's business operations in the Premises. Notwithstanding anything to the contrary contained herein, in the case of an emergency, Landlord may enter the Premises without prior notice to Tenant and without Tenant being present.

19. Common Areas. "Common Areas" mean all areas of the Shopping Center made available by Landlord for the common use of Landlord, tenants, and any other persons having rights thereto (by easement or grant) and their respective customers and invitees, including the improvements, equipment, and facilities located thereon or used in connection with the operation thereof. All Common Areas shall be subject to the exclusive control and management of Landlord. Landlord may change the Common Areas, add to the Common Areas, and/or subtract from the Common Areas, including changing, reconfiguring, or relocating the various entrances, curb cuts, access/services roads, and/or parking areas. Landlord may dedicate portions of the Common Areas for commercial uses and tenant/customer amenities, including permitting the temporary use of portions thereof and the installation of signs, storage units, cart corals, ATMs, cell towers, billboards, electric vehicle charging stations, and similar hardware/equipment. Tenant shall not solicit any business nor distribute any advertising matter in the parking lot or other Common Areas.

20. Compliance With Laws. This Lease and the rights and obligations of the parties hereunder shall be governed by the laws of the state in which the Shopping Center is located (the "State"). From and after the Possession Date, Tenant, at its own cost and expense, shall comply with all laws, including all orders and regulations now or hereafter in effect, including the Americans with Disabilities Act (the "ADA"). Tenant represents that neither Tenant, nor the principals, officers, partners, and/or members of Tenant: (i) are identified on any U.S. Government or other government list of prohibited or restricted parties, including, the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Department of the Treasury, or (ii) are owned or controlled by or acting on behalf of a party on any such list.

21. Environmental Compliance. Landlord and Tenant each shall comply with all applicable federal, state, and local laws, rules, orders, regulations, statutes, ordinances, codes, use permits, judgment, or decrees relating to or imposing liability or standards of conduct concerning environmental conditions and/or hazardous materials ("Environmental Laws"). "Hazardous Materials" mean (i) any hazardous, toxic or dangerous waste, substance or material defined under any Environmental Law as now or at any time hereafter in effect; (ii) any other waste, substance or material that exhibits any of the characteristics enumerated in 40 C.F.R. §§ 261.20 through 261.24, inclusive, and those extremely hazardous substances listed under Section 902 of SARA that are present in threshold planning or reportable quantities as defined under SARA and toxic or hazardous chemical substances that are present in quantities that exceed exposure standards as those terms are defined under Section 6 and 8 of OSHA and 29 C.F.R. Part 1910; (iii) any asbestos or asbestos containing substances whether or not the same are defined as hazardous, toxic, dangerous waste, a dangerous substance or dangerous material in any Environmental Law; (iv) "Red Label" flammable materials; (v) petroleum based products (vi) all laboratory waste and by-products; and (vii) all bio-hazardous materials. Tenant shall not generate, manufacture, refine, transport, treat, store, handle, or dispose of any Hazardous Materials in or around the Shopping Center. Tenant immediately shall notify Landlord of any environmental concerns, liabilities, or conditions of which Tenant is, or becomes, aware,

including any release or suspected release of any Hazardous Materials from the Premises. Tenant shall not file any documents or take any other action under this Section without Landlord's prior written approval, which shall not be unreasonably withheld, conditioned, or delayed. Landlord may file such documents or take such action instead of or on behalf of Tenant (but at Tenant's sole cost and expense), and Tenant shall cooperate with Landlord in so doing. Tenant shall (i) provide Landlord with copies of any documents filed by Tenant pursuant to any Environmental Law; (ii) permit Landlord to be present at any inspections and/or meetings with government environmental officials; and (iii) provide Landlord with an inventory of materials and substances dealt with by Tenant at the Premises, as well as such additional information for government filings or determinations as to whether there has been compliance with an Environmental Law. Landlord shall have the right to enter the Premises at reasonable times and upon reasonable prior written notice to inspect the Premises or to conduct tests to discover the facts of any suspected or potential environmental condition or violation. Tenant shall defend, indemnify and hold Landlord harmless against any claims, actions, fines, penalties, liability, loss, damages, cost or expense, including consultants' and attorneys' fees and costs (whether or not legal action has been instituted), incurred by reason of (i) the presence of Hazardous Materials at, under or about the Premises (except for Hazardous Materials present at the Premises on the Possession Date or introduced by Landlord), or (ii) any failure by Tenant to comply with the terms hereof or with any Environmental Law, now or hereafter in effect. Tenant's obligations contained in this Section shall survive the expiration or earlier termination of this Lease, including any post-Term monitoring and remediation. Landlord shall indemnify, defend and hold Tenant harmless from and against any and all environmental damages arising from the presence of hazardous materials upon, about or beneath the Premises in amounts that exceed permissible thresholds or arising in any manner whatsoever out of the violation of any environmental requirements pertaining to the Premises and any activities thereon, which conditions exist or existed prior to or on the Possession Date or which may occur thereafter as the result of the act or omission of Landlord, its agents, contractors or employees. Landlord shall be liable to Tenant only for its actual damages and in no event shall Landlord be liable to Tenant of anyone claiming by or through Tenant for any special or consequential damages or claims for lost profits. The provisions of this Section shall survive the expiration or earlier termination of this Lease.

22. Assignment and Subletting.

(a) Tenant shall not assign, transfer, mortgage, or encumber this Lease, in whole or in part, grant licenses or concessions, or sublet all or any part of the Premises without Landlord's written consent, which consent shall not be unreasonably withheld, conditioned or delayed, provided the following terms and conditions are met and complied with: (i) Tenant shall submit Tenant's request at least 60 days before the proposed effective date thereof, along with the following: (a) the full particulars of the proposed assignment, sublease or transfer, including its nature, effective date, terms and conditions; (b) in the case of a sublease, a copy of the sublease which shall provide that the sublease is subject and subordinate to the terms and provisions of this Lease and that the sublessee will perform all of the terms and provisions of this Lease on Tenant's part to be performed, except the payment of rent, which Tenant shall continue to be obligated to pay to Landlord; (c) a description of the identity, Tangible Net Worth and previous business experience of the proposed assignee, subtenant or transferee including, without limitation, copies of the proposed assignee's, subtenant's or transferee's latest income, balance sheet and changes in financial position statements (with accompanying notes and disclosures of all material changes thereto) in audited form, if available, and certified as accurate by the proposed assignee, subtenant or transferee; (d) any further information and documentation relevant to the proposed assignment, sublease or transfer which Landlord shall reasonably request after receipt of Tenant's request for consent including, without limitation, a written assumption agreement from the assignee or transferee; and (e) a non-refundable deposit of $3,000.00 on account of the Transaction Fee required below, (if such payment does not accompany Tenant's request, then Landlord shall have the right to treat the request as null and void and improperly delivered); (ii) Tenant shall not be in default under this Lease beyond applicable notice and cure periods at the time Landlord's consent is requested or at the effective date of the assignment or sublease; (iii) The proposed assignee, sublessee or transferee shall have a financial standing at least equal to that of Tenant as of the date of Lease or the date of the request for consent, whichever is greater; (iv) The proposed assignee, sublessee or transferee shall be of a character and have a business reputation in accordance with reasonable community shopping center standards; (v) The proposed assignee, sublessee or transferee shall be experienced in the restaurant industry and shall have managerial and operational skills comparable to those of Tenant; (vi) The Premises shall be used solely for the Permitted Use and any change thereto shall be subject to Landlord's prior written review and approval which shall not be unreasonably withheld, conditioned or delayed; (vii) The proposed transaction will not cause Landlord to be in violation of any agreement respecting the Shopping Center to which Landlord is a party; (viii) Tenant and assignee, subtenant or transferee shall execute any form of agreement which Landlord reasonably requires and Tenant will confirm in writing that it remains liable under this Lease as though no assignment or sublease had been made; and (ix) The proposed assignee, sublessee or transferee shall not be a person or entity with whom Landlord currently is (or within the preceding six months has been) negotiating regarding a lease for space elsewhere in the Shopping Center, and the proposed assignee, sublessee or transferee shall not be a lessee in the Shopping Center. The option term, as provided in Section 44 of this Lease, shall be assignable by Tenant.

(b) In connection with such request, Tenant shall pay Landlord a Transaction Fee equal to the greater of (i) five percent of the total consideration paid by the assignee or (ii) $3,000.00. As used herein, "Tangible Net Worth" means the excess of total assets over total liabilities, in each case as determined in accordance with generally accepted accounting principles consistently applied. Any subsequent assignment or sublease shall be subject to the terms of this Section 22. Any transfer made in violation of this Section shall be void and confer no rights upon any purported transferee, assignee, mortgagee, or occupant. Landlord's acceptance of Rent from any person other than Tenant shall not be construed as Landlord's consent to any such purported transfer nor estop Landlord from pursuing Landlord's rights and remedies under this Lease.

(c) Except as expressly provided otherwise in this Section 22, in the event the Lease is assigned or otherwise transferred in whole or in part, with or without Landlord's consent or approval, Tenant shall at all times remain primarily liable for the full performance of all of the terms, covenants and conditions contained in the Lease and for all obligations accrued or accruing under the Lease. Except as expressly provided otherwise in this Section

22. Tenant shall not be released by, or as a result of, any subsequent assignment or transfer of the Lease and Tenant agrees that no amendment, modification, extension or renewal of the Lease shall release the Tenant from its obligations under the Lease. Each assignee or transferee, with or without Landlord's consent, shall be liable and obligated to perform all of the terms, covenants and conditions contained in the Lease as if it were the original tenant under the Lease. In any right of action which may accrue to Landlord, Landlord may, at its option, proceed against Tenant without having commenced any action or obtained a judgment against any subsequent assignee or transferee.

(d) Notwithstanding anything to the contrary contained in this Section 22, at any time following the sixth anniversary of the Rent Commencement Date, in the event Landlord approves an assignment of Yoshiharu Clemente's interest in this Lease, then, Yoshiharu Clemente, a California corporation, and James Chae and Jennie Yeon Chae, a married couple, shall be released from all liability under the terms and provisions of the Lease and the Guaranty as of the first day of the 25th month following the effective date of such approved assignment, provided the approved assignee is not then nor has been in default of the terms and conditions of the Lease. Further, the terms of this paragraph shall be exclusively for the benefit of Yoshiharu Clemente, a California corporation, and James Chae and Jennie Yeon Chae, a married couple, and shall not be available to any successor, assignee, subtenant or transferee of Yoshiharu Clemente, a California corporation, as Tenant, or James Chae and Jennie Yeon Chae, a married couple, as Guarantor.

23. Tenant's Insurance. To the full extent permitted by law, Tenant shall indemnify and defend Landlord and save it harmless from and against any suits, actions, damages, claims, judgments, costs, liabilities, and expenses in connection with loss of life, bodily injury, property damage or any other loss or damage arising from, or out of, any occurrence in, upon, at, or from the Premises, or Tenant's use and occupancy of the Premises, or occasioned wholly, or in part, by any act or omission of Tenant, its agents, contractors, employees, servants, invitees, licensees or concessionaires, including use of the Common Areas. Tenant's indemnification obligations shall not be limited by the provisions of any workers' compensation act, similar statute, or by any action of Tenant's insurance carrier, and shall survive the expiration or earlier termination of this Lease. Tenant shall maintain, at Tenant's sole cost and expense and to the full extent permitted by law: "Special Form" insurance coverage (or its then equivalent successor) that shall include fire and extended coverage insurance covering 100% of the cost of replacement of all furniture, fixtures, non-structural components of the walls and storefronts, equipment, inventory, and improvements in or serving the Premises in the event of a loss; commercial general liability insurance with a deductible of no more than $10,000.00, including contractual liability coverage, covering bodily injury and property damage liability, in the broadest and most comprehensive forms generally available with "General Aggregate Amount and Per Occurrence Limits" of liability as follows: Minimum Liability Coverage of $1,000,000.00 per occurrence and $3,000,000.00 in the aggregate; and Minimum Property Coverage of Full Replacement. Tenant may satisfy the foregoing coverage requirements in a single policy or a combination of a primary policy with coverage of at least $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate plus an excess liability policy (a/k/a an umbrella policy) with coverage of at least $1,000,000.00; and workers compensation and other workers disability insurance with coverage of the greater of $1,000,000.00 or such amount required by the State. Tenant's general liability insurance shall be written on an occurrence basis. Tenant's property coverage shall include earth movement and flood coverage if the Shopping Center is located in a jurisdiction where Landlord's insurance includes such flood and/or earthquake coverages. Tenant shall insure: (i) all outside plate glass in the Premises and (ii) all boilers and HVAC equipment serving the Premises in the amount of $150,000.00. Landlord makes no representation to Tenant that the minimum amount of insurance required to be carried by Tenant under this Lease is adequate to protect Tenant's interest. All companies providing Tenant's insurance shall have a minimum A.M. Best rating of A-X and be authorized to transact business in the State. Tenant's insurance shall name Landlord and its successors and/or assigns (and as Landlord directs, its ground lessors, lenders, affiliates, and managers) as additional insured(s) under Tenant's general liability insurance policy providing the above-coverage. On or before the Possession Date and thereafter within 10 days of the annual renewal date thereof, Tenant shall provide Landlord with certificates of insurance evidencing Tenant's insurance. Tenant also shall provide Landlord with copies of such policies upon Landlord's prior written request.

24. Waiver of Subrogation and Risk of Loss. Landlord and Tenant hereby release each other and anyone claiming through or under the other by way of subrogation from any and all liability for any bodily injury or loss of or damage to property, whether or not caused by the negligence or fault of the other party. In addition, Landlord and Tenant shall cause each insurance policy carried by them to provide that the insurer waives all rights of recovery by way of subrogation against the other party hereto in connection with any loss or damage covered by the policy. Tenant shall store its property at Tenant's own risk and releases Landlord, to the full extent permitted by law, from all property damage claims. Landlord shall not be responsible or liable to Tenant for any loss or damage to Tenant's property arising from any cause.

25. Damage and Destruction. If the Premises is damaged by any casualty, then Landlord shall elect either to repair/restore the Premises to substantially the same condition as the Premises were in on the Possession Date or terminate this Lease by notice of termination given within 180 days after such event. If Landlord elects to repair/restore, then Tenant promptly shall complete all work necessary for Tenant to re-open and operate Tenant's Permitted Use in the Premises.

26. Eminent Domain. If the Premises shall be taken by eminent domain, then this Lease shall terminate on the date title vests in the taking authority. If only a portion of the Premises is taken, then Landlord shall elect either to terminate this Lease (effective on the date title vests in the taking authority) or restore the Premises to substantially the same condition as the Premises were in on the Possession Date less the portion taken. Landlord shall receive the full amount of any award made in connection with any taking. Tenant shall cooperate with Landlord in executing such waivers/releases as may be necessary for Landlord to recover the award.

27. Relocation. Intentionally Omitted.

28. Shopping Center Redevelopment. If Landlord elects to renovate and/or remodel all or part of the Shopping Center, Tenant shall cooperate with Landlord, including the removal and replacement of Tenant's sign(s) at Landlord's cost. If Landlord elects to renovate/replace Tenant's storefront, façade, and/or signage, Tenant's Minimum Rent as set forth in Section 1(j) shall increase by $2.00 per square foot per annum for the remainder of the Term as reimbursement for Landlord's upgrade work and the increase in value of Tenant's leasehold. If Landlord elects (in Landlord's sole discretion) to redevelop the Shopping Center (or any part thereof), which redevelopment plan includes Landlord's recapture of the Premises and comparably sized space is available elsewhere in the Shopping Center, then Landlord may relocate Tenant to such space Section 27 above. If no comparably sized space is available or if Tenant rejects the New Premises (in Tenant's reasonable discretion), then Tenant shall have the right to terminate this Lease on 60 days' notice. As used herein, the term "redevelop" may include new construction, a change to the Shopping Center lay-out, converting the Premises into Common Area, and/or relocating or expanding any occupant whose premises consists of at least 15,000 square feet of gross leasable area.

29. Event of Default by Tenant.
    (a) Any one of the following shall be an "Event of Default": Tenant's failure to pay Rent within five days after Landlord has delivered to Tenant notice of such default; Tenant's failure to observe or perform any of the other terms, conditions, or covenants of this Lease and to commence and to cure the same within the minimum time required to do so after Landlord has sent to Tenant prior written notice of such failure to perform; Tenant's filing of a voluntary petition for relief under the Bankruptcy Code or any similar federal or state law now or hereafter enacted; the commencement of any of the following proceedings that is not dismissed within 60 days: (i) Tenant being judicially declared bankrupt or insolvent according to law; (ii) an assignment for the benefit of creditors; (iii) a receiver, guardian, conservator, trustee in bankruptcy or other similar officer being appointed to take charge of all or a substantial part of Tenant's property by a court of competent jurisdiction; (iv) an involuntary petition for relief being filed against Tenant pursuant to the Bankruptcy Code or any similar federal or state law now or hereafter enacted; and/or a (v) default by Tenant (or any affiliated or related entity of Tenant) with respect to any lease, other than this Lease, with Landlord (or any affiliated or related entity of Landlord). If Tenant abandons the Premises or fails to operate for three consecutive days (Permitted Closures excepted), then Tenant shall be deemed to have abandoned the Premises and said abandonment shall be an Event of Default without the necessity of any notice from Landlord to Tenant.
    (b) Upon an Event of Default, Landlord may, in addition to Landlord's rights and remedies at law or in equity: declare this Lease terminated by giving Tenant a written notice to quit on not less than five days' notice; and/or without further demand, notice, or resort to legal process (all of which Tenant expressly waives), enter the Premises and repossess the same, expel Tenant and those claiming through or under Tenant, and remove, dispose of, or store (in a public warehouse or elsewhere at the cost and for the account of Tenant) Tenant's personal property without liability for any loss or damage that may be occasioned thereby. Landlord may recover from Tenant all damages it may incur by reason of Tenant's default, including repair and maintenance expenses incurred to avoid waste and the Rent as it becomes due for the remainder of the Term as if this Lease had not been terminated or the Premises re-possessed; and without regard to whether Landlord has re-let the Premises or not, except Tenant shall be entitled to a credit in the amount of rent received by Landlord in reletting, after deducting all of Landlord's expenses incurred in reletting the Premises (including, brokerage fees, repair costs, the remodeling costs to place the Premises in condition acceptable to a new tenant), and in collecting the rent in connection therewith. If the rentals received from such reletting are insufficient to cover the total Rent due during that month, Tenant shall pay such deficiency to Landlord. Tenant shall not be entitled to any offset or credit for payments received by Landlord in excess of the amounts due from Tenant hereunder, either on a monthly or cumulative basis. Alternatively, Landlord may elect to recover from Tenant and Tenant shall pay to Landlord liquidated damages in a lump sum payment equal to the Rent reserved under this Lease for the balance of the Term (discounted to its then present value) over and above the total fair market rental value (discounted to its then present value) of the Premises for the balance of the term taking into account Landlord's reasonable projections of the time and cost to re-let the Premises. In calculating present value, the parties shall use a discount rate equal to two points above the Federal Reserve Bank's discount rate.
    (c) Tenant hereby grants to Landlord, a lien and security interest for the payment of all Rent upon all Tenant's property, equipment, furniture, fixtures, and other assets at the Premises. Landlord may sell said personal property, with or without notice, by public or private sale.
    (d) Landlord and Tenant each waive trial by jury in any action, or proceeding brought by the other on any matter whatsoever arising out of or in any way connected with this Lease. Tenant agrees not to interpose any non-compulsory counterclaim of whatever nature or description in any action commenced by Landlord for non-payment of Rent; and submits to the jurisdiction of any court established to adjudicate such Landlord-Tenant matters on a summary process basis.
    (e) In the event Landlord (i) retains an attorney to enforce the provisions of this Lease against Tenant, (ii) retains an attorney to represent Landlord's interests in Tenant's bankruptcy case, (iii) brings a legal action or proceedings against Tenant, or (iv) has to defend any action or proceedings brought by or against Tenant, including, appeals or proceedings in bankruptcy or receivership, Landlord shall be entitled to recover from Tenant its reasonable legal fees and expenses in such action or proceeding or otherwise, or may recover same in a separate action or subsequent proceeding.
    (f) Any release of Tenant from Tenant's liability under this Lease only may be made by a written agreement signed by an officer of Landlord authorized to give such release. Any acceptance of keys to the Premises by Landlord shall not constitute an acceptance of Tenant's surrender. Landlord's termination of this Lease or recovery of possession of the Premises shall not constitute an acceptance of any surrender and shall be

without prejudice to any and all of Landlord's rights and remedies under this Lease, at law or in equity, including, without limitation, the right to recover damages.

(g) No receipt of monies by Landlord from or for the account of Tenant or from anyone in possession or occupancy of the Premises after the termination of this Lease or after the giving of any notice of termination shall reinstate, continue, or extend the Term or affect any notice given to Tenant prior to the receipt of such money; and Landlord's acceptance of any payment or performance shall not be deemed a recognition of any tenancy, revive this Lease, or otherwise impair or prejudice Landlord's right to recover the Premises. From and after the termination of this Lease as provided herein, the unilateral payment of Rent or performance by Tenant shall not create any tenancy, but rather, shall be, at Landlord's discretion, deemed to be on account of Landlord's damages or as use and occupancy payments during Tenant's unlawful detainer of the Premises. Tenant authorizes the online payment portal service provider, vendor, and/or Bank used by Tenant for the payment of Rent to release to Landlord copies of Tenant's checks and/or other Rent payment information. In addition, if Landlord designates a bank or other third-party institution to receive payments of Rent, said designation shall not constitute the appointment of agency to act on behalf of or for Landlord. If this Lease shall be guaranteed on behalf of Tenant, all of the foregoing provisions hereof shall be deemed to read "Tenant or the Guarantor hereof". Nothing contained herein shall prevent the enforcement of any claim Landlord may have against Tenant for anticipatory breach of this Lease. In the event of breach or anticipatory breach by Tenant of any provision of this Lease, Landlord shall have the right of injunction as if other remedies were not provided for herein.

30. Lease Priority. This Lease is or shall be subject and subordinate to all matters of record, including any mortgage, deed of trust, ground lease, or any other method of financing or refinancing now or hereafter placed against the Premises and/or the Shopping Center (or any portion thereof) by Landlord, and to any and all advances made or to be made thereunder and to the interest thereon and to all renewals, replacements, consolidations and extensions thereof. In confirmation of such subordination, Tenant shall execute any acknowledgment that Landlord may request. The holder of any mortgage or deed of trust may elect to have this Lease superior to its mortgage or deed of trust upon notice to Tenant.

31. Quiet Enjoyment. Upon paying Rent and performing all of Tenant's other covenants and obligations under this Lease, Tenant shall peaceably and quietly enjoy the Premises without hindrance or interruption by Landlord subject to the terms of this Lease and to any mortgage, ground lease, or other agreements, covenants, and restrictions to which this Lease is subordinated.

32. Notice. All notices required or permitted to be given under this Lease shall be deemed to have been given and received if: (i) sent through a nationally recognized overnight delivery service (*e.g.*, FedEx) on the day after being picked-up by said carrier; or (ii) sent by United States Certified mail, postage prepaid, three days after being deposited in the mail. All notices shall be in writing and sent to the address set forth in Section 1. Notwithstanding the designation of a separate rent payment address, only notice sent to the notice address set forth in Section 1 shall be good and sufficient notice under this Lease. Any party, by proper notice to the other, may change such party's address for the giving of notice under this Lease.

33. Lease Interpretation. The term "includes" and "including" are not limiting. The term "person" includes any natural person and/or any organization or entity. The word "or" may be inclusive or exclusive depending upon the context of the provision. The word "Tenant" shall mean each and every person identified as a tenant herein; and if there shall be more than one tenant, the liability of each shall be individual, joint and several. All exhibits, riders, and/or addenda attached to this Lease are made a part hereof as if fully incorporated into the body of this Lease. Each party has had the opportunity to review and revise this Lease and retain legal counsel; and any applicable rule of construction that any ambiguities are resolved against the drafting party shall not be applicable in the interpretation of this Lease. The numbering and headings throughout this Lease are for reference only, and shall not be used to construe, interpret, or explain the provision. Whenever an example is given in this Lease, such example shall be construed to be by way of example only and not of limitation. The singular includes the plural. The use of the neuter singular pronoun to refer to Landlord or Tenant shall be deemed a proper reference even though Landlord or Tenant may be an individual and/or an organization or entity. The necessary grammatical changes required to make the provisions apply in the plural or to be gender appropriate shall in all instances be assumed as if correctly expressed. Landlord's and Tenant's relationship is that of Landlord and Tenant; and not as partners or joint venturers. Each provision to be performed by Tenant shall be construed to be both a covenant and a condition. The rights and covenants conveyed in this Lease shall not be deemed to be covenants running with the land.

34. Force Majeure. Landlord's and Tenant's time to perform any obligation under this Lease shall be extended for the period of any unavoidable delay in the performance of any obligations hereunder when prevented from doing so by a cause or a condition beyond such party's control, including, labor disputes, riots, civil commotion, war, war-like operations, invasion, rebellion, hostilities, military or usurped power, terrorist action, sabotage, Government ordered business closure, stop work order, or other regulation, fire or other casualty, inability to obtain any necessary material, services or financing, or through acts of God. Notwithstanding the foregoing, no cause or event shall (i) release Tenant from, or permit a delay in, excuse, or otherwise extend, the timely payment of Rent as such becomes due, or (ii) delay or defer the Rent Commencement Date. As used herein, Government "stop work order" means an order from an applicable governmental authority ordering the Landlord or Tenant to stop work for reasons/causes other than such party's failure to comply with applicable law/legal requirements.

Notwithstanding anything in the Lease to this contrary, in the event any Governmental Shutdown Order (as defined below) continues for a period of more than 30 days, Tenant shall have the onetime right at any time during the Governmental Shutdown Order, upon prior advance written notice to Landlord, to defer the payment of Minimum Rent ("Deferred Base Rent") until the Governmental Shutdown Order is lifted, for a maximum period

of 90 days (the "Deferral Period"). The Deferred Base Rent does not include additional rental payments due under the Lease (e.g., real estate taxes, insurance, and common area charges) or utility charges which in both cases shall continue to be paid by Tenant pursuant to the terms of Lease ("Current Monthly Additional Rent Payment"). Tenant agrees to pay the Deferred Base Rent under the Lease to Landlord in six equal monthly installments (each a "Deferred Rent Payment") on the first day of each month, commencing on the 90th day following the expiration of the Deferral Period and ending until paid in full. Notwithstanding Landlord's agreement to forbear on the collection of the Deferred Base Rent, the Deferred Base Rent remains rental that was due for the Deferral Period and shall remain a rental obligation under the Lease. Tenant agrees to pay each Deferred Rent Payment to Landlord on the monthly payment dates set forth above in addition to Tenant's regular monthly payments of rentals due under the Lease for such month. Tenant will not be charged interest on the unpaid Deferred Base Rent during such 6-month period. As of the effective date of this Lease, each party acknowledges and agrees that a Governmental Shutdown Order is not currently in place. For purposes of this paragraph, a Governmental Shutdown Order shall mean an order of a governmental authority having jurisdiction over the Shopping Center that requires the Tenant to cease the operation of its business. In the event of any default or breach in the payment of any Deferred Base Rent Payment, or Current Monthly Additional Rent Payment as provided herein, Landlord shall have the immediate right to accelerate the obligation to pay, and require the immediate repayment of, the full balance of all unpaid Deferred Base Rent with respect to the Lease, without further notice or cure period, of any nature, or demand to Tenant and to the extent not paid by Tenant, then Landlord may thereafter exercise any and all other rights or remedies for a rental/payment default as set forth in the Lease. Further, Tenant's failure with respect to any Lease to timely pay any Deferred Rent Payment and/or Current Monthly Additional Rent Payment to Landlord in accordance with this Lease shall constitute a monetary/rent default and breach under the Lease with respect to which Tenant failed to timely make such Current Monthly Additional Rent Payment or Deferred Base Rent Payment and giving rise to Landlord's right to exercise any and all of its rights or remedies under such Lease or the laws of the state in which the leased premises is situated with respect to such monetary/rent default. The absence of the issuance of a written or formal "default" notice under the Lease or the absence of legal action by Landlord with respect to any default, breach or the failure of Tenant to fulfill any obligation under the Lease or the failure of Landlord to enforce any rights under the Lease shall not be construed as a waiver of any such default, breach or failure or rights and Landlord maintains all rights and remedies to enforce same. In case of breach by Tenant of any covenants or undertakings of Tenant under the Lease, Landlord nevertheless may accept from Tenant any payment without in any way waiving Landlord's right to exercise the rights provided in the Lease by reason of any other breach or lapse which was in existence at the time such payment or payments were accepted by Landlord

35. Partial Invalidity. If any provision of this Lease shall to any extent be invalid, the remainder of this Lease shall not be affected thereby; and each other provision of this Lease shall be valid and enforced to the full extent permitted by law.

36. Estoppel Certificate. Tenant shall, within 15 days after a request from Landlord, execute and deliver a certificate certifying (to the extent true): (i) that this Lease is in full force and effect; (ii) a statement of the Possession Date, Rent Commencement Date, and Expiration Date; (iii) that Landlord is not then in default of this Lease; and (iv) such other matters as customarily are included in such certificates or may be reasonably requested by Landlord. Any such certificate may be relied upon by Landlord, any successor of Landlord, any mortgagee of Landlord, or any purchaser of the Shopping Center.

37. Waiver and Consent. The rights and remedies given to Landlord and Tenant in this Lease are distinct, separate, and cumulative; and the exercise of any of them shall not be deemed to exclude either party's right to exercise any of the others. The waiver by Landlord or Tenant of any breach shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition of this Lease, or of such party's right to enforce the same in the future. The acceptance of Rent by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant regardless of Landlord's knowledge of such breach. No covenant, term or condition of this Lease shall be deemed to have been waived by Landlord or Tenant unless such waiver be in writing. No waiver by Landlord in respect to other tenants shall be deemed to constitute a waiver in favor of Tenant. Whenever Landlord's consent is required under this Lease, such consent may be withheld by Landlord in Landlord's sole discretion unless a different standard expressly is stated. If a court finds that Landlord wrongfully withheld its consent, the sole result of such finding shall be Landlord's deemed consent to the requested matter and Landlord shall not be liable to Tenant for any damages arising from the withholding of any consent.

38. Recovery Against Landlord. If Landlord is found liable or obligated to Tenant for any reason under this Lease, then Landlord shall be liable to Tenant only for Tenant's actual direct damages; and in no event shall Landlord be liable to Tenant for lost sales or profits or any indirect, speculative, punitive, or consequential damages. Tenant shall look solely to the estate and property of Landlord in the Shopping Center.

39. Successors. All rights and liabilities herein given to, or imposed upon, Landlord and Tenant shall extend to and bind the respective heirs, executors, administrators, successors, and assigns. No rights, however, shall inure to any assignee of Tenant made in violation of Section 22. In the event of any sale or transfer of Landlord's interest in the Shopping Center, the Premises, or this Lease (except as collateral security for a loan), upon such transfer Landlord will be released from all liability and obligations hereunder.

40. Confidentiality. Except to the extent required by law, including by subpoena, Tenant shall not disclose the terms and conditions of this Lease to anyone.

41. REIT Qualification. Tenant shall cooperate with Landlord so that the Rent under this Lease continues to qualify as "rents from real property" as defined in Section 856(d) of the Internal Revenue Code and related Treasury

Regulations. Such cooperation includes amending this Lease as necessary provided there is no increase in Tenant's financial obligations to Landlord.

42. End of Term. At the Expiration Date or sooner termination of this Lease, Tenant shall quit and surrender the Premises in broom clean condition, reasonable wear and tear and casualty excepted. Tenant will perform repairs, if any are required, so that the HVAC, electrical, and plumbing systems serving the Premises are in good working order. Tenant shall remove all of Tenant's signs, inventory, furniture, trade fixtures, equipment, and other personal property from the Premises in a careful and prudent manner; and repair any damage caused thereby. All property remaining in the Premises on or after the Expiration Date (or sooner termination date) shall become the property of Landlord without payment from Landlord. Tenant shall be liable for the cost of removal and other charges to dispose of, or at Landlord's option, to store such property. If Tenant fails to vacate the Premises in condition required by this Section, then such hold-over shall be a tenancy-at-sufferance only. For each day Tenant holds-over, Tenant shall pay to Landlord a use/occupancy charge equal to two times the annual Minimum Rent payable as of the Expiration Date plus all Additional Rent (annualized based upon Tenant's then-current payments) divided by 360. In addition and without prejudice to all of Landlord's rights and remedies at law or in equity against Tenant, Tenant shall indemnify Landlord against any loss or liability resulting from Tenant's delay in surrendering the Premises on the Expiration Date (or sooner termination date). Tenant's obligation to observe or perform the covenants contained in this Section shall survive the expiration or earlier termination of the Term.

43. Entire Agreement. Landlord and Tenant represent and warrant to each other that their respective signatories are authorized to sign this Lease on such party's behalf. This Lease and the exhibits, riders, and/or addenda attached hereto, if any, set forth the parties' entire agreement. All negotiations, representations, and understandings between the parties are merged, incorporated into, and set forth in this Lease. This Lease may be modified/amended only by written agreement of the parties. In entering into this Lease, each party represents and warrants to the other that it is not relying upon any statement, opinion, or representation made by the other party except as expressly set forth in this Lease. This Lease may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute a single document. The execution of this Lease by digital signature (*e.g.*, stylus/pen, digital image, or digital signature (*e.g.*, DocuSign®)) and/or delivery by electronic means (*e.g.*, email, facsimile, DocuSign shall be valid and binding as between the parties for all purposes under this Lease and applicable law and rules of evidence with the same force and effect as if the parties had exchanged original executed documents by hand. If required, each party shall take such curative action required to remedy any defect in the execution and delivery of this Lease. Once executed by both parties, this Lease shall be effective and binding as of the Effective Date; and all terms, conditions, and provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors, and assigns. Tenant shall not record this Lease or any memorandum thereof.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

CALIFORNIA PROPERTY OWNER I, LLC,
a Delaware limited liability company

By: DocuSigned by: Matthew Berger
116C722E07FD4F7...

Name: Matthew Berger

Title: Executive Vice President, President - West Region

TENANT:

YOSHIHARU CLEMENTE,
a California corporation

By: DocuSigned by: James Chae
3C04C2C53F4B47B...

Name: James Chae

Title: President & CEO

EXHIBIT A: SITE PLAN

NOT TO SCALE

The foregoing site plan is attached to show the approximate location of the Premises and general layout of the Shopping Center. Landlord makes no representation or warranty that the Shopping Center, including the tenants, shown on Exhibit "A" will not change from time to time during the Term. Landlord may construct new buildings and improvements and/or change, remove, and/or expand the existing buildings or other improvements comprising the Shopping Center, including the Common Areas and related facilities. Landlord may or may not, in Landlord's sole discretion, integrate after acquired adjacent property into the Shopping Center; and no merger shall occur by virtue of common ownership of such separate parcels. The Shopping Center excludes the parcel(s) of land, if any, shown as "N.A.P" on Exhibit "A", which are owned and/or controlled by a party (or parties) other than Landlord. The Shopping Center also shall exclude any portion of the Shopping Center transferred to a third-party after the Effective Date and any rights or restrictions affecting such transferred portion by this Lease shall terminate on the date title vests in such third-party. As used herein, "third-party" means a party un-affiliated with Landlord. Landlord may change the name of the Shopping Center.

EXHIBIT B: LANDLORD'S WORK

None.

EXHIBIT C: SIGN CRITERIA

OCEAN VIEW PLAZA

The purpose of the attached criteria is to establish sign standards necessary to balance maximum tenant identification within an overall harmony of design for the project.

The criteria has been designed to give tenants flexibility in personalizing their own identity and to allow for creativity in sign design. However, since deviations from the criteria would be an injustice to all other tenants who comply, conformance to the criteria will be strictly enforced. In the interest of the center, any installed nonconforming or unapproved signs shall be brought into conformance at the expense of the tenant.

A. GENERAL REQUIREMENTS

1. All work to be performed by a professional sign company. Said sign company must be in possession of a current contractors license to perform such work. (C-45 License).

2. Each tenant shall submit or cause to be submitted to the Landlord for approval before fabrication at least two (2) copies of detailed drawings indicating the location, size, layout, design and color of the proposed signs, including all lettering and/or graphics. These drawings should be submitted along with plot plan and elevation.

3. All permits required by the City of San Clemente for signs and their installation must be obtained by the tenant or the tenant's representative prior to installation.

4. All signs must comply with San Clemente zoning, building and electrical codes.

5. All signs shall be reviewed and approved in writing by the Landlord for conformance with this criteria and overall design quality as well as tenant's lease agreement. Approval or disapproval of sign submittal based on aesthetics of a design shall remain the sole right of the Landlord.

6. All signs shall be constructed and installed at tenant's expense. Tenant is also responsible for the maintenance of all signs.

7. Cooperative tenant advertising, signing or seasonal event signing shall be considered special event signs and require separate sign permits from the City of San Clemente.

8. In the event a tenant vacates his premises, the tenant shall provide a blank panel for any freestanding sign occupied by the tenant. Tenant shall also be responsible for the removal of any wall sign, with all holes being repaired and repainted to match the building exterior.

9. Wording of signs shall not include the product sold, except as part of the tenant name, insignia or dba.

10. Tenant's sign contractor shall repair any damage to any work caused by his actions. Incomplete repairs become the responsibility of the tenant.

11. Upon notice of the City of San Clemente or the Landlord, a tenant shall be required to repair or refurnish their sign structure, sign face and/or sign illumination within seven (7) working days.

12. No animated, flashing, audible off-premises or vehicle signs are permitted.

13. No exposed neon or tubing will be permitted.

14. No window signing to be allowed, other than that specified on exhibits as relates to shop addressing and hours of operation, approved credit cards, emergency telephone numbers, etc.

15. All conduits, raceways, transformers, junction boxes, openings in the building surface, etc. shall be concealed. If canopy architecture prohibits concealing hardware, it shall be enclosed in a manner consistent with quality fabrication practices, and painted-out to match the building color. The method of installation shall be approved by the City of San Clemente and the Landlord.

16. Tenant's contractor shall completely install and connect sign display, including primary wiring, from Tenant's electrical to J-box, at sign location stipulated by the Landlord. All signs are to be connected to an assigned J-box provided by the Landlord, which is connected and controlled at the Landlord's house panel for uniform control of hours of illumination.

17. All exterior letters exposed to the weather shall be neatly sealed in a watertight condition and all bolts, fastenings and clips shall be of hot-dipped galvanized iron, stainless steel or other noncorrosive material.

18. Internal illumination to be 30 mili-amp neon gas system, labeled in accordance with the "National Board of Fire Underwriters Specifications".

19. No labels or other identification will be permitted on the exposed surface of the sign, except those required by local ordinance.

20. The tenant shall be fully responsible for the operations of his sign contractor and shall indemnify, defend and hold harmless the Landlord and his agents from damages or liabilities resulting from his contractor's work.

21. Registered trademarks, herein referred to as Registered Corporate Identity, pertains to corporate logos and logotypes that have been registered and are on file with the United States Patent and Trademark Office in Washington, D.C.

B. SIGN TYPES

1. MONUMENT SIGNS

Exhibit "B": Single face monument-type signs at the primary entrances into the project from Camino De Los Mares (one [1] monument per entry, two [2] total).

Sign-wall monument structure will tie in with the project architecture in all manner of colors and finishes for an integrated appearance. Each sign-wall monument will incorporate three (3) internally illuminated sign panels. The center panel will include the project name and the "Ralphs" corporate logo, in addition to two (2) internally-illuminated sign panels of equal size for the identity of two (2) project tenants. Letter copy only will illuminate at night; all other surfaces are opaque. Typical letter color: off-white for direct illumination.

2. TENANT SIGNS

Exhibit "C": Individual, internally illuminated channel letters for in-line tenants with forty (40) or more feet of shop lineal frontage. Mounted to building fascia in approved manner, as specified on exhibits. The maximum letter height shall be twenty-four (24) inches. Sign length to be based on the equation of 1.5 square foot of signage per lineal foot of shop frontage, not to exceed sixty-five percent (65%) of lineal frontage or sixty-four (64) square feet in total area of any one (1) sign. Plexiglas letter color must be one of the following: Rohm & Haas Red #2157, Blue #2324; Blue #2308; Ivory #2146, per City Council Resolution #89-06, Condition of Approval #56, SPR 88-21 (including the sign color for the anchor grocery tenant). Tenant letter style must be selected from Approved Letterstyles list, as indicated on exhibits, unless tenant graphics are part of a Registered Corporate Identity Program. One (1) Type C sign is allowed per tenant, except at corner locations where a second elevation fronts onto a public street or parking area, in which case, a second sign will be permitted. All Type C signs have five inch (5") deep returns painted dark bronze DuPont 42863 and three-quarters inch (3/4") wide trim cap to match.

Exhibit "C-1": Individual, back-lit reverse pan channel letters, with opaque metal faces, for halo illumination only facing the I-5 freeway. Letter return depth: three (3) inches. No stacked letters. One line of copy only. The maximum sign letter height shall not exceed thirty (30) inches. The Landlord will endeavor to encourage each tenant's sign designer to propose, fabricate and install letters consistent in vertical size whenever possible. Actual sign size will be determined by multiplying the letter height by the sign length, with the resulting number not to exceed sixty-four (64) square feet. The maximum number of signs approved to appear facing the I-5 freeway: nine (9), inclusive of the project identity, and "Ralphs" signs. Signs are to be installed only where indicated on elevation exhibit, which is on file with the project Landlord and the City of San Clemente.

Tenant must select from the APPROVED LETTERSTYLES list, as shown on exhibits, except where tenant's graphics are part of a Registered Trademark Identity Program (defined in General Requirements, paragraph 21).

The Plaza identification sign facing the I-5 freeway (Type C1-H) will consist of individual, back-lit reverse pan channel letters, with opaque metal faces, for halo illumination. Letters are in a "stacked" two-line format, utilizing the approved logotype for the project, and are to be installed where indicated on elevation exhibit, which is on file with the project Landlord and the City of San Clemente. The letter face color will be Coral to match Sinclair CM 8091 (matte) with Dark Bronze returns. Letters will be back-lit in White (Voltare 4500 white neon). Overall dimensions of the Plaza Identification sign are approximately 54" high and 183" long, inclusive of the necessary spacing between lines. These over-all dimensions will allow for a 30-inch high initial cap and a 23-inch high body character.

In all cases, the letter face color will be coral to match Sinclair CM 8091 (matte), with dark bronze returns. Letters will be back-lit in white (4500 White Neon).

Exhibit C1-O: Ralphs identity sign at rear elevation facing the I-5 freeway. Overall sign dimensions 60" x 160". Sign will consist of Ralphs corporate logo type, as well as border ellipse, to be of a pan-channel construction for halo illumination. Both letters and ellipse frame will be four (4) inches deep and pegged off of a flush-mounted sheet metal back panel. Letters and border to be painted white (matte); back panel painted Ralphs red (semi-gloss). Both Ralphs letters and ellipse frame will be back-lit in red (Clear Red Neon).

Exhibit "D": Single face internally illuminated lens sign for in-line tenants with less than forty (40) lineal feet of shop frontage. Surface-mounted to building fascia, centered over lease space of shop being identified. Typical Size: 6" x 24" 12' 0". Sign Face from fiberglass with smooth, nonreflective background surface (opaque), painted coral to match Sinclair CM8091. Dimensional, moulded border from fiberglass finished with stucco texture and color to match Synergy #342 "Parchment". Letter copy only will illuminate at night; all other surfaces opaque. Type Letter Color: off-white for direct illumination.

Exhibit "E": Double-face wood arcade sign to hang perpendicular to shop front at close proximity to the respective shop entrance. Sign size is not to exceed four (4) square feet. Sign shape, exact dimensions, color and graphics are open to tenant, subject to Landlord approval. Sign is to be constructed of three (3) inch stock clear lumber (either cedar or redwood) and must incorporate a cove routed edge detail, which, along with the sides of the sign, are to be painted to match the tenant's respective storefront window mullion color (Martin Arabian Blue, Martin #42 Brick Red, Martin Interstate Green). Sign is to be installed by means of decorative strap-iron bracket (1/4" x 1-1/2" strap) in the design configuration as shown on exhibits. Said bracket will be painted to match the tenant's respective window mullion color (semi-gloss enamel).

3. ALL OTHER SIGNS

Exhibit "F": Ralphs identity sign at front elevation facing the parking lot and Camino De Los Mares. Overall sign dimensions: 8'0" x 22'0". Sign will consist of Ralphs corporate logo type scheme to be executed in a "modified" channel letter scheme, where letters will illuminate both through the letterfaces and backlight halo will illuminate on the background surface. Letters will enclose white neon tube. Letters will be five (5) inches deep and pegged off the background surface 1-1/2 inches. Sign will incorporate a fabricated pan channel border ellipse for halo illumination only, ellipse which will enclose white neon tube. Frame will be four (4) inches deep and pegged off the background surface 1-1/2 inches. "Ralphs" letters will have 3/16" white plex faces with white trim capping and dark bronze returns. Border ellipse to be painted matte white in its entirety. Both letters and border will be mounted to an opaque, non-illuminated back panel painted Ralphs red (semi-gloss).

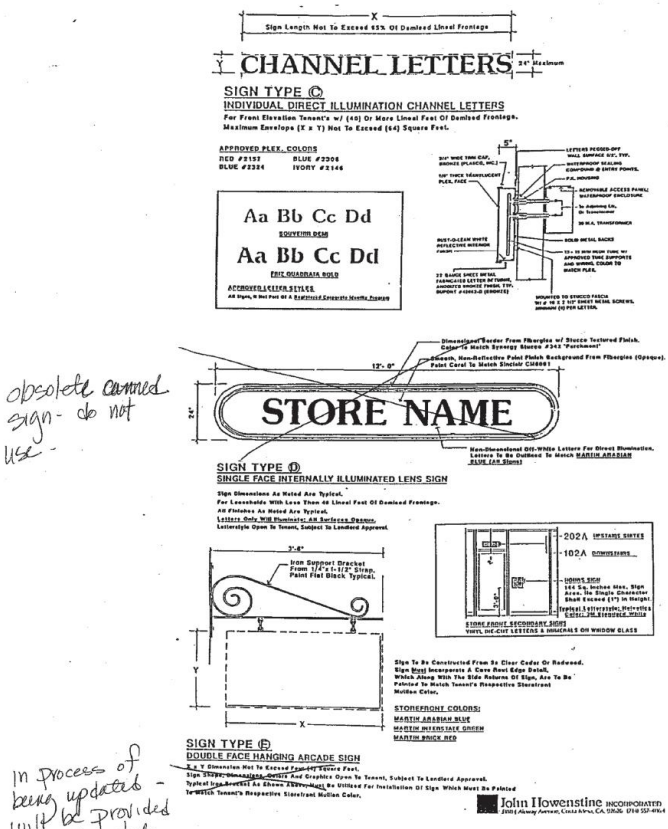
Traffic Signs: as per exhibits. Various locations.

Directional Monument Signs: single face externally illuminated monument sign, placed in landscape islands at ingress points inside the project. Purpose of sign(s) is to give directional assistance in locating tenants at the rear of the project.

Addressing: each building within the project will be addressed by means of twelve inch (12") high numerals, fabricated from aluminum and painted with Ditzler automotive enamels. One (1) set of numerals for each elevation which faces onto a public street or parking lot, to be placed onto building fascia. Typical letterstyle: Helvetica Regular.

Storefront Window Sign: tenant will be allowed to place, at the designated location as shown on exhibits not more than one hundred forty-four (144) square inches of vinyl die cut lettering. This sign may only indicate store name, hours of business, credit card information, emergency telephone number, etc. No single character shall exceed one inch (1") in height. Typical letterstyle: Helvetica Regular. Typical Color: 3M Standard White. (Window signs are allowed on all storefront elevations, except street elevations of buildings G and H.)

OCEAN VIEW PLAZA
SAN·CLEMENTE



obsolete canned sign - do not use -

In process of being updated - will be provided at later date.

RIDER

This sets forth the Rider to the within Lease by and between **CALIFORNIA PROPERTY OWNER I, LLC**, a Delaware limited liability company and **YOSHIHARU CLEMENTE**, a California corporation, d/b/a Yoshiharu Ramen, for certain premises located at the Ocean View Plaza in San Clemente, California; and is made a part of the Lease as if fully incorporated into the body thereof.

44. Option to Extend the Term. Provided Tenant shall have kept, observed, and performed all of the terms, conditions, and covenants of this Lease in a timely manner, then Tenant may elect to extend the term of this Lease for one period of 60 months, exercisable by delivering written notice to Landlord not less than 180 days before the expiration of the Term and no more than 360 days prior to the expiration of the Term; the time for delivery of such notice being of the essence. The option term shall be on the same terms provided in this Lease (except for obligations that have been performed or provisions that no longer are applicable. Tenant shall exercise Tenant's option, if at all, by serving written notice upon Landlord within the time specified above and otherwise in accordance with this Lease. If Tenant does not timely exercise Tenant's option within the time set forth above, then such option automatically shall expire.

45. Outdoor Seating Area. Subject to applicable law and permitting requirements, Landlord grants Tenant a license to use an area to be mutually agreed upon (the "Outdoor Seating Area") for outdoor café style seating; and for no other use or purpose. Tenant accepts the Outdoor Seating Area in its "AS-IS" / "WHERE-IS" condition without any representation or warranty from Landlord as to the fitness thereof for Tenant's use. Any modifications to the Outdoor Seating Area shall be part of Tenant's Work and subject to the provisions of Section 15. For purposes of Tenant's maintenance, insurance, and indemnification obligations hereof, the Premises shall be deemed to be part of and include the Outdoor Seating Area. Without limiting the foregoing, Tenant assumes sole responsibility for the maintenance and repair of the Outdoor Seating Area; and shall maintain the Outdoor Seating Area in a neat, clean, and safe condition, which obligation shall include, without limitation, the regular policing of the Outdoor Seating Area for the removal of trash and debris, using the Outdoor Seating Area in a manner that does not create a hazard or disturbance to any other tenant or the public, and maintaining clear access for the physically challenged, including sufficient space for the free passage of wheelchairs and otherwise complying with the ADA (as defined in Section 20). Tenant shall obtain liability insurance in accordance with the Lease and provide that such insurance will be in effect for the Outdoor Seating Area and Tenant's use and occupancy thereof. Landlord shall not be responsible or liable to Tenant, or to those claiming by, through, or under Tenant, for any loss or damage to Tenant's property arising from Tenant's use of the Outdoor Seating Area. If the Outdoor Seating Area is part of the Common Area, Tenant's use of the Outdoor Seating Area is subject to the rights of any other tenants in the Shopping Center existing as of the Effective Date and any and all restrictions, restrictive covenants, encumbrances, easements, rights, and interests of record affecting the Shopping Center. If any party (other than Landlord) objects in writing to Tenant's use of the Outdoor Seating Area (an "Objecting Party"), Landlord may terminate Tenant's license to use the Outdoor Seating Area. If Landlord terminates Tenant's license, Tenant promptly shall remove any improvements made to the Outdoor Seating Area, restore the Outdoor Seating Area to its condition existing as of the Effective Date, and surrender possession back to the Landlord. As used herein "promptly" means within 20 days of receipt of Landlord's notice or such sooner time as may be required to prevent Landlord from being in default, breach, or violation of such Objecting Party's Lease or agreement or law. This provision grants Tenant only a license to use the Outdoor Seating Area and no leasehold is created hereby.

46. Restaurant Provisions.
    (a) Restaurant Operation. Tenant shall operate a high-grade restaurant serving first-quality food according to the highest standard sanitary conditions. Tenant represents and warrants that Tenant will, at all times, operate a bona fide restaurant; and without limiting the foregoing, shall not operate or permit the Premises to be used for a bar, tavern, night club, discotheque, or the like.
    (b) Fire Suppression. Tenant shall provide at its own cost and expense automatic sprinkler protection and carbon dioxide fire extinguishers in all hoods and ducts in cooking areas of the Premises, all approved by Underwriters Laboratories, Inc., and Landlord's fire insurance carrier. If any additional ventilation shall be required, as determined by Landlord, Tenant shall furnish same at its own cost and expense. Tenant shall maintain, at Tenant's sole expense throughout the Term, a contract with a reputable service company approved by Landlord, to maintain and clean out all grease traps and exhaust fans located in, on or about the Premises at intervals of not less than once every other week. Tenant shall have all hood and duct systems cleaned (including rooftop grease collection and containment system), serviced and inspected not less than once every six months. After each such service inspection, Tenant shall have said service company provide Landlord with an instrument certifying such cleaning and maintenance has been completed, and that all systems are in good working order. Should Tenant fail to comply with the above, Landlord shall have the right following notice to contract with a service company of Landlord's choice and to enter the Premises for the purpose of performing said maintenance, cleaning and inspection. Tenant shall promptly reimburse Landlord for its expenses therefore, including overhead and supervision, as Additional Rent.
    (c) Ventilation. Tenant shall take all steps necessary to prevent any objectionable odors emanating from the Premises. Without limitation of the foregoing, as part of Tenant's Work or at any time thereafter as and if required by Landlord, Tenant shall, at Tenant's sole cost and expense, provide and install rooftop exhaust fans to Landlord's satisfaction, which fans shall have flow-through baffles to deflect exhaust gases away from the buildings in the Shopping Center and prevent any back draft caused by winds and shall consume and disperse all odors produced at the Premises. All plans for such rooftop exhaust system shall be subject to Landlord's review and approval. Any work involving rooftop penetration shall be done in accordance with professional engineering plans certified to Landlord and Tenant. Any rooftop work done shall only be done by Landlord's approved contractor at Tenant's sole cost and expense.
    (d) Grease Traps. Tenant, at its sole cost and expense, shall install a rooftop mounted grease guard system around exhaust fan curbs to prevent grease and oil from covering and/or infiltrating rooftop systems. Said

device shall be a minimum of four inches deep and shall be cleaned and routinely serviced a minimum of two times per year by a professional contractor hired by Tenant. Tenant shall provide to Landlord evidence of a service contract with such contractor for the foregoing required routine maintenance. If Tenant fails to install and maintain such a device, and to obtain and maintain such a service contract, then Landlord shall have the option (but no obligation), in addition to and without limitation of any other rights and remedies of Landlord, of installing and maintaining such device and/or such service contract, at Tenant's sole cost and expense including, but not limited to, any costs associated with roof damage due to improper maintenance, which shall be paid by Tenant to Landlord as Additional Rent within five days of the date of an invoice from Landlord. With respect to any grease trap/containers, at the expiration or earlier termination of this Lease, Tenant shall pump and clean the same to the reasonable satisfaction of Landlord and otherwise perform any work thereon to provide that such grease trap/container complies with all applicable governmental regulations. If the existing soil pipe is overloaded by Tenant's discharge, then Tenant shall be required to immediately commence and diligently proceed to install another drain line at Landlord's request. Said drain line shall be installed at Tenant's sole cost and expense (including the cost of tie in to the sewer line by Landlord's plumber), and in conformity with plans and specifications approved in writing in advance by Landlord.

(e) Trash Removal. Supplementing Section 14, Tenant, at Tenant's sole cost and expense, shall arrange for trash removal on a daily basis. All trash shall be placed in containers approved by Landlord as to placement and size of containers. Tenant shall be required to remove all trash that emanates from Tenant's Premises from any of the Common Facilities of the Shopping Center located within a 50' radius of the Premises at least twice daily. In addition, Tenant shall install, at its sole cost and expense, on all sides of Premises, trash receptacles of sufficient size to accommodate all of the containers, straws, paper plates, etc., used or consumed by patrons of Tenant's business.

(f) Pest Control. Tenant shall maintain a contract with a licensed pest control contractor reasonably acceptable to the Landlord, which contract will provide for the monthly application of necessary pest control materials in the Premises. Tenant shall provide the Landlord with a copy of such contract and evidence of such monthly applications.

(g) Licenses and Permits. Within 30 days of the Effective Date, Tenant shall apply for and use diligent efforts to obtain all licenses and permits necessary for Tenant to operate Tenant's Permitted Use in the Premises including without limitation a so-called 7-day all alcoholic beverages liquor license (the "Liquor License") permitting the Tenant to sell beer, wine, liquor and other alcoholic beverages for on-Premises consumption seven days per week, subject to and in accordance with all applicable provisions of law and this Lease. The Liquor License shall be considered "obtained" when the same has been purchased by and assigned or granted to the Tenant, and the Tenant has received the approval thereof required from the appropriate governmental authorities. Once, obtained, Tenant shall maintain the Liquor License in full force and effect and good standing throughout the Term; and Tenant shall not sell, transfer, pledge, hypothecate or otherwise transfer or encumber the Liquor License to or in favor of any party.

(h) Security Measures. Tenant shall cause its customers to comply with all laws applicable to consumption of wine, beer, liquor or other alcoholic beverages at the Premises. Tenant shall use all reasonable efforts to restrict and control unruly, drunken, offensive, or violent behavior; and maintain order and decorum in and around all portions of the Premises. Landlord, at Landlord's sole, but reasonable discretion, may require Tenant, at Tenant's sole cost and expense, to hire security personnel to ensure quiet and peaceful patronage of Tenant's restaurant. Tenant shall reimburse Landlord for any cost reasonably incurred by due to vandalism, cleaning, lighting, security or any other expense attributable in any way to Tenant's use and/or occupancy of the Premises.

(i) Liquor Liability.

(1) Without limiting the generality of Section 23 of this Lease, Tenant shall indemnify and hold harmless the Landlord, Landlord's managing agent, the Landlord's lender(s) (if any), and any other parties reasonably designated by Landlord from and against any and all claims and any and all loss, cost, damage or expense relating to the sale of liquor in and from the Premises, including, without limitation, any such claim arising from any act, omission or negligence of the Tenant, or the Tenant's contractors, licensees, agents, employees or invitees, or from any accident, injury, or damage whatsoever caused to any person or to the property of any person, whether such claim arises or accident, injury or damages occurs within the Premises, within the Shopping Center but outside the Premises, or outside the Shopping Center. This indemnity and hold harmless agreement shall include indemnity against all costs, expenses and liabilities (including, without limitation, legal fees, court costs and other reasonable disbursements) incurred or made in connection with any such claim or proceeding brought thereon, and the defense thereof, and shall survive the termination of this lease. Tenant acknowledges that without this indemnity, Landlord would not have agreed to the sale of alcohol as part of Tenant's Permitted Use; and Tenant represents and warrants that Tenant's liability insurance shall cover, indemnify and hold harmless the Landlord as provided for in this Lease.

(2) Without limiting Tenant's insurance obligations as set forth in this Lease, if Tenant sells alcohol at/from the Premises, Tenant, at Tenant's sole cost and expense, shall obtain and thereafter, a policy or policies of liquor law legal liability insurance satisfactory to Landlord. Such policy or policies of insurance shall have a minimum combined single limit per occurrence in amounts reasonably acceptable to Landlord, but not less than $5,000,000.00 from a responsible and qualified insurance company approved by the Landlord, in the broadest form available, which shall insure Tenant and Landlord, and all those claiming by, through or under the Landlord against any and all claims, demands or actions for personal and bodily injury to, or death of, one person or multiple persons in one or more accidents, and for damage to property, as well as for damages due to loss of means of support, loss of consortium, and the like; so that at all times Landlord will be fully protected against any claims that may arise by reason of or in connection with the sale of alcoholic in, at, and from the Premises. Certificates of such insurance shall at all times be deposited with the Landlord showing current insurance in force and all such policies shall name the Landlord and its reasonable designees as additional insureds and shall provide that such

policies shall not be cancelled or the coverage reduced below the required minimum without at least 30 days' prior written notice to the Landlord, and such certificate shall evidence the same.

(3) If after Tenant obtains the Liquor License, the Liquor License is suspended, denied, or revoked, Tenant shall notify the Landlord of the such loss, commence the applicable appeal proceedings, and proceed with all due diligence to reinstate the Liquor License. Such loss of the license shall constitute an "Event of Default" under this Lease, however, provided Tenant diligently is pursuing a reinstatement of the Liquor License as determined by Landlord in Landlord's sole judgment and discretion, Landlord shall forbear from exercising Landlord's right to terminate this Lease.

(4) Upon the expiration or sooner termination of this Lease, Tenant shall transfer, subject to all necessary approvals, the Liquor License to Landlord or to such party designated by Landlord and, as consideration for such transfer, Landlord shall pay to Tenant an amount equal to the then fair market value of the Liquor License (less any amounts owed to Landlord) and such amount shall be due and payable upon (i) final approval of the applicable authorities of the transfer from Tenant to Landlord or such party designated by Landlord, and (ii) the delivery by the Tenant to the Landlord of possession of the Premises with all of the Tenant 's charges having been paid and otherwise in accordance with the provisions of this Lease. Such fair market value shall be based upon the average purchase prices paid (and taking into account whether the same were paid upon purchase or over time) for similar 7-day all alcoholic beverages liquor licenses for restaurant operations in San Clemente then recently purchased at arm's length.

47. Existing Tenant. Tenant acknowledges that the Premises currently are occupied by a tenant (the "Existing Tenant"). under an existing lease. If Landlord has not recovered possession of the Premises by the 90th day from and including the Effective Date, then at any time thereafter until the Existing Tenant vacates the Premises, either Landlord or Tenant may terminate this Lease upon written notice to the other. Landlord shall not be liable for the failure of the Existing Tenant to vacate the Premises, and such termination right shall constitute the Tenant's sole and exclusive remedy for the Landlord's inability to deliver the Premises to the Tenant.

48. Contingency. Notwithstanding anything to the contrary contained herein, this Lease is expressly contingent upon Landlord's final determination of potential conflicts, if any, and the receipt of waivers therefor, if necessary, on terms and conditions acceptable to Landlord, as determined by Landlord in Landlord's sole discretion. This Lease shall, at the election of Landlord upon written notice to the Tenant, be deemed null and void ab initio and of no further force and effect, and the parties shall thereafter be relieved of all liability as respect to the other arising from this lease transaction.

49. Exclusive Use. Provided Tenant is open and operating the Premises for the Permitted Use and is not otherwise in default of this Lease beyond any applicable notice and grace period, Landlord agrees not to lease any other space in the Shopping Center for the principal operation of a ramen restaurant. This exclusive shall not apply to: (i) any leases, licenses, or other occupancy agreements existing as of the Effective Date, nor to any renewals, extensions, relocations, or expansions thereof/under such leases (collectively, "Existing Leases"); or (ii) any occupant of the Shopping Center, including their predecessors, successors, assigns, and/or subtenants, under any Existing Lease; or (iii) any replacement tenant (meaning an occupant using space for substantially the same use as under an Existing Lease even though the tenant entity or location in the Shopping Center may be different); or (iv) any occupant whose premises consists of at least 15,000 square feet of gross leasable area; or (v) any full service and/or quick serve restaurants that offer, as its primary menu offering, sushi and sushi rolls ("primary" being defined as 20% or more of such restaurants annual Gross Sales. If any premises (other than the Premises) shall be leased in violation hereof, Tenant shall notify Landlord in writing of such violation, and if such violation is not remedied within 60 days of Tenant's notice, then Tenant thereafter shall have an abatement of 50% of the Minimum Rent payable hereunder commencing at the end of said 60 day period and continuing through the first anniversary of such date (the "Abatement Period"), which shall be Tenant's sole and exclusive remedy. If the exclusive violation shall be remedied at any time prior to the expiration of the Abatement Period, then the Minimum Rent abatement granted hereunder shall cease as of such date; and Tenant shall resume the payment of the full Minimum Rent from that date forward. At the end of the Abatement Period, Tenant shall resume payment of the full Minimum Rent under this Lease. In the interest of clarity, Tenant shall continue to pay all Additional Rent payable hereunder during the Abatement Period. This Section shall be of no further force or effect in the event (i) any action or proceeding is commenced against Landlord under a federal or state anti-trust law or similar statute based on the foregoing restriction, or (ii) the restriction is held to be invalid or illegal by any court, statute or agency or is deemed to be contrary to public policy.

50. Construction Allowance. In lieu of Landlord performing all or a portion of the work to improve the Premises and subject to the terms hereof, Landlord shall reimburse Tenant up to $161,550.00 for the cost to build-out the Premises and install the leasehold improvements. Landlord shall pay Tenant the Construction Allowance within 45 days after receipt of Tenant's written request for payment, which request may not be delivered any sooner than the date Tenant has opened for the business in the Premises under the Trade Name and paid the first month's Rent (excluding any rent deposit made hereunder). Tenant's application shall include the following:

(i) final/unconditional releases or lien waivers from Tenant's general contractor, subcontractors, and suppliers on Landlord's form or a form approved by Landlord;
(ii) a sworn affidavit from Tenant's general contractor identifying all subcontractors and suppliers and the amounts owed and paid to each;
(iii) Tenant's general contractor's Application for Payment and Lien Waiver;
(iv) Tenant's Subcontractors'/Materialmen's Application for Payment and Lien Waiver (to be submitted for each subcontractor or supplier whose contracts/requisitions exceed $3,000.00);
(v) Architect's Certificate of Substantial Completion (if applicable);
(vi) Certificate of Occupancy;

(vii) a set of as-built drawings of the Premises in CAD file format; and
(viii) Tenant's Form W-9.

Tenant shall supply either originals or recordable counterparts of the foregoing documents. Tenant shall submit Tenant's application for payment to: Tenant Allowance Coordinator, Brixmor Property Group, 200 Ridge Pike, Suite 100, Conshohocken, PA 19428. (To expedite, Tenant may submit Tenant's request via email to tacoordinator@brixmor.com provided Tenant follows-up said email with a hard copy via U.S. Mail or overnight carrier service.) Tenant shall provide such additional evidence as Landlord may reasonably request in support of Tenant's costs. Recognizing Landlord's need to close timely Landlord's financial books and records, if Tenant has not satisfied all the conditions for payment of the Construction Allowance within 180 days of the Rent Commencement Date then, as of such day, Tenant waives any and all rights to the payment of the Construction Allowance. If Tenant is in default of this Lease, then Landlord may withhold payment of the Construction Allowance until such time as Tenant cures the default or Landlord accepts Tenant's cure. If Landlord has terminated this Lease due to an Event of Default or other breach of this Lease by Tenant, then Landlord's obligation to pay Tenant the Construction Allowance also shall terminate. If Tenant shall be a debtor in bankruptcy under the United States Bankruptcy Code, 11 U.S.C. §§ 101-1330 (the "Bankruptcy Code"), then Landlord may defer payment of any Construction Allowance until after such time as the United States Bankruptcy Court has approved Tenant's assumption of this Lease on a final and non-appealable basis. If Landlord terminates this Lease prior to the Expiration Date pursuant to a Tenant Event of Default or other breach of this Lease, then in addition to all other remedies available to Landlord, Tenant shall, upon receipt of written demand therefor, promptly pay to Landlord the unamortized value of the Construction Allowance actually disbursed by Landlord to Tenant pursuant to this Section. The provisions of this Section shall survive the termination of this Lease.

51. Notice Pursuant to Health and Safety Code Section 25359.7. In the course of its due diligence prior to acquiring the adjacent property known as Plaza By The Sea located at 616 Camino De Los Mares, Landlord discovered that historic dry cleaning operations at that property had released perchloroethylene ("PCE") beneath the subsurface of the Premises. Landlord promptly disclosed the contamination to the California Department of Toxic Substances Control and is working with regulators to develop a plan to remediate the subsurface. In accordance with Health and Safety Code Section 25359.7, Landlord hereby notifies Tenant, and Tenant hereby acknowledges that, prior to the leasing of the Premises pursuant to this Lease, Tenant has been notified that the Landlord knows, or has reasonable cause to believe, that certain hazardous substances (as such term is used in such Section 25359.7), including PCE, have come to be located on or beneath the Premises. Additional information regarding the remediation is available from Landlord upon request

52. Special California Provisions.

(a) California Civil Code, § 1938 Disclosure. Landlord makes no representation or warranty as to whether the Premises meet all applicable construction-related accessibility standards pursuant to California Civil Code, § 1938; and makes the following disclosure:

The Premises have not undergone inspection by a Certified Access Specialist. A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

(b) Condition of the Premises Upon Delivery. Tenant waives any statutory right to terminate this Lease pursuant to California Civil Code, § 1932(1) (or such similar or successor provision), but Tenant reserves all of Tenant's rights and remedies under this Lease for Landlord's failure to deliver the Premises in the condition required hereby.

(c) Casualty. Tenant waives any statutory right to terminate this Lease pursuant to California Civil Code, § 1932(1) and § 1933(4) (or such similar or successor provision), but reserves all of Tenant's rights and remedies under Section 25 of this Lease; and agrees that such Section 25 shall govern in the event of a casualty.

(d) Insurance. Landlord's and Tenant's property coverage shall include earthquake coverage if the Shopping Center is located in a jurisdiction where Landlord's insurance providers recommend such coverage.

(e) Condemnation. Tenant waives any statutory right to terminate this Lease pursuant to California Code of Civil Procedure, § 1265.130 (or such similar or successor provision), but reserves all of Tenant's rights and remedies under Section 26 of this Lease; and agrees that such Section 26 shall govern in the event of a taking by eminent domain (and/or deed in lieu).

(f) Self-Help. Tenant waives any statutory rights of self-help under any present or future laws including California Civil Code, § 1941 and § 1942.

(g) Notice of Default. Tenant waives any statutory requirements regarding notices of default under any present or future laws including California Code of Civil Procedure, § 1161 and § 1162; and agrees that Section 32 shall govern all notices desired or required to be given under this Lease; and notice given pursuant to Section 32 shall, at Landlord's election, be in lieu of and not in addition to any such statutory notice.

(h) Judicial Reference. It is the desire and intention of the parties to agree upon a mechanism and procedure under which controversies and disputes arising out of this Lease or related to the Premises will be resolved in a prompt and expeditious manner. Accordingly, except with respect to actions for unlawful or forcible detainer or with respect to the prejudgment remedy of attachment, any action, proceeding or counterclaim

brought be either party hereto against the other (and/or against its officers, directors, employees, agents, or subsidiary or affiliated entities) on any matters whatsoever arising out of or in any way connected with this Lease, Tenant's use or occupancy of the Premises and/or any claim of injury or damage, shall be heard and resolved by a referee under the provisions of the California Code of Civil Procedure, § 638 *et seq*. (the "Referee Sections"). Any fee to initiate the judicial reference proceedings shall be paid by the party initiating such procedure; provided, however, that the costs and fees, including any initiation fee, of such proceeding shall ultimately be borne in accordance with this paragraph hereof. The venue of the proceedings shall be in the in the county in which the shopping center is located. Within 10 days of receipt by any party of a written request to resolve any dispute or controversy pursuant to this paragraph, the parties shall agree upon a single referee who shall try all issues, whether of fact or law, and report findings and judgment on such issues as required by the Referee Sections. If the parties are unable to agree upon a referee within such 10 day period, then any party may thereafter file a lawsuit in the county in which the shopping center is located for the purpose of appointment of a referee under California Code of Civil Procedure § § 638 and 640. If the referee is appointed by the court, the referee shall be a neutral and impartial retired judge with substantial experience in the relevant matters to be determined, from Jams, the American Arbitration Association or similar recognized mediation/arbitration entity. The proposed referee may be challenged by any party for any of the grounds listed in § 641 of the California Code of Civil Procedure. The referee shall have the power to decide all issues of fact and law and report his or her decision on such issues, and to issue all recognized remedies available at law or in equity for any cause of action that is before the referee, including an award of attorneys' fees and costs in accordance with California law. The referee shall not, however, have the power to award punitive damages, nor any other damages which are not permitted by the express provisions of this Lease, and the parties hereby waive any right to recover any such damages. The parties shall be entitled to conduct all discovery as provided in the California Code of Civil Procedure, and the referee shall oversee discovery and may enforce all discovery orders in the same manner as any trial court judge, with rights to regulate discovery and to issue and enforce subpoenas, protective orders and other limitations on discovery available under California law. The reference proceeding shall be conducted in accordance with California law (including the rules of evidence), and in all regards, the referee shall follow California law applicable at the time of the reference proceeding. In accordance with § 644(a) of the California Code of Civil Procedure, the decision of the referee upon the whole issue must stand as the decision of the court, and upon the filing of the statement of decision with the clerk of the court, or with the judge if there is no clerk, judgment may be entered thereon in the same manner as if the action had been tried by the court. The parties shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain a prompt and expeditious resolution of the dispute or controversy. To the extent that no pending lawsuit has been filed to obtain the appointment of a referee, any party, after the issuance of the decision of the referee, may apply to the court of the county in which the shopping center is located for confirmation by the court of the decision of the referee in the same manner as a petition for confirmation of an arbitration award pursuant to California Code of Civil Procedure §§ 1285 *et seq*.

(i) Post-Judgment Access. Following entry of a judgment for possession issued by a court of competent of jurisdiction, but before Tenant vacates the Premises, Tenant shall give Landlord access to the Premises at reasonable times to inspect the Premises for any unsafe conditions and remedy the same.

(j) Standards of Consent. Except as otherwise expressly provided herein, where pursuant to the terms of this Lease or in connection with the administration of this Lease, the consent or approval of one party shall be required, requested or appropriate, such party covenants and agrees that its consent or approval shall not be unreasonably withheld, delayed or conditioned (except where expressly provided that consent may be at a party's sole discretion), and that the requesting party shall not be charged for such consent or approval.

(k) Waiver of Redemption. Tenant waives any statutory rights of redemption under any present or future laws including California Civil Code, § 3275 and California Code of Civil Procedure, §§ 473, 1174, and 1179; and no receipt of monies by Landlord from or for the account of Tenant or from anyone in possession or occupancy of the Premises after entry of a judgment of possession shall reinstate this Lease or the term thereof.

(l) Mechanic's Liens. Before delivering possession of the Premises to Tenant, Landlord reserves the right to post a statutory Notice of Non-Responsibility, which notice Tenant agrees to leave in place until completion of Tenant's Work. If requested by Landlord, Tenant agrees to record, at Tenant's cost, a Notice of Completion in accordance with Section 8182 of the California Civil Code; and provide a copy of such Notice to Landlord.

(m) Guarantor. Guarantor hereby waives each of the following: (a) any rights of Guarantor of subrogation, reimbursement, indemnification, and/or contribution against Tenant or any other person or entity, and any other rights and defenses that are or may become available to Guarantor or any other person or entity by reasons of Sections 2787 - 2855, inclusive of the California Civil Code; and (b) all rights and defenses arising out of any election of remedies by Landlord even though that election of remedies, such as a non-judicial foreclosure with respect to the security for the obligations guaranteed hereunder, has destroyed the Guarantor's rights of subrogation and reimbursement against Tenant by the operation of Section 580d of the California Code of Civil Procedure or any similar law of California.

(n) Statutory Reference. The reference to any statue, including the California Code of Civil Procedure, includes any amendments or successor statues thereto.

GUARANTY

FOR VALUE RECEIVED and in consideration of, and as an inducement for the execution and delivery of the within Lease of even date by and between **CALIFORNIA PROPERTY OWNER I, LLC**, a Delaware limited liability company and **YOSHIHARU CLEMENTE**, a California corporation, d/b/a Yoshiharu Ramen, for certain premises at the Ocean View Plaza in San Clemente, California, the undersigned, **JAMES CHAE** and **JENNIE YEON CHAE** a married couple with an address at 15476 CANON LANE, CHINO HILLS, CA 91709 (individually and collectively the "Guarantor") hereby jointly and severally guarantee to Landlord, its heirs, executors, administrators, successors and assigns, the full and prompt payment of Rent, including, but not limited to, any and all other sums and charges payable by Tenant or the then-holder of the Tenant's interest under the Lease including Tenant's heirs, executors, administrators, successors, assigns, or by operation of law or other transfer (individually and collectively, the "Tenant"), and hereby further jointly and severally guarantee the full and timely performance and observance of all the covenants, terms, conditions and agreements therein provided to be performed and observed by Tenant under the Lease; and Guarantor hereby covenants and agrees to and with Landlord that if default shall at any time be made by Tenant, in the payment of the Rent and/or any other such sums and charges payable by Tenant under the Lease, or if Tenant should default in the performance and observance of any of the terms, covenants, provisions or conditions contained in the Lease, Guarantor shall and will forthwith pay such rent and other such sums and charges to Landlord, and any arrears thereof, and shall, and will, forthwith pay to Landlord all damages that may arise in consequence of any default by Tenant under the Lease, including, without limitation, all reasonable attorneys' fees and disbursements incurred by Landlord or caused by any such default and/or by the enforcement of this Guaranty. The Lease is incorporated herein by reference; and unless specifically defined herein, all capitalized terms used in this Guaranty shall have the same meaning as the capitalized terms in the Lease.

This Guaranty is an absolute and unconditional irrevocable Guaranty of payment and of performance. It shall be enforceable against Guarantor, without the necessity for any suit or proceedings on Landlord's part of any kind or nature whatsoever against Tenant, and without necessity of any notice of nonpayment, nonperformance or nonobservance or of any notice of acceptance of this Guaranty or of any other notice or demand to which Guarantor might otherwise be entitled, all of which Guarantor hereby expressly waives and Guarantor hereby expressly agrees that the validity of this Guaranty and the obligations of the Guarantor hereunder shall not be terminated, affected, diminished or impaired by reason of the assertion, or the failure to assert, by Landlord against Tenant, of any of the rights or remedies reserved to Landlord pursuant to the provisions of the Lease.

This Guaranty shall be a continuing Guaranty and shall continue to apply through all amendments, modifications, renewals and/or extensions of the Lease. The liability of Guarantor hereunder shall in no way be affected, modified, or diminished by reason of an assignment, subletting, merger, or other transfer of the Lease, or by reason of any renewal, modification or extension of the Lease, or by reason of any modification or waiver of or change in any terms, covenants, conditions or provisions of the Lease between Landlord and Tenant, or by reason of an extension of time that may be granted by Landlord to Tenant, or by reason of any dealings or transactions between Landlord and Tenant, whether or not notice thereof is given to Guarantor. All of Landlord's rights and remedies under the Lease or under this Guaranty are intended to be distinct, separate and cumulative, and no such right and remedy therein or herein mentioned is intended to be in exclusion of or a waiver of any of the others. This Guaranty shall be construed in accordance with the laws of the State of California.

Provided Tenant has performed all of Tenant's covenants and obligations under the Lease and Guarantor has performed all of Guarantor's covenants and obligations under this Guaranty, then effective on the sixth anniversary of the Rent Commencement Date, Guarantor's liability under this Guaranty shall be limited to: an amount equal to twelve months' of Minimum Rent and Additional Rent based upon the prevailing rates at the time of demand; plus all interest and late fees on any past due amount owed to Landlord pursuant to the Lease; plus all collection costs incurred by Landlord in enforcing the Lease and/or this Guaranty, including without limitation attorneys' fees and expenses.

GUARANTOR: DocuSigned by: James Chae 3C04C2C53F4B478...
JAMES CHAE, an individual

GUARANTOR: DocuSigned by: Jennie Yeon Chae B9698E95932485...
JENNIE YEON CHAE, an individual

Exhibit 21.1

SUBSIDIARIES OF THE REGISTRANT

Name	State of Formation
Yoshiharu Holdings Co. *	California
Global JJ Group, Inc.	California
Global AA Group, Inc.	California
Global BB Group, Inc.	California
Global CC Group, Inc.	California
Global DD Group, Inc.	California
Yoshiharu Irvine	California
Yoshiharu Clemente	California
Yoshiharu Laguna	California
Yoshiharu Ontario	California

* Direct subsidiary

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation in this Registration Statement on Form S-1-A5 of our report dated May 27, 2022, relating to the financial statements of Yoshiharu Global Co. as of December 31, 2021 and 2020 and to all references to our firm included in this Registration Statement.

Certified Public Accountants
Lakewood, CO
August 29, 2022

Exhibit 107

Calculation of Filing Fee Tables
Amendment No. 5 to Form S-1
(Form Type)
YOSHIHARU GLOBAL CO.
(Exact Name of Registrant as Specified in its Charter)

	Security Type	Security Class Title	Fee Calculation or Carry Forward Rule	Amount Registered	Proposed Maximum Offering Price Per Share[1]	Maximum Aggregate Offering Price[1]	Fee Rate	Amount of Registration Fee
Fees Previously Paid	Equity	Class A common stock, par value $0.0001 per share	Rule 457(a) and/or (o)	3,162,500	$ 5.00	$ 15,812,500	0.0000927	$ 1,465.82
Fees Previously Paid	Equity	Class A common stock, par value $0.0001 per share	Rule 457(a) and/or (o)	1,320,000	$ 5.00	$ 6,600,000	0.0000927	$ 611.82
N/A	Other	Representative warrants[2]	Rule 457(g)		—	—	—	—(5)
Fees Previously Paid	Equity	Class A common stock, par value $0.0001 per share, underlying the Representative warrants[3][4]		158,125	$ 6.25	$ 988,281.25	0.0000927	$ 91.61
		Total Offering Amounts				$ 23,400,781.25		
		Total Fees Previously Paid						$ 2,169.75(5)
		Total Fee Offsets					—	
		Net Fee Due					—	

(1) There is no current market for the securities or price at which the shares are being offered. Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) Included in the price of the common stock. No separate registration fee required pursuant to Rule 457(g) under the Securities Act of 1933, as amended.
(3) We have agreed to issue to the representative of the several underwriters warrants to purchase the number of shares of Class A common stock in the aggregate equal to five percent (5%) of the shares of Class A common stock to be issued and sold in this offering (including any shares of Class A common stock sold upon exercise of the over-allotment option). The warrants are exercisable for a price per share equal to 125% of the public offering price. The warrants are exercisable at any time and from time to time, in whole or in part, during the four-and-a-half-year period commencing six (6) months from the date of commencement of sales of the offering. This registration statement also covers such shares of Class A common stock issuable upon the exercise of the representative's warrants. As estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(g) under the Securities Act, the proposed maximum aggregate offering price of the representative's warrants is $988,281.25 which is equal to 125% of $790,625 (5% of $15,812,500). "Underwriting" contains additional information regarding underwriter compensation.
(4) Pursuant to Rule 416 under the Securities Act of 1933, as amended, there is also being registered hereby such indeterminate number of additional shares as may be issued or issuable because of stock splits, stock dividends and similar transactions.
(5) $4,930.49 previously paid.

Table 2: Fee Offset Claims and Sources

	Registrant or Filer Name	Form or Filing Type	File Number	Initial Filing Date	Filing Date	Fee Offset Claimed	Security Type Associated with Fee Offset Claimed	Security Title Associated with Fee Offset Claimed	Unsold Securities Associated with Fee Offset Claimed	Unsold Aggregate Offering Amount Associated with Fee Offset Claimed	Fee Paid with Fee Offset Source
						Rules 457(b) and 0-11(a)(2)					
Fee Offset Claims		—	—	—		—					
Fee Offset Sources	—	—	—		—						—
						Rule 457(p)					
Fee Offset Claims	—	—	—	—		—	—	—	—	—	
Fee Offset Sources	—	—	—		—						—

Table 3: Combined Prospectuses

Security Type	Security Class Title	Amount of Securities Previously Registered	Maximum Aggregate Offering Price of Securities Previously Registered	Form Type	File Number	Initial Effective Date
—	—	—	—	—	—	—