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December 23, 2024

To whom it may concern

Company name: JMDC Inc.
Representative: Ryo Noguchi,
President and CEO
(TSE Prime Market, Stock Code: 4483)
Contact: Tomohiro Mochizuki,
Executive Officer and CFO
(E-mail: ir@jmdc.co.jp)

Notice of Absorption-type Merger with cotree Co., Ltd., a Wholly Owned Subsidiary (Simplified Merger/Short-form Merger)

JMDC Inc. (the "Company") announces that at the meeting of its Board of Directors held on December 23, 2024, the Company resolved to implement an absorption-type merger with its wholly owned subsidiary, cotree Co., Ltd. ("cotree"), effective on March 1, 2025, as stated below (the "Merger").

Please note that the disclosed items and details are partially omitted because the Merger is a simplified absorption-type merger with a wholly owned subsidiary.

I. Purpose of the Merger

The company has had cotree as a subsidiary since 2021. cotree was established in 2014 with the corporate philosophy of "creating a society connected by kindness" and aims to become an infrastructure for mental healthcare. As one of the largest online counseling platforms in Japan, with over 220 registered counselors, including clinical psychologists and certified psychologists, it has provided over 110,000 counseling sessions to date, and has supported the mental health of individuals and society, including reducing the sense of social isolation that increased due to the COVID-19 pandemic. In addition, cotree is currently working with companies, universities, local governments, etc., to provide mental health support for employees and students, and this is progressing smoothly.

The company has decided to implement an absorption-type merger, as it expects to further strengthen its business in order to promote Health and Productivity Management by companies and extend working-life expectancy, and to expand its services not only to companies but also to a variety of business domains, through co-creation of solutions/services provided by cotree and services provided by the company for the corporate health domain.

II. Summary of the Merger

(1) Schedule of the Merger

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Date of Board of Directors' resolution (the Company and cotree)	December 23, 2024
Date of conclusion of the Merger agreement	December 23, 2024
Effective Date of the Merger	March 1, 2025 (scheduled)

(Note) As the Merger falls a simplified merger under Paragraph 2 of Article 796 of the Companies Act in relation to the Company and a short-form merger under Paragraph 1 of Article 784 of the Companies Act in relation to cotree, the Merger will be conducted without the approvals of the respective general meetings of shareholders.

(2) Method of the Merger

The Merger is an absorption-type merger, in which the Company will be the surviving company and cotree will be the dissolving company.

(3) Allocation Associated with the Merger

As the Merger is a merger with a wholly owned subsidiary of the Company, no allocation of shares, money or the like will occur due to the Merger.

(4) Handling of Equity Warrants and Bonds with Equity Warrants Associated with the Merger

Nothing is applicable.

III. Overview of companies involved in the Merger

		Company surviving in the absorption-type merger (the Company)	Company disappearing in the absorption-type merger (cotree)
(1)	Name	JMDC Inc.	cotree Co., Ltd.
(2)	Location	2-5-5 Shiba Daimon, Minato-ku, Tokyo	2-5-5 Shiba Daimon, Minato-ku, Tokyo
(3)	Name and position of the representative	Ryo Noguchi, President and CEO, Representative Director	Keiko Nishioka, Representative Director
(4)	Description of business	Healthcare-Big Data business	Development of a matching and appointment system for clients and psychological experts
(5)	Share capital	¥25,099 million (as of March 31,2024)	¥22 million (as of March 31,2024)
(6)	Date of establishment	January 31, 2002	May 14, 2014
(7)	Number of issued shares	65,331,208 shares (as of March 31,2024)	450 shares
(8)	Fiscal year-end	March of each year	March of each year

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(9) Major shareholder and Shareholding Ratio (as of March 31,2024)	OMRON Corporation 54.28% The Master Trust Bank of Japan, Ltd. (Trust Account) 8.13% Noritsu Koki Co., Ltd. 6.56% Custody Bank of Japan, Ltd. (Trust Account) 2.59% Yosuke Matsushima 1.71%	The Company 100%

(10) Consolidated financial results and financial conditions in last fiscal year

Fiscal year	Fiscal year ended March 2024 (Consolidated: IFRS)	Fiscal year ended March 2024 (Standalone: Japanese GAAP)
Equity attributable to owners of the parent / Net assets	¥70,590 million	−¥48 million
Total assets	¥122,452 million	¥119 million
Equity attributable to owners of parent per share / Net assets per share	¥1,080.51	−¥107,755.05
Revenue / Net sales	¥32,381 million	¥212 million
Operating profit / Operating income	¥7,006 million	¥1 million
Profit attributable to owners of the parent / Net income	¥4,607 million	¥0 million
Basic earnings per share / Net income per share	¥71.76	¥17.74

IV. Status after the Merger

There will be no changes in the Company's name, address, name and title of representative, description of business, share capital, or fiscal year end of the Company as a result of the Merger.

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V. Future outlook

Since this Merger is a simplified absorption-type merger with a wholly owned subsidiary, the effect of the Merger on consolidated financial results is minor.