



January 23, 2025

To whom it may concern:

Company name: MEDLEY, INC.  
Representative: Kohei Takiguchi  
President and Chief Executive Officer  
(TSE Prime Market Code No.4480)  
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**Announcement regarding acquisition of shares in AxisRoot Holdings, Inc. (conversion into subsidiary), conversion of AxisRoot Holdings into a wholly owned subsidiary via simplified share exchange, and conclusion of business and capital alliance agreement with Alfresa Corporation**

MEDLEY, INC. (the Company) hereby announces that the Company resolved at the Board of Directors Meeting held on January 23, 2025 to acquire a majority of the issued shares of AxisRoot Holdings, Inc. (AxisRoot Holdings) (herein referred to as the “acquisition of shares”) and thereafter to conduct a simplified share exchange (herein referred to as the “share exchange”) as a result of which the Company will become the wholly owning parent company and AxisRoot Holdings will become the wholly owned subsidiary, and also enter into a business and capital alliance agreement with Alfresa Corporation (herein referred to as the “business and capital alliance”).

As the share exchange is a simplified share exchange, certain disclosure items and details have been omitted in this announcement.

**I. About the acquisition of shares and the share exchange with AxisRoot Holdings**

**1. Purpose and reason for the acquisition of shares and the share exchange**

Under its mission of “Creating the Future of Medical Healthcare”, the Company has developed businesses in the medical healthcare industries to meet the demands of society. It aims to promote digital transformation in these industries by utilizing technologies such as the Internet to create medical services that satisfy both patients and medical professionals. In its HR PF Business, the Company fully supports medical welfare providers’ ability to provide satisfactory services. In its Medical PF Business, the Company operates CLINICS, Pharms, Dentis, MALL, MINET, @link, Lalune, and MEDLEY to enhance the operational efficiency of medical institutions and improve patient access to medical care.

In line with its purpose of “Creating businesses that support healthy life expectancy”, AxisRoot Holdings provides services that improve the operational efficiency of medical professionals and support patients to receive medical care smoothly. Medixs, Japan’s first cloud-based electronic medication history system (\*1), was developed and provided by Axis, Inc. (Axis), a core subsidiary of AxisRoot Holdings. Medixs boasts a high customer satisfaction rate of over 99% (\*2) owing to its excellent UI/UX, and in-home care support functions.

The acquisition of shares will greatly increase the value the Company’s group is delivering in the dispensing pharmacies sector. More specifically, leveraging the customer base of the Company’s Pharms business (approximately 14,000 stores) to expand the number of customers Medixs serves will lead to improvement of the Company’s ARPU in the dispensing pharmacies business sector. Therefore, the Company recognizes a strong complementary relationship to its basic strategy of “maximizing the number of customer offices and improving ARPU,” and is pleased to announce that AxisRoot Holdings will be joining its corporate group.

In conjunction with the acquisition of shares, the Company will form a business and capital alliance with Alfresa Corporation, a major wholesaler of prescription pharmaceuticals and a shareholder of AxisRoot Holdings. Regarding the details of the business and capital alliance, as described in “II. About the business and capital alliance with Alfresa Corporation” below, in addition to conducting sales promotion for Medixs, the two companies aim to collaborate on the development and sales of products and new services in order to drive digital transformation in the medical healthcare industry. In addition, to strengthen its relationship with Alfresa Corporation, the Company will carry out a share exchange for the 7.4% of AxisRoot Holdings shares owned by Alfresa Corporation. As a result of this, AxisRoot Holdings will become a wholly owned subsidiary of the Company and Alfresa Corporation will hold 0.5% of the outstanding shares of the Company.

\*1: Based on a survey conducted by AxisRoot Holdings (as of November 2024)

\*2: From the product website of Medixs (<https://medixs.jp/>)

## 2. Method of the acquisition of shares and share exchange

On January 23, 2025, the Company entered into a share purchase agreement with the counterparties described in 3. (2) and, on January 31, 2025, will acquire 76.7% of the common stock of AxisRoot Holdings. Thereafter, a reverse stock split will be carried out for the common shares of AxisRoot Holdings. The ratio of the reverse stock split will be determined in such manner that only the Company and Alfresa Corporation will own the common stock of AxisRoot Holdings and the number of shares held by minority shareholders of AxisRoot Holdings will be less than one share. All outstanding stock acquisition rights of AxisRoot Holdings are scheduled to be exercised in connection with the reverse stock split.

After the reverse stock split and purchase of fractional shares, the Company will acquire 7.4% of the common stock of AxisRoot Holdings held by Alfresa Corporation via the share exchange, thereby converting AxisRoot Holdings into a wholly owned subsidiary.

## 3. Overview of the acquisition of shares

### (1) Schedule of the acquisition of shares

January 23, 2025 Date of resolution by the Board of Directors (the Company, AxisRoot Holdings)

January 23, 2025 Signing of share purchase agreement (the Company, some shareholders of AxisRoot Holdings)

January 31, 2025 Date of execution of the acquisition of shares (scheduled)

### (2) Overview of the seller of the shares

|     |                                                 |                                           |                 |
|-----|-------------------------------------------------|-------------------------------------------|-----------------|
| (1) | Name                                            | Kazuma Kondo                              |                 |
| (2) | Address                                         | Yokohama City, Kanagawa Prefecture, Japan |                 |
| (3) | Relationship between the Company and the seller | Capital relationship                      | Not applicable. |
|     |                                                 | Personnel relationship                    | Not applicable. |
|     |                                                 | Transactional relationship                | Not applicable. |

|      |                                                       |                                                                                                                                       |                 |
|------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| (1)  | Name                                                  | Tsuzuki Education Group                                                                                                               |                 |
| (2)  | Location                                              | 22-1 Tamagawa-machi, Minami-ku, Fukuoka City, Fukuoka Prefecture, Japan                                                               |                 |
| (3)  | Title and name of representative                      | President: Kimiko Tsuzuki                                                                                                             |                 |
| (4)  | Business details                                      | Incorporated educational institution that operates universities, vocational schools, high schools, kindergartens and nursery schools. |                 |
| (5)  | Capital Funds                                         | 102,048 million yen (as of March 31, 2024)                                                                                            |                 |
| (6)  | Net assets                                            | 69,187 million yen (as of March 31, 2024)                                                                                             |                 |
| (7)  | Total assets                                          | 80,273 million yen (as of March 31, 2024)                                                                                             |                 |
| (8)  | Date of Incorporation                                 | April 1956                                                                                                                            |                 |
| (9)  | Major shareholders and their shareholding percentages | -                                                                                                                                     |                 |
| (10) | Relationship between the Company and the seller       | Capital relationship                                                                                                                  | Not applicable. |
|      |                                                       | Personnel relationship                                                                                                                | Not applicable. |
|      |                                                       | Transactional relationship                                                                                                            | Not applicable. |
|      |                                                       | Related party status                                                                                                                  | Not applicable. |

|     |                                  |                                                        |
|-----|----------------------------------|--------------------------------------------------------|
| (1) | Name                             | Bewith, Inc.                                           |
| (2) | Location                         | 7-1, Nishi-Shinjuku 3-chome, Shinjuku-ku, Tokyo, Japan |
| (3) | Title and name of representative | President and Representative Director: Koichi Morimoto |

|      |                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |
|------|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| (4)  | Business details                                                           | Provision of contact centers and BPO services that utilize digital technologies such as the company's own Omnia LINK cloud-based PBX and development and sale of various AI and DX solutions                                                                                                                                                                                                                                                                                                                                                               |                 |
| (5)  | Stated capital (consolidated)                                              | 893 million yen (as of May 31, 2024)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |
| (6)  | Net assets (consolidated)                                                  | 9,192 million yen (as of May 31, 2024)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                 |
| (7)  | Total assets (consolidated)                                                | 14,096 million yen (as of May 31, 2024)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| (8)  | Date of incorporation                                                      | May 2000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |
| (9)  | Major shareholders and their shareholding percentages (as of May 31, 2024) | Pasona Group Inc.: 55.68%<br>Custody Bank of Japan, Ltd. (securities investment trust account): 8.89%<br>The Master Trust Bank of Japan (securities investment trust account): 7.44%<br>BNP PARIBAS LUXEMBOURG/2S/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS: 2.17%<br>BNYMSANV RE BNYMIL RE LF ZENNOR JAPAN EQUITY INCOME FUND: 1.84%<br>Tomohiro Yoshida: 1.38%<br>GOVERNMENT OF NORWAY: 1.28%<br>Bewith Employee Stockholding Association: 1.17%<br>Morgan Stanley MUFG Securities Co., Ltd.: 0.91%<br>Tiger Global Private Investment Partners IV: 0.52% |                 |
| (10) | Relationship between the Company and the seller                            | Capital relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Not applicable. |
|      |                                                                            | Personnel relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Not applicable. |
|      |                                                                            | Transactional relationship                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Not applicable. |
|      |                                                                            | Related party status                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Not applicable. |

(3) Number of shares to be acquired, acquisition price, and number of shares held before and after the acquisition

|     |                                              |                                                                                                                                                                                                                                                                                                                                                                                           |
|-----|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (1) | Number of shares held before the acquisition | 0<br>(Number of voting rights: 0 rights)<br>(Percentage of voting rights: 0.0%)                                                                                                                                                                                                                                                                                                           |
| (2) | Number of shares to be acquired              | 1,761,700<br>(Number of voting rights: 1,761,700 rights)                                                                                                                                                                                                                                                                                                                                  |
| (3) | Acquisition price                            | Common shares of AxisRoot Holdings 6,138,327,526 yen<br>Advisory fees and related costs (estimate): 41 million yen<br>Total (estimate): 6,179 million yen<br><br>The acquisition price has been determined at a price of acquisition conceived to be fair and reasonable regarding due diligence conducted by multiple outside experts and valuation analysis by a third-party appraiser. |
| (4) | Number of shares held after the acquisition  | 1,761,700<br>(Number of voting rights: 1,761,700 rights)<br>(Percentage of voting rights: 76.7%) (*1)                                                                                                                                                                                                                                                                                     |

\*1: The percentage of voting rights was calculated based on a denominator of 2,296,000 votes, which corresponds to the total number of outstanding shares of AxisRoot Holdings including the number of potential shares (2,296,000).

#### 4. Overview of the share exchange

##### (1) Schedule of the share exchange

January 23, 2025 Date of resolution by the Board of Directors (the Company, AxisRoot Holdings)  
January 23, 2025 Signing of share exchange agreement (the Company, AxisRoot Holdings)  
April 30, 2025 Effective date of share exchange (the Company, AxisRoot Holdings)

\*1: The schedule for this share exchange may be changed upon consultation if necessary, depending on progress made in the procedural process.

##### (2) Method of the share exchange

The Company will be the wholly owning parent company and AxisRoot Holdings the wholly owned subsidiary in the share exchange. The share exchange is planned to be conducted by the Company without obtaining approval at a general meeting of its shareholders, in accordance with the simplified share exchange procedures set forth in Article 796, Paragraph 2 of the Companies Act, and by AxisRoot Holdings without obtaining approval at a general meeting of its shareholders, in accordance with the short-form share exchange procedures set forth in Article 784, Paragraph 1 of the Companies Act.

### (3) Details of allotment in the share exchange

In this share exchange, the Company will deliver to the shareholders of AxisRoot Holdings listed on the final shareholder register of AxisRoot Holdings on the day before the effective date of the share exchange, 158,718 shares of the Company's common stock, which is the number of shares of AxisRoot Holdings' common shares held by the relevant shareholders multiplied by the share exchange ratio calculated in the manner described in 4. (5) ② Matters concerning calculation. When carrying out the share exchange, the Company plans to deliver treasury shares held by the Company.

### (4) Treatment of stock acquisition rights and bonds with stock acquisition rights in the share exchange

AxisRoot Holdings, the wholly owned subsidiary in this share exchange, has issued stock acquisition rights as of today. All the stock acquisition rights issued by AxisRoot Holdings are scheduled to be exercised in advance and not exist on the effective date of the share exchange. AxisRoot Holdings has not issued bonds with stock acquisition rights.

### (5) Background to the calculation of details regarding allotment in the share exchange

#### ① Basis and reason for allotment

Miyaguchi M&A Advisory Inc. (Miyaguchi M&A Advisory) was selected by the Company as a third-party appraiser independent of the Company and AxisRoot Holdings to ensure the fairness and appropriateness of the share exchange ratio and the Company requested that Miyaguchi M&A Advisory calculate the stock value of AxisRoot Holdings.

The Company referenced the calculation results of the valuation analysis by Miyaguchi M&A Advisory and comprehensively considered factors such as the financial condition, status of assets, and the outlook for future business activities of AxisRoot Holdings and, as a result of repeated careful negotiations and discussions between the Company and AxisRoot Holdings regarding the share exchange ratio, it was concluded that the share exchange ratio stated in 4. (5) ② Matters concerning calculation is not damaging to the interests of shareholders of the two companies and is appropriate.

#### ② Matters concerning calculation

As the Company's shares are listed on the Tokyo Stock Exchange Prime Market and the market price fluctuates on a daily basis, it was decided to use the market price method (using January 22, 2025 as the calculation base date and calculating based on the simple average of the closing prices on each trading day during the one-month period prior to the calculation base date) to determine the value of the Company's shares as it takes into account the average share price in the past rather than at a single point in time. The share price calculated using this method is 3,732 yen per share.

Regarding the share price of AxisRoot Holdings, as the shares are not listed on any stock exchange, the price per share was set at 592,334,495 yen(\*1) based on the results of the valuation analysis conducted by Miyaguchi M&A Advisory. To reflect the outlook for future business results in the valuation of the enterprise value, Miyaguchi M&A Advisory used the DCF method to calculate the stock value of AxisRoot Holdings.

As a result of the above, a share exchange ratio of 158,718 shares of AxisRoot Holdings for each common share of the Company's stock has been calculated.

\*1: In calculating the per-share value of AxisRoot Holdings, the decrease in the number of shares due to the reverse stock split has been considered.

### (6) Overview of the parties to the share exchange (as of January 23, 2025)

|                       | Wholly owning parent company<br>after the share exchange                | Wholly owned subsidiary company<br>after the share exchange             |
|-----------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------|
| (1) Name              | MEDLEY, INC.                                                            | AxisRoot Holdings, Inc.                                                 |
| (2) Location          | 13F Roppongi Hills Mori Tower, 6-10-1 Roppongi, Minato-ku, Tokyo, Japan | 9F, Iino Building, 1-1, Uchisaiwaicho 2-chome, Chiyoda-ku, Tokyo, Japan |
| (3) Title and name of | President and CEO: Kohei Takiguchi                                      | President: Kazuma Kondo                                                 |

|                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| representative                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
| (4) Business details                                                                      | Development and provision of online services in the medical healthcare field                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Management of owned company doing business in planning, development, operation and sales of systems in the medical field etc.                                                         |                                  |                                  |                                  |                                  |
| (5) Stated capital                                                                        | 47 million yen                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 306 million yen (as of August 31, 2024)                                                                                                                                               |                                  |                                  |                                  |                                  |
| (6) Number of shares issued                                                               | 32,738,600 shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,335,000 shares                                                                                                                                                                      |                                  |                                  |                                  |                                  |
| (7) Date of incorporation                                                                 | June 2009                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | April 2008                                                                                                                                                                            |                                  |                                  |                                  |                                  |
| (8) Major shareholders and their shareholding percentages                                 | Kohei Takiguchi: 18.44%<br>Goichiro Toyoda: 10.15%<br>Master Trust Bank of Japan (securities investment trust account): 8.80%<br>Custody Bank of Japan, Ltd. (securities investment trust account): 7.11%<br>NORTHERN TRUST CO. (AVFC) RE IEDU UCITS CLIENTS NON LENDING 15 PCT TREATY ACCOUNT: 4.86%<br>CREDIT SUISSE (LUXEMBOURG) S. A. / CUSTOMER ASSETS. FUNDS UCITS: 4.12%<br>Keiichi Shibahara: 2.92%<br>NTT DOCOMO INC.: 2.87%<br>MSCO CUSTOMER SECURITIES: 2.00%<br>Goldman Sachs (regular) account: 1.56%<br>(as of June 30, 2024) | Kazuma Kondo: 67.4%<br>Alfresa Corporation: 7.5%<br>Tsuzuki Education Group: 7.3%<br>Bewith, Inc.: 3.1%<br>Other individual shareholders, employee stock ownership association: 14.7% |                                  |                                  |                                  |                                  |
| (9) Relationship between the Company and the seller                                       | Capital relationship: Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
|                                                                                           | Personnel relationship: Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
|                                                                                           | Transactional relationship: Low-value transactions resulting from introductions from the Company’s Pharms business                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
|                                                                                           | Related party status: Not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
| (10) Business performance and financial condition for the past three years (consolidated) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                       |                                  |                                  |                                  |                                  |
| Accounting period                                                                         | MEDLEY, INC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                       |                                  | AxisRoot Holdings, Inc.          |                                  |                                  |
|                                                                                           | Fiscal year ending December 2021                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Fiscal year ending December 2022                                                                                                                                                      | Fiscal year ending December 2023 | Fiscal year ending February 2022 | Fiscal year ending February 2023 | Fiscal year ending February 2024 |
| Net assets (million yen)                                                                  | 14,049                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 15,170                                                                                                                                                                                | 17,637                           | 219                              | 730                              | 898                              |
| Total assets (million yen)                                                                | 20,208                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 21,810                                                                                                                                                                                | 25,430                           | 569                              | 1,441                            | 1,308                            |
| Net assets per share (yen) (*1)                                                           | 438.43                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 469.79                                                                                                                                                                                | 542.49                           | 2,730.13                         | 6,179.58                         | 560.30                           |
| Net sales (million yen)                                                                   | 10,863                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 14,185                                                                                                                                                                                | 20,532                           | 1,264                            | 1,176                            | 1,740                            |
| EBITDA (million yen)                                                                      | 1,218                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 1,919                                                                                                                                                                                 | 3,394                            | 14                               | 16                               | 295                              |
| Adjusted EBITDA (million yen) (*2)                                                        | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | -                                                                                                                                                                                     | -                                | 38                               | 85                               | 367                              |
| Operating profit (million yen)                                                            | 733                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,290                                                                                                                                                                                 | 2,661                            | 4                                | 4                                | 258                              |
| Ordinary profit (million yen)                                                             | 743                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,526                                                                                                                                                                                 | 3,755                            | 3                                | 3                                | 257                              |
| Net profit (million yen)                                                                  | 563                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1,021                                                                                                                                                                                 | 2,571                            | 1                                | 4                                | 167                              |
| Net profit per share (yen) (*1)                                                           | 17.79                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 31.77                                                                                                                                                                                 | 79.53                            | 6.11                             | 19.67                            | 71.95                            |
| Dividend per share                                                                        | —                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | —                                                                                                                                                                                     | —                                | —                                | —                                | —                                |

\*1: AxisRoot Holdings has split its shares at a rate of ten shares for every one share of common stock on December 26, 2023

\*2: Adjusted EBITDA is based on the results of due diligence and IPO preparation costs has been removed as it is not expected to occur after the completion of this acquisition

(7) Status after completion of the share exchange

Following the share exchange, there will be no change to the Company's name, head office location, representative positions and names, business details, capital, or fiscal year of the Company.

## 5. Outlook

AxisRoot Holdings is scheduled to become a consolidated subsidiary of the Company as of January 31, 2025 as a result of the acquisition of shares. AxisRoot Holdings is scheduled to be included on the Company's consolidated statements of income starting in the second quarter of the fiscal year ending December 2025 (quarter beginning in April 2025). We are currently in the process of estimating the impact on the Company's consolidated earnings and we will make a timely disclosure if material impact is expected.

## II. About the business and capital alliance with Alfresa Corporation

### 1. Purpose of the business and capital alliance

The Company has been developing online services and increasing the value it provides to enhance the operational efficiency of medical institutions and improve patient access to medical care. However, with the onset of the "2025 problem" (\*1), we see the need to accelerate the use of digital technologies. As part of our efforts in this area, we have recently formed partnership with Alfresa Corporation, a major wholesaler of prescription pharmaceuticals. Alfresa Corporation has a network that includes top-class medical institutions in Japan, a highly functional logistics infrastructure, and abundant human capital. Going forward, we aim to leverage the assets of both companies to collaborate on the promotion of Medixs and on the development and sales of both companies' products and new services.

\*1: The 2025 problem refers to the situation wherein approximately 6 million Japanese baby boomers will be at least 75 years old, resulting in a surge in social security costs and making it more difficult to maintain the healthcare and nursing care provision system.

### 2. Details of the business and capital alliance with Alfresa Corporation

#### (1) Details of business alliance

The two companies have agreed to implement a business partnership as described below, with specific details to be discussed in the future.

#### ① Development and sales of DX total solutions for pharmacies

(1) Collaboration to promote Medixs sales

(2) Planning, development, sales, etc. of other DX product groups for pharmacies

#### ② Cooperation between the Company and Alfresa Corporation's products for hospitals and clinics

#### ③ Other collaborations related to DX solutions in the medical and healthcare fields

#### (2) Details of capital alliance

Alfresa Corporation plans to acquire 158,718 shares of the Company's common stock (ratio of total issued shares: 0.5%) through the share exchange, which will make the Company a wholly owning parent company and AxisRoot Holdings a wholly owned subsidiary, based on the share exchange agreement dated January 23, 2025. For details regarding the share exchange, please refer to "I. About the acquisition of shares and the share exchange with AxisRoot Holdings" above.

### 3. Overview of Alfresa Corporation

|     |                                                                              |                                                                                                                                                                          |                 |
|-----|------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| (1) | Name                                                                         | Alfresa Corporation                                                                                                                                                      |                 |
| (2) | Location                                                                     | 7 Kanda Midoshiro-cho, Chiyoda-ku, Tokyo, Japan                                                                                                                          |                 |
| (3) | Title and name of representative                                             | Representative Director: Yusuke Fukujin                                                                                                                                  |                 |
| (4) | Business details                                                             | Wholesale sales of prescription pharmaceuticals, medical devices, medical diagnostic reagents, nursing care products, health foods, OTC pharmaceuticals, and other items |                 |
| (5) | Stated capital                                                               | 4,000 million yen (as of March 31, 2024)                                                                                                                                 |                 |
| (6) | Date of incorporation                                                        | August 1949                                                                                                                                                              |                 |
| (7) | Major shareholders and their shareholding percentages (as of March 31, 2024) | Alfresa Holdings Corporation: 100.0%                                                                                                                                     |                 |
| (8) | Relationship between the Company and the seller                              | Capital relationship                                                                                                                                                     | Not applicable. |
|     |                                                                              | Personnel                                                                                                                                                                | Not applicable. |

|                                                                                               |                                  |                                                                                                                                                                                                                                                                                                        |                                  |
|-----------------------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
|                                                                                               | relationship                     |                                                                                                                                                                                                                                                                                                        |                                  |
|                                                                                               | Transactional relationship       | Alfresa Corporation conducts low-value transactions resulting from introductions of the Company's Pharms business. Alfresa Corporation also conducts transactions such as proposal-based sales of Medixs with Axis, which will become a wholly owned subsidiary of the Company via the share exchange. |                                  |
|                                                                                               | Related party status             | Not applicable.                                                                                                                                                                                                                                                                                        |                                  |
| (9) Business performance and financial condition for the past three years (consolidated) (*1) |                                  |                                                                                                                                                                                                                                                                                                        |                                  |
| Accounting period                                                                             | Fiscal year ending<br>March 2022 | Fiscal year ending<br>March 2023                                                                                                                                                                                                                                                                       | Fiscal year ending<br>March 2024 |
| Net assets (million yen)                                                                      | 471,835                          | 488,335                                                                                                                                                                                                                                                                                                | 479,859                          |
| Total assets (million yen)                                                                    | 1,303,991                        | 1,339,852                                                                                                                                                                                                                                                                                              | 1,447,625                        |
| Net assets per share (yen)                                                                    | 2,330.36                         | 2,411.89                                                                                                                                                                                                                                                                                               | 2,566.50                         |
| Net sales (million yen)                                                                       | 2,585,643                        | 2,696,069                                                                                                                                                                                                                                                                                              | 2,858,500                        |
| Operating profit (million yen)                                                                | 29,091                           | 30,148                                                                                                                                                                                                                                                                                                 | 38,460                           |
| Ordinary profit (million yen)                                                                 | 32,576                           | 32,831                                                                                                                                                                                                                                                                                                 | 39,997                           |
| Net profit (million yen)                                                                      | 32,202                           | 25,789                                                                                                                                                                                                                                                                                                 | 29,574                           |
| Net profit per share (yen)                                                                    | 153.57                           | 127.42                                                                                                                                                                                                                                                                                                 | 154.13                           |
| Dividend per share (yen)                                                                      | 54.0                             | 57.0                                                                                                                                                                                                                                                                                                   | 70.0                             |

\*1: As Alfresa Corporation is a core company of the corporate group formed by its parent company (Alfresa Holdings Corporation); we have shown the consolidated financial results of the parent company.

#### 4. Schedule of the business and capital alliance

January 23, 2025 Date of resolution by the Board of Directors (the Company)  
January 23, 2025 Signing of business and capital alliance agreement (the Company, Alfresa Corporation)  
April 30, 2025 Effective date of business and capital alliance (scheduled)

#### 5. Outlook

The business and capital alliance are not expected to have a significant impact on the Company's consolidated financial results for the fiscal year ending December 31, 2025, but it is expected to contribute to growth in the corporate value of the Company's group over the medium-to-long term. We will make a timely disclosure if material impact is expected.