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NOVEMBER 20, 2026

Corporate Name: IPS, Inc.
Trading Name: IPS, Inc.
President/CEO: Koji Miyashita
Code Number: 4390 Prime Market of the Tokyo Stock Exchange
Contact: Tetsuji Sato
Deputy General Manager
Corporate Planning Department
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Notice Concerning Merger between Consolidated Subsidiaries and Change in Specified Subsidiary

IPS, Inc. (the "Company") hereby announces that, at a meeting of its Board of Directors held today, it resolved to merge Shinagawa Lasik & Aesthetics Center Corporation ("SLACC") and Shinagawa Healthcare Solutions Corporation ("SHSC"), both consolidated subsidiaries and specified subsidiaries of the Company (the "Merger"). SHSC will be the surviving company, and SLACC will be dissolved. Consequently, SLACC will cease to be a specified subsidiary of the Company. Following the Merger, SHSC is scheduled to change its corporate name to Shinagawa Medical Group.

As the Merger is an organizational restructuring between consolidated subsidiaries of the Company, certain disclosure items and details have been omitted.

1. Purpose of the Merger

The Merger is intended to integrate the businesses of SHSC and SLACC, simplify the organizational structure, strengthen management, and improve operating efficiency through the consolidation and optimal allocation of management resources.

Through these measures, the Company aims to establish a foundation for medium- to long-term growth and enhance competitiveness.

2. Outline of the Merger

(1) Schedule of the Merger

Execution of merger agreement: December 2026 (scheduled)

Effective date of the Merger: January 1, 2027 (scheduled)

(2) Method of the Merger

The Merger will be implemented in accordance with local laws, with SHSC as the surviving company and SLACC being dissolved.

(3) Allocation in Connection with the Merger

The Merger will be conducted in accordance with local laws. The surviving company will allocate shares to the shareholders of the absorbed company based on the audited enterprise valuations of SHSC and SLACC as of September 30, 2026, prepared by a local audit firm.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights of the Absorbed Company

Not applicable.

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3. Overview of the Companies Involved in the Merger

	Surviving company	Absorbed company
(1) Name	Shinagawa Healthcare Solutions Corporation	Shinagawa Lasik & Aesthetics Center Corporation
(2) Head office	8th & 23rd Floor, The Ore Central, Bonifacio Global City, Taguig City, Metro Manila, Philippines	21st Floor, The Ore Central, Bonifacio Global City, Taguig City, Metro Manila, Philippines
(3) Representative	Masako Uemori, President (Senior Managing Director of the Company)	Masako Uemori, President (Senior Managing Director of the Company)
(4) Business activities	Operation of comprehensive health screening and medical checkup centers	Operation of ophthalmology clinics for myopia correction using LASIK surgery
(5) Capital	PHP 350,000,000	PHP 232,396,015
(6) Date of establishment	June 10, 2022	February 10, 2010
(7) Shares outstanding	7,000,000 shares	519,435,591 shares
(8) Fiscal year-end	December 31	December 31
(9) Major shareholders and ownership ratios	SLACC 50%; The Company 40%; other individual shareholder(s) 10%	The Company 46.54%; other individual shareholders 49.51%; directors of the Company 3.95%
(10) Financial position and results for FY ended Dec. 31, 2025		
Total assets (PHP)	592,411,488	1,080,588,933
Net assets (PHP)	85,642,939	916,083,186
Net assets per share (PHP)	12.23	1.77
Net sales (PHP)	237,161,347	401,927,545
Profit before depreciation (PHP)	56,039,350	108,081,770
Operating profit (loss) (PHP)	(25,869,570)	47,424,067

4. Status after the Merger

(1) Name	Shinagawa Medical Group (scheduled)
(2) Head office	8th & 23rd Floor, The Ore Central, Bonifacio Global City, Taguig City, Metro Manila, Philippines
(3) Representative	Masako Uemori, President (Senior Managing Director of the Company)
(4) Business activities	Operation of comprehensive health screening and medical checkup centers and LASIK clinics
(5) Fiscal year-end	December 31
(6) Major shareholders and ownership ratios	The Company 48.47%; other individual shareholders 48.80%; directors of the Company 3.72% (Note 1)

Note 1: The ownership ratios are calculated based on the audited enterprise valuations of SHSC and SLACC as of September 30, 2026, prepared by a local audit firm, and therefore may change.

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5. Outlook

The impact of the Merger on the Company's consolidated financial results for the fiscal year ending March 31, 2027 is expected to be immaterial.

End