



January 12, 2022

Yoshikazu Fujikawa
President and Representative Director, CEO
Solasto Corporation
(Securities Code: 6197 TSE First Section)

Notice Concerning the Acquisition of Shares of Cocoro Care Plan Corporation, a Child Care Service Provider

Solasto Corporation (TSE: 6197, “Solasto”) announces that its Board of Directors at their meeting today resolved to sign a contract to acquire all shares of Cocoro Care Plan Corporation (“Cocoro Care Plan”). Details are as follows.

1. Reason for the acquisition

The child care business in Solasto operates 20 licensed or certificated child care centers mainly in Tokyo. The addition of 17 licensed or certificated child care centers operated by Cocoro Care Plan will enable Solasto to expand its market share in Tokyo, and promote the growth of Solasto's child care business. Accordingly, Solasto has decided to acquire all shares and make Cocoro Care Plan as a subsidiary.

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2. Details of the company to be acquired

1. Company name	Cocoro Care Plan Corporation			
2. Address	2-5-5, Uchi-kanda, Chiyoda-ku, Tokyo			
3. Representative	Representative Director, Kiyoshi Yoshioka			
4. Business description	Child care business and consulting business			
5. Capital	29 million yen			
6. Established	February 24, 2010			
7. Shareholders	Kiyoshi Yoshioka 100%			
8. Relationship between Solasto and the company	Capital relationship	Not applicable		
	Human relationship	Not applicable		
	Business relationship	Not applicable		
9. Operating results and financial position for the past three years (million yen)				
	Fiscal year ended	January 2019	January 2020	January 2021
	Net assets	1,051	1,847	2,255
	Total assets	1,732	2,750	3,160
	Net assets per share (yen)	525,400.14	923,803.65	1,127,892.96
	Net sales	2,063	2,896	3,031
	Operating profits	838	796	506
	Ordinary income	811	815	527
	Net income	770	796	408
	Net income per share (yen)	385,452.41	398,003.50	204,089.31
	Dividends per share (yen)	—	—	—

3. Seller information

1. Name	Kiyoshi Yoshioka
2. Address	Arakawa-ku, Tokyo
3. Relationship between Solasto and Seller	Not applicable

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4. Number of Shares Acquired, Acquisition Price, and Status of Shares Owned Before and After Acquisition

1. Number of shares owned before acquisition Number of voting rights Percentage of voting rights owned	0 shares 0 0%
2. Number of shares to be acquired Number of voting rights	2,000 shares 2,000
3. Acquisition price	Common Stock: 3,318 million yen* Advisory fees and other costs (estimate): 26 million yen Total (estimate): 3,344 million yen
4. Number of shares owned after acquisition Number of voting rights Percentage of voting rights owned	2,000 shares 2,000 100%
5. Methods applied for the calculation of acquisition price	The evaluation of business value is conducted using methods such as the EBITDA multiple approach and the DCF approach based on the information obtained through due diligence by third party experts in finance, tax affairs, and legal affairs. An evaluation of the financial position is conducted, including for the non-business assets and net interest-bearing debt. The acquisition price is determined on the basis of the results of those evaluations.

* Acquisition price may be adjusted ex post due to changes in the financial figures of the target company.

5. Schedule

1. Date of resolution at the Board of Directors meeting	January 12, 2022
2. Date of contract	January 12, 2022
3. Date of transfer of shares	February 8, 2022 (plan)

6. Outlook

The impact of this event on the forecast for FY2021 announced on May 13, 2021 is insignificant. If any matter arises that should be disclosed, Solasto will announce it promptly.

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