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November 4, 2022

NIHON KOHDEN CORPORATION (6849)

Stock Exchange Listing: Prime Market, Tokyo Stock Exchange
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Notice regarding Acquisition of Whole Shares of Software Team Srl, Italy

Nihon Kohden hereby announces that the Company decided to acquire 100% shares of Software Team Srl (“Software Team”) in Italy.

1. Reason for Acquisition of Shares

Nihon Kohden aims to create a better future for people and healthcare by solving global medical issues in its long-term vision, BEACON 2030. In its three-year business plan, BEACON 2030 Phase I starting from April 2021, the Company has defined digital health solutions (DHS) as a new business and is working on the improvement of patient outcomes and the economy of medical care.

Software Team, with its expertise and wealth of knowledge rooted in clinical practice in Europe, is a software development company which collects data and alarms from medical devices such as patient monitors and ventilators and forwards these data and alarms to mobile phones owned by healthcare professionals.

Both Nihon Kohden and Software Team reached an agreement on this transaction because there is a high affinity between the Company’s DHS vision and Software Team’s software, and because the Company expects to expand its share of patient monitoring market especially in Europe, where demand for digital healthcare is growing.

The software developed by Software Team can manage various data and alarms obtained from not only Nihon Kohden’s patient monitors but also other medical devices such as ventilators, infusion pumps, and incubators. It aims to improve the quality of medical care by reducing missed important alarms in clinical practice and leading prompt and appropriate treatment for patients.

Based on its human machine interface (HMI) technology, Nihon Kohden has strong core capabilities in development of patient monitors, ventilators, and IT systems. Nihon Kohden expects to provide the solutions to medical issues in ICUs and general wards through the advanced alarm management by the combination of Software Team’s software and Nihon Kohden’s patient monitors.

2. Software Team's Profile

(1) Name	Software Team Srl
(2) Location	Milan, Italy
(3) Name and title of representative	CEO, Roberto Maggioni
(4) Date of establishment	December 27, 1988
(5) Business	Development and sales of software for medical electronic equipment

Note: As Software Team does not disclose financial statements, the Company refrains from disclosing details based on the confidentiality agreement between the related parties. With respect to the acquisition price, appropriate due diligence has been conducted by third party organizations and sufficient procedures have been implemented to verify the appropriateness of the price.

3. Schedule

Date of conclusion of the agreement: November 4, 2022 (planned)

Date of share transfer: November 10, 2022 (planned)

* The execution of the share transfer is subject to the fulfillment of the preconditions stipulated in the stock purchase agreement.

4. Effect on Operating Results of Nihon Kohden

The effect of this transaction on the consolidated results for the fiscal year ending March 31, 2023 will be minor.