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President and Representative Director, CEO
Solasto Corporation
(Securities Code: 6197 TSE PRIME)

Notice Concerning the Acquisition of Shares of Medical Lifecare, an Elderly Care Service Provider

Solasto Corporation (TSE: 6197, “Solasto”) announces that it has concluded to acquire all the shares of Kabushikigaisha Medical Lifecare (“Medical Lifecare”) to make it a subsidiary and signed the contract for the share acquisition. Details are as follows. After the execution of this agreement, Medical Lifecare will conduct a company split (absorption-type company split), and the succeeding company will take over a part of its business.

The acquisition of shares of Medical Lifecare is the third M&A in 2023 for Solasto. It does not meet the timely disclosure criteria of Tokyo Stock Exchange, however, Solasto has disclosed information voluntarily because the information may be useful. Therefore, some items and contents required under the timely disclosure rules are omitted.

1. Reason for the acquisition

Mission of Solasto’s Elderly Care Business is to support the self-reliance of elderly people and provide total care services in local area* to respond to the increasing needs of an aging society. Solasto is working to expand its business areas and the services that it provides within those areas so that it can provide multiple services for users while they live in their familiar neighborhoods.

In order to achieve these goals, Solasto will expand to achieve sales of 150 billion yen by 2030 and provide elderly care services in 300 areas, approximately three times its current size. Solasto’s long-term vision is to operate at least one of each of the services it provides, including home help services, day services, care management planning, group home services, nursing home services, and other services in each of the areas. Solasto is actively pursuing merger and acquisition activities to rapidly expand its business areas and the services provided within those areas.

Medical Lifecare (the surviving company of the company split) will continue to operate its current services of 18 business centers including day services and group homes mainly focused on Kanagawa prefecture. Solasto believes acquisition of Medical Lifecare will contribute to the realization of total care services in local areas.

*Total care services in local areas: The concept aims to meet the needs of the elderly by providing multiple services in one local area. Local area is defined as the living area of a typical elderly person, an area with a diameter of 5-20 km depending on the geographical size or population of the town or city.

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2. Details of the company to be acquired

1. Company name	Kabushikigaisha Medical Lifecare (Surviving company)
2. Address	2-1-12 Minamihara, Hiratsuka-shi, Kanagawa
3. Representative	Representative Director, Yasuyuki Hisaka
4. Business description	Elderly care service
5. Capital	10 million yen
6. Established	May 23, 2000
7. Operating results for the most recent fiscal year*	Net sales 984 million yen (Fiscal year ended October 2022)

*The figure indicates the revenue from the surviving business.

3. Seller information

1. Name	Yasuyuki Hisaka
2. Address	Yokohama-shi, Kanagawa
3. Relationship between the listed company	Not applicable

4. Schedule

1. Date of resolution at the Board of Directors meeting	April 11, 2023
2. Date of contract	April 11, 2023
3. Date of transfer of shares	July 1, 2023 (plan)

5. Outlook

Since Medical Lifecare is scheduled to be reflected in the Company's consolidated financial results from the second quarter of FY2023, the impact of this matter on FY2023 financial results will be incorporated into FY2023 financial forecast (to be announced in the financial results of FY2022 on May 11, 2023).

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