

*November 7, 2023*

To whom it may concern

Company name : Asante, Inc.  
(Code : 6073)  
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### **Notice Concerning Business Alliance**

Asante, Inc. (“the Company”) announces that at a meeting held on November 7, 2023, its Board of Directors resolved to enter into a business alliance agreement with Advantage Advisors Co., Ltd. (“Advantage Advisors”).

#### 1. Purpose of Business Alliance

Our group, consisting of Asante, Inc. and one consolidated subsidiary, provides house maintenance services for pre-existing wooden detached houses, such as termite control, anti-humidity measures, and anti-earthquake measures, and leads Japan in sales related to termite control with 82 locations in 28 prefectures. We also provide services to control pests and vermin including bed bugs, cockroaches, and rats in corporate properties such as hotels, office buildings, and restaurants.

While providing safety, security and comfort to our customers who live in wooden detached houses through our services that include termite control, anti-humidity measures, and anti-earthquake measures, at the same time we also contribute to solving social issues through our businesses, such as (1) reducing waste generated by house reconstruction, (2) reducing CO<sub>2</sub> emissions by curbing wasteful deforestation, (3) contributing to disaster mitigation by maintaining and improving the durability of wooden houses, and (4) preserving the value of houses, and are striving to realize our management philosophy of “protecting people, houses and forests by fostering our own people and technology”.

Housing policy in Japan emphasizes the longevity and maintenance of existing housing, and the scale of potential demand scale is enormous with approximately 26 million dwellings in Japan. In addition, the awareness of individual consumers towards housing is changing as people spend more time at home due to new forms of lifestyle taking root and in response to more frequent and severe natural disasters, and we expect that awareness of housing longevity and maintenance will continue to grow in the future.

On the other hand, the business environment surrounding our group is expected to become increasingly severe in the future due to factors such as individual consumers’ growing consciousness towards thrift caused by concerns about rising prices and declining real wages in recent years, labor shortages and tight labor markets due to the declining population and aging society, and intensifying competition in the industry as demand for housing maintenance expands. In order to achieve solid growth and continue to lead the industry, we believe it is necessary to further improve our competitiveness. Under these circumstances, from this fiscal year, which marks our 50th anniversary, our group has set forth a vision of “Through Extending the Life of Wooden Houses and Improving the Wellbeing of Employees, Protecting the Environment and Becoming the Most Trusted Company by our Customers and Society”, has defined five key strategies in our medium-term management plan of (1) reinforcement of sales promotion basis and structure, (2) enhancing productivity, (3) expansion of services from the customer’s perspective, (4)

Development and Utilization of Human Capital, and (5) contributing to solving social issues through our business activities, and has been promoting various measures.

Based on the recognition of these issues, as announced in the “Notice Concerning Offering of 3rd Series Share Acquisition Rights and 1st Series Unsecured Convertible Bond Type Bonds with Share Acquisition Rights to be Issued Through Third-party Allotment” released today, we have selected Advantage Advisors as a business alliance partner because we sufficiently expect that a business alliance with Advantage Advisors, which has advanced know-how and driving force in areas such as strengthening sales promotion infrastructure and systems, including through M&A, improving productivity, and developing and utilizing human capital, which are matters the Company is working on as key strategies, and has an extensive track record of providing not only funding but also support to many domestic listed companies and enhancing their corporate value, will bring further depth to our group's strategies and lead to us achieving growth with speed and precision. The Company plans to issue share acquisition rights and convertible bonds with share acquisition rights to a fund served by Advantage Advisors, and the Company has decided to enter into a business alliance agreement with Advantage Advisors as of today. By leveraging the know-how we will receive from Advantage Advisors, our group will actively promote the consideration and steady implementation of various measures to improve its performance.

## 2. Details of Business Alliance

We plan to receive support from Advantage Advisors, including each of the following.

As announced in the “Notice Concerning Offering of 3rd Series Share Acquisition Rights and 1st Series Unsecured Convertible Bond Type Bonds with Share Acquisition Rights to be Issued Through Third-party Allotment” released today, we will allot the 3rd series share acquisition rights and 1st series unsecured convertible bonds with share acquisition rights to a fund served by Advantage Advisors.

- (1) Promotion of M&A, PMI and various synergy measures
- (2) Expansion of business alliances and strengthening corporate sales initiatives
- (3) Strengthening of marketing strategies and specific measures
- (4) Promotion of pricing strategies and price optimization measures
- (5) Improvement of productivity by promoting DX strategies and specific measures
- (6) Securing and training of human resources through improved human resource development
- (7) Other matters as separately agreed upon between the Company and Advantage Advisors

## 3. Outline of Business Alliance Partner

(1) Name	Advantage Advisors Co., Ltd.	
(2) Location	Toranomom Towers Office, 4-1-28 Toranomom, Minato-ku, Tokyo	
(3) Title and name of representative	Taisuke Sasanuma, Representative Director	
(4) Details of business	Management consultancy	
(5) Capital	500,000 yen	
(6) Date of establishment	January 5, 2018	
(7) Major shareholder and shareholding ratio	Advantage Partners Pte. Ltd. 100%	
(8) Relationships with the Company	Capital relationship	Not applicable.
	Business relationship	Not applicable.
	Personal relationship	Not applicable.
	Status of applicability to related parties	Not applicable.
(9) Consolidated operating results and consolidated financial position of the company for the past three years		

We have refrained from disclosing this information at the request of the business alliance partner.

#### 4. Schedule

(1) Board of Directors' resolution to enter into the business alliance agreement	November 7, 2023
(2) Date of conclusion of the business alliance agreement	November 7, 2023
(3) Date of commencement of the business alliance	November 28, 2023 (planned)

#### 5. Future Outlook

We believe that the impact of the business alliance on our business performance for the fiscal year ending March 31, 2024 will be negligible, but we will promptly announce any matters that need to be announced in light of facts that arise.

*Note : This document has been translated from the Japanese original for reference purposes only.  
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the original shall prevail.*