



January 16, 2026

To whom it may concern:

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

## **(Update on Earlier Disclosure) Notice Regarding the Conclusion of the Absorption-Type Company Split Agreement for the Spin-off of Children Business**

Solasto Corporation (the "Company") announced on July 8, 2025, that it would spin off the Children business through a company split, effective April 1, 2026. This was stated in the "Notice of Company Split of Children Business through a Simplified Absorption-Type Company Split and Establishment of Subsidiary (Preparatory Company)." At a Board of Directors meeting held today, the Company resolved to conclude a simplified absorption-type company split agreement with a wholly-owned subsidiary.

Accordingly, matters previously disclosed as scheduled have now been finalized, and some details have changed. We provide the updated information as follows. Finalized and changed items are underlined, while unchanged sections are omitted.

Since the company split is a simplified absorption-type company split (the "absorption-type company split"), in which a newly established wholly owned subsidiary of the Company (the "Preparatory Company") will be the successor company, certain disclosure items have been omitted. The absorption-type company split will be implemented subject to obtaining the necessary approvals and licenses from the relevant government authorities.

\* Item numbers correspond to the disclosure dated July 8, 2025.

### **I . Matters Previously Scheduled in the Previous Timely Disclosure That Have Now Been Finalized**

#### **2. Outline of the Preparatory Company**

(1) Name	Solasto KIDS NEXT Corporation
(6) Date of establishment	July <u>23</u> , 2025
(10) Relationship with Solasto Corporation	Capital ties: The company will be established as a wholly owned subsidiary of Solasto Corporation. Personal: <u>3 Corporate Officers and 1 Corporate Auditor have been dispatched from Solasto Corporation.</u> Trade: <u>There are no material business relationships to report.</u>

### 3. Summary of the Absorption-type Company Split

#### (1) Dates of the company split

Board of Directors resolution regarding the implementation of the company split and the establishment of Preparatory Company	July 8, 2025
Establishment of Preparatory Company	July <u>23</u> , 2025
Board of Directors resolution approving the company split agreement	January <u>16</u> , 2026
Execution of the company split agreement	January <u>16</u> , 2026
Effective date of the company split	April 1, 2026 (scheduled)

Note: The absorption-type company split falls under the category of an Absorption-Type Company Split as defined in Article 784, Paragraph 2 of the Companies Act. Accordingly, it is scheduled to be executed without obtaining approval at a general meeting of shareholders.

### 4. Parties to the Company Split

	Splitting company	Successor company
(1) Name	Solasto Corporation	<u>Solasto KIDS NEXT Corporation</u>
(6) Date of establishment	October 2, 1968	July <u>23</u> , 2025

## II. Changes Since the Previous Timely Disclosure

Since the previous timely disclosure, while preparing for this simplified absorption-type company split, we conducted a detailed review of the scope of assets and liabilities to be split based on the Accounting Standards for Social Welfare Corporations.

As a result, we determined that it is appropriate to include certain accounting items not originally disclosed as part of the transfer, and accordingly adjusted the scope of assets and liabilities to be transferred. Furthermore, based on the Group's overall financial strategy, we have excluded certain subsidiary shares originally included in the transferred assets from the scope of the transfer.

### 5. Outline of the Business Division to Be Split

#### (3) Items and book values of assets and liabilities to be transferred (as of March 31, 2025)

(Before)

Assets (Millions of Yen)		Liabilities (Millions of Yen)	
Current assets	<u>1,582</u>	Current liabilities	<u>324</u>
Fixed assets	<u>6,080</u>	Fixed liabilities	<u>850</u>
Total	<u>7,662</u>	Total	<u>1,174</u>

(After)

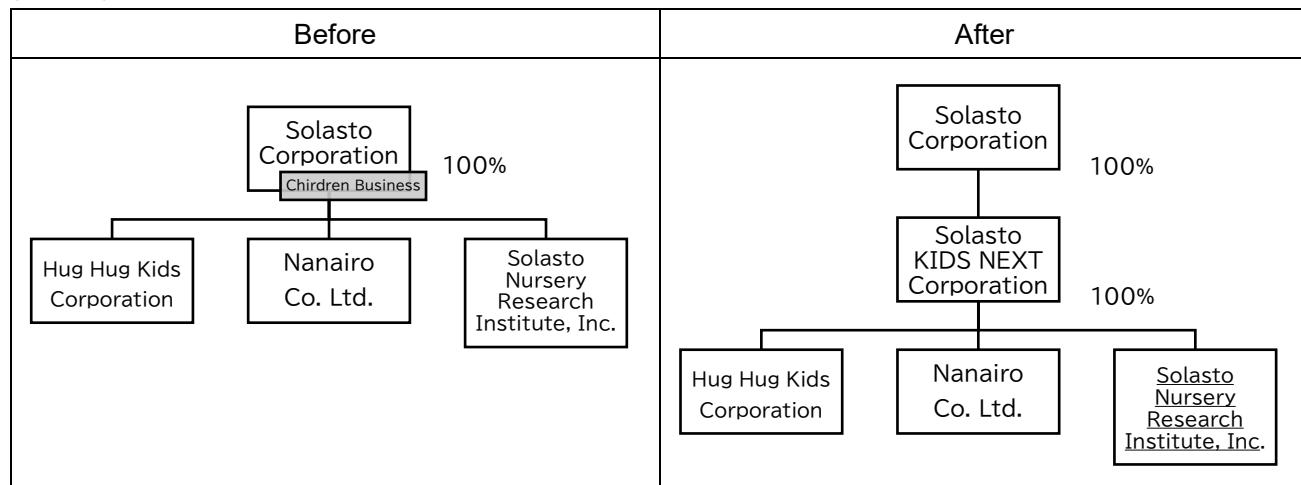
Assets (Millions of Yen)		Liabilities (Millions of Yen)	
Current assets	<u>2,138</u>	Current liabilities	<u>570</u>
Fixed assets	<u>6,071</u>	Fixed liabilities	<u>849</u>
Total	<u>8,209</u>	Total	<u>1,419</u>

## 6. Situation After the Company Split

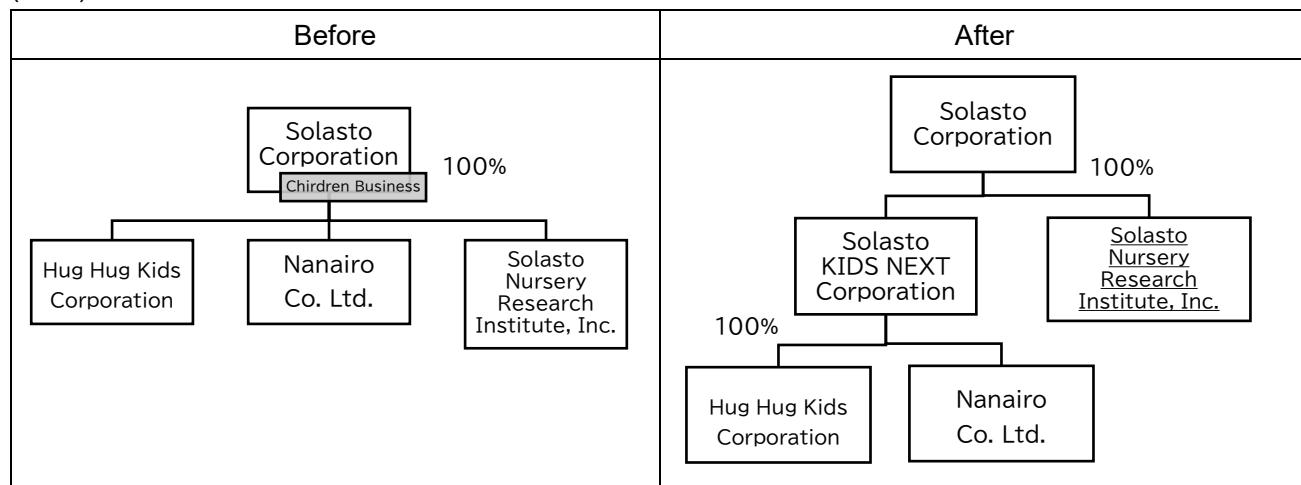
There will be no changes to the name, location, title and name of representative, business, share capital, or accounting period of either the splitting company or the successor company as a result of the absorption-type company split.

Reference: Situation after the company split

(Before)



(After)



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