



PARAMOUNT BED  
HOLDINGS



January 19, 2026

Company name:	<b>Paramount Bed Holdings Co., Ltd.</b>
Representative:	Tomohiko Kimura, President and Chief Executive Officer (Securities code: 7817 TSE Prime)
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**Notice Regarding Resolution Approving Share Consolidation, Abolishment of Provisions on Number of Shares per Unit, and Partial Amendment to Articles of Incorporation**

Paramount Bed Holdings Co., Ltd. (the “Company”) hereby announces that, as notified in the “Notice Regarding Share Consolidation, Abolishment of Provisions on Number of Shares per Unit, and Partial Amendment to Articles of Incorporation” published on December 12, 2025 (the “December 12, 2025 Company Press Release”), proposals for share consolidation, abolishment of provisions on the number of shares per unit, and partial amendment to the Articles of Incorporation were submitted at the Company’s extraordinary shareholders’ meeting held today (the “Extraordinary Shareholders’ Meeting”), and as follows, all of the proposals were approved as originally proposed.

Consequently, the Company’s common shares (the “Company Shares”) will fall under the delisting criteria stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “TSE”). As a result, the Company Shares will be designated as a delisted stock from January 19, 2026 until February 4, 2026, and delisted on February 5, 2026. Please note that, after the delisting, the Company Shares may no longer be traded on the TSE Prime Market.

**1. Proposal 1 (Share Consolidation)**

As notified in the December 12, 2025 Company Press Release, the Company convened the Extraordinary Shareholders’ Meeting for approval necessary for share consolidation as set forth below (the “Share Consolidation”).

**(1) Type of shares to be consolidated**

Common shares

**(2) Ratio of consolidated shares**

16,034,050 Company Shares will be consolidated into one Company Share.

**(3) Total number of issued and outstanding shares to be reduced**

56,075,836 shares

(Note) The total number of issued and outstanding shares to be reduced is based on the number of shares obtained by subtracting, from the Company’s total number of issued and outstanding shares (57,598,692 shares) as of November 26, 2025, the number of treasury shares (1,522,853 shares) that the Company has decided to cancel by a resolution of its Board of Directors dated December 12, 2025, said treasury shares being scheduled for cancellation on February 6, 2026. The relevant number of treasury shares

(1,522,853 shares) is the number of shares obtained by adding the number of restricted shares for the officers and employees that the Company intends to acquire without consideration as treasury shares in the future (8,463 shares), to all treasury shares held by the Company as of November 26, 2025 (1,514,390 shares).

(4) Total number of issued and outstanding shares before the Share Consolidation takes effect

56,075,839 shares

(Note) The total number of issued and outstanding shares before the Share Consolidation takes effect is the number of shares obtained by subtracting, from the Company's total number of issued and outstanding shares (57,598,692 shares) as of November 26, 2025, the number of treasury shares (1,522,853 shares) that the Company has decided to cancel by a resolution of its Board of Directors dated December 12, 2025, said treasury shares being scheduled for cancellation on February 6, 2026. The relevant number of treasury shares (1,522,853 shares) is the number of shares obtained by adding the number of restricted shares for the officers and employees that the Company intends to acquire without consideration as treasury shares in the future (8,463 shares), to all treasury shares held by the Company as of November 26, 2025 (1,514,390 shares).

(5) Total number of issued and outstanding shares after the Share Consolidation takes effect

3 shares

(6) Total number of authorized shares as of the effective date

12 shares

(7) Processing method if fractions of less than one share are produced, and the amount of money expected to be delivered to shareholders by this processing

(i) Whether treatment under the provisions of Article 235, Paragraph 1 of the Companies Act or under the provisions of Article 234, Paragraph 2 of said Act as applied mutatis mutandis under Article 235, Paragraph 2 of said Act is expected, and reasons therefor

The number of the Company Shares held by the shareholders other than TMKR Co., Ltd. (the "Offeror") and Mr. Tomohiko Kimura, President and Chief Executive Officer of the Company ("Mr. Tomohiko Kimura"), is expected to be fractions of less than one share based on the Share Consolidation.

The number of shares equivalent to the total sum of the fractional shares (in cases where the total sum includes a fractional share less than one share, pursuant to the provisions of Article 235, Paragraph 1 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same), such fractional share is to be rounded down) in regard to fractions of less than one share produced as a result of the Share Consolidation will be sold in accordance with the provisions of Article 235 of the Companies Act and other related laws and regulations, and proceeds obtained from the sale will be delivered to shareholders in proportion to the fractional shares attributed to them.

Regarding such sale, the Company plans to sell these fractional shares to the Offeror with the court's permission pursuant to the provisions of Article 234, Paragraph 2 of the Companies Act, which apply mutatis mutandis to Article 235, Paragraph 2 of the same Act, taking into account that the Share Consolidation is to be conducted as part of the Transaction with the intention of privatizing the Company Shares, and that the possibility for a buyer to appear in the auction is considered to be low because the Company Shares are expected to be delisted on February 5, 2026 and they will become shares without a market price.

The sale amount in such case, if the court's permission can be obtained as expected, is to be set at a price

that will enable each shareholder listed or recorded in the final Company Ledger of Shareholders of February 8, 2026 (the day prior to the effective date of the Share Consolidation) to receive delivery of money equivalent to the amount obtained by multiplying 3,530 yen (the same amount as the purchase price per Company Share in the Tender Offer) by the number of Company Shares held by such shareholder. In the event the court's permission cannot be obtained or adjusting the fractions by a calculation is required, however, the amount actually delivered to a shareholder might differ from the above.

(ii) Name of person(s) expected to buy shares in connection with this sale

TMKR Co., Ltd. (the Offeror)

(iii) Method for person(s) expected to buy shares in connection with this sale to secure funds for paying the sale proceeds, and appropriateness of the method

The Offeror plans to secure the necessary funds for settling the Tender Offer by borrowing up to a total of 141,626 million yen from Mizuho Bank, Ltd. as the necessary funds for acquiring the Company Shares equivalent to the total number of fractions produced by the Share Consolidation (the "Bank Loan").

The Company has confirmed the loan certificate etc. related to the Bank Loan in the implementation procedures of the Transaction, and according to the Offeror, no event has arisen that could cause an impediment to paying the sales proceeds for the Company Shares equivalent to the total number of fractions of less than one share produced as a result of the Share Consolidation, and the Offeror is unaware of any possibility for such an event to arise in the future. Accordingly, the Company determined that the method to secure funds for paying the sales proceeds of the Company Shares equivalent to the total number of fractions of less than one share produced as a result of the Share Consolidation is appropriate.

(iv) Timing for the sale and expected timing for delivering to the shareholders the proceeds obtained from the sale

The Company plans to file around mid-February 2026 a petition to the court requesting permission to sell to the Offeror the Company Shares equivalent to the total number of fractions of less than one share produced as a result of the Share Consolidation, pursuant to the provisions in Article 234, Paragraph 2 of the Companies Act, which apply mutatis mutandis to Article 235, Paragraph 2 of the same Act. After obtaining the court's permission, the Company is expected to sell these Company Shares to the Offeror around mid-March 2026, and subsequently, after undertaking the necessary preparation for delivering to the shareholders the proceeds obtained from the sale, to deliver to the shareholders the proceeds around mid-May 2026.

Taking into consideration the time needed for the series of procedures related to the sale from the effective date of the Share Consolidation, as described above, the Company decided to carry out the sale of the Company Shares equivalent to the total number of fractions of less than one share produced as a result of the Share Consolidation, as well as to deliver the sales proceeds to the shareholders at the above-indicated respective timings.

## 2. Proposal 2 (Partial Amendment to Articles of Incorporation)

- (1) Once the proposal pertaining to the Share Consolidation is approved at the Extraordinary Shareholders' Meeting as originally proposed, and the Share Consolidation is thereby effectuated, in accordance with the provisions of Article 182, Paragraph 2 of the Companies Act, the total number of authorized shares of the Company will be 12 shares. To make this point clear, Article 6 of the Articles of Incorporation (Total Number of Authorized Shares) will be amended subject to the effectuation of the Share Consolidation.
- (2) Once the proposal pertaining to the Share Consolidation is approved at the Extraordinary Shareholders' Meeting as originally proposed, and the Share Consolidation is thereby effectuated, in accordance with the provisions of Article 182, Paragraph 2 of the Companies Act, the total number of authorized shares of the Company will be 12 shares. To make this point clear, Article 6 of the Articles of Incorporation (Total Number of Authorized Shares) will be amended subject to the effectuation of the Share Consolidation.

Meeting as originally proposed, and the Share Consolidation is thereby effectuated, it will no longer be necessary to provide for number of shares per unit. Therefore, subject to the effectuation of the Share Consolidation, the provisions of Article 7 (Number of Shares Per Unit) and Article 8 (Rights Pertaining to Shares Less Than One Unit) of the Articles of Incorporation will be entirely deleted in order to abolish the provisions on the number of shares per unit of the Company Shares (currently 100 shares), with the remaining provisions to be renumbered accordingly following this change.

(3) Once the proposal pertaining to the Share Consolidation is approved at the Extraordinary Shareholders' Meeting as originally proposed, and the Share Consolidation is thereby effectuated, the Offeror and Mr. Tomohiko Kimura will become the Company's only remaining shareholders, and thus the provisions pertaining to the system of electronic provision of materials for general shareholders' meetings will no longer be necessary. Therefore, subject to the effectuation of the Share Consolidation, the provisions of Article 14 (Electronic Provision Measures etc.) of the Articles of Incorporation will be entirely deleted, with the remaining provisions to be renumbered accordingly following this change.

Further details of the amendment are as explained in the December 12, 2025 Company Press Release.

The partial amendment of the Articles of Incorporation will take effect, subject to the effectuation of the Share Consolidation, on February 9, 2026, which is the effective date of the Share Consolidation.

### 3. Schedule of Share Consolidation

Date of Extraordinary Shareholders' Meeting	January 19, 2026 (Monday)
Delisting designation date	January 19, 2026 (Monday)
Final trading date of Company Shares	February 4, 2026 (Wednesday) (planned)
Delisting date of Company Shares	February 5, 2026 (Thursday) (planned)
Effective date of Share Consolidation	February 9, 2026 (Monday) (planned)

End