November 9, 2026

To whom it may concern

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Notice Regarding the Results of a Voluntary Review and the Policy on Voluntary Repayment of Visiting Nursing Care Expenses and Related Payments

SUNWELS Co., Ltd. (the "Company") has been conducting a voluntary review and preparing for voluntary repayment in connection with claims for visiting nursing care expenses and related payments, taking into account guidance and other instructions from the Ministry of Health, Labour and Welfare (MHLW) and the Regional Bureaus of Health and Welfare.
On November 6, 2026, the Company provided the necessary explanations and representations in connection with the audit of Sunwels Kadoma Visiting Nursing Station by the Kinki Regional Bureau of Health and Welfare. In addition, today (November 9, 2026), based on the results of the voluntary review and the voluntary repayment amount reported to MHLW, the Board of Directors resolved to adopt a policy of proceeding with voluntary repayment procedures with respect to the relevant insurers. Details are provided below.

1. Background
   In connection with the series of issues concerning claims for visiting nursing care expenses and related payments, the Company has received individual guidance and undergone audits by the Regional Bureaus of Health and Welfare, as well as guidance from MHLW. Under the framework for voluntary review and voluntary repayment based on relevant records, the Company has been working to identify the claims subject to repayment and determine the relevant amounts and procedures.

2. Status of Voluntary Review and Voluntary Repayment
   (1) Voluntary Repayment by Four Facilities That Received Individual Guidance from the Regional Bureaus of Health and Welfare
   For the following four facilities, which received individual guidance from the Regional Bureaus of Health and Welfare and conducted voluntary reviews under such guidance, the total amount of voluntary repayment is JPY 986,200, covering 125 visits subject to repayment. With the involvement of the Regional Bureaus of Health and Welfare, the Company is proceeding with the prescribed repayment procedures with the relevant payment agencies.

Station Name	Number of Visits Subject to Repayment	Period Covered by Individual Guidance and Voluntary Review	Voluntary Repayment Amount
Sunwels Nishitokyo Visiting Nursing Station	43 visits	February–March 2024 and February 2025–January 2026	JPY 305,700
Sunwels Saikakuji Visiting Nursing Station	25 visits	February–March 2024 and February 2025–January 2026	JPY 191,400
Sunwels Toita Visiting Nursing Station	21 visits	February–March 2024 and March 2025–February 2026	JPY 224,400
Sunwels Heiwagaoka Visiting Nursing Station	36 visits	February, March and December 2024, January 2025, and March 2025–February 2026	JPY 264,700
Total	125 visits	—	JPY 986,200

Note: The total number of visits covered by individual guidance at the above four facilities was 378,737. The 125 visits subject to repayment represent approximately 0.033% of that total.

(2) Voluntary Repayment Following Guidance from MHLW

Following guidance from MHLW, the Company conducted a voluntary review, based on relevant records and other materials, of claims relating to visiting nursing care provided from July 2020 through May 2026, covering 7,205,057 visits. As a result, the Company determined that 7,606 visits were subject to repayment (approximately 0.106% of the visits covered) and calculated the planned voluntary repayment amount to be JPY 69,494,800. These results were reported to MHLW. The foregoing figures include 125 visits subject to repayment at the four offices referred to in (1), representing an aggregate voluntary repayment amount of JPY 986,200.

After comprehensively reviewing the history of administrative guidance and the results of the voluntary review, the Company adopted a policy of voluntarily repaying the above amount and proceeding with the prescribed repayment procedures with respect to the relevant insurers.

The Special Investigation Committee's investigation report dated February 7, 2025 estimated the total amount at approximately JPY 2.8 billion. However, the scope of that investigation (July 2020 through September 2024, covering 3,733,679 visiting nursing care records) differs from the period and number of visits covered by the current voluntary review. In addition, there are differences in the calculation methods and the nature of the respective amounts. Accordingly, the two figures are not directly comparable.

3. Status of the Audit of Sunwels Kadoma Visiting Nursing Station

In connection with the audit of Sunwels Kadoma Visiting Nursing Station by the Kinki Regional Bureau of Health and Welfare, on November 6, 2026, Company representatives provided the necessary explanations and representations regarding the three matters raised by the Bureau. Based on relevant records, the Company has explained the provision of visiting nursing services and related matters.

The Company will respond to any administrative measures relating to this audit, including whether any such measures will be taken, the nature of such measures, and any repayment amounts, in light of the relevant authorities' decisions and formal notifications. The Company will promptly disclose any new matters requiring disclosure.

The Company has not received any indication of fraudulent claims and does not expect its designation as a designated visiting nursing provider to be revoked.

4. Future Actions and Impact on Financial Results
   For the portion covered by the voluntary review conducted under MHLW guidance, the Company will proceed sequentially with the prescribed repayment procedures with respect to the relevant insurers, aiming to complete them by the end of the year. However, the actual timing of repayment may vary depending on the progress of the prescribed procedures at each insurer.
   The Company is reviewing and assessing the impact of this matter on its financial results and financial position, including the accounting treatment of repayment-related liabilities already recognized and the impact on its earnings forecast. The Company will promptly disclose any revisions to its earnings forecast or other matters requiring disclosure.

End

Note: This document has been translated from the original document in Japanese. In the event of any discrepancy between this English translation and the original document in Japanese, the original document in Japanese shall prevail.