



CHARM

NEWS RELEASE



February 24, 2026

Company name:	Charm Care Corporation
Representative:	Takahiko Shimomura Representative Director, Chairman and CEO
Securities code:	6062
Prime market:	TSE Prime Market
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Notice Regarding Absorption-type Merger of Wholly Owned Subsidiary (Simplified Merger and Short-form Merger)

At the meeting of the Board of Directors held on February 24, 2026, the Company resolved to conduct an absorption-type merger (hereinafter referred to as the "Merger") with its wholly owned subsidiary, CM Care Co., Ltd. (hereinafter referred to as "CM Care"), with an effective date of July 1, 2026, as outlined below.

As this merger is a simplified absorption-type merger involving a wholly owned subsidiary, certain disclosure items and details have been omitted.

1. Purpose of this merger

This merger aims to absorb CM Care, which operates fee-based homes for the elderly with long-term care, and to promote overall business efficiency within our group by integrating overlapping administrative departments and making effective use of management resources.

2. Summary of this merger

(1) Schedule of the merger

Date of board resolution approving merger agreement: February 24, 2026

Merger agreement execution date: February 24, 2026

Scheduled merger date (effective date): July 1, 2026

This merger will be conducted without holding a shareholders' meeting to approve the merger agreement, in accordance with Article 796, Paragraph 2 of the Companies Act for our company, and Article 784, Paragraph 1 of the Companies Act for CM Care.

(2) Merger method

In an absorption-type merger with our company as the surviving company and CM Care as the absorbed company, CM Care will be dissolved as a result of this merger.

(3) Allocation details related to the merger

There will be no issuance of new shares or payment of merger consideration as a result of the merger.

(4) Handling of stock options and stock option-attached bonds in connection with the merger

The absorbed company, CM Care, has not issued any stock options or bonds with stock options.

3. Overview of the Parties to the Merger

	Absorbing company in the merger (the Company)	Absorbed company in merger (CM Care)
trade name	Charm Care Corporation	CM Care Co., Ltd.
Location	3-6-32 Nakanoshima, Kita-ku, Osaka-shi	3-6-32 Nakanoshima, Kita-ku, Osaka-shi
Title and Name of Representative	representative director, President and CEO Takahiko Shimomura representative director, Chairman and COO Shiro Kokaji	Representative Director and President Kota Ida
Business Description	Operation of fee-based homes for the elderly with long-term care and residential fee-based homes for the elderly, etc.	Operation of fee-based homes for the elderly with long-term care, etc.
capital	2,759 million yen	10 million yen
Date of establishment	August 22, 1984	July 2, 2024
Total number of shares issued	32,712,000 shares	100 shares
financial results period	June 30	June 30
Major shareholders and shareholding ratios (excluding treasury stock) (as of December 31, 2025)	STK Corporation 29.39% Takahiko Shimomura 16.23% Custody Bank of Japan, Ltd.(Trust Account) 10.82% The Master Trust Bank of Japan, Ltd. (Trust Account) 6.93% GOVERNMENT OF NORWAY 1.32% Tokyu Land Corporation 1.21% JPMorgan Securities Japan Co., Ltd. 1.14% STATE STREET BANK AND TRUST COMPANY 505044 1.07% Charm Care Corporation Employee Shareholding Association 1.03% Keizo Marumoto 0.99%	Charm Care Corporation 100%
Financial Position and Operating Results of the Previous Fiscal Year		
	Fiscal year ending June 2025 (consolidation)	Fiscal year ending June 2025 (Non-consolidated)
net assets	20,678 million yen	966 million yen
total assets	52,414 million yen	1,340 million yen
Net assets per share	631.92 yen	9,664,101 yen
sales revenue	46,673 million yen	685 million yen
operating profit	3,845 million yen	5 million yen
operating income	4,024 million yen	18 million yen
Net income attributable to owners of the parent	2,936 million yen	294 million yen
Net income per share	89.89 yen	2,949,217.24 yen

4. Status of the Company after the Merger

There will be no changes to our trade name, head office location, representative's title and name, business activities, capital, or fiscal period as a result of this merger.

5. Impact on Business Performance

Since this merger is with a wholly owned subsidiary of the Company, the impact on the Company's consolidated results is minimal.