July 9, 2026

Corporate name:	SHOFU INC.
Representative:	Tetsuo Takami Representative Director, President & CEO
Listing:	Tokyo Stock Exchange (Prime Market)
Code number:	7979
Contact:	Hideki Imaoka General Manager of General Affairs Department (TEL: +81-75-561-1914)

Notice Concerning Absorption-type Merger (Simplified Merger / Short-Form Merger) with Consolidated Subsidiary

SHOFU INC. ("the Company") hereby announces that it resolved at the Board of Directors meeting held on July 9, 2026 to conduct an absorption-type merger (the "Merger") with its consolidated subsidiary SHOFU BIOFIX INC. ("SHOFU BIOFIX"). Since the Merger is a simplified absorption-type merger involving a consolidated subsidiary, certain disclosure items have been omitted.

1. Purpose of the Merger

Implant treatment in dentistry has become widely established as a solution that can improve both chewing function and aesthetic appearance. The Group has been developing its implant business through SHOFU BIOFIX. However, as digitization in dental care accelerates, there is a growing need to strengthen the Group's proposal capabilities in the digital dentistry field. Therefore, the Group will absorb and incorporate SHOFU BIOFIX into the Group's operations, thereby optimizing management resources and improving the competitiveness of the SHOFU Brand.

2. Summary of the Merger

(1) Schedule of the Merger

Resolution of the Merger at a Board of Directors meeting	July 9, 2026
Date of conclusion of the Merger agreement	July 9, 2026
Effective Date of Merger	October 1, 2026 (scheduled)

＊The Merger is a simplified merger prescribed in Article 796, Paragraph 2 of the Companies Act for the Company and a short-form merger prescribed in Article 784, Paragraph 1 of the Companies Act for SHOFU BIOFIX. Therefore, the Company will not seek approval of the Merger at a General Meeting of Shareholders.

(2) Method of Merger

The Company will be the surviving company and SHOFU BIOFIX will be the absorbed company, which will be dissolved as a result.

(3) Details of Allotment Related to the Merger

As this is a merger with a wholly-owned subsidiary, there will be no allotment of shares or other capital, etc. in connection with the Merger.

(4) Handling of new share subscription rights and bonds with new share subscription rights associated with the Merger

Not applicable

3. Overview of the companies involved in the Merger (as of March 31, 2026)

	Surviving Company	Absorbed Company
① Name	SHOFU INC.	SHOFU BIOFIX INC.
② Location	11 Kamitakamatsu-cho, Fukuine, Higashiyama-ku, Kyoto	3-16-2 Yushima, Bunkyo-ku, Tokyo
③Name and Title of Representative	Tetsuo Takami, Representative Director & President	Junichi Sugawara, Representative Director & President
④ Principal Business	Manufacture and sale of dental materials and equipment	Sale of dental materials and equipment
⑤ Share capital	¥5,968,950,000	¥300,000,000
⑥ Date of establishment	May 15, 1922	April 1, 2015
⑦ Number of issued shares	35,788,178 shares	8,000 shares
⑧ Fiscal Year End	March 31	March 31
⑨ Major shareholders and their share holding ratio (as of March 31, 2026)	Mitsui Chemicals, Inc. 20.11% The Master Trust Bank of Japan, Ltd. (Trust account) 6.88% The Bank of Kyoto, Ltd. 4.00% Nippon Life Insurance Company 3.63% The Shiga Bank, Ltd. 3.38% NORTHERN TRUST CO. (AVFC) REIEDP AIF CLIENTS NON TREATY ACCOUNT 2.51% Shofu Employee Stock Ownership Association 1.39% GOVERNMENT OF NORWAY 1.33% BBH FOR BBHTSIL NEUBERGER BERMAN INVESTMENT FUNDS PLC-NEUBERGER BERMAN JAPAN EQUITY ENGAGEMENT FUND 1.29% J.MORITA CORPORATION 1.28%	SHOFU INC. 100%
⑩Financial results (Most Recent Business Year)	Fiscal year Ending March 31, 2026 (consolidated, Japanese Accounting Standards)	Fiscal year Ending March 31, 2026 (Non-consolidated, Japanese Accounting Standards)
Net assets	¥48,689 million	¥52 million
Total assets	¥57,706 million	¥83 million

Net assets per share	¥1,363.94	¥6,523.63
Net sales	¥39,994 million	¥192 million
Operating income	¥5,226 million	¥(7) million
Ordinary income	¥5,859 million	¥(8) million
Net income attributable to owners of parent	¥4,887 million	¥(4) million
Net income per share	¥137.38	¥(581.60)

4. Status after the Merger

There will be no change in the Company's name, location, Name and title of the Representative Director & President, business description, capital and Fiscal Year End due to the Merger.

5. Future Outlook

As the Merger is with a wholly-owned subsidiary of the Company, the impact of the merger on consolidated results will be minimal.

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.