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.

June 22, 2026

Company name: TOKAI Corp.
Name of representative: Toshiaki Asai, President & Representative Director
(Securities code: 9729; Prime Market Tokyo Stock Exchange)
Inquiries: Masaru Wada, Corporate Officer, Head of Finance & Corporate Planning Division
(Telephone: +81-58-263-5111)

Notice Regarding Acquisition of QLC Produce Corporation Shares (to Make It a Subsidiary)

TOKAI Corp. (the "Company") hereby announces that it has agreed to enter into a share transfer agreement with Idemitsu Kosan Co., Ltd. ("Idemitsu Kosan") concerning the acquisition of all shares of QLC Produce Corporation ("QLC Produce"), which is a wholly owned subsidiary of Idemitsu Kosan and engages mainly in the Rehabilitation-Type Daycare Business, and that it has resolved, at a meeting of its Executive Committee held on June 20, 2026, to acquire the shares of QLC Produce. The details are described below.

1. Reason for acquisition of shares

Since its foundation, the Group has embraced "cleanliness and health" as a key business theme and engaged in a broad range of business activities primarily in the medical and nursing care field, including the elderly care equipment rental business and Dispensing Pharmacy Business. The Group's long-term vision titled "Vision 2035" states: "Contribute to the realization of a health and longevity society as an infrastructure company supporting clean and healthy living for people." As the first phase of the vision, the Group currently pursues the growth strategy under the Medium-term Management Plan for the period from the fiscal year ended March 2026 to the fiscal year ending March 2028.

Under this Medium-term Management Plan, we aim to achieve further growth through aggressive M&A and other measures by regarding the Elderly Care Business, including elderly care equipment rental for elderly at home and rehabilitation-type daycare services, as a growth driver against the backdrop of the further aging of society in the future.

Meanwhile, since it started the Rehabilitation-Type Daycare Business in 2010, QLC Produce has advanced the operation of the said business and the development of franchise chains ("FCs"), and it currently operates 169 stores (including 157 FC stores) across the country largely through the FCs of "Let's Club" and "Bridge Life." In addition, QLC Produce engages in the development and sale of systems that contribute to improving the operational efficiency and earning power of nursing care front lines, including "ACE," a calculation system for the individual function training addition and the oral function improvement addition, and uses its on-site know-how accumulated through the Rehabilitation-Type Daycare Business to develop its own systems and to provide solutions for medical and nursing care front lines. This is considered a great advantage of QLC Produce.

Through the acquisition of shares, the Rehabilitation-Type Daycare Business of the Group will operate 206 stores (including 158 FC stores) nationwide, with annual sales of approximately 3.2 billion yen, and the Company will advance this business in earnest as one of the pillars that support the medium- to long-term growth of the Group. Moreover, we believe that the acquisition of shares will dramatically expand the business foundation of services for the elderly at home and elderly care equipment rental, leading to the expansion of business fields and the development of new services with the themes of “at-home nursing care,” “prevention in medical and elderly care,” and “pre-disease care,” which the Group addresses to realize a health and longevity society.

Going forward, we will aim to achieve the early creation of synergies mainly by sharing the operational know-how of rehabilitation-type daycare facilities and management resources within the Group, advancing the development and sale of systems offered by QLC Produce, and promoting cooperation between rehabilitation-type daycare services and elderly care equipment rental to strengthen the sales activities of both businesses.

We will continue to strive to achieve the business objectives and long-term vision stated in the Medium-term Management Plan through business activities capitalizing on the abundance of management resources in the medical and nursing care field as well as aggressive M&A measures that would help advance such business activities.

(Reference) Notice Regarding the Formulation of the Medium-term Management Plan (FY3/26 to FY3/28)

2. Overview of the subsidiary subject to change

(1) Name	QLC Produce Corporation		
(2) Location	1-3-8 Nishi-Gotanda, Shinagawa-ku, Tokyo		
(3) Name and job title of representative	Toshikazu Kato, Representative Director		
(4) Description of business	Rehabilitation-Type Daycare Business, franchise business related to the said business, sale of systems for the said business		
(5) Share capital	100 million yen		
(6) Date of establishment	May 1997		
(7) Major shareholders and ownership ratios	Idemitsu Kosan Co., Ltd. (100%)		
(8) Relationship between the Company and said company	Capital relationship	Not applicable	
	Personnel relationship	Not applicable	
	Business relationship	Not applicable	
(9) Operating results and financial condition of said company for the last three years			
As of / Fiscal year ended	March 31, 2024	March 31, 2025	March 31, 2026
Net assets	743 million yen	884 million yen	974 million yen
Total assets	1,113 million yen	1,232 million yen	1,326 million yen
Net assets per share	148,600.51 yen	176,983.56 yen	194,729.25 yen
Net sales	1,837 million yen	1,947 million yen	2,001 million yen
Operating profit	302 million yen	401 million yen	421 million yen
Ordinary profit	304 million yen	406 million yen	430 million yen
Profit	478 million yen	272 million yen	279 million yen
Basic earnings per share	95,629.12 yen	54,421.25 yen	55,840.48 yen
Dividend per share	26,038.20 yen	38,094.8 yen	39,088.2 yen

* As figures as of March 31, 2026 are estimates before shareholder approval at the Annual General Meeting of Shareholders, they may be subject to change according to the results of resolution.

3. Overview of the counterparty to the acquisition of shares

(1)	Name	Idemitsu Kosan Co., Ltd.	
(2)	Location	1-2-1 Otemachi, Chiyoda-ku, Tokyo	
(3)	Name and job title of representative	Noriaki Sakai, Representative Director and President	
(4)	Description of business	Petroleum business, basic chemicals business, functional materials business, power/renewable energy business, resources business	
(5)	Share capital	168.3 billion yen	
(6)	Date of establishment	March 1940	
(7)	Net assets	1,951,099 million yen	
(8)	Total assets	5,328,792 million yen	
(9)	Major shareholders and ownership ratios	The Master Trust Bank of Japan, Ltd. (Trust Account) 12.19% Aramco Overseas Company B.V. 9.46% Nissho Kosan Co., Ltd. 8.97% Public Interest Incorporated Foundation Idemitsu Museum of Arts 8.35% Custody Bank of Japan, Ltd. (Trust Account) 5.94% Showa Kosan Co., Ltd. 2.04% Idemitsu Employee Stockholders Committee 1.96% ZEN Co., Ltd. 1.46% ENN Co., Ltd. 1.44% STATE STREET BANK AND TRUST COMPANY 505001 1.38%	
(10)	Relationship between the Company and said company	Capital relationship	Not applicable
		Personnel relationship	Not applicable
		Business relationship	Not applicable
		Related party relationship	Not applicable

4. Number of shares to be acquired, acquisition price, and shares held before and after the acquisition

(1)	Number of shares held before the change		0 shares (Number of voting rights: 0) (Ratio of voting rights held: 0.0%)
(2)	Number of shares to be acquired		5,000 shares (Number of voting rights: 5,000)
(3)	Acquisition price	Common shares of QLC Produce Corporation	2,910 million yen
		Advisory fees, etc. (Estimated amount)	— yen
		Total (Estimated amount)	2,910 million yen
(4)	Number of shares to be held after the change		5,000 shares (Number of voting rights: 5,000) (Ratio of voting rights held: 100.0%)

* The advisory fees, etc. are not finalized at this point in time and are omitted.

5. Timetable

(1)	Date of resolution at the meeting of the Board of Directors	June 20, 2026
(2)	Date of conclusion of the agreement	June 30, 2026
(3)	Date of execution of share transfer	July 31, 2026 (scheduled)

6. Future outlook

The impact of the acquisition of shares on the Company's consolidated financial results is expected to be minor. The Company will promptly announce any matters requiring disclosure in the future.