August 28, 2026

Company name: NAC CO., LTD.
Name of representative: Hironari Kawakami, President and Chief Executive Officer
(Securities code: 9788; TSE Prime Market)
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Notice Concerning the Acquisition of Yoko Co., Ltd. as a Wholly Owned Subsidiary through a Simplified Share Exchange

The Company hereby announces that, at the meeting of its Board of Directors held on August 28, 2026, it resolved to conduct a share exchange (the "Share Exchange") whereby the Company will become the wholly owning parent company and Yoko Co., Ltd. ("Yoko") will become the wholly owned subsidiary. The Company entered into a share exchange agreement (the "Share Exchange Agreement") with Yoko on the same date. Details are as follows.
The Company plans to conduct the Share Exchange as a simplified share exchange pursuant to Article 796, Paragraph 2 of the Companies Act, without obtaining approval by a resolution of its shareholders at a general meeting. Furthermore, because the net assets of Yoko, which will become the wholly owned subsidiary in the Share Exchange, were less than 10% of those of the Company as of the end of their respective most recent fiscal years, and because Yoko's net sales for its most recent fiscal year were less than 3% of those of the Company, certain disclosure items and details have been omitted from this announcement.

1. Purpose of Acquiring Yoko as a Wholly Owned Subsidiary through the Share Exchange

The Group positions the Duskin business, its founding business, as one of its core businesses and considers its established sales network, trusted relationships with customers, and extensive know-how cultivated over more than 50 years as a Duskin franchisee to be its key strengths. The Group aims to achieve further growth by expanding its operating area and strengthening its service capabilities.
Yoko Co., Ltd. is a Duskin franchisee with Chiba Prefecture as its main operating area and has established a customer base through community-based sales activities.
By bringing Yoko Co., Ltd. into the Group, the Company aims to strengthen its business foundation and expand its operating area in Chiba Prefecture. The Company believes that this will contribute to the further growth of its Duskin business and the enhancement of corporate value. Based on this determination, the Company resolved at the meeting of its Board of Directors held today to implement the Share Exchange for the purpose of making Yoko a wholly owned subsidiary, and entered into the Share Exchange Agreement with Yoko.

2. Outline of the Share Exchange

(1) Schedule of the Share Exchange

Date of Board Resolution	August 28, 2026
Date of Execution of the Share Exchange Agreement	August 28, 2026
Effective Date (Scheduled)	October 1, 2026 (scheduled)

(Note 1) The Company plans to conduct the Share Exchange as a simplified share exchange pursuant to Article 796, Paragraph 2 of the Companies Act, without obtaining shareholder approval at a general meeting.
(Note 2) The schedule of the Share Exchange may be changed by mutual agreement between the two companies if

necessary in connection with the procedures for the Share Exchange or for other reasons. If any change is made to the above schedule, the Company will promptly disclose such change.

(2) Method of the Share Exchange

The Share Exchange will be conducted with the Company as the wholly owning parent company and Yoko as the wholly owned subsidiary.

With respect to the Company, the Share Exchange will be conducted as a simplified share exchange pursuant to Article 796, Paragraph 2 of the Companies Act and will not require approval by a resolution of its shareholders at a general meeting.

With respect to Yoko, the Share Exchange is subject to approval of the Share Exchange Agreement by an extraordinary general meeting of shareholders scheduled to be held on August 28, 2026.

The Share Exchange is scheduled to become effective on October 1, 2026.

(3) Details of the Share Exchange Consideration

	the Company (Wholly owning parent company)	Yoko (Wholly-owned subsidiary)
Share Exchange Ratio	1	879
Number of Shares to be Delivered through the Share Exchange	351,600 shares of the Company’s common stock (expected)	

(Note 1) For each share of Yoko, 879 shares of the Company's common stock will be allotted and delivered. The above share exchange ratio (the "Share Exchange Ratio") may be revised upon consultation and agreement between the two companies if any material change occurs in the conditions underlying its calculation.

(Note 2) The number of shares of the Company's common stock to be delivered in the Share Exchange will be 351,600 shares. All such shares are planned to be provided from the Company’s treasury shares.

(4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights

Yoko has not issued any stock acquisition rights or bonds with stock acquisition rights.

3. Basis for the Share Exchange Ratio and Other Matters

(1) Basis and Reason for the Share Exchange Ratio

In determining the share exchange ratio for the Share Exchange, the Company engaged CRIFIX FAS Co., Ltd. ("CRIFIX FAS"), an independent third-party valuation firm, to calculate the share exchange ratio in order to ensure its fairness and reasonableness.

With reference to the valuation results of CRIFIX FAS, and taking into account the results of due diligence conducted on Yoko, the Company carefully considered the financial condition, operating results, and future prospects of both companies and engaged in extensive discussions and negotiations with Yoko.

As a result, the Company concluded that the Share Exchange Ratio is fair and reasonable and will contribute to the interests of the shareholders of both companies. Accordingly, at the meetings of the Boards of Directors of both companies held today, the companies resolved to implement the Share Exchange based on the Share Exchange Ratio and entered into the Share Exchange Agreement.

Pursuant to the Share Exchange Agreement, the Share Exchange Ratio may be revised upon consultation and agreement between the two companies if any material change occurs in the conditions underlying its calculation.

(2) Matters Concerning the Calculation

(I) Name of the Valuation Firm and Relationship with the Company and Yoko

CRIFIX FAS Co., Ltd. is an independent third-party valuation firm and is not a related party of either the Company or Yoko. CRIFIX FAS has no material interest in the Share Exchange that should be disclosed.

(ii) Outline of the Valuation

CRIFIX FAS adopted the market price method in valuing the shares of the Company, as the Company's shares are listed on the Tokyo Stock Exchange and have a readily available market price. For Yoko, which is an unlisted company, CRIFIX FAS adopted the discounted cash flow method (the "DCF Method") in order to reflect its future business performance in the valuation.

Under the market price method, CRIFIX FAS used the closing price of the Company's common shares on the Tokyo Stock Exchange on August 27, 2026, the valuation reference date, as well as the simple average closing prices for the one-month, three-month, and six-month periods preceding the valuation reference date.

Under the DCF Method, CRIFIX FAS calculated the enterprise value and equity value of Yoko by discounting to present value the free cash flows expected to be generated in the future, based on the business plan covering the fiscal years ending March 31, 2027 through March 31, 2031.

The results of each valuation method are as follows.

Valuation Method		Value per share		Share Exchange Ratio Range
Company	Yoko	Company	Yoko	
Market Price Method	DCF Method	516 - 530 yen	436,699 - 467,790 yen	824 – 907

Yoko's business plan does not include any fiscal years in which a significant increase or decrease in profit is expected. In calculating the share value, CRIFIX FAS relied on information provided by the Company and Yoko, as well as publicly available information, and assumed that all such information and materials were accurate and complete. CRIFIX FAS did not independently verify the accuracy or completeness of such information and materials. CRIFIX FAS did not independently evaluate or appraise any of the assets or liabilities of the Company or Yoko, including off-balance-sheet assets and liabilities and contingent liabilities.

4. Overview of the Companies Involved in the Share Exchange

		Wholly Owning Parent Company	Wholly Owned Subsidiary
(1)	Name	NAC CO., LTD.	Yoko Co., Ltd.
(2)	Location	1-25-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo	315 Furuichiba, Ichihara-shi, Chiba
(3)	Title and Name of Representative	Hironari Kawakami, President and Chief Executive Officer	Takahiro Koizumi, Representative Director
(4)	Business Description	Manufacture and sale of Water delivery and hypochlorous acid-based products; rental and sale of dust control products, nursing-care products, welfare equipment, and pest control equipment; periodic cleaning services and restoration work; sale and installation of construction-related know-how products and building materials for local builders; consulting services and housing franchise operations; custom-built housing construction and sale of	Operation of a Duskin franchise business

	subdivision housing; manufacture and sale of cosmetics and health foods; sale of beauty supplies and pharmaceuticals; import and sale of alcoholic beverages; and other related businesses.	
(5) Capital	6,729 million yen	20 million yen
(6) Date of Establishment	May 20, 1971	December 1, 1994
(7) Number of Shares Issued (as of March 31, 2026)	46,613,500 shares	400 shares
(8) Fiscal Year-End	March 31	July 31
(9) Major Shareholders and Shareholding Ratio as of March 31, 2026 (Note 1) (Note 2)	Duskin Co.,Ltd. 27.90% Yamada Holdings Co., Ltd. 10.64% Capital Inc. 7.72% The Master Trust Bank of Japan, Ltd. (Trust Account) 3.67% NAC Employee Shareholding Association 3.59% Lemon Gas Co., Ltd. 3.45% Excellent Shareholding Association 1.83% Brilliant Future Inc. 1.66%	Takahiro Koizumi 33.5% Individual shareholders 33.3% Hiroshi Koizumi 25.3% Individual shareholders 5.0% Individual shareholders 3.0%
(10) Operating Results and Financial Position for the Most Recent Fiscal Year		
Fiscal Year	NAC CO., LTD. (consolidated) Fiscal Year Ended March 31, 2026	Yoko Co., LTD. Fiscal Year Ended July 31, 2025
Net assets	23,115	245
Total assets	38,878	286
Net Assets per Share (Yen)	552.65	614,011.29
Net Sales	58,919	251
Operating Profit	2,483	(4)
Ordinary Profit	2,485	(3)
Profit Attributable to Owners of Parent	1,631	(3)
Net Income per Share (Yen)	39.03	(8,012.71)

(Note 1) The shareholding ratio was calculated by deducting treasury shares from the total number of issued shares.
(Note 2) The information on Yoko's major shareholders and shareholding ratios is presented as of August 28, 2026.

(Unit: Millions of yen, unless otherwise specified)

5. Status after the Share Exchange

There will be no change in the Company's trade name, head office location, title and name of representative, business activities, capital, or fiscal year-end as a result of the Share Exchange.

6. Future Outlook

The impact of the Share Exchange on the Company's consolidated financial results is expected to be immaterial. If any matter requiring disclosure arises in the future, the Company will promptly disclose such matter.

(Reference) Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2027 and Consolidated Results for the Fiscal Year Ended March 31, 2026

(Unit: Millions of Yen)

	Net Sales	Operating Profit	Ordinary Profit	Profit Attributable to Owners of Parent
Fiscal Year Ending March 31, 2027 Forecast	63,500	2,800	2,800	1,700
Fiscal Year Ended March 31, 2026 Actual	58,919	2,483	2,485	1,631

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.