

May 23, 2025

For Immediate Release:

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**Notice of Stock Transfer of Consolidated Subsidiary and
Recording of Extraordinary Income (Non-consolidated Financial Results)**

MTI Ltd. (hereinafter the “Company”) hereby announces that, at a meeting of the Board of Directors held on May 23, 2025, it resolved to transfer a portion of its shares in its consolidated subsidiary, Pharmo Inc. (hereinafter “Pharmo”), to TOHO HOLDINGS CO., LTD. (hereinafter “THD”) and its own consolidated subsidiary, MTI Healthcare Holdings Inc. (hereinafter “HCHD”), respectively (hereinafter referred to as the “Share Transfer”). The Company hereby announces the details as follows.

The Company also announces due to the Share Transfer, it expects to record extraordinary income in its non-consolidated financial results for the third quarter of the fiscal year ending September 30, 2025 (April 1, 2025 to June 30, 2025).

I. Share Transfer

1. Purpose of the Share Transfer

Pharmo aims to build a healthcare infrastructure that enables pharmacies across Japan to proactively address various challenges facing community healthcare. To this end, the company provides ICT solutions via its pharmacy information hub system, Pharmo Cloud, to maximize the value of pharmacies.

This Share Transfer was decided upon based on the view that collaboration between Pharmo, THD, and HCHD will contribute to enhancing the value of pharmacies and pharmacists, thereby strengthening community healthcare. Furthermore, by establishing a strong and long-term partnership with THD and HCHD, the Company believes this will support Pharmo’s sustainable growth.

2. Overview of Pharmo

(1) Name	Pharmo Inc.
(2) Address	3-20-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo
(3) Name and title of representative	Kaei Hiroi, CEO
(4) Nature of business	Planning, development and operation of ICT solutions for dispensing pharmacies (electronic medication registers, cloud-based picking and auditing systems, etc.), and research and development of medical information systems
(5) Capital stock	¥100 million
(6) Date of establishment	May 15, 2012

(7) Major shareholder and shareholding ratios	MTI Ltd.	63.24%
	Kaei Hiroi	19.04%
	MSNW*	14.71%
	* MEDICAL SYSTEM NETWORK Co., Ltd.	

3. Overview of the Share Transfer

(1) Transferees	THD and HCHD (a consolidated subsidiary)
(2) Transfer Amount	¥900 million (THD: ¥500 million, HCHD: ¥400 million)
(3) Date of Transfer	June 10, 2025

4. Outline of the Transferees

(1) Overview of THD

1) Overview of the

(1) Name	TOHO HOLDINGS CO., LTD.		
(2) Address	4-43-11, Daizawa, Setagaya-ku, Tokyo, Japan		
(3) Name and title of representative	Hiromi Edahiro, Representative Director, CEO and CFO		
(4) Nature of business	Pharmaceutical wholesale business, dispensing pharmacy business, pharmaceutical manufacturing and sales business, etc.		
(5) Capital stock	¥10,649 million		
(6) Date of establishment	September 17, 1948		
(7) Relationship between the counterparty and the relevant company	Capital Relationship	Not applicable.	
	Personnel Relationship	Not applicable.	
	Business Relationship	Not applicable.	
(8) Financial conditions and operating results for the past three years (Unit: Mil yen)			
Fiscal year	March 31, 2023	March 31, 2024	March 31, 2025
Net assets	242,916	249,437	256,897
Total assets	715,288	773,427	722,805
Net sales	1,392,117	1,476,712	1,518,495
Operating income	16,365	19,331	18,936
Ordinary income	19,176	21,787	20,716
Profit attributable to owners of parent	13,630	20,657	19,844
Net assets per share (yen)	3,623.81	3,969.20	4,099.71
Net income per share (yen)	196.70	320.14	313.20

(2) Overview of HCDC

(1) Name	MTI Healthcare Holdings Inc.
(2) Address	3-20-2, Nishi-Shinjuku, Shinjuku-ku, Tokyo
(3) Name and title of representative	Daiki Miyamoto, CEO
(4) Nature of business	Management of subsidiaries, etc.
(5) Capital stock	¥100 million

(6) Date of establishment	July 1, 2021		
(7) Major shareholder and shareholding ratios	MTI Ltd. 65.65% MEDIPAL HOLDINGS CORPORATION 34.35%		
(8) Relationship between the counterparty and the relevant company	Capital Relationship	The Company holds 65.65% of the issued shares of the relevant company.	
	Personnel Relationship	One of the Company’s Directors and two Executive Officers concurrently serve as Directors of the relevant company, and one Director concurrently serves as an Audit & Supervisory Board Member of the relevant company.	
	Business Relationship	The Company has been entrusted by the relevant company with software development, sales, and administrative operations.	
(9) Financial conditions and operating results for the past three years (Unit: Mil yen)			
Fiscal year	September 30, 2022	September 30, 2023	September 30, 2024
Net assets	3,051	2,860	3,066
Total assets	3,054	2,863	3,071
Net sales	4	9	129
Operating income	(15)	(13)	101
Ordinary income	(13)	(13)	207
Profit attributable to owners of parent	(6,204)	(190)	206
Net assets per share (yen)	77,643.15	72,776.58	78,024.29
Net income per share (yen)	(157,897.74)	(4,866.57)	5,247.71

5. Status of Shareholding After the Transfer

(1) Before the Share Transfer	MTI	63.24%
	Kaei Hiroi	19.04%
	MSNW	14.71%
(2) After the Share Transfer	MTI	37.88%
	Kaei Hiroi	16.59%
	MSNW	15.15%
	THD	15.15%
	HCHD	15.15%

(Note 1) The shareholding ratio after the share transfer takes into account the partial transfer of shares by Mr. Kaei Hiroi and the cancellation of treasury shares.

(Note 2) As the combined shareholding ratio of the Company and HCHD remains at 53.03%, Pharmo will continue to be a consolidated subsidiary.

II. Extraordinary income (non-consolidated)

1. Description and amount of extraordinary income

As a result of the above (Section I), the Company will record a gain on sale of shares of affiliates as extraordinary income in the amount of ¥900 million in its non-consolidated financial results for the third quarter of the fiscal year ending September 30, 2025 (from April 1 to June 30, 2025).

2. Impact on consolidated financial results

Since this extraordinary income will be eliminated in the consolidated accounts, the impact on the full-year consolidated earnings forecast is expected to be minimal.

(Reference)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent	Net income Per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Earnings forecast for FY2025 (For the fiscal year ending September 30, 2025)	29,400	2,800 ~3,200	2,900 ~3,300	2,050 ~2,330	37.04 ~42.10
F Y 2 0 2 4 (A c t u a l) (For the fiscal year ended September 30, 2024)	27,669	2,394	2,827	2,363	43.05

<Points to consider concerning forecasts>

Matters stated in this material concerning results forecasts are based on assessments, assumptions and convictions derived from information available to the Company at the time when this material is published. They may differ significantly from actual results due to a variety of factors, including future economic conditions in Japan and overseas, changes in conditions for business operations in Japan and overseas, or uncertain factors and potential risks inherent in forecasts. Those risks and uncertain factors include unpredictable effects on results that may arise from future events.

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