

March 4, 2024

For immediate release

Company name: CMIC HOLDINGS Co., Ltd.

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(Stock Code: 2309; TSE Prime Market)

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Notice Concerning Resolution to Approve Share Consolidation, Abolition of the Number of Shares Constituting One Unit of Shares, and Partial Amendments to the Articles of Incorporation

As previously announced on January 31, 2024 in the “Notice of Share Consolidation, Abolition of the Number of Shares Constituting One Unit of Shares, and Partial Amendments to the Articles of Incorporation” (“the Company’s press release dated January 31, 2024”), the proposals for share consolidation, abolition of the number of shares constituting one unit of stock, and partial amendment to the Articles of Incorporation were approved at the extraordinary shareholders’ meeting (“this extraordinary shareholders’ meeting”) held today.

In the course of the above procedures, the shares of common stock of the Company (the “Company’s shares”) will fall under the delisting standards stipulated in the Securities Listing Regulations of the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”). As a result, the Company’s shares will be designated as Securities to Be Delisted from today to March 27, 2024, and then delisted as of March 28, 2024. Please note that after the delisting, our shares cannot be traded on the Tokyo Stock Exchange Prime Market.

Notes

I. Proposal 1: Share Consolidation

The Company has obtained the shareholders’ approval at this Extraordinary General Meeting of Shareholders for a consolidation of the Company’s shares with the following details (the “Share Consolidation”). The Company has obtained the approval of its shareholders at this Extraordinary General Meeting of Shareholders for the following consolidation of shares of the Company. Details of the Share Consolidation are described in the Company’s press release dated January 31, 2024.

1. Type of shares to be consolidated

Common stock

2. Consolidation ratio

The Company’s shares will be consolidated into one share at a ratio of 2,160,000 shares.

3. Total number of shares issued and outstanding to be reduced

17,279,992 shares

(Note) The Company’s Board of Directors resolved at the Board of Directors’ Meeting held on January 31, 2024 to cancel 1,643,569 shares of treasury stock on March 29, 2024, so the “Total number of shares issued and outstanding to be reduced” is based on the number of shares issued and outstanding after such cancellation.

4. Total number of shares issued and outstanding before the effective date

17,280,000 shares

(Note) Since the Company’s Board of Directors resolved at the Board of Directors’ Meeting held on January 31, 2024 to cancel 1,643,569 shares of treasury stock on March 29, 2024, the “Total number of shares issued and outstanding before the effective date” is the number of shares after deducting the number of treasury stock (1,643,569 shares) that the Company plans to cancel on March 29, 2024.

5. Total number of shares issued and outstanding after the effective date
8 shares
6. Total number of shares authorized to be issued as of the effective date
32 shares
7. Method of treatment of fractional shares and amount of money expected to be delivered to shareholders as a result of such treatment
 - A) Whether the Company intends to process the report pursuant to Article 235, Paragraph 1 of the Companies Act or Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the Companies Act, and the reasons thereof

As a result of this share consolidation, the number of shares of the Company held by shareholders other than Hokuto Management Co., Ltd. ("the Tender Offeror"), Artemis Co., Ltd., and Keith Japan Co., Ltd. (collectively known with the Tender Offeror as the "Related parties of the Tender Offer") will be reduced to fractions of less than one share. The method of treatment of fractions of less than one share resulting from this share consolidation will be to sell a number of shares equivalent to the total number of shares (if the total number of shares includes fractions of less than one share, such fractions will be rounded down in accordance with Article 235, Paragraph 1 of the Companies Act. [Here, the "Companies Act" refers to Law No. 86 of 2005, including subsequent amendments.] to the shareholders of the Company who hold less than one share of the Company.) in accordance with the provisions of Article 235 of the Companies Act and other related laws and regulations, and the proceeds from such sale will be delivered to shareholders who hold fractional shares in proportion to the number of fractional shares they hold. With respect to such sale procedures, the Company plans to sell shares equivalent to the total number of such fractions to the Tender Offeror after obtaining permission of the court pursuant to Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the said Act.

Regarding the sale price in this case, if the necessary court approval is obtained as planned, the price will be set to the amount corresponding to the money to be paid multiplied by 2,650 yen, which is the same as the purchase price per share in the Tender Offer for our company's shares conducted by the Tender Offeror from November 8, 2023, to January 4, 2024, for the number of our company's shares owned by the shareholders listed or recorded in the final shareholder register of our company as of March 29, 2024, the day before the effective date of the stock consolidation. However, the actual amount to be delivered may differ from the above amount in cases where permission of the court cannot be obtained or where fractional adjustments are required in the calculation.

- B) Name of the party expected to be the purchaser of the shares involved in the sale

Hokuto Management Co., Ltd.

- C) Method and reasonableness of the method for securing funds for payment of the proceeds of the sale by the person who is expected to be the purchaser of the shares to be sold

The Tender Offeror will use the funds for the acquisition of the Company's shares equivalent to the total amount of fractions resulting from the Share Consolidation to pay for the purchase of the Company's shares by Sumitomo Mitsui Banking Corporation ("Sumitomo Mitsui Banking") and Mizuho Bank, Ltd. ("Mizuho Bank"), and the Company has confirmed the Tender Offeror's method of securing funds by confirming the loan certificates regarding the borrowings from Sumitomo Mitsui Banking and Mizuho Bank. According to the Tender Offeror, no event has occurred that would hinder the payment of the proceeds from the sale of fractional shares, nor is any event expected to occur in the future that would hinder the payment of the proceeds from the sale of fractional

shares. Therefore, the Company has determined that the method of securing funds for the payment of the price for the sale of fractional equivalent shares by the Tender Offeror is reasonable.

D) Estimated timing of sale and timing of delivery to shareholders of the proceeds from the sale

The Company plans to file a petition with the court in early April 2024, pursuant to Article 235, Paragraph 2 of the Companies Act, as applied mutatis mutandis pursuant to Article 234, Paragraph 2 of the same Act, requesting permission to sell the Company shares equivalent to the total number of fractional shares resulting from the Share Consolidation. Although the timing of obtaining such permission may vary depending on the status of the court, the Company plans to sell the shares to the Tender Offeror in early May 2024 upon obtaining the permission of the court, and then make the necessary preparations to deliver the proceeds from such sale to the shareholders, and to sell the shares in early July 2024 upon obtaining the permission of the court.

Considering the period of time required for the series of procedures related to the sale from the effective date of the Share Consolidation, the Company has determined that the sale of the Company's shares equivalent to the total number of fractional shares resulting from the Share Consolidation will be conducted and the proceeds of such sale will be delivered to the shareholders at the respective times as described above.

The proceeds of such sale will be delivered to shareholders listed or recorded in the Company's final register of shareholders as of March 29, 2024, the day before the effective date of the Share Consolidation, in accordance with the method of delivery of dividend property by the Company.

II. Proposal 2: Partial Amendment to the Articles of Incorporation

The Company has obtained the approval of our shareholders at this Extraordinary General Meeting of Shareholders for the partial amendment of our Articles of Incorporation with the following contents.

1. If the proposal for the Share Consolidation is approved at this Extraordinary General Meeting of Shareholders as originally proposed and the Share Consolidation takes effect, the total number of authorized shares of the Company's stock will be reduced to 32 shares in accordance with the provisions of Article 182, Paragraph 2 of the Companies Act. In order to clarify this point, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation is to be amended on the condition that the Share Consolidation takes effect.
2. When the Share Consolidation takes effect, the total number of Company Shares will be 8 shares, and there will be no need to determine the number of shares per unit. Therefore, in order to abolish the provisions regarding the number of shares per unit of our shares, which is currently 1 unit of 100 shares, under the condition that the effect of this stock consolidation occurs, the Company proposes to delete the entire text of Article 7 (Number of Shares Constituting One Unit of Shares) and Article 8 (Additional Purchase of Shares Less Than One Unit) of the Articles of Incorporation, and carry forward the numbering of the articles in connection with such change.
3. When the Share Consolidation takes effect, the only shareholders of the Company will be the Tender Offer Related Parties, and since the Company's shares will be delisted, the provisions relating to the electronic provision system for the materials of the General Meeting of Shareholders will lose their necessity. Therefore, subject to the Share Consolidation taking effect, the Company proposes to delete the entire text of Article 14 (Measures for Electronic Provision, etc.) of the Articles of Incorporation and to carry forward the number of articles in connection with such change.

Please refer to the Company's press release dated January 31, 2024 for the details of such partial amendment to the Articles of Incorporation.

The partial amendment to the Articles of Incorporation will become effective on March 30, 2024, on the condition that the Share Consolidation takes effect.

III. Schedule of Share Consolidation

Date of the Extraordinary General Meeting of Shareholders	March 4, 2024
Date of designation as Securities to Be Delisted	March 4, 2024
Last day of trading of the Company's shares	March 27, 2024 (tentative)
Delisting date of the Company's shares	March 28, 2024 (tentative)
Effective date of Share Consolidation	March 30, 2024 (tentative)