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November 10, 2026

NIHON KOHDEN CORPORATION (6849)

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Nihon Kohden Corporation to Reorganize Its U.S. Subsidiaries and Change in Specified Subsidiaries

Nihon Kohden Corporation ("Nihon Kohden") today announced that on November 10, 2026, its Board of Directors passed a resolution to reorganize its U.S. subsidiaries and to dissolve and liquidate three subsidiaries (change in specified subsidiaries) according to this reorganization. This is a reorganization of consolidated subsidiaries, and therefore, information disclosure is partially omitted.

1. Purpose of the Reorganization

Nihon Kohden has consolidated NeuroAdvanced Corp. ("NAC") and Ad-Tech Medical Instrument Corporation ("Ad-Tech") in the U.S. as subsidiaries in November 2024 and wholly owned subsidiaries in July 2025.

According to this reorganization, Ad-Tech will become affiliated with Nihon Kohden North America, Inc., which is one of Nihon Kohden's wholly owned subsidiaries and a holding company that manages and controls Nihon Kohden's U.S.-based business. Nihon Kohden aims to enhance its U.S. business further through (i) increased synergy, (ii) efficient group governance and operations, and (iii) strengthened competitiveness utilizing its local R&D, production, and sales capabilities.

2. Outline of the Reorganization

On December 31, 2026, Nihon Kohden will make a contribution in kind of its shares of NAC, which is the parent company of Ad-Tech, to Nihon Kohden North America, Inc., and thereby, Ad-Tech will become affiliated with Nihon Kohden North America, Inc. NAC as well as NeuroTech International Holdings LLC and NeuroTech International LLC, which are special purpose companies (SPCs), will be dissolved and liquidated. These three companies are wholly owned and specified subsidiaries of Nihon Kohden.

3. Outline of Specified Subsidiaries to be Dissolved and Liquidated

(1)	Name	NeuroAdvanced Corp.
(2)	Location	Delaware, U.S.A.
(3)	Name and title of representative	Roy Sakai, President & CEO
(4)	Business	Holding company of companies that are engaged in R&D, production, and sales of medical equipment
(5)	Capital	$29.7 million (¥4,468 million) * Based on an exchange rate of 150 yen to the U.S. dollar.
(6)	Date of establishment	October 2020
(7)	Fiscal term	December

(8)	Major shareholders and ownership ratios	100% held by Nihon Kohden	
(9)	Relationship between Nihon Kohden and NAC	Capital	NAC is wholly owned by Nihon Kohden.
		Personnel	One director and two employees of Nihon Kohden are directors of NAC.
		Business	There is no significant business relationship between Nihon Kohden and NAC.

(10) Operating results and financial conditions for the last three years* (Millions of dollars)

As of fiscal years ended	December 31, 2023	December 31, 2024	December 31, 2025
Net assets	$25.6	$23.1	$21.2
Total assets	$51.6	$51.6	$51.6
Net sales	-	-	-
Operating loss	($0.0)	($0.0)	($0.0)
Ordinary loss	($2.4)	($1.6)	($0.0)
Loss attributable to owners of parent	($2.4)	($1.6)	($0.0)

* The above numbers are the consolidated financial statements of NAC as well as NeuroTech International Holdings LLC and NeuroTech International LLC, which are special purpose companies (SPCs).

4. Effect on Operating Results of Nihon Kohden

The effect of the dissolution and liquidation of three wholly owned subsidiaries on the consolidated results for FY2026 ending March 31, 2027 will be minor.

On the other hand, Ad-Tech will change its fiscal term from end on December 31 to end on March 31, according to this reorganization. Nihon Kohden plans to consolidate the six months of Ad-Tech's operating results from July 1, 2026 to December 31, 2026 in the third quarter of FY2026 and the three months results from January 1, 2027 to March 31, 2027 in the fourth quarter of FY2026. As a result, the fifteen months results from January 1, 2026 to March 31, 2027 will be consolidated in FY2026. For the consolidated forecast for FY2026, please refer to "Nihon Kohden Announces a Revision to its Forecast for Financial Results" announced today.