August 27, 2026

Company name: Pigeon Corporation
Representative: Ryo Yano
(President and CEO)
(Stock code: 7956, Prime Market, Tokyo Stock Exchange)
Contact: Nobuo Takubo
(Director and Managing Executive Officer;
Chief Strategy Officer (CSO))
Phone: +81-3-3661-4204

Notice Concerning Change in Consolidated Subsidiary (Share Transfer)

We, Pigeon Corporation (the Company) hereby announce that it has today resolved to transfer all the shares it holds in Pigeon Hearts Co., Ltd., a consolidated subsidiary of the Company (hereinafter "Pigeon Hearts"), to teno. Holdings Company Limited (Stock Code: 7037), a company listed on the Standard Market of the Tokyo Stock Exchange (hereinafter "teno. Holdings"), as described below. Please note that while this matter does not fall under the Company's timely disclosure standards, the Company is announcing it as a voluntary disclosure in conjunction with the timely disclosure to be made by teno. Holdings.

1. Reason for Share Transfer

The Company Group is working to further strengthen the competitiveness of each business and promote growth strategies aimed at sustainable enhancement of corporate value.

Since 1999, for a quarter of a century, Pigeon Hearts has been committed to providing an environment filled with security and trust, staying close to children and their families under the childcare philosophy of "nurturing the power to grow." Furthermore, throughout this period, through the operation of licensed nursery schools, Tokyo Metropolitan Government certified nursery centers, publicly established privately operated nursery schools, and on-site childcare facilities, the company has received high recognition and trust from many children, parents, and contracted clients. On the other hand, in a rapidly changing business environment, the Company has been examining the best measures for future business growth and further enhancement of service value. As a result, the Company concluded that developing the business under teno. Holdings — which has an extensive track record in the childcare business to support women through their various life stages — would ensure the succession and development of the operational know-how and service quality cultivated by Pigeon Hearts, lead to stable business operations and continued employment, and ultimately contribute to the continuous provision of high-quality childcare environments for children and their families.

Through this share transfer, Pigeon Hearts will operate under teno. Holdings' specialized business foundation and human resources to provide even safer and higher quality services, while the Company will accelerate the allocation of management resources to its core baby and childcare products business and strive to further enhance corporate value.

2. Overview of the Subsidiary Subject to Change

(1) Name	Pigeon Hearts Co., Ltd.

(2) Location	4-4 Nihonbashi-Hisamatsucho, Chuo-ku, Tokyo
(3) Title and Name of Representative	President and CEO: Takanori Tsuru
(4) Details of Business	Consulting and proposals for opening childcare facilities, operation of childcare facilities (licensed and certified nursery schools, corporate childcare facilities, hospital childcare facilities), Event childcare and holiday childcare services, planning of English education programs for young children, and various training programs
(5) Capital	100 million yen
(6) Date of Establishment	February 1, 1999
(7) Major Shareholders and Shareholding Ratio	Pigeon Corporation 100.0%
(8) Relationship Between the Listed Company and the Subject Company	Capital relationship: The Company holds 100% of the shares of the subject company. Personnel relationship: The Company dispatches officers to the subject company. Business relationship: There are no notable transactions.

(9) Business Performance and Financial Condition of the Subject Company for the Past Three Years

Fiscal Year-End	FY ended December 2023	FY ended December 2024	FY ended December 2025
Net Assets	916 million yen	668 million yen	703 million yen
Total Assets	1,390 million yen	1,130 million yen	1,472 million yen
Net Assets per Share	130,857.14 yen	95,428.57 yen	100,428.57 yen
Net Sales	3,448 million yen	3,365 million yen	3,313 million yen
Operating Income	211 million yen	125 million yen	94 million yen
Ordinary Income	215 million yen	127 million yen	99 million yen
Net Income	136 million yen	75 million yen	65 million yen
Net Income per Share	19,428.57 yen	10,714.29 yen	9,285.71 yen

3. Overview of the Transferee of Shares

(1) Name	teno. Holdings Company Limited
(2) Location	10-10 Kamigofukumachi, Hakata-ku, Fukuoka City, Fukuoka Prefecture
(3) Title and Name of Representative	President and CEO: Hiroko Ikeuchi
(4) Details of Business	Holding company of a group engaged in childcare business including contracted childcare and public childcare, nursing care business, and life support services
(5) Capital	455 million yen (as of December 31, 2025)
(6) Date of Establishment	December 15, 2015
(7) Net Assets	1,804 million yen (FY ended December 2025, consolidated)
(8) Total Assets	10,429 million yen

(9) Major Shareholders and Shareholding Ratio	Mugen Co., Ltd. 32.83% Hiroko Ikeuchi 15.52% Kanamori Corporation 7.43% AIAI Group Co., Ltd. 6.77% BNYM AS AGT/CLTS NON TREATY JASDEC 2.60% BNYM AS AGT/CLTS TREATY JASDEC 1.89% THE BANK OF NEW YORK MELLON 140066 1.02% BBH BOSTON CUSTODIAN FOR BANK HAPOALIM BM-ISRAEL I CLIENTS ACCOUNT 620004 0.88%
(10) Relationship Between the Listed Company and the Subject Company	Capital relationship: Not applicable. Personnel relationship: Not applicable. Business relationship: Not applicable. Status as related party: Not applicable.

4. Number of Shares Transferred, Transfer Price, and Status of Shareholdings Before and After the Transfer

(1) Number of Shares Owned Before the Change	7,000 shares (Number of voting rights: 7,000 (Voting rights ownership ratio: 100.0%))
(2) Number of Shares to be Transferred	7,000 shares (Number of voting rights: 7,000)
(3) Transfer Price	1,600 million yen
(4) Number of Shares Owned After the Change	0 shares (Number of voting rights: 0) (Voting rights ownership ratio: 0.0%)

5. Schedule

(1) Resolution Date	August 27, 2026 (*Resolution date of the Company)
(2) Contract Execution Date	August 27, 2026
(3) Share Transfer Execution Date	January 2027 (scheduled)

6. Future Outlook and Impact on Business Results

The impact of this matter on the consolidated business results for the current fiscal year is negligible.