



Notice of Application for the Tender Offer for the Shares of and Future Capital Alliance with Visionary Holdings Co., Ltd.

M3, Inc. (Headquarters: Tokyo, Japan; CEO: Itaru Tanimura; URL: <https://corporate.m3.com/en/>; "M3" below) has announced that it applies for the tender offer for the shares of Visionary Holdings Co., Ltd ("Visionary HD" below), made by Horus Co., Ltd. ("Horus" below), a wholly-owned subsidiary of Horus HD Co., Ltd. ("Horus HD" below). Nippon Investment Company ("NIC" below) and its group companies indirectly own all of the issued and outstanding shares of Horus HD through investment funds.

In addition, subject to the completion of the tender offer, M3 will enter into a transaction whereby SENSEAID Co., Ltd ("SENSEAID" below), a joint venture established by M3 and Visionary HD, will become a wholly-owned subsidiary of Visionary HD, and M3 will make an equity investment in Horus. Through these transactions for M3 to participate in Horus, Visionary HD will become an equity-method affiliate of M3, and M3 will continue its capital alliance with Visionary HD.

For details of the tender offer, please refer to the Tender Offer Registration Statement by Horus, which will be disclosed on October 10, 2023, as well as "Announcement of Opinion in Support of the Tender Offer by the Company Shares by Horus Co., Ltd." which was disclosed by Visionary HD today.

■ **Background of the decisions**

In December 2019, M3 announced its capital alliance with Visionary HD and the creation of a joint venture SENSEAID, in order to strengthen "audiovisual" health initiatives. Despite some achievements in an ophthalmology field through this capital alliance, due to the deterioration of the external environment during the COVID-19 pandemic as well as a series of fraudulent acts disclosed by the company, we recognize that an urgent issue for Visionary HD is to improve and strengthen its management system.

Under these circumstances, we were approached by NIC regarding the tender offer for the shares of Visionary HD, and considered the pros and cons. As a shareholder of Visionary HD, we recognize that the company faces many challenges in its restructuring, especially in terms of internal control and management systems. However, we believe that the potential for business synergies with Visionary HD remains. In light of this situation, we have decided that it would be beneficial to accept Horus' tender offer and to seek opportunities to create business synergies with Visionary HD, while continuing to respect the restructuring processes of the company being undertaken by Horus and maintaining an indirect capital alliance with Visionary HD through the equity investment in Horus shares.

■ **Financial impacts**

Although M3 expects the impact of these transactions on its consolidated financial results to be immaterial, we will promptly disclose any matters that may be required to be disclosed as the transactions progress.