

Apr. 28, 2023

Company name: Lion Corporation
Representative: Masayuki Takemori,
Representative Director,
President and Executive Officer
Code: 4912
Tokyo Stock Exchange

Notice of the Merger of Domestic Consolidated Subsidiaries and Name Change for Successor Company

Lion Corporation (President: Masayuki Takemori) announces the decision reached at today's Board of Directors meeting to merge the domestic consolidated subsidiaries Lion Business Service Co., Ltd. ("Lion Business Service") and Lion Cordial Support Co., Ltd. ("Lion Cordial Support") along with a change in the name of the successor company to Lion Expert Business Co., Ltd. ("Lion Expert Business"). Lion holds 100% of the voting rights for both pre-merger subsidiaries.

Because this merger constitutes a structural reorganization involving two consolidated subsidiaries, some disclosure items and content are omitted.

1. Reasons for the Merger

In line with the Lion Group's medium-term management plan for 2022-2024, Vision2030 1st STAGE, Lion has been aiming to implement growth strategies, and transforming its management base to become even more resilient to environmental changes.

Seeking to continually increase productivity within the Lion Group, Lion has decided to merge Lion Business Service, which is engaged in operations related to real estate, insurance and employee benefits on behalf of Lion and other companies, and Lion Cordial Support, which carries out personnel dispatch operations. In addition, this move will consolidate shared administrative functions within the Group into the new company, further strengthening the functions of these indirect operations.

Under this reorganization, Lion Expert Business, the successor company of this merger, will aim to secure and nurture highly skilled personnel from the Lion Group, create an environment where diverse human resources can play an active role over the long term and ensure higher job satisfaction for each individual as well as balance the improvement of Group productivity.

2. Summary of the Merger

(1) Schedule

April 28, 2023	Meeting of the companies' boards of directors to approve the merger contract (Lion Business Service, Lion Cordial Support) Conclusion of the merger agreement (Lion Business Service, Lion Cordial Support)
June 22, 2023	Shareholders' Meeting to approve to merger (Lion Business Service, Lion Cordial Support)
July 1, 2023	Merger and name change (effective date)

(2) Method

An absorption-type merger, with Lion Business Service as the successor company and Lion Cordial Support as the absorbed company.

(3) Reallocation

Because both Lion Business Service and Lion Cordial Support are wholly owned consolidated subsidiaries of Lion Corporation, there will be no reallocation of shares or other consideration issued as a result of this merger.

(4) Handling of subscription rights and corporate bonds with subscription rights related to the merger

Not applicable, as the company to be absorbed has not issued any subscription rights or corporate bonds with subscription rights.

3. Overview of the Companies Involved in the Merger (as of April 28, 2023)

	Successor Company (Lion Business Service)	Absorbed Company (Lion Cordial Support)
(1) Name	Lion Business Service Co., Ltd.	Lion Cordial Support Co., Ltd.
(2) Location	1-3-28 Kuramae, Taito-ku, Tokyo 111-8644, Japan	1-3-28 Kuramae, Taito-ku, Tokyo 111-8644, Japan
(3) Representative director	President Katsufumi Araki	President Akinori Hotta
(4) Businesses	<ul style="list-style-type: none">• Real estate brokerage, building management, insurance agency, mediated marketing• Contracted general affairs and human resources services	<ul style="list-style-type: none">• Dispatch of personnel to offices, plants and research centers• Dental hygienist personnel services (including introductory dispatching, etc.) inside and outside of the Lion Group

	(head office reception, company housing, food service, etc.)	
(5) Capital	¥490 million	¥20 million
(6) Date of establishment	January 1, 2001	February 28, 2003
(7) Shares issued	980,000	400
(8) Accounting period	December 31	December 31
(9) Major shareholders and shareholding ratios	• Lion Corporation: 100.00%	• Lion Corporation: 100.00%

4. Overview of the Successor Company, Lion Business Service, after the Merger
(forecast for July 1, 2023)

	Successor Company of the Absorption-Type Merger
(1) Name	Lion Expert Business Co., Ltd.
(2) Location	1-3-28 Kuramae, Taito-ku, Tokyo 111-8644, Japan
(3) Representative director	President Takashi Nagai
(4) Businesses	<ul style="list-style-type: none"> • Outsourcing of indirect Group functions, etc. • Real estate brokerage, building management, insurance agency, mediated marketing • Dispatch of personnel to offices, plants and research centers • Dental hygienist personnel services (including introductory dispatching, etc.) inside and outside of the Lion Group
(5) Capital	¥490 million
(6) Accounting period	December 31

5. Forecasts

This merger is not expected to have a material impact on Lion's financial results for the fiscal year ending December 31, 2023.