

Oct. 30, 2023

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

Notice of Planned Additional Investment in Joint Venture (Subsidiary) and  
Construction of New Plant in Bangladesh

Lion Corporation ("Lion") herein announces a decision reached at today's Board of Directors meeting to increase its investment in its consolidated subsidiary Lion Kallol Limited ("Lion Kallol") to a level commensurate with its shareholding ratio and for Lion Kallol to construct a new plant.

1. Purpose of the Additional Investment

The Lion Group's management vision for 2030, "Becoming an advanced daily healthcare company," is driven by its purpose, "Make a difference in everyday lives by redesigning habits: ReDesign." In the Overseas Business, Lion is working to reinforce its businesses in countries and areas where it already operates while also entering new countries and areas with the aim of expanding its presence in Asia.

Under this policy, in June 2022, Lion and Kallol Limited ("Kallol"), which operates in Bangladesh, established Lion Kallol, a joint venture that started operations in said country on October 1, 2022. In March 2023, looking to establish a production base for its future business expansion, Lion Kallol increased its capital for the purpose of purchasing land-use rights to build a factory in the Bangladesh Special Economic Zone.

Lion has now decided to have Kallol undertake a further capital increase to a level commensurate with its shareholding ratio to cover the cost of constructing the new plant in the above-mentioned special economic zone, as plans for the new plant have solidified, as well as to secure immediate working capital. Through the construction of the new plant, we will establish a stable production and supply system and enhance our ability to propose products, thereby contributing to the creation of better living habits among Bangladeshi consumers and expanding our economic and social value in the Bangladesh market.

As a result of this capital increase, Lion Kallol's share capital will be equivalent to 10% or more of the Company's share capital, and Lion Kallol will become a specified subsidiary of the Company.

## 2. Overview of Lion Kallol

(1)	Name	Lion Kallol Limited	
(2)	Location	Dhaka, Bangladesh	
(3)	Representative	Masaaki Mitsui	
(4)	Businesses	Sale of household products	
(5)	Capital	570 million BDT (approx. ¥775 million)	
(6)	Foundation	June 30, 2022	
(7)	Start of operations	October 1, 2022	
(8)	Major shareholders and shareholding ratios	Lion: 75.0% Kallol: 25.0%	
(9)	Relationships with Lion	Capital relationships	Lion holds a 75.0% stake in the company
		Personal relationships	Two Lion employees, including the representative, are seconded to the company
		Business relationships	None

## 3. Overview of Increase in Investment

(1)	Amount of increase	2,504 million BDT (approx. ¥3,405 million)
(2)	Capital after investment	3,074 million BDT (approx. ¥4,180 million)
(3)	Date of investment	Initial: Dec 2023 800 million BDT (approx. ¥1,088 million) (tentative) Thereafter, a total of four payments are scheduled to be made until around December 2025
(4)	Shareholding ratio after increase	Lion: 75.0% Kallol: 25.0%

Note: Schedule subject to change depending on progress made.

## 4. Overview of New Plant

(1)	Proposed construction site	Sonpara, Panchrukhi Via Rupganj, Araihasar - 1460, Bangladesh
(2)	Site area	33,793 m <sup>2</sup>
(3)	Main products	Dishwashing detergents, oral care products, etc.
(4)	Investment scale	1,800 million BDT (approx. ¥2,448 million)
(5)	Start of construction (tentative)	May 2024

(6)	Start of operations (tentative)	End of 2025
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Note: As the new plant is still in the planning stage, the above is subject to change.

#### 5. Impact on Business Results

The additional investment is not expected to have a material impact on the Company's business results for the fiscal year ending December 31, 2023.