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Company name: Lion Corporation  
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Representative Director,  
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Code: 4912  
Tokyo Stock Exchange

## Lion to Construct New Over-the-Counter Drug Factory

Lion Corporation announces the decision reached at today's Board of Directors meeting to construct a new over-the-counter (OTC) drug factory on the premises of its Odawara Plant in Odawara City, Kanagawa.

### 1. Reason for Constructing the New Factory

Driven by its purpose, "Make a difference in everyday lives by redesigning habits: ReDesign," the Lion Group is working toward the achievement of its management vision, "Becoming an advanced daily healthcare company." Under Vision2030 1st STAGE, Lion's medium-term management plan launched in 2022, Lion has designated "Transform our Business Foundations for Growth" as one of its growth strategies and, accordingly, is working to reinforce its manufacturing infrastructure.

Projections call for the OTC drug market to remain steady going forward, reflecting a rise in health consciousness. In particular, the market for antipyretic analgesics like Lion's *BUFFERIN* series has been expanding due to the COVID-19 pandemic and is expected to see further growth as the rate of self-medication increases.

In order to maintain stable OTC drug production and supply into the future, Lion has decided to build a new factory to replace its current factory, which is aging, and take over its OTC drug production. The construction of the new factory will enable labor savings in production processes. In addition, Lion applied internal carbon pricing (ICP) in its investment decision-making process, and the new facility will be designed to reduce CO<sub>2</sub> emissions and be environmentally friendly.

### 2. Overview of the New Factory

(1) Location	100 Tajima, Odawara City, Kanagawa
(2) Site area	Approx. 4,800 m <sup>2</sup>
(3) Main products	Antipyretic analgesics
(4) Investment	Approx. ¥18.0 billion
(5) Start of construction	March 2023
(6) Start of production	2025

Note: The above plans have yet to be finalized and are subject to change.

### 3. Outlook

The impact of this matter on the consolidated results of the Lion Group for the fiscal year ending December 2022 has already been factored into the forecast of consolidated results.

Reference:

#### Overview of the Odawara Plant

(1) Location	100 Tajima, Odawara City, Kanagawa
(2) Establishment	October 1964
(3) Site area	68,000 m <sup>2</sup>
(4) Products	Toothpastes, dental rinses, pharmaceutical products, etc.

Illustration of the completed OTC drug factory

