

Jan. 16, 2023

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

Notice Concerning the Acquisition of Shares of Vietnam-Based MERAP HOLDING CORPORATION

Lion Corporation herein announces the decision reached at today's Board of Directors meeting to acquire 36% of the shares of Vietnam-based MERAP HOLDING CORPORATION ("MERAP").

With this acquisition, Lion plans to make MERAP an equity-method affiliate.

1. Reasons for the Acquisition

The Lion Group has established the management vision "Becoming an advanced daily healthcare company," driven by its purpose, "Make a difference in everyday lives by redesigning habits: ReDesign," and is working toward the realization of this vision. In particular, to expand the Overseas Business, which will be important to achieving the vision for 2030, 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. Until now, Lion has exported certain products to the Vietnamese market mainly through its overseas affiliates. Now, to expand its business in this market, which is expected to see ongoing growth, Lion has decided to acquire shares of MERAP, which operates in the country.

MERAP possesses major brands in the healthcare field, mainly in over-the-counter pharmaceuticals, as well as a distribution network and sales capabilities covering hospitals, clinics and pharmacies throughout Vietnam. We will pursue synergy by combining these business foundations with the Lion Group's strengths in product development and production technology. By doing so, we aim to contribute to the creation of better habits and achieve business expansion in Vietnam.

2. Overview of the Affiliate to be Acquired

(1) Name	MERAP HOLDING CORPORATION	
(2) Location	Ho Chi Minh City, Vietnam	
(3) Representative	Dao Xuan Dinh	
(4) Business	Strategic and operational management of group companies involved mainly in the manufacture and sale of pharmaceuticals and medical devices	
(5) Capital	224,000 million VND (approx. ¥1,254 million)	
(6) Date of establishment	June 3, 2019	
(7) Relationships with Lion	Capital relationships	None
	Personal relationships	None
	Business relationships	None

3. Shares to be Acquired and Shareholdings before and after Acquisition

(1) Shares held by Lion before acquisition	0 (0% of voting rights)
(2) Shares to be acquired	8,064,000 (36.0% of voting rights)
(3) Shares held by Lion after acquisition	8,064,000 (36.0% of voting rights)

4. Acquisition Price and Parties from Whom Lion Will Acquire Shares

By agreement of the parties to the transaction, the acquisition price is undisclosed. The price was determined through discussion among the parties based on a share valuation provided by a third-party institution, and adequate procedures have been followed to ensure that the price is fair.

As the parties from whom Lion will acquire the shares are individuals, the identity of said parties is undisclosed by agreement of the parties to the transaction. Lion has no capital, personal or business relationships with said individuals.

5. Schedule

(1) Resolution of the Board of Directors	January 16, 2023
(2) Conclusion of the acquisition agreement	January 16, 2023 (tentative)
(3) Delivery of shares	Early March 2023 (tentative)

Note: Depending on progress toward meeting the necessary conditions for the share acquisition, the date of the delivery of shares may differ.

6. Forecasts

Although the financial impact of this acquisition is expected to be insignificant, forecasts of the consolidated results of the Lion Group for the fiscal year ending December 2023 will be announced on February 13, 2023 and account for such impact.