

Feb. 28, 2023

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

Notice of Planned Additional Investment in Bangladesh Joint Venture (Subsidiary)

Lion Corporation (“Lion”) herein announces a decision reached at today’s Board of Directors meeting to increase its investment in Lion Kallol Limited (hereinafter, “Lion Kallol”) to a level commensurate with its shareholding ratio.

1. Purpose of the Additional Investment

The Lion Group has established the management vision “Becoming an advanced daily healthcare company” for 2030, driven by its purpose, “Make a difference in everyday lives by redesigning habits: ReDesign,” and is carrying out corporate activities to realize 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 as well as enter into new countries and areas, with the aim of expanding its presence in Asia. In 2022, Lion and Kallol Limited (hereinafter, “Kallol”), which operates in Bangladesh, established Lion Kallol, a joint venture that started operations in said country on October 1, 2022. Lion Kallol plans to begin selling detergent in March 2023.

To support Lion Kallol’s further business expansion in the Bangladesh market through the establishment of a production base, the Company has decided to invest an amount commensurate with its shareholding ratio in the joint venture to fund the purchase of land use rights for the future construction of a new factory in the Bangladesh Special Economic Zone. Drawing on the combined foundation of Kallol’s business experience in the Bangladesh market as well as its distribution and sales network and the Lion Group’s product development and manufacturing technology and expertise in creating synergy, Lion Kallol will expand its economic and social value in Bangladesh and help realize better living habits for consumers.

2. Company Overview

(1) Name	Lion Kallol Limited	
(2) Location	Dhaka, Bangladesh	
(3) Representative	Masaaki Mitsui	
(4) Business	Sale of household products	
(5) Capital	70 million BDT (approx. ¥88 million)	
(6) Foundation	June 30, 2022	
(7) Start of operations	October 1, 2022	
(8) Main shareholders and shareholding ratios	Lion: 75.0% Kallol: 25.0%	
(9) Relationships with Lion	Capital relationships	Lion holds a 75% stake
	Personal relationships	Three Lion employees, including the representative
	Business relationships	None

Note: Lion Kallol is defined as a “subsidiary” according to the fifth item of Article 166 of the Financial Instruments and Exchange Act.

3. Overview of Increase in Investment

(1) Amount of increase	500 million BDT (approx. ¥625 million)	
(2) Capital after investment	570 million BDT (approx. ¥713 million)	
(3) Date of investment	Early March 2023 (tentative)	
(4) Shareholding ratio after increase	Lion: 75.0% Kallol: 25.0%	

Note: Dates are subject to change depending on progress under the current schedule.

4. 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.