

February 14, 2024  
Company name: Lion Corporation  
Representative: Masayuki Takemori,  
Representative Director,  
President and Executive Officer  
Code Number: 4912  
Prime Market of Tokyo Stock Exchange

**Notice Concerning the Acquisition of Treasury Stock through Off-Auction Own Share  
Repurchase Trading (ToSTNeT-3) and the Cancellation of Treasury Stock  
and Notice Concerning Changes in Dividend Policy**

Lion Corporation (“Lion”) herein announces a decision reached at today’s Board of Directors meeting. The decision specifies that the Company will acquire treasury stock based on the rules of the Company’s Articles of Incorporation in accordance with Article 459, Paragraph 1 of the Companies Act; the specific acquisition methods for all related transactions; and that the Company will cancel treasury stock based on the rules of Article 178 of the Companies Act. The Company has also resolved to change its dividend policy and introduce progressive dividends\*.

\* Progressive dividends: As a rule, the Company will not decrease dividends, but instead maintain or increase them.

**1. Acquisition and Cancellation of Treasury Stock**

**(1) Purpose of the Acquisition and Cancellation of Treasury Stock**

Lion has decided to acquire and cancel treasury stock to enhance its capital efficiency and shareholder returns based on the capital policy of Vision2030 1st STAGE, the medium-term management plan being implemented by the Lion Group.

**(2) Acquisition Method**

Lion will entrust the acquisition, at today’s (February 14, 2024) final price (including the final special quote price), through off-auction own share repurchase trading (ToSTNeT-3) on the Tokyo Stock Exchange at 8:45 a.m. on February 15, 2024. (Lion will not change to another trading system or trading time.) The acquisition order is one with a limited trading time.

Furthermore, regarding the acquisition price, Lion will release another notice after determining today’s final price.

**(3) Content of Matters Related to the Acquisition**

- i. Type of shares to be acquired: Lion’s common stock
- ii. Total number of shares that can be acquired: 8,800,000 shares (upper limit)  
(Percentage of total issued shares excluding treasury stock: 3.1 %)

- iii. Total value of share acquisition price: ¥10,000,000,000 (upper limit)
- iv. Announcement of acquisition results: To be released after trading ends at 8:45 a.m. on February 15, 2024

#### (4) Content of the Cancellation

- i. Type of shares to be cancelled: Lion's common stock
- ii. Total number of shares to be cancelled: All treasury stock acquired through item 3 above
- iii. Planned date of cancellation: February 22, 2024

Reference: Ownership of Treasury Stock as of December 31, 2023

Total number of issued shares (excluding treasury stock): 284,460,939 shares

Number of treasury stock shares: 8,075,507 shares

\* The number of treasury stock shares includes 610,597 shares held by the executive compensation BIP trust.

## 2. Changes to Dividend Policy

### (1) Reason for Changes

In accordance with Lion's current dividend policy, the Company has been paying continuous stable dividends, aiming for a consolidated dividend payout ratio of 30%. To further improve shareholder returns, we have decided to implement progressive dividends to provide stable dividends for our shareholders over the long term. In the future, Lion will strive to enhance the return of profits to shareholders and improve its corporate value through these progressive dividends in line with its profit growth over the medium to long term and flexible acquisition of treasury stock.

### (2) Details of the Changes (Changes Underlined)

Before changes	Lion considers returning profits to shareholders on an ongoing and stable basis by increasing its consolidated earnings capacity as one of its most important management issues. To this end, the Company strives to ensure the payment of continuous and stable cash dividends, aiming for a consolidated payout ratio of around 30%, and bases the acquisition of treasury stock on comprehensive reviews of the appropriate levels of internal reserves required to secure medium- and long-term growth. Lion allocates internal reserves to research and development, capital investment in production facilities and the acquisition of external resources, aiming to reinforce the Company's growth potential and to develop a sustainable business foundation.
After changes	Lion considers returning profits to shareholders on an ongoing and stable basis by increasing its consolidated earnings capacity to be one of its most important management issues. <u>Our basic policy is to achieve progressive dividends* while</u>

	<p><u>aiming for a consolidated payout ratio of around 30%, and it strives to realize increased dividends through improved profit.</u> Lion bases the acquisition of treasury stock on comprehensive reviews of the appropriate levels of internal reserves, <u>etc.</u>, required to secure medium- and long-term growth. We allocate internal reserves to research and development, capital investment in production facilities and the acquisition of external resources, aiming to reinforce the Company's growth potential and to develop a sustainable business foundation.</p> <p><u>* As a rule, the Company will not decrease dividends, but instead maintain or increase them.</u></p>
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(3) Date of the Changes

These changes will become effective in the fiscal year ending December 31, 2024.