



MEMBERSHIP

April 1, 2022

Company Name Takamatsu Construction Group Co., Ltd.
Representative Name Representative Director and President
Hirotaka Takamatsu
(Securities Code 1762 First section of the Tokyo Stock Exchange)
Contact Managing Officer, Group Integration Division
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Notice of Merger between Consolidated sub-subsidiaries
(Effective date: October 1, 2022)

Takamatsu Construction Group Co., Ltd. hereby announce that our consolidated sub-subsidiaries, Takamatsu Estate Osaka Co., Ltd. (head office: Yodogawa-ku Osaka, President and Representative Director: Shinji Komatsu, referred to as “Takamatsu Estate Osaka”) and Takamatsu Estate Tokyo Co., Ltd. (head office: Chiyoda-ku Tokyo, President and Representative Director: Hirofumi Fujita, referred to as “Takamatsu Estate Tokyo”), have entered into a merger agreement effective March 26, 2022, and have decided to merge.

Takamatsu Estate Osaka and Takamatsu Estate Tokyo are wholly owned subsidiaries of Takamatsu Corporation (head office: Yodogawa-ku Osaka, President and Representative Director: Takatoshi Takamatsu), which is a consolidated subsidiary of the Company, and are therefore consolidated sub-subsidiaries.

Notes

1. Main Purpose of the Merger

The merger aims to integrate the business strategies and optimize the management resources of Takamatsu Estate Osaka and Takamatsu Estate Tokyo. Specifically, the merger has the following three objectives

- (1) Strengthen sales force: To improve business performance by developing effective sales measures in both Tokyo and Osaka.
- (2) Promotion of human resource exchange and education: By integrating personnel systems, business processes, and IT systems, we can activate personnel transfers and personnel exchanges, and improve the quality of human resources training, thereby realizing more appropriate personnel allocation for future growth areas.
- (3) Improved efficiency in administrative and operations departments: To improve operational efficiency and specialization by consolidating overlapping functions

2. Summary of the Merger

(1) Merger Schedule

Date of resolution by the Board of Directors (the Company) : March 16, 2022

Extraordinary shareholders' meeting to approve the merger agreement (the merging companies) :
March 17, 2022

Merger agreement execution date : March 26, 2022

Effective date of merger : October 1, 2022 (schedule)

(2) Method of merger

An absorption-type merger in which Takamatsu Estate Osaka is the surviving company and Takamatsu Estate Tokyo is the absorbed company.

(3) Merger consideration

There will be no issuance of shares or allotment of money, etc.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights in connection with the merger

Not applicable.

3. Summary of companies involved in the merger

	Surviving Company	Consolidated Company
(1) Name	Takamatsu Estate (Osaka)	Takamatsu Estate (Tokyo)
(2) Location	1-2-13 Shin-kitano, Yodogawa-ku, Osaka	1-1 Kanda Mitoshiro-cho, Chiyoda-ku, Tokyo
(3) Name and position of representative	Shinji Komatsu, Representative Director & President	Hirofumi Fujita, Representative Director & President
(4) Description of business	<ul style="list-style-type: none">• Building Management• Real Estate Consultant• Nursing care service business	<ul style="list-style-type: none">• Building Management• Real Estate Consultant
(5) Capital	50 million yen	50 million yen
(6) Date of Establishment	April 1, 1994	December 20, 2000
(7) Number of Issued Shares	1,000 shares	1,000 shares
(8) Fiscal year-end	March	March
(9) Shareholders and Stockholding ratio	Takamatsu Corporation owns 100% of the shares	Takamatsu Corporation owns 100% of the shares
(10) Status of the immediately preceding fiscal year (FY ended March 2021)		
Total assets	5,522 million yen	4,993 million yen
Net assets	3,355 million yen	2,426 million yen
Net sales	11,261 million yen	8,119 million yen
Operating profit	1,058 million yen	739 million yen
Number of Employees	205	127
Number of units under management	20,623	8,463

4. Post-Merger Outlook

Since this merger is a merger between consolidated sub-subsidiaries of the Company, the impact of the merger on the Company's consolidated financial results is not material.