

*February 12, 2021***Notice Concerning Absorption-Type Merger (Simplified and Short-Form Merger) and Debt Waiver of a Consolidated Subsidiary**

Sansei Landic Co.,Ltd announces that at the Board of Directors Meeting held on February 12, 2021, the Company has decided to merge One's Life Home Co., Ltd., a wholly-owned consolidated subsidiary of the Company (hereinafter referred to the "Merger"), as follows. In addition, upon the resolution of the Merger, we have also resolved to waive a part of debts against One's Life Home Co., Ltd.

Since the Merger is an absorption-type merger involving a wholly-owned consolidated subsidiary, some disclosure items and details are omitted.

1. Purpose of the Merger

One's Life Home Co., Ltd. is a wholly-owned subsidiary of our company, engaged in the custom-built homes business and the renovation business based in Seijo, Tokyo. We have decided to absorb and merge with One's Life Home Co., Ltd. to promote more efficient management and further streamline business operations. With the Merger, we intend to further strengthen our company through the consolidation of management resources.

2. Details of the Merger**(1) Merger schedule**

Date of resolution by the Board of Directors regarding the Merger	February 12, 2021
Date of the Merger agreement	February 12, 2021
Date of resolution by the Board of Directors regarding the debt waiver of a consolidated subsidiary	February 12, 2021
Scheduled date of merger (effective date)	July 1, 2021

*This is a simplified merger pursuant to Article 796, Paragraph 2 of the Companies Act for our company, and is also a short-form merger pursuant to Article 784, Paragraph 1 of the Companies Act for One's Life Home Co., Ltd. Therefore, the Merger shall be carried out without the approval the general meeting of shareholders.

(2) Method of the merger

One's Life Home Co., Ltd. will be dissolved through an absorption-type merger in which the Company will be the surviving company.

As One's Life Home Co., Ltd. incurs excess liabilities, the Company plans to waive its debts borrowed by our company prior to the Merger, and conduct the merger after eliminating the excess liabilities.

(Details of debts to be waived)

Type of debts	Loans
Total value of debts	730 million yen
Implementation date	June 30, 2021

(3) Details of the allocation pertaining to the Merger

Because we own all of the shares of One's Life Home Co., Ltd., there are no issuances of new shares, capital stock or delivered money or any other consideration due to the Merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the merged company

None applicable

3. Overview of the merged company (as of December 31, 2020)

	Surviving company	Merged companies
(1) Name	Sansei Landic Co.,Ltd	One's Life Home Co., Ltd.
(2) Location	5-1, Marunouchi 2-chome, Chiyoda- ku, Tokyo	21-8, Seijo 3-chome, Setagaya-ku, Tokyo
(3) Title/Name of Representative	Takashi Matsuzaki, President and Representative Director	Shoji Matsuura, Representative Director
(4) Business Content	Purchase, planning and sale of leasehold land and old unutilized building (apartments) / Management of leasehold land	Custom-built homes and renovation businesses
(5) Capital	818 million yen	20 million yen
(6) Established	February 27, 1976	March 3, 2005
(7) Number of Shares Issued	8,468,300 shares	400 shares
(8) Fiscal year end	December 31	December 31
(9) Major shareholders and share holding ratio (As of December 31, 2020)	Takashi Matsuzaki: 15.45% Custody Bank of Japan, Ltd.: 6.51% Shoji Matsuura: 5.54% The Master Trust Bank of Japan, Ltd. (Trust Account): 4.34% Junko Ozawa: 4.17%	Sansei Landic Co.,Ltd: 100.00%
(10) Financial position and business results for the last fiscal year		
Fiscal year end	FY12/20 (Consolidated/Japanese GAAP)	FY12/20 (Non-consolidated)
Net assets	10,066 million yen	-576 million yen
Total assets	20,070 million yen	251 million yen
Net assets per share	1,192.45 yen	-1,440,030.23 yen
Net sales	17,774 million yen	1,719 million yen
Operating income (loss)	847 million yen	-4 million yen

Ordinary income (loss)	709 million yen	-7 million yen
Net income (loss)	357 million yen	-36 million yen
Net income (loss) per share	42.34 yen	-92,188.19 yen

4. Status after the merger

There will be no change in the name, location, title and name of the representative, contents of business, capital, or fiscal year-end, as a result of this merger.

5. Future outlook

Since this merger is with a wholly owned consolidated subsidiary of the Company, the impact of the Merger on our consolidated business results will be minimal.