



November 11, 2021

(Translation)

Dear Sir/Madam,

Company: JP-HOLDINGS, INC.
Representative: Tohru Sakai,
President and Representative Director
(Stock Code: 2749, First Section of TSE)
Contact: Kenji Zushi,
General Manager, Public & Investor Relations
Office
(Tel: +81 52 933 5419)

Notice Concerning Merger between Consolidated Subsidiaries

JP-HOLDINGS, INC. announces that at the board of directors meeting held today, the Company has decided to merge its consolidated subsidiaries, Japan Nursery Service Inc. (hereinafter referred to as "Japan Nursery Service") and Amenity Life Inc. ("Amenity Life"), as of April 1, 2022. Details are as follows.

Disclosures and details of this merger are omitted in part because this is a merger between our consolidated subsidiaries. In addition, the merger shall be subject to the application for and approval of licensed nursery schools for each facility operated by Amenity Life, which is a merged company.

1. Purpose of the merger

Both companies are our consolidated subsidiaries. Japan Nursery Service mainly operates the childcare service business, with 297 childcare facilities nationwide, including nursery schools, school clubs, and children's houses. Amenity Life also mainly operates the childcare service business, with 5 childcare facilities in Yokohama City.

The purpose of the merger is to improve the efficiency of management resources and to further improve the quality of childcare services as facilities that would be selected by customers. The merger also aims to strengthen and expand various childcare programs, thereby achieving competitive advantages and expanding the scale of the business.

2. Details of the merger

(1) Schedule of the merger

Board of directors meeting to decide on the merger: Thursday, November 11, 2021

Conclusion of a merger agreement (between the parties to the merger): Thursday, November 11, 2021

Scheduled date of the merger (effective date): Scheduled for Friday, April 1, 2022

(2) Method of the merger

Amenity Life will be dissolved through an absorption-type merger with Japan Nursery Service as the surviving company.

(3) Details of the allocation pertaining to the merger

As it is a merger between our wholly-owned subsidiaries, there is no issuance of new shares or payment of merger grants due to the merger.

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights of the surviving company
Not applicable

(5) Rights and obligations to be succeeded by the surviving company

Upon the merger, Amenity Life will transfer all of its assets, liabilities, rights and obligations to Japan Nursery Service as of the effective date, and Japan Nursery Service will succeed to them.

3. Overview of the parties to this merger (as of March 31, 2021)

	Surviving company	Merged company
(1) Name	Japan Nursery Service Inc.	Amenity Life Inc.
(2) Business content	Operation of childcare business	Operation of childcare business
(3) Date of establishment	October 1, 2004	January 25, 2001
(4) Head office	17F, Chikusa New Tower Building, 3-15-31, Aoi, Higashi-ku, Nagoya-shi, Aichi	17F, Chikusa New Tower Building, 3-15-31, Aoi, Higashi-ku, Nagoya-shi, Aichi
(5) Title/Name of Representative	Akihiko Fukuoka, Representative Director	Hitoshi Takaku, President and Representative Director
(6) Capital	99 million yen	70 million yen
(7) Number of shares issued	9,444 shares	350 shares
(8) Net assets	5,123 million yen	242 million yen
(9) Total assets	20,877 million yen	708 million yen
(10) Fiscal-year end	March 31	March 31
(11) Major shareholders and share holding ratio	Our company: 100%	Our company: 100%

4. Status after the merger

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

There is no change in the name of the nursery schools operated by the merged company.

5. Future outlook

This is a merger between wholly-owned subsidiaries and therefore has a minimal impact on our non-consolidate and consolidated results.