

July 26, 2022

**Notice of Change of Trade Name and Corporate Form (to Investment Company) of Our Chinese Subsidiary, and Its Capital Increase**

At the Board of Directors meeting held today, we announced that we have decided to change the name of our consolidated subsidiary AEON DELIGHT (CHINA) CO., LTD. (Hereinafter referred to as "AD China") and change its form to an investment company\* to strengthen our customer-oriented group management structure in China and achieve further growth. To achieve this, we have also resolved to conduct a capital increase.

\*Investment company: A form of corporation in China, that is permitted to engage in a broader range of business activities than is normally permitted for foreign affiliates, such as investment in and financial support for intra-group companies by foreign affiliates, sales of products and services of intra-group companies, and R&D.

1. Purpose of change of trade name and corporate form

We have positioned China as the largest growth area in Asia and have expanded our business in this country with two core operating companies: Aeon Delight (Jiangsu) Comprehensive Facility Management Service Co., Ltd. and Wuhan Xiaozhu Comprehensive Facility Management Service Co., Ltd. In April 2021, AD China was established as a business controlling company to improve quality through the strengthening of group governance and comprehensive management of services provided in China, thereby creating a structure that enables faster decision-making and cross-sectional development of China operations.

Meanwhile, in the Chinese property management industry (the real estate management industry), M&A activity is becoming more active both inside and outside the industry, particularly among major companies. Some companies are rapidly growing due to business diversification, and there is a growing momentum toward industry reorganization.

Against this backdrop, in order to achieve further growth in China, we will accelerate business expansion throughout China through aggressive M&A targeting facility management companies with business bases in each region and companies in other industries aimed at acquiring new businesses. To accomplish this, we will change the name of AD China to Aeon Delight (China) Investment Holdings Co., Ltd. (planned), and change the corporate form to an investment company that enables a broader range of operations. We will increase capital in order to actively engage in M&A.

## 2. Outline of the subsidiary that will change corporate format and trade name

(1)	Name	(Before change) AEON DELIGHT (CHINA) CO., LTD. (After change) Aeon Delight (China) Investment Holdings Co., Ltd. (planned)
(2)	Location	Room 1003 A, Building 1, No. 88, Huachi Street, Suzhou Industrial Park District (Building 1, Jinhe Plaza)
(3)	Representative	Yasuo Miyake, Chairperson
(4)	Head office	Room 1003A, 10th Floor, Building 1, Jinhe Plaza, No.88, Huachi Street, Suzhou Industrial Park District
(5)	Business Content	Regional management operations including business administration and financial support for group companies in China, as well as investment operations for the purpose of creating new businesses, etc.
(6)	Capital	(Before change) 177 million RMB (After change) 245 million RMB
(7)	Established	November 2007
(8)	Investors and investment ratio	AEON DELIGHT CO.,LTD. 100%
(9)	Fiscal year end	December

## 3. Schedule of changes in corporate form and trade name

October 1, 2022 (planned)

## 4. Future Outlook

The effect of the change in the form and trade name of the subsidiary on consolidated results for the fiscal year ending February 2023 is immaterial.

In the future, the Company will promptly disclose any material information that should be disclosed in the forward-looking statements.