

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Prior Disclosure Documents for Absorption-Type Merger

November 24, 2022

Vision Inc.
Promotion Plus Co., Ltd.

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November 24, 2022

6-chome-5-1, Nishishinjuku
Shinjuku-ku, Tokyo
Vision Inc.

Representative Director: Kenichi Sano

Yotsubashi Shinkosan Bldg. 1-chome-5-2
Kitahorie, Nishi-ku, Osaka
Promotion Plus, Co., Ltd

Representative Director: Yuki Kataoka

Prior Disclosure Documents for Absorption-Type Merger

(Surviving company: documents to be prepared in advance in accordance with Article 794, Paragraph 1 of the Companies Act and Article 191 of the Ordinance for Enforcement of the Companies Act)

(Absorbed company: documents to be prepared in advance in accordance with Article 782, Paragraph 1 of the Companies Act and Article 182 of the Ordinance for Enforcement of the Companies Act)

Vision Inc. and Promotion Plus Inc. have decided to conduct an absorption-type merger, effective February 1, 2023, based on the “Absorption-Type Merger Agreement” dated November 24, 2022, with Vision Inc. as the surviving company and Promotion Plus Co., Ltd. as the absorbed company. Matters concerning this absorption-type merger stipulated in Article 794, Paragraph 1 of the Companies Act and Article 191 of the Enforcement Regulations of the Companies Act, as well as Article 782, Paragraph 1 of the Companies Act and Article 182 of the Enforcement Regulations of the Companies Act are as follows.

1. Merger Agreement

As shown in Attachment 1, the Company entered into an absorption-type merger agreement as of November 24, 2022.

2. Matters Concerning the Reasonableness of the Merger Consideration

Since the surviving company owns all outstanding shares of the absorbed company, no shares will be issued and no money will be delivered upon the merger.

3. Matters Concerning the Appropriateness of the Provisions for Stock Acquisition Rights

The company dissolving in the merger has not issued any stock acquisition rights.

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4. Matters Concerning Financial Statements for the Last Fiscal Year of the Company Dissolving in the Merger

Refer to Attachment 2.

5. Matters Concerning Significant Subsequent Events of the Company Dissolved in the Merger

There were no events that occurred after the last day of the last fiscal year of the dissolving company that had a material impact on the status of the company's assets, such as the disposal of significant assets or the incurrence of significant liabilities.

6. Significant Subsequent Events of the Surviving Company

There are no events that occurred after the last day of the last fiscal year of the surviving company of the merger that would materially affect the status of the company's assets, such as the disposition of significant assets or the incurrence of significant liabilities.

7. Prospects for Fulfillment of Obligations

The amount of assets of the surviving company after the effective date of the absorption-type merger is expected to sufficiently exceed the amount of its liabilities. In addition, with respect to the status of earnings and cash flow of the surviving company after the merger, no events that would hinder the fulfillment of obligations by the surviving company are currently anticipated. Therefore, the Company has determined that the performance of the obligations of the surviving company after the merger is expected to be satisfactory.

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Attachment 1

Absorption-Type Merger Agreement

Vision Inc. (hereinafter referred to as “Party A”) and Promotion Plus Co., Ltd. (hereinafter referred to as “Party B”) enter into a merger agreement (hereinafter referred to as the “Agreement”) as follows.

Article 1 (Merger Method)

Party A and Party B shall merge (hereinafter referred to as the “Merger”) in accordance with this Agreement, with Party A as the surviving company and Party B as the absorbed company.

Article 2 (Name and Address of the Companies to be Merged)

Party A and Party B confirm that their respective names and addresses are as follows

(1) Party A (Surviving company in absorption-type merger)

Name: Vision Inc.

Address: 5-1, Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo

(2) Party B (Dissolving company in absorption-type merger)

Name: Promotion Plus Co., Ltd

Address: Yotsubashi Shinkosan Bldg. 1-chome-5-2 Kitahorie, Nishi-ku, Osaka

Article 3 (Matters Concerning Cash to be Delivered and Allocated upon the Merger)

Upon the Merger, Party A shall not deliver to the shareholders of Party B any consideration such as shares of Party A’s stock or money in lieu thereof.

Article 4 (Amount of Capital and Reserves of Party A)

Upon the Merger, capital stock, capital reserve, and legal reserve of Party A shall not be increased.

Article 5 (Effective Date of Merger)

The effective date of the Merger (hereinafter referred to as the “Effective Date”) shall be February 1, 2023. However, this date may be changed upon consultation between the Party A and the Party B due to the necessary merger procedures or other reasons.

Article 6 (Merger Approval)

Pursuant to the provisions of Article 796, Paragraph 2, and Article 784, Paragraph 1, of the Companies Act, the Merger shall be approved by the Board of Directors of the Surviving Company and the Dissolving Company. The Merger shall be effected without obtaining the approval of the general meeting of

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shareholders of either the surviving company or the dissolving company of the Merger with respect to this Agreement.

Article 7 (Succession to Company Assets)

Party A shall succeed to all assets and liabilities, and all rights and obligations of Party B as of the day immediately preceding the effective date.

Article 8 (Management of Company Property)

After the conclusion of this Agreement, Party A and Party B will exercise due care as a good manager in executing their respective duties and managing and operating all assets until the effective date. In addition, unless otherwise stipulated in this Agreement, Party A and Party B will consult and agree in advance regarding acts that have a significant impact on their property or rights and obligations.

Article 9 (Succession of Employee Status)

Party A shall succeed to the employees of Party B as of the effective date. The details thereof shall be determined upon mutual consultation between the Party A and Party B.

Article 10 (Matters to be Discussed)

In addition to the matters set forth in this Agreement, any other matters not set forth in this Agreement and any other matters necessary for the Merger shall be decided upon consultation between Party A and Party B in accordance with the purpose of this Agreement.

As a proof of the conclusion of this contract, one copy of this document will be created, and after the names and seals of Party A and Party B, Party A will retain the original and Party B will retain a copy thereof.

November 24, 2022

Party A: 6-chome-5-1, Nishishinjuku
Shinjuku-ku, Tokyo
Vision Inc.
Representative Director: Kenichi Sano

Party B: Yotsubashi Shinkosan Bldg. 1-chome-5-2
Kitahorie, Nishi-ku, Osaka
Promotion Plus, Co., Ltd
Representative Director: Yuki Kataoka

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Attachment 2

Balance Sheet

(Unit: yen)

Promotion Plus Co., Ltd.

As of January 31, 2022

Assets		Liabilities	
Subject	Amount	Subject	Amount
【Current assets】	【76,181,255】	【Current liabilities】	【19,847,508】
Cash and deposits	63,703,977	Accounts payable - trade	6,541,770
Accounts receivable - trade	3,780,571	Accounts payable - other	5,674,436
finished goods and works in pro	4,308,333	Advance received	4,177,879
Accounts receivable	4,375,694	Deposits received	336,523
Prepaid expenses	12,680	Unpaid corporate tax, etc.	410,800
【Fixed assets】	【23,667,125】	unrepayable consumption tax, etc.	2,706,100
(Tangible fixed assets)	(12,776,393)	【Fixed liabilities】	【63,135,000】
ilding and accompanying facilit	4,973,852	Long-term borrowings	63,135,000
Vehicles and transportation equipment	7,238,523	Total liabilities	82,982,508
Tools, furniture and fixtures	564,018	Net assets	
(Intangible fixed assets)	(5,307,702)	【Shareholders' equity】	【16,865,872】
Software	5,307,702	[Capital stock]	[5,000,000]
(Investments and other assets)	(5,583,030)	[Retained earnings]	[11,865,872]
Capital	10,000	(Other retained earnings)	(11,865,872)
Long-term prepaid expenses	370,334	Retained earnings brought fo	11,865,872
Security deposit	283,500	(Net income)	(3,841,917)
Prepaid premiums	4,919,196	Total net assets	16,865,872
Total assets	99,848,380	Total liabilities and net assets	99,848,380

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Statement of Income

(Unit: yen)

Promotion Plus Co., Ltd.

February 1, 2021 to January 31, 2022

Subject	Amount	
【Net sales】		
Net sales	144,612,856	144,612,856
【Cost of sales】		
Purchase subcontracting expenses	35,255,335	
Total	35,255,335	35,255,335
Gross profit		109,357,521
【SG&A expenses】		107,081,832
Operating income		2,275,689
【Non-operating income】		
Interest income	731	
Dividend income	100	
Miscellaneous income	908,114	908,945
【Non-operating expenses】		
Discounted interest expenses	143,096	
Miscellaneous losses	227,480	370,576
Ordinary income		2,814,058
【Special interest】		
Gain on sale of fixed assets	2,086,859	2,086,859
Current net income before taxes		4,900,917
Corporate tax, etc.		1,059,000
Current net income		3,841,917