



March 15, 2024

Company Name: Sanrio Company, Ltd.
President and Chief Executive Officer: Tomokuni Tsuji
Securities Code: 8136, TSE Prime Section
Inquiries: Jiro Kishimura, Senior Managing Director
Tel.: +81-3-3779-8058

Notice Regarding Absorption-type Merger of a Wholly Owned Subsidiary (Simplified Merger / Short-form Merger)

At the meeting of the Board of Directors held today, Sanrio Company, Ltd. (the “Company”) resolved to execute an absorption-type merger of its wholly owned subsidiary, Sanrio Far East Company Limited, effective July 1, 2024.

Because the Merger will be a simplified merger / short-form merger of a wholly owned subsidiary, some items and details are omitted from disclosure.

1. Purposes of the Merger

Sanrio Far East Company Limited has been engaged mainly in license management associated with trademarks, artworks, and others, and OEM planning, designing, manufacturing, and sales support of products with focus on miscellaneous goods such as sewn products and molded products. The Company decided to merge the said subsidiary for the purposes of making more effective use of Sanrio (parent company) management resources and operating its business more efficiently.

2. Overview of the Merger

(1) Schedule of the Merger

Date of the resolution of the Board of Directors	March 15, 2024
Date of signing of the Merger agreement	March 29, 2024
Effective date of the Merger	July 1, 2024

(2) Method of the Merger

The Merger will be an absorption-type merger, with the Company as the surviving company.

(3) Details of allotment related to the Merger

No shares or cash will be allotted in association with the Merger

(4) Treatment of stock acquisition rights and bonds with stock acquisition rights associated with the Merger

Not applicable.

3. Overview of the companies involved in the Merger (as of March 15, 2024)

(1) Trade name	Sanrio Company, Ltd.	Sanrio Far East Company Limited										
(2) Location	1-6-1, Osaki, Shinagawa-ku, Tokyo	1-6-1, Osaki, Shinagawa-ku, Tokyo										
(3) Name and title of representative	Tomokuni Tsuji, President and Chief Executive Officer	Andy Y. Toyama, President & CEO										
(4) Business description	Planning and sale of gift products; licensing and management of copyrights	Product sales and license business										
(6) Capital	10,261 million yen	30 million yen										
(7) Number of shares issued	85,136,101 shares	600 shares										
(8) Fiscal year end	March 31	March 31										
(9) Major shareholders and ownership ratios (as of September 30, 2023)	<table border="0"> <tr> <td>The Master Trust Bank of Japan, Ltd. (trust account)</td> <td>12.6%</td> </tr> <tr> <td>Kiyokawa Shoji Co. Ltd.</td> <td>8.2%</td> </tr> <tr> <td>Konan Shoji Co., Ltd.</td> <td>5.6%</td> </tr> <tr> <td>MUFG Bank, Ltd.</td> <td>4.8%</td> </tr> <tr> <td>Sumitomo Mitsui Banking Corporation</td> <td>4.8%</td> </tr> </table>	The Master Trust Bank of Japan, Ltd. (trust account)	12.6%	Kiyokawa Shoji Co. Ltd.	8.2%	Konan Shoji Co., Ltd.	5.6%	MUFG Bank, Ltd.	4.8%	Sumitomo Mitsui Banking Corporation	4.8%	Sanrio Company, Ltd. 100.0%
The Master Trust Bank of Japan, Ltd. (trust account)	12.6%											
Kiyokawa Shoji Co. Ltd.	8.2%											
Konan Shoji Co., Ltd.	5.6%											
MUFG Bank, Ltd.	4.8%											
Sumitomo Mitsui Banking Corporation	4.8%											
(10) Financial position and operating results for the most recent fiscal year												
Fiscal year	FYE March 2023 (consolidated)	FYE March 2023 (non-consolidated)										
Net assets	56,295 million yen	761 million yen										
Total assets	100,704 million yen	1,389 million yen										
Net assets per share	694.48 yen	1,268,800.45 yen										
Sales	72,624 million yen	2,741 million yen										
Operating profit	13,247 million yen	140 million yen										
Ordinary profit	13,724 million yen	125 million yen										
Net profit attributable to owners of parent	8,158 million yen	94 million yen										
Net profit per share	101.22 yen	158,200.88 yen										

4. Status after the Reorganization

Sanrio Far East Company Limited will be dissolved. Sanrio Far East (Shenzhen) Trading Company Limited, a subsidiary of Sanrio Far East Company Limited, will become subsidiary of Sanrio Company, Ltd.

5. Future Outlook

Since this is an absorption-type merger of a consolidated subsidiary of the Company, its impact on the Company's consolidated financial results will be immaterial.