

Company Name	BeNext-Yumeshin Group Co.
Name of Representative	Yutaka Nishida Chairman and Representative Director, CEO (Code: 2154; Prime of TSE)
Contact	Hiroshi Sato Director, CFO
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## **Notice of a Merger Between Subsidiaries and a Split from a Subsidiary of our Company**

At the meeting of the board of directors held today, our company has resolved to conduct an absorption-type merger between Yume Technology Co., Ltd. (hereinafter referred to as “Yume Technology”), which is a subsidiary of our company, and BeNEXT Solutions Inc. (hereinafter referred to as “BNS”), which is another subsidiary of our company (hereinafter referred to as “this merger”). Through this merger, Yume Technology will cease to exist, while BNS will survive.

In addition, we have resolved to conduct an absorption-type split of the embedded software business (hereinafter referred to as “the embedded system company”) from BNS (hereinafter referred to as “this absorption-type split”) and transfer it to a company to be established (hereinafter referred to as “the company for the split of BNS”), as described below.

This merger and this absorption-type split are part of restructuring of wholly owned consolidated subsidiaries of our company, so some disclosed contents are omitted.

### **I. Regarding this merger**

#### **1. Outline of this merger**

##### (1) Purpose of this merger

Our company formulated the Medium-term management plan “BY25” in August 2021, with the aim of significantly growing our business in each domain. We classified our domestic business domain into 5 units in order to realize more efficient business administration based on the cross-sectoral cooperation among group companies, and make decisions and implement strategies according to business characteristics.

By merging Yume Technology and BNS, which are major companies of the IT infrastructure unit in the domestic business domain, we can obtain the economies of scale and integrate managerial resources for effective use.

##### (2) Scheme for this merger

On July 1, 2023, we plan to conduct an absorption-type merger with BNS being a surviving company and Yume Technology being a disappearing company.

#### **2. Summary of this merger**

##### (1) Schedule for this merger

A meeting of the board of directors for resolving this merger (companies involved): April 21, 2023 (scheduled)

Conclusion of a merger contract (companies involved): April 21, 2023 (scheduled)

A general meeting of shareholders for approving this merger (companies involved): June 16, 2023 (scheduled)

Date of this merger (effective date): July 1, 2023 (scheduled)

(2) Method for this merger

It is an absorption-type merger in which BNS will survive while Yume Technology will cease to exist.

(3) Details of allocation of shares through this merger

This merger will be conducted between wholly owned subsidiaries of our company. Accordingly, BNS will not issue new shares thereof or give monetary consideration instead of shares or the like.

(4) Handling of share acquisition rights and bonds with share acquisition rights for this merger

None

(5) Increase/decrease in capital stock through this merger

We have no plan to change the capital stock or reserve of BNS through this merger.

**3. Outline of the companies involved in this merger (as of June 30, 2022)**

	Disappearing company	Surviving company
(1) Company name	Yume Technology Co., Ltd.	BeNEXT Solutions Inc.
(2) Address	300 Kandaneibeicho, Chiyoda-ku, Tokyo	300 Kandaneibeicho, Chiyoda-ku, Tokyo
(3) Title and name of representative	Junji Nakajima, Representative Director and President	Einobu Yoshii, Representative Director and President
(4) Contents of business	Engineer dispatch business	Dispatch of technicians
(5) Capital	70 million yen	20 million yen
(6) Date of establishment	July 13, 1989	August 6, 1999
(7) No. of shares outstanding	13,025,200	400
(8) Account closing date	June 30	June 30
(9) Major shareholder and shareholding ratio	BeNext-Yumeshin Group Co.: 100%	BeNext-Yumeshin Group Co.: 100%

**4. Situation after this merger**

(1) Company name	TBD
(2) Address	300 Kandaneibeicho, Chiyoda-ku, Tokyo
(3) Title and name of representative	TBD
(4) Contents of business	Dispatch of technicians, contracted business, and delivery of products
(5) Capital	20 million yen

(6) Account closing date	June 30
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## II. Regarding this absorption-type split

### 1. Outline of this absorption-type split

#### (1) Purpose of this absorption-type split

Our company will establish a company which will focus on IT infrastructure business by merging Yume Technology and BNS. On the other hand, the embedded system company of BNS will operate business in machinery, electronics and IT for manufacturers, including transportation machines, such as automobiles. Therefore, we will split the embedded system company from BNS and establish a single business company, so that we can carry out business administration suited for its business characteristics.

#### (2) Scheme for this absorption-type split

On July 1, 2023, we plan to conduct an absorption-type split for the embedded system company, and transfer it to the company for the split of BNS.

#### (3) Business to be split from BNS

Embedded system company

### 2. Summary of this absorption-type split

#### (1) Schedule for this absorption-type split

Establishment of the company for the split of BNS: March 1, 2023 (scheduled)

A meeting of the board of directors for resolving this absorption-type split (companies involved): April 26, 2023 (scheduled)

Conclusion of an absorption-type split contract (companies involved): April 26, 2023 (scheduled)

A general meeting of shareholders for approving this absorption-type split (companies involved): June 16, 2023 (scheduled)

Date of this absorption-type split (effective date): July 1, 2023 (scheduled)

#### (2) Method for this absorption-type split

On July 1, 2023, we plan to carry out an absorption-type split in which BNS will be a split company and the company for the split of BNS will take over the split business.

#### (3) Details of allocation of shares through this absorption-type split

This absorption-type split will be conducted between wholly owned subsidiaries of our company. Accordingly, the company for the split of BNS will not issue new shares thereof or give monetary consideration instead of shares or the like.

#### (4) Handling of share acquisition rights and bonds with share acquisition rights for this absorption-type split

None

#### (5) Increase/decrease in capital stock through this absorption-type split

We have no plan to change the capital stock or reserve of BNS and the company for the split of BNS through this absorption-type split.

(6) Rights and obligations the succeeding company will take over

The succeeding company plans to take over the split company's assets, debts, employment contracts related to the split business, and rights and obligations accompanying them, which are specified in the absorption-type split contract.

(7) Outlook for fulfillment of obligations

The split company and the succeeding company own assets that exceed liabilities, and non-exempt property for ensuring the fulfillment of obligations after this absorption-type split, and considering their earning statuses, it can be expected that there will be no events that would hinder the fulfillment of obligations. Accordingly, it has been concluded that these companies will be able to fulfill their obligations after the date of this absorption-type split.

**3. Outline of the companies involved in this split**

	Split company (as of June 30, 2022)	Succeeding company (assumed)
(1) Company name	BeNEXT Solutions Inc.	The company for the split of BNS
(2) Address	300 Kandaneibeicho, Chiyoda-ku, Tokyo	300 Kandaneibeicho, Chiyoda-ku, Tokyo
(3) Title and name of representative	Einobu Yoshii, Representative Director and President	TBD
(4) Contents of business	Dispatch of technicians	Dispatch of technicians
(5) Capital	20 million yen	50 million yen
(6) Date of establishment	August 6, 1999	March 1, 2023
(7) No. of shares outstanding	400	1,000
(8) Account closing date	June 30	June 30
(9) Major shareholder and shareholding ratio	BeNext-Yumeshin Group Co.: 100%	BeNext-Yumeshin Group Co.: 100%

**4. Situation after this absorption-type split**

	Split company	Succeeding company (assumed)
(1) Company name	TBD	BeNEXT Solutions Inc.
(2) Address	300 Kandaneibeicho, Chiyoda-ku, Tokyo	300 Kandaneibeicho, Chiyoda-ku, Tokyo
(3) Title and name of representative	TBD	TBD
(4) Contents of business	Dispatch of technicians	Dispatch of technicians
(5) Capital	20 million yen	50 million yen (assumed)

(6) Account closing date	June 30	June 30
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### III. Regarding a change to the corporate name

BNS is scheduled to be renamed on July 1, 2023. We will inform you as soon as a new corporate name is determined. The company for the split of BNS is scheduled to be renamed BeNEXT Solutions Inc. on the same date.

### IV. Future outlook

This merger and this absorption-type split are part of restructuring of wholly owned consolidated subsidiaries of our company, so their impact on consolidated performance is minor.

