

May 10, 2021

FOR IMMEDIATE RELEASE

Company name: H.U. Group Holdings, Inc.
Representative: Shigekazu Takeuchi, Director,
President and Group CEO
Securities code: 4544 First Section, Tokyo Stock
Exchange
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Notice Regarding the Absorption-Type Merger between Consolidated Subsidiaries

H.U. Group Holdings, Inc. (hereinafter, "the Company") hereby announces that SRL Wellness Promotion Inc. (President & CEO: Shinichi Moriyama; Head Office: Shinjuku-ku, Tokyo) and Selmesta Co., Ltd. (President & CEO: Toshikazu Kumakura; Head Office: Nerima-ku, Tokyo), which are the Company's consolidated subsidiaries, will be merged in an absorption-type merger (hereinafter, "the Merger").

Since the Merger is a reorganization within the Group, the information to be disclosed is partially omitted.

Details are as follows.

1. Purpose of the Merger

The Group focuses on developing new businesses to achieve significant and sustainable growth. As part of that effort, the Group is striving to expand and strengthen its self-medication and businesses to health insurance associations.

The purpose of the Merger is to provide one-stop service, taking advantage of the customer base common to the two companies, to enhance the value provided to customers, which will expand and strengthen their business, and to create synergies between the companies.

The company after the Merger (the business name will be H.U.Wellness, Inc.) will accelerate the development of business, including the development of new services in the field of disease prevention, and will provide optimal healthcare to a range of generations. It will contribute to enhancing the quality of healthcare and promoting health.

2. Outline of the Merger

(1) Schedule

Effective date of the Merger: July 1, 2021 (tentative)

(2) Method of the Merger

An absorption-type merger where the merged company is SRL Wellness Promotion Inc. and the surviving company is Selmesta Co., Ltd.

3. Details of allotment relating to the Merger

Since both participating companies are wholly owned subsidiaries in the Group, there will be no issuance of shares or delivery of money.

4. Handling of share acquisition rights and bonds with share acquisition rights associated with the Merger

There is no relevant information.

5. Overview of the companies participating in the Merger

Item	Merged company (as of May 10, 2021)		Surviving company (as of May 10, 2021)	
(1) Business name	SRL Wellness Promotion Inc.		Selmesta Co., Ltd.	
(2) Address	2-1-1 Nishishinjuku, Shinjuku-ku, Tokyo		2-9-14 Nishiki, Nerima-ku, Tokyo	
(3) Name and title of representative	President & CEO Shinichi Moriyama		President & CEO Toshikazu Kumakura	
(4) Business description	Contract medical examinations etc. and coordination of medical examinations etc. Contract services and consulting related to the establishment and operation of medical institutions, etc.		Sale of generic drugs to corporate health insurance associations Contract mail medical examinations	
(5) Capital	100 million yen		50 million yen	
(6) Establishment	July 2015		September 1971	
(7) Total number of shares issued	18,200		3,337,100	
(8) Fiscal year-end	March 31		March 31	
(9) Shareholders and their shareholding ratio	H.U. Group Holdings, Inc.	100%	H.U. Group Holdings, Inc.	100%

(Note) Before the Merger, SRL, Inc., a consolidated subsidiary of the Company, transferred all shares of SRL Wellness Promotion Inc. to H.U. Group Holdings, Inc. (the Company).

6. Post-merger situation

The business name of the company after the merger will be H.U.Wellness, Inc. At the general shareholders' meeting of the surviving company to be held in June 2021, Toshiaki Mori will be appointed as the president. The business, capital and fiscal year-end will not change.

7. Outlook

Since the Merger is a merger between consolidated subsidiaries, it does not have any impact on the Company's consolidated results.

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