

January 19, 2023

## AUTOBACS SEVEN Announces Merger of Consolidated Subsidiaries

January 19, 2023 (Tokyo, Japan) - AUTOBACS SEVEN Co., Ltd. (the “Company,” Representative Director and Chief Executive Officer: Yugo Horii) today announces that it has decided to merge two consolidated subsidiaries, AUTOBACS Yamanashi Ltd. and AUTOBACS Kanto Sales Ltd. As this is a merger of consolidated subsidiaries, certain details have been omitted from this disclosure. The outline of the merger is as described below.

### 1. Reason for the merger of consolidated subsidiaries

Under the Five-year Rolling Plan, the AUTOBACS Group is implementing various measures to increase profits in the Domestic AUTOBACS Business. To respond to rapid changes in the automobile industry, it is essential to strengthen communication between headquarters and stores, while for regional strategies, it is necessary to adopt individual strategies that are appropriate for on-site situation and to implement individual measures more thoroughly.

The Company has adopted a divisional organization system that enables decision makings closer to the work site. With respect to subsidiaries primarily engaging in store operation, several subsidiaries will be integrated to streamline management, through ensuring compliance with the direction and policies as the integrated company. Moreover, an in-house company system is introduced at integrated companies to facilitate prompt response to the needs of local customers. In this manner, the Company strives to build an organization that focuses on the balance of overall optimization and individual optimization.

### 2. Content of the merger

The merger of two consolidated subsidiaries, AUTOBACS Yamanashi Ltd. and AUTOBACS Kanto Sales Ltd., will be subject to approval at the general shareholders’ meeting of each company.

#### (i) Schedule for the merger

General shareholders’ meeting to approve the merger (each company concerned)	February 10, 2023 (planned)
Date of the merger (effective date)	April 1, 2023 (planned)

#### (ii) Form of the merger

The merger will be conducted as an absorption-type merger, with AUTOBACS Kanto Sales Ltd. as the surviving company, and AUTOBACS Yamanashi Ltd. to be dissolved, in which AUTOBACS Kanto Sales Ltd. will change its trade name to AUTOBACS Higashi-Nihon Sales Ltd.

#### (iii) Outline of companies subject to be merged (as of January 19, 2023)

(1) Name	AUTOBACS Kanto Sales Ltd.	AUTOBACS Yamanashi Ltd.
(2) Location	Utsunomiya city, Tochigi	Kofu city, Yamanashi
(3) Job title and name of representative	Representative Director, Shinichi Fujiwara	Representative Director, Kazuhiko Osaki
(4) Description of business	Retail of car goods and services (operation of 27 stores)	Retail of car goods and services (operation of five stores)
(5) Capital	JPY 100 million	JPY 100 million
(6) Date of establishment	September 11, 1996	December 16, 1998
(7) Number of issued shares	2,600 shares	2,400 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and ownership ratios	AUTOBACS SEVEN Co., Ltd. 100%	AUTOBACS SEVEN Co., Ltd. 99.0%

(iv) Post-merger status (planned) (as of April 1, 2023)

Company surviving the absorption-type merger	
(1) Name	AUTOBACS Higashi-Nihon Sales Ltd.
(2) Location	Ichikawa city, Chiba
(3) Job title and name of representative	Representative Director, Shinichi Fujiwara
(4) Description of business	Retail of car goods and services (operation of 34 AUTOBACS stores)*
(5) Capital	JPY 100 million
(6) Fiscal year-end	March 31
(7) Major shareholders and ownership ratios	AUTOBACS SEVEN Co., Ltd. 100%

\*The Company plans to transfer its two directly operated stores in Tohoku region; AUTOBACS Akita Niida store and Super AUTOBACS Morioka Minami store, to AUTOBACS Higashi-Nihon Sales Ltd. on April 1, 2023.

(v) Area management structure of the company disappearing in the merger (planned)

(as of April 1, 2023)

(1) Name	AUTOBACS Higashi-Nihon Sales Ltd., Yamanashi Company
(2) Job title and name of representative	Director of AUTOBACS Higashi-Nihon Sales Ltd., and president of Yamanashi Company, Yusuke Yamada

### 3. Future outlook

Since the merger is between consolidated subsidiaries of the Company, the impact of this merger on the Company's consolidated financial results for the current fiscal year will be minor.

Note: Due to this announcement, Koshin-etsu Area Operation Department is renamed to Nagano and Niigata Area Sales Department as of April 1, 2023.

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