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June 30, 2025

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# Notice Concerning Disposal of Treasury Shares as Restricted Stock Remuneration

AUTOBACS SEVEN Co., Ltd. hereby announces that its Board of Directors resolved at the meeting held today to dispose treasury shares (the "Disposal of Treasury Shares" or "Disposal") as follows.

1. Overview of the Disposal of Treasury Shares

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| (1) | Disposal date | July 29, 2025 |
| (2) | Class and number of shares to be disposed | 42,500 shares of the Company's common stock |
| (3) | Disposal price | JPY 1,434.0 per share |
| (4) | Total value of shares to be disposed | JPY 60,945,000 |
| (5) | Recipients of shares to be disposed, number of recipients and number of shares to be disposed | Directors of the Company (excluding outside directors and directors who are audit and supervisory committee members): 3 directors, 42,500 shares |

2. Purpose and reason for the Disposal

The Company resolved at a meeting of the Board of Directors held on April 26, 2019, to introduce a Restricted Stock Remuneration Plan (the "Plan") for the Company's directors (excluding outside directors and directors who are audit and supervisory committee members; "Eligible Directors") for the purpose of further enhancing value sharing with shareholders. Subsequently, at the 72nd Ordinary General Meeting of Shareholders held on June 21, 2019, it was approved that, pursuant to the Plan, monetary remuneration claims not exceeding ¥100 million per year shall be paid to the Eligible Directors as monetary remuneration as properties contributed to acquire restricted stocks (the "Restricted Stock Remuneration"), and that the transfer restriction period for restricted shares shall be the period specified by the Board of Directors of the Company, which is a period between three to thirty years from the day on which such shares are allotted. However, at the 77th Ordinary General Meeting of Shareholders held on June 27, 2024, it was approved to change the transfer restriction period for shares to be allocated under the Plan to a period from the date of allocation to the time immediately following the resignation of directors of the Company and the retirement from the Company and its subsidiaries, and to partially revise the release of the restriction on transfer

and the handling at the time of retirement in line with the revision of the transfer restriction period. This revision is intended to allow the Eligible Directors to own restricted shares until their retirement from the Company and its subsidiaries after the resignation of directors of the Company, so that they will be more motivated to contribute toward the enhancement of the Company's corporate value and continue value sharing with the shareholders for as long as possible.

An overview of the Plan and other relevant details are shown below.

[Outline of the Plan]

Under the Plan, the Eligible Directors shall pay in all monetary remuneration claims provided by the Company as properties contributed in kind and receive the issuance or Disposal of the Company's common stock. Under the Plan, the total number of shares of common stock of the Company that the Eligible Directors receive by issuance or Disposal by the Company shall be no more than 100,000 shares per year. The paid-in amount per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately preceding the date of each resolution by the Board of Directors (or the closing price on the trading day immediately prior thereto if no transaction is made on such business day) within the extent that the amount will not be particularly advantageous to Eligible Directors who will subscribe the Company's common stock under the Plan.

Furthermore, the issuance or Disposal of the Company's common stock under the Plan shall be subject to a restricted share allotment agreement to be entered into by and between the Company and each Eligible Director. The agreement shall include (1) a provision prohibiting Eligible Directors from transferring, creating any security interest on, or otherwise disposing of shares of the Company's common stock that have been received by allotment under the restricted share allotment agreement for a specified period, and (2) a provision that the Company shall acquire the said shares without contribution in the case where specified events happen.

In addition, the Company has decided, performance-contingent restricted shares be allotted to the Eligible Directors who are responsible for business execution ("Eligible Executive Directors") in an effort to further promote value sharing with shareholders over the medium- and long-terms, which is the purpose of the introduction of the Plan. Additionally, the Company has decided, restricted shares with transfer restriction with an incumbency condition to be allotted to Eligible Directors. Considering the purpose of the Plan, the Company's current business results, the scope of duties of Eligible Directors and Eligible Executive Directors ("Eligible Directors & Executive Directors"), and other factors, the Company has decided to grant a total of 60,945,000 yen as the monetary remuneration claim (the "Monetary Remuneration Claim") and 42,500 shares of the Company's common stock to Eligible Directors & Executive Directors.

With the Disposal of Treasury Shares, 3 Eligible Directors & Executive Directors, the planned allottees of shares, shall pay in all of the Monetary Remuneration Claim, which are claims against the Company, in the form of property contributed in kind for acquisition of the restricted shares, and shall receive the shares of the Company's common stock (the "Allotted Shares") pursuant to the Plan. With the Disposal of Treasury Shares, the overview of the restricted share allotment agreement (the "Allotment Agreement") to be entered into by and between the Company and Eligible Directors & Executive Directors is shown in the following item 3.

The application of Eligible Directors & General Managers for the subscription of the Allotted Shares is arbitrary and only those Eligible Directors & General Managers who apply for the subscription shall receive the Allotted Shares. The Company plans to sign an agreement conforming to the Allotment Agreement with such Eligible Directors & General Managers.

3. Overview of the Allotment Agreement

Eligible Directors

(1) Transfer restriction period: until the time immediately following the resignation of directors of the Company and the retirement from the Company and its subsidiaries

(2) Condition for releasing transfer restrictions

The Company shall release transfer restriction on all of the Allotted Shares at the expiry of the transfer restriction period on the condition that the Eligible Directors continued to be registered with the Company or its subsidiaries during the transfer restriction period.

(3) Treatment when an Eligible Director retires as a director of the Company and retires from the Company and its subsidiaries during the transfer restriction period due to the expiry of term of office, the death of the Eligible Director, or other justifiable reason

i. Time of releasing transfer restrictions

In the event that an Eligible Director retires as a director of the Company and retires from the Company and its subsidiaries due to the expiry of term of office, reaching retirement age, or other justifiable reason (excluding retirement by death), the transfer restrictions shall be released at the time immediately after the retirement. In the case of retirement by death, the transfer restriction will be released at a time decided separately by the Board of Directors after the death.

ii. Number of shares subject to release

The number of shares of the Eligible Director whose transfer restrictions are released shall be calculated by multiplying the number of Allotted Shares held at the time prescribed in (i.) above by the number obtained (if such number exceeds 1, the number shall be rounded down to 1) by dividing the term of office (by month) subject to the transfer restriction period by 12 (provided, however, fractional shares less than 100 shares will be dropped from the number of shares obtained by the calculation).

(4) Acquisition without cost by the Company

The Company shall take back all the Allotted Shares without cost after expiration of the transfer restriction period or the time of releasing transfer restrictions prescribed in (3) above, if transfer restrictions on Allotted Shares in question are still to be released.

(5) Management of shares

The Allotted Shares shall be managed in dedicated accounts at Nomura Securities Co., Ltd. opened by Eligible Directors to ensure it is not possible to transfer, create any security interest on, or otherwise dispose of the shares during the transfer restriction period. The Company has entered into an agreement with Nomura Securities Co., Ltd. concerning management of the accounts of the Allotted Shares that are held by Eligible Directors to ensure the effectiveness of the transfer restrictions, etc. relating to the Allotted Shares. In addition, Eligible Directors shall agree to the details of the management of the accounts.

(6) Treatment during reorganization, etc.

If an agenda item regarding a merger agreement, in which the Company is to be the non-surviving company, a share exchange agreement or share transfer plan, in which the Company is to become a wholly owned subsidiary of another company, or other matters concerning reorganization, etc. is approved at the Company's General Meeting of Shareholders (or by Company's Board of Directors if the reorganization, etc. does not require the approval of a general meeting of shareholders of the Company) during the transfer restriction period, the transfer restriction shall be lifted, subject to resolution of the Board of Directors, as of the time immediately before the business day prior to the effective date of said organizational restructuring, etc., in respect of the number of the Allotted Shares calculated by multiplying the number of the Allotted Shares held at said time by the number obtained (if such number exceeds 1, the number shall be rounded down to 1) by dividing the number of months between the month when the transfer restriction period started and the month to which the date of said approval belongs by 12 (provided, however, that if any fraction, less than 100 shares, arises as a result of the above calculation, the fraction shall be rounded off to the nearest hundred). In addition, the Company shall take back all the Allotted Shares without cost immediately after the transfer restrictions are lifted if transfer restrictions on Allotted Shares in question are still to be released.

Eligible Executive Directors

(1) Transfer restriction period: until the time immediately following the resignation of Eligible Executive Directors of the Company and the retirement from the Company and its subsidiaries

(2) Condition for releasing transfer restrictions

The Company shall release transfer restriction on all of the Allotted Shares at the expiry of the transfer restriction period on the condition that the Eligible Executive Directors continued to hold the position of Eligible Executive Directors at the Company during the period from the first day of the 79th business year ending March 31, 2026 (April 1, 2025) , and the last day of said business period (March 31, 2026), ("Service Provision Period") and that the consolidated operating profit for said business year indicated in the Company's financial statements for the business year ending March 31, 2026 exceeds certain financial targets set by the Board of Directors of the Company (the "Financial Target"). However, in terms of appointment of the Eligible Executive Directors during the Service Provision Period, shares shall be granted without delay according to the period in which the said CEO or General Manager is scheduled to serve (dividing by the number of months in office, and the part less than one month to be cut off), and the Company shall release transfer restriction under the same conditions to other Eligible General Managers.

(3) Treatment when an Eligible Executive Director retires from the Company and its subsidiaries during the transfer restriction period due to the expiry of term of office, reaching retirement age, or other justifiable reason (including retirement by death and excluding retirement for personal reasons)

i. Retirement of an Eligible Executive Director during the period of service

Transfer restrictions on none of the Allotted Shares shall be lifted for any reason whatsoever.

ii. Resignation and retirement from the Company and its subsidiaries of an Eligible Executive Director during the period between the expiry of the period of service and the date of submission of financial statements for the business year ending March 31, 2026

On the condition that the Financial Target is reached, transfer restrictions on all Allotted Shares shall be lifted on the day following the date of submission of financial statements for the business year ending March 31, 2026.

iii. Resignation and retirement from the Company and its subsidiaries of an Eligible Executive Director after the day following the date of submission of financial statements for the business year ending March 31, 2026

On the condition that the Financial Target is reached, transfer restrictions on all Allotted Shares shall be lifted immediately after an Eligible Executive Director retires as a General Manager and retires from the Company and its subsidiaries.

(4) Acquisition without cost by the Company

The Company shall take back all the Allotted Shares without cost immediately after the time of releasing transfer restrictions prescribed in (3) above (or, at the time of retirement in the case of i. under (3) above, in which transfer restrictions are not lifted) if the transfer restrictions on Allotted Shares in question are still to be released.

(5) Management of shares

The Allotted Shares shall be managed in dedicated accounts at Nomura Securities Co., Ltd. opened by Eligible Executive Directors to ensure it is not possible to transfer, create any security interest on, or otherwise dispose of the shares during the transfer restriction period. The Company has entered into an agreement with Nomura Securities Co., Ltd. concerning management of the accounts of the Allotted Shares that are held by Eligible Executive Directors to ensure the effectiveness of the transfer restrictions, etc. relating to the Allotted Shares. In addition, Eligible Executive Directors shall agree to the details of the management of the accounts.

(6) Treatment during reorganization, etc.

If an agenda item regarding a merger agreement, in which the Company is to be the non-surviving company, a share exchange agreement or share transfer plan, in which the Company is to become a wholly owned subsidiary of

another company, or other matters concerning reorganization, etc. is approved at the Company's General Meeting of Shareholders (or by Company's Board of Directors if the reorganization, etc. does not require the approval of a general meeting of shareholders of the Company) during the transfer restriction period, the transfer restrictions on all Allotted Shares held at the time shall be lifted, subject to resolution of the Board of Directors, as of the time immediately before the business day prior to the effective date of said organizational restructuring, etc. on the condition that the financial statements submitted after the last day of the business year ending March 31, 2026 and before the date of said approval indicate that the Financial Target has been reached. Regardless of the above provisions, however, the Company shall take back all Allotted Shares without cost immediately before the business day prior to the effective date of reorganization, etc. if the date immediately before the business day preceding the effective date of the reorganization, etc. is before the date immediately preceding the day following the date of the submission of financial statements for the business year ending March 31, 2026.

4. Basis of calculation and specific details for payment amount

To eliminate arbitrariness in the disposal value of the shares subject to the Disposal of Treasury Shares, the Company decided to adopt 1,434.0 yen, which corresponded to the closing price of the Company's common stock on the Prime Market of the Tokyo Stock Exchange on June 27, 2025 (the business day immediately preceding the day of the resolution of the Board of Directors' resolution). The Company believes the said disposal value is reasonable and not a particularly advantageous price because it reflects the market price immediately before the date of the Board of Directors' resolution.