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August 7, 2025

To whom it may concern,

Company name A R A T A  
CORPORATION  
Representative S e i i c h i  
D i r e c t o r K o c h i y a  
And President  
(Code: 2733 TSE Prime)  
Person responsible Senior Executive  
O f f i c e r N o b u t a k a  
for inquiries General Manager of T s u c h i y a  
Corporate Governance  
D e p a r t m e n t  
(TEL +81-3-5635-2800)

## **With a wholly owned subsidiary (Living ARATA Co., Ltd.) Notice of Absorption-type Merger (Simple Merger and Abbreviated Merger)**

As stated in the "Notice Concerning Commencement of Consideration of Absorption-type Merger with a Wholly-Owned Subsidiary Company (Living ARATA Co., Ltd.)" announced on May 13, 2025, we announced that we will absorb Living ARATA Co., Ltd. ("Living ARATA "), a wholly-owned subsidiary of ours, with an effective date of October 1, 2025.

As this merger is a simplified merger covering our wholly owned subsidiaries, disclosure items and details have been omitted.

### Notation

#### 1. Purpose of Merger

The Company is a wholesaler of daily necessities and cosmetics, etc., and delivers products to retailers nationwide. Living ARATA is a wholesaler centering on household miscellaneous goods, and deals with retailers in the Kansai area.

Amid rapid changes in the market environment and the expansion of retailers across a wide range of areas, we have determined that the integration of Living ARATA will enable us to further accelerate the growth of the household goods category by consolidating management resources and increasing our sales force and operational efficiency.

#### 2. Summary of the merger

##### (1) Merger schedule

May 13, 2025	Resolution of the Board of Directors concerning the commencement of deliberations toward the conclusion of a merger agreement
August 1, 2025	Resolution of the board of directors regarding the conclusion of a merger agreement
August 1, 2025	Conclusion of a Merger Agreement
October 1, 2025	Effective date of merger (planned)

(NOTE) This merger falls under the simplified merger stipulated in Article 796, Paragraph 2 of the Companies Act, and in the living room, it falls under the summary merger stipulated in Article 784, Paragraph 1 of the Companies Act. Therefore, neither company will hold a general meeting of shareholders to approve the merger agreement.

##### (2) Method of merger

We shall be the surviving company, and the new living room shall be the extinguished company and shall be the absorption-type merger.

##### (3) Details of the allotment pertaining to the merger

As this is a merger with our wholly owned subsidiary, there is no issuance of new shares or payment of merger grant due to the Merger.

Hmm.

##### (4) Treatment of Stock Acquisition Rights and Bonds with Stock Acquisition Rights due to the Merger

Not applicable.

## 3. Overview of the company involved in the merger (as of March 31, 2025)

	Company surviving the absorption-type merger	Company absorbed in the absorption-type merger
(1)Name	ARATA CORPORATION	Living ARATA Co., Ltd.
(2)Address	6-3-2 Toyo, Koto-ku, Tokyo	435-1, Tanjyou, Mihara-ku, Sakai-shi, Osaka
(3)Job title/name of representative	Seiichi Kochiya, Representative Director	Masayuki Shimizu, Representative Director
(4)Business Activities	Wholesale of daily necessities and cosmetics	Wholesale of household miscellaneous goods
(5)Common stock	JPY8.572 million (As of March 31, 2025)	JPY27 million
(6)Date of Establishment	April 1, 2002	November 15, 1973
(7)Number of shares outstanding	36,057,424 shares (as of March 31, 2025)	40 thousand shares
(8)Fiscal year end	March 31	January 31
(9)Major shareholders and percentage of shares	The Master Trust Bank of Japan, Ltd.(Trust Account) 11.68% Otowa Shokusan Co., Ltd. 6.00% ARATA Employee Stock Ownership Plan 3.89% The Custody Bank of Japan, Ltd. (Trust account) 3.77% BBH FOR FIDELITY LOW-PRICED STOCK FUND (Standing proxy: The Bank of Mitsubishi UFJ, Ltd.) 3.17% Nomura Trust and Banking Co., Ltd. (Investment trust account) 3.00% The Custody Bank of Japan, Ltd. (Trust Account E) 2.99% Lion Corporation 2.66% Nobuyuki Hatanaka 2.55% STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Division) 2.00%	ARATA CORPORATION 100%
(10)Financial position and results of operations for the immediately preceding fiscal year		
Fiscal year end	March 31, 2025 (Consolidated)	January 31, 2025 (Non-consolidated)
Net assets	JPY116.577 million	JPY572 million
Total assets	JPY311.728 million	JPY917 million
Net assets per share	JPY3,490.50	JPY14,321.76
Net sales	JPY986.212 million	JPY2.773 million
Operating income	JPY14.989 million	JPY65 million
Ordinary income	JPY15.617 million	JPY69 million
Profit attributable to owners of parent	JPY10.358 million	JPY45 million
Net income per share	JPY309.55	JPY1,136.29

4 . Our situation after the merger

There is no change in our trade name, location, representative, business description, capital stock or fiscal year-end as a result of the Merger.

5 . Future Outlook

The effect of this merger on our results of operations is immaterial.

Or more