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October 31, 2022

To whom it may concern:

Company Name: Mercari, Inc.  
Representative: Shintaro Yamada, Chief Executive Officer  
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**Notice Regarding Absorption-type Merger of Wholly Owned Subsidiary**  
**(Simple Merger and Abbreviated Merger)**

Mercari, Inc. (“the Company”) announces that, at the Board of Directors meeting held on October 31, 2022, it resolved to proceed with a merger by absorption (“the merger”) of wholly owned subsidiary Merlogi, Inc. (“Merlogi”) on January 1, 2023.

Since the merger concerns the absorption of a wholly owned subsidiary, a portion of the disclosure items and details are omitted from this announcement.

1. Purpose of the merger

Mercari established Merlogi as a wholly owned subsidiary on October 28, 2021, for the purpose of planning, developing, and operating logistics services, but has decided to absorb and merge Merlogi to make the most of the Company’s management resources as well as to strive to make management more effective and accelerate decision-making. Note that the Company will continue the work that Merlogi has done to simplify packaging and shipping.

2. Summary of merger

(1) Merger schedule

Date of the resolution of the Board of Directors	October 31, 2022
Contract conclusion date	October 31, 2022
Scheduled merger date (effective date)	January 1, 2023 (subject to change)

(2) Merger method

Merlogi will be merged in an absorption-type merger with Mercari as the surviving company.

Note that the merger corresponds to a simplified merger as stipulated in Article 796, Paragraph 2 of the Companies Act. As the merger also corresponds to a short-form merger pursuant to Article 784, Paragraph 1 of the aforementioned act, the merger contract detailing the surviving company and the dissolved company will be concluded without obtaining the approval of the General Meeting of Shareholders.

(3) Details of the allotment related to the merger

As this is a merger with a wholly owned subsidiary, no new shares will be issued nor other funds allotted.

- (4) Handling of stock acquisition rights and bonds with stock acquisition rights associated with the merger  
Not applicable.

3. Overview of the companies involved in the Merger (as of June 30, 2022)

	Surviving company in the absorption-type merger	Dissolved company in the absorption-type merger
(1) Name	Mercari, Inc.	Merlogi, Inc.
(2) Address	6-10-1 Roppongi, Minato-ku, Tokyo	6-10-1 Roppongi, Minato-ku, Tokyo
(3) Position and name of representatives	Shintaro Yamada, Representative Director, Chief Executive Officer	Tomoyuki Shindo, Representative Director, Chief Executive Officer
(4) Business activities	Planning, development, and operation of the <i>Mercari</i> marketplace app	Planning, development, and management of logistics services
(5) Capital	44,628 million yen	100 million yen
(6) Date of establishment	February 1, 2013	October 28, 2021
(7) Number of issued shares	160,813,967 shares	400 shares
(8) Fiscal year end	June 30	June 30
(9) Large shareholders and their stake	Shintaro Yamada 23.94% Hiroshi Tomishima 5.29% GOLDMAN SACHS INTERNATIONAL 4.65% suadd K.K. 4.08% Custody Bank of Japan, Ltd. (Trust Account) 3.42% MSIP CLIENT SECURITIES 3.20% The Master Trust Bank of Japan, Ltd. (Trust Account) 2.94% BNYM AS AGT/CLTS 10 PERCENT 2.18% GOLDMAN, SACHS & CO. REG 2.03% UNITED, Inc. 1.62%	Mercari, Inc. 100%
(10) Financial position and results of operations for the most recent fiscal year		
Fiscal year	Fiscal year ended June 30, 2022 (Consolidated) (in millions of yen unless specified otherwise)	Fiscal year ended June 30, 2022 (Standalone) (in millions of yen unless specified otherwise)
Net assets	37,998	696
Total assets	339,862	909

Net assets per share	228.57 yen	1.74 yen
Net sales	147,049	42
Operating loss	(3,715)	(503)
Ordinary loss	(3,896)	(502)
Current net loss <sup>Note1</sup>	(7,569)	(503)
Current net loss per share	(47.34) yen	(1.52) yen

Note 1: The figure for Mercari, Inc. represents a net loss attributable to owners of the parent.

#### 4. Status after the merger

The merger will not change the Company name, locations, title or name of the representative, main business activities, capital, or fiscal year end.

#### 5. Impact on business results

As this is a merger between the Company and a wholly owned subsidiary, the impact on consolidated financial results will be negligible.