

June 29, 2023

Company name: Nissan Shatai Co., Ltd.
(Code no.: 7222, Prime Market of Tokyo Stock Exchange)
Representative: Haruhiko Yoshimura, President
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Matters concerning Controlling Shareholder

Nissan Shatai Co., Ltd. (“Nissan Shatai”) hereby announces matters concerning a controlling shareholder, etc., in connection with its parent company Nissan Motor Co., Ltd. (“Nissan Motor”).

1. Trade names, etc., of parent company, controlling shareholders (other than parent company), other subsidiaries and affiliates, or other subsidiaries and affiliates’ parent company

As of March 31, 2023

Name	Relationship	Proportion of voting rights owned (%)			Stock exchange on which shares are listed
		Directly owned	Aggregate	Total	
Nissan Motor	Parent company	50.0	0.0	50.0	Prime Market of Tokyo Stock Exchange, Inc.

2. Role of the listed company within the corporate group of the parent company, etc., and other information on the relationship between the listed company and the parent company, etc.

- (1) Role of the listed company within the corporate group of the parent company, etc., and dealings and personnel and capital relationships with the parent company, etc., and its group companies

Nissan Motor is the parent company of Nissan Shatai, and owns 50.0% of voting rights in Nissan Shatai. Within the Nissan Motor corporate group, Nissan Shatai is responsible for vehicle development and production. Nissan Shatai develops and manufactures vehicles under contract to Nissan Motor, which accounts for 98.0% (consolidated) and 99.8% (non-consolidated) of Nissan Shatai sales.

Directors and auditors holding other positions concurrently

As of March 31, 2023

Position	Name	Position in the parent company, etc., or its group companies	Reason for appointment
Statutory Auditor (Part-time)	Tomonori Ito	Outside Statutory Auditor, Jatco Co., Ltd. (Part-time)	To make use of his extensive experiences regarding finance and accounting as well as company management.

Note: There is one shared director with parent company, etc., or its group companies out of six directors and three statutory auditors. Also, the above information is non-consolidated basis.

Personnel seconded from the parent company

As of March 31, 2023

Department	Persons	Seconded from:	Reason for secondment
General and administration	1	Parent company: Nissan Motor Co., Ltd.	To enhance corporate structure
Development	1	Parent company: Nissan Motor Co., Ltd.	To enhance corporate structure
	2	Subsidiary of parent company: Nissan Automotive Technology Co., Ltd.	
Production	0		

Note: As of March 31, 2023, Nissan Shatai had 1,698 employees. Also, the above information is non-consolidated basis.

- (2) Business restrictions, risks, and advantages stemming from membership of the corporate group of the parent company, etc., and effects on management and business activities resulting from dealings and personnel and capital relationships with the parent company, etc., and its group companies

Since Nissan Shatai sells 98.0% (consolidated) and 99.8% (non-consolidated) of its output to Nissan Motor, its performance relies heavily on parent company vehicle sales trends. However, the exchange of personnel and technologies with Nissan Motor and its Group companies contributes to further enhancement of effective management and structures at Nissan Shatai.

- (3) Approach to ensuring a certain degree of independence from the parent company, etc., and measures taken to this end, considering business restrictions stemming from membership of the corporate group of the parent company, etc., and effects on management and business activities resulting from dealings and personnel and capital relationships with the parent company, etc., and its group companies

Each fiscal year Nissan Shatai formulates and implements income and quality plans, taking into account Nissan Motor management policies. Transactions with the parent company are carried out according to the Master Production Service Agreement and transaction prices for automobile to the parent company are determined by negotiations that take into account the total cost of manufacturing. In addition, the details of the negotiations are deliberated by the Business Monitoring Committee, which consists of independent outside directors and independent outside statutory auditors, reported to the Board of Directors, and confirmed by the Board of Directors.

(4) Achievement of a certain degree of independence from the parent company, etc.

Although Nissan Shatai maintains close cooperative relationships with Nissan Motor and its Group companies in the course of its business activities, Nissan Shatai is confident that it has achieved a certain level of independence from Nissan Motor, as described in (3) above.

3. Transactions with controlling shareholder (April 1, 2022 to March 31, 2023)

Category	Name	Address	Capital (million yen)	Activities	Voting rights held by the parent company(%)	Relationship Shared directors, etc. Business relation	Description of transactions		Amounts (million yen)	Item	FY-end balance (million yen)
Parent company	Nissan Motor Co., Ltd	Kanagawa-ku, Yokohama, Kanagawa	605,813	Manufacture and sale of automobiles and others vehicles	Direct: 50.0 Indirect: 0.0	Shared directors, etc.:Transferred 3 Business relation: Nissan shatai purchases engine and other components from Nissan Motor and sells automobiles to Nissan Motor.	Busin ess transa ctions	Sales of automobiles , etc.	298,412	Accounts receivable — trade, and contract assets	64,451
								Purchase of parts, etc.	6,910	Payables	3,309
							Non- busin ess transa ctions	Reversal of recall expenses	560	—	—

Note: Consumption tax is excluded from transaction amounts, but included in balances at fiscal year-end. Also, the above information is non-consolidated basis.

4. Implementation of measures to protect minority shareholders when dealing with controlling shareholders

Transactions with the parent company are carried out according to the Master Production Service Agreement and transaction prices for automobile to the parent company are determined by negotiations that take into account the total cost of manufacturing. In addition, the details of the negotiations are deliberated by the Business Monitoring Committee, which consists of independent outside directors and independent outside statutory auditors, reported to the Board of Directors, and confirmed by the Board of Directors. Accordingly, Nissan Shatai is confident that the interests of minority shareholders will not be harmed.