

Notice Concerning Scheduled Start of Tender Offer for Yachiyo Industry Shares

TOKYO, Japan, July 4, 2023 – Honda Motor Co., Ltd. (Honda) today announced that it has signed a basic agreement with Yachiyo Industry Co., Ltd. (Yachiyo), a consolidated subsidiary of Honda, and SMRC Automotive Holdings Netherlands B.V. (Motherson), a group company of Samvardhana Motherson International Limited (Motherson Group), to work toward the sustainable growth of Yachiyo. Honda also decided to acquire the shares of Yachiyo through a public tender offer for the purpose of making Yachiyo a wholly owned subsidiary of Honda.

Following this basic agreement, after acquiring 100% of Yachiyo shares, Honda plans to transfer Yachiyo shares equivalent to 81% of the voting rights to Motherson. Honda aims to commence this public tender offer around October 2023, subject to approval from relevant authorities and other necessary procedures.

Honda is working to optimize its business portfolio by leveraging the individual strengths of Honda group companies including consolidated subsidiaries. Honda decided to enter into this basic agreement due to its belief that Yachiyo can strive for sustainable growth amid major changes in the environment surrounding the automobile industry by expanding sales channels for its existing businesses, while expanding its plastic products business through a strategic partnership with Motherson Group, which operates a global business focused on interior and exterior automotive plastic components.

After the transfer of Yachiyo shares to Motherson, Honda will hold the remaining Yachiyo shares equivalent to 19% of voting rights, and will ensure smooth collaboration between Yachiyo and the Motherson Group.

Moreover, after becoming a wholly owned subsidiary of Honda, Yachiyo plans to transfer all the shares it currently holds of Goshi Giken Co., Ltd. (Goshi Giken) to Honda. By transferring shares of Goshi Giken whose primary business is motorcycle components, Yachiyo will focus its management resources on its main business, automotive components, through which Yachiyo will strive to build a business foundation that can withstand changes in the business environment.

Combining the shares of Goshi Giken to be transferred from Yachiyo with those Honda already owns, Honda will hold Goshi Giken shares equivalent to 95% of the voting rights. Honda will then strive to achieve further growth of its motorcycle business by optimizing the allocation of management resources among the Honda group companies.

<Yachiyo Industry Co., Ltd.>

Establishment: August 1953
Head Office Location: 393, Kashiwabara, Sayama-shi, Saitama, Japan
Representative: Hiroyuki Kachi, President and Representative Director
Capital: 3.69 billion yen
Business: Development and production of auto parts (sunroofs, fuel tanks),
Production of plastic products and service parts
Employment: 6,404 associates (consolidated),
759 (non-consolidated) as of March 31, 2023

<Samvardhana Motherson International Limited>

Establishment: December 1986
Head Office Location: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400051, Maharashtra, India
Representative: Vivek Chaand Sehgal, Chairman
Net Assets: 314.4 billion rupees (consolidated) as of March 31, 2023
Business: Production of automobile parts for automobile OEMs
Employment: 168,000 associates as of March 31, 2023

<SMRC Automotive Holdings Netherlands B.V.>

Establishment: May 2014
Head Office Location: Hoogoorddreef 15, 1101 BA Amsterdam, Netherlands
Business: Design, engineering, production and sales of automotive-related
products for automobile OEMs

<Goshi Giken Co., Ltd.>

Establishment: November 1974
Head Office Location: 1280, Toyooka, Koshi-shi, Kumamoto, Japan
Representative: Yukimitsu Shiga, President and Representative Director
Capital: 500 million yen
Business: Production of motorcycle parts such as exhaust system parts and frames
Employment: 3,209 associates (consolidated),
359 (non-consolidated) as of March 31, 2023