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(Securities Code 7628)
June 3, 2021

To Shareholders with Voting Rights:

Mamoru Shibasaki
President and CEO
Ohashi Technica, Inc.
4-3-13 Toranomom, Minato-ku, Tokyo,
Japan (Location of Head Office)

NOTICE OF THE 69TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage.

We are pleased to announce that the 69th Ordinary General Meeting of Shareholders of Ohashi Technica, Inc. (the “Company”) will be held for the purposes as described below.

You may exercise your voting rights in advance in writing or via electromagnetic means (the Internet, etc.). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:00 p.m. Japan time on Thursday, June 24, 2021.

1. **Date and Time:** Friday, June 25, 2021 at 10:00 a.m. Japan time
2. **Place:** JIJI PRESS HALL (2nd Floor, Jiji Press Building) located at 5-15-8 Ginza, Chuo-ku, Tokyo
3. **Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 69th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
 2. Non-consolidated Financial Statements for the Company’s 69th Fiscal Year (April 1, 2020 - March 31, 2021)

Proposals to be resolved:

Company Proposals (Proposals 1 to 4)

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Three (3) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)
- Proposal 3:** Election of One (1) Director Serving as an Audit and Supervisory Committee Member
- Proposal 4:** Continuation of Measures for Responding to a Large-scale Purchase of the Company’s Shares, etc. (Takeover Defense Measures)

Shareholder Proposal (Proposal 5)

- Proposal 5:** Acquisition of Treasury Shares
4. **Guide to Exercising Voting Rights, etc.:** Please see Guide to Exercising Voting Rights on page 5 (available in Japanese only).

Furthermore, a shareholder proposal has been submitted for this General Meeting of Shareholders.

The details of this proposal are provided in Proposal 5 of the attached “Reference Documents for the General Meeting of Shareholders.”

The Board of Directors of the Company opposes Proposal 5.

Reference Documents for the General Meeting of Shareholders

Company Proposals (Proposals 1 to 4)

Proposal 1: Appropriation of Surplus

We would like to propose to appropriate our surplus as follows.

The Company recognizes the improvement of its corporate value over the medium- to long-term and returning profits to shareholders as one of its important management issues.

We would like to propose our year-end dividend for the 69th fiscal year as follows, comprehensively taking into account the Company's performance during the fiscal year under review, performance trends in the future, financial base, and other factors.

Items Related to the Year-end Dividend

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property and total amount thereof

32 yen per share of common stock of the Company

Total amount: 455,646,720 yen

The annual dividend for this year will be 52 yen per share including the interim dividend.

(3) Effective date of distribution of surplus

June 28, 2021

Proposal 2: Election of Three (3) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all three (3) Directors (excluding Directors serving as Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the conclusion of this General Meeting of Shareholders.

Accordingly, the election of three (3) Directors is proposed.

Regarding this proposal, the Company's Audit and Supervisory Committee has judged that all the candidates for Directors are well qualified.

The candidates for Directors are as follows.

No.	Name	Current positions at the Company	
1	Mamoru Shibasaki	President and CEO; Member of Nomination and Compensation Committee	Renominated
2	Masato Furusho	Director; General Manager of Domestic Business Div.; and General Manager of Sales Div.	Renominated
3	Yoshiji Nakamura	Director; General Manager of Business Promotion Div.	Renominated

<Reference> Policy for the Nomination of Candidates for Directors

The nomination of candidates for the Company's Directors is decided by comprehensively evaluating the candidate's management strategy planning capabilities, business execution capabilities, management control capabilities, risk management capabilities, personality, and other factors. As for the procedure of nomination, candidates are decided by the Board of Directors based on the result of deliberation by the Nomination and Compensation Committee.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company
1	<p>Mamoru Shibasaki (May 14, 1956)</p> <p>Renominated</p> <p>[Number of shares of the Company held] 65,100</p> <p>[Number of years served as Director] 14 years</p> <p>[Attendance at Board of Directors meetings] 18/19</p>	<p>April 1989 Joined the Company</p> <p>November 2001 President, OHASHI TECHNICA U.S.A., INC.</p> <p>June 2003 Executive Officer, OHASHI TECHNICA U.S.A., INC.</p> <p>June 2007 Director; General Manager of Corporate Planning Div.</p> <p>June 2008 Director; General Manager of Overseas Business Div.</p> <p>August 2011 Director; General Manager of Sales Headquarters</p> <p>June 2014 Managing Director</p> <p>June 2015 President and CEO (incumbent)</p> <p>[Significant concurrent positions] None.</p> <p>[Reason for nomination as candidate for Director] Mamoru Shibasaki has a wealth of experience and knowledge in the domestic and overseas divisions, and is demonstrating leadership as the supervisor of the Group. In order to continue to utilize his capabilities and experience for the management of the Group, his election as Director is proposed.</p>
2	<p>Masato Furusho (September 27, 1956)</p> <p>Renominated</p> <p>[Number of shares of the Company held] 44,100</p> <p>[Number of years served as Director] 3 years</p> <p>[Attendance at Board of Directors meetings] 19/19</p>	<p>April 1979 Joined the Company</p> <p>January 2000 President, OHASHI TECHNICA UK, LTD.</p> <p>June 2003 Executive Officer, OHASHI TECHNICA UK, LTD.</p> <p>June 2009 Senior Executive Officer; General Manager of Sales Management Div. I</p> <p>October 2011 Senior Executive Officer; President, OHASHI TECHNICA U.S.A., INC.</p> <p>June 2015 Executive Officer; General Manager of Corporate Procurement Div.</p> <p>October 2016 Executive Officer; General Manager of Sales Div. II</p> <p>December 2017 Executive Officer; General Manager of Sales Div.</p> <p>June 2018 Director; General Manager of Sales Div.</p> <p>March 2019 Director; General Manager of Domestic Business Div.; and General Manager of Sales Div. (incumbent)</p> <p>[Significant concurrent positions] None.</p> <p>[Reason for nomination as candidate for Director] Masato Furusho has a wealth of experience and knowledge in the domestic and overseas divisions, and he is currently in charge of supervisory operations of the domestic business division. In order to utilize his capabilities and experience for the expansion of the Group's business performance, his election as Director is proposed.</p>

Proposal 3: Election of One (1) Director Serving as an Audit and Supervisory Committee Member

The Company proposes to increase the number of Directors serving as Audit and Supervisory Committee Members by one (1) to strengthen the audit system. Accordingly, the election of one (1) Director serving as an Audit and Supervisory Committee Member is proposed.

The Audit and Supervisory Committee has given its consent to this proposal.

The candidate for a Director serving as Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary, positions and responsibilities at the Company
<p>Tomoko Okiyama (April 9, 1954)</p> <p><u>Newly nominated</u></p> <p>[Number of shares of the Company held] -</p> <p>[Number of years served] -</p> <p>[Attendance at Board of Directors meetings] -</p>	<p>October 1975 Joined TOA CORPORATION</p> <p>April 2007 General Manager of Welfare Project Dept., TOA CORPORATION</p> <p>April 2013 Executive Officer; Deputy General Manager of Building Construction General Headquarters; and General Manager of Welfare Project Dept., TOA CORPORATION</p> <p>April 2015 Executive Officer; Deputy General Manager of Building Construction General Headquarters; General Manager of Welfare Project Dept.; and Deputy General Manager of East Japan Architecture Branch Office, TOA CORPORATION</p> <p>July 2019 Executive Officer; Deputy General Manager of Building Construction General Headquarters; and Deputy General Manager of East Japan Architecture Branch Office, TOA CORPORATION</p> <p>March 2020 Adviser of Building Construction General Headquarters, TOA CORPORATION</p> <p>June 2020 Outside Director, Matsumotokiyoshi Holdings Co., Ltd. (incumbent)</p> <p>April 2021 Adviser, the Company (incumbent)</p>
	<p>[Significant concurrent positions] Outside Director, Matsumotokiyoshi Holdings Co., Ltd.</p>
	<p>[Reason for nomination as candidate for Outside Director serving as Audit and Supervisory Committee Member] Tomoko Okiyama has engaged in sales activities over many years at a major listed construction company, and thus possesses a wealth of practical experience in sales activities, in addition to excellent experience and achievements as a business manager from her many years of participation in management as an Executive Officer at the same company. As such, the Company has judged that she possesses the appropriate personality, insight, and management control capabilities for a Director of the Company. The Company expects that she will utilize her capabilities and knowledge to stimulate discussion at meetings of the Board of Directors of the Company and contribute to enhancing diversity.</p> <p>There is no special interest between Tomoko Okiyama and the Company. It has been ensured that she has a high degree of independence, and therefore the Company has judged that she satisfies the standards for election as an Outside Director.</p>

(Notes)

1. Tomoko Okiyama is a candidate for Outside Director.
2. There is no special interest between Tomoko Okiyama and the Company.
3. Tomoko Okiyama satisfies the requirements for Independent Director based on the provisions set forth by the Tokyo Stock Exchange. If appointment of Tomoko Okiyama is approved, the Company plans to register her as an Independent Director.
4. If the election of Tomoko Okiyama is approved, the Company will, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, enter into an agreement with her to limit her liability for damages as provided for in Article 423, Paragraph 1 of said Act. The limitation of liability under said agreement shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of said Act.

5. The Company has concluded a directors and officers liability insurance contract with an insurance company. The insurance policy covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the candidate for Director assumes office, she will be insured under the insurance policy. However, the above insurance contract does not cover claims for damages caused by willful misconduct or gross negligence. The Company plans to renew this insurance policy in December 2021.

Proposal 4: Continuation of Measures for Responding to a Large-scale Purchase of the Company's Shares, etc. (Takeover Defense Measures)

At the 66th Annual General Meeting of Shareholders of the Company held on June 26, 2018, the Company received shareholders' approval to continue the "measures for responding to a large-scale purchase of the Company's shares, etc. (takeover defense measures)," which were introduced by resolution of the Board of Directors at a meeting held on May 18, 2006, with some amendments.

The effective period of the current "measures for responding to a large-scale purchase of the Company's shares, etc. (takeover defense measures)" (the "Plan") expires at the conclusion of the 69th Annual General Meeting of Shareholders of the Company (this "Annual General Meeting of Shareholders"), which is scheduled to be held on June 25, 2021.

After many analyses from the perspective of protecting the corporate value of the Company and, in turn, shareholders' common interests, the Board of Directors of the Company resolved at a meeting held on May 13, 2021 to continue the Plan with an effective period lasting until the conclusion of the Annual General Meeting of Shareholders of the Company scheduled to be held in June 2024, subject to receiving shareholders' approval at this Annual General Meeting of Shareholders.

Furthermore, all six (6) Directors were present at the aforementioned meeting of the Board of Directors, and all Directors unanimously approved the continuation of the Plan.

In this proposal, the Company proposes the continuation of the Plan.

Measures for Responding to a Large-scale Purchase of the Company's Shares, etc.
(Takeover Defense Measures)

I. Basic Policy regarding the Status of Persons Controlling Decisions about the Company's Financial and Business Policies

The Company believes that persons who control decisions about the Company's financial and business policies must sufficiently understand the Company's Mission Statement, sources of corporate value, and relationships with its stakeholders, and must make it possible to continually and sustainably protect and enhance the Company's corporate value and, in turn, shareholders' common interests.

Additionally, the Company believes that judgments regarding purchase proposals accompanied by a transfer of control of the Company should ultimately be based on the will of shareholders as a whole. Furthermore, the Company would not reject a large-scale purchase of its shares, etc. if it would contribute to enhancing the corporate value of the Company and, in turn, shareholders' common interests.

However, it may be assumed that among large-scale purchases, there are some that may harm the corporate value of the Company and, in turn, shareholders' common interests, such as those that present a clear risk of harm to the corporate value of the Company and shareholders' common interests in view of their objective, etc., those that may effectively force shareholders to sell their shares, and those that do not offer the Board of Directors of the Company and shareholders sufficient time and information to analyze the details of the large-scale purchase and any alternative proposals.

The Company believes that persons who would make such a large-scale purchase that does not contribute to its corporate value or shareholders' common interests would be inappropriate as a person controlling decisions on the Company's financial and business policies. As such, the Company believes that it must ensure the enhancement of the corporate value of the Company and, in turn, protect the common interests of its shareholders by taking necessary and reasonable countermeasures against a large-scale purchase by such persons.

II. Sources of the Company's Corporate Value and Initiatives Contributing to Achieving the Basic Policy

1. Sources of the Company's Corporate Value

The Ohashi Technica Group endeavors to protect and enhance corporate value and shareholders' common interests by leveraging its 'Factory & Fables' capabilities to the maximum possible extent both in Japan and overseas as a global supplier, with a focus on the automotive components market. It achieves this through the creation of a global structure, centered on Japan, the Americas, China, the ASEAN region, Europe, and Taiwan.

To facilitate this business development, the Group has created unique systems to train and educate employees, and it exerts significant efforts to develop human resources. In addition, all officers and employees, from the current team of senior executives to the rest of the workforce, make unceasing efforts to maintain and develop the relationships of trust that the Group has built with its customers and many stakeholders in Japan and overseas since its founding, which the Company believes contributes to enhancing the Group's corporate value and, in turn, protecting shareholders' common interests.

2. Initiatives to Enhance Corporate Value

In future, while the spread of COVID-19 will continue to have a significant impact, it is expected that the global economy will gradually normalize, albeit with differences in growth between regions, thanks to the rollout of vaccinations in different countries and regions and the growth of the U.S. and Chinese economies.

On the other hand, in the automotive industry, we may see stagnation in the production activities of customers in Japan and overseas owing to the impact of global and prolonged semiconductor shortages, combined with the impact of COVID-19. As a result, some obstacles to stable growth and recovery in the number of automobiles sold are expected, and while the business environment surrounding the Group is improving, uncertain conditions are likely to continue.

Under these circumstances, the Group will work together to tackle the following issues, as it targets earnings growth and the establishment of stable business foundations.

(1) Creation of strengths by strengthening development and manufacturing functions

- 1) Develop new processing technologies based on broad marketing activities and thus strengthen competitiveness
- 2) Expand production capabilities at each manufacturing site and thus strengthen factory functions
- 3) Promote capital partnerships with key suppliers, thus strengthening the Group's manufacturing functions

(2) Strengthening and enhancing global business systems

- 1) Take steps to enhance the Group's global response capabilities, by strengthening new business site

- development and bolstering the functions of existing sites
- 2) Strengthen the organizational structures of each overseas subsidiary and enhance the business management capabilities of local employees
- (3) Promoting strategic procurement activities
 - 1) Build strategic relationships with key suppliers, in order to further strengthen fables functions
 - 2) Strengthen the Group's global procurement systems
- (4) Continuing efforts to enhance corporate value
 - 1) Promote corporate activities that contribute to the achievement of SDGs (sustainable development goals), thus enhancing corporate value while also creating a prosperous and vital society
 - 2) Provide stable returns to stakeholders
- 3. Initiatives Aimed at Strengthening Corporate Governance

The Company operates its businesses on a global scale, under its Mission Statement of "Generating additional value to further establish Ohashi Technica as a trusted company to our global customers." At the same time, the Company is keenly aware of its position as a member of society, and endeavors to contribute to achieving a prosperous society by ensuring that all its business activities are fair and transparent, while also aiming to be a company that shareholders and investors, users, business partners, and society trust and hold high expectations for. As such, the Company considers the enhancement of corporate governance to be a management issue of the utmost importance.

With the aim of further strengthening its corporate governance systems, the Company transitioned to a company with an Audit and Supervisory Committee after receiving approval at the Annual General Meeting of Shareholders held on June 24, 2016.

The Board of Directors of the Company consists of three (3) Directors (excluding Directors serving as Audit and Supervisory Committee Members) and three (3) Directors serving as Audit and Supervisory Committee Members (including two (2) Outside Directors). The Board of Directors holds regular meetings once per month, and extraordinary meetings as necessary, to deliberate and make decisions on matters to be determined at the discretion of the Board of Directors, as set forth in the Companies Act, and agenda items set forth in the Board of Directors Regulations.

The Audit and Supervisory Committee appoints one (1) Full-time Audit and Supervisory Committee Member who attends meetings of the Board of Directors as well as the Business Strategy Meeting and gathers information, while Outside Directors attend all meetings of the Board of Directors and the regular meetings of the Audit and Supervisory Committee, in principle. In this way, the Company has a system in place to ensure that the Audit and Supervisory Committee is sufficiently able to audit the execution of duties by Directors. In addition, the Audit and Supervisory Committee also enhances the effectiveness and efficiency of audits by maintaining close coordination with the department responsible for internal audits and the Accounting Auditor and exchanging information with them.

Furthermore, in order to clarify the separation of strategic decision-making and operation supervision functions from the execution of operations by the Board of Directors, the Company introduced an Executive Officer system in fiscal 1999, thus ensuring a system is in place that enables it to respond swiftly to changes in the management environment.

III. Objective of this Plan

The Board of Directors of the Company decided to continue this Plan in order to clarify the rules that a person attempting to conduct a large-scale purchase of the Company's shares, etc. should follow, and secure the necessary and sufficient information and time for shareholders to make an appropriate judgment, together with opportunities for negotiation with the person attempting to conduct the large-scale purchase.

As described below, this Plan determines rules that persons attempting to conduct a large-scale purchase of the Company's shares, etc. should follow, and makes it clear that in certain circumstances, persons attempting to conduct a large-scale purchase may suffer damages as a result of the implementation of countermeasures by the Company. By appropriately disclosing the above, the Company is providing a warning to persons attempting to conduct a large-scale purchase of the Company's shares, etc. that does not contribute to the corporate value of the Company and, in turn, shareholders' common interests.

Furthermore, in order to eliminate arbitrary judgments by the Board of Directors of the Company when activating countermeasures under this Plan, the Company will respect the recommendation of the Special Committee, which consists solely of Outside Directors of the Company and external experts who are independent from the management team engaged in the execution of operations at the Company, in accordance with the "Overview of Special Committee Regulations" set forth in Attachment 1, and will also disclose information to shareholders in a timely manner, thus ensuring transparency.

The "Names and Career Summaries of Persons Expected to be Appointed Members of the Special Committee" at the time of the continuation of this Plan are as provided in Attachment 2.

The status of the major shareholders of the Company as of March 31, 2021 is as provided in Attachment 3, “Status of Major Shareholders of the Company.”

IV. Details of this Plan

1. Large-scale Purchases, etc. Subject to this Plan

Countermeasures based on this Plan may be activated when actions that fall under the following categories (1) or (2), or other similar actions (however, this excludes those approved in advance by the Board of Directors of the Company) are conducted or attempted.

- (1) Purchases where the holding ratio of shares, etc. of the holder in relation to the Company’s shares, etc. will be 20% or more
- (2) Tender offers where the total of the ownership ratio of shares, etc. for the shares, etc. in the tender offer and the ownership ratio of shares, etc. of any specially related parties in relation to the Company’s shares, etc. will be 20% or more

2. Requests to the Large-scale Purchaser, etc. for the Submission of Information

(1) Advance provision of “Statement of Intent” to the Company

When attempting to conduct a large-scale purchase, the large-scale purchaser shall, prior to the execution of the large-scale purchase, provide to the Board of Directors of the Company a document in Japanese that includes a pledge to the effect that the large-scale purchaser will comply with the procedures set forth in this Plan (“Statement of Intent”), in a form prescribed by the Company.

The Statement of Intent shall include the information set forth in Attachment 4, and it shall be accompanied by a Certificate of All Matters, copy of the Articles of Incorporation, and other documentation proving the existence of the large-scale purchaser.

(2) Submission of required information to the Company

In order to secure the necessary and sufficient information for shareholders to make a judgment concerning the large-scale purchase and for the Board of Directors of the Company to engage in evaluation and analysis of the large-scale purchase, once the aforementioned Statement of Intent has been submitted, the large-scale purchaser shall submit to the Board of Directors of the Company, in Japanese, the information required for evaluation and analysis (“large-scale purchase information”), in accordance with the following procedures.

- 1) Within 10 business days of receiving the Statement of Intent, the Company will dispatch to the large-scale purchaser a list of information describing the information that should initially be submitted. The large-scale purchaser shall then submit sufficient large-scale purchase information to the Company, in Japanese, within 20 business days, in accordance with the “Large-scale Purchase Information List” set forth in Attachment 5.
- 2) If the large-scale purchase information is not submitted, or the Board of Directors of the Company reasonably judges that the large-scale purchase information submitted is insufficient for the evaluation and analysis of the Board of Directors of the Company, the Board of Directors of the Company may request that the large-scale purchaser submits additional information.

(3) Information disclosure to shareholders

The Board of Directors of the Company will disclose the fact that there was a proposal for a large-scale purchase, etc. by the purchaser, etc., an overview thereof, an overview of the required information, and any information deemed necessary for the judgment of shareholders, at a time that it judges to be appropriate. In addition, if the Board of Directors of the Company judges that the purchaser, etc. has sufficiently submitted the required information, it shall notify the purchaser, etc. to that effect and promptly disclose that fact.

3. Analysis of the Details of the Large-scale Purchase

In the event that, upon obtaining advice from external experts (attorneys-at-law, certified public accountants, consultants, and other experts), the Board of Directors of the Company reasonably judges that the submission of large-scale purchase information by the large-scale purchaser has been completed, it shall establish a period as follows, as a period for evaluation, analysis, negotiation, opinion forming, and the creation of an alternative proposal by the Board of Directors of the Company.

- (1) Up to 60 days, when the large-scale purchase, etc. is a tender offer with cash (Japanese yen) as the only consideration
- (2) Up to 90 days, for other large-scale purchases, etc.

Next, during the period for analysis by the Board of Directors, the Board of Directors of the Company will engage in such activities as sufficiently evaluating and analyzing the large-scale purchase information submitted by the large-scale purchaser, etc., performing comparative analysis of the business plans, etc. of the large-scale purchaser and the Board of Directors of the Company from the perspective of protecting and enhancing the corporate value of the Group and shareholders’ common interests, and considering an

alternative proposal by the Board of Directors of the Company, while obtaining advice from external experts, etc. as necessary. In accordance with laws and regulations, the Board of Directors of the Company shall disclose information to shareholders in a timely manner, including the fact that it established this period for analysis by the Board of Directors, a carefully put together opinion as the Board of Directors of the Company, and an alternative proposal, if the Board of Directors of the Company have submitted an alternative proposal to the large-scale purchase. In addition, the Board of Directors of the Company shall also notify the large-scale purchaser of its opinion, any alternative proposal, etc.

4. Activation of Countermeasures Against the Large-scale Purchase

(1) Establishment of “Special Committee”

Upon the introduction of this Plan, the Company shall establish a “Special Committee” consisting of Outside Directors of the Company and external experts, in order to ensure that the large-scale purchase rules are properly implemented, eliminate arbitrary judgments by the Board of Directors in relation to the activation of countermeasures, and ensure objectivity and reasonableness in the judgments and response of the Board of Directors.

During the period for analysis by the Board of Directors, the Special Committee shall provide a recommendation to the Board of Directors of the Company concerning the appropriateness of activating countermeasures, in accordance with the following procedures. In order to ensure that judgments of the Special Committee are conducted in a way that contributes to the protection and enhancement of the corporate value of the Company and shareholders’ common interests, the Special Committee may obtain advice from third parties independent from the management team engaged in the execution of operations at the Company (investment banks, securities firms, attorneys-at-law, and other experts), at the Company’s expense.

Furthermore, if the Special Committee makes a recommendation to the Board of Directors of the Company as follows, the Board of Directors of the Company shall promptly disclose the fact that the recommendation was made, an overview thereof, and any other information judged appropriate by the Board of Directors of the Company.

1) Cases when the Special Committee recommends the activation of countermeasures

If the large-scale purchaser, etc. does not comply with the procedures set forth in this Plan, or if it is recognized that the large-scale purchase, etc. will significantly harm the corporate value of the Company and shareholders’ common interests, the Special Committee will recommend that the Board of Directors of the Company activates countermeasures. Furthermore, if it is judged that the large-scale purchase, etc. falls under any of the categories in Attachment 6, “Types of Purchase, etc. Deemed to Significantly Harm the Corporate Value of the Company and Shareholders’ Common Interests,” or if there are considerable circumstances that give rise to objective and reasonable suspicion that the large-scale purchase, etc. may fall under any of these categories, and it is judged that the activation of countermeasures would be appropriate, it shall be recognized that the large-scale purchase, etc. would significantly harm the corporate value of the Company and shareholders’ common interests.

2) Cases when the Special Committee recommends that countermeasures are not activated

If the Special Committee judges that the details of the large-scale purchase, etc. comply with the procedures in this Plan and it cannot be said that the large-scale purchase, etc. will clearly harm corporate value or violate shareholders’ common interests, or if it judges that the activation of the countermeasures would not be appropriate, it will recommend that the Board of Directors of the Company does not activate the countermeasures.

However, even after the Special Committee has once recommended that countermeasures are not activated, it may recommend that the Board of Directors of the Company activates the countermeasures if changes arise to the facts that formed the basis for the recommendation not to activate countermeasures and the large-scale purchase, etc. by the large-scale purchaser, etc. thus satisfies the criteria in the above item 1).

(2) Resolutions of the Board of Directors

The Board of Directors of the Company shall promptly make a resolution about whether to activate or not activate countermeasures, from the perspective of protecting and enhancing the corporate value of the Company and shareholders’ common interests, based on the recommendation of the Special Committee, while respecting the recommendation of the Special Committee as set forth in the above item (1) to the maximum possible extent.

If the Board of Directors of the Company makes a resolution as described above, it shall promptly disclose an overview of that resolution together with any other information that it judges to be appropriate, regardless of whether the Board of Directors of the Company resolves to activate or not activate countermeasures.

(3) Cancellation of countermeasures or suspension of activation

Even after the Board of Directors of the Company has resolved to activate countermeasures or after it has activated countermeasures in accordance with the procedures in the above item (2), it may resolve to cancel countermeasures or suspend their activation based on the recommendation of the Special Committee, or regardless of whether or not the Special Committee made a recommendation, if the large-scale purchaser, etc. cancels the large-scale purchase, etc., or if changes arise to the facts, etc. that formed the basis for the judgment to activate countermeasures and circumstances become such that it is believed that the activation of countermeasures would not be appropriate from the perspective of protecting and enhancing the corporate value of the Company and shareholders' common interests.

If the Board of Directors of the Company makes a resolution as described above, it will promptly disclose an overview of the resolution together with any other information that it judges to be appropriate.

(4) Commencement of large-scale purchase, etc.

The large-scale purchaser shall comply with the procedures set forth in this Plan, and shall not commence the large-scale purchase, etc. until the Board of Directors of the Company makes a resolution to activate or not activate countermeasures.

5. Specific Details of Countermeasures Under this Plan

The countermeasures that the Board of Directors of the Company shall activate based on a resolution as described in the above item 4. (2) shall, in principle, be a gratis allotment of share acquisition rights (the "share acquisition rights"). However, other countermeasures may be utilized when these countermeasures are permitted by the Companies Act, other laws and regulations, and the Articles of Incorporation of the Company, and it is judged that the activation of these countermeasures would be appropriate. An overview of the gratis allotment of share acquisition rights is provided in Attachment 7, "Overview of Share Acquisition Rights."

Even after the Board of Directors of the Company has resolved to activate countermeasures or after it has activated countermeasures, it may resolve to cancel the countermeasures or suspend their activation if it judges that the activation of countermeasures would not be appropriate owing to the withdrawal of the large-scale purchase by the large-scale purchaser or other circumstances.

In addition, even after the effective date of the gratis allotment of share acquisition rights, the Company may acquire the share acquisition rights without consideration during the period until the day before the first day of their effective period if the Board of Directors of the Company judges that the acquisition of the share acquisition rights by the Company would be appropriate for reasons similar to those described above.

V. Effective Period of this Plan, Discontinuation, and Amendments

If this Plan is approved at this Annual General Meeting of Shareholders, its effective period shall last until the conclusion of the Annual General Meeting of Shareholders scheduled to be held in June 2024.

However, even prior to the expiration of the effective period, if a resolution is passed to change or discontinue this Plan at the General Meeting of Shareholders of the Company, this Plan shall be changed or amended at that time, in accordance with this resolution.

In addition, if the Board of Directors, which consists of Directors elected at General Meetings of Shareholders of the Company, resolves to discontinue this Plan, then this Plan shall be discontinued at that time.

Furthermore, the Board of Directors of the Company may, with the approval of the Special Committee, amend this Plan within the scope reasonably recognized as necessary owing to changes to the Companies Act, the Financial Instruments and Exchange Act, other laws and regulations, or the regulations of financial instruments exchanges, or the interpretation or implementation thereof, or changes to the tax system, judicial precedents, etc.

If this Plan is discontinued or amended, the Company will disclose the fact that this discontinuation or amendment has taken place (excluding minor changes due to changes to words and phrases as a result of revisions to laws and regulations, etc.), the details of the amendment, and any other information deemed appropriate by the Board of Directors of the Company.

VI. Reasonableness of this Plan

1. Fulfills the Conditions of the Guidelines Regarding Takeover Defense Measures

This Plan follows the basic policy of the Company and satisfies the three principles (the principle of protecting and enhancing corporate value and the interests of shareholders as a whole, the principle of prior disclosure and shareholders' will, and the principle of ensuring the necessity and reasonableness) of the "Guidelines Regarding Takeover Defense for the Purpose of Protection and Enhancement of Corporate Value and Shareholder's Common Interests" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

2. Introduced in Order to Protect and Enhance the Corporate Value of the Company and Shareholders' Common Interests

This Plan has been introduced in order to protect and enhance the corporate value of the Company and shareholders' common interests by making it possible, if a large-scale purchase, etc. of the Company's shares, etc. is attempted, to secure the required information and time for shareholders to judge whether or not to accept the purchase, etc., or for the Board of Directors of the Company to present an alternative proposal, and conduct negotiations with the purchaser, etc. on shareholders' behalf.

3. Prioritizes the Will of Shareholders

This Plan shall be continued subject to resolution by approval at the Annual General Meeting of Shareholders. However, even prior to the expiration of the effective period of this Plan, if a resolution is passed to amend or discontinue this Plan at a subsequent General Meeting of Shareholders, this Plan shall be amended or discontinued at that time, in accordance with the resolution. Accordingly, this Plan is designed such that the will of shareholders is sufficiently reflected in the continuation and discontinuation of this Plan.

4. Prioritizes the Judgment of a Highly Independent Committee and Information Disclosure

Upon the introduction of this Plan, the Company has established a Special Committee to eliminate arbitrary judgments by the Board of Directors in relation to such matters as the activation of countermeasures against the large-scale purchase, etc., and ensure objectivity and reasonableness in the judgments and response of the Board of Directors.

The Special Committee consists of persons selected by the Board of Directors of the Company from among Outside Directors of the Company and external experts who are independent from the management team engaged in the execution of operations at the Company.

In addition, the Company shall disclose an overview of the Special Committee's judgment to shareholders, as necessary, thus ensuring a mechanism is in place for implementing this Plan in a transparent manner, in a way that contributes to the corporate value of the Company and shareholders' common interests.

5. Sets Reasonable and Objective Activation Criteria

As described in the above item IV., this Plan is designed such that countermeasures will not be activated unless reasonable and objective activation criteria are satisfied, thus ensuring a mechanism is in place to prevent the arbitrary activation of countermeasures by the Board of Directors of the Company. Based on the above, the Company believes it is clear that this Plan is not aimed at preserving the positions of its officers.

6. Not Dead-Hand or Slow-Hand Type Takeover Defense Measures

As described in the above item V., this Plan may be discontinued at any time by the Board of Directors of the Company. Accordingly, this Plan is not a dead-hand type takeover defense measure (a takeover defense measure whose activation cannot be prevented even if a majority of members of the Board of Directors are replaced).

In addition, the term of office of Directors of the Company (excluding Directors serving as Audit and Supervisory Committee Members) is one (1) year, and therefore this Plan is not a slow-hand type takeover defense measure (a takeover defense measure whose activation requires time to prevent, as all members of the Board of Directors cannot be replaced at once).

VII. Impact on Shareholders and Investors

1. Impact on Shareholders when this Plan is Continued

The share acquisition rights will not actually be issued when this Plan is continued. Accordingly, when this Plan is continued, there will be no direct specific impact on statutory rights or economic interests related to shares of the Company held by shareholders.

Furthermore, the Company's response to any large-scale purchase shall differ depending on whether the large-scale purchaser, etc. complies with this Plan, and therefore the Company's shareholders are advised to be aware of the actions of the purchaser, etc.

If the Company identifies any actions on the part of the purchaser, etc. that may affect shareholders, it will promptly disclose information concerning those actions.

2. Impact on Shareholders and Investors when the Share Acquisition Rights are Allotted Gratis

If the Board of Directors of the Company decides to activate countermeasures and conducts the gratis allotment of share acquisition rights, the share acquisition rights will be allotted gratis to shareholders recorded in the shareholder register on the separately determined allotment date, at a ratio of up to one (1) share acquisition right per share held.

Under this system, although the economic value of each share in the Company held by shareholders will be diluted, there will be no dilution in the total economic value of shares in the Company held by

shareholders, even if there is a gratis allotment of share acquisition rights. For this reason, the Company does not expect any direct, specific impact on statutory rights and economic interests related to shares of the Company held by shareholders.

However, the activation of countermeasures may result in the statutory rights or economic interests of the large-scale purchaser, etc. being impacted in some form.

Furthermore, in cases when the Board of Directors of the Company resolves to conduct the gratis allotment of share acquisition rights, if it cancels the activated countermeasures or suspends their activation in accordance with the procedures, etc. in the above item IV. 4. (3), there may be commensurate fluctuations in the share price of the Company.

For example, if, after the shareholders to receive the gratis allotment of share acquisition rights have been determined, the Company suspends the activation of countermeasures, acquires the share acquisition rights without consideration, and does not deliver new shares, the economic value of each share held by shareholders will not be diluted. The Company thus requests that shareholders take note of the fact that, in this case, shareholders and investors who had entered into trades on the assumption that the economic value of each share in the Company would be diluted may suffer losses as a result of fluctuation in the share price.

In addition, if discriminatory conditions are attached to the exercise or acquisition of the share acquisition rights, the statutory rights and economic interests of the purchaser, etc. may be impacted when the share acquisition rights are exercised or acquired. However, even in this case, the Company does not expect any direct, specific impact on statutory rights and economic interests associated with the Company's shares held by shareholders other than the purchaser, etc.

3. Procedures for Shareholders Accompanying the Gratis Allotment of Share Acquisition Rights

(1) Procedures on the effective date of the gratis allotment of share acquisition rights

With regard to procedures for the gratis allotment of share acquisition rights, shareholders recorded in the shareholder register on the record date will be automatically granted share acquisition rights on the effective date of the gratis allotment of subscription rights to shares, so there will be no need to complete application procedures.

(2) Procedures required of shareholders when the share acquisition rights are exercised or acquired after the gratis allotment of share acquisition rights is conducted

When the Company takes procedures to acquire share acquisition rights with an acquisition clause attached, a resolution will be passed by the Board of Directors and public notice will be given to holders of the share acquisition rights before the acquisition, in accordance with the procedures set forth in the Companies Act.

In addition, the Company will notify holders of the share acquisition rights prior to the first day of the exercise period, in accordance with the procedures set forth in the Companies Act, in cases when shareholders other than non-qualified parties that the Company has determined will not be able to exercise the share acquisition rights, i.e. the large-scale purchaser and its group, will exercise the share acquisition rights upon the start of the exercise period. Accordingly, the Company urges shareholders to exercise their share acquisition rights during the exercise period in this case.

Furthermore, whichever procedures are to be taken, the Company will disclose the details of the procedures in a timely and appropriate manner, pursuant to applicable laws and regulations, etc. As such, shareholders are advised to pay sufficient attention to information disclosed by the Company if countermeasures are activated.

Overview of Special Committee Regulations

(Objective)

1. The Special Committee shall be established by resolution of the Board of Directors of the Company, in order to eliminate arbitrary judgments by the Board of Directors in relation to such matters as the activation of countermeasures against a large-scale purchase, etc. of the Company's shares, etc., and ensure objectivity and reasonableness in the judgments and response of the Board of Directors.

(Selection of Committee Members)

2. The Special Committee shall consist of five (5) members, who shall be selected by resolution of the Board of Directors of the Company from among Outside Directors of the Company and external experts.

(Term of Office of Committee Members)

3. The term of office of members of the Special Committee shall be the term of office as a Director for Outside Directors, and the period of this Plan as resolved at the Annual General Meeting of Shareholders for external experts.

(Convocation and Selection of Chair)

4. The Chair of the Board of Directors of the Company shall convene meetings of the Special Committee based on resolutions of the Board of Directors. The Chair of the Special Committee shall be selected by mutual selection among members of the Special Committee.

(Resolution Method)

5. Resolutions of the Special Committee shall be made by a majority of members when a majority of members are in attendance.

(Matters to be Resolved)

6. The Special Committee shall deliberate and make resolutions concerning the matters in each of the following items, and shall provide recommendations to the Board of Directors of the Company together with reasons for the details of its resolutions.

- (1) Appropriateness of activating countermeasures under this Plan
- (2) Cancellation of countermeasures under this Plan or suspension of their activation
- (3) Amendments to this Plan
- (4) Other matters related to this Plan about which the Board of Directors of the Company chooses to consult the Special Committee

When deliberating and making resolutions concerning each of the above items, the Special Committee shall gather sufficient information and documentation concerning the person proposing the purchase, the details of the purchase proposal, and other factors, and shall engage in earnest analysis from a fair and neutral perspective.

(Reporting to the Committee)

7. When gathering information and documentation concerning the person proposing the purchase, the details of the purchase proposal, and other factors, the Special Committee may make requests to the Representative Director, etc. of the Company to gather the necessary information and documentation and report it to the Special Committee. The Representative Director, etc. of the Company shall endeavor to cooperate with the gathering of information and documentation for the Special Committee as much as possible.

(External Advice)

8. The Special Committee may engage in such actions as obtaining advice from investment banks, securities firms, attorneys-at-law, and other experts, at the Company's expense.

Names and Career Summaries of Members and Persons Expected to be Appointed Members of the Special Committee

Special Committee Members

Name (Date of birth)	Career summary
Toru Miyoshi (April 15, 1947)	April 1976 Registered as an attorney-at-law Joined Kashiwabara Law Offices September 1978 Founded Miyoshi & Associates Law Firm (currently in office) June 1997 Outside Corporate Auditor, the Company June 2016 Outside Director serving as Audit and Supervisory Committee Member (incumbent)

There is no special interest between Toru Miyoshi and the Company.

Name (Date of birth)	Career summary
Mikio Niizuma (December 11, 1950)	April 1976 Joined Tokyo Regional Taxation Bureau July 2001 Deputy District Director, Totsuka Tax Office July 2007 Director, International Division (Criminal Investigation), Criminal Investigation Dept., Tokyo Regional Taxation Bureau July 2009 District Director, Fujisawa Tax Office August 2011 Registered as a certified public tax accountant September 2011 Founded Mikio Niizuma Tax Accountant Office (currently in office) June 2013 Outside Corporate Auditor, the Company June 2016 Outside Director serving as Audit and Supervisory Committee Member (incumbent)

There is no special interest between Mikio Niizuma and the Company.

Persons Expected to be Appointed Special Committee Members

Name (Date of birth)	Career summary
Tomoko Okiyama (April 9, 1954)	October 1975 Joined TOA CORPORATION
	April 2007 General Manager of Welfare Project Dept.
	April 2013 Executive Officer; Deputy General Manager of Building Construction General Headquarters; General Manager of Welfare Project Dept.
	April 2015 Executive Officer; Deputy General Manager of Building Construction General Headquarters; General Manager of Welfare Project Dept.; Deputy General Manager of East Japan Architecture Branch Office
	July 2019 Executive Officer; Deputy General Manager of Building Construction General Headquarters; Deputy General Manager of East Japan Architecture Branch Office
	March 2020 Advisor of Building Construction General Headquarters
	June 2020 Outside Director, Matsumotokiyoshi Holdings Co., Ltd. (incumbent)
	April 2021 Advisor, the Company (incumbent)

1. Tomoko Okiyama is expected to be appointed Outside Director serving as Audit and Supervisory Committee Member, subject to her appointment receiving approval at the Annual General Meeting of Shareholders to be held in June of this year.
2. There is no special interest between Tomoko Okiyama and the Company.

Name (Date of birth)	Career summary	
Takehisa Taguchi (July 14, 1943)	April 1962 July 2000 July 2001 August 2002 August 2002 June 2008 June 2013 June 2016	Joined Tokyo Regional Taxation Bureau District Director, Katsushika Tax Office District Director, Tachikawa Tax Office Registered as a certified public tax accountant Founded Takehisa Taguchi Tax Accountant Office (currently in office) Outside Corporate Auditor, the Company Outside Director, Company Retired as Outside Director of the Company

There is no special interest between Takehisa Taguchi and the Company.

Name (Date of birth)	Career summary	
Hiroshi Taguchi (September 22, 1936)	November 1962 June 1989 April 1991 July 1997 June 1998 June 2008	Joined The Chuo Trust & Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited) General Manager of Credit Assessment Department Managing Director, Nissin GF Co., Ltd. Retired as Managing Director of Nissin GF Co., Ltd. Corporate Auditor (Outside Corporate Auditor), the Company Retired as Corporate Auditor of the Company

There is no special interest between Hiroshi Taguchi and the Company.

Status of Major Shareholders of the Company (as of March 31, 2021)

Name	Number of shares (shares)	Shareholding ratio (%)
Partner stock ownership	1,444,400	10.14
The Master Trust Bank of Japan, Ltd. (Trust Account)	720,200	5.06
Mizuho Bank, Ltd.	715,900	5.03
Nippon Life Insurance Company	660,000	4.64
Custody Bank of Japan, Ltd. (Trust Account)	537,300	3.77
Ichigo Trust Pte. Ltd.	379,300	2.66
Mscs Customer Securities	358,700	2.52
Reiko Ohashi	353,700	2.48
Meiji Yasuda Life Insurance Company	340,000	2.39
Saga Tekkohsho Co., Ltd.	305,600	2.15

(Notes) The Company retains 520,120 treasury shares.

The shareholding ratio is calculated after deducting treasury stock.

Statement of Intent

1. Overview of large-scale purchaser
 - 1) Name and address or location
 - 2) Title and name of representative
 - 3) Purpose and business details of company, etc.
 - 4) Overview of major shareholders or significant investors (top ten by shares held or investment ratio)
 - 5) Contact details in Japan
 - 6) Governing law of incorporation

2. The number of the Company's shares, etc. actually held by the large-scale purchaser and the status of any transactions in the Company's shares, etc. during the 60 days prior to the submission of the Statement of Intent

3. Overview of the large-scale purchase proposed by the large-scale purchaser
 - 1) The type and number of the Company's shares, etc. expected to be acquired in the large-scale purchase
 - 2) Objective of the large-scale purchase

If the objective of the large-scale purchase, etc. is to acquire control or participate in management, portfolio investment or strategic investment, transfer of the Company's shares, etc. to a third party after the large-scale purchase, etc., conduct a material proposal, or any other objective, notification to that effect together with the details thereof.

Furthermore, if there are multiple objectives, details of all objectives shall be provided.

4. Pledge to comply with this Plan

Large-scale Purchase Information List

1. Details of the large-scale purchaser and its group
History, specific name, capital structure, business details, financial details, names and career summaries of officers, financial details for the most recent three (3) fiscal years, business performance, and other aspects of the status of accounting and finance
2. Specific details of the objective of the large-scale purchase, etc., its method, and the details thereof
3. The type and amount of consideration for the large-scale purchase, etc. together with the basis for the calculation of that amount (including the assumptions used for the calculation, calculation method, numerical data used in the calculation and the details of any synergies that are expected to occur as a result of the sequence of transactions related to the large-scale purchase, etc., the names of any third parties whose views were sought for the calculation, in the event that such views were sought, an overview of their views, and the process that led to the determination of the amount based on these views.)
4. Backing for funds for the large-scale purchase, etc. (including the specific names of providers of funds (including any de facto providers of funds), method of procurement, and details of any related transactions.)
5. Whether there has been any communication of intent with any third party in relation to the large-scale purchase, etc., and if there has been any communication of intent, the details thereof and an overview of said third party
6. If there has been any lending agreement, security agreement, resale agreement, forward trading agreement, or other important agreement or arrangement (“security agreement, etc.”), in relation to the Company's shares, etc. already held by the purchaser, the specific details of the security agreement, etc., including the type of agreement, the counterparty in the agreement, and the number of shares, etc. subject to the agreement
7. If the purchaser, etc. intends to enter into a security agreement, etc. or conclude any other type of agreement with a third party regarding the Company's shares, etc. that the purchaser, etc. intends to acquire in the large-scale purchase, etc., the specific details of the agreement, including the type of intended agreement, counterparty in the agreement, and the number of shares, etc. subject to the agreement
8. Any management policies, business plans, capital policies, and dividend policies for the Company and the Group after the large-scale purchase, etc.
9. Policies for working with the Company's employees, labor unions, trading partners, customers, local communities, and other stakeholders of the Company after the large-scale purchase, etc.
10. Specific measures to avoid conflicts of interest with other shareholders of the Company.

Furthermore, the Board of Directors of the Company will disclose the fact that there was a proposal for a large-scale purchase, etc. by the purchaser, etc., an overview thereof, an overview of the required information, and any information deemed necessary for the judgment of shareholders, at a time that it judges to be appropriate.

In addition, if the Board of Directors of the Company judges that the purchaser, etc. has sufficiently submitted the required information, it shall notify the purchaser, etc. to that effect and promptly disclose that fact.

Types of Purchase, etc. Deemed to Significantly Harm the Corporate Value of the Company and Shareholders' Common Interests

1. When it is judged that, regardless of the fact that the large-scale purchaser has no intention to participate in the management of the Company, the large-scale purchaser is conducting or attempting to conduct a purchase of the Company's shares, etc. for the sole purpose of increasing the price of the Company's shares, etc. and forcing the Company or parties related to the Company to buy them back at a high price (a so-called "green mailer")
2. When it is judged that the large-scale purchaser is purchasing the Company's shares, etc. in order to temporarily take control of the management of the Company and transfer to the large-scale purchaser or its group companies, etc., intellectual property rights, expertise, confidential corporate information, key trading partners, customers, or other assets of the Company or Group companies that are essential for the business management of the Company or Group companies
3. When it is judged that the large-scale purchaser is purchasing the Company's shares, etc. with the intention of using the assets of the Company or Group companies as collateral or repayment funds for the obligations of the large-scale purchaser or its Group companies, etc., after gaining control of the management of the Company
4. When it is judged that the large-scale purchaser is purchasing the Company's shares, etc. in order to take temporary control of the management of the Company, cause the Company or Group companies to sell or otherwise dispose of real estate, securities, or other high-value assets, etc., that are not directly related to the businesses of the Company or the Group companies, and pay a one-time high dividend with the profits from the disposal, or take advantage of the sudden increase in the share price from the one-time high dividend to sell the Company's shares, etc. at a high price
5. When it is judged that the purchase terms for the Company's shares, etc. proposed by the large-scale purchaser (including the type and amount of consideration for the purchase, the basis for the calculation of this amount, the specific details of other terms, and the timing and method of purchase), or the legality or feasibility thereof, are highly insufficient or inappropriate in view of the corporate value of the Company
6. When it is judged that there is a risk the purchase method proposed by the large-scale purchaser for the Company's shares, etc. will limit the opportunities or freedom of shareholders to make a judgment, and effectively force shareholders to sell the Company's shares, etc., such as a so-called coercive two-tiered acquisition (referring to a purchase of shares, etc. by tender offer where the purchaser does not offer to purchase all the shares, etc. of the Company in the first stage of the purchase, and sets disadvantageous purchase terms or does not make the purchase terms explicitly clear for the second stage)
7. When it is judged that the acquisition of control by the large-scale purchaser may hinder the protection or development of the corporate value of the Company or shareholders' common interests, such as when it is expected that the corporate value of the Company and, in turn, shareholders' common interests, will be significantly harmed, including the interests not only of the Company's shareholders, but also its customers, employees, and other stakeholders
8. When it is judged that the large-scale purchaser is highly inappropriate as a controlling shareholder of the Company from the perspective of public order and good morals
9. Other cases equivalent to the above items 1 through 8, when it is reasonably judged that the protection and development of the corporate value of the Company and shareholders' common interests will be significantly harmed

Overview of Share Acquisition Rights

1. Shareholders Eligible for the Granting of Share Acquisition Rights and their Issuance Terms

Share acquisition rights shall be allotted to shareholders recorded in the final shareholder register on the allotment date determined by the Board of Directors of the Company, at a ratio of one (1) share acquisition right per share held (however, this shall exclude common shares in the Company held by the Company).

2. Type and Number of Shares Underlying the Share Acquisition Rights

The type of shares underlying the share acquisition rights shall be common shares in the Company, and the maximum total number of shares underlying the share acquisition rights shall be the total number of authorized shares of the Company, as stipulated in the Articles of Incorporation of the Company, minus the total number of shares issued by the Company. The number of shares underlying each share acquisition right shall be separately determined by the Board of Directors of the Company.

However, if the Company conducts a share split or consolidation of shares, it shall make the necessary adjustments.

3. Total Number of Share Acquisition Rights to be Issued

The total number of share acquisition rights to be allotted shall be a number separately determined by the Board of Directors of the Company. The Board of Directors of the Company may allot share acquisition rights over multiple occasions.

4. Issuance Amount of the Share Acquisition Rights

The share acquisition rights shall be allotted gratis.

5. Amount to be Paid Upon Exercise of Each Share Acquisition Right

The amount to be paid when exercising each share acquisition right shall be an amount determined by the Board of Directors of the Company of one (1) yen or more.

6. Transfer Restrictions on Share Acquisition Rights

The transfer of the share acquisition rights shall require the approval of the Board of Directors of the Company.

7. Exercise Conditions on the Share Acquisition Rights

Exercise conditions shall include the fact that parties belonging to specified shareholder groups holding 20% or more of voting rights shall not be permitted to exercise the share acquisition rights. The details of the exercise conditions shall be separately determined by the Board of Directors of the Company.

8. Exercise Period of the Share Acquisition Rights, etc.

The Board of Directors of the Company shall separately determine the exercise period, exercise conditions, reasons for cancellation, cancellation conditions, and other necessary aspects of the share acquisition rights.

9. Acquisition of the Share Acquisition Rights by the Company

At any time until the day before the first day of the share acquisition rights' exercise period, if the Company's Board of Directors deems that it is appropriate for the Company to acquire the share acquisition rights, the Company may, on a day separately determined by the Company's Board of Directors, acquire all of the share acquisition rights for no consideration.

Shareholder Proposal (Proposal 5)
Proposal submitted by one (1) shareholder (300 voting rights)

Proposal 5 has been submitted by one (1) shareholder (300 voting rights).

Shareholder submitting the proposal: RMB JAPAN OPPORTUNITIES FUND, LP. (“RMB”)

The summary of the proposal and reasons for its submission are provided as written in the original documentation submitted by RMB, with the exception of the number added to the proposal.

*The original documentation submitted by RMB is only in Japanese and translated into English by the Company.

As stated on the first page, the Company assumes no responsibility for the accuracy of the translation.

Shareholder Proposals

The Companies Act recognizes the right of shareholders to submit proposals when certain conditions are satisfied.

Companies are obligated to publish these proposals, regardless of their content, except where doing so would violate laws and regulations, the Articles of Incorporation, etc.

This proposal was submitted by RMB, and is thus provided here, but **the Board of Directors of the Company opposes Proposal 5, as described below.**

Shareholder Proposal

Proposal 5: Acquisition of Treasury Shares

I. Summary of Proposal

In accordance with the provisions of Article 156, Paragraph 1 of the Companies Act, the Company will deliver cash in exchange for the acquisition of a maximum total number of 1,500,000 shares of the Company's common stock, with a maximum total acquisition value of 2,400,000,000 yen, within one (1) year of the conclusion of this Ordinary General Meeting of Shareholders (provided, however, that if the total acquisition value permitted by the Companies Act (the "Distributable Amount," as provided for in Article 461 of the Companies Act) is below 2,400,000,000yen, this amount shall be the maximum total acquisition value permitted by the Companies Act).

II. Reasons for Proposal

By buying back shares when market valuations of shares are low, not only can companies give investors an opportunity to recover invested capital, but management can also express their view that "their company's shares are unfairly undervalued by the market." In this way, buying back shares contributes to the future enhancement of corporate value.

Owing partly to the impact of the spread of COVID-19, the share price of Ohashi Technica, Inc. is valued lower than its intrinsic corporate value. It is necessary to maintain a certain level of funds on hand to respond to uncertainties and maintain business stability, but the acquisition of treasury shares at the level proposed in this proposal would be more than possible, based on Ohashi Technica, Inc.'s current financial position. The acquisition of treasury shares may be expected to contribute to enhancing corporate value, and therefore we submit this proposal.

- Opinion of the Board of Directors of the Company Regarding the Shareholder Proposal

The Board of Directors of the Company opposes this proposal.

The Company has a strong awareness of the importance of returning profits to shareholders, and one of its basic policies is to maintain a stable dividend that corresponds to business performance, with a clearly stated management target of a “dividend payout ratio of 30% or more,” while also taking into consideration factors such as the strengthening of its business position and growth investment for future business development. In addition, the Company prioritizes efforts to return more profits to shareholders and enhance capital efficiency, and its basic policy is to consider opportunities for acquiring treasury shares while comprehensively taking into consideration its financial position and other factors.

Under these policies, until the fiscal year ended March 31, 2020, the Company increased its dividend for eight consecutive fiscal years, while taking into consideration business performance and the dividend payout ratio, and it also acquired treasury shares on multiple occasions during that period.

During the fiscal year ended March 31, 2021, the Company expected that the global spread of COVID-19 would have a significant impact on the Company’s business performance, but it assessed that it would be possible to pay a dividend at the same level as the previous fiscal year, from the perspective of maintaining a stable dividend and fulfilling the expectations of shareholders, based on circumstances such as the fact that the main causes of the impact on business performance were clear, the fact that a certain level of recovery was expected in the second half of the fiscal year, and the stable financial foundations of the Company. Following a decision by the Board of Directors, the Company made a public announcement to this effect.

In addition, during the fiscal year ended March 31, 2021, the Company similarly endeavored to return profits to shareholders, resolving and implementing acquisitions of treasury shares on three occasions, in May, November, and February, for a total (maximum) amount of 890 million yen, while confirming the status of the recovery in business performance, the Company’s financial position, and other factors.

(Acquisition results: 1) 795 million yen acquired during the fiscal year ended March 31, 2021; 2) 95 million yen acquired from April 2021 onward; total acquisition amount of 890 million yen, equivalent to 3.9% of the total number of shares issued)

Conditions are also expected to remain somewhat uncertain from the current fiscal year onward, as the impact of certain factors becomes apparent, including the resurgence of the spread of COVID-19 and issues related to the global shortage of semiconductors, but there is no change to the Company’s shareholder returns policy, and it intends to actively consider opportunities for returning profits to shareholders on an ongoing basis.

The Company has also announced a dividend forecast for the current fiscal year whereby it will express its gratitude for reaching the 70th anniversary of its founding by returning profits to shareholders in the form of a commemorative dividend. The Company intends to submit this as a proposal for the appropriation of surplus at the 70th Ordinary General Meeting of Shareholders to be held in June 2022.

The Company believes that decisions concerning the timing of the acquisition of treasury shares, the number of shares to be acquired, and other factors should be made under the responsibility and judgment of the Board of Directors of the Company after sufficient deliberation by the Board of Directors, comprehensively taking into consideration such factors as the business performance of the Company, projected future business performance, investment plans for growth, the Company’s financial position, and other aspects of the environment surrounding the Company.

Accordingly, the Board of Directors of the Company opposes this proposal.