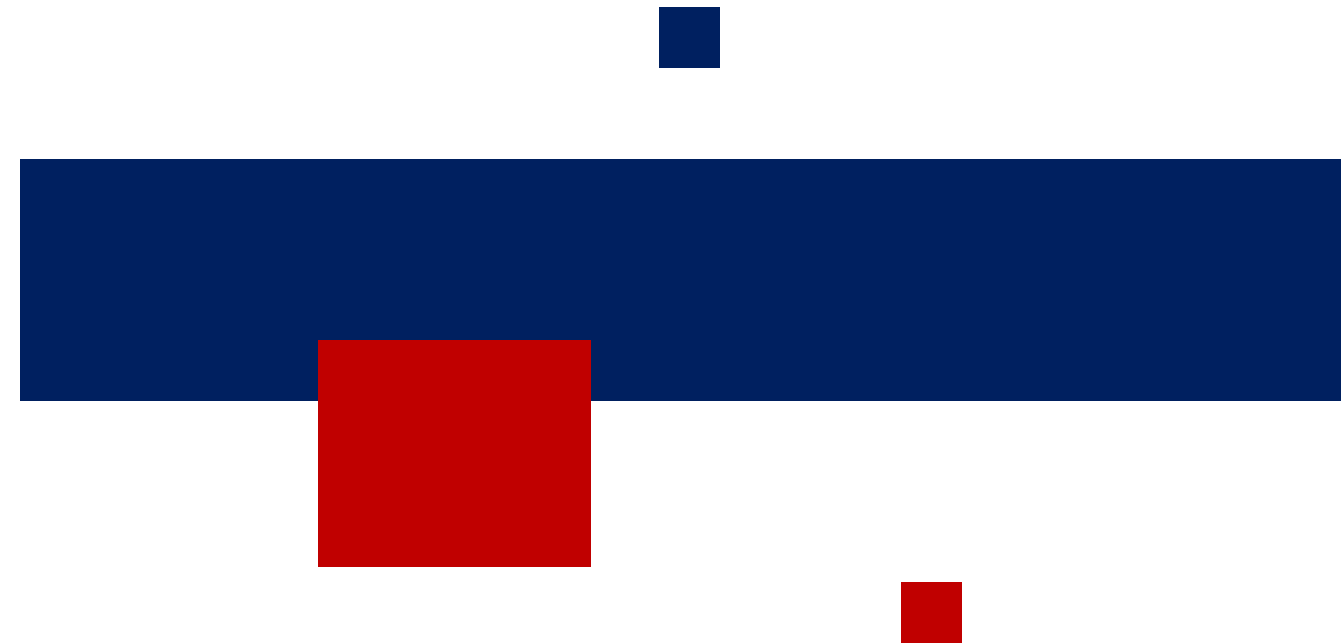


# Explanatory materials regarding Shareholder Proposal to NISSAN SHATAI CO., LTD. (7222)

May 20, 2026  
Strategic Capital, Inc.

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## Important Legal Disclaimer

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- This presentation is composed of analysis of Strategic Capital, information from our activist activities and release from companies. Information and documents in this presentation are composed of materials we believe to be trusted and latest, however we do not guarantee the accuracy, completeness etc.
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## Details of the proposals

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1

### Proposal ① : Withdrawal from the general reserve

- **Summary** – Transfer the full amount of NISSAN SHATAI CO., LTD. (“SHATAI”)’s general reserve (JPY 22.848 B as of March 31, 2025) to retained earnings brought forward.
- **Rationale** – There is no meaningful benefit to maintaining the general reserve. At the same time there is a clear disadvantage as it reduces flexibility in the appropriation of the surplus. In fact, unless the general reserve is drawn down, the dividend per share under the next proposal would be reduced by JPY 168/share. The general reserve should be reversed promptly.

2

### Proposal ② : Dividend equal to the entire distributable amount

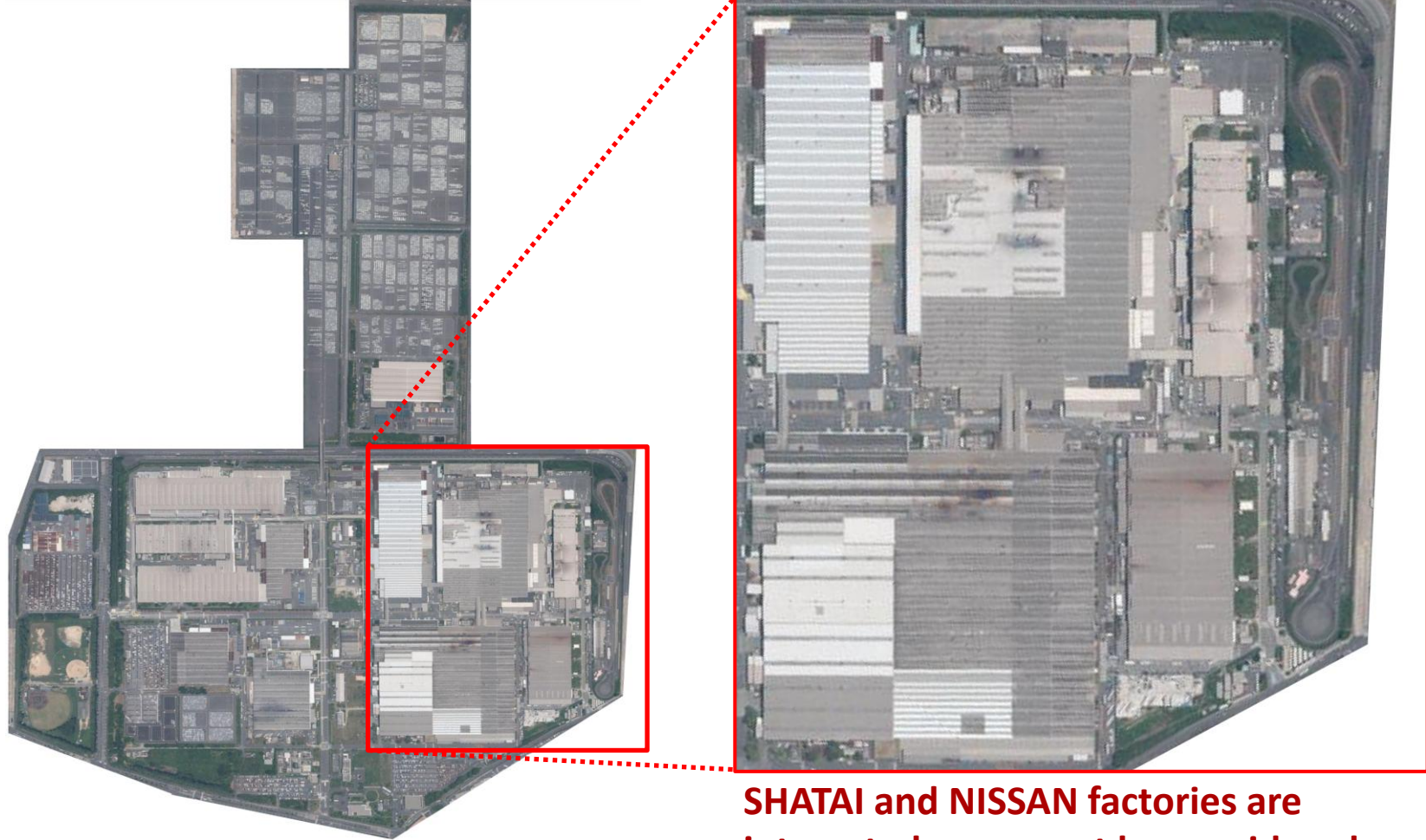
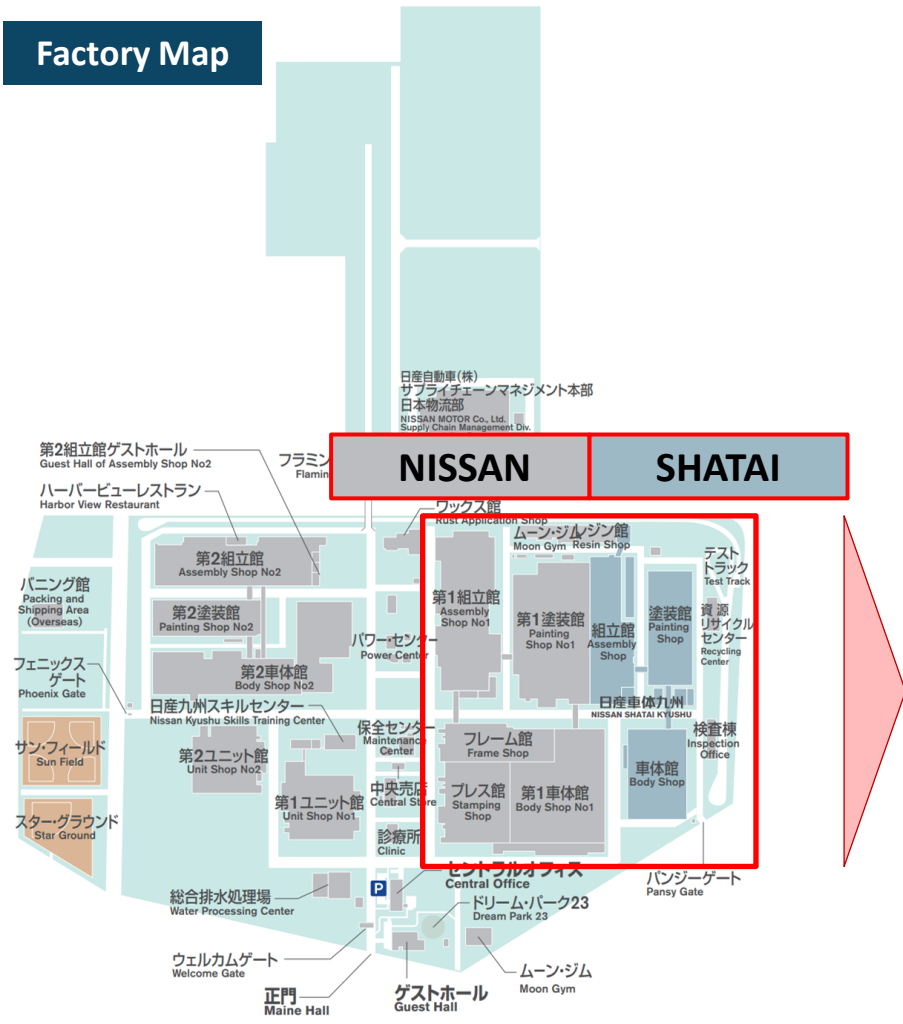
- **Summary** – Appropriate the entire distributable amount of SHATAI for a special dividend
- **Rationale** – SHATAI is nothing more than a factory of Nissan Motor Co., Ltd. (“NISSAN”) and despite the fact that it should be taken private it continues to remain listed and is undermining the interests and rights of minority shareholders. If it is to remain a publicly traded company, it should leverage NISSAN’s credit support and CMS\*, paying out the maximum amount possible and retain no earnings at all.

\*Cash Management System

# SHATAI is not independent, for NISSAN it is merely a section within one of their factories

## Nissan Motor Kyushu Plant

## Satellite Image of Nissan Motor Kyushu Plant

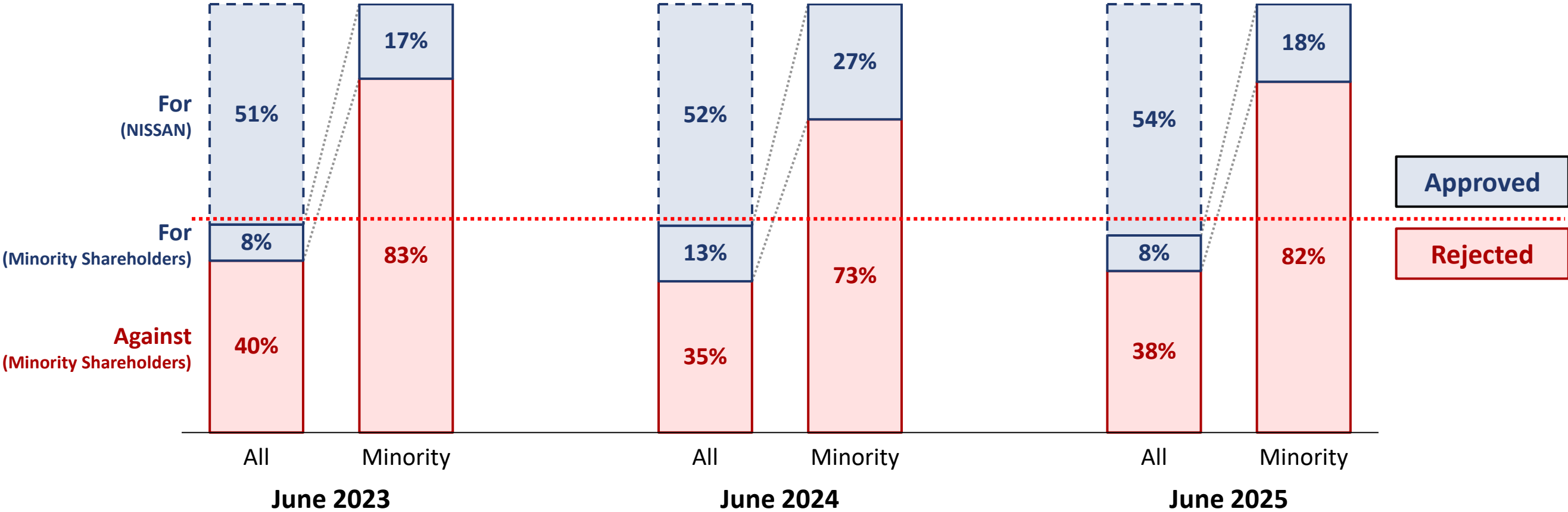


**SHATAI and NISSAN factories are integrated, so cannot be considered “independent publicly traded companies.”**

Source: Disclosure materials from Nissan Motor Kyushu and maps from the Geospatial Information Authority of Japan

# Minority shareholders continue rejecting president Tomiyama, a NISSAN alumni. SHATAI just ignores

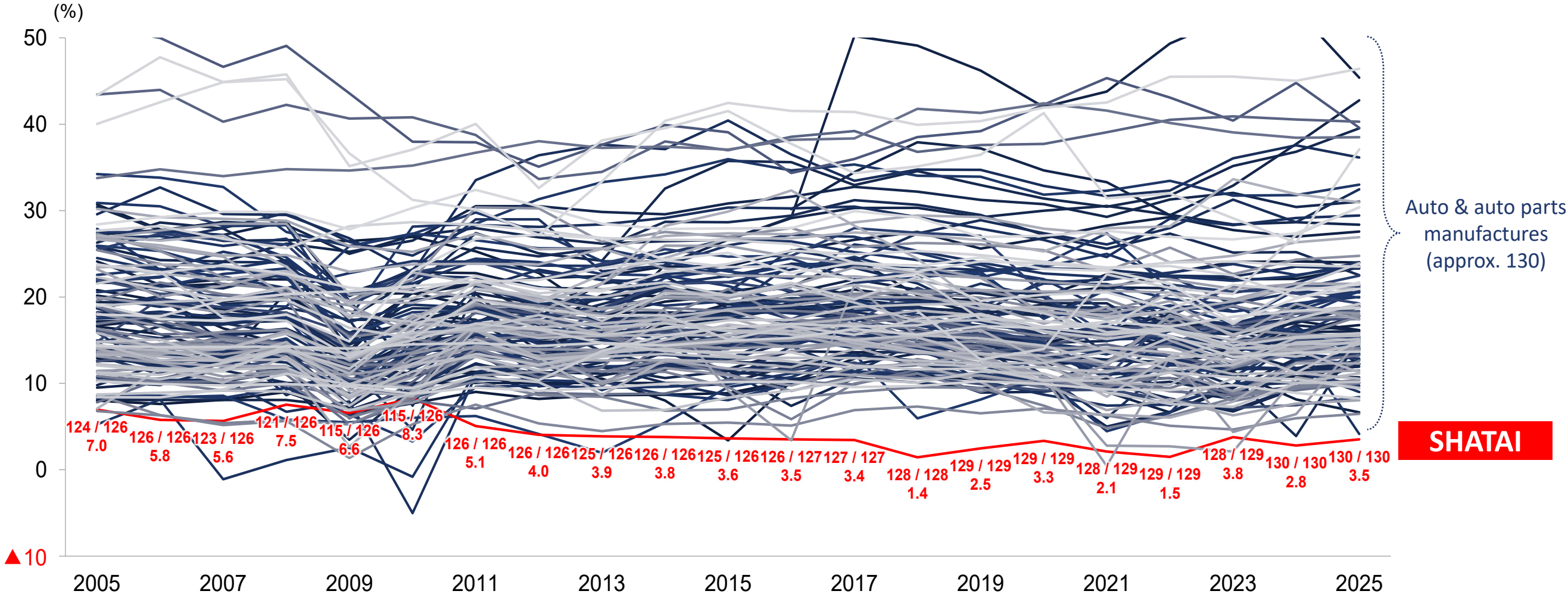
## Results of proposal to appoint president Tomiyama to the Board of Directors



Source: Extraordinary report, annual securities report

# Gross profit margins consistently the “worst in the industry”

GPM for autos and auto parts manufactures (SHATAI ranking/number of companies, GPM)

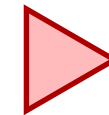
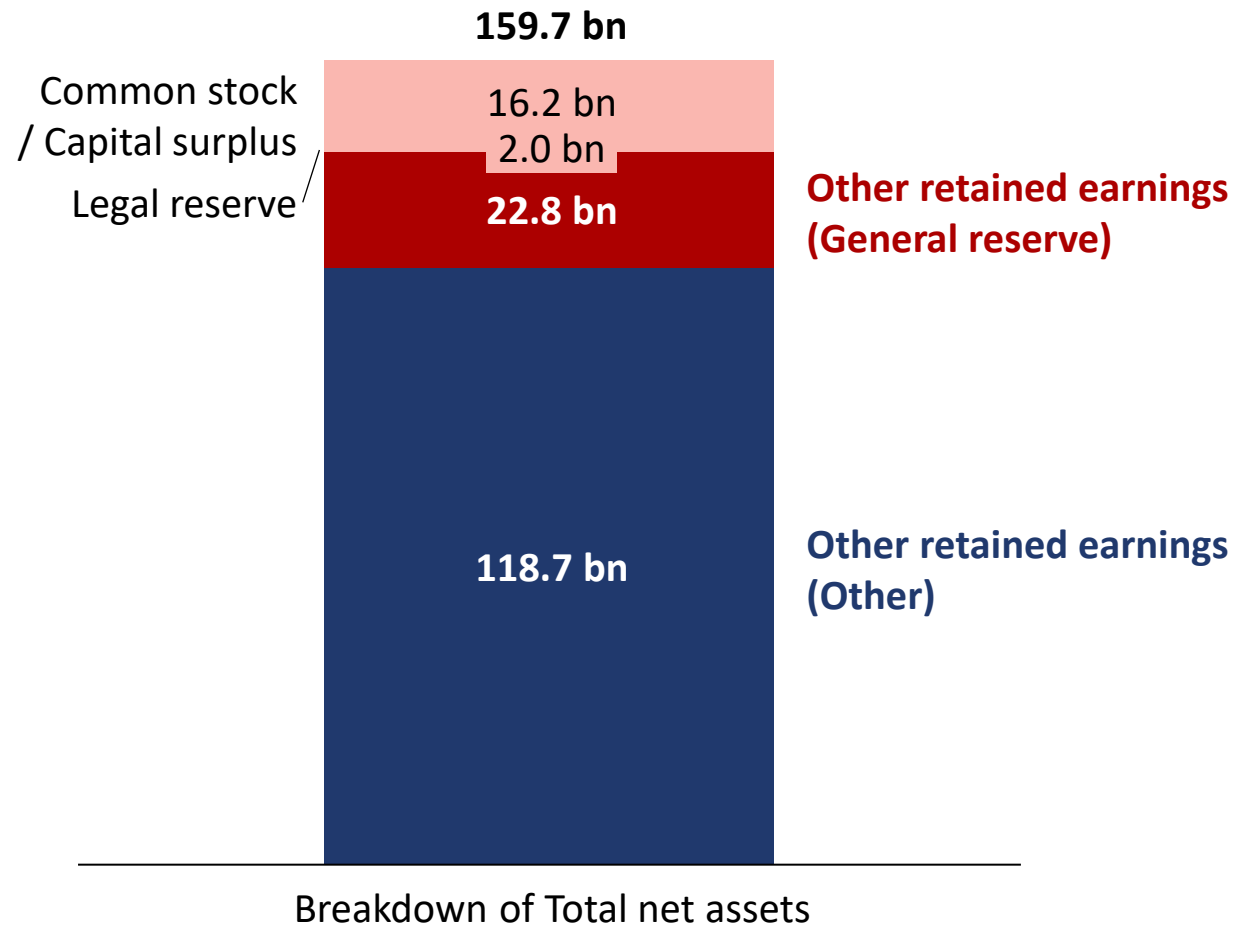


Source: QUICK Workstation (Astra Manager)

# Proposal ①

## Transfer from general reserves (portion of net assets subject to restrictions on using for dividends)

### Nonconsolidated Total net assets (FY2025/3)



✗ is NOT available for distribution as dividends



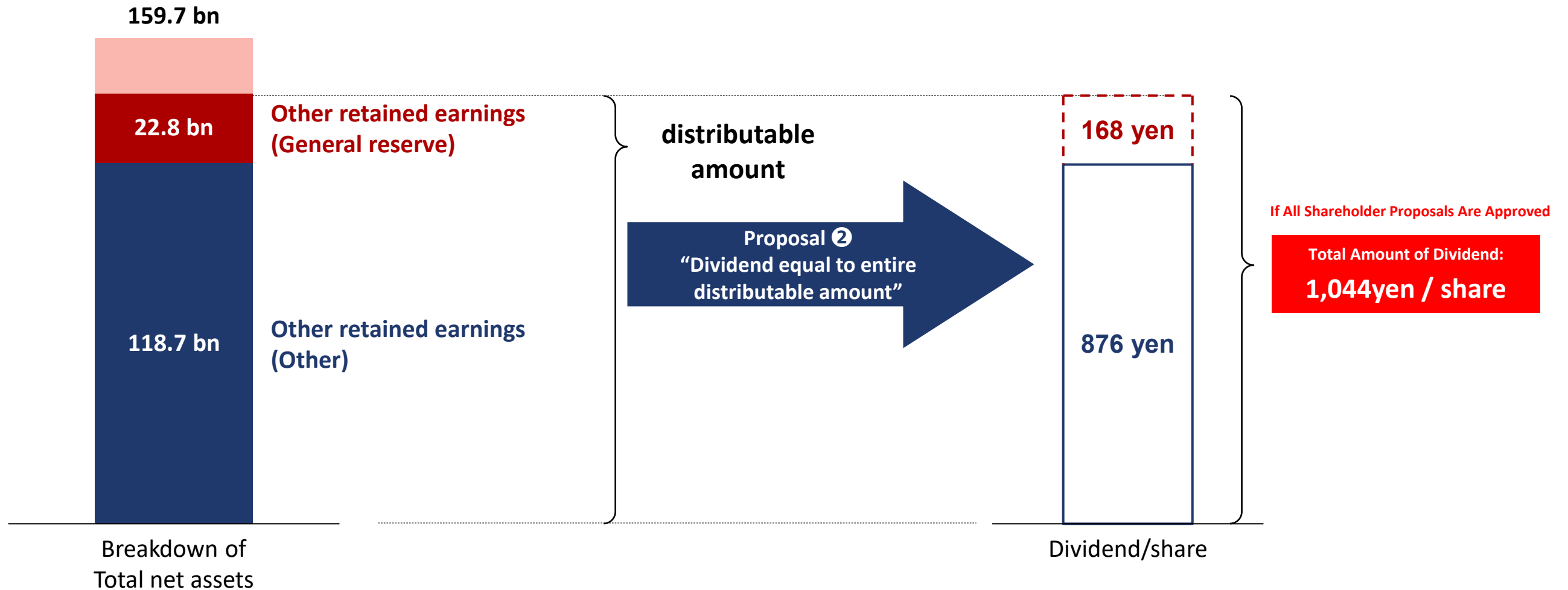
✓ is available for distribution as dividends

**Shareholder Proposal ①:**  
**“Transfer from General Reserve”**

## Proposal ②

# Appropriate the entire distributable amount of SHATAI

### Nonconsolidated Total net assets (FY2025/3)



Source: Yuho. The dividend amount is an illustrative estimate calculated by assuming that the aggregate amount of the Reserve for reduction entry of replacement property, Reserve for reduction entry, General reserve, and Retained earnings brought forward on a non-consolidated basis as of the fiscal year-end March 2025 constitutes the distributable amount, and that the number of issued shares outstanding less treasury shares as of the end of December 2025 constitutes the number of shares eligible for dividends.

## FAQ

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**(Q) Won't such a large dividend undermine financial soundness and damage SHATAI's creditworthiness?**

**(A)** SHATAI is merely a division of NISSAN and has always been entirely dependent on "NISSAN's creditworthiness." Therefore, "SHATAI's creditworthiness" does not exist in the first place.

**(Q) Won't paying such a large dividend prevent necessary investments from being made?**

**(A)** Since SHATAI participates in NISSAN's CMS, it can secure financing from CMS at low interest rates.

**(A)** More directly, since SHATAI is merely a division of NISSAN, it is NISSAN who should be taking responsibility for making capital investments.



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