

May 16<sup>th</sup>, 2022

To Whom It May Concern,

Strategic Capital, Inc.  
Tsuyoshi Maruki, President & CEO

**Re: The Withdrawal of a part of Shareholder Proposal to**

**SEIKITOKYU KOGYO CO., LTD. (1898)**

INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP (hereinafter referred to as the "Fund") and Strategic Capital, Inc. (hereinafter referred to as the "Strategic Capital") notified SEIKITOKYU KOGYO CO., LTD. (hereinafter referred to as the "Company") of our execution of the shareholders' right to make a proposal at the annual shareholder meeting held in the coming June by the documents dated April 22<sup>nd</sup>, 2022.

The Fund and Strategic Capital, however, are pleased to announce that we are withdrawing part of our proposal regarding "Revision of the provisions of articles with regard to cancellation of treasury stock" and "Cancellation of treasury stock" at the annual shareholder meeting in consideration of the following.

- On April 27, 2022 the Company released a "Notice Concerning the Cancellation of Treasury Stock" ([Japanese only](#)). On May 11, 2022, in a subsequent "Notice Concerning the Acquisition and Cancellation of Treasury Stock" ([Japanese Only](#)) they disclosed the intention to continue holding up to 3% of shares outstanding in treasury stock and to proceed cancelling any portion that exceeded this amount.
- Therefore, we have decided to withdraw the above-mentioned proposals from the list of proposals since the potential dilution risk from the Company holding treasury stock is significantly reduced.

**Disclaimer**

This press release is an abbreviated reference translation of the original announcement in Japanese. In the event of any differences between the original Japanese version and the English translation, the original Japanese version shall prevail.