

April 30, 2024

To Whom It May Concern

Strategic Capital, Inc.
Tsuyoshi Maruki, President &CEO
TEL: 03-6433-5277

Re: Shareholder Proposal to BUNKA SHUTTER CO., LTD (5930)

Strategic Capital, Inc. (hereinafter referred to as “Strategic Capital”) and funds managed by Strategic Capital hold approximately 6.5% of Bunka Shutter Co., Ltd. (hereinafter referred to as "Bunka Shutter" or the “Company” as the context requires).

The Fund and Strategic Capital are pleased to announce that, on April 16th, 2024, we notified Bunka Shutter of our execution of the shareholders’ right to make a proposal at the annual shareholder meeting held in the coming June.

Details

Abstract of the proposal

(1) Appropriation of surplus

Set the dividend payout ratio to 100%

(2) Revision of the provisions of articles with regard to the disposition of cross-shareholdings held below the cost-of-capital

Using the method for verifying the reasonableness of cross-shareholdings disclosed by the Company itself, which is the “Board of Directors, ...determines for each individual issuing company, whether the dividends, trading profits and other revenues meet the Company's cost-of-capital,” dispose of any cross-shareholdings reported to the Board as not meeting the cost-of-capital.

(3) Revision of the provisions of articles with regard to the disclosure of cross-shareholdings held below the cost-of-capital

Disclose the name of any cross-shareholdings that were reported to the Board as not meeting the cost-of-capital and the reasons given for continuing to hold them

*Only in case that Proposal (2) is disapproved, Proposal (3) shall be tabled.

(4) Disclose the criteria for any performance-linked and stock-based remuneration paid to the Representative Director

The amount and calculation method of any variable remuneration paid to Representative Directors should be disclosed.

(5) Add a clawback provision on remuneration made to Directors

Defer payment of executive compensation to Toshihiko Shiozaki, Chairman and Representative Director, who has served as a Director since the Company's violation of the Antimonopoly Act to present. Depending on the outcome of Bunka Shutter's lawsuit against the Fair-Trade Commission to cancel the payment of surcharges levied, the deferred remuneration will be honored or forfeited.

The background to the proposal and a detailed explanation will be posted on a special campaign website to be opened in May. Please visit [website](#) for up-to-date information.

FIN

Disclaimer

This press release is a 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.