

May 20, 2026

To Whom It May Concern

Strategic Capital, Inc.
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Re: Shareholder Proposals to NISSAN SHATAI CO., LTD. (7222) and Publication of an Explanatory Report

Strategic Capital, Inc. (hereinafter referred to as “Strategic Capital”) is under a discretionary investment contract with INTERTRUST TRUSTEES (CAYMAN) LIMITED SOLELY IN ITS CAPACITY AS TRUSTEE OF JAPAN-UP (hereinafter referred to as the “Fund”) and the Fund and Strategic Capital (hereinafter referred to as “we”) have continuously held over 300 units of voting rights in Nissan Shatai Co., Ltd. for the past six months or longer.

We are pleased to announce its execution of the shareholders’ right to make a proposal at the annual shareholder meeting held in the coming June and have published an explanatory report regarding the matter.

Please refer to Appendix or the explanatory report (https://stracap.jp/english/7222-NISSANSHATAI_eng.pdf) for more details.

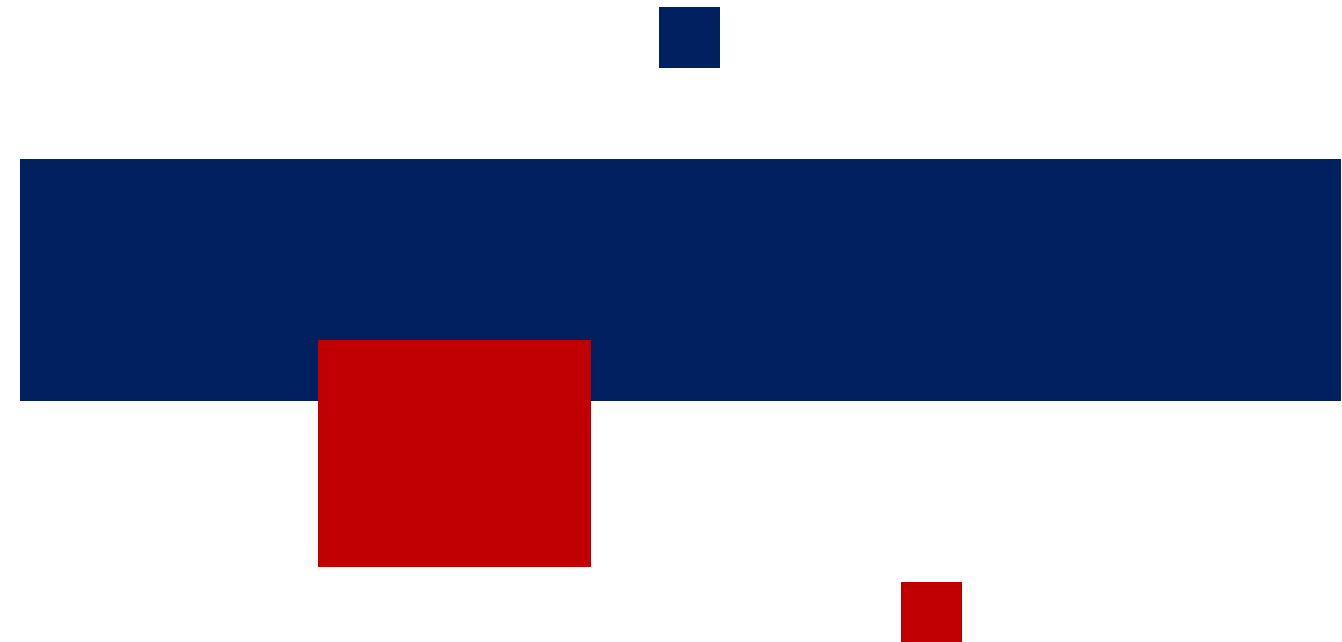
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Disclaimer

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

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

May 20, 2026
Strategic Capital, Inc.



Important Legal Disclaimer

- This presentation is a reference translation of the original webpage in Japanese ([here](#)). In the event of any differences between the original Japanese version and the English translation, the original Japanese version shall prevail.
- 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

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

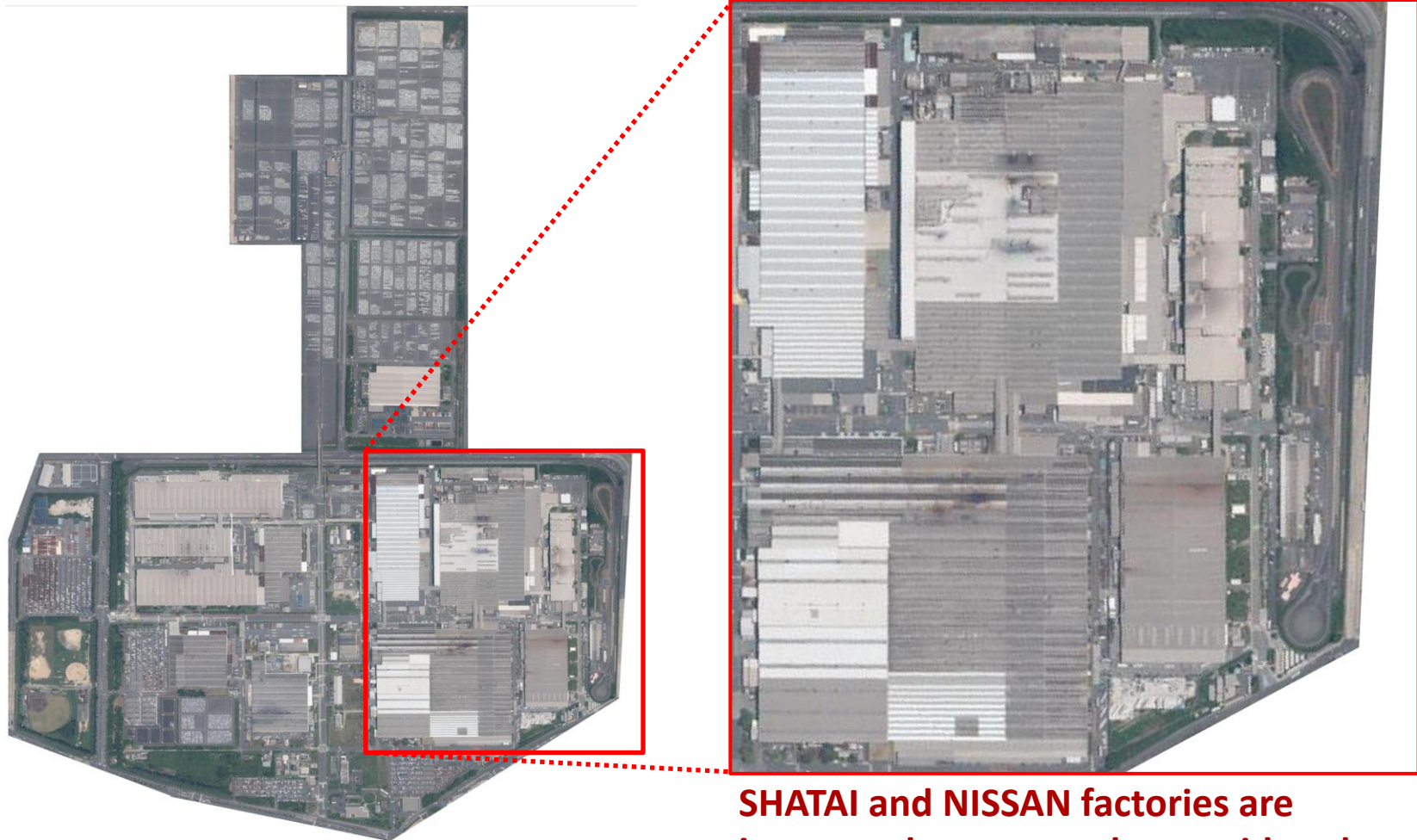
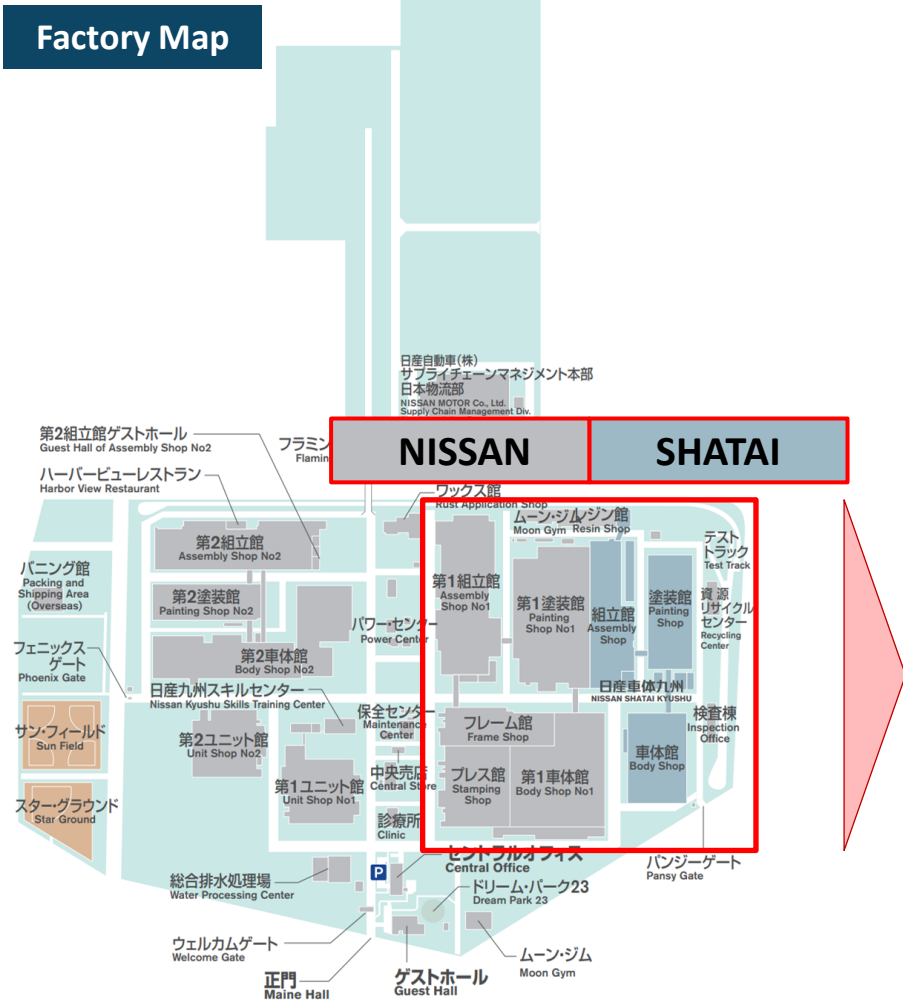
- **Summary** – Appropriate the entire distributable amount of SHATAI for a special dividend
- **Rationale** – SHATAI is nothing more than a factory of Nissan Motor Co., Ltd. (“NISSAN”) and despite the fact that it should be taken private it continues to remain listed and is undermining the interests 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

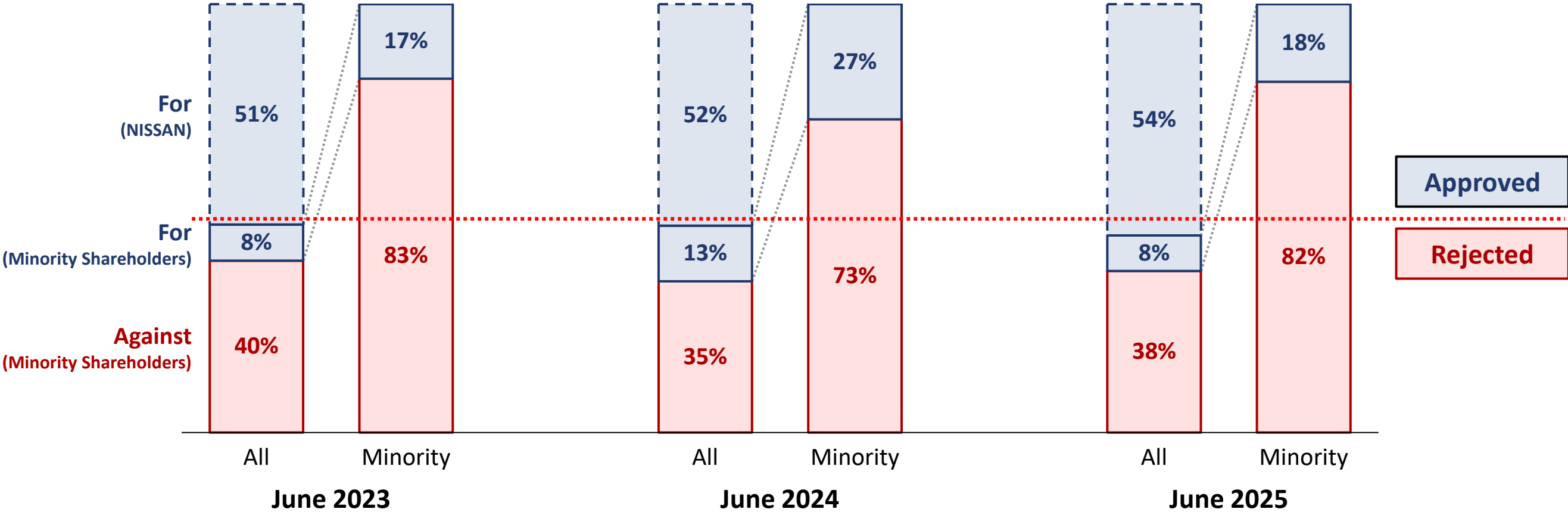


SHATAI and NISSAN factories are integrated, so cannot be considered “independent publicly traded companies.”

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

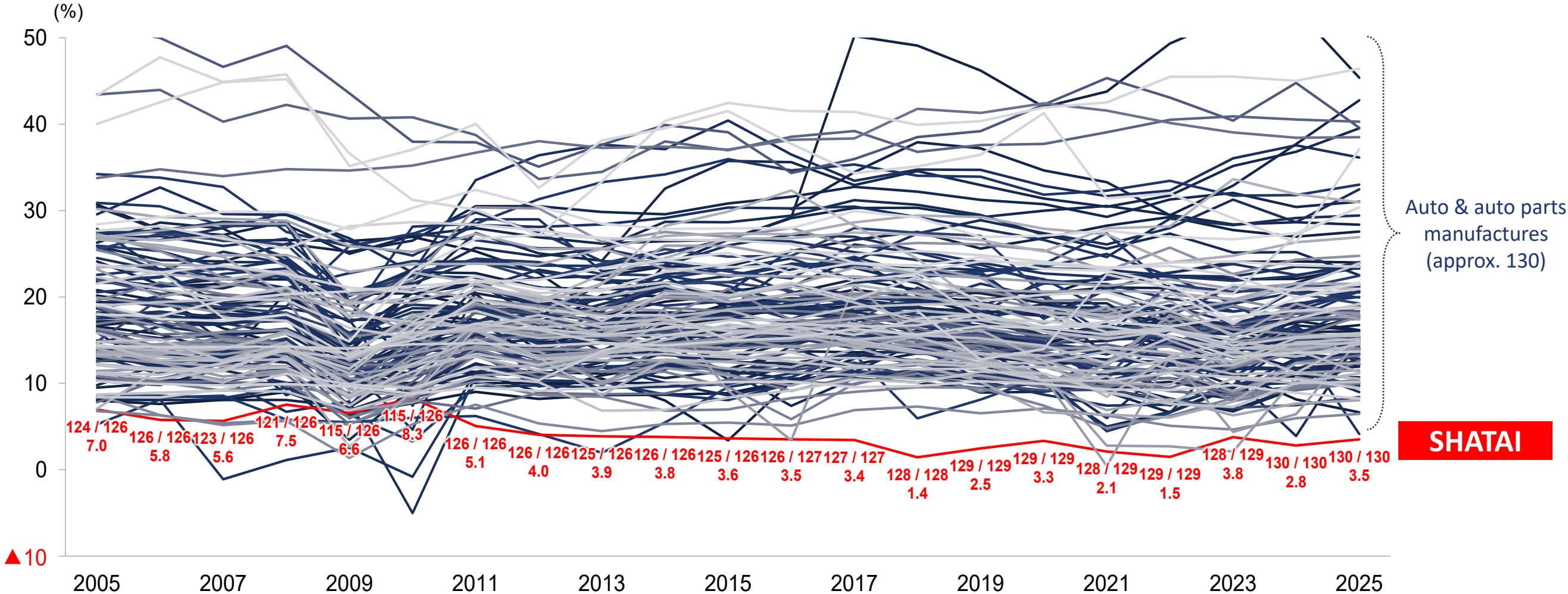
Results of proposal to appoint president Tomiyama to the Board of Directors



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)

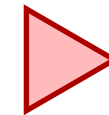
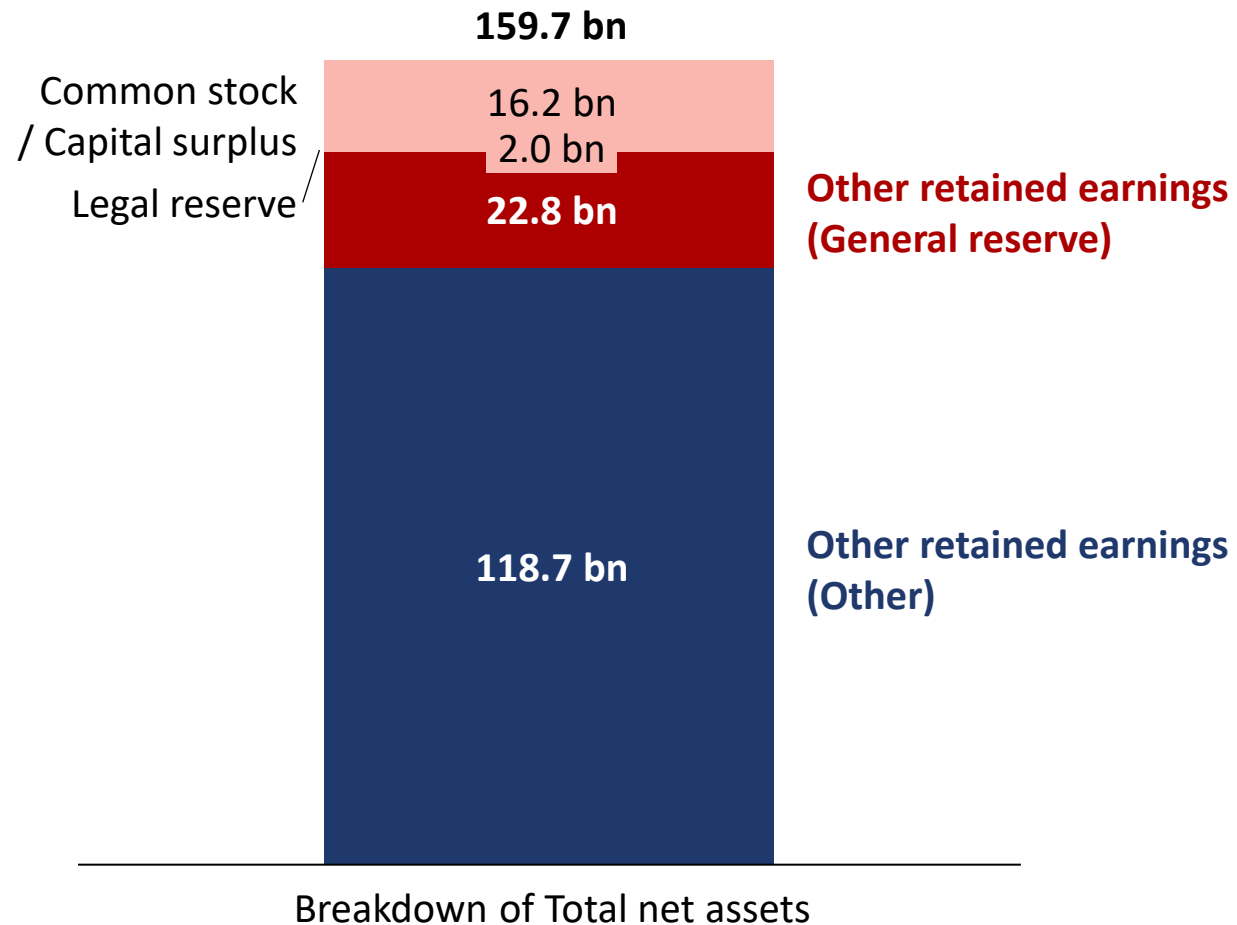


Source: QUICK Workstation (Astra Manager)

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



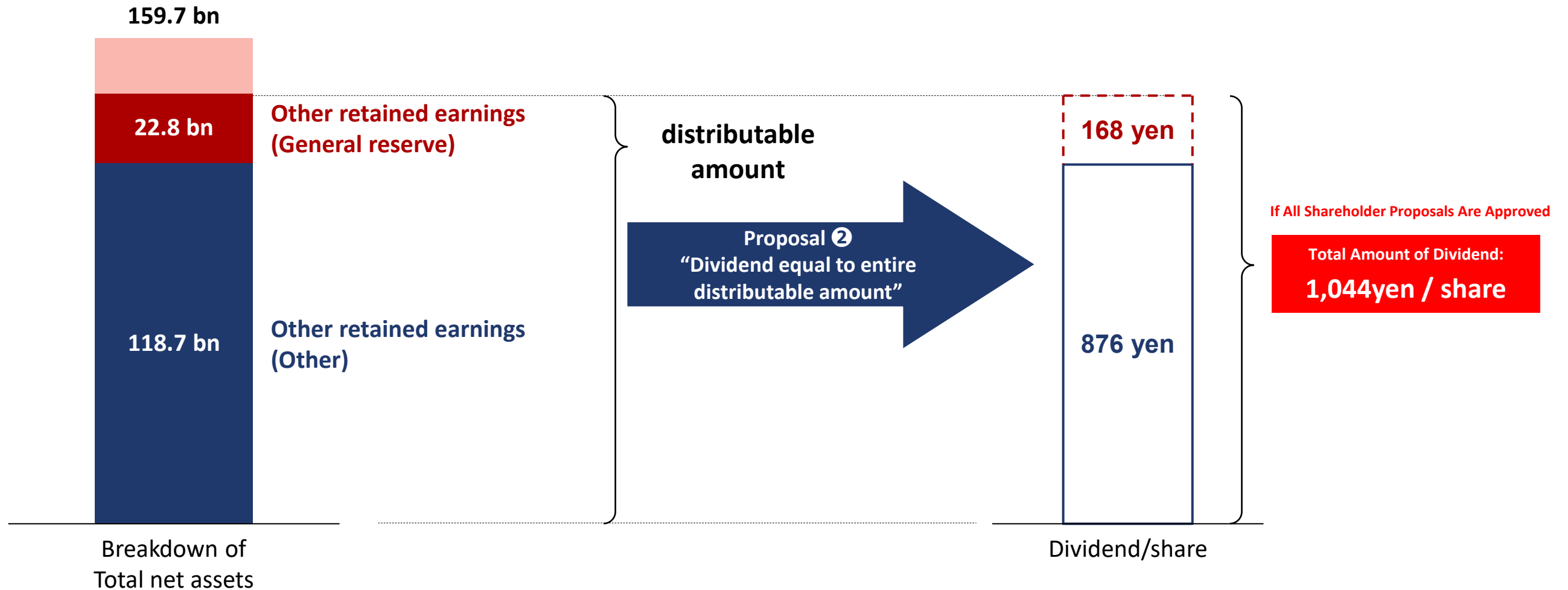
✓ is available for distribution as dividends

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

(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.



Strategic Capital

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