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May 15, 2026

Shareholders

C o m p a n y n a m e MITSUBA Corporation
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Prime)
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Notice for receipt of written proposal regarding exercise of shareholder's proposal right and opinion for such proposal by the Board of Directors of the Company

We have received written documents regarding the exercise of shareholder proposal rights for the agenda items to be presented at the 81st Ordinary General Meeting of Shareholders, scheduled to be held on June 25, 2026. At today's Board of Directors meeting, we resolved to oppose this shareholder proposal, as detailed below.

Note

1. Regarding this shareholder proposal

(1) Proposing shareholders

One individual shareholder

Number of voting rights held: 300

(2) Proposed bills

- ① Amendment to the Articles of Incorporation (see (3) I below)
- ② Regarding the appropriation of surplus funds (see (3) II below)

(3) Contents of the proposal (Except for formal adjustments, it is published exactly as in the original shareholder proposal)

In accordance with Article 303 of the Companies Act, we propose the following:

I. 1. Content of the proposal

With heartfelt gratitude to all employees, we stipulate in our Articles of Incorporation that, for the reasons stated below, decisions regarding dividends shall be made at the general meeting of shareholders.

2. Reasons for the proposal

The fact that dividends are decided by a resolution of the board of directors completely disregards the will of the shareholders. Can dividends of "3 yen (March 2022)", "3 yen (March 2023)", "6 yen (March 2024)", "10 yen (March

2025)", and "25 yen (planned for March 2026 - ordinary dividend of 20 yen and 80th anniversary commemorative dividend of 5 yen)" per share be considered "sufficient shareholder returns" or "shareholder-focused"?

On page 18 of last year's "Notice of Convocation of the Ordinary General Meeting of Shareholders," there is a statement from the Board of Directors that "it is considered difficult to make a timely dividend decision that reflects the company's situation at the general meeting of shareholders due to time constraints, etc." If that is the case, then why are there still quite a few listed companies that consider "decisions regarding dividends to be made at the general meeting of shareholders"? Is Mitsuba's board of directors trying to argue that not only the shareholders of these listed companies, but also the boards of directors themselves, have not made the correct decisions regarding "resolutions concerning dividends"?

II. 1. Content of the Proposal

If the proposal in item I above is approved, the dividend for fiscal year 2025 will be set at 100 yen per share (80 yen for the regular dividend and 20 yen for the 80th anniversary of the company's founding).

2. Reasons for the proposal

(1) No share buybacks or stock splits have been implemented for at least 20 years; (2) The share price has not exceeded the 2015 price of 3,575 yen even once in the more than 10 years since then; (3) Despite the net asset value per share (liquidation value) as of December 2025, that is, "the accumulation of profits that are the culmination of the efforts of all employees over 80 long years," being "2,177 yen per share," the share price on April 1st of this year was 1,220 yen.

Wouldn't it be necessary for Mitsuba to implement "appropriate dividends based on an appropriate dividend payout ratio (an indicator showing the proactiveness of shareholder returns)" in line with the Tokyo Stock Exchange's request on March 31, 2023, to all listed companies including those on the Prime Market, to "take measures toward realizing management that is mindful of the cost of capital and stock price," and the "key examples of 'management that is mindful of the cost of capital and stock price' that take into account the investor's perspective" (emphasis added by the proposer) published by the same exchange on February 1, 2024, in order to improve Mitsuba's stock price, and thus Mitsuba's corporate value?

Furthermore, since stock dividends are paid only once a year, from a shareholder-focused perspective, an "interim dividend" should be implemented. It's possible that shareholders might use the interim dividend to buy more Mitsuba shares.

Furthermore, it is extremely regrettable that, despite receiving a "document concerning the exercise of shareholder proposal rights" on April 10, 2025, which is of paramount importance to shareholders and investors, the company failed to disclose this fact for more than a month until May 14th of last year. This is unacceptable and unacceptable behavior for a listed company. This year, we would appreciate it if you could make timely disclosures without causing further trouble to the Tokyo Stock Exchange.

We apologize for the inconvenience caused by this shareholder proposal being submitted for the second year in a row, and we appreciate your cooperation.

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2. Board of Directors' Opinion on This Shareholder Proposal

(1) Amendment to the Articles of Incorporation (as per (3) I above)

① Overview of this shareholder proposal

This shareholder proposal stipulates in our Articles of Incorporation that decisions regarding dividends shall be made by a

resolution of the General Meeting of Shareholders.

② Opinion of our Board of Directors

Our Board of Directors opposes this shareholder proposal.

③ Reasons for opposition

Our basic policy is to provide stable returns to our shareholders while strengthening our management foundation. We strive to make appropriate distributions, taking into account our business performance, dividend payout ratio, and various circumstances surrounding our company. Furthermore, we are effectively utilizing our retained earnings for research and development, capital investment, overseas investment, and new business investment, while strengthening our financial structure, to drive future growth.

Based on this basic policy, we need to determine the dividend amount by taking into consideration changes in the business environment surrounding our company, the characteristics of our business, fair returns to shareholders, future outlook for our performance, as well as our performance for the current period, and accurate and timely financial conditions including retained earnings and distributable amounts. In this regard, the above information is something that our Board of Directors, which is dedicated to managing our company, can obtain and analyze most quickly, accurately, and in detail. Furthermore, due to time constraints and other factors, it is difficult for the General Meeting of Shareholders to make a timely dividend decision that reflects our company's situation. Therefore, we believe that dividends should be decided quickly and flexibly by the Board of Directors, rather than at the General Meeting of Shareholders, as a matter of management judgment.

For the reasons stated above, the decision-making body for the distribution of our surplus profits is the Board of Directors, in accordance with the provisions of Article 459, Paragraph 1 and Article 460 of the Companies Act. Going forward, our company will continue to strengthen its management foundation while maintaining a basic policy of providing stable returns to our shareholders. We will strive to distribute dividends appropriately, taking into account our business performance, dividend payout ratio, and various circumstances surrounding our company.

Therefore, **our Board of Directors opposes this shareholder proposal.**

(2) Matters concerning the appropriation of surplus funds (see (3) II below)

① Overview of this shareholder proposal

This shareholder proposal is to pay a dividend of 100 yen per share of our common stock.

② Opinion of our Board of Directors

Our Board of Directors opposes this shareholder proposal.

③ Reasons for opposition

This shareholder proposal is based on the premise that the amendment to our Articles of Incorporation, which is Proposal No. 3, will be implemented. As stated above, our Board of Directors opposes the shareholder proposal related to Proposal No. 3. The disposition of our retained earnings is decided by our Board of Directors in accordance with the basic policy mentioned above.

Furthermore, this shareholder proposal would impair the internal reserves that our company should maintain. We cannot help but see such a proposal as being based on a short-term perspective that contradicts our policy of returning profits to stakeholders in order to improve corporate value in the medium to long term, and as a result, we have determined that it will not contribute to improving the corporate value of our group in the medium to long term.

Therefore, **our Board of Directors opposes this shareholder proposal.**

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