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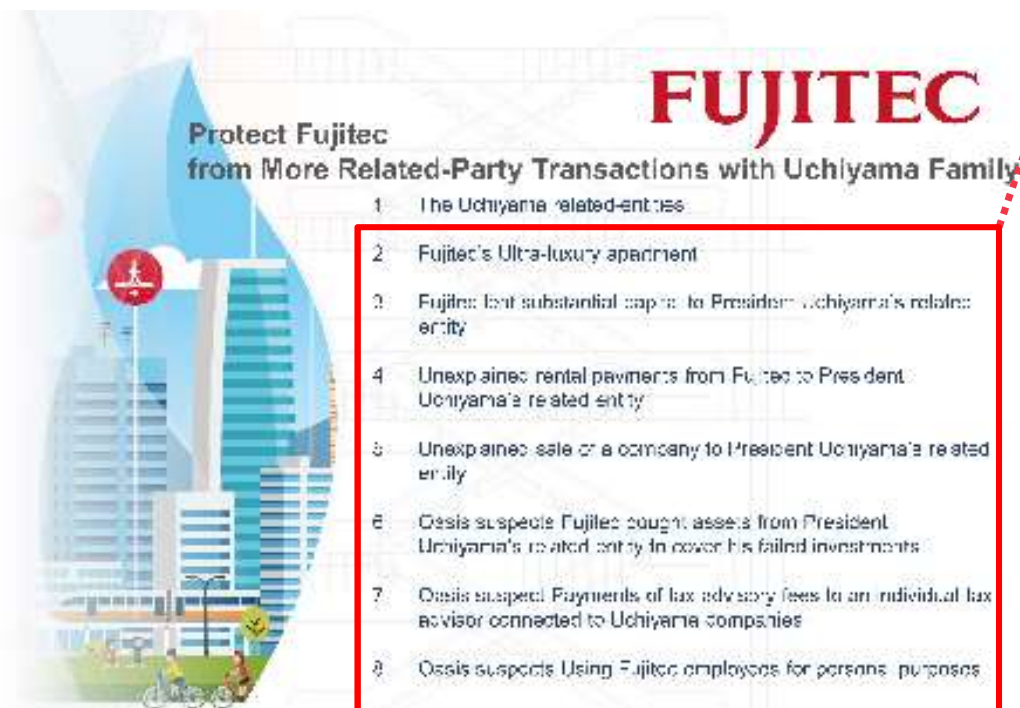
Related-Party Transactions, etc.

January 30, 2023

Fujitec Co., Ltd.
(TSE Prime: 6406)

Executive Summary (1/2)

- As released in the “Notice Concerning Board of Directors’ Resolution in Relation to Shareholder’s Assertion” dated May 30, 2022, it has been confirmed through internal review by the Company and investigation by the Company’s outside directors, Mr. Nobuki Sugita and Mr. Shigeru Yamazoe, as well as by Mr. Kaku Hirao of Nishimura & Asahi law firm who has expertise in corporate investigation matters, that no issues from a legal and corporate governance perspective were found.
- This material has been prepared to explain and clarify the Company’s above-mentioned position to our shareholders.



Fujitec's Position and Response

- According to the investigation by Nishimura & Asahi law firm as disclosed in May 2022, there are **no issues from a legal and corporate governance perspective.**
- Taking into account the opinion raised by certain shareholders, **an additional investigation is currently being conducted by a completely independent third-party committee.**

Executive Summary (2/2)

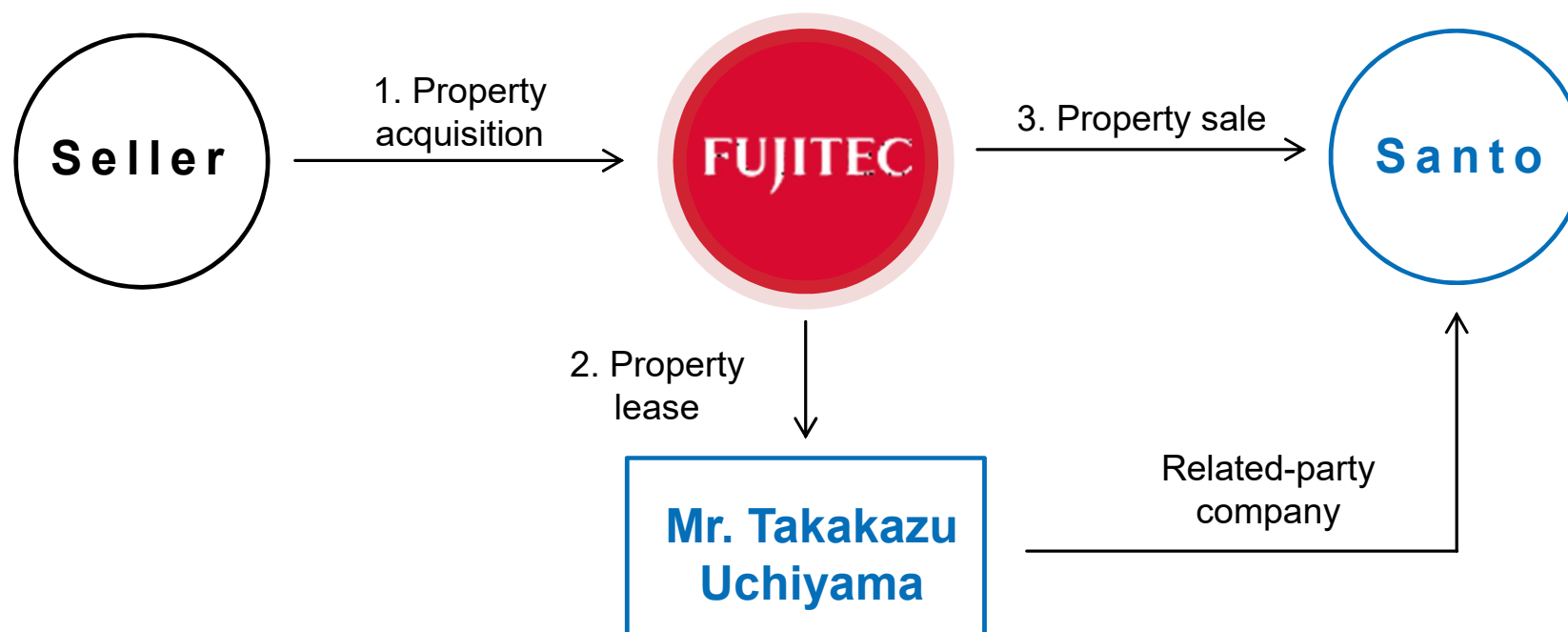
- It has been confirmed that there are no issues from a legal and corporate governance perspective regarding the related party transactions that Oasis has alluded.
- However, in light of the subsequent feedback received from certain shareholders, the Board of Directors decided to conduct an additional investigation and verification by an independent third-party committee.
- The members of the independent third-party committee established on August 10 were selected through the process in which the chairperson of the committee was chosen by three newly appointed Directors and Corporate Auditors, Mr. Kazuhiro Mishina, Ms. Kaori Oishi, and Mr. Yoshiyuki Yamazaki. Thereafter, 2 other committee members were recommended by the chairperson – and then voted upon by the Board of Directors of the Company.
- The Company understands that there is no practice in Japan to require committee members to be independent from each other or regarding a selection method of committee members as pointed out by Oasis, and thus, the Company does not find any issues related to the composition of the third-party committee – the current members of the committee are entirely independent from the Company and/or the Board.
- The Company will fully cooperate with the investigation, and will respond to any instruction from the third-party committee in a sincere and genuine manner.

Matter 1 in May 2022 Published Material Transaction Related to Domus Motoazabu



Overview of Transaction Related to Domus Motoazabu

1.	February 2013	The Company acquired Domus Motoazabu No. 104 for the purpose of growing the Company's market share, brand presence and sales volume in the Tokyo metropolitan area which is the largest elevator market in Japan (acquisition price: approximately 290 million yen).
2.	October 2013 to June 2021	Property leased to Mr. Takakazu Uchiyama
3.	June 2021	Property sold to Santo Kabushiki Kaisha ("Santo"; sales price of approximately 370 million yen)



Background of the Transaction Related to Domus Motoazabu

1. Property Acquisition

- In 2008, to increase market share and sales volume in the Tokyo metropolitan area, the Company conducted a official structural reorganization, upgrading Tokyo's office from a "Branch Office" to "Tokyo Headquarters" (There are only 2 head offices in Japan – Hikone Big Wing HQ and Tokyo HQ) . To align with this strategy, the Company's FYE March 2010 medium-term management plan called for strengthening the Company's market share and sales volume in the Tokyo metropolitan area as a major business strategy item for Japan. The Company has historically had high market share in the Osaka region as it was founded there, but market share in Tokyo had been comparatively behind.
- To strengthen the sales structure in the Tokyo metropolitan area, the Company searched for a property to be used as a reception facility, with the intention of inviting clients and distinguished guests for high-level sales negotiations, etc.
- The purchased property offered sufficient space with an exclusive area of 441.47m², structurally divided into two areas by function and by entrance. The 2 areas - reception area and residence area were designed independently from each other so as not to interfere with either functions. The Company judged this property to be appropriate for the aforementioned purposes.
- Further, the Company searched for a property that was within walking distance to the Tokyo Headquarters, as it would be necessary to set up an emergency location in the event of a large-scale disaster.
- **The age of the property (29 years old with outdated earthquake resistant standards) and the unusual design which was not suited for living, etc., meant that comparable sales transactions were extremely rare. An acquisition price was settled upon after negotiations between Company personnel and the seller based on the appraised value given by the real estate company (between 280 million yen and 300 million yen).**

2. Property Lease

- On February 8, 2013, **the Company's Board of Directors passed a resolution to approve the purchase and lease of reception facilities and company housing. The Board complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**
- With respect to rent for the residential area, the Company established an amount that would not trigger income tax as a director's salary based on the Income Tax Act, Fundamental Directives of Income Tax 36-40, with consultation and advice from a tax accountant.
- **The rent was changed (increased) on March 1, 2017, after the Taxation Bureau of Japan pointed out the treatment of the kitchen located in the reception area** (the Board of Directors resolution regarding this change complied with the procedures stipulated by law, including the abstention of special-interest parties from voting).

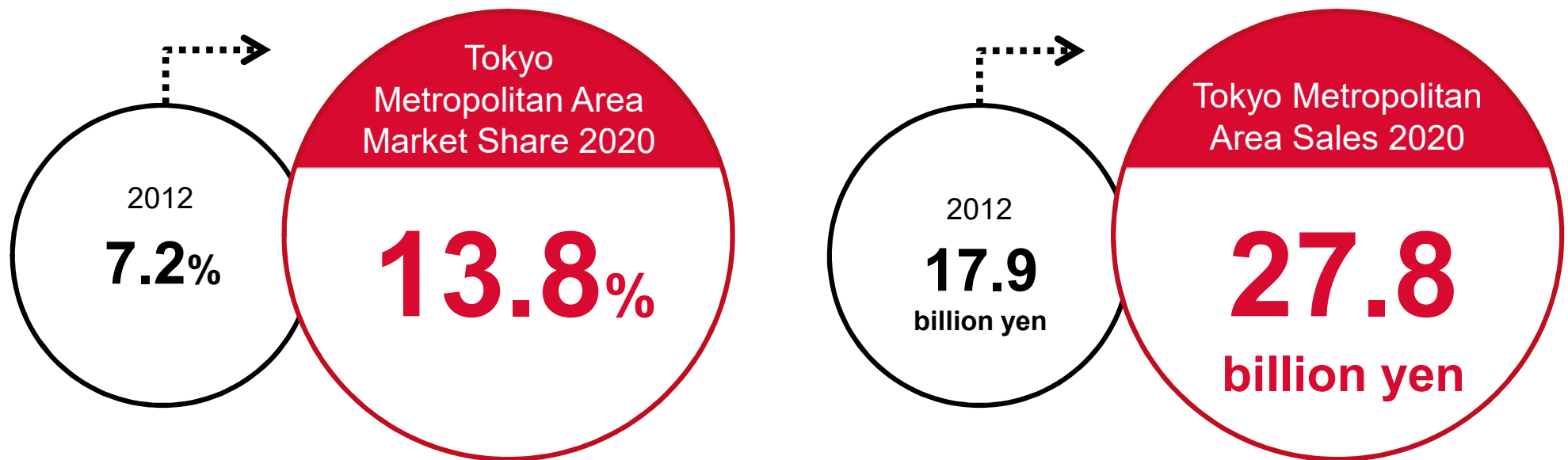
Background of the Transaction Related to Domus Motoazabu (Continued)

3. Property Sale

- In 2021, the Company decided to sell the property, as it could no longer function as a reception facility due to the spread of COVID-19 in Japan from early 2020, and as such, the need and use for the property decreased.
- Based on facts that the property in the living area was occupied by residents, the Company decided to sell the property to Santo based on the premise and verification that the selling price would be appropriate.
- Given the age of the property (38 years old, with outdated earthquake resistant standards), the size of the exclusive area, and its unusual design, including a reception area, comparable sales transactions were extremely rare. The appraisal value of the property varied significantly between real estate companies (Company A: 317,140,000 yen; Company B: 420,730,000 yen). The 2 real estate companies that the Company requested appraisal from were among the top five largest in Minato-ku in terms of transaction volume.
- Therefore, the Company determined a selling price as the average of the two appraised values, or 368,935,000 yen, plus the carrying value of the movable property in the building as of the end of March 2021, which amounted to 2,873,241 yen (including consumption tax) upon confirmation by an outside legal counsel.
- **On May 12, 2021, the Company's Board of Directors passed a resolution to approve the sale of the property. The board complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

Market Share and Sales in the Tokyo Metropolitan Area after the Acquisition of Domus Motoazab

- **Market Share and Sales in the Tokyo metropolitan area improved significantly between 2012, prior to the acquisition of Domus Motoazabu, and 2021, when the property was sold.**
 - Tokyo metropolitan area market share: Increased from 7.2% to 13.8%.
 - Tokyo metropolitan area sales: Sales increased from 17.9 billion yen to 27.8 billion yen. In fiscal 2017, Fujitec won the largest domestic project in our history in the Tokyo metropolitan area, with an order value of over 2.0 billion yen.
- In fiscal 2021, Fujitec recorded record-high sales in the Tokyo metropolitan area at 31.1 billion yen, despite the COVID-19 pandemic.



* Figures provided on this slide are for internal management purposes only.

Summary of the Transaction Related to Domus Motoazabu No. 104 **FUJITEC**

Purpose of Acquisition

Clear strategy of increasing the Company's market share and sales volume in Tokyo

Rent

Price reflecting the findings of the Taxation Bureau, etc.

Sales Price

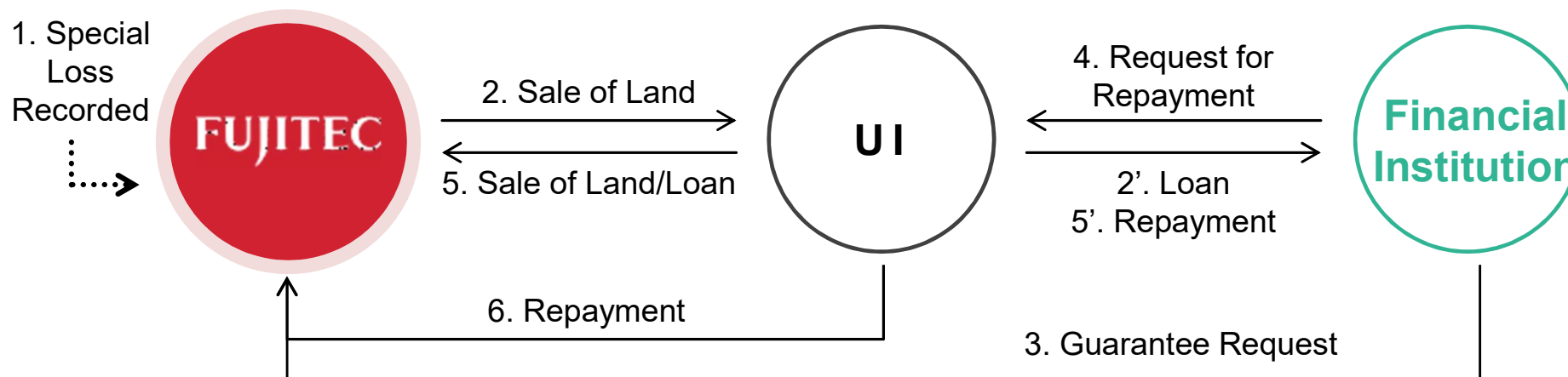
Price based on real estate company appraisal from 2 of the largest realtors in Tokyo

Matter 2 in May 2022 Published Material Loans/Guarantees to Founding Family-owned Corporations



Overview of Loans/Guarantees to Founding Family-Owned Corporations

1.	September 1989	During the fiscal year ended September 1989, the Company recorded an extraordinary loss of 7,793 million yen due to impairment loss, etc.
2.	September 1989	To strengthen and put the Company's fiscal position on sound footing, the Company sold the land used for our Osaka Head Office ("the Land") to Kabushiki Kaisha Uchiyama International ("UI").
3.	1999 to 2002	In February 1999, a financial institution requested, and the Company accepted, a guarantee option from the Company with respect to a loan ("the Loan") to UI for the purpose of acquiring the Land. In February 2002, the guarantee was requested and accepted as a formal guarantee.
4.	2003	The financial institution requested UI to repay the Loan.
5.	2003	The Company repurchased the Land for 1.0 billion yen, the fair market value at the time, loaned 4.1 billion yen to UI (interest rate added to the Company's general borrowing rate), and UI repaid the Loan.
6.	- March 2015	Funds borrowed from the Company were repaid fully by March 2015.



Background of Loans/Guarantees to Founding Family-Owned Corporations

1. Special Loss

- The Company recorded a special loss of 7,793 million yen for the fiscal year ended September 30, 1989, mainly due to the recording of impairment losses on investments and bad debt related to overseas subsidiaries.

2. Sale of Land

- **The Company decided to strengthen and put our financial position on a sound footing by selling the Land to UI. On September 20, 1989, the Company sold the Land to UI for 6.5 billion yen, recording a profit of approximately 6.3 billion yen.**
- UI, which became owner of the Land as a result of the sale, and the Company entered into a lease agreement for the Land.
- **The Company's Board of Director resolution related to transaction above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

3. Guarantee Request

- Some time around February 1999, a financial institution, acting as a creditor, requested a guarantee option from the Company with respect to the Loan to UI for the purpose of acquiring the Land.
- The Company decided to accept the request for guarantee option, **as the Loan to UI was taken on to strengthen and put the Company's financial position on a sound footing.**
- Sometime around February 2002, the financial institution requested that the guarantee option be converted to a formal guarantee. The Company decided to accept the request for a conversion in guarantee for the reasons described above.
- **The Board of Director resolution related to the transaction above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

Background of Loans/Guarantees to Founding Family-Owned Corporations (Continued)

4. Request for Repayment

- The financial institution requested UI to repay the Loan.

5. Sale of Land/Loan/Repayment

- As the Company was the guarantor of the Loan, and further, **the Loan was undertaken to strengthen and put the Company's financial position on a sound footing after impairment losses**, the Company decided to accept the request from the financial institution.
- The Company decided to repurchase the Land from UI in September 1989 at a fair price at that time of 1.0 billion yen. **As a result of this transaction, UI recorded a loss on the sale.**
- To enable repayment of the Loan, the Company loaned 4.1 billion yen to UI at an interest rate of 0.1% above the Company's financing rate.
- **The Board of Directors resolution related to the repurchase and loan described above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

6. Repayment

- UI repaid the Loan with the proceeds from the sale of the Land and the loan from the Company.
- Funds borrowed from the Company were repaid fully by March 2015.

Summary of Loans/Guarantees to Founding Family-Owned Corporations

**Purpose of
Loan/Guarantee**

**To strengthen and put the Company's financial
position on a sound footing**

Interest Rate

**Interest rate added to the Company's
borrowing rate**

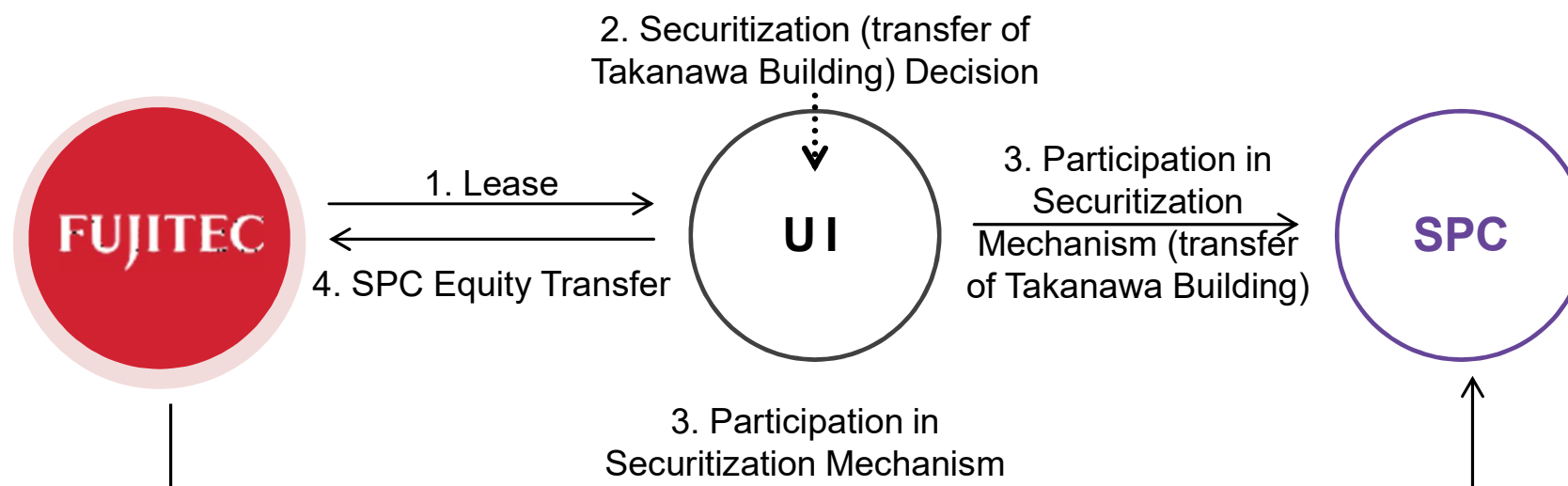
Matters 3 and 4 in May 2022 Published Material

Rent Payments to a Company Owned by the Founding Family and Sale of Equity during the Fiscal Year Ended March 2015



Overview of Transaction Related to the Takanawa Building (Rent/Sale of Private Equity)

1.	Some time around 1973 -	The Company leased the Takanawa Building from UI as the Company's Tokyo Branch Office.
2.	Some time around 2003 -	After a loan from the Company was conducted in connection with the real estate transaction as described in <i>Matter 2 Loans/Guarantees to Founding Family-Owned Corporations</i> , UI decided to securitize the Takanawa Building to repay the loan.
3.	August 2006	Decision to participate in the securitization mechanism (this mechanism has virtually the same effect as the Company acquiring Takanawa Building by making a Tokumei Kumiai investment and contributing to funds.)
4.	August 2014	As the Company intended to vacate/relocate from the Takanawa Building by 2017 and UI was expected to allow the Company to continue to use Takanawa Building, in the event that the relocation to a new location encountered delays, the Company decided to transfer the equity interest of the Tokumei Kumiai investment and the right to demand the return of funds related to this mechanism to UI.



Background of Transaction Related to the Takanawa Building (Rent/Sale of Private Equity)

1. Lease

- Some time around 1973, the Company leased the Takanawa Building from UI as the Company's Tokyo Branch Office.

2. Securitization Decision

- After 2003, UI decided to securitize the Takanawa Building to repay the loan after receiving the loan from the Company in connection with the real estate transaction as described in *Matter 2 Loans/Guarantees to Founding Family-Owned Corporations*.

3. Participation in Securitization Mechanism

- The securitization mechanism has virtually the same effect as the Company acquiring Takanawa Building by making an Tokumei Kumiai investment and contributing to funds.
- **On August 10, 2006, the Company's Board of Directors passed a resolution to approve participation in the securitization mechanism. The Board complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

4. Transfer of Equity to SPC

- At a meeting held on August 7, 2014, the Company's Board of Directors passed a resolution to transfer to UI the equity interest of the Tokumei Kumiai investment and right to demand the return of funds in the mechanism, as UI was able to respond in a flexible manner with respect to use and application for the reasons described below.
- Considering the age of the Takanawa Building, the Company planned to vacate the Takanawa Building and move to a new location by 2017.
- At the same time, the Company would need to continue using the Takanawa Building in the event that the relocation to the new location was delayed.
- **Further, the Company recovered the capital for the securitization mechanism prior to the time of the board resolution through dividends. The transfer price of the equity interest of the Tokumei Kumiai investment to UI was established at 178,695,000 yen, which was the valuation based on a valuation report prepared by an accounting firm, and the transfer price of the right of demand to return funds was established at 3.75 million yen, which was the nominal value.**
- **The Board of Directors resolution above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**
- **The 324% increase in rent paid by the Company in relation to the property, as pointed out by Oasis, was due to the fact that rent payments for the Takanawa Building became considered as the equivalent of a related-party transaction in conjunction with the transfer of the equity interest of the Tokumei Kumiai and right to demand the return of funds.**

Summary of Transaction Related to the Takanawa Building (Rent/Sale of Equity)

Purpose of the
Transaction

To strengthen and put the Company's financial position on a sound footing (underlying cooperation by the Founding Family)

Rent

Price based on evaluation by third party

Sales Price

Price based on evaluation by third party

Overview of Transaction Related to Urban Well Ibaraki

- In 2007, a condominium seller proposed a new building to replace Company corporate housing (First Hisho Dormitory) which was aging at the time. As the new building was larger than the number of rooms needed (144 rooms compared to 50 rooms needed) UI retained the real estate and the Company leased only the 50 rooms needed.
- On November 06, 2007, the Company's Board of Directors passed a resolution to approve a lease agreement for Urban Well Ibaraki. The Board complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.
- The rent was established at the same level as rents to a third party.
- Subsequently, on December 6, 2013, the rent for Urban Well Ibaraki was reduced from 4,130,000 yen per month to 4,022,000 yen per month in consideration of the market conditions at the time.
- In addition, on October 1, 2021, the rooms subject to lease were changed from 50 rooms and one common room to 5 rooms and one common room. The Board of Directors resolution related to the change above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.



Summary of Transaction Related to Urban Well Ibaraki

Purpose of
Lease

Flexibility to meet Company needs

Rent

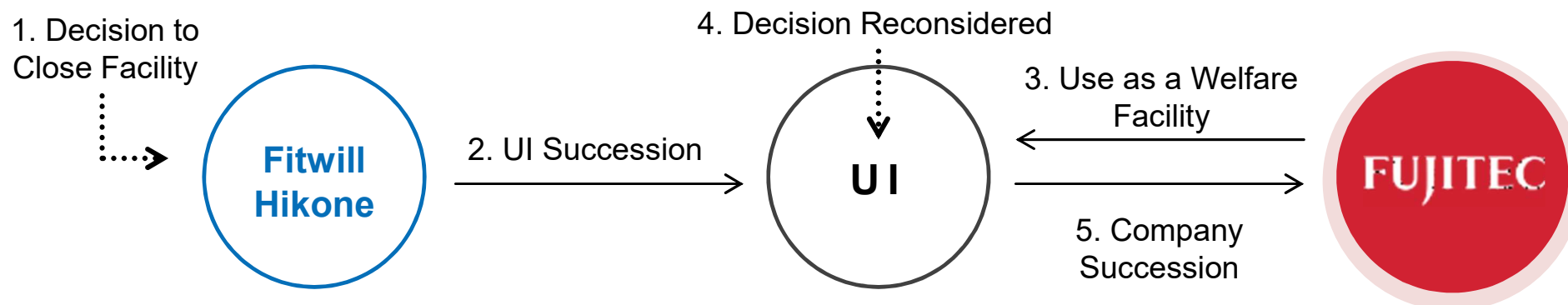
**Price set at the same level as that to a third party
and in consideration of market conditions**

Matter 5 in May 2022 Published Material Transaction Related to Fitwill Hikone



Overview of Transaction Related to Fitwill Hikone

1.	End of March 2007	The <i>Peare Hikone</i> health promotion facility operated by the Social Insurance Health Foundation in Hikone City, Shiga Prefecture, where the Company's head office is also located, had been an important public facility to residents of the city (the facility had a public pool and rentable rooms for various activities and was widely used by the community for as there were very few similar facilities). The facility was scheduled for closure.
2.	April 2007	The mayor of Hikone City asked the Company to take over the facility as it was important to the community. However, the Company decided not to do so, as owning the facility was not rational from the viewpoint of the Company. In the end, UI decided to take over the facility, changing the name to Fitwill Hikone.
3.	April 2007 -	From the viewpoint of contributing to the local community that was also home to the Company's head office, the Company signed an agreement with the facility for providing welfare benefits to the Company's employees.
4.	- June 2009	In 2009, UI considered closing the facility due to its lack of expertise in facility operations. However, the mayor again requested that the Company, as a leading company in the area, take over the facility.
5.	August 2009	From the viewpoint of contributing to the local community that was home to the Company's head office, the Company's Board of Directors decided that the Company would take over Fitwill Hikone.



Background of the Transaction Related to Fitwill Hikone

1. Decision to Close Facility

- The *Peare Hikone* health promotion facility operated by the Social Insurance Health Foundation in Hikone City, Shiga Prefecture, where the Company's head office is also located, had been a familiar presence to residents of the city. The facility was scheduled for closure at the end of March 2007.

2. UI Succession

- **The issue was brought up in the Diet (government parliament, assembly) at one time. The Company considered the idea from viewpoints such as contributing to the local community, which is home to the Company's head office, but eventually decided against purchasing for the time being, as owning the facility was not rational from the viewpoint of the Company.**
- Instead, UI decided to take over the facility beginning in April 2007, renaming the facility Fitwill Hikone.

3. Use as a Welfare Facility

- From the viewpoint of contributing to the local community that was also home to the Company's head office, the Company signed an agreement with Fitwill Hikone for providing employee welfare benefits to Company employees.
- **The Board of Directors resolution related to the facility usage agreement above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

4. Decision to Close Facility Reconsidered

- In 2009, UI reconsidered the closure of the facility, as UI did not have the expertise or personnel to operate the facility.
- After the beginning of the reconsideration process, the mayor requested that the Company, as a leading company in the area, take over the facility.

5. Company Succession

- From the viewpoint of contributing to the local community, the Company took over Fitwill Hikone in September 2009.
- **The Board of Directors resolution related to the facility succession above complied with procedures stipulated by law, including the abstention of special-interest parties from the voting process.**

Summary of Transaction Related to Fitwill Hikone

**Purpose of
Use/Acquisition**

From the viewpoint of providing welfare benefits to employees and contributing to the local community

Acquisition Price

Price based on appraisal

Matter 6 in May 2022 Published Material Transactions with Shinohara Tax Accountant



Overview of Transactions With Shinohara Tax Accountant

- On August 30, 2013, the Company entered into an advisory agreement with Mr. Yoshinori Shinohara (“Mr. Shinohara”) and Mr. Takaaki Narasaki, licensed tax accountants.
(Beginning in January 2020, the Company transitioned to an advisory agreement with Osaka Ekimae Tax Accountant Firm, established by Mr. Shinohara.)
- The cost of the above advisory agreement was 120,000 yen per month. In addition to the advisory fee, the Company paid a daily allowance for any responses required for tax audits.
- UI and Santo have also entered into an advisory agreement with Osaka Ekimae Tax Account Firm (Mr. Shinohara’s firm).

**Purpose of the
Transactions**

**Common advisory agreement
with a tax accounting firm**

**Matter 7 in May 2022 Published Material
Cleaning Work at the Home of the Founder Family
Performed by a Former Company Employee**



Cleaning Work at the Home of the Founder Family Performed by a Former Company Employee

- The following is a summary of the former employee who performed cleaning work at the home of the Company's founder, as pointed out by Oasis:
 - The individual retired from the Company in 2011.
 - After retirement, the individual was rehired by a subsidiary of the Company and employed until 2016.
 - The individual was engaged in tree trimming and other general administrative duties at the Company building while rehired as a contract worker.
 - In 2016, the individual signed a part-time contract and engaged in general administrative work two-to-three days a week.
 - The individual's part-time contract was terminated in June 2021.
- After the termination of said part-time contract, Takakazu Uchiyama, then president of the Company, requested the individual to prune trees at Uchiyama's home as an individual.

Purpose of the Transactions

Hiring for general administrative work/part-time work

FUJITEC