

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

May 23, 2023

To all parties concerned

Company: Fujitec Co., Ltd.
(Stock Code 6406)
Representative: Takao Okada
President and CEO
Contact: Kosuke Sato
Operating Officer,
General Manager of Finance HQ
(TEL 072-622-8151)

**Notice Concerning Our Response to the Issues Pointed Out by the Third-Party Committee
Regarding the Related-Party Transactions and Other Activities**

As announced in the “Notice Concerning the Third-Party Committee” dated August 10, 2022, the Company established the third-party committee chaired by Hideaki Kobayashi, Attorney-at-law, to conduct additional investigation and verification concerning the related-party transactions and other activities that were pointed out by some shareholders of the Company. However, as announced in the “Notice Concerning the Opinion of the Board of Directors and the Completion of Additional Third-Party Investigation Concerning the Dismissal of Former Chairman Uchiyama, Etc.” dated April 7, 2023, the third-party committee informed the Company on April 3, 2023, that the term of the agreement, which was initially set until December 31, 2022, would not be extended (in other words, the agreement would not be renewed), although the investigation had not yet been completed.

As announced in the said notice dated April 7, 2023, the third-party committee pointed out as the reasons for its decision not to extend the term of agreement that, during the investigation, a relationship of trust with the Company could not be fostered and that Mr. Takakazu Uchiyama was not cooperative enough in the investigation. In this regard, Mr. Takakazu Uchiyama stated in media interviews, etc., that he had cooperated with the investigation and that, as evidence of his cooperation, he underwent half-day investigations twice in December 2022. Nonetheless, according to the third-party committee, an interview with him was held only once, on December 28, 2022, just before the expiration of the term of the agreement with the third-party committee. The third-party committee’s request for the interview with him was made on December 8, 2022; however, there was no particular response from him, and, on December 21, the date of the interview was suddenly and unilaterally set by him for the afternoon of December 27 or the morning of December 28. In addition, as announced in the said notice, at almost the same time, the third-party committee received a warning letter dated December 27 from the company as represented by Mr. Takakazu Uchiyama to the effect that legal action would be taken depending on how the third-party committee responds to the investigation. Even if based solely on these circumstances, it is difficult to say that he was cooperating with the investigation.

As stated above, although the investigation conducted by the third-party committee had to be terminated, the Company is taking seriously the fact that the third-party committee indicated that it was unable to foster a relationship of trust with the Company during the investigation. The Company has asked external experts to conduct a review of the Company’s internal management systems, such as internal compliance awareness and information management, as well as the various aspects identified as grounds for the failure to foster such relationship of trust. Based on the result of the said review, the Company is committed to rebuild its internal control system and prevent similar problems from recurring.

Moreover, with regard to the related-party transactions and other activities that were subject to the investigation, with the help of external experts, independent outside directors are taking the lead in examining the measures to be taken in the future in view of the importance from a legal or corporate governance perspective, the effectiveness of the additional investigation, the possibility of clarifying the matter and the cost of the investigation. The Company will notify you again once the specific details of measures are decided.

End