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To whom it may concern

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Opinion of the Company's Board of Directors on the Shareholder Proposal (Dividend Increase)

As announced in the "Notice Concerning Receipt of Documents Concerning Exercise of Shareholder's Proposal Rights" dated Apr. 13, 2023, the company received the proposal from a shareholder regarding the proposals at the 51st Ordinary General Meeting of Shareholders scheduled to be held in June 2023. (Hereinafter referred to as the "Shareholder Proposal") dated April 11, 2023 (hereinafter referred to as the "Shareholder's Proposal"). We hereby announce that we have resolved to oppose this shareholder proposal.

1. This Shareholder Proposal.

(1) Proposed shareholder.

One individual shareholder.

Number of voting rights held 412 (0.45% of total voting rights).

(2) Proposed content (posted exactly as the original text of this shareholder proposal).

Based on Article 303 of the Companies Act, I propose the following.

1. Details of proposal

While expressing our heartfelt gratitude to all of our employees over the past 50 years and to YAC for their hard work over the past 50 years. For the following reasons, I request to decide to pay an annual dividend of 50 yen per share as an ordinary dividend and a 50th anniversary commemorative special dividend 50 yen for a total of 100 yen. Therefore, since the interim dividend was 25 yen per share, the year-end dividend will be 75 yen per share.

2. Reason of proposal

(1) I would like to express my sincere gratitude to all of you who supported last year's shareholder proposal with approximately 15% (voting rights). However, about 8% of those votes were in favor of both the company's proposal and the shareholder's proposal regarding dividends, rendering the vote "ineffective." Even if you oppose the company's proposal, you can still receive dividends. Therefore Would it be possible for you to "oppose the company's proposal and support the shareholder's proposal" with peace of mind?

(2) Let's make YAC a "sustainable high-dividend company" and a "100-year company". If it is recognized in the stock market as a "sustainable high-dividend company," the market capitalization will increase due to the rise in the stock price. It becomes a hostile takeover bid (TOB) measure against YAC and M&A (acquisition) of another company is executed with treasury stock or cash and treasury stock, the value of

treasury stock held by YAC increases, so the cost of M&A (cost) can be reduced. This is beneficial not only to shareholders but also to YAC. In addition, rising stock prices also increase the chances of stock splits.

3. The type of dividend property, the effective date of distribution of surplus, and the start date of dividend payment shall be the same as the company's proposal. "We apologize for the inconvenience, but we appreciate your understanding."

2. Opinion of the Company's Board of Directors on the Shareholder Proposal.

(1) Overview of the Shareholder Proposal

This shareholder proposal proposes to pay a dividend of 100 yen per share of our common stock (ordinary dividend of 50 yen and commemorative dividend of 50 yen). (Including year-end dividend of 75 yen)

(2) Opinion of our Board of Directors.

The Board of Directors of the Company opposes this Shareholder Proposal.

(3) Opposition reason.

A. In the past, our basic policy was to continue stable dividends regardless of fluctuations in business performance. However, with the transition to the prime market accompanying the reorganization of the Tokyo Stock Exchange's market divisions, we changed to aim for further shareholder returns from fiscal 2021 and adopt a new stable dividend policy targeting a dividend payout ratio of 30%. As an important shareholder return policy, we announced it in the "plan for meeting the listing maintenance criteria for the new market segment" disclosed on December 24, 2021.

B. In accordance with A above, at the 50th Ordinary General Meeting of Shareholders held on June 29, 2022, an annual dividend of 36 yen per share (including a year-end dividend of 24 yen) was submitted as a proposal (company proposal), and we have received the support from the majority of shareholders.

It is explained in Shareholder's Proposal that about 15% of the proposing shareholders voted in favor, but this is based on the premise that all of the voting rights exercised for which the approval or disapproval was invalid naturally supported both the company's proposal and the Shareholder's Proposal. It is the one that stood in the at the 50th Ordinary General Meeting of Shareholders held in the previous fiscal year, the approval ratio for the shareholder proposals was 7.15% of the voting rights of the shareholders present. And proposed shareholder's explanation which was assumed that all of the invalid votes were in favor of the shareholder proposals and we believe that the explanation is misleading, and I cannot agree.

C. As stated in the "Summary of Financial Results for the Fiscal Year Ending March 31, 2023 [Japanese Standards] (Consolidated)" and Notice of Differences between Earnings Forecasts and Results for the Fiscal Year Ending March 31, 2023 announced today, net income attributable to owners of parent was 921 million yen, and net income per share was 100.57 yen, far below our forecast. However, in the milestone year of the 50th anniversary of our founding, in order to reciprocate the support we have received from our shareholders, as announced in the "Notice Concerning Revised Dividend Forecast (Commemorative Dividend)" dated February 10, 2023, including the dividend of 25 yen, we plan to pay an annual dividend of 75 yen (including a year-end dividend of 50 yen). If the annual dividend is 75 yen, the dividend payout ratio will be 74.6%, and even if only the ordinary dividend excluding the commemorative dividend is used, the dividend payout ratio will be 49.7%. We believe that we have been able to provide sufficient returns to shareholders.

D. The capital adequacy ratio for the current fiscal year ending March 31, 2023 is 41.1% (consolidated). In addition, we believe that M&A is essential, and to it is important to secure the necessary internal reserves and prepare for flexible utilization. In addition, in order to

prepare for unforeseen circumstances, it is necessary to strike an appropriate balance between dividends and internal reserves. Therefore, we believe that additional expenditures associated with the increase in the commemorative dividend for the fiscal year ending March 31, 2023 based on this shareholder proposal should be restrained. Going forward, we will continue to work to strengthen our management base and improve our financial position through the steady execution of our medium-term management plan, and we will strive to further improve our corporate value and meet the expectations of our shareholders.

Based on the above, the Shareholder Proposal is not consistent with the Company's shareholder return policy and future fund utilization policy, and it is unlikely that it will contribute to the further enhancement of the Company's medium- to long-term corporate value.

End