

[Translation for reference only]

ENGLISH TRANSLATION OF JAPANESE-LANGUAGE DOCUMENT

This is an English translation of the original Japanese-language document and is provided for convenience only. In all cases, the Japanese-language original shall take precedence.



May 8, 2026

Company name:	MEISEI INDUSTRIAL CO., LTD.
Name of representative:	Tetsuji Yanase, Representative Director and President (Securities code: 1976; Tokyo Stock Exchange, Prime)
Inquiries:	Atsuo Tanaka, Executive Officer, General Manager of Finance Division (Telephone: +81-6-6447-0275)

**Notice Concerning Board of Directors' Opinion on Shareholder Proposals**

MEISEI INDUSTRIAL CO., LTD. (the "Company") hereby announces that it has received a shareholder proposal in writing (the "Shareholder Proposal Document") from Nippon Active Value Fund plc (the "Proposing Shareholder"), the Company's shareholder, regarding proposals (the "Shareholder Proposals") it plans to make at the 84th Ordinary General Meeting of Shareholders (the "Ordinary General Meeting of Shareholders") to be held on June 25, 2026, and that the Company's Board of Directors has resolved at its meeting held today to oppose the Shareholder Proposals, as described below.

I. Details of the Shareholder Proposals

1. Agenda Items

- (1) Share Buyback
- (2) Amendment to the Articles of Incorporation Concerning the Number of Outside Directors
- (3) Amendment to the Articles of Incorporation Concerning the Record Date for an Ordinary General Meeting of Shareholders

2. Outline of Proposals and Reasons for Proposals

An outline of the proposals and reasons for the proposals is as described in the attachment entitled "Details of the Shareholder Proposals."

This attachment is a copy of the original text of the relevant sections of the Shareholder Proposal Document submitted by the Proposing Shareholder, except for formal adjustments.

II. Opinion of the Company's Board of Directors on Shareholder Proposals

1. Share Buyback

(1) Opinion of the Board of Directors of the Company

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

(2) Reasons for Opposition

Since its founding in 1944, the Company has consistently contributed to the effective utilization of energy for more than 80 years through its core business involving thermal insulation work and technology. This has been achieved through a commitment to its three management principles, i.e., to create customers and secure their trust, contribute to society, and challenge toward the future. In recent years, it has become increasingly important to address global issues such as the prevention of global warming and the promotion of new energy sources to replace fossil fuels; the Company is pursuing initiatives with an eye on medium- to long-term growth in these areas as well.

Based on these management principles and initiatives, in its Medium-Term Management Plan (FY2024 – FY2026) announced on May 24, 2024, the Company established “Investments for future breakthroughs” as its basic policy, and is promoting capital investment and expansion of business areas to consistently strengthen its profit structure and implement a strategy for growth. The Company is working to develop new business areas to complement the thermal insulation business domain, with an eye toward M&As. As a result, the Company recorded sales of 60.2 billion yen and net profit of 5.4 billion yen for the fiscal year ended March 31, 2026, and plans to generate 61.0 billion yen in sales and 5.6 billion yen in net profit for the fiscal year ending March 31, 2027, the final year of its Medium-Term Management Plan.

The Company believes that improving profitability and maintaining a sound financial position will lead to the expansion of corporate value, and positions the stable return of profits to shareholders as a one of its top management priorities. Since the fiscal year ended March 31, 2023, the Company has been consistently increasing dividends; furthermore, based on this approach, the Company revised its dividend policy in the “Notice of Change in Dividend Policy” announced on May 9, 2025. Specifically, during the current Medium-Term Management Plan (FY2024 – FY2026), the Company has introduced DOE (dividend on equity ratio) as a new indicator, and revised its dividend policy to target a DOE (dividend on equity ratio) of 4% or higher, while comprehensively considering a dividend payout ratio of around 30% to 40%. The Company believes that this adjustment will be acceptable to shareholders.

In addition, Article 30 of the Company’s Articles of Incorporation stipulates that the Company may conduct share buybacks through market transactions or similar means, by a resolution of the Board of Directors; it is therefore possible for the Company to promptly and efficiently conduct share buybacks without a resolution of the general meeting of shareholders. Accordingly, the Company has been promptly and efficiently conducting share buybacks in accordance with its Articles of Incorporation, taking into account capital efficiency and other factors; most recently, the Company took various measures to enhance the return of profits to shareholders and improve capital efficiency, including the acquisition of 1,700,000 shares (representing 3.56% of the total number of issued shares, excluding treasury shares) for a total acquisition price of 2.74 billion yen through share buybacks in November 2025. The Company will continue to conduct share buybacks by thoroughly taking into account the surrounding environment, including the Medium-Term Management Plan, capital policy, business performance, business investment and financial situation, trading status of the Company’s shares, and stock price level.

As previously stated, the Company is committed to initiatives to enhance its corporate value over the medium- to long-term, by strengthening its business foundation through the reinforcement and development of existing businesses and the implementation of strategies for sustained growth, and by promoting sustainability management. It will also strengthen its capital policy, including the return of profits to shareholders and share buybacks.

However, given that the Company's share price is trading at a price-to-book ratio (PBR) of 1.0 or higher, passing a resolution at the Ordinary General Meeting of Shareholders to conduct share buybacks totaling 10.47 billion yen within one year, as required by this Shareholder Proposal, would, in light of the fact that the Company's net income for the fiscal year ended March 2026 was 5.4 billion yen, significantly exceed the Company's annual operating cash flow level and result in an excessive outflow of funds. Therefore, such a large-scale and short-term share buyback could significantly constrain the Company's ability to make flexible growth investments and may pose a risk of hindering its medium- to long-term growth and the sustainable enhancement of its corporate value. The Company therefore considers it inappropriate in light of its current management strategy.

For the aforementioned reasons, the Company's Board of Directors opposes this Shareholder Proposal.

## 2. Amendment to the Articles of Incorporation Concerning the Number of Outside Directors

### (1) Opinion of the Board of Directors of the Company

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

### (2) Reasons for Opposition

Since June 2015, the Company has adopted a corporate structure that includes an audit and supervisory committee, appointing all outside directors to serve as members of the Audit and Supervisory Committee. This has strengthened the audit and supervisory functions of the Board of Directors and further enhanced corporate governance.

In addition, to enhance the fairness, transparency, and objectivity of procedures related to the nomination and remuneration of directors, the Company voluntarily established the Nomination and Remuneration Committee, the majority of whose members are independent outside directors, to serve as an advisory body to the Board of Directors. Based on the criteria for appointing director candidates, the committee fairly and rigorously selects director candidates with insight, qualifications, and abilities relevant to the business environment, and proposes them to the Board of Directors. The Board of Directors makes decisions on the candidates for directors based on the committee's recommendations and advice. It followed the same decision-making process when nominating the candidates for directors to be proposed at the Ordinary General Meeting of Shareholders .

If the Company's proposal to appoint directors (including directors who are Audit and Supervisory Committee members) is approved at the Ordinary General Meeting of Shareholders, four of the nine directors of the Company will be independent outside directors. The ratio of independent outside directors on the Company's Board of Directors was 30% as of the Ordinary General Meeting of Shareholders held in June 2023; however, as part of the Company's ongoing efforts to enhance its corporate governance structure, the ratio has been increased to 44% since the Ordinary General Meeting of Shareholders held in June 2024. Accordingly, the Company satisfies the requirements under Japan's Corporate Governance Code applicable to Prime Market listed companies, which require that at least one-third of the members of the board of directors be independent outside directors. Moving forward, the Company will continue to enhance its corporate governance structure by leveraging bodies that are independent from the Board of Directors, such as the Nomination and Remuneration Committee, to ensure that the Board of Directors contributes to the enhancement of corporate value over the medium- to long- term.

All four of the candidates for directors (excluding directors who are Audit and Supervisory Committee members) are familiar with the Company's business and have expertise in corporate management, sales strategy, and business strategy, as well as specialized knowledge and experience in their respective fields, including, among others, construction, technology and R&D, human resources, labor and diversity, and finance and accounting. Of the five directors who are Audit and Supervisory Committee members, four are independent outside directors. Each of them possesses expertise in areas such as

finance and accounting, ESG, and risk management. These independent outside directors express their opinions on overall corporate management to the Board of Directors from their respective professional perspectives. They provide recommendations and advice to ensure that decisions made by the Board are adequate and appropriate.

The Company's Board of Directors considers that the Board of Directors, which consists of the candidates proposed by the Company, is sufficiently independent and diverse, and has an optimal composition to implement the Company's management principles as well as to execute and supervise operations aimed at achieving the targets of the Medium-Term Management Plan. The Company believes that the Board of Directors has established a governance structure that will aid in the Company's sustained growth and the enhancement of its corporate value over the medium- to long-term, and that this structure will serve the interests of shareholders.

However, the Company believes that adding a provision to the Articles of Incorporation, as suggested in this Shareholder Proposal, would limit the scope from which director candidates are to be appointed and hinder the ability to flexibly consider the composition of the Board of Directors, based on discussions on the nature of the Board of Directors and management strategies from time to time.

For these reasons, the Company's Board of Directors opposes this Shareholder Proposal.

3. Amendment to the Articles of Incorporation Concerning the Record Date for an Ordinary General Meeting of Shareholders

(1) Opinion of the Board of Directors of the Company

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

(2) Reasons for Opposition

This Shareholder Proposal purports to secure sufficient time for consideration between the disclosure of securities reports and other information and the exercise of voting rights, by changing the record date for voting rights at the ordinary general meeting of shareholders from March 31 to May 15. The Company acknowledges the awareness of the issue to a certain extent.

However, postponing the ordinary general meeting of shareholders by changing the record date for voting rights will involve the following issues, in comparison with the current schedule: (i) it will delay the opportunity to reflect shareholders' will and engage in communication with them (at the ordinary general meeting of shareholders) after the fiscal year based on the business situation in that fiscal year; and (ii) potential impacts, such as delays in the appointment of officers and subsequent delays in initiating operations under the new system. The Company therefore believes that it lacks rationality in these respects.

In addition, although a securities report holds significant importance as a statutory disclosure document, much of its content is provided to shareholders in a timely manner prior to the disclosure of the securities report through the Company's financial results summary, voluntary disclosure materials, earnings presentation materials, integrated reports, and notices of convocation of ordinary general meetings of shareholders, among others. The Company therefore recognizes that, by thoroughly considering the information contained in these disclosure documents, shareholders are able to make rational judgments in exercising their voting rights at the ordinary general meeting of shareholders.

Initially, this Shareholder Proposal proposes to change the record date for voting rights only; however, Article 13 of the Company's Articles of Incorporation stipulates that "The Company's ordinary general meeting of shareholders shall be called in June every year;" even if only the record date for voting rights is changed, the Company is still required to hold the ordinary general meeting of shareholders in June.

Accordingly, this Shareholder Proposal alone will not achieve its purpose of ensuring a sufficient time for consideration after the disclosure of the securities report and the exercise of voting rights.

Furthermore, changing the record date for voting rights will increase administrative burdens and costs due to the necessity of mailing documents related to the ordinary general meeting of shareholders and dividends separately, in addition to the necessity of determining shareholders as of the record date twice by postponing only the record date of voting rights without changing the settlement date and the record date of the year-end dividend. There are also problems such as an increase in administrative burden due to overlapping disclosure operations related to the financial results of the first quarter and preparation for the ordinary general meeting of shareholders. These problems will affect a wide range of practical operations, including coordination with related organizations and restructuring of internal systems, in addition to shareholder register management, voting exercise procedures, and dividend-related practices. The resulting increase in administrative burdens and costs cannot be ignored, and the Company believes that there is no justifiable reason to change the current stable operations unless a clear benefit commensurate with the burden is recognized.

Meanwhile, the dispersion of shareholders' meeting dates, which this Shareholder Proposal identified as a "secondary effect" in the "Reasons for the Proposal," will not be achieved only through individual companies setting the record date for voting rights; this depends on a combination of factors such as overall market practices, trends among other companies, and the voting process of institutional investors. Consequently, the Company recognizes that there is a high degree of uncertainty as to whether the dates for shareholders' meetings will actually be dispersed as a result of the implementation of this Shareholder Proposal.

As previously stated, although this Shareholder Proposal expresses a specific idea, there will be issues such as delay in the opportunity to reflect shareholders' will and engage in communication with shareholders, and the Company does not find any substantial need to change the record date; rather, it believes that there will be a risk that it may affect the stability of its business operations.

For the aforementioned reasons, the Company's Board of Directors opposes this Shareholder Proposal.

The Board of Directors of the Company opposes this Shareholder Proposal; however, the Company recognizes that disclosing information in a manner that contributes to shareholders' exercise of voting rights is an important management issue. In fiscal year 2025, the Company made efforts to promote early disclosure, including the submission of its Annual Securities Report on June 25, 2025, the day prior to the 83rd Ordinary General Meeting of Shareholders held on June 26, 2025. In addition, the Company plans to disclose its Annual Securities Report for the fiscal year ending March 2026 3 days prior to the Ordinary General Meeting of Shareholders, which is 2 days earlier than last year. The Company will continue to diligently consider measures to ensure that the Annual Securities Report is disclosed sufficiently in advance of the ordinary general meeting of shareholders so as to secure an adequate period for shareholders to review and consider the information.

We will continue to examine the content and timing of disclosure based on relevant laws and regulations, practical trends, etc., and strive to enhance constructive dialogue with shareholders and improve the quality of information disclosure.

End

(Attachment: Details of the Shareholder Proposals)

\* The relevant sections of the Shareholder Proposal Document submitted by the Proposing Shareholder are as shown in the original text.

## I. Proposed Agenda Items

1. Share Buyback
2. Amendment to the Articles of Incorporation Concerning the Number of Outside Directors
3. Amendment to the Articles of Incorporation Concerning the Record Date for an Ordinary General Meeting of Shareholders

## II. Outline of the Proposals and Reasons Therefor

### 1. Share Buyback

#### (1) Outline of the Proposal

It is proposed that the Company acquire a total of 5,510,000 shares of the Company's common stock in exchange for cash with a total acquisition price of up to 10,470,000,000 yen within one (1) year from the conclusion of the Ordinary General Meeting of Shareholders, pursuant to Article 156, Paragraph (1) of the Companies Act.

#### (2) Reasons for the Proposal

Although the Company's share price has gradually trended upward since last year, the market apparently still views the measures taken by the Company as insufficient. Accordingly, to further expand shareholder returns and increase capital efficiency, we believe that measures should be taken to acquire approximately 10% of the Company's total number of issued shares as treasury shares and cancel them pursuant to Article 178 of the Companies Act.

### 2. Amendment to the Articles of Incorporation Concerning the Number of Outside Directors

#### (1) Outline of the Proposal

It is proposed to amend Article 19 of the Company's Articles of Incorporation as follows to make the Company's outside directors a majority. If, as a result of other proposals (including proposals made by the Company) being approved at the Ordinary General Meeting of Shareholders, formal adjustments to the article set forth in this proposal (including, but not limited to, adjustments to article numbering) become necessary, the article relevant to this proposal shall be replaced with such adjusted article as necessary.

Before Amendment	After Amendment
(Number of Directors) Article 19 1. The Company shall have no more than twelve (12) directors (excluding directors who are Audit & Supervisory Committee members). 2. The Company shall have no more than five (5) directors who are Audit & Supervisory Committee members. 3. <u>(New)</u>	(Number of Directors) Article 19 1. The Company shall have no more than twelve (12) directors (excluding directors who are Audit and Supervisory Committee members). 2. The Company shall have no more than five (5) directors who are Audit and Supervisory Committee members. 3. <u>The majority of the directors of the Company shall be outside directors as provided in Article 2, Paragraph (1), Item (xv) of the Companies Act.</u>

(2) Reasons for the Proposal

Principle 4.8 of Japan's Corporate Governance Code states: "Independent outside directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid- to long-term. Companies listed on the Prime Market should therefore appoint at least one-third of their directors as independent outside directors. Irrespective of the above, if a company listed on the Prime Market believes it needs to appoint the majority of directors as independent outside directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent outside directors." Furthermore, Principle 4.7 of Japan's Corporate Governance Code states that one of the roles and responsibilities of independent outside directors is: "appropriately representing the views of minority shareholders and other stakeholders in the boardroom from a standpoint independent of the management and controlling shareholders."

Although the Company satisfies the requirement of one-third or more with four (4) outside directors among nine (9) directors, it is believed that more actively appointing outside directors to constitute a majority of directors will enable the establishment of a governance system that increases capital efficiency, seeks to expand shareholder returns, and contributes toward the Company's sustainable growth and increase in corporate value over the medium- to long-term.

Furthermore, with regard to not only the number, but also the qualifications, of outside directors, we believe that personnel who can contribute toward the Company's sustainable growth and increase in corporate value over the medium- to long-term are required, and that the Company must accordingly consider appointing analysts with a high level of experience and skill.

We believe that the appointment of "personnel with a high level of experience and skill as analysts" will bring the viewpoints of external investors and shareholders to the Company's Board of Directors, and at the same time, will be an effective means of contributing toward increasing the corporate value through sound risk-taking. The Board of Directors of a listed company essentially shares the same goal as investors and shareholders of increasing the corporate value over the long-term; however, unfortunately in Japan, the relationship between the Board of Directors on one side and investors and shareholders on the other side is often considered antagonistic. Accordingly, we believe that directors with the above-mentioned experience and skills participating in discussions and decision-making by the Board of Directors will make the relationship between the Board of Directors and the stock market constructive, as it ought to be, through sound risk-taking and capital allocation, and better communication with the market. It is often explained that personnel from banks or accountants handle the financial part of the directors' skills matrix; however, we believe that expertise in accounting and debt markets is insufficient from the perspective of promoting "sound risk-taking," and that the appointment of equity market experts will be meaningful in this respect.

3. Amendment to the Articles of Incorporation Concerning the Record Date for an Ordinary General Meeting of Shareholders

(1) Outline of the Proposal

It is proposed to amend Article 14 of the Company's Articles of Incorporation as follows. If, as a result of other proposals (including proposals made by the Company) being approved at the Ordinary General Meeting of Shareholders, formal adjustments to the article set forth in this proposal (including, but not limited to, adjustments to article numbering) become necessary, the article relevant to this proposal shall be replaced with such adjusted article as necessary.

*(Underlined portions indicate changes.)*

Before Amendment	After Amendment
(Record Date for an Ordinary General Meeting of Shareholders) Article 14 1. The Company shall deem shareholders recorded in the shareholder register as of <u>March 31</u> of each year to be the shareholders entitled to exercise voting rights at the ordinary general meeting of shareholders. 2. <u>(New)</u>	(Record Date for an Ordinary General Meeting of Shareholders) Article 14 1. The Company shall deem shareholders recorded in the shareholder register as of <u>May 15</u> of each year to be the shareholders entitled to exercise voting rights at the ordinary general meeting of shareholders. 2. <u>Notwithstanding the preceding paragraph, where necessary, the Company may set a record date by resolution of its Board of Directors and by giving prior public notice.</u>

(2) Reasons for the Proposal

Presently, the record date for voting rights at an ordinary general meeting of shareholders is March 31, and the meeting is required under the Companies Act to be held by the end of June. Meanwhile, the Annual Securities Report, which contains information important for shareholders to determine how to exercise their voting rights, is in practice disclosed either after the meeting or at a time significantly close to the meeting date, such as the day immediately preceding the meeting date. As a result, investors are in fact unable to sufficiently analyze the content of the report and reflect such analysis in their voting decisions, and a substantial consideration period is not secured.

An Annual Securities Report is a statutory disclosure document that comprehensively covers information indispensable for making decisions on key agenda items at ordinary general meetings of shareholders, including business risks, management strategy, governance structure, remuneration amounts and determination policies therefor, and capital policy. We believe that disclosure of such information with sufficient time, rather than immediately before the meeting, is a prerequisite for responsible exercise of voting rights.

By changing the record date for voting rights to mid-May, the Company would be able to design a schedule that allows Annual Securities Reports and related information to be disclosed with sufficient time for consideration before the ordinary general meeting. Accordingly, this would create an environment in which investors, proxy advisory firms, and analysts can thoroughly review such information and appropriately reflect their analyses in decisions whether to vote in support of or not to support the proposals. This proposal does not seek a formal acceleration of timelines, but rather aims to establish an institutional framework for substantive enhancement of information disclosure.

In addition, as a secondary effect, this proposal is expected to promote dispersion of shareholders' meeting dates, which have traditionally been excessively concentrated in late June. Such concentration has made it effectively difficult for many shareholders to attend multiple shareholders' meetings. Greater dispersion of meeting dates would expand opportunities for shareholders to participate in more meetings and engage in direct dialogue and discussion with management. This will promote active shareholder involvement and contribute toward the realization of "shareholder democracy," as advocated by us.

Finally, this proposal does not involve any change to the Company's fiscal year and will not affect its business operations or accounting practices. Through rationalization of the disclosure schedule, we believe that the quality of disclosure and the effectiveness of dialogue with the

market will be enhanced, thereby contributing toward increasing the Company's corporate value and credibility in capital markets.

For these reasons, we propose the amendment to this Articles of Incorporation.

End