Note: This document is a translation of the original Japanese version and is provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

May 14, 2026

To whom it may concern,

Company name: Bunka Shutter Co., Ltd.
Name of representative: Hiroyuki Ogura, Representative Director and President
(Code No. 5930, TSE Prime)
URL: https://www.bunka-s.co.jp/
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(TEL +81-3-5844-7200)

Notice Concerning Opinion of the Company's Board of Directors on Proposal

The Company has received a written notice from a shareholder of the Company (hereinafter referred to as the "Proposing Shareholder") stating that it intends to submit a shareholder proposal (the "Shareholder Proposal") to the 80th Ordinary General Meeting of Shareholders (the "Ordinary General Meeting of Shareholders") scheduled to be held on June 17, 2026. The Company hereby announces that, at a meeting of its Board of Directors held today, it resolved to oppose the Shareholder Proposal, as set forth below.

I. Details of the Shareholder Proposal from the Proposing Shareholder and the Opinion of the Company's Board of Directors Thereon

1. Proposing Shareholder

   Name of Shareholder: NIPPON ACTIVE VALUE FUND PLC

2. Details of the Shareholder Proposal from the Above Shareholder

   (1) Agenda

      1) Election of two (2) Directors who are not Audit and Supervisory Committee Members

   (2) Summary of resolution

      As described in "Attachment 1: Details of Shareholder Proposal from Proposing Shareholder."

      Please note that "Attachment 1: Details of Shareholder Proposal from Proposing Shareholder" contains the original version of the pertinent statements in the Shareholder Proposal submitted by the Proposing Shareholder.

(3) Opinion of the Company’s Board of Directors on Proposal

1) Election of two (2) Directors who are not Audit and Supervisory Committee Members

A. Opinion of the Company’s Board of Directors

The Company’s Board of Directors is opposed to this Shareholder Proposal.

B. Reasons for Opposition

a. The Board of Directors of the Company, composed of director candidates proposed by the Company’s Board of Directors, maintains an appropriate level of independence, diversity, and expertise, and represents an optimal board composition in light of the Company’s management environment and business characteristics.

As a “Comfortable Environmental Solutions Group,” which constitutes our long-term vision, our mission is to contribute to social development and realize people’s happiness through human-, social-, and environment-friendly “diverse manufacturing” and their “services.”

With respect to the composition of the Board of Directors of the Company, in order to realize the long-term vision above and ensure the diversity and expertise of the Board of Directors, the Company has identified the skills necessary for its management and decided on the candidates for the Board of Directors to ensure an optimal composition. In selecting candidates for Directors, the Company has decided on such candidates after deliberations by the Nomination/Remuneration Committee, which is chaired by an independent Outside Director and comprised of a majority of independent Outside Directors, upon the request of the Board of Directors. All Director candidates proposed by the Board of Directors have been decided through such deliberations.

Of the nine (9) candidates proposed at the Ordinary General Meeting of Shareholders for the election of Director (excluding those who concurrently serve as Audit and Supervisory Committee Members) nominated by the Board of Directors, the five (5) internal Director candidates are well-versed in the Company’s business due to having abundant and wide-ranging knowledge and a high level of expertise based on their work experience in various divisions of the Company. In addition, of the four (4) candidates for Outside Director, one has management experience at a major asset management company, one was in charge of investor relations and served as a CFO (Chief Financial Officer) at a major manufacturing company, one has experience in DX management consulting for a major company, and one has experience in product development in the information and communications and information network fields of a major information and communications company. All of these candidates for Independent Outside Director have broad insight, abundant experience in their respective fields, and a high level of expertise.

In addition, the four (4) Directors and one (1) candidate proposed at the Ordinary General Meeting of Shareholders for the election of Director who serve as Audit and Supervisory Committee Members include a lawyer, a certified public accountant, and individuals with management experience at other companies. Each of them possesses a broad range of knowledge and insight supported by extensive experience. Of these individuals, three (3) are independent Outside Directors. If the proposal for election of one (1) Director as Audit and Supervisory Committee Member is approved as proposed at the Ordinary General Meeting of Shareholders, the Company plans to designate and notify one (1) of the candidates as an Independent Officer as defined by the Tokyo Stock Exchange, Inc. ("Tokyo Stock Exchange").

If the appointment of the nine (9) Director candidates (excluding Directors who will concurrently serve as Audit and Supervisory Committee Members) and the one (1) Director candidate who will concurrently serve as an Audit and Supervisory Committee Member is approved at the Ordinary General Meeting of Shareholders (for a total of fourteen (14) Directors when other Directors who concurrently serve as Audit and Supervisory Committee Members are included), the Board of Directors will include four (4) female Directors (28.5%), and Independent Outside Directors will constitute a majority (57.1%). The Board of Directors will have an appropriate composition in terms of number, taking into account a balance of individuals, etc., who can demonstrate strengths in managing various business domains and those who are able to maintain and improve business administration and compliance.

The Company believes that the Board of Directors, which consists of candidates for Director proposed by the Board of Directors of the Company, not only maintains sufficient independence, diversity, and expertise, but also has an optimal composition in accordance with the Company's business environment and business characteristics at this time, and is expected to have active discussions from various perspectives based on the skills of each of the Directors in relation to supervising management operations for the sustainable growth of the Company's Group and the enhancement of its corporate value over the medium to long term.

b. It is difficult for the candidates for Outside Director proposed under the Shareholder Proposal to appropriately supervise management operations as Directors of the Company.

In contrast, with respect to the candidates for Outside Directors in the Shareholder Proposal (the "Proposed Candidates"), the Nomination/Remuneration Committee interviewed the Proposed Candidates and rigorously deliberated in regard to their eligibility to serve as Directors of the Company. As a result, and based on the report of the Nomination/Remuneration Committee, the Company has determined that it would be difficult for the candidates to appropriately supervise management operations as Directors of the Company for the following reasons.

(a) With respect to the Proposed Candidates, their independence cannot be sufficiently ensured, and conflicts of interest with the Company's general shareholders may arise.

The Proposed Candidates, Masumi Nishida ("Mr. Nishida") and Kazutaka Mizuochi ("Mr. Mizuochi"), are officers or employees of

Dalton Investments Inc. (“Dalton”) or its affiliated entities (collectively, “Dalton Parties”), which holds approximately 21.0% of the Company’s shares (ownership percentage is calculated based on the total number of issued shares, excluding treasury shares), making it a major shareholder of the Company. Accordingly, if the Proposed Candidates were to be appointed as Outside Directors of the Company, such Outside Directors would simultaneously be subject to obligations arising from delegation agreements, employment contracts, or compensation arrangements with the Dalton Parties, as well as the duty of due care as Outside Directors owed to the Company.

As a result, ongoing conflicts of interest would arise within the Company’s Board of Directors, impairing the independence of the Board and the effectiveness of its corporate governance. Consequently, conflicts of interest would unavoidably arise with the Company’s general shareholders, and therefore, the Company considers it inappropriate to appoint these Proposed Candidates as Directors of the Company.

With respect to this matter, in considering the appointment of Mr.Nishida and Mr. Mizuochi as Directors, the Nomination/Remuneration Committee (which is chaired by an Independent Outside Director and composed of a majority of Independent Outside Directors) conducted interviews with Mr. Nishida on May 1, 2026, and with Mr. Mizuochi on May 7, 2026. During Mr. Nishida’s interview, he was asked questions regarding concerns over his independence resulting from his position as an officer or employee of the Dalton Parties, which collectively constitute a major shareholder of the Company. However, Mr. Nishida did not provide a clear response to these quesitons. Similarly, Mr. Mizuochi was asked the same questions in his interview and he responded that there was a possibility that he could not be considered indepnedent.

(b) It is doubtful whether the Proposed Candidates have a sufficient understanding of, or interest in, the Company’s business operations and management decision-making, and therefore they cannot be expected to fulfill their roles as Directors of the Company in contributing to the enhancement of the Company’s sustainable corporate value.

In the Shareholder Proposal, the Proposing Shareholder states that the Company’s construction-related materials business and refurbishment business have continued to recognize low profits, that no improvements have been made to the profitability or capital efficiency of these businesses, and that the fact that the Board of Directors of the Company has not made sufficient considerations or appropriate judgments in regard to conducting a fundamental review of the Company’s business portfolio gives rise to serious concerns regarding the appropriateness of the judgments of the Board of Directors of the Company concerning the allocation of management resources. However, such assertions are inconsistent with the actual circumstances.

As described above, with an optimal board composition, in order to strengthen business portfolio management of the Company with an awareness of capital costs, the Board of Directors of the Company constructs portfolios for each business based on revenue growth potential and ROIC, and seeks to achieve both the "identification of businesses with an awareness of capital profitability" and the "optimization of the allocation of management resources." With respect to both the construction-related materials business and the refurbishment business, the Board of Directors of the Company continuously holds discussions (including discussions regarding structural reforms of the Company's business portfolio) and makes investment decisions with an awareness of capital costs.

In the construction-related materials business, under a policy aimed at improving profit margins, efforts to expand sales of high value-added products specializing in disaster prevention, disaster mitigation, and environmental applications have contributed to improvements in the Company's profitability. In addition, beyond the restructuring of internal organizations, six (6) door manufacturing-related group companies were consolidated into two (2) companies, which yielded tangible results, such as productivity improvements via procurement and other measures that leverage scale advantages arising from synergistic effects. Going forward, the Company seeks to further improve its management efficiency.

In the refurbishment business, under a policy of advancing a review of its business structure, although a contraction of the market is anticipated to occur, the Company is promoting diversification of its sales channels. In addition to its existing B-to-C business, which focuses primarily on individual customers, the Company is strengthening collaboration with major developers as a new B-to-B initiative, through which earnings stability associated with increased order opportunities and strengthened brand power is expected to be achieved. While advancing initiatives aimed at improving such earnings structure, the Company will also continue holding discussions (including discussions concerning further structural reforms of its business portfolio) in order to optimize the allocation of its management resources.

As described above, under the current circumstances in which the business environment is changing rapidly, the Board of Directors of the Company continuously conducts strategic examinations of its business portfolio through management decisions that are adapted to the circumstances surrounding the Company in order to continue enhancing corporate value and sustainable growth, and appropriately supervises management operations. Despite the fact that the Company has appropriately disclosed and explained these initiatives and achievements to its shareholders, in light of the assertions concerning the Company's businesses set forth in the Shareholder Proposal, the Company believes that the Proposing Shareholder lacks sufficient understanding of, or interest in, the Company's business operations and management decisions.

Furthermore, the Shareholder Proposal states that Mr. Nishida, who is described as "having long-standing experience in investment and engagement with Japanese companies and a proven track record of enhancing corporate value through constructive dialogues between shareholders and companies," and Mr. Mizuochi, who is described as "having extensive experience as an international attorney and a track record of promoting management reforms at many Japanese companies through capital markets," would, as the Proposed Candidates for Directors of the Company, be "able to advance discussions toward the Company's sustainable growth and enhancement of corporate value."

With respect to this point, taking into account the abovementioned discrepancies in their recognition of facts concerning the Company's businesses, in considering the Shareholder Proposal, the Board of Directors of the Company submitted written questions to the Dalton Parties on April 22, 2026, asking, among other matters, specifically how Mr. Nishida and Mr. Mizuochi, as Directors of the Company, would contribute to enhancing the Company's corporate value and securing the common interests of the Company's shareholders, as well as requesting clarification of the concrete management policies and corporate value enhancement measures of the Company sought by the Dalton Parties.

In response, on April 28, 2026, the Dalton Parties provided responses that were limited to stating that, with respect to the questions mentioned above concerning Mr. Nishida and Mr. Mizuochi, the matters were as set forth in the Shareholder Proposal. In addition, they responded as follows: (i) while denying any current intention to acquire or dispose of additional shares or other securities of the Company, they nevertheless refused to provide a written undertaking not to acquire additional shares of the Company; (ii) ownership by the Dalton Parties of the Company's shares and other securities is not directly related to the enhancement of the Company's corporate value or the common interests of the Company's shareholders, and that pursuing the medium- to long-term enhancement of the Company's corporate value and the common interests of the Company's shareholders is the responsibility of the Company's management; and (iii) they reiterated their prior assertions and provided responses suggesting that they continue to intend to propose management buyouts ("MBOs") to their portfolio companies (the "April 28 Response").

In light of the April 28 Response, the Company recognizes that the Dalton Parties do not possess any concrete measures for enhancing the Company's corporate value. Furthermore, Mr. Nishida and Mr. Mizuochi, who are officers or employees of the Dalton Parties, merely repeated the contents of the Shareholder Proposal, giving rise to doubts as to whether they possess sufficient understanding of, or interest in, the Company's business operations and management decisions. Accordingly, the Company believes that it cannot expect them, as Directors of the Company, to fulfill roles contributing to the sustainable enhancement of the Company's corporate value. Furthermore, in considering the appointment of Mr. Nishida and Mr. Mizuochi as Directors, the Nomination/Remuneration Committee, as described in (1) above, conducted interviews with each of Mr. Nishida and Mr. Mizuochi. However, in his interview, Mr. Nishida offered no concrete measures for enhancing the Company's corporate value other than the review of the

Company’s business portfolio described in the Shareholder Proposal. In addition, in his interview, Mr. Mizuochi offered no specific measures for enhancing the Company’s corporate value on the basis that the Company’s business operations do not fall within Mr. Mizuochi’s area of expertise.

(c) There is a possibility that the Shareholder Proposal was made by the Dalton Parties with the intention of realizing an MBO or the like with the goal of pursuing their own short-term profits and increasing their influence over the management decisions of the Company’s Board of Directors. Therefore, if the Proposed Candidates were appointed as Directors of the Company, there is a risk of the maximization of the Company’s corporate value and the common interests of the Company’s shareholders being harmed.

Since January 2025, the Dalton Parties have repeatedly requested that the Company consider an MBO proposal in which the Dalton Parties would be included as one of the investing parties. In parallel, the Company has also received proposals from the Dalton Parties to appoint certain individuals related to the Dalton Parties, including Mr. Rosenwald, who is the Chief Investment Officer of Dalton, as Outside Directors of the Company. Furthermore, in the April 28 Response, the specific purpose of the Dalton Parties’ holding of the Company’s shares remains unclear, while also providing a response that suggests that their continuing intention to propose MBOs to the companies in which the Dalton Parties have holdings. Accordingly, concerns regarding the possibility of MBO proposals or the like by the Dalton Parties to the Company have not been dispelled yet.

In light of these circumstances, the Company cannot rule out that the Shareholder Proposal was submitted by the Dalton Parties with the goal of ultimately realizing an MBO or the like to pursue their own short-term profits and increase their influence over the management decisions of the Company’s Board of Directors.

In this regard, Eiken Chemical Co., Ltd. (listed on the Prime Market of the Tokyo Stock Exchange; Securities Code: 4549, “Eiken Chemical”), in which the Dalton Parties have holdings, explained in a press release issued on April 28, 2025, that a shareholder proposal by the Dalton Parties to appoint six (6) Director candidates was made under the following circumstances: “Since last year, [Eiken Chemical] had intermittently received proposals from Dalton, asking [Eiken Chemical] to consider being taken private…and Dalton asked [Eiken Chemical] to increase the speed of its consideration.” Furthermore, according to a press release issued by Eiken Chemical on May 12, 2026, the Dalton Parties stated that the goal of their shareholder proposal to nominate Mr. Nishida and Mr. Mizuochi as candidates for Directors was to “improve the effectiveness and speed of [Eiken Chemical]’s consideration process for the delisting proposal.” In addition, the Company is aware of other cases in which the Dalton Parties have simultaneously proposed MBOs and the appointment of Directors at other companies in which they have holdings, as well as cases in which going-private transactions structured to include reinvestment by the Dalton Parties were executed after Director candidates recommended by the Dalton Parties were appointed.

Taking into account such past investment activities and the engagement track records of the Dalton Parties with respect to other companies, the Company considers that the Dalton Parties may intend to promote an MBO through the dispatch of Director candidates and other measures.

As described above, in light of the shareholding ratio of the Dalton Parties in the Company, the history of the dialogue between the Dalton Parties and the Company, and past cases of investment by the Dalton Parties, there are concerns that if the Proposed Candidates are elected as Directors of the Company, a conflict of interest between the Proposing Shareholder (or its affiliates, as Dalton Parties) and general shareholders of the Company will arise. Accordingly, the Company recognizes that there is a risk of this harming the maximization of its corporate value and the common interests of its shareholders.

Therefore, **the Company's Board of Directors opposes this Shareholder Proposal.**

Attachment 1: Details of Shareholder Proposal from Proposing Shareholder

The following headings, agenda, and details and grounds for the proposals are as written in the original proposals submitted by Proposing Shareholder.

1. Proposed Agenda

1 Election of two (2) Directors who are not Audit and Supervisory Committee Members

2. Summary of Resolution and Grounds for Proposal

(1) Summary of resolution

The Company shall elect the following two (2) individuals as Directors who are not Audit and Supervisory Committee Members.

1. Masumi Nishida
2. Kazutaka Mizuochi

(2) Grounds for proposal

Since acquiring the Company's shares, the proposer has engaged in a constructive ongoing dialogue with the Company through engagement activities as a long-term investor. As a result of this process, the proposer values the competitive advantages held by the Company's shutter business and its growth potential, including with respect to overseas operations.

On the other hand, with respect to the "Notice Concerning Introduction of Response Policy to Large-scale Purchase, etc., of Company Shares in Preparation for Large-scale Purchase, etc., of Company Shares by the Dalton Parties" (hereinafter referred to as the "Takeover Defense Measures") introduced by the Company, the proposer has taken a position against it based on its understanding of the facts and the reasonableness of such introduction. The Takeover Defense Measures are exceptional measures that could have a significant impact on the exercise of rights by shareholders and the functioning of the stock market. In introducing such measures, it is essential that the Board of Directors conduct sufficient deliberations and check-and-balance functions from an independent standpoint and make rational and highly transparent decisions to secure the common interests of the Company's shareholders.

The proposals made by the proposer to date are intended to enhance the Company's corporate value and the common interests of the Company's shareholders. There is no intention to force or induce any particular management option, including going private. Moreover, the decision to go private and the terms and conditions thereof are subject to the exclusive authority of the Company's Board of Directors, and the proposer's involvement in such a decision will not create a conflict of interest with the Company's shareholders.

The proposer is concerned that since the free trading of shares and the principle of equality of shareholders form the basis of capital markets, these Takeover Defense Measures are not only issues specific to the Company, but could also undermine the purpose and results of capital market reforms that have been promoted in Japan to date. As a shareholder, the proposer believes that at such a critical juncture, it should be carefully examined whether the Board of Directors is making decisions that contribute to the common interests of the Company's shareholders after engaging in thorough consideration from a truly independent perspective.

Additionally, while the Company's shutter business and service business are highly competitive and profitable, its construction-related materials business and refurbishment business continue to recognize low profits. In particular, its refurbishment business has posted losses three times in the past five years, and ROA has been well below its capital costs. Although the Company has adopted measures to improve these as priority businesses, there does not appear to have been any improvement in their profitability or capital efficiency. This lack of sufficient consideration and judgment by the Board of Directors regarding a fundamental review of the Company's business portfolio (despite the fact that the businesses continue to operate below its capital costs) raises serious concerns about the appropriateness of the Board of Directors' judgment regarding the allocation of management resources. The proposer believes that the Company is at a stage where it must restructure to address these issues, rather than merely maintaining the status quo.

Based on the information above, it is the judgment of the proposer that further strengthening the independence, objectivity and supervisory functions of the Company's Board of Directors and ensuring decision-making that appropriately reflects the perspectives of the Company's shareholders will contribute to enhancing the medium-to-long-term corporate value of the Company.

Based on this judgment, the proposer proposes the election of the following two (2) individuals as Outside Directors of the Company: Masumi Nishida, who has many years of investment and engagement experience in Japanese companies and a track record of enhancing corporate value through constructive dialogues between shareholders and companies, and Kazutaka Mizuochi, who has extensive experience as an international lawyer and a track record of promoting management reforms at many Japanese companies through capital markets.

These two (2) individuals are expected to provide objective and constructive perspectives to the Board of Directors from a position independent of the Company's management and to fulfill an appropriate supervisory function over the management team, while simultaneously contributing to improving the quality of decision-making that serves to maximize the common interests of the Company's shareholders. In addition, through their advanced knowledge of capital policy, governance, and strategy, they are expected to deepen discussions on the Company's sustainable growth and the enhancement of its corporate value.

For the reasons above, the proposer proposes the election of these two (2) individuals as Outside Directors of the Company for the purpose of strengthening the Company's governance structure and enhancing shareholder value.

(3) Candidate number, name, brief history, etc.

1. Masumi Nishida Date of Birth: January 31, 1985	
■ Brief history, position, responsibilities, and significant concurrent positions outside the Company	
Nov. 2008	Credit Trading Department, Nikko Citigroup Limited (currently Citigroup Global Markets Japan Inc.)
Dec. 2014	Citigroup Global Markets Inc (New York) Distressed Debt Trading
May 2021	Dalton Advisory K.K.
Oct. 2022	Hikari Acquisition Representative Director (present position)
Jan. 2023	Dalton Advisory K.K. Managing Director (present position)
Jan. 2023	Dalton Investments, Inc. Partner (present position)

Aug. 2023	Rising Sun Management Ltd. Partner and Head of Research (present position)
Jun. 2025	Helios Techno Holding Co., Ltd. Director (present position)
Jul. 2025	Helios Techno Investments Co., Ltd. President and Representative Director (present position)
Apr. 2026	HONDA Co., Ltd. Director (present position)
	<Significant concurrent positions outside the Company> Dalton Investments, Inc. Partner Dalton Advisory K.K. Managing Director Rising Sun Management Ltd. Partner and Head of Research Helios Techno Holding Co., Ltd. Director
■ Number of the Company's shares owned: 0	
■ Reasons for nomination as a candidate for Director, outline of expected roles, etc.: The reasons are the same as the grounds for the proposal above.	
■ Special interests Not applicable	

2. Kazutaka Mizuochi Date of Birth: March 15, 1970	
Brief history, position, responsibilities, and significant concurrent positions outside the Company	
Apr. 1997	Tokyo Aoyama Law Office (currently Baker & McKenzie Tokyo)
Aug. 2002	Baker & McKenzie Chicago
Jan. 2006	Baker & McKenzie Tokyo Partner
Jul. 2018	Hibiya-Nakata Partner (present position)
Feb. 2020	Rising Sun Management Ltd. President (present position)
Jun. 2025	Helios Techno Holding Co., Ltd. Director (present position)
Jul. 2025	Helios Techno Investments Co., Ltd. Vice President and Representative Director (present position)
Apr. 2026	HONDA Co., Ltd. Representative Director (present position)
	<Significant concurrent positions outside the Company> Rising Sun Management Ltd. President Hibiya-Nakata Partner Helios Techno Holding Co., Ltd. Director
■ Number of the Company's shares owned: 0	
■ Reasons for nomination as a candidate for Director, outline of expected roles, etc.: The reasons are the same as the grounds for the proposal above.	
■ Special interests Not applicable	

Notes:

(1) Masumi Nishida and Kazutaka Mizuochi are candidates for Outside Directors.

(2) If Masumi Nishida and Kazutaka Mizuochi are elected as Outside Directors, the Company plans to enter into liability limitation agreements with them. The maximum amount of liability based on such agreements shall be the minimum liability amount stipulated by laws and regulations.

End