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November 13, 2026

To whom it may concern:

Company name:	Bunka Shutter Co., Ltd.
Name of representative:	Hiroyuki Ogura, Representative Director and President (Securities identification code: 5930; TSE Prime Market)
Inquiries:	Akifumi Takahashi, Managing Operating Officer and General Manager of Corporate Planning Department (Telephone: +81-3-5844-7140)

Notice Regarding the Execution of a Capital and Business Alliance Agreement with ITOCHU Corporation, Secondary Offering of Shares, and Change in a Major Shareholder and in the Largest Shareholder Who Is a Major Shareholder

The Company hereby announces that, pursuant to a resolution adopted at a meeting of the Board of Directors held on November 5, 2026, the Company has, through a Representative Director, acting under the authority granted by such resolution, decided today to enter into a capital and business alliance agreement (the "Capital and Business Alliance Agreement"; and the capital and business alliance under such agreement will hereinafter be referred to as the "Capital and Business Alliance") with ITOCHU Corporation ("ITOCHU").

In connection with the Capital and Business Alliance, it has also been agreed between ITOCHU and Dalton Parties (Note), existing shareholders of the Company, that Dalton Parties will transfer to ITOCHU the common shares of the Company (the "Company Shares") held by them (such transfer will hereinafter be referred to as the "Stock Transfer"). The Company hereby also announces that the Stock Transfer constitutes a secondary offering of securities. In addition, the Stock Transfer will result in a change in a major shareholder and in the largest shareholder who is a major shareholder of the Company.

(Note) "Dalton Parties" collectively refers to Dalton Investments, Inc. ("Dalton"), NIPPON ACTIVE VALUE FUND PLC ("NAVF") and NAVF Select (Master) Fund LP.

Details

I. Overview of the Capital and Business Alliance

1. Purpose and Reasons for the Capital and Business Alliance

Since its founding in 1955, the Company's mission has been to contribute to the development of society and people's happiness and well-being through an end-to-end responsibility system that encompasses the manufacturing, design, sales, installation and maintenance of building materials for homes and buildings, such as shutters and doors. Guided by the Company Group's long-term vision, which is to "evolve into a 'Comfortable Environment Solutions Group' that consistently provides customers with 'peace of mind' and 'safety,'" the Company Group is developing solution-oriented operations designed to address social challenges such as climate change.

The business environment surrounding the Company Group is becoming increasingly challenging due to the medium-to-long-term decline in new residential construction starts in Japan, labor shortages in the construction industry, and rising raw material and labor costs. On the other hand, business opportunities where the Company Group can leverage its strengths are expanding, such as a growing demand for disaster prevention and mitigation, and heat countermeasures driven by increasingly severe wind and flood disasters and extreme heat, as well as construction demand in non-residential sectors such as logistics facilities and data centers, and increasing demand for renovation and maintenance driven by the extended service life of buildings.

Against this backdrop, based on the Medium-Term Management Plan (2024–2026) entitled "Aiming to Create Permanent Corporate Value," the Company Group is working to promote capital cost-conscious management, manage its business portfolio, and expand overseas operations with a particular focus on Oceania as well as the environmental business, which contributes to climate change mitigation and adaptation. For the current fiscal year, which marks the final year of such plan, the Company expects to achieve net sales of 250 billion yen and an operating profit margin of 7.5%.

In addition, as announced on November 5, 2026, the Company has positioned its next medium-term management plan currently under development, which covers fiscal years 2027 through 2030, as the "Four Years of Accelerated Growth," focusing on "Rebuilding Earnings Power" and "Investing in Future Growth." Under this plan, the Company has set the goal of "Over 3,000," aiming for net sales exceeding 300 billion yen and an operating profit margin of 10% or higher for fiscal year 2030, and the Company will aim to enhance its profitability by strengthening the earnings base of its core businesses and implementing structural reforms in certain business segments, while also striving to further maximize corporate value through proactive investment in its priority areas: environmental business and overseas operations.

To accelerate these initiatives, the Company believes that collaboration with ITOCHU, which complements the Company's operations in the areas of procurement, sales and overseas expansion, will be effective. As a general trading company, ITOCHU possesses a broad procurement network encompassing steel and building materials, among other products, engages in the development of housing and logistics facilities as well as public-private partnerships with local governments, and maintains a building materials business and overseas network centered on North America. The Company believes that this will enable the

Company to expand its core businesses by mutually leveraging both companies' customer bases, restructure low-profit businesses through procurement optimization and the streamlining of production sites, and expand overseas operations by leveraging ITOCHU's global network, and accelerate growth in the Company's environmental business through the joint development of high-value-added products.

In light of the foregoing, the Company has entered into the Capital and Business Alliance Agreement with the aim of establishing a medium-to-long-term collaborative framework between the two companies, and expanding relevant businesses and promoting business development that contributes to solving social issues by utilizing both companies' management resources, customer bases, technologies and networks by virtue of acquisition of the Company Shares by ITOCHU through the Stock Transfer, while maintaining the independence and autonomy of the Company as a publicly listed company, thereby enhancing the Company's medium-to-long-term corporate value and, ultimately, the common interests of shareholders of the Company.

2. Details of the Capital and Business Alliance

(1) Details of the Business Alliance

The Company and ITOCHU will combine the customer base and construction capabilities of the Company with the customer base, network of operating companies (including those overseas), management expertise and human resources of ITOCHU to promote the following three specific initiatives:

[1] Strengthening the Value Chain

The Company will optimize the procurement of materials and equipment for its manufacturing operations by leveraging the network of operating companies of the ITOCHU Group. In addition, by utilizing the customer bases of both the Company and the ITOCHU Group, the Company will work to mutually expand the adoption of complementary products in schools, logistics facilities, data centers, residential properties, hotels and other sectors, while jointly pursuing entry into the civil engineering and infrastructure sector. The Company and the ITOCHU Group will also seek to expand business in public-private partnership projects through joint comprehensive proposals to local governments.

[2] Expansion of Business Areas

Leveraging the customer bases and construction capabilities of the Company and the ITOCHU Group, the Company will promote joint expansion in the non-residential interior finishing sector and explore opportunities for joint investment in this sector and related fields. Also, by utilizing the North American building materials business and network of ITOCHU (for information gathering, industry analysis, etc.), the Company will strengthen its overseas operations through joint investments and other means. In addition, the Company will work to strengthen its IT and data infrastructure while jointly implementing initiatives such as training in AI and digital transformation (DX).

[3] Creation of Added Value

By combining the Company's products and construction expertise with the technologies and products possessed by the ITOCHU Group companies, the Company will promote the joint development of new products that combine metal and wood, as well as high-value-added products such as soundproofing

solutions.

(2) Details of the Capital Alliance

ITOCHU has entered into a stock transfer agreement with Dalton Parties as of today, pursuant to which ITOCHU will acquire 13,694,600 Company Shares (ratio to total issued shares (excluding treasury shares): 19.38%; ratio of voting rights held: 19.43%) through an off-market negotiated transaction. For details, please refer to "II. Secondary Offering of Shares" below.

(3) Material Agreement Related to the Capital and Business Alliance

In the Capital and Business Alliance, the Company has agreed as follows:

[1] Matters Requiring Prior Consent

If the ratio of voting rights held by ITOCHU in the Company is 19% or greater, the Company must obtain the prior written consent of ITOCHU when the Company makes a decision on any action that may dilute the ratio of voting rights held by ITOCHU in the Company on a fully diluted basis (including the issuance of potential shares, but excluding any stock-based compensation plan (whether or not it uses a trust) under which the Company newly acquires its treasury shares through the market or otherwise and grants, to the officers and employees eligible for such plan, common shares or points exchangeable for common shares within the number of the treasury shares so acquired) (or, for matters requiring approval at a general meeting of shareholders, when the Company decides to submit a proposal on such matters to the general meeting of shareholders).

As this agreement remains limited to what is necessary and reasonable in light of "1. Purpose and Reasons for the Capital and Business Alliance" above, the Company believes that the impact of this agreement on its governance is minimal.

[2] Recommendation of Officers

If the ratio of voting rights held by ITOCHU in the Company is 20% or greater, ITOCHU may recommend one candidate for outside director of the Company (a director who is not an Audit and Supervisory Committee member), and the Company shall sincerely consider, in its Nomination and Compensation Committee, whether the person so recommended should be nominated as a candidate for outside director. As the director candidate that ITOCHU may recommend is limited to one non-executive director and the deliberation process of the Nomination and Compensation Committee of the Company is ensured, the Company believes that the impact of this agreement on its governance is minimal.

[3] Handling of the Company Shares

For the purpose of ensuring the independence of management of the Company as a listed company, during the term of the Capital and Business Alliance Agreement, ITOCHU may not take any action, directly or indirectly and regardless of the name in which it is held, that would cause the total ratio of voting rights it holds in the Company to exceed 21.1%, without the prior

written consent of the Company.

3. Overview of the Counterparty to the Capital and Business Alliance

(1)	Name	ITOCHU Corporation	
(2)	Location	3-1-3, Umeda, Kita-ku, Osaka	
(3)	Name and Title of Representative	Keita Ishii, Representative Director, President and COO	
(4)	Description of Business	General trading company	
(5)	Stated Capital	253,448 million yen	
(6)	Date of Incorporation	December 1, 1949	
(7)	Number of Issued Shares	7,924,447,520 shares	
(8)	Large Shareholders and Shareholding Ratios	The Master Trust Bank of Japan, Ltd. (Trust Account)	15.21%
		STATE STREET BANK AND TRUST COMPANY 505104 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	10.70%
		Custody Bank of Japan, Ltd. (Trust Account)	5.19%
		STATE STREET BANK AND TRUST COMPANY 505001 (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	2.86%
		Nippon Life Insurance Company	2.47%
		Mizuho Bank, Ltd.	1.66%
		GOVERNMENT OF NORWAY (standing proxy: Citibank, N.A., Tokyo Branch)	1.44%
		THE CHASE MANHATTAN BANK,N.A. LONDON SECS LENDING OMNIBUS ACCOUNT (standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.41%
		JP MORGAN CHASE BANK 385781(standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	1.34%
		Asahi Mutual Life Insurance Company	1.21%
(9)	Relationship Between the Parties		
	Capital Relationship	Not applicable.	
	Personnel Relationship	Not applicable.	

	Transactional Relationship	The Company conducts business with ITOCHU and its subsidiaries, including the use of cloud services and the purchase of raw materials..
	Status as a Related Party	Not applicable.

(10) Consolidated Operating Results and Consolidated Financial Position of the Company for the Last Three Years (International Financial Reporting Standards)

Fiscal Year-End	Fiscal Year Ended March 2024	Fiscal Year Ended March 2025	Fiscal Year Ended March 2026
Total Shareholders' Equity	5,426,962 million yen	5,755,072 million yen	6,589,966 million yen
Total Assets	14,489,701 million yen	15,134,264 million yen	16,732,815 million yen
Shareholders' Equity per Share	754.35 yen	811.84 yen	942.78 yen
Revenues	14,029,910 million yen	14,724,234 million yen	14,823,087 million yen
Gross Profit	2,232,360 million yen	2,376,456 million yen	2,480,532 million yen
Net Profit Attributable to Company Shareholders	801,770 million yen	880,251 million yen	900,283 million yen
Basic Earnings per Share Attributable to Company Shareholders	110.60 yen	123.13 yen	128.00 yen
Dividend per Share	32.00 yen	40.00 yen	42.00 yen

4. Schedule of the Capital and Business Alliance

Date of Board of Directors Resolution Granting Authority to the Representative Director	November 5, 2026
Date of Decision by the Representative Director	November 13, 2026
Date of Execution of the Capital and Business Alliance Agreement	November 13, 2026
Date of Commencement of the Capital and Business Alliance (Date of Consummation of the Stock Transfer)	November 17, 2026 (planned)

II. Secondary Offering of Shares

1. Overview of the Secondary Offering

(1) Number of Shares Offered	13,694,600 Company Shares
(2) Offering Price	2,000 yen per share The offering price has been determined through negotiations between the parties to the transaction.
(3) Total Offering Amount	27,389,200,000 yen
(4) Selling Shareholders	Dalton Investments, Inc.: 10,035,400 shares

	and Number of Shares Offered	NIPPON ACTIVE VALUE FUND PLC: 2,500,000 shares NAVF Select (Master) Fund LP: 1,159,200 shares
(5)	Method of Offering	Transfer of the Company Shares through an off-market negotiated transaction
(6)	Application Period	November 13, 2026
(7)	Delivery Date	November 17, 2026 (planned)
(8)	Application Deposit	Not applicable.
(9)	Unit for number of shares applied for	Not applicable.
(10)	Other	A written notice of securities under the Financial Instruments and Exchange Act has been filed with the Director-General of the Kanto Regional Finance Bureau with respect to the above.

2. Purpose of the Secondary Offering

As described in "(2) Details of the Capital Alliance" under "2. Details of the Capital and Business Alliance" in "I. Overview of the Capital and Business Alliance" above, ITOCHU has entered into a stock transfer agreement as of today with Dalton Parties, being a major shareholder, the largest shareholder who is a major shareholder, and other existing shareholders of the Company, pursuant to which ITOCHU plans to acquire 13,694,600 Company Shares from Dalton Parties on November 17, 2026 through an off-market negotiated transaction, intended to be a transfer of the Company Shares by way of a secondary offering as the procedures prescribed by the relevant laws and regulations.

III. Change in a Major Shareholder and in the Largest Shareholder Who Is a Major Shareholder

1. Background of the Change

As described in "(2) Details of the Capital Alliance" under "2. Details of the Capital and Business Alliance" in "I. Overview of the Capital and Business Alliance" above and in "II. Secondary Offering of Shares" above, the consummation of the Stock Transfer is expected to result in a change in a major shareholder and in the largest shareholder who is a major shareholder of the Company.

Specifically, upon completion of the Stock Transfer, Dalton will no longer be a major shareholder or the largest shareholder who is a major shareholder of the Company. Conversely, ITOCHU will become a major shareholder and the largest shareholder who is a major shareholder of the Company as a result of the Stock Transfer.

2. Overview of the Shareholders Subject to the Change

(1) Overview of the Shareholder Who Will Newly Become a Major Shareholder and the Largest Shareholder Who Is a Major Shareholder

For the location and other details of ITOCHU, which is expected to newly become a major shareholder and the largest shareholder who is a major shareholder of the Company, please refer to "3. Overview of the Counterparty to the Capital and Business Alliance" in "I. Overview of the Capital and Business

Alliance" above.

(2) Overview of the Shareholder Who Will No Longer Be a Major Shareholder or the Largest Shareholder Who Is a Major Shareholder

(1) Name	Dalton Investments, Inc.
(2) Location	9440 West Sahara Avenue, Suite 215, Las Vegas, Nevada 89117, USA
(3) Name and Title of Representative	James B. Rosenwald III, Chief Investment Officer
(4) Description of Business	Investment advisory business

3. Number of Voting Rights Held by the Relevant Shareholders, Ratio of Voting Rights Held, and Number of Shares Held, Before and After the Change

(1) ITOCHU Corporation

	Characteristics	Number of Voting Rights (Ratio of Voting Rights Held, Number of Shares Held)			Rank among Large Shareholders
		Directly Held	Subject to Aggregation	Total	
Before Change	–	0 voting rights (0%) (0 shares)	0 voting rights (0%) (0 shares)	0 voting rights (0%) (0 shares)	–
After Change	Major shareholder and largest shareholder who is a major shareholder	136,946 voting rights (19.43%) (13,694,600 shares)	0 voting rights (0%) (0 shares)	136,946 voting rights (19.43%) (13,694,600 shares)	1st

(2) Dalton Investments, Inc.

	Characteristics	Number of Voting Rights (Ratio of Voting Rights Held, Number of Shares Held)		
		Directly Held	Subject to Aggregation	Total
Before Change	Major shareholder and largest shareholder who	100,354 voting rights (14.23%) (10,035,400	0 voting rights (0%) (0 shares)	100,354 voting rights (14.23%) (10,035,400

	is a major shareholder	shares)		shares)
After Change	–	0 voting rights (0%) (0 shares)	0 voting rights (0%) (0 shares)	0 voting rights (0%) (0 shares)

(Note 1) The ratio to the total number of voting rights of all shareholders has been calculated using as the denominator 704,811 voting rights, being the number of voting rights of all shareholders relating to 70,481,100 shares, which is equal to the total number of issued shares as of September 30, 2026 (72,196,487 shares) less the number of shares without voting rights (1,715,387 shares), and has been rounded down to the second decimal place.

(Note 2) The information indicated in (2) above is stated based on the Large Shareholding Report (Change Report) submitted by NAVF and its joint holders, Dalton and one other party, and the Company has been unable to verify the number of shares beneficially owned in the names of those shareholders. In addition, the ranking among large shareholders has not been stated because the Company has been unable to verify it, either.

4. Scheduled Date of the Change
November 17, 2026 (planned)

IV. Future Outlook

Although the Company has determined that the Capital and Business Alliance will contribute to the medium-to-long-term business development and corporate value of the Company, the Company expects its impact on its financial results to be minimal at this time, and the Company will promptly make an announcement if any matters requiring disclosure arise. In addition, ITOCHU has indicated its policy of increasing the ratio of voting rights it holds in the Company to 20% or greater through additional acquisitions in the future and making the Company an equity-method affiliate of ITOCHU, and if the outside director candidate recommended by ITOCHU is appointed as an outside director of the Company, or if the ratio of voting rights held by ITOCHU in the Company reaches 20% or greater as a result of additional acquisitions by ITOCHU, ITOCHU will become an “other affiliated company” of the Company. The Company will promptly make an announcement if ITOCHU becomes such “other affiliated company” of the Company.

End