

To whom it may concern:

Company name: Oizumi Corporation  
 (Code: 6428 Prime Market, Tokyo Stock Exchange)  
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 Administration  
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## Progress on the Plan to Meet the Continued Listing Criteria

On December 27, 2021, the Company submitted and disclosed the contents of our Plan to Meet the Continued Listing Criteria for the Prime Market. We hereby notify the progress status of the plan that we have prepared as of March 31, 2023 as follows:

### Details

#### 1. Trends in our compliance with the continued listing criteria and term of plan

As of March 31, 2023, the Company's status of compliance with the continued listing criteria for the Prime Market, including its trends, is as stated below. The Company could not meet the criteria for "Tradable share market capitalization," "Tradable share ratio," and "Average daily trading value." As for the "Tradable share ratio," the Company met this criterion as of June 30, 2021, the reference date for transition, but by our calculations we found that we are likely to fail to meet it as well.

With regard to the unfulfilled criteria, we will continue to take various measures to meet the continued listing criteria by March 31, 2025, the fiscal year-end when we disclose the results of our medium-term management plan (fiscal years ending March 31, 2023 through March 31, 2025) announced on December 27, 2021.

		Number of tradable shares (Units)	Tradable share market capitalization (Billions of yen)	Tradable share ratio (%)	Average daily trading value (Millions of yen)
Oizumi's compliance status	As of June 30, 2021 (Reference date for transition)*1	78,951	3.09	35.0	11
	As of March 31, 2023 *2	57,394	2.82	25.5	18 *3
	Continued listing criteria	20,000	10.0	35.0	20
Compliance status		○	×	×	×
Term of plan		—	March 31, 2025	March 31, 2025	December 31, 2024

\*1 Oizumi's compliance status is determined based on the distribution of our shares, etc. as understood by TSE as of June 30, 2021.

\*2 Oizumi's compliance status is determined based on the distribution of our shares, etc. as understood by TSE as of March 31, 2023.

\*3 Oizumi's status of compliance with average daily trading value is based on the TSE's notice on the confirmation of compliance status with the average daily trading value, one of the continued listing criteria, from January 2022 to December 2022.

## 2. Basic policy for initiatives, challenges, and details regarding the initiatives to meet the continued listing criteria

### [Basic policy]

With the term of the plan to fulfill the continued listing criteria for the Prime Market set for March 31, 2025, the final year of our medium-term management plan, we will strive to enhance our corporate value by overcoming five major challenges and thereby increase the market capitalization of our tradable shares.

### [Challenges]

We recognize the factors behind our challenges—a large percentage of the Company’s shares held by owners of non-tradable shares, mainly its officers and their related parties, and the fact that the share price does not adequately reflect stable performance of the Company due to a lack of investor relations activities. For the currently unfulfilled “Tradable share market capitalization,” “Tradable share ratio,” and “Average daily trading value” to meet the criteria, we believe that in addition to increasing the profit level, we need to improve the tradable share ratio (liquidity) by reducing the number of non-tradable shares (or increasing the number of tradable shares) and thereby improve trading value.

### [Implementation status of initiatives and recognition]

#### Progress status of the medium-term management plan

Aiming at expanding business, we have formulated a three-year medium-term management plan that terminates in the fiscal year ending March 31, 2025, with the final targets of 18,258 million yen in net sales and 2,613 million yen in operating income. In the fiscal year ended March 31, 2023, the first year of the medium-term management plan, we recorded net sales of 18,127 million yen and operating income of 1,061 million yen. At the time these numerical targets were set, the M&A of Bubble Star Co., Ltd., Takeuchi Pharmaceutical Co., Ltd., and Takao Co., Ltd. had not been factored in, and net sales are approaching the final-year target value. On the other hand, there is a gap between actual operating income and the final target due to the amortization of goodwill of a newly consolidated subsidiary along with rising raw material costs in the food business, and delays in smartification of pachinko/pachislot machines in the equipment business. We will continue to steadily implement our medium-term management plan and achieve the targets, thereby enhancing our corporate value through business expansion and by obtaining fair evaluation.

#### Increasing name recognition of the Company through investor relations (IR) activities

In an effort to deliver an overview of the Group’s corporate activities, management policies, management strategies, financial position, and business plans, we have decided to hold financial results briefings intended for institutional investors twice a year, in principle, starting from the financial results for the fiscal year ended March 31, 2023. In the current fiscal year, we held a briefing on financial results for the second quarter of the fiscal year ended March 31, 2023 in December 2022 (with 16 participants) and a briefing on financial results for the fiscal year ended March 31, 2023 in June 2023 (16 participants). Since then, meetings with institutional investors have been held as necessary. This fiscal year, we had a meeting with seven companies. We will continue to focus on IR activities to increase the Group’s name recognition by continuously providing materials with enhanced quality, including information for institutional investors, etc. and IR seminars for individual investors.

#### Dividend policy

We had long been paying a stable dividend of 9 yen per share each year, but plan to pay an annual dividend of 12 yen per share for the fiscal year ended March 31, 2023, as a result of consideration of paying dividend commensurate with our business performance on top of the stable dividend. (Payout ratio 16.0%)

#### Regarding tradable share ratio

Tradable share ratio decreased by 9.5 percentage points to 25.5% from June 30, 2021, the reference date for transition. The decrease is due to the fact that the figure as of the reference date for transition did not reflect the shares owned by close relatives of the Company's officers, coupled with the increase in the number of shares owned by officers of the Company's consolidated subsidiaries. We will continue with our approach to existing owners of non-tradable shareholders, mainly officers and companies managing their assets, with selling their shares in the future as a precondition.

#### [Future challenges and measures]

We will continue to move ahead with a flexible capital policy and carry out proactive IR activities aiming to increase our stock recognition and enhance its investment appeal, thereby meeting the continued listing criteria.