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Notice Regarding Reduction of Strategic Shareholdings

Oji Holdings Corporation (hereinafter “Oji Holdings”) has been regularly verifying the appropriateness of holding strategic shareholdings and reducing them, by examining the purpose and the benefit of holding the shares by each individual stock, based on the principles of the Corporate Governance Code.

In our announcement, "Initiatives to Enhance Corporate Value", released on December 25, 2023, we stated our commitment to promote the sale of strategic shareholdings. We hereby announce that we have decided the following specific measures. We will accelerate the reduction of strategic shareholdings, improve return on capital, and utilize the funds for investments to support sustainable growth, shareholder returns, and so on.

1. Target for Reduction of Strategic Shareholdings

From the perspective of improving capital efficiency, Oji Holdings aims to reduce 30 billion yen of strategic shareholdings (excluding unlisted shares) based on market value as of the end of March 2024. This represents a reduction amount approximately 7 times larger than that achieved from FY2019 to FY2023, 4.3 billion yen.

2. Implementation Period

The implementation period is 4 years from FY2024 (current year) to FY2027.

3. Policies

Oji Holdings proceed with the reduction by verifying the rationale of holding each individual stock based on the Fundamental Policies on Corporate Governance. We will further strengthen our management to steadily advance the reduction. Additionally, we will engage in constructive dialogue with companies issuing strategic shareholdings and work towards ensuring their understanding of our company's policy.

We will continue to report on the progress of the reduction.

4. Utilization of Funds acquired by the Reduction

Funds acquired by the reduction of strategic shareholdings will be utilized for investments to support sustainable growth, shareholder returns (dividends, acquisition of own shares), and so on.