

[Translation]

April 4, 2025

To Whom It May Concern:

Company Name: PROTO CORPORATION  
Representative: Kenji Kamiya  
President and Representative Director  
(Securities Code: 4298  
TSE Prime Market, NSE Premier Market)  
Contact:  
Title and Name: Takehito Suzuki, Executive Officer  
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**Announcement of Immediate Appeal by a Shareholder Against Order Dismissing Shareholder's  
Petition for Provisional Injunction Order for Share Consolidation, Etc.**

As announced in the "Announcement of Order Dismissing Shareholder's Petition for Provisional Injunction Order for Share Consolidation, Etc." released by PROTO CORPORATION (the "**Company**") as of April 3, 2025, a petition for a provisional injunction order for a share consolidation, etc. (the "**Petition**") was filed by Kaname Capital, L.P. (the "**Petitioner**"), a shareholder of the Company, against the Company and Mr. Kenji Kamiya, President and Representative Director of the Company (the "**Company Director**") as obligors. As of the same date, the Nagoya District Court issued an order to dismiss the Petition (the "**Dismissal Order**").

The Company hereby announces that today, it received a notice that the Petitioner filed an immediate appeal (the "**Immediate Appeal**") against the Dismissal Order.

1. Background to Immediate Appeal

As announced in "Announcement of Implementation of MBO and Recommendation to Shareholders to Tender Shares" released by the Company as of February 4, 2025, the Company adopted a resolution at its board of directors meeting to express an opinion in support of the tender offer (the "**Tender Offer**") for common shares of the Company (the "**Company Shares**") by Foresight Co., Ltd. (the "**Tender Offeror**") and to recommend that its shareholders tender their shares in the Tender Offer. Further, if the Tender Offeror fails to acquire all of the Company Shares (however, excluding treasury shares owned by the Company and the Agreed Non-Tendering Shares (Note)) through the Tender Offer, the Tender Offeror intends to implement a share consolidation of the Company Shares (the "**Share Consolidation**") as part of a series of procedures to be implemented after the successful completion of the Tender Offer so as to make the Tender Offeror and all or part of the Agreed Non-Tendering Shareholders the only shareholders of the Company (together with the Tender Offer, the "**Transaction**"). The Petitioner filed the Petition with the Nagoya District Court, claiming, among other claims, that the procedures for implementing the Transaction were illegal, and requesting, among other requests, that the above opinion be changed and that the Share Consolidation, which is to be conducted as part of the series of procedures for implementing the Transaction, be temporarily suspended. However, as of April 3, 2025, the Nagoya District Court issued the Dismissal Order by holding that the Petition is groundless.

In response to this, the Petitioner filed the Immediate Appeal with the Nagoya High Court as of April 3, 2025, due to being dissatisfied with the Dismissal Order.

(Note) "**Agreed Non-Tendering Shares**" means all of the Company Shares owned and agreed not to be tendered in the Tender Offer by the Agreed Non-Tendering Shareholders (defined below) (total: 15,367,440 shares; ownership ratio: 38.04%) with whom the Tender Offeror, upon implementation of the Tender Offer, executed a letter of agreement, as of February 4, 2025, in which the Agreed Non-Tendering Shareholders each agreed not to tender any of the Company

Shares it owns in the Tender Offer. “**Agreed Non-Tendering Shareholders**” collectively refers to Mugen Co., Ltd. (“**Mugen**”), a shareholder of the Company (number of shares owned: 13,614,480 shares; ownership ratio: 33.70%), Mr. Hiroichi Yokoyama (“**Mr. Hiroichi Yokoyama**”), the Company’s Chairman and Representative Director (number of shares owned: 902,000 shares; ownership ratio: 2.23%), Mr. Motohisa Yokoyama (“**Mr. Motohisa Yokoyama**”), the Company’s Senior Managing Director (number of shares owned: 537,960 shares; ownership ratio: 1.33%), and Mr. Yoshihiro Yokoyama (“**Mr. Yoshihiro Yokoyama**”), a shareholder of the Company and a relative of Mr. Hiroichi Yokoyama and Mr. Motohisa Yokoyama (number of shares owned: 313,000 shares; ownership ratio: 0.77%). Further, “**ownership ratio**” refers to the ratio (rounded up or down to the second decimal place) to 40,401,666 shares, which is the number of shares obtained as follows: 41,925,300 shares, which is the total number of shares issued by the Company as of December 31, 2024 as stated in “Consolidated Financial Results for the Nine Months Ended December 31, 2024 Japanese GAAP” released by the Company on February 4, 2025 (the “**Company’s Q3 Financial Results**”), minus 1,523,634 shares, which is the number of treasury shares owned by the Company as of December 31, 2024 as stated in the Company’s Q3 Financial Results (92,160 shares, which is the number of Company Shares owned by the employee stock ownership plan (ESOP) trust, are not included in the treasury shares owned by the Company).

2. Overview of the Party Filing the Immediate Appeal

Name:	Kaname Capital, L.P.
Location:	The Corporation Trust Company, 1209 Orange Street Wilmington, Delaware 19801, United States
Representative and General Partner:	Kaname Capital, GP, LLC
Representative and Manager:	Thomas O. Rodes

3. Court and Date of Filing Immediate Appeal

- (1) Court with which the Immediate Appeal was filed: Nagoya High Court
- (2) Date on which the Immediate Appeal was filed: April 3, 2025

4. Future Outlook

The Company and the Company Director are confident that there are no grounds for the Immediate Appeal to be accepted and that the Dismissal Order is appropriate, and intend to argue that the Dismissal Order should be maintained. At present, there is no change in the resolution of the Company’s board of directors to express an opinion in support of the Tender Offer and to recommend that the Company’s shareholders tender their shares in the Tender Offer.

The Company will promptly make an announcement if any matters arise that should be disclosed in relation to the Immediate Appeal.

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