

Translation

Share Handling Regulations

CTI Engineering Co., Ltd.
(September 2022)

Share Handling Regulations

CHAPTER I. GENERAL PROVISIONS

Article 1. (Purpose)

1. The handling and fees associated with the shares and stock acquisition rights of CTI Engineering Co., Ltd. (hereinafter referred to as the “Company”), as well as the procedures for shareholders to exercise their voting rights, etc. shall be in accordance with the provisions of the Articles of Incorporation, and the provisions of the Share Handling Regulations. In addition, these will also be governed by the provisions stipulated by the transfer agent Japan Securities Depository Center, Inc. (hereinafter referred to as “JASDEC”), as well as the securities companies, trust and banking companies and others acting as account management organizations (hereinafter referred to as “Securities Companies”).

2. The handling and fees for special accounts established under agreements concluded between the Company and trust and banking companies designated by the Company, as well as the procedures to be followed when shareholders exercise their rights, etc. shall be in accordance with the provisions of these Regulations, as well as the provisions of the relevant trust and banking companies.

Article 2. (Transfer Agent)

The transfer agent of the Company and its handling office are as follows.

Transfer agent:

Mitsubishi UFJ Trust and Banking Corporation
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo

Handling office:

Mitsubishi UFJ Trust and Banking Corporation
Securities Agency Division
4-5, Marunouchi 1-chome, Chiyoda-ku, Tokyo

Article 3. (Application or Notification)

1. Any application or notification under these Regulations shall be made on such forms as stipulated by the Company. This shall not apply, however, to the said application or notification made through Securities Companies and JASDEC, or pursuant to the provision of Article 19, Paragraph 1 of these Regulations.

2. In any case where an application or notification set forth in the preceding paragraph is filed by proxy, a document establishing the power of representation shall be submitted. If an application or notification set forth in the preceding paragraph requires the consent of a curator or assistant, a document establishing the consent shall be submitted.

3. In any case where an application or notification set forth in Paragraph 1 is filed through Securities Companies and JASDEC, or Securities Companies, the Company may be

able to handle the said application or notification by deeming that the same has been submitted by a shareholder.

4. The Company may request a person who has filed an application or notification stipulated in Paragraph 1 to submit material establishing that the said person is a shareholder or proxy.

5. In any case where the Company requests the said person to submit the said material prescribed in the preceding paragraph, the Company shall not accept any application or notification set forth in Paragraph 1 unless the said material is submitted.

CHAPTER II. ENTRY OR RECORDING IN THE REGISTER OF SHAREHOLDERS

Article 4. (Entry or Recording in the Register of Shareholders)

1. The Company shall make an entry or recording in the register of shareholders based on the general shareholder notification received from JASDEC.

2. In any case where the Company receives a notice concerning a change of address of a person who is entered or recorded in the register of shareholders (hereinafter referred to as "Shareholders") or another notice concerning a change of the matters to be stated in the register of shareholders, the Company shall change the relevant entry or recording in the register of shareholders based on the said notice.

3. In addition to the preceding Paragraph 2, if new shares are issued or in the event of other provisions specified under laws and regulations, the Company shall make an entry or recording in the register of shareholders.

Article 5. (Characters, etc. to Be Used in the Register of Shareholders)

The register of shareholders of the Company shall be entered or recorded using the characters and symbols designated by JASDEC.

Article 6. (Entry or Recording, etc. in the Ledger of Stock Acquisition Rights)

1. Requests for entry or recording in the register of stock acquisition rights, registration, transfer, or cancellation of pledges relating to stock acquisition rights, or indication or cancellation of trust assets shall be submitted to the transfer agent.

2. In addition to the provisions of the preceding paragraph, the Company may separately set forth provisions on the handling of stock acquisition rights.

CHAPTER III. NOTIFICATIONS

Article 7. (Notification of a Shareholder's Address and Name or Corporate Name)

1. Shareholders shall notify the Company of their address and name, or corporate name.

2. Any notification or change set forth in the preceding paragraph shall be submitted through Securities Companies and JASDEC. This shall not apply, however, to the cases

specified in Article 4, Paragraph 3 hereof.

Article 8. (Notifications of Shareholders Residing in Foreign Countries)

1. Shareholders residing in foreign countries shall be required to either appoint a standing proxy in Japan or set the location at which any notice is to be received in Japan, and shall notify the Company of the same.

2. Standing proxies shall be included in the Shareholders stipulated in Paragraph 1 of the preceding article.

3. Any notification or change set forth in Paragraph 1 shall be submitted through Securities Companies and JASDEC. This shall not apply, however, to the cases specified in Article 4, Paragraph 3 hereof.

Article 9. (Representative of a Corporation)

1. When a Shareholder is a corporation, a notification shall be submitted with respect to the title and name of one (1) representative thereof.

2. Any notification or change set forth in the preceding paragraph shall be submitted through Securities Companies and JASDEC. This shall not apply, however, to the cases specified in Article 4, Paragraph 3 hereof.

Article 10. (Representative of Joint Shareholders)

1. Shareholders who jointly own shares shall appoint one (1) representative, and notify of that representative's address and name, or the corporate name. The same shall apply in the case where the representative changes.

2. Any notification or change set forth in the preceding paragraph shall be submitted through Securities Companies and JASDEC. This shall not apply, however, to the cases specified in Article 4, Paragraph 3 hereof.

Article 11. (Legal Representative)

1. If a shareholder has a legal representative, such as a person exercising parental authority or a guardian, a notification shall be submitted with respect to that legal representative's address and name, or the corporate name.

2. Any notification, change, or cancellation set forth in the preceding paragraph shall be submitted through Securities Companies and JASDEC. This shall not apply, however, to the cases specified in Article 4, Paragraph 3 hereof.

Article 12. (Other Notifications)

1. In addition to the notifications stipulated from Article 7 to the preceding article, notifications to the Company shall be made through Securities Companies and JASDEC, or through Securities Companies unless otherwise specified by the Company. This shall not

apply, however, to the cases stipulated in Article 4, Paragraph 3 hereof.

2. Any notification which Securities Companies are unable to accept of transfer shall be notified to the transfer agent.

Article 13. (Matters, etc. to Be Notified by Holders of Stock Acquisition Rights)

The provisions from Article 7 to the preceding Article shall apply mutatis mutandis to the matters to be notified of persons to be entered or recorded in the Company's ledger of stock acquisition rights and the method of such notification. However, unless otherwise stipulated in accordance with Article 6, Paragraph 2 hereof, the address for notification shall be that of the transfer agent.

CHAPTER IV. PURCHASE OF SHARES OF LESS THAN ONE UNIT OF STOCK

Article 14. (Method of Purchase Application)

When applying to purchase of shares less than one unit, an application to that effect shall be submitted through Securities Companies and JASDEC in accordance with the regulations set forth by JASDEC.

Article 15. (Determination of Purchase Price)

1. The unit price for the purchase of shares less than one unit shall be the closing price for the shares of the Company on a market established by the Tokyo Stock Exchange on the day on which application for request of the purchase has been received at the handling office of the transfer agent specified in Article 2 hereof. If, however, there is no trading of the shares of the Company on the market on that day, the unit purchase price shall be the opening price for the shares of the Company on the next day on which such shares are traded on the market.

2. The purchase price shall be the amount obtained by multiplying the unit price for purchase stated in the preceding paragraph by the number of shares to be purchased.

Article 16. (Payment of Purchase Price)

1. Unless otherwise prescribed by the Company, the Company shall pay to the applicant the net amount obtained by deducting the handling fees described in Article 21 from the purchase price calculated pursuant to the preceding paragraph (hereinafter referred to as "Purchase Price") on the fourth (4th) business day immediately following the day on which the purchase price is determined.

2. With respect to the procedure described in the preceding paragraph, when such amount of purchase includes rights for dividends from surplus or share splits and the like, such amount shall be paid by the record date.

Article 17. (Transfer of Shares Purchased)

The shares less than one unit for which an application for purchase has been received shall be transferred to the account of the Company on a day on which payment of the Purchase Price is completed pursuant to the preceding article.

CHAPTER V. METHODS FOR EXERCISING SHAREHOLDER RIGHTS, ETC.

Article 18. (Requests for Delivery of Documents and Statements of Objection)

Requests for delivery of paper-based documents containing matters provided in electronic format, including reference documents for the general meeting of shareholders, etc. as prescribed in Article 325-5, Paragraph 1 of the Companies Act (“Requests for Delivery of Documents”) and statements of objection as prescribed in Paragraph 5 of the same Article shall be made in writing. However, Requests for Delivery of Documents through the Securities Companies and JASDEC shall be governed by the provisions of the Securities Companies and JASDEC.

Article 19. (Method for Exercising Minority Shareholder Rights, etc.)

1. When a shareholder directly exercises the rights of a minority shareholder against the Company as stipulated in Article 147, Paragraph 4 of the Act on Book-Entry of Corporate Bonds and Shares (hereinafter referred to as “Transfer Act”) the said shareholder shall submit a reception sheet document with his/her name and seal impression affixed attached to an individual shareholder notification sent by Securities Companies (notice set forth in Article 154, Paragraph 3 of the Transfer Act). However, non-Japanese nationals may provide their signature in lieu of a seal impression.

2. The provisions of Article 3, Paragraph 2, Paragraph 4, and Paragraph 5 shall apply to the rights exercise of minority shareholders stated in the preceding paragraph.

Article 20. (Reference Documents for the General Meeting of Shareholders for Shareholder Proposals)

When a shareholder exercises their rights of shareholder proposals as provided for in Paragraph 1 of the preceding article, the summary of these matters may be included in the reference documents for the general meeting of shareholders if the number of Japanese letters for the submitted proposal exceeds the number of letters listed below.

- (1) Reason for proposal
Four hundred (400) Japanese letters for each proposal
- (2) Matters related to election of Directors, Statutory Auditors and Accounting Auditors
Four hundred (400) Japanese letters for each candidate

CHAPTER VI. HANDLING FEES

Article 21. (Handling Fees)

1. There shall be no handling fee for the Company's shares.
2. Handling fees to be paid to Securities Companies or JASDEC by Shareholders shall be borne by the Shareholders.

SUPPLEMENTARY PROVISIONS

Article 1. (Method of Amendment)

Any amendment to these Regulations shall be made by resolution of the Board of Directors of the Company.

Partial amendment, March 27, 1992
Partial amendment, August 1, 1994
Partial amendment, November 24, 1994
Partial amendment, February 29, 1996
Partial amendment, September 19, 1996
Partial amendment, October 1, 1998
Partial amendment, October 1, 2001
Partial amendment, March 27, 2003
Partial amendment, October 1, 2005
Partial amendment, May 1, 2006
Partial amendment, January 5, 2009
Partial amendment, September 1, 2022