



June 18, 2021

Company name: FUNAI ELECTRIC CO., LTD.

Name of Representative: Hideaki Funakoshi,
Representative Director, President and Chief Executive Officer

(Code: 6839 TSE First Section)

Contact Person: Kyo Otani, General Manager of Investor/Public Relations Office
(TEL: +81-72-870-4395)

Notice of Change of Representative Director

FUNAI ELECTRIC CO., LTD. (the “Company”) hereby announces that the Board of Directors, at a meeting held on June 18, 2021, determined the following changes in representative directors. Change of the representative director is scheduled to be formally decided at the extraordinary general meeting of shareholders of the Company to be held on July 28, 2021 (the “Extraordinary General Meeting of Shareholders”) and at the meeting of the Board of Directors to be held after the Extraordinary General Meeting of Shareholders.

Description

1. Reason for Change

As announced in the press release “Announcement of Opinion on the Tender Offer for Shares, Etc. in FUNAI ELECTRIC CO., LTD. by SHUWA SYSTEM HOLDINGS CO., LTD.” dated March 23, 2021, the Company, Shuwa System Holdings Co., Ltd. (the “Tender Offeror”), Shuwa System Co., Ltd., and Mr. Tetsuo Funai executed the “Agreement on Capital Management Policy” (the “Agreement”) on March 23, 2021. The Agreement is effective upon completion of the Tender Offer for the Company’s shares, etc. by the Tender Offeror (the “Tender Offer”). If the Tender Offeror is unable to acquire all of the Company’s shares (however, this excludes all of the Company’s shares owned by Mr. Tetsuo Funai and all of the treasury shares owned by the Company) and Stock Acquisition Rights (Note 1) in the Tender Offer, the Company will submit a proposal regarding the consolidation of shares to be conducted by the Company (the “Share Consolidation”), and a proposal regarding a partial amendment to the Articles of Incorporation subject to the Share Consolidation becoming effective for the purpose of abolishing the provision regarding the number of shares constituting one unit to the Extraordinary General Meeting of Shareholders. In addition, the Company will submit a proposal to elect Mr. Tomokazu Ueda and Mr. Koji Bando as Directors of the Company as of the close of the said Extraordinary General Meeting of Shareholders. It is stipulated that the Board of Directors shall be held promptly after the election of Mr. Tomokazu Ueda and Mr. Koji Bando, and that the person designated by the Tender Offeror shall be appointed as the Chairman of the Board and President, or Representative Director in accordance with the nomination of the Tender Offeror. In accordance with such provisions, the Board of Directors of the Company resolved on June 18, 2021, to submit a proposal to elect Mr. Tomokazu Ueda and Mr. Koji Bando as Directors of the Company to the Extraordinary General Meeting of Shareholders (Note 2).

(Note 1) “Stock Acquisition Rights” refers to the following stock acquisition rights collectively.

- (1) The first stock acquisition rights for the year ended March 2015 issued pursuant to the resolution approved at the Ordinary General Meeting of Shareholders of the Company held on June 20, 2014 and at the meeting of the Board of Directors of the Company held on September 18, 2014 (the exercise period for which is from September 1, 2016 to August 31, 2023)
- (2) The first stock acquisition rights for the year ended March 2017 issued pursuant to the resolution approved at the Ordinary General Meeting of Shareholders of the Company held on June 28, 2016 and at the meeting of the Board of Directors of the Company held on January 11, 2017 (the exercise period for which is from

- September 1, 2018 to August 31, 2023)
- (3) The first stock acquisition rights for the year ended March 2018 issued pursuant to the resolution approved at the Ordinary General Meeting of Shareholders of the Company held on June 28, 2017 and at the meeting of the Board of Directors of the Company held on November 13, 2017 (the exercise period for which is from September 1, 2019 to August 31, 2024)
- (4) The stock acquisition rights for the year ended March 2020 issued pursuant to the resolution approved at the Ordinary General Meeting of Shareholders of the Company held on June 26, 2019 and at the meeting of the Board of Directors of the Company held on August 5, 2019 (the exercise period for which is from September 1, 2021 to August 31, 2026)

(Note 2) As announced in “Notice of Extraordinary General Meeting of Shareholders Concerning Share Consolidation, Abolition of the Number of Shares Constituting One Unit and Partial Amendment to the Articles of Incorporation” released on June 18, 2021, the Company resolved at the Board of Directors meeting held on June 18, 2021, to submit a proposal regarding the Share Consolidation pertaining to the Company Shares, and a proposal regarding a partial amendment to the Articles of Incorporation subject to the Share Consolidation becoming effective for the purpose of abolishing the provision regarding the number of shares constituting one unit to the Extraordinary General Meeting of Shareholders.

2. Name and Position of Representative Director to be Changed

(Newly elected) Name: Tomokazu Ueda

New Position: Representative Director

(Newly elected) Name: Koji Bando

New Position: Chairman of the Board and President

3. Biography of Newly Appointed Representative Director

(1) Mr. Tomokazu Ueda

| Date of Birth | Brief Personal History | Number of Shares Held |
|---|---|-----------------------|
| September 15, 1973 | May 1998 | 0 share |
| | Joined Andersen Consulting (currently Accenture Ltd.) | |
| | March 2015 | |
| | Appointed as Representative Director of Ueno Group Co., Ltd. | |
| | December 2015 | |
| | Appointed as Chairman of the Board of Shuwa System Co., Ltd. | |
| | November 2016 | |
| | Appointed as Chairman of the Board and President of Shuwa System Co., Ltd. (current) | |
| | December 2017 | |
| Appointed as President and Representative Director of Keiyashachu Co., Ltd. (current) | | |
| March 2018 | Appointed as Representative Director of Shuwa Group (current) | |
| June 2018 | Appointed as Representative Director of Soken Group Co., Ltd. and Shibata Soken YK (current) | |
| July 2019 | Appointed as President and Representative Director of Wing Corporation and Cradle Co., Ltd. (current) | |
| September 2020 | Appointed as Representative Director as Tender Offeror (Shuwa System Holdings Co., Ltd.) (current) | |

(2) Mr. Koji Bando

| Date of Birth | Brief Personal History | Number of Shares Held |
|-------------------|--|-----------------------|
| November 23, 1953 | April 1977 Joined Nippon Telegraph and Telephone Public Corporation (currently NTT Corporation) June 1998 Appointed as President and CEO of NTT Plala Inc. June 2010 Appointed as President and CEO of I-Cast, Inc. December 2015 Appointed as Director of Japan CableCast Inc. (current) May 2018 Appointed as President and CEO of Japan Contents Factory Inc. March 2019 Appointed as Director of East Group Holdings Inc. June 2019 Appointed as Audit & Supervisory Board Member of TEC Information, Corp. (current) July 2019 Appointed as Executive Principal of NTT Plala Inc. Appointed as Executive Principal of I-Cast, Inc. Appointed as Non-executive Director of NEXT BASE Corp. (current) August 2019 Appointed as Director of IG Port, Inc. (current) January 2021 Appointed as Director of YOSHIDUMI HOLDINGS Inc. (current) May 2021 Appointed as Director of JNS HOLDINGS INC. (current) | 0 share |

4. Scheduled Date of Change

July 28, 2021 (scheduled)