

SILCHESTER INTERNATIONAL INVESTORS LLP

Time & Life Building
1 Bruton Street
London W1J 6TL
Telephone (020) 7518 7100

22nd May 2024

Silchester International Investors (“Silchester”) is a UK based asset manager established in 1994. Silchester has been investing in publicly traded Japanese equities for more than 25 years. Silchester makes these investments predominantly on behalf of institutional clients located in the USA. Silchester is a significant investor in publicly traded Japanese companies. As of 31st March 2024, Silchester exercised control over more than JP¥1.9 trillion (US\$12.6bn) of Japanese equities.

Silchester is a long-term investor in companies. Silchester takes its fiduciary responsibilities seriously. Silchester engages regularly with the Boards and the executives of our portfolio companies.

Silchester is not an “activist investor”.

Silchester first invested in Kinden Corporation (1944:JT) in August 2016. Silchester is currently able to control more than 6% of Kinden’s issued share capital.

For more than seven years, Silchester regularly engaged with Kinden’s Board of Directors and executive management on business issues, including capital allocation.

On 20th April 2024, the Hibiki Path Value Fund (“Hibiki”) submitted a shareholder resolution calling on Kinden to increase its annual dividend for the 2023/24 financial year to JPY 106 per share. Hibiki asked Kinden shareholders to support the resolution at Kinden’s upcoming AGM.

Based on current information available to our firm, **Silchester intends to vote in favour of Hibiki’s special dividend proposal.**

Silchester is not convinced by the counterarguments put forward by Kinden’s Board of Directors. Silchester notes that the payment of the special dividend does not adversely impact Kinden and/or current or prospective customers, suppliers and/or stakeholders. The special dividend makes a useful contribution to improving Kinden’s return on equity (“ROE”). The special dividend also represents a small step in the broader journey of improving Kinden’s capital allocation.

Please contact Tim Linehan (tlinehan@silchester.com) if you have any questions regarding the contents of this press release.