[Translation[1]]

April 10, 2025

To whom it may concern:

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Name of Representative: President, Director
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(Securities Code: 6135 (the Prime Market of the Tokyo Stock Exchange, Inc.))
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Notice Regarding Allotment of Share Options Without Contribution Based on Takeover Response Policies (Time-Securing Measures), Setting of Record Date for Allotment of Share Options Without Contribution, and Confirmation of Shareholders' Intention at the 86th Ordinary General Meeting of Shareholders

In relation to the tender offer for the shares of Makino Milling Machine Co., Ltd. (the "Company") commenced by Nidec Corporation ("Nidec") on April 4, 2025 (the "Tender Offer"), we hereby announce that the Company has resolved today to allot its First Class A Share Options (the "Share Options") as shown in Exhibit 1 to the shareholders without contribution (the "Countermeasures") through a unanimous resolution of its board of directors, including all its independent and external directors, taking into account the findings of the Special Committee (as defined in I1(1) below; the same applies hereinafter) and in accordance with the "Basic Policies for the Control of the Company and Policies for Responding to Large-scale Purchase Actions for Company Shares (Takeover Response Policies) Aimed Solely at Securing Time Necessary for the Materialization and Consideration of Third-Party Proposals Regarding the Tender Offer for the Company Shares by Nidec Corporation (Announced)" (the "Response Policies") which were introduced by the Company

1 This document has been translated from the Japanese original for reference purposes. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

on March 19, 2025, as measures for securing the time reasonably necessary for the materialization of Third-Party Proposals (Time-Securing Measures).

For details of the Response Policies, please refer to the Company's press release dated March 19, 2025, "Notice Regarding the Introduction of our Basic Policies for the Control of the Company and Policies for Responding to Large-scale Purchase Actions for Company Shares (Takeover Response Policies) Aimed Solely at Securing Time Necessary for the Materialization and Consideration of Third-Party Proposals Regarding the Tender Offer for the Company Shares by Nidec Corporation (Announced)" (the "Response Policies Press Release").

Further, we hereby announce that the Company today has resolved to set June 26, 2025 as the record date for allotment of the Share Options without contribution (the "Record Date") and designate shareholders listed or recorded in the latest shareholder registry on the Record Date as shareholders who will receive the allotment of the Share Options without contribution.

Furthermore, we hereby announce that in order to confirm the intention of our shareholders regarding the implementation of the Countermeasures, the Company has resolved today, although it is after the resolution of our board of directors to implement the Countermeasures, to submit a proposal to confirm the intention of shareholders regarding the implementation of the Countermeasures (the "Item of Agenda") at the Company's ordinary general meeting of shareholders, scheduled to be held in June 2025 (the "General Meeting of Shareholders"), as the shareholders' intent confirmation meeting. In this regard, since Nidec commenced the Tender Offer on April 4, 2025, and its purchase period will expire before the date of the General Meeting of Shareholders, it will not be possible to secure an opportunity to confirm the intention of our shareholders in advance regarding whether or not to accept the Tender Offer (i.e., whether or not to implement the Countermeasures). Therefore, the Company's board of directors, taking into account the Special Committee's findings, was forced to resolve the allotment of the Share Options without contribution prior to the resolution of the shareholders' intent confirmation meeting. However, the Record Date (the record date for the allotment of Share Options without contribution) and the effective date of the allotment of Share Options without contribution will be set after the General Meeting of Shareholders. In addition, the Company will implement the allotment of Share Options without contribution only if the Item of Agenda is passed at the General Meeting of Shareholders, in accordance with the intention of our shareholders. On the other hand, if the

Item of the Agenda is not approved at the General Meeting of Shareholders, the Company will not implement the allotment of Share Options without contribution, thereby respecting the intention of our shareholders.

Furthermore, **if it is determined that the allotment of Share Options without contribution is no longer necessary before the effective date of such allotment, the Company plans to discontinue the allotment of Share Options without contribution, fully respecting the Findings of the Special Committee.**

For example, **if Nidec withdraws the Tender Offer before the allotment of Share Options without contribution takes effect, including after the Item of Agenda is approved at the General Meeting of Shareholders (provided, however, that if Nidec withdraws the Tender Offer by May 8 of this year, this applies only if Nidec has not resumed the Tender Offer by May 8 of this year), or if the Tender Offer fails because the total number of shares of the Company tendered in response to the Tender Offer does not meet 11,694,400, the lower limit on the number of shares to be purchased, the Company will discontinue the allotment of the Share Options without contribution in accordance with the Special Committee's findings.**

Taking the Special Committee's findings, the Company has resolved today to express its opposition to the Tender Offer. For details of the Company's opinion on its opposition, please refer to the Company's press release dated today, "Notice of Expression of Opinion (Opposition) Regarding Tender Offer for Shares of the Company by Nidec Corporation in Light of Securing the Time Necessary for the Materialization and Consideration of Third-Party Proposals ."

I Allotment of Share Options Without Contribution

1 Background and Reasons that Led to the Decision on the Allotment of Share Options Without Contribution

(1) Introduction of the Response Policies

As stated in the Response Policies Press Release, the Company received the proposal for the Tender Offer with the aim of making the Company a wholly-owned

subsidiary (the “Proposal”) from Nidec on December 27, 2024 (Friday), the final business day of 2024 for the Company and many other Japanese companies. As Nidec has acknowledged, until the Company received the “Letter of Intent Regarding Management Integration Aimed at Maximization of Corporate Value” for the Proposal from Nidec on the same date, there was no prior discussion or even prior consultation regarding the Proposal from Nidec. As a result, the consideration period substantially began on January 6, 2025 (Monday), the first date of business operations in 2025, and only a period of less than three months was secured until April 4 of this year, the announced commencement date of the Tender Offer.

In accordance with the “Guidelines for Corporate Takeovers - Enhancing Corporate Value and Securing Shareholders’ Interests” announced by the Ministry of Economy, Trade and Industry on August 31, 2023, the Company began carefully examining whether the Proposal would lead to the enhancement of the Company’s corporate value and the common interests of shareholders, and also conducted a broad consideration of all strategic options, including calculating the Company’s intrinsic value and exploring alternative proposals more favorable to the shareholders. Accordingly, as of February 28, 2025, during the course of exploring alternative proposals more favorable to shareholders, the Company has received multiple initial letters of intent (the “Initial Third-Party Letters of Intent”) from third parties independent of the Company’s management and the Company’s directors (the “Proposers”) regarding acquisition proposals with the aim of making the Company a wholly-owned subsidiary, that compete with the Proposal (the “Third-Party Proposals”).

However, it is clear that a period of less than three months is insufficient for the Company—having received no prior consultation on the Proposal—to explore and announce Third-Party Proposals. In light of the period required for due diligence, negotiations with lender financial institutions, and such other matters, it was extremely difficult to receive a final and legally binding letter of intent for a Third-Party Proposal (the “Final Third-Party Letters of Intent”) and disclose such receipt by April 4, 2025, the announced commencement date of the Tender Offer.

Thus, the Company determined that it was necessary to secure the time reasonably necessary for the materialization of Third-Party Proposals in order for our shareholders and the Company to make appropriate decisions on the merits of

the Proposal, after a comparative consideration of the Proposal and Third-Party Proposals. However, although the Company and a special committee consisting of four independent and external directors of the Company (the "Special Committee"), which was established by the Company on January 10, 2025, requested that Nidec postpone the commencement date of the Tender Offer to May 9, 2025 on a total of three occasions prior to the receipt of Initial Third-Party Letters of Intent, Nidec rejected all three requests. The same request was made after the receipt of Initial Third-Party Letters of Intent, specifically noting such receipt, but Nidec did not provide a substantial response to such request (as we have shared, Nidec continued thereafter to disregard all such requests and commenced the Tender Offer on April 4 of this year).

Therefore, taking into account the Special Committee's findings, the Company introduced the Response Policies for the sole purpose of securing the time reasonably necessary for our shareholders and the Company to make appropriate decisions on the merits of the Proposal, after a comparative consideration of the Proposal and Third-Party Proposals. Accordingly, the Response Policies are not intended to prevent the implementation of the Tender Offer itself.

For the background and purposes of the introduction of the Response Policies, please refer to the Response Policies Press Release and the press release dated March 19, 2025, "Overview of Takeover Response Policies (Time Securing Measures) to Acquisition by Nidec Corporation."

(2) Implementation of Countermeasures due to the Tender Offer Violating the Response Policies

Taking into account the purposes described in (1) above, (i) if Nidec actually commences the Tender Offer on or after May 9, 2025 (provided, however, that the Tender Offer period is 31 business days or more as stated in the Proposal), or (ii) if, prior to the commencement of the Tender Offer, the Company confirms that it has received a Final Third-Party Letter of Intent that is reasonably determined to have terms that are substantially more favorable than the Proposal from a third party other than Nidec, we believe that an amount of time for shareholders to make reasonable decisions based on deliberation will have been secured. Accordingly, the Response Policies will be immediately terminated upon the earliest occurrence of

(i) or (ii) above (as described at the beginning of the Response Policies Press Release).

In addition, the Response Policies require that large-scale purchases of shares of the Company, including the Tender Offer, be made in accordance with the procedures set forth in the Response Policies, and *except for cases where* (i) if Nidec commences the Tender Offer on or after May 9, 2025 or (ii) if, prior to the commencement of the Tender Offer, the Company confirms that it has received the Final Third-Party Letter of Intent that is reasonably determined to have terms that are substantially more favorable than the Proposal from a third party other than Nidec, it will be deemed that the Tender Offer does not comply with the Response Policies. Accordingly, unless there are special circumstances under which the Countermeasures should not be implemented, the Special Committee will report its findings that our board of directors confirm (or ratify) the intention of the shareholders at the shareholders' intent confirmation meeting regarding the implementation of the Countermeasures against the Tender Offer and other matters deemed necessary. Based on such findings, our board of directors will submit a proposal to approve the implementation of the Countermeasures along with any other necessary proposals at the shareholders' intent confirmation meeting (as described in III 3(5)(a)(i) of the Response Policies Press Release).

Although the details of the Response Policies as described above were announced in the Response Policies Press Release, Nidec commenced the Tender Offer on April 4, 2025, prior to May 9, 2025, without complying with the procedures set forth in the Response Policies and without completing the procedures under Chinese competition law. In addition, since April 4, 2025, the Company has been and is currently exchanging information with the Proposers while taking action to receive Final Third-Party Letters of Intent, but has not yet received any such Final Third-Party Letter of Intent. Accordingly, since the Tender Offer does not satisfy either of (i) or (ii) in the preceding paragraph, we believe that the Tender Offer was implemented without complying with the Response Policies.

In addition, in the tender offer notification submitted by Nidec on April 4, 2025 in connection with the Tender Offer (the "Tender Offer Registration Statement"), Nidec disclosed that if the procedures under Chinese competition law are not completed during the Tender Offer period, it may withdraw the Tender Offer. As a

result, the Company's shareholders have been placed in an unstable position of having to consider whether or not to tender their shares in the Tender Offer, which could possibly be withdrawn.

In the press release dated December 27, 2024, "Notice Regarding Scheduled Commencement of Tender Offer for Makino Milling Machine Co., Ltd. (Securities Code: 6135)," Nidec had stated originally that it decided on April 4, 2025 to be the commencement date of the Tender Offer, taking into account the expected completion date of the procedures for permits and licenses. Furthermore, since the Tender Offer Registration Statement does not indicate any reason why the Tender Offer must be commenced on the same date, we believe that it would have been possible to commence the Tender Offer after procedures under Chinese competition law are completed. It is truly regrettable that regardless, Nidec rejected the Company's requests to postpone the Tender Offer and forced the commencement of the Tender Offer without completing the procedures under Chinese competition law, thereby placing our shareholders in an unstable position of having to consider whether or not to tender their shares in the Tender Offer, which could possibly be withdrawn.

(3) There are no special circumstances under which the Countermeasures should not be implemented.

Because Nidec and the Company have different customer bases and the products they handle have different levels of precision, we believe that it will be difficult to generate sufficient synergies by combining the technologies of the two firms. It is for this reason that the Company asked Nidec to provide a quantitative explanation of the synergies; however, as Nidec state in its response dated March 17 to the Letter of Inquiry (3) that the Company sent to Nidec on March 11, 2025 (the "Third Letter of Inquiry"), "at this time we do not have a plan for the next fiscal year and subsequent fiscal years for your company" and "the synergies that will be created by having your company join our group through the Transaction will be refined after the Transaction is completed," Nidec has made no quantitative consideration of the synergies. Further, in its responses to the two letters of inquiry that the Company sent to Nidec on January 28 and February 14, 2025 and to the Third Letter of Inquiry, and in the meeting held between the Company and its Special Committee and Nidec, the Nidec provided no specific response regarding the specific details of the synergies or quantitative analysis results. Therefore, at this point in time, it is

not clear what specific synergies will arise for the Company through the Tender Offer and we are not confident that sufficient synergies will be obtained.

Meanwhile, for the following reasons, the Company has specific concerns that dis-synergies that are serious from the perspective of the Company's enhancement of its medium- to long-term corporate value would arise: (i) The Japan Die and Mold Industry Association, which is made up of Japanese die and mold manufacturers that are major clients of the Company, published a survey which showed that roughly 75% of its members had a bad impression of the Tender Offer and roughly 60% thought that the Tender Offer would have a negative impact on their company; (ii) the China Die & Mold Industry Association and other die and mold industry associations throughout China, which are made up of Chinese die and mold manufacturers that also are major clients of the Company, have issued statements expressing their concerns that if Nidec's acquisition of the Company is completed, there will be an undesirable impact on the quality of the Company's technical services; (iii) the domestic transaction partners of the Company that have stated that they expect to stop transactions with the Company if Nidec becomes its parent company represent more than 10% of domestic sales, and if Nidec does become the wholly-owning parent of the Company through the Proposal, there is the danger that the foregoing sales will be lost; (iv) in an all-member voting at the Company's labor union, to which over 90% of the Company's employees belong, in response to a question regarding whether they support the opinion that states, "the Company Union strongly opposes the Tender Offer (TOB)," 92.1% expressed support for the opinion (i.e., strongly oppose the Tender Offer) and 7.9% opposed the opinion (i.e., do not oppose the Tender Offer) (the voter turnout was 91.6%); (v) in comparing the "Company Profile" page of the website of Nidec OKK Corporation, which is a subsidiary of Nidec and a machine tool manufacturer, against the 164th Term Securities Report for Nidec OKK Corporation, dated June 21, 2022, it appears that the number of employees at Nidec OKK Corporation has decreased by roughly 300 since 2022, when it was acquired by Nidec (the Company has repeatedly asked Nidec for the average employee turnover rate over the past five years for its four machine tool subsidiaries, but Nidec has not once responded); and (vi) the Nidec has not provided specific explanations sufficient to eliminate these concerns.

As discussed above, at this point in time, it is not clear what synergies will arise for the Company from the Tender Offer; meanwhile, there are specific concerns that dis-synergies that are serious from the perspective of the Company's enhancement of its medium- to long-term corporate value would arise; accordingly, the Company

is not convinced that Nidec's acquisition of the Company through the Tender Offer will contribute to securing the Company's corporate value and the common interests of our shareholders, and believe that there are no special circumstances under which the Countermeasures should not be implemented.

(4) Holding of the shareholders' intent confirmation meeting and Determination to Implement the Countermeasures

As stated in (2) above, since the Tender Offer has been implemented in violation of the Response Policies, the Special Committee is expected to report its findings that the board of directors should submit a proposal regarding the implementation of the Countermeasures against the Tender Offer at the shareholders' intent confirmation meeting, unless there are special circumstances under which the Countermeasures should not be implemented. In accordance with such findings, the Company's board of directors will submit a proposal to approve the implementation of the Countermeasures along with any other necessary proposals at the shareholders' intent confirmation meeting. Since the Company currently is taking steps to receive Final Third-Party Letters of Intent, and since there is a reasonable probability that such Final Third-Party Letters of Intent will be received, the Company believes that it is necessary to secure the time necessary for our shareholders and the Company to make appropriate decisions on the merits of the Proposal after a comparative consideration of the Proposal and the Third-Party Proposals. Furthermore, as stated in (3) above, since the Company has not yet been convinced that the acquisition of the Company by Nidec through the Tender Offer would contribute to the enhancement of the Company's corporate value and the common interests of its shareholders, the Company does not believe that there are any "special circumstances under which the Countermeasures should not be implemented."

Therefore, Company's board of directors believes that it is appropriate to implement the Countermeasures since the Tender Offer by Nidec was commenced on April 4, 2025, prior to the receipt of Final Third-Party Letters of Intent and without complying with the procedures set forth in the Response Policies, thereby depriving the Company's shareholders of the opportunity to consider whether the terms of the Tender Offer are favorable based on the Third-Party Proposals. The purpose of the Countermeasures is to secure the time necessary for our

shareholders and the Company to make appropriate decisions on the merits of the Proposal after a comparative consideration of the Proposal and the Third-Party Proposals.

However, as provided in the basic policies regarding the way in which a person in control of the determination of financial and business policies of the Company shall carry out their duties (meaning those set forth in Article 118, item (iii) of the Regulations for Enforcement of the Companies Act; the "Basic Policies for the Control of the Company"), the Company believes the decision to accept large-scale purchase actions for shares of the Company should ultimately be made by the shareholders, from the perspective of maximizing the Company's corporate value and the common interests of our shareholders. As such, the Response Policies provide, as stated above, that in implementing the Countermeasures against the Tender Offer, the Company's board of directors will confirm (or ratify) the intention of the shareholders at the shareholders' intent confirmation meeting regarding whether or not to accept the Tender Offer by Nidec, in the form of asking whether or not to implement the Countermeasures.

However, since the Tender Offer was commenced on April 4, 2025, and its Tender Offer period will expire before the date of the General Meeting of Shareholders, if this situation continues, it will not be possible to secure an opportunity to confirm the intention of our shareholders regarding whether or not to accept the Tender Offer. Therefore, the Company (i) has not been convinced that the acquisition of the Company by Nidec through the Tender Offer will contribute to the enhancement of the Company's corporate value and the common interests of our shareholders and, to date, there are no special circumstances under which the Countermeasures should not be implemented; based on this, the Company believes that (ii) it is necessary to resolve the allotment of the Share Options without contribution prior to the resolution of the Proposal at the General Meeting of Shareholders, with the Record Date and the effective date for such allotment to be set after the General Meeting of Shareholders (which will serve as the shareholders' intent confirmation meeting); and (iii) as stated in III below, it is necessary to submit the Proposal to confirm the intention of our shareholders regarding the implementation of the Countermeasures at the General Meeting of Shareholders scheduled for June 2025 as the shareholders' intent confirmation meeting. The Company consulted with the Special Committee regarding whether it was

appropriate to have the belief as stated in (i) and to take the measures described in (ii) and (iii). In response, the Company received the findings today from the Special Committee stating that (i) there are no special circumstances under which the Countermeasures should not be implemented, as the Company has not yet been convinced that the acquisition of the Company by Nidec through the Tender Offer will contribute to the enhancement of the Company's corporate value and the common interests of our shareholders, and it is reasonable to take the measures described in (ii) and (iii) above to ensure the Company's corporate value and the common interests of our shareholders (the "Findings"; for details of the Findings, please refer to IV below). In accordance with the Findings, through a unanimous decision of all of the Company's directors, including the Company's independent and external directors, our board of directors has resolved to allot Share Options without contribution as Countermeasures.

The Company's board of directors intends to proceed with the procedures for the implementation of the Countermeasures (the allotment of Share Options without contribution) if the Proposal is passed and approved at the General Meeting of Shareholders. However, if it is not passed and approved, the board of directors will discontinue the allotment of Share Options without contribution.

2 Details of the Allotment of Share Options Without Contribution

The details of the Allotment Without Contribution of the Share Options is as described in Exhibit 1.

3 Possibility of Discontinuing the Allotment of Share Options Without Contribution

As stated in 1(4) above, if the Item of Agenda to confirm the intention of our shareholders regarding the implementation of the Countermeasures is not passed at the General Meeting of Shareholders scheduled to be held in June 2025, the board of directors will discontinue the allotment of the Share Options without contribution.

As stated at the beginning of this document, if it is determined by that the allotment of Share Options without Contribution is no longer necessary before the effective date of such allotment, the Company plans to discontinue the allotment of Share Options

without contribution, fully respecting the Findings of the Special Committee. For example, if Nidec withdraws the Tender Offer before the allotment of Share Options without contribution takes effect, including after the Item of Agenda is approved at the General Meeting of Shareholders (provided, however, that if Nidec withdraws the Tender Offer by May 8 of this year, this applies only if Nidec has not resumed the Tender Offer by May 8 of this year), or if the Tender Offer fails because the total number of shares of the Company tendered in response to the Tender Offer does not meet 11,694,400, the lower limit on the number of shares to be purchased, the Company will discontinue the allotment of Share Options without contribution in accordance with the Special Committee's Findings.

If the Company decides to discontinue the allotment of Share Options without contribution, it will promptly disclose such decision. We kindly ask our shareholders to pay attention to the information disclosed by the Company.

Furthermore, even after the effective date of the allotment of Share Options without contribution, if it is considered that it is not appropriate to give effect to such allotment from the perspective of enhancing the Company's corporate value and the common interests of all shareholders, the Company's board of directors will, fully respecting the findings of the Special Committee, resolve to withdraw the implementation of the Countermeasures, i.e., resolve to the acquire all the Share Options allotted without contribution in accordance with Section 12, item (3) of the terms and conditions of the issuance of the Share Options without contribution, and, in accordance with such resolution, the Company will acquire all the Share Options without contribution.

4 (Planned) Procedures and Schedule

April 10, 2025 (today)	Resolution by our board of directors for the allotment of Share Options without contribution
May 21, 2025	Scheduled last day of the Tender Offer period
Latter half of June 2025	Holding of the General Meeting of Shareholders (the shareholders' intent confirmation meeting)
June 26, 2025	Record Date for allotment of Share Options without contribution
June 27, 2025	Effective date of the allotment of Share Options

	without contribution
Around July 2025	Acquisition of Share Options (Delivery of common shares as consideration (provided, however, that First Class B Share Options shall be delivered to Ineligible Persons (*)))
August 1, 2025	First day of the exercise period of First Class B Share Options
Last day of July 2040	Last day of the exercise period of First Class B Share Options

*This means the Ineligible Persons as defined in Section 10, item (1) of the terms and conditions of the issuance of Share Options. The same applies hereinafter.

Regarding the schedule above, there is a possibility that the timing of implementation may change due to the results of discussion and coordination with related organizations regarding administrative procedures.

Even if the allotment of Share Options without contribution is implemented and takes effect, as outlined in 6 below, the Company plans to acquire the Share Options around July 2025. Therefore, it is not anticipated that, during the exercise period of the Share Options (the period from August 1, 2025 to the last day of July 2026), shareholders will exercise the Share Options, except for those who receive a transfer of Share Options from Ineligible Persons with the approval of our board of directors.

5 Impact of the Allotment of Share Options Without Contribution on Shareholders and Investors

(1) Impact on Shareholders and Investors When Matters Concerning the Allotment of Share Options Without Contribution are Decided

Today, a resolution of our board of directors regarding matters concerning the allotment of Share Options without contribution was passed. However, at this time, Share Options have not been allotted without contribution to shareholders. Therefore, at this time, there is no direct and specific impact on the legal rights and economic interests of shareholders related to the shares of the Company.

(2) Impact on Shareholders and Investors upon the Allotment of Share Options Without Contribution

Through the allotment of Share Options without contribution, the Share Options will be automatically allotted without contribution to shareholders who are listed or recorded on our latest shareholder registry as of the Record Date for the allotment of Share Options without contribution (June 26, 2025), at ratio of one Share Option per share of the Company held by the shareholders. Under this mechanism, the per-share value of the shares of the Company held by shareholders will be diluted even upon the allotment of Share Options without contribution. However, the value of all the shares of the Company held by shareholders will not be diluted; therefore, it is not anticipated that this will have any direct and specific impact on the legal rights and economic interests of shareholders in relation to the shares of the Company.

Furthermore, before the exercise period of the Share Options commences, we intend to acquire, through compulsory acquisition, all of the Share Options pursuant to the acquisition terms attached thereto; and we will deliver one common share of the Company for each Share Option that satisfies the exercise conditions.

However, since Ineligible Persons cannot exercise the Share Options, and we do not plan to deliver common shares of the Company to Ineligible Persons as consideration for the acquisition of the Share Options, the allotment of Share Options without contribution may result in some impact on the Ineligible Persons' legal rights or economic interests. However, it is possible even for Ineligible Persons to avoid impact on their economic interests by transferring the Share Options to a third party with the approval of our board of directors and receiving consideration for such transfer. In addition, we plan to deliver to Ineligible Persons the First Class B Share Options (the "Class B Share Options") described in Exhibit 2 as consideration for the acquisition of the Share Options; thus, Ineligible Persons can exercise the Class B Share Options to the extent that the holding ratio of shares after the exercise of the Class B Share Options falls below 20%.

In addition, as stated in **3** above, if the Tender Offer is withdrawn on or after the effective date of the allotment of Share Options without contribution and it is

considered that it is not appropriate to give effect to the allotment of Share Options without contribution from the perspective of securing our corporate value and the common interests of all shareholders, and if the procedure to implement the Countermeasures is discontinued and all Share Options allotted in accordance with Section 12, item (3) of terms and conditions of the issuance of the Share Options are acquired without contribution, there is a possibility that the share price of the Company may fluctuate accordingly. For example, if, after allotment of Share Options without contribution, we discontinue the procedure to implement the Countermeasures, acquire the Share Options without contribution, and do not deliver common shares of the Company, the economic value per share of the Company held by the shareholders will not be diluted. Therefore, please note that shareholders and investors who buy and sell under the assumption that the economic value per share of the Company will be diluted may suffer losses due to fluctuations in the share price.

(3) Procedures Required for Shareholders upon Allotment of Share Options Without Contribution

Shareholders who are listed or recorded in our latest shareholder registry as of the Record Date for the allotment of Share Options without contribution will automatically become holders of the Share Options on the effective date of the allotment of Share Options without contribution, and there is no need to apply.

In addition, as stated in **6** below, we plan to acquire the Share Options around July 2025 if the allotment of Share Options without contribution is implemented, as long as such implementation of the Countermeasures is not suspended. In this case, the shareholders who become the holders of Share Options will receive the shares of the Company as consideration for the acquisition of Share Options by the Company, without having to pay cash equivalent to the Exercise Price of the Share Options.

However, the Share Options held by Ineligible Persons will not be subject to the acquisition of such shares of the Company as consideration, and the Class B Share Options will be acquired as consideration with certain exercise conditions and acquisition provisions. Ineligible Persons may exercise the Class B Share Options to the extent that the holding ratio of shares after the exercise of the Class B Share

Options falls below 20%. In addition, if an Ineligible Person transfers the Share Options to a third party with the approval of our board of directors, and if the third party to whom the Share Options have been transferred will satisfy the conditions set forth in the terms and conditions of the issuance of the Share Options (Section 8, Section 10, items (2) through (5), Section 14, and others), the Share Options may be exercised.

6 Policy on Acquisition of Share Options

If our board of directors implement the allotment of Share Options without contribution, we plan to acquire the Share Options and deliver common shares of the Company around July 2025. If we decide to acquire the Share Options, we will promptly notify the details.

As stated in **3** above, if it is deemed inappropriate to give effect to the allotment of the Share Options without consideration even on and after the effective date of the allotment of the Share Options without consideration from the perspective of securing the Company's corporate value and the common interests of shareholders, our board of directors will resolve to withdraw the implementation of the Countermeasures, and acquire all Share Options to be allotted without consideration in accordance with Section 12, item (3) of the terms and conditions of the issuance of the Share Options.

II Setting the Record Date for the Allotment of Share Options Without Contribution

In order to confirm the shareholders that will receive the allotment of Share Options without contribution, we have set June 26, 2025 as the Record Date, and shareholders who are listed or recorded in our latest shareholder registry as of the same date will receive the allotment of Share Options without contribution.

(1) Record Date	June 26, 2025 (Thursday)
(2) Date of public notice	June 10, 2025 (Tuesday)
(3) Method of public notice	Public notices will be posted electronically on the Company's website below: https://www.makino.co.jp/

III Holding the shareholders' intent confirmation meeting

1 Background and Reasons that Led to the Decision to Hold the Shareholders' Intent Confirmation Meeting

As stated in I 1(4) above, since the Tender Offer by Nidec was commenced on April 4, 2025, prior to the receipt of Final Third-Party Letters of Intent and without complying with the procedures set forth in the Response Policies, thereby depriving the Company's shareholders of the opportunity to consider whether the terms of the Tender Offer are favorable based on the Third-Party Proposals, our board of directors has determined that it is appropriate to implement the Countermeasures. However, in accordance with the Basic Policies for the Control of the Company and the Response Policies, and taking into account the Special Committee's Findings, in order to confirm our general shareholders' intention regarding whether or not to accept the Tender Offer by Nidec (i.e., our shareholders' intention regarding the implementation of the Countermeasures), the Company has decided to submit the Item of Agenda at the General Meeting of Shareholders to be held in June 2025 as the shareholders' intent confirmation meeting, as stated below.

2 Item of Agenda to Be Submitted at the Shareholders' Intent Confirmation Meeting (General Meeting of Shareholders) and Requirements for Resolutions

(1) Item of Agenda to be Submitted at the Shareholders' Intent Confirmation Meeting (General Meeting of Shareholders)

The matter to be resolved at the General Meeting of Shareholders, which is the shareholders' intent confirmation meeting, will be the agenda for approval regarding the implementation of the Countermeasures (the Item of Agenda). As stated in **1** above, because our board of directors has determined that the Countermeasures should be implemented against the Tender Offer, our board of directors has decided to seek our shareholders' judgment on whether to implement the Countermeasures.

(2) Resolution Requirements for the Item of Agenda

Details of the General Meeting of Shareholders will be announced promptly after its convocation is formally decided, and due to, among others, the reasons stated in (i) through (iii) below, the resolution requirements for the Item of Agenda is planned to be that of an ordinary resolution.

(i) If a resolution of a general meeting of shareholders is required in the event of, among others, the issuance of shares for subscription that result in a change in the controlling shareholder, the resolution requirements will be that of an ordinary resolution (Article 206-2, paragraph (5) of the Companies Act); therefore, similarly, in the case of the acquisition of control through the purchase of shares, it is reasonable to confirm the shareholders' intention through an ordinary resolution of a general meeting of shareholders.

(ii) If over a majority of shareholders at a general meeting of shareholders vote in favor, there will be no substantial basis that the intention of such majority has not been taken into account.

(iii) (i) In the decision of the Supreme Court in the Bull-Dog Sauce case (Supreme Court Decision on August 7, 2007; Supreme Court Civil Cases Reports Compilation Vol. 61, No.5, Page 2215), the Supreme Court held that "[o]n the matter of whether or not by the taking of control of the company by a specific shareholder, the corporate value and the common interest of shareholders would be harmed, unless there is a material flaw which deprives the legitimacy of the judgment of shareholders, the shareholders' decision should be respected," and given that there is no specific reference with respect to requirements for resolutions regarding "the shareholders' decision [at a general meeting of shareholders]" (such as reference to the effect that a special resolution is required), it is reasonable to interpret that the decision of the Supreme Court in the Bull-Dog Sauce case assumes an ordinary resolution for the general meeting of shareholders; and (ii) in the decision of the High Court in the Fuji Kosan case (Tokyo High Court Decision on August 10, 2021; The Financial and Business Law Precedents No. 1630, Page 16 (final and binding)), the Tokyo High Court held that in confirming shareholders' intentions regarding the allotment of Share Options without contribution as an

implementation of countermeasures, it is not necessary to obtain the approval of the majority of shareholders which exceeds the requirements for a special resolution and that an ordinary resolution is reasonable, indicating that "the law does not require a special resolution as a requirement for the resolution regarding the allotment of Share Options without contribution, and. . . it cannot be said that there is a reasonable reason to understand that a special resolution of a general meeting of shareholders is always required when implementing the allotment of Share Options without contribution as a takeover defense measure. In other words,. . . with respect to the decision on whether it is necessary to implement countermeasures against an acquisition through a tender offer, if the majority of shareholders, to whom the company's interests mainly belong, decide that it is necessary to implement countermeasures against the acquisition at a general meeting of shareholders, the decision should be respected as one that is reasonable, and it is not necessarily necessary to obtain the approval of the majority of shareholders which exceeds the requirements for a special resolution. In addition, the reason the other party sought for an ordinary resolution of a general meeting of shareholders is also found to be reasonable."

The date, time, and venue of the General Meeting of Shareholders and details of the Item of Agenda will be notified as soon as they are decided.

IV The Special Committee's Findings

As stated in "Notice on Establishment of a Special Committee" dated January 10, 2025, the Company established the Special Committee consisting of four independent and external directors of the Company (chaired by Kazuo Takahashi, former Director and Executive Vice President of Daiwa Securities Group Inc.) with the aim of eliminating arbitrary decisions by our board of directors and ensuring the fairness, transparency, and objectivity in the decision-making process from the perspective of enhancing the Company's corporate value and ensuring the common interests of our shareholders. As stated in the Response Policies Press Release, we will utilize the Special Committee, which had already been established at the time of the introduction of the Response Policies and is independent from the management that executes the Company's business, in order to eliminate arbitrary decisions by the Company's directors regarding the

implementation of the Countermeasures based on the Response Policies.

In response to our board of directors' consultation, the Special Committee today made a report on findings to the effect that (i) mainly because we have not yet been convinced that the acquisition of the Company by Nidec through the Tender Offer will contribute to securing the Company's corporate value and the common interests of our shareholders, there are no special circumstances under which the Countermeasures should not be implemented, (ii) it is reasonable to resolve the allotment of the Share Options without contribution, with a Record Date and effective date of such allotment after the General Meeting of Shareholders, before the resolution at the shareholders' intent confirmation meeting, and (iii) it is reasonable to submit the Item of Agenda to confirm the intention of our shareholders regarding the implementation of the Countermeasures at the General Meeting of Shareholders to be held in June 2025 as the shareholders' intent confirmation meeting.

End

(Exhibit 1)

Terms and Conditions of the Issuance of First Class A Share Options

1. Name of share options

First Class A Share Options (the "Class A Share Options")

2. Number of Class A Share Options

The number of Class A Share Options shall be the most recent total number of issued shares of the Company as of the Record Date (defined in Section 5; the same applies hereinafter) (deducting the number of the Company shares held by the Company).

3. Method of allocation

The Class A Share Options shall be allotted to shareholders. One Class A Share Option per share of the Company held will be allotted to each shareholder who is listed or recorded in the shareholder registry on the Record Date. However, Class A Share Options will not be allotted with regard to the Company shares held by the Company.

4. Amount to be paid for Class A Share Options

No contribution

5. Record Date

June 26, 2025

6. Date on which the allocation of Class A Share Options takes effect

June 27, 2025

7. Type and number of shares underlying Class A Share Options

The type and number of shares underlying one Class A Share Option shall be one

common share of the Company.

8. Exercise period for Class A Share Options

The exercise period for the Class A Share Options shall be from August 1, 2025 to July 31, 2026.

9. Value of assets required for exercise of Class A Share Options

(1) Assets required for the exercise of each Class A Share Option shall be cash, and the value thereof shall be the Exercise Price (defined in paragraph (2) below) multiplied by the number of shares to be allotted.

(2) The value of cash per common share of the Company required for exercise of the Class A Share Options (the "Exercise Price") shall be one yen.

10. Conditions for exercise of Class A Share Options

(1) No Class A Share Options held (or substantially held) by Ineligible Persons may be exercised.
"Ineligible Persons" means any of the following persons:
(i) Large-scale purchasers;
(ii) Joint holders of a large-scale purchaser (Article 27-23, paragraphs (5) and (6) of the Financial Instruments and Exchange Act);
(iii) Specially related parties of a large-scale purchaser (Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act); or
(iv) Persons who the board of directors reasonably determines fall within either of the following, taking into account the Special Committee's findings:
(a) A person who acquires or succeeds to a Class A Share Option from any of the persons set forth in (i) through (iv) above without the Company's approval; or
(b) A "related party" of any of the persons set forth in (i) through (iv) above. A "related party" means investment banks, securities corporations, and other financial institutions that have concluded a financial advisory agreement or tender offer agent agreement with those persons, as well as attorneys, certified public accountants, tax accountants, consultants,

other advisors, other persons who share common substantial interests with those persons, and all persons who are substantially controlled by those persons or who act jointly or in cooperation with those persons. In deciding whether a partnership or other fund constitutes a "related party," the fund manager's substantive identity and other factors will be taken into account.

(2) A holder of share options may exercise its Class A Share Options only if it provides the Company with: a document containing its representations and warranties regarding the holder not being an Ineligible Person as listed in paragraph (1) above (if the Class A Share Options are exercised on behalf of a third party, then including representations and warranties that the third party is not an Ineligible Person pursuant to paragraph (1) above), indemnifications and other matters designated by the Company; materials that demonstrate the satisfaction of conditions reasonably required by the Company; and any document required by any laws.

(3) If, pursuant to applicable securities laws and other laws of foreign countries, it is necessary to implement prescribed procedures or satisfy prescribed conditions with respect to the exercise of the Class A Share Options by any person residing in the jurisdictions of these laws, the person residing in the relevant jurisdiction may exercise the Class A Share Options only if the Company deems that all of these procedures and conditions have been implemented or satisfied. Meanwhile, even if implementation or satisfaction of the foregoing procedures and conditions by the Company would enable a person residing in that jurisdiction to exercise the Class A Share Options, the Company will not be obligated to implement or satisfy them itself.

(4) Satisfaction of the conditions set forth in paragraph (3) above shall be confirmed pursuant to the procedures established by the board of directors, which will be similar to those set forth in paragraph (2) above.

(5) Partial exercise of Class A Share Options will not be allowed.

11. Restrictions on transfer of Class A Share Options

The transfer of the Class A Share Options requires the approval of our board of directors.

12. Acquisition of the Class A Share Options

(1) If our board of directors passes a resolution on and after the date on which the

allocation of the Class A Share Options takes effect, on the acquisition date designated by our board of directors, the Company may acquire all of the Class A Share Options that have not been exercised on the acquisition date and can be exercised in accordance with Section 10, items (1) and (2) (referred to in paragraph (2) below as the "Exercisable Class A Share Options") by providing holders of the Class A Share Options (excluding the Company), as consideration therefor, with common shares of the Company in a number equivalent to the number obtained by multiplying the number of Class A Share Options to be acquired by the number of shares underlying one Class A Share Option.

(2) If our board of directors passes a resolution on and after the date on which the allocation of the Class A Share Options takes effect, on the acquisition date designated by our board of directors, the Company may acquire all of the Class A Share Options, other than the Exercisable Class A Share Options, that have not been exercised as of the acquisition date, by providing holders of the Class A Share Options (excluding the Company), as consideration therefor, with share options, the exercise of which by Ineligible Persons is subject to certain restrictions (the details shall be as stated in Exhibit 2 Details of First Class B Share Options), in the same number as the number of Class A Share Options to be acquired.

(3) At any time not later than July 31, 2025, if our board of directors considers it appropriate for the Company to acquire the Class A Share Options, the Company may acquire all of the Class A Share Options, without consideration, on a date separately designated by our board of directors.

(4) Satisfaction of the conditions for acquisition of the Class A Share Options set forth in paragraphs (1) and (2) above shall be confirmed pursuant to the procedures set forth in Section 10, paragraph (2).

13. Increases to stated capital and capital reserves if shares are issued upon exercise of the Class A Share Options

The amount of the increases to stated capital if shares are issued upon the exercise of the Class A Share Options shall be the amount obtained by multiplying the maximum amount of the increase in stated capital calculated pursuant to Article 17 of the Regulations on Corporate Accounting by 0.5, and fractions of less than one yen arising from the calculation shall be rounded up to one yen. The amount of the increase to capital reserves shall be the amount obtained by subtracting the amount of the increase to stated capital from the maximum amount of the increase in stated capital.

14. Method of claims for the exercise of Class A Share Options

(1) If the Class A Share Options are exercised, notice of the matters necessary to make a claim for the exercise thereof shall be provided to the place where claims for the exercise thereof will be accepted, as set forth in Section 16, during the period during which the Class A Share Options can be exercised, as set forth in Section 8.
(2) If the Class A Share Options are exercised, in addition to the notice of claims for exercise thereof in the preceding item, the full value of the assets required for the exercise of the Class A Share Options shall be transferred in cash to the account designated by the Company as the place for handling of payments, as set forth in Section 17.
(3) Claims for exercise of the Class A Share Options shall be effective on the date on which notice of all matters necessary to claim the exercise thereof has been provided to the place where claims for the exercise will be accepted, as set forth in Section 16, and when the full value of the assets required for the exercise of the Class A Share Options is credited to the account set forth in the preceding item.

15. No issuance of share option certificates

The Company will not issue share option certificates for the Class A Share Options.

16. Place to accept claims for exercise

Legal and Compliance department

17. Place to handle the payments

Mitsubishi UFJ Trust and Banking Corporation

18. Other

In addition to those items set forth above, determination of, and all other acts concerning, matters necessary for the issuance of the Class A Share Options shall be left to the discretion of the Company's President and Director.

(Exhibit 2)

Details of First Class B Share Options

1. Name of share options

First Class B Share Options (the "Class B Share Options")

2. Type and number of shares underlying Class B Share Options

The type and number of shares underlying one Class B Share Option shall be one common share of the Company.

3. Exercise period for Class B Share Options

The exercise period for the Class B Share Options shall be from August 1, 2025 to July 31, 2040.

4. Value of assets required for exercise of Class B Share Options

(1) Assets required for the exercise of each Class B Share Option shall be cash, and the value thereof shall be the Exercise Price (defined in paragraph (2) below) multiplied by the number of shares to be allotted.
(2) The value of cash per common share of the Company required for exercise of the Class B Share Options (the "Exercise Price") shall be one yen.

5. Conditions for exercise of Class B Share Options

(1) (i) If the percentage recognized by our board of directors as the holding ratio of shares (as provided in Article 27-23, paragraph (4) of the Financial Instruments and Exchange Act) of the holders of the Class B Share Options and other Ineligible Persons (defined in paragraph (3) below; the same applies hereinafter) (in this section, when calculating the holding ratio of shares, Ineligible Persons other than the holders of the Class B Share Options or joint holders also will be deemed joint holders of the Class B Share Options, and the Class B Share Options held by Ineligible Persons will be excluded) falls below 20%, or (ii) if the percentage

recognized by our board of directors as the holding ratio of shares by the holders of the Class B Share Options is equal to or greater than 20%, and if the holders of the Class B Share Options and other Ineligible Persons dispose of the Company shares by delegating them to the securities corporation approved by the Company and the percentage recognized by our board of directors as the holding ratio of shares of the holders of the Class B Share Options after the disposal falls below 20%, the holders of the Class B Share Options and other Ineligible Persons may exercise the Class B Share Options only to the extent that the percentage recognized by our board of directors as the holding ratio of shares by the holders of the Class B Share Options after the exercise of the Class B Share Options falls below 20% (if the holders of the Class B Share Options or other Ineligible Persons exercise the Class B Share Options on behalf of a third party, the third party must also satisfy the above conditions).

(2) If, pursuant to applicable securities laws and other laws of foreign countries, it is necessary to implement established procedures or satisfy established conditions with respect to exercise of the Class B Share Options by any person residing in the jurisdictions governed by these laws, the person residing in the relevant jurisdiction may exercise the Class B Share Options only if the Company deems that all of the relevant procedures and conditions have been implemented or satisfied. Meanwhile, even if implementation or satisfaction of the foregoing procedures and conditions by the Company would enable a person residing in the relevant jurisdiction to exercise the Class B Share Options, the Company will not be obligated to implement or satisfy those procedures and conditions itself.

(3) Ineligible Persons means persons who fall within any of (i) through (iv) below:

(i) Holders of Class B Share Options;

(ii) Joint holders with the holders of the Class B Share Options (meaning a "joint holder" as provided in Article 27-23, paragraph (5) of the Financial Instruments and Exchange Act, including a person who is deemed to be a joint holder pursuant to paragraph (6) of the same Article);

(iii) Specially related parties of the holders of the Class B Share Options (meaning a "specially related party" as provided in Article 27-2, paragraph (7) of the Financial Instruments and Exchange Act); and

(iv) Persons who our board of directors reasonably determines fall within either of the following:

(a) A person who acquires or succeeds to a Class B Share Option from any of the persons set forth in (i) through (iv) above without the Company's

approval; or

(b) A "related party" of any of the persons set forth in (i) through (iv) above. A "related party" means investment banks, securities corporations, and other financial institutions that have concluded a financial advisory agreement or tender offer agent agreement with those persons, as well as attorneys, certified public accountants, tax accountants, consultants, other advisors, other persons who share common substantial interests with those persons, and all persons who are substantially controlled by those persons or who act jointly or in cooperation with those persons. In deciding whether a partnership or other fund constitutes a "related party," the fund manager's substantive identity and other factors will be taken into account.

(4) Satisfaction of the conditions set forth in paragraph (2) above shall be confirmed pursuant to the procedures established by our board of directors.

(5) Partial exercise of Class B Share Options will not be allowed.

6. Restrictions on transfer of Class B Share Options

The transfer of the Class B Share Options requires the approval of our board of directors.

7. Acquisition of the Class B Share Options

If any of the Class B Share Options remains unexercised on the date separately determined by our board of directors and falling between the day on which 10 years have passed and the day on which 11 years have passed since the date on which the Class B Share Options were delivered (the "Class B Share Options Acquisition Date"), the Company may acquire all of the Class B Share Options (limited to those for which the exercise conditions have not been satisfied) by providing money equivalent to the market value of the Class B Share Options at the Class B Share Options Acquisition Date, as consideration therefor.

8. Increases to stated capital and capital reserves if shares are issued upon exercise of the Class B Share Options

The amount of the increases to stated capital if shares are issued upon the exercise of the Class B Share Options shall be the amount obtained by multiplying the maximum

amount of the increase in stated capital calculated pursuant to Article 17 of the Regulations on Corporate Accounting by 0.5, and fractions of less than one yen arising from the calculation shall be rounded up to one yen. The amount of the increase to capital reserves shall be the amount obtained by subtracting the amount of the increase to stated capital from the maximum amount of the increase in stated capital.

9. Method of claims for the exercise of Class B Share Options

(1) If the Class B Share Options are exercised, notice of the matters necessary to make a claim for the exercise thereof shall be provided to the place where claims for the exercise thereof will be accepted, as set forth in Section 11, during the period during which the Class B Share Options can be exercised, as set forth in Section 3.
(2) If the Class B Share Options are exercised, in addition to the notice of claims for exercise thereof in the preceding item, the full value of the assets required for the exercise of the Class B Share Options shall be transferred in cash to the account designated by the Company as the place for handling of payments, as set forth in Section 12.
(3) Claims for exercise of the Class B Share Options shall be effective on the date on which notice of all matters necessary to claim the exercise thereof has been provided to the place where claims for the exercise will be accepted, as set forth in Section 11, and when the full value of the assets required for the exercise of the Class B Share Options is credited to the account set forth in the preceding item.

10. No issuance of share option certificates

The Company will not issue share option certificates for the Class B Share Options.

11. Place to accept claims for exercise

Legal and Compliance department

12. Place to handle the payments

Mitsubishi UFJ Trust and Banking Corporation

13. Other

In addition to those items set forth above, determination of, and all other acts concerning, matters necessary for the issuance of the Class B Share Options shall be left to the discretion of the Company's President and Director.