(Reference Translation)

TSE Urgent Notice

Jul. 27, 2021
Listing Department
Tokyo Stock Exchange, Inc.

Designation of Securities Under Supervision (Confirmation)

TSE has designated an issue as Securities Under Supervision (Confirmation) as follows.

1.	Issue Name	SAKAI OVEX CO.,LTD. stock (Code: 3408, Market Division: 1st Section)
2.	Period of Designation as Securities Under Supervision (Confirmation)	From Jul. 27, 2021 (Tue.) to the day when TSE determines whether the company has fallen under the delisting criteria
	Provision	Enforcement Rules for Securities Listing Regulations, Rule 605, Paragraph 1, Item (21)-3 (due to falling under a case where the board of directors has made a resolution on a reverse stock split with a split ratio at which the number of all the shares owned by shareholders other than a specified party will be less than one share)
3.	Reason	Today, SAKAI OVEX CO.,LTD. (hereinafter "the Company") indicated approval of a takeover bid to be made by Sakai Textile Co.,Ltd (unlisted) (hereinafter "the bidder") for shares of the Company, which is premised on a subsequent delisting of the shares. The Company has made an announcement that the bidder will demand that the Company put forth, at a general shareholders meeting after the completion of the takeover bid, an agenda item regarding a reverse stock split with a split ratio at which the number of shares held by shareholders of the Company other than the bidder and another shareholder will be less than one share. If the agenda item is approved in a resolution at the general shareholders meeting of the Company, the stock of the Company will be delisted. As such, based on this announcement, TSE deems that the stock of the Company is likely to be delisted and designates such stock as Securities Under Supervision (Confirmation).

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