

YUSHIN PRECISION EQUIPMENT CO., LTD. (TSE Prime: 6482)
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Market Selection Application to the Standard Market

With the recent revision of the Tokyo Stock Exchange rules effective April 1, 2023, the Company has been given the opportunity to reselect listing on the Standard Market. Therefore, the Company has once again considered the market selection based on the recent conformity with the continued listing criteria of the Prime Market and the current status of the Company. As a result, at a meeting of the Board of Directors held today, the Company resolved to apply for selection to the Standard Market for the following reasons and filed the application.

The Company has decided to select the Standard Market for the following reasons, although the Company has continuously met the criteria for maintaining the listing on the Prime Market in the new market classification that was transferred on April 4, 2022. The Company will continue to aim for sustainable growth and further enhancement of the corporate value over the medium to long term in the Standard Market.

1. The reasons for the selection of the Standard Market

In order to achieve new growth in the global market as an industrial robot manufacturer, the Company believes that it is necessary to create a management environment that enables the Company to implement a consistent growth strategy from a medium- to long-term perspective and to flexibly implement measures to respond to changes in the environment, and preferentially allocate management resources to strengthen global competitiveness and invest in human capital to achieve this.

Although the Company currently meet the continued listing criteria of the Prime Market, the Company is not in a position to meet the criteria regarding the market capitalization of tradable shares and trading value of shares on a stable and continuous basis. When the Company directs its limited management resources to strategies for strong medium- and long-term growth, it is difficult to reliably eliminate the delisting risk due to not meeting the criteria in the future. Therefore the Company has determined that it is important to create an environment in which shareholders can hold and trade the Company's shares with confidence and without fear.

After the Standard Market selection, the Company will continuously and actively work to further strengthen the corporate governance system, which is the basis of its fundamental policy of working to increase corporate value over the medium term.

2. Expected date of transition to the Standard Market

According to the schedule set by the Tokyo Stock Exchange, the transition will take place on October 20, 2023. After this date, trading of the Company's shares will be shifted to the Standard Market and trading will continue on that market.

(Reference) Conformity with the continued listing criteria of the Prime and Standard Market

The Company's conformity with the continued listing criteria is as follows. As of March 31, 2023, the Company was in conformity with all of the continued listing criteria for the Prime and Standard Markets.

		Number of Shareholders	Number of tradable Shares	Tradable share market capitalization (billion yen)	Tradable share ratio (%)	Daily average trading value (million yen)
The Company's status	As of Dec 31, 2022	-	-	-	-	26
	As of Mar 31, 2023	5,357	148,860	10.6	41.77	-
Continued Listing Criteria of the Prime Market		800	20,000	10.0	35.00	20
The Company's conformity with the Prime Market		Yes	Yes	Yes	Yes	Yes

		Number of Shareholders	Number of tradable Shares	Tradable share market capitalization (billion yen)	Tradable share ratio (%)	Monthly average trading volume (unit)	Amount of Net Assets (billion yen)
The Company's status	As of Dec 31, 2022	5,357	148,860	10.6	41.77	-	32.5
	As of Mar 31, 2023	-	-	-	-	7,890	32.5
Continued Listing Criteria of the Standard Market		400	2,000	1.0	25.00	10	Positive figure
The Company's conformity with the Standard Market		Yes	Yes	Yes	Yes	Yes	Yes

Note:

These figures are calculated based on the distribution of the Company's shares, etc. as known by the Tokyo Stock Exchange as of the record date. The daily average trading value is the average value from January 2022 to December 2022 as calculated by the Tokyo Stock Exchange. The monthly average trading volume is calculated by the Company based on the monthly average of the trading volume in the trading session of the Tokyo Stock Exchange from January 2023 to June 2023.

At the time of the application for selection for listing on the Standard Market, the Company is in conformity with all of the continued listing criteria for that market. Therefore, if the Company is in conformity with all of the listing criteria of the Standard Market as of the determination date for each item of the listing criteria, there is no need to disclose "the Plan to conform with the continued listing criteria of the Standard Market" hereafter.