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To whom it may concern:

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#### Notice Concerning Judgment of the Lawsuit Filed by Subsidiary

As disclosed in “Notice concerning the award of arbitration proceedings by subsidiary” dated December 23, 2020, regarding the arbitration procedure in which Oki Banking Systems (Shenzhen) Co., Ltd., an OKI subsidiary, requested its sales partner Shenzhen Yihua Computer Industrial Co., Ltd., as a respondent, to pay outstanding trade receivables, our claim was mostly accepted, and the arbitration award was made by the arbitral tribunal and the arbitration was finalized. It subsequently filed a lawsuit against the parent company of Shenzhen Yihua Computer Industrial Co., Ltd., demanding the prompt implementation of the contents of the ruling. On December 23, 2021, the Guangdong Provincial High People's Court delivered the ruling as follows.

##### 1. Background and Outline

Since December 2012, Oki Banking Systems (Shenzhen) Co., Ltd. (hereinafter, “OBSZ”) has sold ATMs in China through Shenzhen Yihua Computer Industrial Co., Ltd. (hereinafter, “Yihua Industrial”). However, since Yihua Industrial has failed to pay OBSZ for the sale of OBSZ products without justifiable reason, OBSZ has filed the arbitration procedure to seek payment. On December 16, 2020, the arbitral tribunal issued a ruling requiring Yihua Industrial to pay outstanding product payments and overdue interest. Afterwards, OBSZ filed a confusion lawsuit with the Guangdong Provincial High People's Court seeking joint and several liability for the debt of Yihua Industrial against the parent company of Yihua Industrial, Shenzhen Yihua Computer Co., Ltd (hereinafter, “Yihua Computer”) etc. The arbitral tribunal's ruling of December 16, 2020 was fully upheld, and a ruling was handed down to the effect that Yihua Industrial and Yihua Computer etc. are liable for joint and several repayments, recognizing that they are confused in terms of finance, personnel, and operations.

## 2. Summary of Judgement

(1) Yihua Computer etc. are jointly and severally liable for the payment of RMB 1,096,866,800 (approx. ¥19.8 billion) in Yihua Industrial's unpaid product payments and its overdue interest to OBSZ.

(2) OBSZ pays Yihua Industrial RMB 69,589,750 (approx. JPY1.3 billion) as a deposit for undelivered contracted goods and its overdue interest. Yihua Computers etc. are jointly and severally liable for the payment of the amount obtained by offsetting (1) and (2) to OBSZ.

(3) Yihua Computers etc. compensates OBSZ for its attorney fees.

\*The exchange rate is RMB 1 = JPY18.07 (as of December 31, 2021).

## 3. Future Outlook

We believe that the content of this judgement has once again clarified the legitimacy of OKI and OBSZ's claims. OKI and OBSZ will demand that Yihua Industrial and Yihua Computers etc. promptly comply with the judgment. On January 5, 2022, Yihua Computers etc. filed an appeal with the Supreme People's Court, and deliberations are scheduled to take place.

In consideration of the status of the above litigation, and as a result of the close examination of the collectability, the Company recorded reversal of allowance for doubtful accounts of approximately ¥3.1 billion as a reversal of selling, general and administrative expenses for the first nine months of the fiscal year ending March 31, 2022.

If any matters that need to be disclosed occur due to future developments, such matter will be promptly disclosed.