

Please note that the following is an unofficial English translation of Japanese Notice of Convocation of the 159th Ordinary General Meeting of Shareholders of Kyosan Electric Manufacturing Co., Ltd. Kyosan provides this translation for your reference purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

(Code No. 6742)

June 5, 2024

(Start Date of Electronic Provision Measures May 24, 2024)

To Our Shareholders:

Ryoji Kunisawa
Representative Director, President
Kyosan Electric Manufacturing Co., Ltd.
2-29-1 Heian-cho, Tsurumi-ku, Yokohama

Notice of Convocation of the 159th Ordinary General Meeting of Shareholders

Notice is hereby given that the 159th Ordinary General Meeting of Shareholders of Kyosan Electric Manufacturing Co., Ltd. (“Kyosan” or the “Company”) will be held as described below.

As the Company is taking electronic provision measures in convening this General Meeting of Shareholders, matters subject to electronic provision measures are posted as the Notice of Convocation of the 159th Ordinary General Meeting of Shareholders on the following Internet website.

Please check the documents by accessing them at any of these websites.

- The Company’s website: <https://www.kyosan.co.jp/ir/stock02.html>
- The website of the TSE (Tokyo Stock Exchange):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(If using the TSE’s website, to view the documents, please conduct a search using the Issue name (company name) field or entering the securities code, and selecting Basic information followed by Documents for public inspection/PR information.)

In lieu of attending the meeting in person, you may otherwise exercise your voting rights in writing or via the Internet. Please refer to the Reference Documents for the Ordinary General Meeting of Shareholders, and exercise your voting rights by following the instructions on pages 3 to 4 of the Japanese version of this document by 5:00 p.m. Thursday, June 20, 2024.

1. Date and Time: 10:00 a.m. Friday, June 21, 2024

2. Place: Kyosan Conference Room
2-29-1 Heian-cho, Tsurumi-ku, Yokohama

3. Purposes of the Meeting:

- Matters to be Reported:**
1. Business Report, Consolidated Financial Statements for the 159th Term (from April 1, 2023 to March 31, 2024) and Reports of Audit of the Consolidated Financial Statements by the Accounting Auditors and Audit & Supervisory Board
 2. Report on the Financial Statements for the 159th Term (from April 1, 2023 to March 31, 2024)

Matters to be Resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Six (6) Directors
- Proposal No. 3:** Election of One (1) Substitute Audit & Supervisory Board Member

[Translation for Reference Purposes Only]

- * If you are attending the meeting, please submit the Voting Rights Exercise Form at the reception desk. To save resources, please bring this “Notice of Convocation” with you.
- * In addition to the Reference Documents for the Ordinary General Meeting of Shareholders, part of the Business Report (Items (1) - (4) of 1. Matters Concerning the Status of the Corporate Group) will be sent to shareholders who have not requested paper copies of the materials.
- * Based on the provisions of laws and regulations and our Articles of Incorporation, the Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are not included in the documents to be delivered to shareholders who have requested paper copies of the materials.
- * Each of the documents sent to shareholders form part of the documents audited by the Audit & Supervisory Board Members and Accounting Auditors when preparing the Audit Report.
- * Should there be any revisions to the matters subject to electronic provision measures, the revised item, the description of the revision, and the item as it was before revision will be posted on the respective websites.

[Translation for Reference Purposes Only]

Proposal No. 2: Election of Six (6) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Ordinary General Meeting of Shareholders. Accordingly, the Company proposes to elect six (6) Directors as shown below. In order to strengthen the supervisory and monitoring functions by segregating management from execution and to enhance the transparency and fairness of governance, the number of Directors shall be reduced by one, bringing the total number of Directors to six (6) consisting of two (2) Internal Directors and four (4) Outside Directors (including a newly appointed Director). As a result, the majority of the Board of Directors shall comprise Independent Outside Directors.

Each candidate for Director is decided upon by the Board of Directors based on a report of the Nomination and Remuneration Committee, a voluntary advisory body of the Board of Directors.

Candidates for the Directors (6)

No.	Name	Current Positions and Assignments in the Company	Attendance at Board of Directors Meetings (159th Term)
1	Ryoji Kunisawa <u>Reappointment</u>	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	15 out of 15 meetings (100%)
2	Toru Onodera <u>Reappointment</u>	Representative Director, Senior Managing Executive Officer (General Manager, Group Management Headquarters; General Manager, Corporate Strategy Office; in charge of IT System Management Dept.)	15 out of 15 meetings (100%)
3	Hiroshi Sumitani <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Director Chairman of the Board of Directors	15 out of 15 meetings (100%)
4	Mihoko Kitamura <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Director	15 out of 15 meetings (100%)
5	Hiroyuki Sasa <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Director Chairman of the Nomination and Remuneration Committee	15 out of 15 meetings (100%)
6	Asako Nagai <u>New appointment</u> <u>Outside</u> <u>Independent</u>	—	—

(Note) If Ms. Asako Nagai is elected as Director, she will assume the position of a member of the Nomination and Remuneration Committee, a voluntary advisory body of the Board of Directors.

Reappointment Candidate for reappointment Outside Candidate for outside director

Independent Candidate for independent officer stipulated by the Tokyo Stock Exchange

[Translation for Reference Purposes Only]


No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held	Attendance at Board of Directors Meetings
1	 Ryoji Kunisawa (December 5, 1961) [Reappointment]	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	April 1984 October 2011 April 2014 April 2019 June 2019 December 2020 April 2022 Joined Kyosan General Manager, Railway Signal Division, 4th Engineering Dept., Kyosan Executive Officer, Kyosan Managing Executive Officer, Kyosan General Manager, Railway Signal Division, Kyosan Director, Kyosan Representative Director and President, Kyosansystem Co., Ltd. Representative Director, President, Kyosan (current position)	139,300 shares	15/15 meetings (100%)
<p>Reason for nomination as a candidate for Director Having abundantly experienced operations primarily at Railway Signal Division, Mr. Ryoji Kunisawa had led the Division as General Manager of the Division, was appointed to Director of the Company in 2019, and has participated in the Group management. He was appointed to Representative Director and President in April 2022. With his abundant experience and knowledge in business, he has led the Group management, including expanding operations globally. The Company believes that his experience and knowledge in these areas will contribute to the enhancement of the Company's corporate value, and therefore nominated him again as a candidate for Director.</p>					

[Translation for Reference Purposes Only]


No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
2	 Toru Onodera (June 28, 1955) [Reappointment]	Representative Director, Senior Managing Executive Officer (General Manager, Group Management Headquarters; General Manager, Corporate Strategy Office; in charge of IT System Management Dept.)	May 1979 October 2000 April 2007 April 2009 April 2012 June 2012 April 2015 June 2018 April 2019	Joined Kyosan General Manager, Management Dept., Power Converter Division (currently Power Electronics Division), Kyosan Executive Officer, Kyosan General Manager, General Affairs Dept., Kyosan General Manager, Personnel Dept., Kyosan Managing Executive Officer, Kyosan Director, Kyosan Senior Managing Executive Officer, Kyosan (current position) Representative Director, Kyosan (current position) General Manager, Group Management Headquarters, Kyosan (current position)	233,900 shares	15/15 meetings (100%)

Reason for nomination as a candidate for Director
 Having experienced operations primarily at Power Converter Division (currently Power Electronics Division), General Affairs Dept. and Personnel Dept., Mr. Toru Onodera was appointed to Director of the Company in 2012 and to Representative Director in 2018. Thereafter, he has promoted globalization and led the Group management as General Manager of Group Management Headquarters and, since April 2022, as General Manager of Corporate Strategy Office. The Company believes that his abundant experience and knowledge in management will contribute to the enhancement of the Company's corporate value, and therefore nominated him again as a candidate for Director.

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No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
3	 Hiroshi Sumitani (January 19, 1950) [Reappointment] [Outside] [Independent]	Director, Chairman of the Board of Directors	April 1974 July 2001 June 2003 June 2006 June 2007 April 2014 June 2015 June 2016 June 2019	Joined Tokyo Buhin Kogyo Co., Ltd. (currently TBK Co., Ltd.) General Manager, Finance Dept., Tokyo Buhin Kogyo Co., Ltd. Director, General Manager, Corporate Planning Dept., Tokyo Buhin Kogyo Co., Ltd. Senior Executive Officer, General Manager, Finance Dept., TBK Co., Ltd. Representative Director and President, TBK Co., Ltd. Representative Director and Chairman, TBK Co., Ltd. Senior Advisor, TBK Co., Ltd. Advisor, TBK Co., Ltd. Outside Director, Kyosan (current position)	0 shares	15/15 meetings (100%)
<p>Reason for nomination as a candidate for Outside Director and expected role</p> <p>Mr. Hiroshi Sumitani has abundant experience in corporate management and broad knowledge from an international perspective accumulated through his service at TBK Co., Ltd. The Company believes that he will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated him again as a candidate for Outside Director. The term of his office will have been 5 years at the conclusion of this Ordinary General Meeting of Shareholders since he became Outside Director of Kyosan. The Company has designated him as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.</p>						

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held	Attendance at Board of Directors Meetings
4	 Mihoko Kitamura (June 3, 1971) [Reappointment] [Outside] [Independent]	Director	October 1997 Passed the bar exam April 2000 Registered as a lawyer (Daini Tokyo Bar Association) Joined MARITAX LAW OFFICE March 2011 Admitted to practice as a lawyer in the State of New York April 2012 Conciliation Commissioner, Tokyo Summary Court (current position) June 2014 Bar Exam Committee Member (Administrative law) March 2015 Lawyer, SAKAMOTO TESHIMA & KITAMURA Law and Accounting Office (current position) June 2019 Outside Director, Kyosan (current position)	0 shares	15/15 meetings (100%)

Reason for nomination as a candidate for Outside Director and expected role
 Ms. Mihoko Kitamura has highly technical knowledge and broad insight from an international perspective accumulated in her career as a lawyer. The Company believes that she will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated her again as a candidate for Outside Director. The term of her office will have been 5 years at the conclusion of this Ordinary General Meeting of Shareholders since she became Outside Director of Kyosan. The Company has designated her as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.

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No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
5	 Hiroyuki Sasa (September 14, 1955) [Reappointment] [Outside] [Independent]	Director, Chairman of the Nomination and Remuneration Committee	April 1982 April 2001 April 2005 June 2007 April 2012 April 2019 June 2020 June 2022 June 2023	Joined Olympus Optical Co., Ltd. (currently Olympus Corporation) General Manager, Endoscope Business Planning Dept., Olympus Optical Co., Ltd. Division Manager, First Development Division, Olympus Medical Systems Corp. Corporate Officer, Olympus Corporation; Director, Olympus Medical Systems Corp. Representative Director, Olympus Corporation; President, Olympus Corporation Director, Olympus Corporation Outside Director, Kyosan (current position) Outside Director, Kanematsu Corporation (current position) Outside Director, Amada Co., Ltd (current position)	0 shares	15/15 meetings (100%)
<p>Reason for nomination as a candidate for Outside Director and expected role Mr. Hiroyuki Sasa has abundant experience in corporate management and technology and development, and broad knowledge from an international perspective accumulated through his service at Olympus Corporation. The Company believes that he will improve transparency of the Board of Directors and strengthen its supervisory function by utilizing such experience and making proposals on the Company's overall management, and therefore nominated him again as a candidate for Outside Director. The term of his office will have been 4 years at the conclusion of this Ordinary General Meeting of Shareholders since he became Outside Director of Kyosan. The Company has designated him as an independent officer stipulated by the Tokyo Stock Exchange, and has notified the Exchange to that effect.</p>						

[Translation for Reference Purposes Only]

No.	Name (Date of Birth)	Positions and Assignments in the Company	Biography and Status of Important Concurrent Positions		Number of the Company's Shares Held	Attendance at Board of Directors Meetings
6	 Asako Nagai (March 4, 1969) [New appointment] [Outside] [Independent]	-	May 2001 May 2012 April 2013 July 2014 February 2020	Joined Sony Corporation (currently Sony Group Corporation) Section Head, CSR Dept., CSR Management Section, Sony Corporation Senior Advisor, BSR (U.S. Corporation) Representative Director, BSR Japan (current position); Director, BSR (U.S. Corporation) Managing Director, BSR (U.S. Corporation) (current position)	0 shares	-/- meetings (-%)
<p>Reason for nomination as a candidate for Outside Director and expected role Ms. Asako Nagai has experience in global corporate management and has been engaged in over twenty years of scientific research on sustainability and ESG. Additionally, she is well versed in business practices and possesses consulting experience. The Company believes that Ms. Nagai will improve the transparency of the Board of Directors and strengthen its supervisory function by utilizing her experience and making proposals on fields of sustainability and human rights, which the Company is committed to starting to work on. Therefore, the Company has nominated her as a new candidate for Outside Director. If she is elected, the Company intends to designate her as an independent officer stipulated by the Tokyo Stock Exchange and notify the Exchange to that effect.</p>						

[Translation for Reference Purposes Only]

(Notes)

1. Each candidate has no specific interest with Kyosan.
2. Mr. Hiroshi Sumitani, Ms. Mihoko Kitamura, Mr. Hiroyuki Sasa, and Ms. Asako Nagai are candidates for Outside Director.
3. The Company has entered into an agreement with Mr. Hiroshi Sumitani, Ms. Mihoko Kitamura, and Mr. Hiroyuki Sasa limiting their liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act; provided, however, that such limit of liability amount is the amount stipulated by laws and regulations. If each candidate in office is elected, the Company plans to continue the agreement with them. If Ms. Asako Nagai is elected, the Company intends to enter into the same agreement with her.
4. The Company has entered into a corporate directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, and damages for legal liabilities and litigation expenses such as attorney's fees to be borne by the insured Directors, Audit & Supervisory Board Members, and Executive Officers will be covered by the said insurance agreement. Each candidate will be insured under the said insurance agreement if their election is approved. There is no premium to be borne by the insured. The Company plans to renew the insurance agreement with the same contents at the next renewal.
5. The Company has entered into an indemnification agreement, under which the Company will cover the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the loss set forth in Item 2 of the same Paragraph within the extent stipulated by laws and regulations. If each candidate in office is elected, the Company plans to continue the indemnification agreement. If Ms. Asako Nagai is elected, the Company intends to enter into the same agreement with her.


(Reference) Advisory Body of the Board of Directors

The Nomination and Remuneration Committee has been established as a voluntary advisory body of the Board of Directors with the aim of strengthening the supervisory function of the Board of Directors by ensuring the objectivity, timeliness, and transparency of procedures for determining nomination and remuneration of Directors. The Committee comprises no more than five (5) Directors, and the majority of the Committee Members shall consist of Outside Directors.

[Translation for Reference Purposes Only]

Proposal No. 3: Election of One (1) Substitute Audit & Supervisory Board Member

It is proposed to elect one (1) Substitute Audit & Supervisory Board Member to serve in the event that the number of Audit & Supervisory Board Members falls below the statutory requirement. The consent of the Audit & Supervisory Board has been obtained for the submission of this proposal. The following candidate is proposed as Substitute Audit & Supervisory Board Member.

Name (Date of Birth)	Positions in the Company	Biography and Status of Important Concurrent Positions	Number of the Company's Shares Held
 Yuichiro Sai (May 2, 1975) [Outside] [Independent]	-	September 2006 Passed the bar exam December 2007 Registered as a lawyer (Tokyo Bar Association) Joined Hibiyamitsuke Law Office January 2013 Partner, Hibiyamitsuke Law Office April 2019 Lawyer, Gobancho Law Office (current position)	0 shares
Reason for nomination as a candidate for Substitute Outside Audit & Supervisory Board Member Mr. Yuichiro Sai has highly technical knowledge and deep insight accumulated in his career as a lawyer. The Company nominated him as a candidate for Substitute Outside Audit & Supervisory Board Member because he is expected to utilize these for the auditing systems of Kyosan and to fulfill his role as Audit & Supervisory Board Member. Mr. Yuichiro Sai does not have any direct experience in corporate management, but is considered to be fully capable of performing his duties as an Outside Audit & Supervisory Board Member for the reason stated above.			

(Notes)

1. The candidate has no specific interest with Kyosan.
2. Mr. Yuichiro Sai is a candidate for Substitute Outside Audit & Supervisory Board Member.
3. If the election of Mr. Yuichiro Sai is approved and he is appointed Outside Audit & Supervisory Board Member, the Company intends to designate him as an independent officer stipulated by Tokyo Stock Exchange, and notify the Exchange to that effect.
4. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, the Company intends to enter into an agreement with him limiting his liability for damages in accordance with Article 423, Paragraph 1 of the Companies Act; provided, however, that such limit of liability amount is the amount stipulated by laws and regulations.
5. The Company has entered into a corporate directors and officers liability insurance agreement with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act, and damages for legal liabilities and litigation expenses such as attorney's fees to be borne by the insured Directors, Audit & Supervisory Board Members, and Executive Officers will be covered by the said insurance agreement. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, he will be insured under the said insurance agreement. There is no premium to be borne by the insured.
6. If the election of Mr. Yuichiro Sai is approved and he is appointed as Outside Audit & Supervisory Board Member, the Company plans to enter into an indemnification agreement, under which the Company will cover the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the loss set forth in Item 2 of the same Paragraph within the extent stipulated by laws and regulations.

(End)

[Translation for Reference Purposes Only]

(Reference) Skill Matrix of Directors and Audit & Supervisory Board Members at the Conclusion of this Ordinary General Meeting of Shareholders

In the event Proposal 2 is approved, the skill matrix of the Directors and Audit & Supervisory Board Members will be as follows.

Name	Positions and Assignments in the Company	Nomination and Remuneration Committee	Specialization					
			Corporate management	Global experience	ESG and Sustainability	Technology and development	Financial accounting	Legal and risk management
Ryoji Kunisawa	Representative Director, President (In charge of Internal Auditing Office and R&D Center)	●	●		●	●		
Toru Onodera	Representative Director, Senior Managing Executive Officer (General Manager, Group Management Headquarters; General Manager, Corporate Strategy Office; in charge of IT System Management Dept.)	●	●		●		●	
Hiroshi Sumitani	<u>Outside</u> <u>Independent</u> Director	●	●	●			●	
Mihoko Kitamura	<u>Outside</u> <u>Independent</u> Director Chairman of the Board of Directors	●		●				●
Hiroyuki Sasa	<u>Outside</u> <u>Independent</u> Director Chairman of the Nomination and Remuneration Committee	●	●	●		●		
Asako Nagai	<u>Outside</u> <u>Independent</u> Director	●	●	●	●			
Tsutomu Kanno	Full-Time Audit & Supervisory Board Member		●				●	
Joichi Ueda	Audit & Supervisory Board Member							●
Fumio Nishimura	<u>Outside</u> <u>Independent</u> Audit & Supervisory Board Member		●				●	
Yukino Enomoto	<u>Outside</u> <u>Independent</u> Audit & Supervisory Board Member							●

(Note)

1. Up to three main areas of expertise and knowledge of each Director and Audit & Supervisory Board Member are marked with a ●.
2. “Positions and Assignments in the Company” will be resolved at the meeting of the Board of Directors after this General Meeting of Shareholders.
3. The Company plans to revise the rules concerning the Nomination and Remuneration Committee after this General Meeting of Shareholders, setting the maximum number of Committee members at six.