

This document has been translated from a part of the Japanese original for reference purpose only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 4966

June 3, 2024

To our shareholders:

Hiroya Uyemura
President
C. Uyemura & Co., Ltd.
3-2-6, Dosho-machi, Chuo-ku, Osaka, Japan

NOTICE OF THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage. You are hereby notified of the convocation of the 96th Annual General Meeting of Shareholders of C. Uyemura & Co., Ltd. (the “Company”), which will be held as described below.

In convening this General Meeting of Shareholders, the Company has taken measures for the electronic provision of information that constitutes the content of the Reference Documents for the General Meeting of Shareholders (Electronic Provision Measures Matters) and has posted the information as “NOTICE OF THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on each of the following websites. Please access any of the websites to view the information.

The Company’s website:

https://www.uyemura.co.jp/ir/shareholder_meeting/ (in Japanese)

(Access the website above and select “NOTICE OF THE 96TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” file to view the information.)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/4966/teiji/> (in Japanese)

Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Access the Tokyo Stock Exchange website above, enter “Uyemura & Co.” in “Issue name (company name)” or the Company’s securities code “4966” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting on the day, you may exercise your voting rights via the Internet or in writing (by postal mail), so kindly exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders, by 5:15 p.m., Wednesday, June 26, 2024 (Japan Standard Time).

If you exercise your voting rights via the Internet, kindly refer to the “Guidelines for Exercising Voting Rights via the Internet.”

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. (Japan Standard Time)
2. Venue: Assembly Hall, 8th floor of the Company Head Office
3-2-6, Doshomachi, Chuo-ku, Osaka, Japan

3. Agenda:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 96th Fiscal Term (from April 1, 2023 to March 31, 2024), as well as the results of an audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 96th Fiscal Term (from April 1, 2023 to March 31, 2024)

Matters to be resolved:

Company's Proposals (Proposal No. 1 and Proposal No. 2)

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of One Director

Shareholder's Proposals (Proposal No. 3 and Proposal No. 4)

Proposal No. 3 Implementation of Share Buyback

Proposal No. 4 Amendment to the Articles of Incorporation

The outline of the proposals pertaining to the Shareholder's Proposals (Proposal No. 3 and Proposal No. 4) is provided in the Reference Documents for the General Meeting of Shareholders.

4. Notes on the Exercise of Voting Rights

- (1) In the case where you exercise your voting rights in writing (by postal mail), and there is no indication of approval or disapproval made on the voting rights exercise form, it will be treated as an indication of approval for the Company's Proposals and an indication of disapproval for the Shareholder's Proposals.
- (2) In the case where you exercise your voting rights more than once via the Internet, the last exercise of your voting rights will be treated as a valid exercise of your voting rights.
- (3) In the case where you exercise your voting rights both via the Internet and in writing (by postal mail), exercising voting rights via the Internet will be deemed valid, regardless of the date of arrival.

END

- When attending the meeting on the day, please submit the enclosed voting rights exercise form at the reception desk.
- If there are any changes to the Electronic Provision Measures Matters, a notice of the changes and the details of the matters before and after the changes will be posted on the respective websites.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Company's Proposal

Proposal No. 1 Appropriation of Surplus

1. Matters related to year-end dividends

With consideration to the actual results for the 96th Fiscal Term (from April 1, 2023 to March 31, 2024) and to creating a sustainable business foundation for the future, the Company proposes the year-end dividends for the 96th Fiscal Term as follows:

(1) Type of dividend property

Cash

(2) Matters regarding allocation of dividend property and total amount thereof

¥200 per common share of the Company

Total amount of dividends: ¥3,224,856,400

(3) Effective date of distribution of dividends of surplus

June 28, 2024

2. Matters related to other appropriation of surplus

To utilize the internal reserve to further strengthen operating systems, for facility expansion and reinforcement, for research and development activities, and to expand the business in the future, an appropriation of internal reserves is proposed as indicated below:

(1) Item of surplus to be decreased and amount of decrease thereof

Retained earnings brought forward: ¥1,000,000,000

(2) Item of surplus to be increased and amount of increase thereof

General reserve: ¥1,000,000,000

Company's Proposal

Proposal No. 2 Election of One Director

The Company proposes the election of one Director.

In addition, as provided for in the Company's Articles of Incorporation, the term of office of the Director newly elected at this meeting will be until the terms of office of the other currently serving Directors expire.

The candidate for Director is as follows:

List and skill matrix of candidate

Name	Candidate's Expertise						
	Corporate Management	Sales	Legal	Accounting	Human Resources Development	Technology and Research	Global
Maiko Uyemura	•						

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Maiko Uyemura (September 10, 1982)	Apr. 2003 Joined Vivace Co., Ltd. Mar. 2011 Resigned from Vivace Co., Ltd. Apr. 2024 Joined the Company (Significant concurrent positions outside the Company) Director of Naniwa Shokusan Co., Ltd.	338,084

[Reasons for the nomination]

Maiko Uyemura has a strong understanding of the management and governance of the Company from her standpoint as a major shareholder of the Company over many years, and as a director of Naniwa Shokusan Co., Ltd., her diverse viewpoints have been utilized in corporate management. We believe that she can provide advice from a female perspective and from the perspective of diversity, which will lead to strengthening the functionality of the Company's Board of Directors and increasing corporate value, therefore we request her appointment.

- Notes:
1. Maiko Uyemura is a director of Naniwa Shokusan Co., Ltd., and the Company has a transactional relationship with the relevant company for business delegation of insurance contracts.
 2. The Company has entered into a directors and officers indemnification insurance policy as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The summary of the said insurance policy is described in "3. (3) Summary of the details of directors and officers indemnification insurance policy" of the Business Report. In the event that the election of Maiko Uyemura is approved, the candidate will be included as an insured person in the said insurance policy. In addition, the Company plans to renew the policy with the same terms at the next renewal.

Proposal No. 3 and No. 4 are submitted by a shareholder.

Please note that the translation of the relevant portions of the Shareholder's Proposal Letter prepared by the Proposing Shareholder is presented in its original text.

Shareholder's Proposal

Proposal No. 3 Implementation of Share Buyback

(1) Outline of Proposal

The Company shall, in accordance with Article 156, Paragraph 1 of the Companies Act, acquire its own common shares in exchange for cash, with a limit on a total number of shares of 1,500,000 and a total acquisition value of 15,000,000,000 yen within one year from the conclusion of the AGM.

The Company shall withdraw 50,000,000,000 yen from general reserve and transfer the same amount to retained earnings brought forward.

(2) Reasons for Proposal

In the current mid-term management plan covering the period from the fiscal year ending March 31, 2022, to the fiscal year ending March 31, 2024, the Company has set a capital policy target of 8.5% ROE and a mid to long-term target of 10% ROE. Due to the improvement in profitability accompanying the business expansion, the ROEs during the mid-term plan have exceeded the mid to long-term target of 10% ROE. In response, we expect the Company to aim for a higher ROE and better capital efficiency in the new mid-term management plan starting from this fiscal year ending March 31, 2025.

While the Company has shown steady performance and profitability improvement, we believe there are areas for further improvement regarding capital policy. Specifically, this includes the use of approximately 15.8 billion yen in investment securities recorded as of December 31, 2023. We do not believe there is justification for manufacturing companies to hold long-term investment securities, and we believe that holding non-essential financial assets leads to a decline in capital efficiency and damages corporate value. We estimate that ROE will increase to over 15% after the proposed share buyback of up to 15 billion yen, which is about the same size as the amount of investment securities held by the Company, even assuming the same level of business profitability as at present.

As of December 31, 2023, the Company held 34.3 billion yen in cash and deposits. Even with the proposed share buyback, we believe the Company will have sufficient funds for future M&A, capital expenditures, R&D, and to prepare for unexpected risks. Therefore, to improve capital efficiency, we believe the Company should conduct a share buyback of up to 15 billion yen.

(1) Opinion of the Board of Directors of the Company

The Board of Directors of the Company opposes this Shareholder's Proposal.

(2) Reason for Opposition

The Company is of the opinion that, in order to achieve sustainable improvement in corporate value, it is important to allocate funds while considering the balance between financial soundness, capital efficiency, and return of profits. Specifically, the Company has positioned shareholder returns, which can be achieved by enhancing its corporate governance system and improving capital efficiency, as one of its most important management issues, and it is also striving to secure internal reserves in order to strengthen its financial standing, to make investments in fields and regions where future growth is expected, to implement M&A transactions (if necessary), to make flexible investments to acquire new technologies, and to prepare for unexpected events and natural disasters. Thus, the Company has implemented shareholder returns in a flexible manner taking factors such as the current economic situation and the Company's financial condition into comprehensive account, while striving to become a strong and attractive company that can continue to improve its performance through continuous and stable investment in development, human resources, and equipment. In FY 3/2024, the Company reacquired 344,100 shares in the amount of 2,999,302,000 yen in total. On February 29, 2024, 1,657,080 treasury shares were cancelled, constituting a portion exceeding 10% of the total number of outstanding shares (corresponding to 8.39% of the total number of shares outstanding before cancellation).

The Company is working on shareholder returns in view of the basic philosophy of maintaining stable dividend payments based on business performance, while striving to secure a stable management base and improve the return on shareholders' equity. Under such philosophy, the Company has submitted a matter to the General Meeting of Shareholders as Proposal No. 1 to the effect that its year-end dividends per share in FY3/2024 will be 200 yen which is an increase of 20 yen from that provided in the previous financial year.

In the Mid-Term Business Plan for the period from FY3/2025 to FY3/2027 published on May 17, 2024, the Company is planning to invest 34 billion yen in total over such three-year period ("investment in growth" in the amount of 20 billion yen; "investment in improvement" in the amount of 4 billion yen; "internal reserves" in the amount of 10 billion yen). The specific details of the plan are as follows:

Investment in Growth	20 billion yen	(1) Enhancing ultra-fine wire circuit conductor formation technology
		(2) Enhancing surface treatment technology for new materials
		(3) Enhancing environmentally friendly products
		(4) Enhancing chemical supply system for clean rooms
Investment in Improvement	4 billion yen	(1) Improving efficiency and manufacturing quality
		(2) Enhancing development analysis capabilities
		(3) Improving responsiveness to natural disasters
		(4) Thorough compliance with environmental regulations
Internal Reserves	10 billion yen	Securing internal reserves for M&A transactions, unexpected events, and natural disasters

The Company has regarded shareholder returns as one of its most important management issues; therefore, in the Mid-Term Business Plan, it has set forth the targets of maintaining dividends per share at no less than 200 yen and ROE at no less than 10% while considering the plan for these investments.

The Company believes that the contents of these plans involve executing a flexible allocation of funds at the appropriate timing while maintaining the optimum balance between investment in growth and shareholder returns, and that they are appropriate for determining the allocation of funds while considering the balance between financial soundness, capital efficiency, and return of profits in order to achieve sustainable improvement in the corporate value of the Company.

On the contrary, if the Company reacquires a total of 1,500,000 shares of its common stock at a total acquisition price of 15,000,000,000 yen, which are the upper limit of the proposed share buyback, within one year from the conclusion of the General Meeting of Shareholders, it would largely surpass the level of the Company's consolidated net profit (10,900,000,000 yen) in FY3/2024, and be at the same level as the amount of the Company's standalone cash and deposits (15,000,000,000 yen). The Company believes that it is appropriate to conduct share buyback in a flexible manner while taking the business environments surrounding the Company, such as the Company's business performance, business investment, financial conditions, and stock price level, into comprehensive account, instead of conducting it at the time and in the amount set forth in the Shareholder's Proposal.

For these reasons, the Company's Board of Directors opposes this Shareholder's Proposal.

Shareholder’s Proposal

Proposal No. 4 Amendment to the Articles of Incorporation

(1) Outline of Proposal

Article 18 of the Company’s Articles of Incorporation shall be amended as follows so that the majority of the directors of the Company are outside directors.

Before change	After change
(Number of Directors) Article 18 1. The number of directors of the Company shall be ten or less. <u>2. (Addition)</u>	(Number of Directors) Article 18 1. The number of directors of the Company shall be ten or less. <u>2. As long as the company remains a listed company, the majority of the directors of the company shall be outside directors defined according to Article 2, Paragraph 1, Item 15 of the Companies Act.</u>

(2) Reasons for Proposal

We believe that board diversity and independence are essential to the management of today’s listed companies. A diverse board means a board that is able to make management decisions based on a wide range of perspectives, such as skills, experience, age, nationality, and gender, while an independent board means a board comprising at least a majority of independent directors.

Principle 4.8 of the Corporate Governance Code states, “Independent directors should fulfill their roles and responsibilities with the aim of contributing to sustainable growth of companies and increasing corporate value over the mid to long-term. Therefore, companies listed on the Prime Market should appoint at least one-third of their directors as independent directors (two directors if listed on other markets) that sufficiently have such qualities. Irrespective of the above, if a company listed on the Prime Market believes it needs to appoint the majority of directors (at least one-third of directors if listed on other markets) as independent directors based on a broad consideration of factors such as the industry, company size, business characteristics, organizational structure and circumstances surrounding the company, it should appoint a sufficient number of independent directors”. Also, Principle 4.7 of the Corporate Governance Code states that one of the roles and responsibilities of independent directors is to “appropriately reflect the opinions of minority shareholders and other stakeholders in the board of directors from a standpoint that is independent of management and controlling shareholders.

Although the Company has three outside directors out of nine directors, which meets the requirements of the Corporate Governance Code Principles, we believe that by proactively adopting best practices in corporate governance and having a majority of directors who are outside directors, the Company can improve capital efficiency and shareholder returns, and establish a governance structure that will contribute to the sustainable growth and increase the corporate value over the mid to long term.

In addition to the number of outside directors, the qualifications of outside directors must be such that they can contribute to the Company’s sustainable growth and mid to long-term improvement of corporate value. In this regard, the Company should consider appointing highly experienced and skilled personnel such as equity analysts.

We believe that the appointment of “highly experienced and skilled analysts” is an effective way to bring the perspective of outside investors and shareholders to the board of directors while at the same time contributing to the enhancement of corporate value through sound risk-taking. Although the board of directors of a listed company and investors/shareholders share the same goal of long-term enhancement of corporate value, unfortunately, in Japan, they are often perceived as being in opposition to each other. Involving directors with the experience and skills mentioned above in board discussions and decision-making would make the relationship between the board and the stock market more constructive through appropriate risk-taking, capital allocation, and better communication with the market. Most often, bankers and accountants are responsible for the finance portion in the skills matrix, but from the perspective of promoting “sound risk-taking” expertise in accounting and debt markets alone is not sufficient, and that is where the significance of equity market professionals lies.

(1) Opinion of the Board of Directors of the Company
The Board of Directors of the Company opposes this Shareholder's Proposal.

(2) Reason for Opposition

The Company has established a system of the Board of Directors making decisions on the nominations of candidates for directors of the Company after the deliberation and reply in response to the Board of Directors' consultation with the Nomination and Remuneration Committee, which was established as a voluntary advisory body to the Board of Directors in order to strengthen the fairness, transparency and objectivity of the process regarding nominations, remuneration, and other matters regarding directors and to enhance the Company's corporate governance system. The Committee consists of at least three (3) members, among which the majority is required to be independent outside directors. The chairman of the Committee is required to be appointed from among the members who are independent outside directors.

Currently, the directors of the Company consist of three (3) independent outside directors (one (1) of whom is female) among the total of nine (9) directors. As a requirement under the Corporate Governance Code, companies listed on the Standard Market (which the Company is listed on), are required to appoint at least two (2) independent outside directors. The Company therefore satisfies such requirements, and the independent outside directors make up no less than one-third of all the directors.

The Company places importance not only on the requirement of independence under the Companies Act and under the rules of the Tokyo Stock Exchange but also on possessing high level of expertise and extensive experience to be able to advise and supervise the Company's management in a frank and constructive manner when selecting nominees for outside directors. In addition, the Company's three (3) incumbent outside directors (one (1) of whom is female) consist of a management consultant, a certified public accountant, and a labor and social insurance consultant, respectively having professional knowledge and experience regarding management of companies, corporate financial matters, legal matters, social insurance and labor matters, and such composition has diversity.

For these reasons, the Company is of the opinion that the Board of Directors maintains sufficient independence, its composition has adequate diversity to effectively fulfill its roles and responsibilities as a board of directors in overseeing the execution of the management, and there is an appropriate corporate governance system in place to improve the Company's mid to long term corporate value.

On the contrary, however, if the Company sets forth a provision in the Articles of Incorporation as proposed by the Shareholder's Proposal, priority may be placed on fulfilling the number of directors, which may result in restricting the space to select nominees for directors and may impede the consideration and composition of an optimal board of directors from time to time in the future.

For these reasons, the Company's Board of Directors opposes this Shareholder's Proposal.

END