

Note: Please note that the following is an English translation of the original Japanese version, prepared only for the convenience of non-Japanese speaking shareholders. In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

To all Shareholders

Securities Code: 1964

May 29, 2025

Commencement date of electronic provision measures: May 22, 2025

3-6-1 Hiranomachi, Chuo-ku, Osaka

Chugai Ro Co., Ltd.

Akira Ozaki, President, Representative Director, and CEO

Notice of the 83rd Annual Meeting of Shareholders

Dear Shareholders,

The Company would hereby like to request shareholders to attend the Company's 83rd Annual Meeting of Shareholders as described below.

In convening this Annual Meeting of Shareholders, electronic provision measures have been taken, and the information contained in the Reference Document for the Annual Meeting of Shareholders, etc. (electronic provision matters) can be found online on the Company's website.

<Our Website>

https://chugai.co.jp/ir_soukai/



In addition to the above, the information is also available on the following website.

<Tokyo Stock Exchange Website (TSE-listed company information service)>

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



Access the above website, enter and search for either our Company name (Chugai Ro Co., Ltd.) or securities code (1964), and then select "Basic information" followed by "Public documents/PR information."

If you do not attend, you may exercise your voting rights in writing or via the internet, etc. We kindly request you to read the Reference Document for the Annual Meeting of Shareholders described below, and after referring to the "Guidance Notes on the Exercise of Voting Rights" on page 4 onward, complete exercising your voting rights by no later than 5:00 p.m., Tuesday, June 17, 2025.

Sincerely yours,

1. **Date:** 10:00 a.m., Wednesday, June 18, 2025
2. **Venue:** 2-4 Chikko-Shinmachi, Nishi-ku, Sakai, Osaka, Japan
Chugai Ro Sakai Works “Thermal Technology Creative Center
Co-creation Space”
**Please refrain from coming by car, as a free shuttle bus will be
provided to the venue. (Please refer to the “Map of the Venue for the
Annual Meeting of Shareholders” at the end of this document.)*
**Please note that if the venue reaches capacity, we will guide
attendants to a second venue, etc.*

3. **Purposes:**

Items to be reported:

- (1) 83rd business period (April 1, 2024 to March 31, 2025)
The business report, the consolidated financial statements
and the results of consolidated financial statement audits by
the Accounting Auditor and the Board of Corporate Auditors
- (2) 83rd business period (April 1, 2024 to March 31, 2025)
The non-consolidated financial statements

Items to be resolved:

- Item No. 1:** Appropriation of Retained Earnings
Item No. 2: Partial Amendments to Articles of Incorporation
Item No. 3: Election of Six (6) Directors
Item No. 4: Election of One (1) Corporate Auditor
Item No. 5: Provision of Condolence Money to Retiring Director

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1. If any amendments are made to the electronic provision measures, said amendments will be posted on each website.
 2. For this Annual Meeting of Shareholders, regardless of whether or not a written request has been made, a document describing the electronic provision measures has been uniformly sent out to all shareholders. However, of the electronic provision measures, the following matters are not described in this document in accordance with laws and regulations and Article 17 of the Company’s Articles of Incorporation. This document will become part of the documents audited by the Corporate Auditors and Accounting Auditors when preparing the Audit Report.
 - (1) “5. Summary of the Contents of the Resolution Regarding the Development of Systems, etc., to Ensure the Appropriateness of Business Operations” and “6. Overview of the Operating Status of the System for Ensuring Appropriate Business Operations” of the Business Report
 - (2) “Consolidated Statements of Changes in Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements
 - (3) “Non-consolidated Statements of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements
 3. In case any significant changes occur with regard to the date, time, administration of venue, etc. of this Annual Meeting of Shareholders up to the day of the Annual Meeting of Shareholders, a notice will be posted on the Company’s website (<https://chugai.co.jp/en/>). Please check the information there.
 4. If you are attending the Annual Meeting of Shareholders, we kindly ask you to submit the enclosed voting rights exercise form to the receptionist at the venue.
 5. Shareholders who will be coming to the venue and need to make arrangements are requested to contact the telephone number for “Inquiries Regarding the Annual Meeting of Shareholders” indicated on the “Map of the Venue for the Annual Meeting of Shareholders” on the reverse side of the Notice of Convocation booklet by Friday, June 6, 2025, to allow for preparations.
 6. For this Annual Meeting of Shareholders, administration staff will be dressed in a Cool Biz style without ties.

Reference Document for the Annual Meeting of Shareholders

Meeting Agenda and Referential Matters

Item No. 1: Appropriation of Retained Earnings

With regard to the appropriation of retained earnings, the Company sets the continuation of a stable dividend as its basic policy while taking business performance into account. By comprehensively considering the earnings status and business environment, etc. of the current fiscal year, the Company proposes to set the year-end dividend for the 83rd business period at 150 yen per share as follows:

- (1) Type in which dividends are paid
Cash payment
- (2) Allocation of dividends and total amount of dividends
150 yen per common share of the Company
Total amount 1,101,148,650 yen
- (3) Effective date on which dividends are disbursed from retained earnings
June 19, 2025

(Reference) Dividends based on the shareholder return policy

For our shareholder return policy, we have set a target of “aiming for a dividend payout ratio of 60% or more based on net operating profit after tax (NOPAT)” from FY2024 onward, and will continue to maintain a high dividend payout ratio in the future.

We will continue striving to maintain a total return ratio of 50% or more through share buybacks as appropriate.

	Net Profit Per Share (yen)	Dividend (yen)	Operating Profit (millions of yen)	Net Operating Profit After Tax (NOPAT) (millions of yen)	Total Dividend Amount (millions of yen)	Dividend Payout Ratio Based on NOPAT	Net Profit Attributable to Owners of Parent (millions of yen)	Total Dividend Amount (millions of yen)	Purchase of Treasury Shares (millions of yen)	Total Payout Ratio
FY2022	162	70	1,309	908	530	58%	1,231	530	100	51.2%
FY2023	293	80	1,477	1,024	594	58%	2,197	594	508	50.2%
FY2024	407	150	2,735	1,833	1,101	60%	2,998	1,101	400	50.1%
FY2025 forecast	387	150	3,000	—	—	60% or more	2,800	—	—	50% or more
FY2026 targets	—	—	3,620	—	—	60% or more	2,450	—	—	50% or more

*The dividend payout ratio that we use as an indicator is calculated by excluding “operating profit attributable to non-controlling interests” from NOPAT.

Item No. 2: Partial Amendments to Articles of Incorporation

1. Reasons for Proposal

The Company's Articles of Incorporation shall be amended as follows to change the term of office for Directors from the current two years to one year for the purpose of clarifying the management responsibility of Directors, establishing a management structure that can promptly respond to changes in the business environment, and further strengthening corporate governance by increasing opportunities for shareholders to vote on the direction of the Company.

2. Details of Amendment

The details of the amendment are as follows.

Current Articles of Incorporation	Proposed Amendment
Chapter 4 Directors and the Board of Directors Article 20 (Term of Office) The term of office of Directors shall expire at the conclusion of the Annual Meeting of Shareholders relating to the final fiscal year ending within <u>two</u> years after their election	Chapter 4 Directors and the Board of Directors Article 20 (Term of Office) The term of office of Directors shall expire at the conclusion of the Annual Meeting of Shareholders relating to the final fiscal year ending within <u>one</u> year after their election

Item No. 3: Election of Six (6) Directors

The term of office of all seven (7) Directors will expire at the conclusion of this Annual Meeting of Shareholders. In order to improve the speed of management decision-making and business execution, the Company proposes to reduce the number of Directors and requests the election of six (6) Directors, including one (1) newly appointed Director.

In order to enhance the effectiveness of the Board of Directors and promote enhanced governance, the number of Directors from within the Company will be reduced by two (2) for a total of three (3), and the number of Outside Directors to three (3), including one (1) new candidate for Outside Director. If the proposal is approved as proposed, three (3) out of the six (6) directors will be independent directors as defined by the Tokyo Stock Exchange, meaning that one-half or more of the Company's officers will be independent officers.

The candidates for Director are as follows.

Candidate No.	Name			Current position and responsibility at the Company and Significant concurrent positions
1	Reappointment	Akira Ozaki	(Male)	President, Representative Director, and CEO
2	Reappointment	Mamoru Sakata	(Male)	Director Senior Executive Officer, General Manager of Plant Division, General Manager of Development Division, General Manager of GX Project Office
3	Reappointment	Mitsuru Nagahama	(Male)	Director Senior Executive Officer, General Manager of Heat Treatment Furnace Division
4	Reappointment	Masaaki Nomura	(Male)	Outside Independent Director Chairman of the Board of Tezukayama Gakuin
5	Reappointment	Yoko Tsujimoto	(Female)	Outside Independent Director Senior Internal Auditor of Sumitomo Mitsui Trust Bank, Limited
6	New Appointment	Kanji Ishimaru	(Male)	Outside Independent Director, Member of the Board, and Deputy Chief Executive Officer, ShinMaywa Industries, Ltd.

Candidate
No.

1

Akira Ozaki (May 31, 1957)

Reappointment

Number of the
Company's shares owned

15,400 shares

Attendance of the
Board of Directors
meetings (%)

100% (13/13)

Brief profile, position and responsibility at the Company
(Significant concurrent positions)

April 1980	Joined the Company
April 2003	General Manager of Production Management Department of Product Center of the Company
April 2005	Vice Chairman of the Board and Deputy General Manager of Chugai Ro Thermal Engineering (Shanghai) Co., Ltd.
January 2008	General Manager of Production Management Department of Product Center of the Company
November 2011	Deputy General Manager of Product Center of the Company
April 2013	Executive Officer, General Manager of Product Center of the Company
April 2015	Executive Officer, General Manager of Corporate Planning Office, Business Administration Division of the Company
June 2016	Director, Executive Officer, General Manager of Corporate Planning Office, Business Administration Division of the Company
April 2017	Director, Executive Officer, General Manager of Heat Treatment Furnace Division of the Company
April 2019	Director, Senior Executive Officer, General Manager of Heat Treatment Furnace Division of the Company
April 2020	President and Representative Director of the Company
April 2025	President, Representative Director, and CEO of the Company (incumbent)

Reasons for Nomination as a Candidate for Director

Since assuming office as Representative Director of the Company, Mr. Akira Ozaki has been demonstrating leadership. He is well acquainted with business management through his duty overseeing management as a whole, with managerial experience in overseas subsidiaries. The Company therefore has determined that he can be expected to continuously leverage such abundant experience and knowledge in the management of the Company.

Candidate
No.

2

Mamoru Sakata (January 19, 1962)

Reappointment

Number of the
Company's shares owned

10,400 shares

Attendance of the
Board of Directors
meetings (%)

100% (13/13)

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1984	Joined the Company
April 2009	General Manager of Engineering Department, Plant Department of the Company
April 2013	Executive Officer, General Manager of Plant Department of the Company
April 2016	Executive Officer, General Manager of Plant Division of the Company
June 2016	Director, Executive Officer, General Manager of Plant Division of the Company
April 2018	Director, Executive Officer, General Manager of Corporate Planning Office, Business Administration Division of the Company
April 2019	Director, Executive Officer, Deputy General Manager of Business Administration Division, and General Manager of Corporate Planning Office, Business Administration Division of the Company
April 2020	Director, Executive Officer, General Manager of Plant Division of the Company
April 2022	Director, Executive Officer, General Manager of Plant Division, General Manager of Thermo Systems Department of the Company
April 2023	Director, Executive Officer, General Manager of Plant Division of the Company
April 2024	Director, Executive Officer, General Manager of Plant Division, Manager of GX Project of the Company
April 2025	Director, Senior Executive Officer, General Manager of Plant Division, General Manager of Development Division, General Manager of GX Project Office of the Company (incumbent)

Reasons for Nomination as a Candidate for Director

Mr. Mamoru Sakata has abundant experience and knowledge in the plant sector, and work experience and knowledge in the planning sector. The Company therefore has determined that he can be expected to continuously leverage such experience and knowledge in the management of the Company.

Candidate
No.

3

Mitsuru Nagahama (August 10, 1957)

Reappointment

Number of the
Company's shares owned

7,400 shares

Attendance of the
Board of Directors
meetings (%)

100% (13/13)

Brief profile, position and responsibility at the Company
(Significant concurrent positions)

April 1983	Joined the Company
April 2010	General Manager of Construction Department, Heat Treatment Furnace Department of the Company
April 2013	General Manager of Maintenance Engineering Department, Heat Treatment Furnace Department of the Company
April 2016	Executive Officer, General Manager of Maintenance Engineering Department, Heat Treatment Furnace Division of the Company
April 2017	Senior Executive Officer, General Manager of Maintenance Engineering Department, Heat Treatment Furnace Division of the Company
April 2020	Senior Executive Officer, General Manager of Heat Treatment Furnace Division of the Company
June 2020	Director, Executive Officer, General Manager of Heat Treatment Furnace Division of the Company
April 2025	Director, Senior Executive Officer, General Manager of Heat Treatment Furnace Division of the Company (incumbent)

Reasons for Nomination as a Candidate for Director

Mr. Mitsuru Nagahama has abundant experience in the heat treatment furnace business sector. He also has knowledge in the maintenance business which the Company focuses on, demonstrating leadership as the person in charge. The Company therefore has determined that he can be expected to leverage such experience and knowledge in the management of the Company.

Candidate
No.

4

Masaaki Nomura (March 29, 1952)

Reappointment

Outside

Independent

Number of the
Company's shares owned

0 shares

Attendance of the
Board of Directors
meetings (%)

92% (12/13)

Brief profile, position and responsibility at the Company (Significant concurrent positions)

April 1974	Joined the Daiwa Bank, Limited (present Resona Bank, Limited)
May 2003	President and Representative Director of Resona Bank, Limited
June 2007	Vice Chairman and Director of Resona Bank, Limited Chairman and Director of Resona Trust & Banking Co., Ltd. (present Resona Bank, Limited)
May 2009	Retired from Resona Bank, Limited
June 2010	Outside Auditor of Asahi Broadcasting Corporation (present Asahi Broadcasting Group Holdings Corporation)
June 2011	Chairman and Director of New Japan Chemical Co., Ltd.
June 2014	Auditor of the Company
June 2015	Director of the Company (incumbent) Retired from New Japan Chemical Co., Ltd.
July 2015	Chairman of the Board of Tezukayama Gakuin (incumbent)
June 2018	Retired from Asahi Broadcasting Group Holdings Corporation
	(Significant concurrent positions) Chairman of the Board of Tezukayama Gakuin

Reasons for Nomination as a Candidate for Outside Director and Outline of Expected Roles

Mr. Masaaki Nomura has been serving as a representative director in a listed company, and has abundant experience and deep insight and capability as a corporate manager. He has been appropriately supervising the management as an Outside Auditor of the Company from June 2014, and Outside Director of the Company since June 2015. The Company highly rates his experience and capability, and therefore proposes to continuously nominate him as an Outside Director, for he can be expected to supervise and offer effective advice with regard to the management of the Company as a whole through his role if nominated as Outside Director.

Candidate
No. **5** Yoko Tsujimoto (May 21, 1958)

Reappointment

Outside

Independent

Number of the
Company's shares owned

0 shares

Attendance of the
Board of Directors
meetings (%)

100% (13/13)

Brief profile, position and responsibility at the Company
(Significant concurrent positions)

April 1981 Joined the Daiwa Bank, Limited (present Resona Bank, Limited)

April 2004 Transferred to D&I Information Systems, Inc. (present Resona Digital I, Inc.)
Seconded to Resona Bank, Limited

January 2006 Seconded to IBM Japan, Ltd.

January 2007 Retired from D&I Information Systems, Inc.

February 2007 Joined Sumitomo Trust Bank, Limited (present Sumitomo Mitsui Trust Bank, Limited)

April 2017 Head of Internal Audit Department of Sumitomo Mitsui Trust Bank, Limited

May 2018 Retired from Sumitomo Mitsui Trust Bank, Limited

June 2018 Senior Internal Auditor of Sumitomo Mitsui Trust Bank, Limited (incumbent)

June 2022 Director of the Company (incumbent)

(Significant concurrent positions)

Senior Internal Auditor of Sumitomo Mitsui Trust Bank, Limited

Reasons for Nomination as a Candidate for Outside Director and Outline of Expected Roles

Although Ms. Yoko Tsujimoto has not been involved in the management of the Company in any way other than as an Outside Director, she has long been involved in systems and auditing divisions and has a wealth of expertise and experience. She has been appropriately supervising management of the Company as an Outside Director since June 2022. The Company highly rates such experience and capability, and therefore proposes to continuously nominate her as an Outside Director, for she can be expected to supervise and offer effective advice leveraging such knowledge through her role if nominated as Outside Director.

Candidate
No.

6

Kanji Ishimaru (September 20, 1957)

New Appointment

Outside

Independent

Number of the
Company's shares owned

0 shares

Attendance of the
Board of Directors
meetings (%)

-% (-/-)

Brief profile, position and responsibility at the Company
(Significant concurrent positions)

April 1982	Joined ShinMaywa Industries, Ltd.
April 2011	Executive Officer, General Manager of Overseas Business Management Division and Aircraft Division of ShinMaywa Industries, Ltd.
June 2012	Director, Senior Executive Officer, General Manager of Aircraft Division and General Manager of Amphibian Civil Conversion Promotion Office of ShinMaywa Industries, Ltd.
August 2018	Director, Member of the Board, Deputy Chief Executive Officer, General Manager of Corporate Planning Division of ShinMaywa Industries, Ltd.
April 2024	Director, Member of the Board, Deputy Chief Executive Officer of ShinMaywa Industries, Ltd. (incumbent)

Reasons for Nomination as a Candidate for Outside Director and Outline of Expected Roles

Mr. Kanji Ishimaru has extensive experience as a corporate executive, having served as Deputy Chief Executive Officer and Director of a listed company, and has broad knowledge of overseas business divisions, IT and digital divisions, and ESG and sustainability issues. The Company highly rates his experience and capability, and therefore proposes to nominate him as an Outside Director, for he can be expected to supervise and offer effective advice with regard to the management of the Company as a whole through his role if nominated as Outside Director.

Notes:

1. There are no special conflicts of interest between the candidates and the Company.
2. Mr. Masaaki Nomura, Ms. Yoko Tsujimoto, and Mr. Kanji Ishimaru are the candidates for Outside Director.
Mr. Masaaki Nomura is currently an Outside Director of the Company, and his term in office as Outside Director will be ten years at the conclusion of this Annual Meeting of Shareholders. Ms. Yoko Tsujimoto is currently an Outside Director of the Company, and her term in office as Outside Director will be three years at the conclusion of this Annual Meeting of Shareholders.
3. Based on Article 427, Paragraph 1 of the Companies Act, the Company has concluded an agreement with Mr. Masaaki Nomura and Ms. Yoko Tsujimoto which limits their liability for damages as stipulated in Article 423, Paragraph 1 of the same act. The limit on the liability for damages under this agreement is the minimum liability amount set forth in Article 425, Paragraph 1 of the same act. If either of the candidates are renominated, the Company will continue the agreement with them. If the appointment of Mr. Kanji Ishimaru is approved, the Company will enter into a similar liability limitation agreement with him.
4. The Company has concluded a Directors and Officers Liability Insurance (D&O insurance) contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and all of the candidates for this election are expected to be insured under the policy. An outline of the insurance contract is as stated on page 33 (4. Outline of details of Directors and Officers Liability Insurance Contract).
5. Mr. Masaaki Nomura and Ms. Yoko Tsujimoto are presently notified as independent officers pursuant to the provisions of the Tokyo Stock Exchange, Inc. If renominated as Outside Directors, the Company will continue to notify Tokyo Stock Exchange that they are independent officers pursuant to the said provisions of the Tokyo Stock Exchange, Inc. If the appointment of Mr. Kanji Ishimaru is approved, the Company plans to notify him as an independent officer in the same manner.

Item No. 4: Election of One (1) Corporate Auditor

As the term of office of Full-time Corporate Auditor Mr. Toshiya Araki will expire at the conclusion of this Annual Meeting of Shareholders, the Company proposes the nomination of one (1) Corporate Auditor.

With regard to this agenda item, the consent of the Board of Corporate Auditors has been obtained. The candidates for Corporate Auditors are as follows.

Toshiya Araki (July 21, 1960)

Reappointment



Number of the Company's shares owned

2,500 shares

Attendance of the Board of Directors meetings (%)

100% (13/13)

Brief profile and significant concurrent positions

April 1983	Joined the Daiwa Bank, Limited (present Resona Bank, Limited)
April 2009	Executive Officer of Resona Bank, Limited
March 2013	Retired from Resona Bank, Limited
April 2013	Director and Managing Executive Officer of J and S Insurance Service Co., Ltd.
April 2016	Director and Senior Managing Executive Officer of J and S Insurance Service Co., Ltd.
March 2021	Retired from J and S Insurance Service Co., Ltd.
April 2021	Advisor of the Company
June 2021	Full-time Corporate Auditor of the Company (incumbent)

Reasons for Nomination as a Candidate for Auditor

Mr. Toshiya Araki has broad knowledge and experience as a corporate manager in the financial industry. The Company therefore has determined that he can be expected to carry out audit work of the Company through such work experience and knowledge.

Notes:

1. There are no special conflicts of interest between the candidate and the Company.
2. The Company has concluded a Directors and Officers Liability Insurance (D&O insurance) contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, and all of the candidates for this election are expected to be insured under the policy. An outline of the insurance contract is as stated on page 33 (4. Outline of details of Directors and Officers Liability Insurance Contract).

Item No. 5: Provision of Condolence Money to Retiring Director

In order to reward the late Director Shigeki Negoro, who passed away on December 31, 2024, for his distinguished service during his term of office, the Company proposes to present condolence money to his bereaved family within a reasonable amount in accordance with the standards prescribed by the Company. The specific amount, timing, and method of provision will be determined at the discretion of the Board of Directors.

In addition, this proposal was decided by the Board of Directors in accordance with the Company's internal regulations and policy for determining the details of compensation, etc. for individual directors, which were established in advance by the Board of Directors, and is considered to be appropriate.

The Company's policy for determining the details of compensation, etc. for individual directors is as described in "5. Compensation, etc. for Directors and Corporate Auditors for the Fiscal Year Under Review (ii) Matters concerning the policy for determining the details of compensation, etc. for individual directors" on pages 33 and 34.

A brief profile of the retired Director is as follows.

Name	Brief Profile	
Shigeki Negoro	April 2017	Advisor of the Company
	June 2017	Director, Deputy General Manager of Business Administration Division of the Company
	April 2018	Director, Senior Executive Officer, General Manager of Plant Division of the Company
	April 2020	Director, Senior Executive Officer, General Manager of Corporate Planning Office, Business Administration Division of the Company
	April 2021	Director, Senior Executive Officer, General Manager of Business Administration Division of the Company
	December 2024	Passed away

Management Structure after Approval of Item 3 and 4 (planned)

	Name	Outside	Areas where expertise may be demonstrated in particular							
			Corporate management	Design, technology, research and development	Sales, marketing	Manufacturing, construction, engineering work	Finance and accounting	Legal affairs, risk management	IT, digital	Global
Director	Akira Ozaki		●			●			●	●
	Mamoru Sakata		●	●						
	Mitsuru Nagahama			●	●	●				
	Masaaki Nomura	●	●		●		●			
	Yoko Tsujimoto	●						●	●	
	Kanji Ishimaru	●	●	●		●		●	●	●
Corporate Auditor	Toshiya Araki						●	●		
	Tsuyoshi Takeuchi	●					●	●		●
	Masanori Hirata	●						●		

Note: The above list indicates areas of expertise that each candidate is more knowledgeable in based on experience, etc. It does not fully cover the knowledge each possesses.