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(Stock Exchange Code 3132)
June 2, 2020

**To Shareholders with Voting Rights:**

Kiyoshi Nakashima
Chairman and Representative Director
MACNICA FUJI ELECTRONICS HOLDINGS, INC.
6-3, Shinyokohama 1-chome, Kohoku-ku, Yokohama-shi, Kanagawa

# NOTICE OF THE 5TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We are pleased to notify you that the 5th Annual General Meeting of Shareholders of MACNICA FUJI ELECTRONICS HOLDINGS, INC. (the "Company") will be held for the purposes as described below.

If you are unable to attend the meeting, you can exercise your voting rights either in writing or via the Internet. Please review the "Reference Documents for the General Meeting of Shareholders" described hereinafter, and exercise your voting rights no later than 5:00 p.m. on Monday, June 22, 2020, Japan time.

1. **Date and Time:** Tuesday, June 23, 2020 at 10:00 a.m. Japan time

2. **Place:** Queen's Hall, 2nd floor, South Building, Shin Yokohama Kokusai Hotel
18-1, Shinyokohama 3-chome, Kohoku-ku, Yokohama-shi, Kanagawa, Japan

3. **Meeting Agenda:**

**Matters to be reported:**

1. Business Report, Consolidated Financial Statements for the Company's 5th Fiscal Year (April 1, 2019 - March 31, 2020), and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 5th Fiscal Year (April 1, 2019 - March 31, 2020)

**Proposals to be resolved:**

**Proposal 1:** Appropriation of Surplus

**Proposal 2:** Election of One (1) Audit & Supervisory Board Member

◎ The reception will open at 9:00 a.m. Please note that we will have no waiting room; this is a preventive measure against the spread of COVID-19 infection.
◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk of the meeting venue.
◎ On the day of the meeting, staff will be wearing light attire ("Cool Biz"). We appreciate your understanding, and also encourage shareholders to attend in light attire.
◎ Regarding Disclosure of "Notes" on the Internet
Of the documents to be provided with this Notice of Convocation, "Matters Related to the Company's Share Options, etc." and "System to Ensure Adequacy of Business and the Operational Status" of the Business Report, "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" of the Consolidated Financial Statements, and "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" of the Non-consolidated Financial Statements are posted on the Company's website (https://www.macfehd.co.jp/ir/ja/Top.html) in accordance with the stipulations of applicable laws and regulations and Article 16 of the Company's Articles of Incorporation, and are not included in the attached documents.
Furthermore, the attached documents to be posted on the above website have been audited by the Audit & Supervisory Board and the Accounting Auditor in preparing the audit report, as part of the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements.
Subsequent amendments to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements, if any, will be listed on the above website.

# Reference Documents for the General Meeting of Shareholders

**Proposals and References**

**Proposal 1:** Appropriation of Surplus

The Company's basic policy for dividends is to secure the required internal reserves to further enrich and strengthen future business expansion and the management structure while returning profits as much as possible to shareholders, with the focus of continuing stable dividends in consideration of all factors concerned.

Based on the above basic policy, in view of trends in business results for the fiscal year under review and the future business environment, the Company proposes year-end dividends as shown below.

(1) Type of dividend property
Cash

(2) Matters concerning the allotment of dividend property to shareholders and the total amount
25 yen per share of common stock
Total dividends of 1,547,798,250 yen
Furthermore, as 25 yen per share has been paid as interim dividends in December 2019, annual dividends will be 50 yen per share for the fiscal year under review.

(3) Effective date of distribution of surplus
June 24, 2020

**Proposal 2:** Election of One (1) Audit & Supervisory Board Member

Audit & Supervisory Board Member, Mr. Yutaka Usami will resign at the conclusion of the Annual General Meeting of Shareholders. Accordingly, the election of one (1) Audit & Supervisory Board Member is proposed. As Mr. Shinichi Onodera will be elected as a substitute for Mr. Yutaka Usami, the term of office of Mr. Shinichi Onodera shall be until the expiration of the remaining term of office of the retiring Audit & Supervisory Board Member in accordance with the stipulations of the Company's Articles of Incorporation.

The Audit & Supervisory Board has given its consent to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

| Name (Date of birth) | Career summary, positions and significant concurrent positions | Number of shares of the Company held |
|---|---|---|
| Shinichi Onodera (January 8, 1956)<br><br>[New appointment] | April 1978 Joined Wacoal Corp.<br>December 1983 Joined Crown Leasing corporation<br>December 1987 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.)<br>April 2010 Joined Fuji Electronics Co., Ltd. as General Manager of General Affairs Div., Fuji Electronics Co., Ltd.<br>May 2010 Executive Officer and General Manager of General Affairs Div., Fuji Electronics Co., Ltd.<br>May 2011 Executive Officer and Deputy General Manager of Marketing Sector, Fuji Electronics Co., Ltd.<br>May 2012 Director and Deputy General Manager of Sales Management Sector, Fuji Electronics Co., Ltd.<br>May 2014 Managing Director, Fuji Electronics Co., Ltd.<br>April 2015 Director, the Company (to present)<br>June 2017 Representative Director and President (CEO), Fuji Electronics Co., Ltd. (to present)<br>[Significant concurrent positions]<br>Representative Director and President (CEO), Fuji Electronics Co., Ltd. | 10,214 |
| [Reason for nomination as candidate for Audit & Supervisory Board Member]<br>Mr. Shinichi Onodera was engaged in international finance business and other business at financial institutions. After that, he has been serving as Representative Director and President (CEO) of Fuji Electronics Co., Ltd. He has also served as Director of the Company in accordance with its establishment. The Company has nominated him as a candidate for Audit & Supervisory Board Member, as he possesses extensive knowledge and experience in the Company and overall management. | | |

(Notes)

1. There are no special conflicts of interest between the Company and the candidate.
2. If the election of the candidate is approved as proposed, the Company intends to enter into a liability limitation agreement with him pursuant to Article 36 of the Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act. The limit of liability for damages under the agreement is the minimum amount of liability as prescribed by laws and regulations.
3. The candidate is scheduled to resign as Representative Director and President (CEO) of Fuji Electronics Co., Ltd. on June 22, 2020, and resign as Director of the Company at the conclusion of the Annual General Meeting of Shareholders.

End