

OASIS

Oasis Submits Shareholder Proposals for Kyocera AGM, Urging Transformation and Removal of Chairman Yamaguchi

**To enable Kyocera to execute bold reforms under a new management structure, Oasis has submitted shareholder proposals for the upcoming AGM, including the removal of Chairman Yamaguchi, the appointment of Kotaro Okamura as an external director, and the implementation of a JPY 350 billion share buyback*

**Under the prolonged leadership of Chairman Yamaguchi, Kyocera has fallen into sustained underperformance, with a series of poor decisions significantly eroding corporate value*

**Despite this, the Company has decided to retain Mr. Yamaguchi and appoint former President Tanimoto as Special Executive Advisor—decisions that demonstrate a clear disregard for shareholder interests*

**The adverse effects of retaining the incumbent leadership are already evident from Kyocera's extremely conservative goals, such as the 8% ROE target by fiscal year March 2031, signalling the continuation of returns below the cost of capital*

We urge shareholders to **vote FOR Oasis's proposals and to **vote AGAINST the Company's proposal to reappoint Mr. Yamaguchi***

More information available at abetterkyocera.com

May 15, 2026, Hong Kong – Oasis Management Company Ltd. (“Oasis”) is the manager to funds that beneficially own shares in Kyocera Corporation (6971 JP) (“Kyocera” or the “Company”). Oasis is a long-term shareholder of Kyocera, having been an engaged shareholder of Kyocera since 2015. Oasis has adopted the Japan FSA’s “Principles of Responsible Institutional Investors” (a.k.a. the Japan Stewardship Code) and in line with those principles, Oasis monitors and engages with its investee companies.

Oasis has called for substantial structural reforms at Kyocera as part of its “A Better Kyocera” campaign. In response, Kyocera has taken some steps, but these have been far too limited and demonstrate that Kyocera is stuck in the past. To facilitate the necessary transformation, Oasis has submitted formal shareholder proposals for Kyocera’s upcoming June 2026 Annual General Meeting of shareholders (“AGM”) calling for: (i) a JPY 350 billion share buyback in fiscal year ending March 2027; (ii) the removal of Chairman Goro Yamaguchi; and (iii) the appointment of Kotaro Okamura as an external director.

- **Agenda Item 1 Share repurchases: JPY 350 billion share buyback in fiscal year ending March 2027**

Kyocera plans to conduct share buybacks up to JPY 500 billion over the two fiscal years ending March 2028. However, with an equity base of approximately JPY 3.3 trillion and a low ROE target that already signals below-cost-of-capital returns, the scale of this buyback program does not come close to addressing the Company's capital efficiency problem.

Kyocera maintains a net cash position and holds highly liquid, high-quality assets, including KDDI shares which could be collateralized to finance any buyback.

Accordingly, Kyocera has ample capacity to execute the JPY 350 billion buyback proposed by Oasis without compromising investment in growth, R&D, or future opportunities.

- **Agenda Item 2 Removal of one director: Removal of Mr. Goro Yamaguchi**

Mr. Goro Yamaguchi has remained at the helm for over a decade since becoming President in 2013 and Chairman in 2017. During his tenure, Kyocera's ROE has averaged just 4.2%, falling to 0.8% in 2025. The prolonged retention of the top management responsible for such value destruction reflects a serious governance failure.

Mr. Yamaguchi has explained to Oasis that responsibility for management failures lies with the President. However, it is not credible for the Chairman -- who holds decision-making authority and representative power -- to deny responsibility for execution. He has also served as Chair of the Board and a member of the Nomination and Compensation Committees, positions that carry clear accountability.

Shareholders already expressed their displeasure with Chairman Yamaguchi at last year's AGM, where he received just 63.8% support, reflecting shareholder disappointment with Kyocera's limited planned structural reform and poor shareholder returns. At that time, proxy advisory firms ISS and Glass Lewis recommended voting against his reappointment, citing weak ROE and poor capital allocation.

In general, approval rates below 80% for director elections are considered a warning sign. A support level in the 60% range is exceptionally low and indicative of a serious lack of shareholder confidence in Mr. Yamaguchi.

Nevertheless, Kyocera has decided to retain Chairman Yamaguchi once again. This decision reflects a clear disregard for both sound governance practices and for shareholders. As long-term shareholders, we find this unacceptable.

Furthermore, the Company plans to retain former President Tanimoto as a Special Executive Advisor, allowing him to continue influencing management without accountability to shareholders. Such a role raises corporate governance concerns, with Japan's Ministry of

Economy, Trade and Industry explicitly warning that advisors exerting undue influence can constitute a governance risk.

While Kyocera has taken steps to strengthen governance -- such as transitioning to a company with an Audit and Supervisory Committee and increasing the proportion of independent directors -- the continued involvement of Mr. Yamaguchi and Mr. Tanimoto runs counter to these efforts. Their presence will impede the ability of the new management team to implement necessary reforms.

Kyocera claims that it has retained Chairman Yamaguchi for a transition period, but this justification rings hollow. The senior management team have been at Kyocera their whole careers and do not need a guiding hand from Chairman Yamaguchi, under whose leadership Kyocera has stumbled.

Kyocera requires decisive transformation, and a clear break from the past is essential. What the Company needs is a structure in which next-generation leadership can drive bold reforms under effective oversight by truly independent directors.

Oasis is calling on shareholders to vote in favor of Oasis's proposal to remove Mr. Yamaguchi and to vote against the Company's proposal to appoint him.

▪ **Agenda Item 3 Election of one outside director who is an Audit and Supervisory Committee member: Appointment of Kotaro Okamura as an External Director**

Kyocera faces two critical challenges: an overly diversified business portfolio and persistently low capital efficiency. However, as evidenced by limited divestments and the modest ROE target, the current external directors have not provided effective oversight.

Kyocera needs a truly independent external director with experience who is capable of delivering robust oversight and supporting transformational change.

Mr. Kotaro Okamura, nominated by Oasis, brings extensive experience in investment banking and corporation operations globally, with deep expertise in capital policy, M&A, and portfolio restructuring -- areas central to Kyocera's challenges.

He has also recently served as an external director at Sapporo Holdings, where he contributed to portfolio transformation focused on capital efficiency.

We propose Mr. Okamura as an external director who is an Audit and Supervisory Committee Member, who can provide candid and constructive advice and oversight to management and help drive transformation.

Mr. Okamura's experience and skill set are also highly valuable for direct participation in discussions on management strategy and capital policy at the Board of Directors, and he is

therefore expected to make a significant contribution, even as an external director who is not an Audit and Supervisory Committee Member.

Accordingly, we also propose that, only in the event that the proposal to appoint Mr. Okamura as an external director serving as an Audit and Supervisory Committee Member is not approved, in the alternative he be appointed as an external director who is not an Audit and Supervisory Committee Member.

Summary

Kyocera has stated that the background to its recent executive appointments is that structural reforms have reached a certain milestone. However, Kyocera's reform efforts have not gone far enough or moved quickly enough. Oasis expects Kyocera to realize its full potential and regain its position as a leading player in Japan's electronic components industry.

As a first step toward that goal, the best decision for Kyocera's medium- to long-term corporate value creation is for Mr. Yamaguchi to step down and allow the next generation of leaders to emerge and truly transform Kyocera, increase its buyback, and appoint a truly independent director with substantial experience in portfolio reform and capital policy.

Seth Fischer, Founder & Chief Investment Officer of Oasis, said:

"Good governance demands good management. Reappointing senior leadership who are accountable for the destruction of corporate value is clearly contrary to that principle. For Kyocera to restore trust, management accountability must be firmly addressed, and an overhaul of leadership is the only path to achieving bold reform."

"We call on long term shareholders to not prioritize access over accountability. The choice is clear. If you choose accountability, you'll get both access and accountability. If you choose only access, you won't get the change the company so clearly needs."

Full details can be viewed at abetterkyocera.com. All stakeholders are encouraged to contact Oasis at info@abetterkyocera.com.

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Oasis Management Company Ltd. manages private investment funds focused on opportunities in a wide array of asset classes across countries and sectors. Oasis was founded in 2002 by Seth H. Fischer, who leads the firm as its Chief Investment Officer. More information about Oasis

is available at <https://oasiscm.com>. Oasis has adopted the Japan FSA’s “Principles for Responsible Institutional Investors” (a.k.a. the Japan Stewardship Code) and, in line with those principles, Oasis monitors and engages with our investee companies.

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