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Securities Code: 6804

June 7, 2023

(Start date of measures for electronic provision: June 5, 2023)

To Those Shareholders with Voting Rights

Kenji Furuhashi
President and Representative Director
Hosiden Corporation
4-33, Kitakyuhoji 1-Chome, Yao City,
Osaka

NOTICE OF THE 73RD ORDINARY GENERAL MEETING OF SHAREHOLDERS

- You are cordially invited to attend the 73rd Ordinary General Meeting of Shareholders of Hosiden Corporation (the "Company"). The meeting will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by paper ballot or via the internet, etc. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:00 p.m., Wednesday, June 28, 2023.

1. **Date and Time:** Thursday, June 29, 2023 at 9:00 a.m. (Reception starting from 8:00 a.m.)
2. **Place:** Meeting room of Hosiden Corporation
4-33, Kitakyuhoji 1-Chome, Yao City, Osaka, Japan
3. **Agenda of the Meeting:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the 73rd Fiscal Term (from April 1, 2022 to March 31, 2023), and results of audits by the Accounting Auditor and the Board of Statutory Auditors of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the 73rd Fiscal Term (from April 1, 2022 to March 31, 2023)
 - Matters to be resolved:**
 - Proposal No. 1:** Appropriation of Surplus
 - Proposal No. 2:** Election of Six Directors
 - Proposal No. 3:** Election of One Statutory Auditor
 - Proposal No. 4:** Election of Two Substitutes for Statutory Auditors
 - Proposal No. 5:** Payment of Bonuses to Directors

In convening this General Meeting of Shareholders, the Company takes measures for electronic provision, and has posted the matters subject to measures for electronic provision on the following website.

The Company's website: <https://www.hosiden.com/en>

Please access the above website, and select "Investor Relations" from the menu to view the information.

In addition to the above website, the information is also posted on the Tokyo Stock Exchange (TSE) website. Therefore, please access the TSE website (Listed Company Search) shown below, enter "Hosiden" in "Issue name (company name)" or the Company's securities code "6804" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information" to view the information.

TSE website (Listed Company Search):

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

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- For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.
 - Any and all corrections that occurred with regard to the matters subject to measures for electronic provision will be posted on the respective websites where these matters are posted.
 - If you do not indicate your approval or disapproval on the Proposals on the Voting Rights Exercise Form, it shall be deemed as an intention of approval.
 - Due to the amended Companies Act, matters subject to measures for electronic provision are viewed by accessing the respective websites shown above in principle, and the paper-based documents have been determined to be delivered only to shareholders who requested the delivery of such documents by the record date. However, for this General Meeting of Shareholders, the Company will uniformly send all shareholders the paper-based documents stating the matters subject to measures for the system for electronic provision regardless of the request for the delivery of such documents. Of the matters subject to measures for electronic provision, the following matters are not included in this notice pursuant to the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company.
 - Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements, which are part of the Consolidated Financial Statements
 - Non-Consolidated Statement of Changes in Net Assets and Notes to Non-consolidated Financial Statements, which are part of the Non-consolidated Financial Statements
- Accordingly, the Consolidated Financial Statements and Non-consolidated Financial Statements included in this notice are part of the consolidated financial statements and non-consolidated financial statements audited by the Accounting Auditor and the Statutory Auditors when preparing the audit reports.

Requests to Our Shareholders Attending the Meeting

- For shareholders considering attending the meeting, please confirm the situation of the novel coronavirus infection and your physical condition on the day of the meeting, and take precautionary measures for preventing the infection, including wearing masks, to visit the venue.
- You may also exercise your voting rights for this General Meeting of Shareholders in writing or via the internet, etc., and therefore we would appreciate your consideration of these methods as well.
- In the operation of the General Meeting of Shareholders, we will take measures to prevent the infection, including the wearing of masks by our staff.
- Please be noted that no souvenir will be served.

(REFERENCE)

Financial Highlights
(Year ended March 31)

		March 2019	March 2020	March 2021	March 2022	March 2023
1. Consolidated financial highlights						
Net sales	(Millions of yen)	233,435	211,912	233,934	207,608	277,244
Ordinary income (loss)	(Millions of yen)	13,357	11,353	13,401	15,786	18,984
Net income (loss)	(Millions of yen)	10,709	9,433	10,338	11,901	12,637
Comprehensive income	(Millions of yen)	9,516	8,178	11,932	13,469	14,477
Net assets	(Millions of yen)	94,113	100,767	109,250	119,533	126,753
Total assets	(Millions of yen)	133,470	150,161	161,894	171,525	179,993
Net assets per share	(Yen)	1,609.93	1,723.79	1,935.14	2,175.11	2,379.08
Net income (loss) per share	(Yen)	180.62	161.37	178.70	211.57	232.88
Diluted net income per share	(Yen)	168.70	150.38	166.28	196.32	214.93
Equity ratio	(%)	70.5	67.1	67.5	69.7	70.4
Return on equity	(%)	11.8	9.7	9.8	10.4	10.3
Cash flows from operating activities	(Millions of yen)	25,593	2,122	12,590	(1,230)	20,765
Cash flows from investing activities	(Millions of yen)	(5,168)	(4,775)	(2,360)	(3,059)	(9,852)
Cash flows from financing activities	(Millions of yen)	(4,544)	(2,147)	(3,860)	(3,748)	(7,437)
Cash and cash equivalents at year-end	(Millions of yen)	68,061	62,649	69,522	62,479	66,017
2. Non-Consolidated financial highlights						
Net sales	(Millions of yen)	186,942	167,075	197,085	161,003	224,764
Ordinary income (loss)	(Millions of yen)	8,811	5,701	8,381	11,424	15,380
Net income (loss)	(Millions of yen)	6,584	4,566	9,206	14,064	9,442
Common stock	(Millions of yen)	13,660	13,660	13,660	13,660	13,660
Total number of shares issued	(Thousand shares)	67,710	67,710	67,710	64,710	63,010
Net assets	(Millions of yen)	68,655	71,484	78,137	88,939	91,010
Total assets	(Millions of yen)	110,821	121,913	131,109	133,435	138,156
Net assets per share	(Yen)	1,174.45	1,222.87	1,384.03	1,618.40	1,708.21
Annual dividends per share [Interim dividends per share]	(Yen)	25 [10]	25 [10]	25 [10]	65 [10]	71 [23]
Net income (loss) per share	(Yen)	111.05	78.12	159.13	250.01	174.01
Diluted net income per share	(Yen)	103.63	72.68	148.05	232.03	160.53
Equity ratio	(%)	62.0	58.6	59.6	66.7	65.9
Return on equity	(%)	9.9	6.5	12.3	16.8	10.5
Payout ratio	(%)	22.3	32.0	15.5	25.5	40.5

Notes: 1. The financial highlights are not presented in the original Notice of the Ordinary General Meeting of Shareholders in Japanese.

2. Moreover, some of the figures in this document have been prepared based on financial statements, which are not included in the original Notice of the Ordinary General Meeting of Shareholders in Japanese.

3. Figures have been prepared in accordance with the accounting principles generally accepted in Japan, which are different in certain respects from application and disclosure requirements of the International Financial Reporting Standards.

Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	151,878	Current liabilities	37,919
Cash and deposits	57,418	Notes payable and accounts payable—trade	25,772
Notes receivable—trade	1,302	Short-term borrowings	2,189
Accounts receivable—trade	33,667	Accrued income taxes	3,910
Short-term investment securities	13,335	Provision for directors' bonuses	154
Merchandise and finished goods	9,691	Other	5,893
Work in process	5,107	Long-term liabilities	15,319
Raw materials and supplies	26,469	Convertible bond-type bonds with subscription rights to shares	10,030
Operating accounts receivable	1,567	Deferred tax liabilities	1,268
Other	3,346	Net defined benefit liability	3,170
Allowance for doubtful accounts	(27)	Other	850
Fixed assets	28,114		
Tangible fixed assets	17,495	Total Liabilities	53,239
Buildings and Structures	6,962		
Machinery and vehicles	5,259	Net assets	
Land	3,035	Owners' equity	123,370
Construction in progress	62	Capital	13,660
Other	2,174	Additional paid-in capital	19,596
Intangible fixed assets	423	Retained earnings	100,808
Software and other	423	Treasury stock	(10,695)
Investments and other assets	10,195	Accumulated other comprehensive income	3,382
Investment securities	5,643	Unrealized gains on available-for-sale securities	2,381
Net defined benefit asset	60	Exchange adjustment account	666
Deferred tax assets	739	Re-measurements of defined benefit plans	334
Other	4,039		
Allowance for doubtful accounts	(287)	Total Net Assets	126,753
Total Assets	179,993	Total Liabilities and Net Assets	179,993

Consolidated Statement of Income
(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Account item	Amount	
Net sales		277,244
Cost of sales		251,487
Gross profit		25,757
Selling, general and administrative expenses		10,007
Operating income		15,750
Non-operating income		
Interest and dividends income	504	
Exchange gain	2,490	
Subsidies for employment adjustment	131	
Other	163	3,290
Non-operating expenses		
Interest expenses	34	
Commission for syndicate loan	10	
Other	10	56
Ordinary income		18,984
Extraordinary income		
Profit on sales of fixed assets	142	142
Extraordinary losses		
Loss on disposal and sales of fixed assets	31	
Impairment loss	347	
Loss on liquidation of subsidiaries	220	
Other	1	600
Income before income taxes		18,527
Income taxes—current		5,493
Income taxes—deferred		396
Net income		12,637
Profit attributable to non-controlling interests		-
Profit attributable to owners of parent		12,637

Non-Consolidated Balance Sheet

(As of March 31, 2023)

(Millions of yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	113,378	Current liabilities	29,826
Cash and deposits	33,564	Notes payable—trade	2,600
Notes receivable—trade	1,300	Accounts payable—trade	17,336
Accounts receivable—trade	31,555	Short-term borrowings	1,050
Short-term investment securities	13,335	Accounts payable—other	595
Merchandise and finished goods	1,002	Accrued expenses	769
Work in process	2,176	Income taxes payable	2,551
Raw materials and supplies	17,265	Deposits received	4,781
Operating accounts receivable	11,644	Provision for directors' bonuses	50
Accounts receivable—other	1,183	Other	91
Other	350	Long-term liabilities	17,318
Fixed assets	24,777	Convertible bond-type bonds with subscription rights to shares	10,030
Tangible fixed assets	8,315	Reserve for retirement benefits	2,082
Buildings	2,843	Reserve for loss on guarantees of subsidiaries and affiliates	618
Structures	131	Reserve for loss on business of subsidiaries and affiliates	3,631
Machinery and equipment	1,866	Deferred tax liabilities	454
Vehicles and transportation equipment	2	Other	500
Tools, furniture and fixtures	590	Total Liabilities	47,145
Molds	145	Net assets	
Land	2,672	Owners' equity	88,628
Construction in progress	62	Capital	13,660
Intangible fixed assets	159	Additional paid-in capital	19,596
Software	140	Capital reserve	19,596
Other	18	Retained earnings	66,066
Investments and other assets	16,303	Legal reserve	1,049
Investment securities	5,643	Other retained earnings	65,017
Stocks of subsidiaries and affiliates	3,352	Reserve for dividends	200
Investments in equity of subsidiaries and affiliates	2,622	Reserve for advanced depreciation of fixed assets	533
Long-term loans receivable from subsidiaries and affiliates	2,432	Reserve for open innovation promotion tax system	17
Other	3,652	General reserve	26,350
Allowance for doubtful accounts	(1,400)	Retained earnings brought forward	37,916
		Treasury stock	(10,695)
		Valuation and translation adjustments	2,381
		Unrealized gains on available-for-sale securities	2,381
Total Assets	138,156	Total Net Assets	91,010
		Total Liabilities and Net Assets	138,156

Non-Consolidated Statement of Income
(From April 1, 2022 to March 31, 2023)

(Millions of yen)

Account item	Amount	
Net sales		224,764
Cost of sales		208,771
Gross profit		15,992
Selling, general and administrative expenses		4,933
Operating income		11,059
Non-operating income		
Interest and dividends income	1,237	
Exchange gain	2,926	
Other	218	4,382
Non-operating expenses		
Interest expenses	5	
Rent expenses	43	
Other	12	61
Ordinary income		15,380
Extraordinary income		
Profit on sales of fixed assets	111	
Reversal of allowance for doubtful accounts for subsidiaries and associates	938	
Reversal of reserve for loss on guarantees of subsidiaries and affiliates	0	1,049
Extraordinary losses		
Loss on disposal and sales of fixed assets	11	
Impairment loss	175	
Loss on valuation of investments in capital of subsidiaries and associates	1,632	
Provision of allowance for doubtful accounts for subsidiaries and associates	39	
Provision for loss on business of subsidiaries and associates	1,072	
Other	150	3,081
Income before income taxes		13,348
Income taxes—current		3,936
Income taxes—deferred		(30)
Net income		9,442

Reference Documents for the General Meeting of Shareholders

Proposals and references

Proposal No. 1: Appropriation of Surplus

Hosiden Corporation embraces providing returns to shareholders as one of our important corporate policies. Meanwhile, in order to increase the corporate value, research and development as well as investment in production equipment, etc. are necessary to cope with rapid technological innovation. To that end, the Company is working to increase business profits and reinforce its financial position by securing internal reserves from a long-term perspective. The Company aims to pay out dividends on an ongoing basis, assuming a stable business environment, and target a payout ratio of about 30% based on consolidated financial results.

Under this policy, the Company proposes the year-end dividend and other appropriation of surplus for the fiscal year as follows.

1. Types of dividend properties
Cash
2. Matters related to distribution of dividend properties and the amount
Shares of common stock of the Company: ¥48 per share
Aggregate amount: ¥2,557,358,688
The annual dividend for the term, along with the interim dividend of ¥23 per share, will be ¥71 per share.
3. Effective date of the dividend of surplus
June 30, 2023

Proposal No. 2: Election of Six Directors

The term of office of six Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of six Directors is proposed.

The candidates for Directors are as follows:

Candidate No.	Name (Date of Birth)	Career summary, positions and responsibilities in the Company and important concurrent position	Number of shares of the Company held
1	Kenji Furuhashi March 11, 1955	<p>April 1978 Joined Hosiden Corporation</p> <p>April 1986 General Manager, Production Operation Department</p> <p>June 1987 Director</p> <p>April 1990 General Manager, Production Operational Headquarters</p> <p>June 1990 Senior Managing Director</p> <p>March 1991 Representative Director (to the present)</p> <p>April 1991 President and Representative Director (to the present)</p> <p>[Important concurrent positions]</p> <ul style="list-style-type: none"> • President and Representative Director, Korea Hosiden Electronics Co., Ltd. • Chairman, Qingdao Hosiden Electronics Co., Ltd. • President and Director, Hong Kong Hosiden Ltd. • President and Director, Hosiden Vietnam (Bac Giang) Co., Ltd. • President and Director, Hosiden Electronics (Malaysia) Sdn. Bhd. • President and Director, Hosiden Europe GmbH • President and Director, Hosiden America Corp. 	1,057,816 shares
<p>[Reasons for nomination as a candidate]</p> <p>Mr. Furuhashi has served as the President and Representative Director of the Company since March 1991, has accumulated abundant experience and achievements as a corporate manager, and has led the Group with his strong leadership. The Company believes that he will continue to fully perform his duties as a Director and that he is qualified as a person who can contribute to the enhancement of the Group's corporate value, and hereby proposes that he be elected as a Director.</p>			

Candidate No.	Name (Date of Birth)	Career summary, positions and responsibilities in the Company and important concurrent position	Number of shares of the Company held
2	Haremi Kitatani November 13, 1937	<p>February 1957 Joined Hosiden Corporation</p> <p>April 1982 General Manager, Connector Manufacturing Department, Production Headquarters</p> <p>June 1984 Director</p> <p>April 1987 General Manager, Mechanical Component Operational Division and Composite Part Operational Division, Production Operational Headquarters</p> <p>June 1990 Managing Director</p> <p>April 1991 General Manager, Production Operation Department and General Manager, Production Operational Headquarters</p> <p>June 1992 Senior Managing Director</p> <p>April 1997 In charge of overall operations (to the present)</p> <p>June 1997 Vice-President and Director</p> <p>June 1998 Vice-President and Representative Director (to the present)</p> <p>[Important concurrent positions]</p> <ul style="list-style-type: none"> • President and Director, Hosiden F.D. Corporation • President and Director, Hosiden Seiko Corporation • President and Director, Hosiden Wakayama Corporation • President and Director, Hosiden Kyushu Corporation 	123,657 shares

[Reasons for nomination as a candidate]

Mr. Kitatani has long engaged in manufacturing and sales division, etc. since joining the Company, and has abundant experience and achievements in these areas. In addition, he has served as the Vice-President and Representative Director of the Company since June 1998, has accumulated abundant experience and achievements as a corporate manager, and has led the Group with his strong leadership. The Company believes that he will continue to fully perform his duties as a Director and that he is qualified as a person who can contribute to the enhancement of the Group's corporate value, and hereby proposes that he be elected as a Director.

3	Shigemi Dochi February 12, 1962	<p>April 1986 Joined Hosiden Corporation</p> <p>April 1998 Manager, Hosiden Singapore Pte. Ltd. (secondment)</p> <p>April 2015 General Manager, Tokyo Sales and Marketing Department, Automotive Section</p> <p>April 2017 Executive Officer and General Manager, Automotive Sales and Marketing Division</p> <p>April 2018 Senior Executive Officer and General Manager, Domestic Sales and Marketing Division</p> <p>June 2021 Director, General Manager, Domestic Sales and Marketing Division (to the present)</p>	10,424 shares
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[Reasons for nomination as a candidate]

Mr. Dochi has long engaged mainly in sales division since joining the Company, and has abundant experience and achievements in domestic sales division, as well as overseas experience in Singapore. In addition, he has played a role in the management since being elected as a Director in June 2021, and has been continuously leading domestic sales division. The Company believes that he will fully perform his duties as a Director and that he is qualified as a person who can contribute to the enhancement of the Group's corporate value, and hereby proposes that he be elected as a Director.

Candidate No.	Name (Date of Birth)	Career summary, positions and responsibilities in the Company and important concurrent position	Number of shares of the Company held
4	Kanemasa Mizuta February 11, 1964	<p>January 1991 Joined Hosiden Corporation</p> <p>April 2001 Manager, Hosiden Europe GmbH (secondment)</p> <p>April 2012 G.M., Hong Kong Hosiden Ltd. (secondment)</p> <p>April 2013 M.D., Hong Kong Hosiden Ltd. (secondment), General Manager, Hosiden Electronics (Shanghai) Co., Ltd. and Chairman, Hosiden (Shenzhen) Co., Ltd.</p> <p>April 2016 General Manager, Overseas Sales and Marketing Division</p> <p>April 2017 Head & General Manager, Overseas Sales and Marketing Division</p> <p>April 2018 Executive Officer and General Manager, Overseas Sales and Marketing Division</p> <p>June 2021 Director, General Manager, Overseas Sales and Marketing Division (to the present)</p>	6,424 shares
<p>[Reasons for nomination as a candidate]</p> <p>Mr. Mizuta has long engaged in overseas sales division since joining the Company, and has abundant overseas experience and achievements in Europe and Hong Kong. In addition, he has played a role in the management since being elected as a Director in June 2021, and has been continuously leading overseas sales division. The Company believes that he will fully perform his duties as a Director and that he is qualified as a person who can contribute to the enhancement of the Group's corporate value, and hereby proposes that he be elected as a Director.</p>			
5	Hiroshi Horie July 10, 1949	<p>April 1972 Joined Osaka Regional Taxation Bureau</p> <p>July 2004 District Director, Izumisano District Tax Office</p> <p>July 2007 Deputy Director, Investigation Department 2, Osaka Regional Taxation Bureau</p> <p>July 2008 District Director, Sakai District Tax Office</p> <p>September 2009 Established Hiroshi Horie Certified Tax Accountant Office (to the present)</p> <p>June 2017 Director of the Company (to the present)</p> <p>[Important concurrent position]</p> <p>• Director, Hiroshi Horie Certified Tax Accountant Office</p>	4,206 shares
<p>[Reasons for nomination as a candidate and overview of expected roles]</p> <p>Mr. Horie has considerable knowledge concerning finance and accounting due to his expertise as a certified tax accountant, as well as experience in serving in various positions including the head of a taxation bureau. He also has been performing activities and expressing views appropriately as an Outside Director since his election as an Outside Director in June 2017. Based on such extensive knowledge and experience, the Company expects Mr. Horie to continuously reinforce the Company's corporate governance by appropriately supervising the execution of business operations as an Outside Director, and hereby proposes that he be reelected as an Outside Director.</p>			

Candidate No.	Name (Date of Birth)	Career summary, positions and responsibilities in the Company and important concurrent position	Number of shares of the Company held
6	Susumu Maruno July 10, 1955	<p>April 1978 Joined Matsushita Electric Industrial Co., Ltd. (current Panasonic Corporation)</p> <p>September 2003 Director, Intelligent Information Technology Laboratory, Advanced Technology Research Laboratories, Matsushita Electric Industrial Co., Ltd.</p> <p>April 2006 Part-time lecturer, Faculty of Science and Engineering, Doshisha University</p> <p>April 2009 Corporate Board Member; Counselor, Advanced Technology Research Laboratories, Panasonic Corporation</p> <p>April 2012 Corporate Board Member; Counselor, Advanced Technology Research Laboratories; Counselor, Device Solutions Center, Panasonic Corporation</p> <p>April 2015 Left Panasonic Corporation</p> <p>May 2015 Supreme Advisor, Public Foundation of Kansai Research Institute</p> <p>June 2015 Statutory Auditor of the Company</p> <p>April 2016 Director General, RDMM Promotion Center, Public Foundation of Kansai Research Institute</p> <p>June 2020 Director of the Company (to the present)</p> <p>July 2020 Managing Director, Public Foundation of Kansai Research Institute</p> <p>March 2021 In charge of Strategy Planning, Otemon Gakuin Retired from Public Foundation of Kansai Research Institute</p> <p>April 2021 Professor, Faculty of Psychology, Otemon Gakuin University (to the present)</p> <p>April 2022 Head, Academia, Industry and Government Collaboration Office, Otemon Gakuin University (to the present)</p> <p>[Important concurrent positions]</p> <ul style="list-style-type: none"> • Professor, Faculty of Psychology, Otemon Gakuin University • Head, Academia, Industry and Government Collaboration Office, Otemon Gakuin University 	4,506 shares

[Reasons for nomination as a candidate and overview of expected roles]
Mr. Maruno has expertise cultivated through years of corporate employment and has track records of social and educational activities based on his expertise. He has also been performing activities and expressing views appropriately as an Outside Statutory Auditor during his tenure as an Outside Statutory Auditor since June 2015 until resignation, and since his election as Outside Director in June 2020. Based on such extensive knowledge and experience, the Company expects Mr. Maruno to continuously reinforce the Company's corporate governance by appropriately supervising the execution of business operations as an Outside Director, and hereby proposes that he be reelected as an Outside Director.

Notes: 1. No conflict of interest exists between the Company and the above candidates for Directors.

2. The matters concerning the candidates for Outside Directors are described as follows:

- (1) Mr. Hiroshi Horie and Mr. Susumu Maruno are both candidates for Outside Directors. If their election is approved, the Company will continue to designate them as independent officers since they satisfy the requirements for independent officers as stipulated by Tokyo Stock Exchange, Inc.
- (2) Although Mr. Hiroshi Horie has not directly participated in business management other than participation as an Outside Director or an Outside Statutory Auditor, the Company has judged that he will be able to fully perform his duties as an Outside Director for the above reasons.
- (3) Mr. Hiroshi Horie is currently an Outside Director of the Company and will have been in office for six years as of the conclusion of this General Meeting of Shareholders.

- (4) Although Mr. Susumu Maruno has not directly participated in business management other than participation as an Outside Director or an Outside Statutory Auditor, the Company has judged that he will be able to fully perform his duties as an Outside Director for the above reasons.
- (5) Mr. Susumu Maruno was an executing person (employee) of Panasonic Corporation, which is one of the Company's business partners. However, as the amount of transactions with said company represents less than 1% of the Company's consolidated net sales, we think the Company's decision-making will not be influenced by said company. Therefore, we have judged that Mr. Maruno will be able to fully perform his duties as an independent officer without the possibility of causing a conflict of interest with general shareholders.
- (6) Mr. Susumu Maruno is currently an Outside Director of the Company and will have been in office for three years as of the conclusion of this General Meeting of Shareholders. Mr. Maruno also had served as Outside Statutory Auditor of the Company for five years from his election as an Outside Statutory Auditor at the 65th Ordinary General Meeting of Shareholders held on June 26, 2015 to the time of his retirement from office at the 70th Ordinary General Meeting of Shareholders held on June 26, 2020.
- (7) Pursuant to the provisions of the Articles of Incorporation of the Company and Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Hiroshi Horie and Mr. Susumu Maruno to limit their liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the amount specified in laws and regulations. If their reelection is approved, the Company will continue said agreements for the limitation of liability with them.
- (8) The Company has entered into directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers any damages that may result from the claim for damages arising from directors' and officers' acts in performing their duties, as well as litigation costs in relation to such claims. All director candidates will be included as the insured under the insurance policy. The Company will continue to enter into the insurance policy with the same content at the next renewal.

Proposal No. 3: Election of One Statutory Auditor

The term of office of Mr. Masakatsu Maruyama as Statutory Auditor will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of one Statutory Auditors is proposed.

The Board of Statutory Auditors has previously given its approval to this proposal.

The candidate for Statutory Auditor is as follows.

Name (Date of Birth)	Career summary and positions in the Company and important concurrent position	Number of shares of the Company held
Masakatsu Maruyama May 10, 1959	April 1984 Joined Matsushita Electric Industrial Co., Ltd. (current Panasonic Corporation) April 2006 In charge of special mission, Development Planning Group, Strategic Semiconductor Development Center, Matsushita Electric Industrial Co., Ltd. May 2017 Seconded to AS ONE Corporation In charge of launch of rental business May 2019 Left Panasonic Corporation October 2019 Joined AIRI Co., Ltd. (to the present) June 2020 Statutory Auditor of the Company (to the present) [Important concurrent position] • Analyst, Consulting Department, AIRI Co., Ltd	2,346 shares

[Reasons for nomination as a candidate]

Mr. Maruyama has extensive experience from years of corporate employment not only as an engineer but also in the fields of strategies and management. He also has been performing activities and expressing views appropriately as an Outside Statutory Auditor since his election as an Outside Statutory Auditor in June 2020. The Company believes that Mr. Maruyama will continue to be able to draw on his extensive knowledge and experience to objectively monitor the execution of duties by Directors as an Outside Statutory Auditor, and hereby proposes that he be elected as an Outside Statutory Auditor.

Notes: 1. No conflict of interest exists between the Company and the above candidate for Statutory Auditor.

2. The matters concerning the candidate for Outside Statutory Auditor are described as follows:

- (1) Mr. Masakatsu Maruyama is a candidate for Outside Statutory Auditor. If his election is approved, the Company will designate him as an independent officer since he satisfies the requirements for independent officers as stipulated by Tokyo Stock Exchange, Inc.
- (2) Mr. Masakatsu Maruyama was an executing person (employee) of Panasonic Corporation, one of the Company's business partners. However, as the amount of transactions with said company represents approximately 1% of the Company's consolidated net sales, we think the Company's decision-making will not be influenced by said company. Therefore, we have judged that Mr. Maruyama will be able to fully perform his duties as an independent officer without the possibility of causing a conflict of interest with general shareholders.
- (3) Although Mr. Masakatsu Maruyama has not directly participated in business management other than participation as an Outside Director or an Outside Statutory Auditor, the Company has judged that he will be able to fully perform his duties as an Outside Statutory Auditor for the above reasons.
- (4) Mr. Masakatsu Maruyama will have been in office as an Outside Statutory Auditor of the Company for three years as of the conclusion of this General Meeting of Shareholders.
- (5) Pursuant to the provisions of the Articles of Incorporation of the Company and Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Masakatsu Maruyama to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the amount specified in laws and regulations. If his reelection is approved, the Company will continue said agreement for the limitation of liability with him.
- (6) The Company has entered into directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers any damages that may result from the claim for damages arising from directors' and officers' acts in performing their duties, as well as litigation costs in relation to such claims. The Statutory Auditor candidate will be included as the insured under the insurance policy. The Company will continue to enter into the insurance policy with the same content at the next renewal.

Proposal No. 4: Election of Two Substitutes for Statutory Auditors

The effect of electing Mr. Kazunori Nishimura and Mr. Masashi Mori, who were elected as substitutes for Statutory Auditors at the 72nd Ordinary General Meeting of Shareholders, held on June 29, 2022, shall expire at the beginning of this General Meeting of Shareholders. In the case of a vacancy of Statutory Auditors, as stipulated by laws and regulations, we hereby propose that Mr. Kazunori Nishimura be elected as a substitute for Statutory Auditor Shinji Hombo and that Mr. Masashi Mori be elected as a substitute for Outside Statutory Auditor Takayuki Tanemura and Outside Statutory Auditor Masakatsu Maruyama, subject to approval of Proposal No. 3.

The Board of Statutory Auditors has previously given its approval to this proposal.

The candidates for substitutes for Statutory Auditors are as follows:

Candidate No.	Name (Date of Birth)	Career summary and positions in the Company and important concurrent position	Number of shares of the Company held
1	Kazunori Nishimura November 3, 1958	April 1981 Joined Hosiden Corporation April 2017 General Manager, General Affairs Department (to the present)	4,200 shares
		[Reasons for nomination as a candidate] Mr. Nishimura has long engaged in administrative divisions since joining the Company. The Company believes that he will be able to fully perform his duties as a Statutory Auditor by utilizing his extensive experience cultivated over many years at the Company, and hereby proposes that he be elected as a substitute for Statutory Auditor.	
2	Masashi Mori March 4, 1956	April 1974 Joined Osaka Regional Taxation Bureau July 2008 District Director, Shingu District Tax Office July 2011 District Director, Itami District Tax Office July 2014 District Director, Joto District Tax Office August 2016 Established Masashi Mori Certified Tax Accountant Office (to the present)	0 shares
		[Important concurrent position] • Director, Masashi Mori Certified Tax Accountant Office	
		[Reasons for nomination as a candidate] Mr. Mori has considerable knowledge concerning finance and accounting due to his expertise as a certified tax accountant, as well as experience in serving in various positions including the head of taxation bureaus. The Company believes that Mr. Mori will be able to draw on his extensive knowledge and experience to objectively monitor the execution of duties by Directors as an Outside Statutory Auditor, and hereby proposes that he be elected as a substitute for Statutory Auditor.	

Notes: 1. No conflict of interest exists between the Company and the above candidates for substitutes for Statutory Auditors.

2. The matters concerning the candidates for substitute for Outside Statutory Auditors are described as follows:

- (1) Mr. Masashi Mori is a candidate for substitute for Outside Statutory Auditor. If he is appointed as an Outside Statutory Auditor, Mr. Mori will be notified to Tokyo Stock Exchange, Inc. as an independent officer, since he satisfies the requirements for independent officers as stipulated by the said exchange.
- (2) Although he has not directly participated in business management other than participation as an Outside Director or an Outside Statutory Auditor, the Company has judged that he will be able to fully perform his duties as an Outside Statutory Auditor for the above reasons.
- (3) In the event the election of Mr. Masashi Mori as a substitute for Statutory Auditor is approved and he assumes office as an Outside Statutory Auditor in the case of a vacancy of Statutory Auditors as stipulated by laws and regulations, the Company, pursuant to the provisions of its Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act, will enter into an agreement with Mr. Masashi Mori to limit his liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act to the amount specified in laws and regulations.

- (4) The Company has entered into directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act. The insurance policy covers any damages that may result from the claim for damages arising from directors' and officers' acts in performing their duties, as well as litigation costs in relation to such claims. In the case of a vacancy of Statutory Auditors, as stipulated by laws and regulations, and the candidates for Statutory Auditor assume the office, the Statutory Auditor candidates will be included as the insured under the insurance policy. The Company will continue to enter into the insurance policy with the same content at the next renewal.

Proposal No. 5: Payment of Bonuses to Directors

In consideration of factors such as the business results of the fiscal year, the Company requests approval for payment of ¥50 million as bonuses to Directors for the four Directors in office, excluding Outside Directors, as of the end of the fiscal year.

Bonuses to be paid to Directors are not performance-linked compensation that are calculated based on the performance indicators. However, the Company resolved as a policy at the Board of Directors held on June 29, 2022 to resolve the aggregate amount at the General Meeting of Shareholders by comprehensively considering the business results for the fiscal year and the actual past payment amount, as well as situation of peer companies in the same industry. This proposal is in accordance with such policy, and the Company judges it to be appropriate.

[Reference] Skills matrix of Directors and Statutory Auditors if Proposal No. 2 and Proposal No. 3 are approved as originally proposed

In order to achieve medium- to long-term management strategy, expected areas of expertise are defined as (1) Corporate management/Management strategy, (2) Technology/R&D, (3) Sales/Marketing, (4) Manufacturing, (5) Internationalism, (6) Finance/Accounting, and (7) Legal affairs/Risk management. Each Director is appropriately placed for each area as shown below.

Name		Areas of expertise						
		Corporate management /Management strategy	Technology/R&D	Sales/Marketing	Manufacturing	Internationalism	Finance/Accounting	Legal affairs/Risk management
Directors	Kenji Furuhashi	•	•	•	•	•		
	Haremi Kitatani	•	•	•	•	•		
	Shigemi Dochi			•		•		
	Kanemasa Mizuta			•		•		
	Hiroshi Horie	Outside/Independent	•			•	•	•
	Susumu Maruno	Outside/Independent		•		•		•
Statutory Auditors	Shinji Hombo					•	•	•
	Takayuki Tanemura	Outside/Independent				•	•	•
	Masakatsu Maruyama	Outside/Independent		•		•		•

Note: The above table does not reflect all of the experience and expertise possessed by each Director/Audit & Supervisory Board Member, but only presents those experience and expertise to be particularly expected to provide and considered to be important to achieve medium- to long-term management strategy.