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Securities Code: 6804
June 7, 2021

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 71ST ORDINARY GENERAL MEETING OF SHAREHOLDERS

- You are cordially invited to attend the 71st 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. Please review the Reference Documents for the General Meeting of Shareholders, and return the Voting Rights Exercise Form with your vote and seal by 5:00 p.m., Monday, June 28, 2021.

1. **Date and Time:** Tuesday, June 29, 2021 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 71st Fiscal Term (from April 1, 2020 to March 31, 2021), 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 71st Fiscal Term (from April 1, 2020 to March 31, 2021)
 - 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

Measures to Prevent the Spread of Coronavirus Disease (COVID-19)

Requests to Shareholders

- (1) For preventing the spread of novel coronavirus infection, shareholders are kindly advised to refrain from attending the General Meeting of Shareholders as much as possible regardless of your physical condition.
- (2) Please exercise your voting rights in advance by using the enclosed Voting Rights Exercise Form.

Please refer to the following page for precautionary measures for prevention of the novel coronavirus infection to be taken by the Company on the day of the General Meeting of Shareholders.

Measures of the Company at the Meeting and Requests to Our Shareholders Attending the Meeting

The Company will take the following measures to prevent the novel coronavirus infection. We would like to ask all shareholders for their understanding and cooperation.

For shareholders attending the General Meeting of Shareholders

For shareholders considering attending the meeting, please fully confirm the situation of the infection on the day of the meeting and your physical condition such as not having a fever before leaving your home and ensure that you do not overextend yourself.

Measures to be taken at the venue of the General Meeting of Shareholders

- (1) We ask all shareholders attending the meeting to cooperate by wearing masks and using alcohol-based disinfectant, as well as taking your temperature.
- (2) The admission of shareholders who seem to be unwell, who have symptoms such as coughing and fever and/or who cannot cooperate our precautionary measures may be restricted.
- (3) Officers and operating staff will be wearing masks.
- (4) As we plan to make space between the seats, the number of seats available is limited. Therefore, even though you come to the meeting venue on the day of the meeting, your admission may be restricted.
- (5) In order to shorten the time for the shareholders attending the meeting, the meeting will be held in a smooth manner.
- (6) Please be noted that no souvenir and beverages, etc. will be served. We appreciate your understanding.

* The details of the measures may be changed due to future circumstances. In the event of any major changes in the operation of the General Meeting of Shareholders, such as changes in meeting venue and/or time, the changes will be published on our website (<https://www.hosiden.com>).

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-For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the meeting.

-The following matters, which should be provided together with this notice, are posted on our website (<https://www.hosiden.com>) pursuant to the provisions of laws and regulations and Article 14 of the Articles of Incorporation of the Company, and are therefore not included in the attachments to this notice.

1. Notes to Consolidated Financial Statements, which are part of the Consolidated Financial Statements
2. 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 the attachments to 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.

-Any and all corrections that occurred with regard to the Reference Documents for the General Meeting of Shareholders, Business Report, Non-Consolidated and Consolidated Financial Statements will be published on our website (<https://www.hosiden.com>).

(REFERENCE)

Financial Highlights
(Year ended March 31)

		March 2017	March 2018	March 2019	March 2020	March 2021
I. Consolidated financial highlights						
Net sales	(Millions of yen)	150,082	299,440	233,435	211,912	233,934
Ordinary income (loss)	(Millions of yen)	1,804	10,548	13,357	11,353	13,401
Net income (loss)	(Millions of yen)	2,053	10,233	10,709	9,433	10,338
Comprehensive income	(Millions of yen)	3,018	10,928	9,516	8,178	11,932
Net assets	(Millions of yen)	76,661	86,992	94,113	100,767	109,250
Total assets	(Millions of yen)	119,045	138,192	133,470	150,161	161,894
Net assets per share	(Yen)	1,289.30	1,463.09	1,609.93	1,723.79	1,935.14
Net income (loss) per share	(Yen)	33.59	172.11	180.62	161.37	178.70
Diluted net income per share	(Yen)	-	165.35	168.70	150.38	166.28
Equity ratio	(%)	64.4	63.0	70.5	67.1	67.5
Return on equity	(%)	2.7	12.5	11.8	9.7	9.8
Cash flows from operating activities	(Millions of yen)	(1,572)	3,757	25,593	2,122	12,590
Cash flows from investing activities	(Millions of yen)	(3,456)	(5,673)	(5,168)	(4,775)	(2,360)
Cash flows from financing activities	(Millions of yen)	(3,192)	8,832	(4,544)	(2,147)	(3,860)
Cash and cash equivalents at year-end	(Millions of yen)	45,457	52,405	68,061	62,649	69,522
2. Non-Consolidated financial highlights						
Net sales	(Millions of yen)	100,622	239,879	186,942	167,075	197,085
Ordinary income (loss)	(Millions of yen)	1,617	7,143	8,811	5,701	8,381
Net income (loss)	(Millions of yen)	1,609	6,789	6,584	4,566	9,206
Common stock	(Millions of yen)	13,660	13,660	13,660	13,660	13,660
Total number of shares issued	(Thousand shares)	69,710	67,710	67,710	67,710	67,710
Net assets	(Millions of yen)	58,355	64,815	68,655	71,484	78,137
Total assets	(Millions of yen)	103,465	121,119	110,821	121,913	131,109
Net assets per share	(Yen)	981.42	1,090.09	1,174.45	1,222.87	1,384.03
Annual dividends per share [Interim dividends per share]	(Yen)	8 [3]	20 [5]	25 [10]	25 [10]	25 [10]
Net income (loss) per share	(Yen)	26.32	114.19	111.05	78.12	159.13
Diluted net income per share	(Yen)	-	109.66	103.63	72.68	148.05
Equity ratio	(%)	56.4	53.5	62.0	58.6	59.6
Return on equity	(%)	2.8	11.0	9.9	6.5	12.3
Payout ratio	(%)	29.9	17.5	22.3	32.0	15.5

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, 2021)

(Millions of yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	138,138	Current liabilities	36,609
Cash and deposits	52,371	Notes payable and accounts payable—trade	27,137
Notes receivable and accounts receivable—trade	25,738	Short-term borrowings	1,941
Short-term investment securities	18,400	Accrued income taxes	2,214
Merchandise and finished goods	5,494	Provision for directors' bonuses	152
Work in process	1,846	Other	5,163
Raw materials and supplies	29,373	Long-term liabilities	16,034
Operating accounts receivable	2,072	Convertible bond-type bonds with subscription rights to shares	10,073
Other	2,875	Deferred tax liabilities	1,209
Allowance for doubtful accounts	(35)	Net defined benefit liability	3,973
		Other	778
Fixed assets	23,756		
Tangible fixed assets	16,499	Total Liabilities	52,644
Buildings and Structures	5,476		
Machinery and vehicles	5,560	Net assets	
Land	3,299	Owners' equity	109,276
Construction in progress	71	Capital	13,660
Other	2,091	Additional paid-in capital	19,596
Intangible fixed assets	416	Retained earnings	86,668
Software and other	416	Treasury stock	(10,649)
Investments and other assets	6,840	Accumulated other comprehensive income	(25)
Investment securities	4,945	Unrealized gains on available-for-sale securities	2,570
Net defined benefit asset	116	Exchange adjustment account	(2,951)
Deferred tax assets	942	Re-measurements of defined benefit plans	355
Other	1,126		
Allowance for doubtful accounts	(290)	Total Net Assets	109,250
Total Assets	161,894	Total Liabilities and Net Assets	161,894

Consolidated Statement of Income
(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Account item	Amount	
Net sales		233,934
Cost of sales		211,578
Gross profit		22,355
Selling, general and administrative expenses		9,977
Operating income		12,377
Non-operating income		
Interest and dividends income	211	
Exchange gain	689	
Subsidies for employment adjustment	112	
Other	112	1,126
Non-operating expenses		
Interest expenses	70	
Commission for syndicate loan	17	
Other	14	102
Ordinary income		13,401
Extraordinary income		
Profit on disposal of fixed assets	210	
Other	4	215
Extraordinary losses		
Loss on disposal and sales of fixed assets	23	
Impairment loss	233	
Other	28	286
Income before income taxes		13,330
Income taxes—current		3,131
Income taxes—deferred		(140)
Net income		10,338
Profit attributable to non-controlling interests		-
Profit attributable to owners of parent		10,338

Consolidated Statement of Changes in Net Assets
(From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Owners' equity				
	Capital	Additional paid-in capital	Retained earnings	Treasury stock	Total owners' equity
Balance as of April 1, 2020	13,660	19,596	77,791	(8,661)	102,386
Changes during the fiscal year					
Dividends from surplus			(1,461)		(1,461)
Profit attributable to owners of parent			10,338		10,338
Acquisition of treasury stock				(1,987)	(1,987)
Net changes in items other than owners' equity during the fiscal year					
Total changes during the fiscal year	-	-	8,877	(1,987)	6,889
Balance as of March 31, 2021	13,660	19,596	86,668	(10,649)	109,276

	Accumulated other comprehensive income				Total Net Assets
	Unrealized gains on available-for-sale securities	Exchange adjustment account	Re-measurements of defined benefit plans	Total accumulated other comprehensive income	
Balance as of April 1, 2020	1,676	(3,334)	38	(1,619)	100,767
Changes during the fiscal year					
Dividends from surplus					(1,461)
Profit attributable to owners of parent					10,338
Acquisition of treasury stock					(1,987)
Net changes in items other than owners' equity during the fiscal year	894	382	316	1,593	1,593
Total changes during the fiscal year	894	382	316	1,593	8,483
Balance as of March 31, 2021	2,570	(2,951)	355	(25)	109,250

Non-Consolidated Balance Sheet

(As of March 31, 2021)

(Millions of yen)

Account item	Amount	Account item	Amount
Assets		Liabilities	
Current assets	110,333	Current liabilities	31,690
Cash and deposits	38,764	Notes payable—trade	2,977
Notes receivable—trade	1,257	Accounts payable—trade	18,033
Accounts receivable—trade	21,747	Short-term borrowings	1,050
Short-term investment securities	18,400	Accounts payable—other	1,130
Merchandise and finished goods	773	Accrued expenses	890
Work in process	497	Income taxes payable	1,377
Raw materials and supplies	15,492	Deposits received	5,773
Operating accounts receivable	12,247	Provision for directors' bonuses	50
Accounts receivable—other	1,088	Other	406
Other	64	Long-term liabilities	21,281
Fixed assets	20,775	Convertible bond-type bonds with subscription rights to shares	10,073
Tangible fixed assets	8,127	Reserve for retirement benefits	2,667
Buildings	1,972	Reserve for loss on guarantees of subsidiaries and affiliates	1,035
Structures	36	Reserve for loss on business of subsidiaries and affiliates	6,427
Machinery and equipment	2,311	Deferred tax liabilities	541
Vehicles and transportation equipment	8	Other	535
Tools, furniture and fixtures	692	Total Liabilities	52,972
Molds	108	Net assets	
Land	2,934	Owners' equity	75,566
Construction in progress	63	Capital	13,660
Intangible fixed assets	171	Additional paid-in capital	19,596
Software	153	Capital reserve	19,596
Other	18	Retained earnings	52,958
Investments and other assets	12,476	Legal reserve	1,049
Investment securities	4,945	Other retained earnings	51,909
Stocks of subsidiaries and affiliates	3,927	Reserve for special depreciation	0
Investments in equity of subsidiaries and affiliates	2,622	Reserve for dividends	200
Long-term loans receivable from subsidiaries and affiliates	3,267	Reserve for advanced depreciation of fixed assets	445
Other	960	Reserve for special account for advanced depreciation of fixed assets	105
Allowance for doubtful accounts	(3,246)	General reserve	26,350
		Retained earnings brought forward	24,806
		Treasury stock	(10,649)
		Valuation and translation adjustments	2,570
		Unrealized gains on available-for-sale securities	2,570
		Total Net Assets	78,137
Total Assets	131,109	Total Liabilities and Net Assets	131,109

Non-Consolidated Statement of Income

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

Account item	Amount	
Net sales		197,085
Cost of sales		185,034
Gross profit		12,050
Selling, general and administrative expenses		5,332
Operating income		6,717
Non-operating income		
Interest and dividends income	1,184	
Exchange gain	282	
Other	268	1,735
Non-operating expenses		
Interest expenses	4	
Rent expenses	47	
Other	20	71
Ordinary income		8,381
Extraordinary income		
Profit on disposal of fixed assets	158	
Gain on sales of investment securities	0	
Gain on liquidation of subsidiaries	649	
Reversal of reserve for loss on guarantees of subsidiaries and affiliates	2,224	
Other	2	3,035
Extraordinary losses		
Loss on disposal of fixed assets	20	
Impairment loss	233	
Other	12	266
Income before income taxes		11,150
Income taxes—current		2,011
Income taxes—deferred		(67)
Net income		9,206

Non-Consolidated Statement of Changes in Net Assets

(From April 1, 2020 to March 31, 2021)

(Millions of yen)

	Owners' equity										
	Capital	Additional paid-in capital			Retained earnings						
		Capital reserve	Total additional paid-in capital	Legal reserve	Other retained earnings					General reserve	Retained earnings brought forward
					Reserve for special depreciation	Reserve for dividends	Reserve for advanced depreciation of fixed assets	Reserve for special account for advanced depreciation of fixed assets			
Balance as of April 1, 2020	13,660	19,596	19,596	1,049	1	200	454	-	26,350	17,158	
Changes during the fiscal year											
Reversal of reserve for special depreciation					(0)					0	
Reversal of reserve for advanced depreciation of fixed assets							(8)			8	
Provision of reserve for special account for advanced depreciation of fixed assets								105		(105)	
Dividends from surplus										(1,461)	
Net income										9,206	
Acquisition of treasury stock											
Net changes in items other than owners' equity during the fiscal year											
Changes during the fiscal year	-	-	-	-	(0)	-	(8)	105	-	7,648	
Balance as of March 31, 2021	13,660	19,596	19,596	1,049	0	200	445	105	26,350	24,806	

	Owners' equity			Valuation and translation adjustments	Total Net Assets
	Retained earnings	Treasury stock	Total owners' equity	Unrealized gains on available-for-sale securities	
	Total retained earnings				
Balance as of April 1, 2020	45,213	(8,661)	69,808	1,676	71,484
Changes during the fiscal year					
Reversal of reserve for special depreciation	-		-		-
Reversal of reserve for advanced depreciation of fixed assets	-		-		-
Provision of reserve for special account for advanced depreciation of fixed assets	-		-		-
Dividends from surplus	(1,461)		(1,461)		(1,461)
Net income	9,206		9,206		9,206
Acquisition of treasury stock		(1,987)	(1,987)		(1,987)
Net changes in items other than owners' equity during the fiscal year				894	894
Changes during the fiscal year	7,745	(1,987)	5,757	894	6,652
Balance as of March 31, 2021	52,958	(10,649)	75,566	2,570	78,137

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, while working to increase business profits and reinforce its financial position by securing internal reserves from a long-term perspective, the Company will strive to maintain and improve the level of profit return to shareholders.

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: ¥15 per share (ordinary dividend of ¥10 and commemorative dividend of ¥5)
Aggregate amount: ¥846,842,865
The annual dividend for the term, along with the interim dividend of ¥10 per share, will be ¥25 per share.
3. Effective date of the dividend of surplus
June 30, 2021

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	April 1978 Joined Hosiden Corporation April 1986 General Manager, Production Operation Department June 1987 Director April 1990 General Manager, Production Operational Headquarters June 1990 Senior Managing Director March 1991 Representative Director (to the present) April 1991 President and Representative Director (to the present) [[Important concurrent positions] • 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.	1,044,038 shares
[Reasons for nomination as a candidate] 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.			

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 Kyushu Corporation 	113,415 shares
<p>[Reasons for nomination as a candidate]</p> <p>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.</p>			
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 (to the present)</p>	7,025 shares
<p>[Reasons for nomination as a candidate]</p> <p>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. He has been leading domestic sales division as Senior Executive Officer and General Manager, Domestic Sales Division since April 2018. 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>			

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 (to the present)</p>	3,032 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. He has been leading overseas sales division as Executive Officer and General Manager, Overseas Sales Division since April 2018. 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 positions]</p> <ul style="list-style-type: none"> • Director, Hiroshi Horie Certified Tax Accountant Office 	2,843 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 since 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 (to the present)</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>[Important concurrent positions]</p> <ul style="list-style-type: none"> • Part-time lecturer, Faculty of Science and Engineering, Doshisha University • Professor, Faculty of Psychology, Otemon Gakuin University 	3,532 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 on 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. * indicates the candidates for new appointment.

2. No conflict of interest exists between the Company and the above candidates for Directors.

3. 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 four 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 one year 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. 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 at the next renewal.

Proposal No. 3: Election of One Statutory Auditor

The term of office of Mr. Saburo Kikyo will resign from his office as Statutory Auditor due to retirement at the conclusion of this General Meeting of Shareholders. Accordingly, the election of one Statutory Auditors is proposed to fill his vacancy. The elected Statutory Auditor’s term of office will be the period until the expiration of the term of office of the retiring Statutory Auditor, pursuant to the provisions of the Articles of Incorporation of the Company.

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

The candidate for Statutory Auditor is as follows.

Mr. Shinji Hombo, the candidate of the Statutory Auditor, is currently the Director of the Company. He will resign from his office as Director due to expiration at the conclusion of this General Meeting of Shareholders.

Name (Date of Birth)	Career summary and positions in the Company and important concurrent position	Number of shares of the Company held
* Shinji Hombo January 29, 1948	April 1972 Joined Hosiden Corporation April 2000 General Manager, President Office June 2005 Director (to the present) April 2015 In charge of President Office (to the present) April 2016 In charge of General Affairs Department, Personnel Department and Finance Department (to the present)	69,773 shares

[Reasons for nomination as a candidate]
 Mr. Hombo has long engaged in administrative divisions since joining the Company, and has considerable knowledge concerning finance and accounting. The Company believes that he will be able to fully perform his duties as a Statutory Auditor by utilizing his extensive knowledge and experience cultivated as Director, and hereby proposes that he be elected as a Statutory Auditor.

- Notes:
1. * indicates the candidates for new appointment.
 2. No conflict of interest exists between the Company and the above candidate for Statutory Auditor.
 3. The Company has entered into directors and officers liability insurance contract with an insurance company. 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 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 70th Ordinary General Meeting of Shareholders, held on June 26, 2020, 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.

Statutory Auditor Shinji Hombo is a Statutory Auditor 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 positions] • 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 candidate 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. 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 candidate 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 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 ¥50,000,000 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 February 25, 2021 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.