

Securities Code: 9310

June 8, 2021

To our shareholders

Hitoshi Ando
President and Representative Director
Japan Transcity Corporation
Kasumi 2-1-1, Yokkaichi, Mie, Japan

Notice of Convocation of the 107th Ordinary General Meeting of Shareholders

We are pleased to announce the 107th Ordinary General Meeting of Shareholders of Japan Transcity Corporation (the “Company”) will be held as set forth below.

Instead of attending the meeting in person, you may exercise your voting rights in writing. After reviewing the Reference Documents for the General Meeting of Shareholders as set forth below, please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it to arrive at the Company by no later than 5:15 p.m. on Monday, June 28, 2021 (Japan Standard Time).

1. Date and Time: Tuesday, June 29, 2021 at 10:00 a.m. (Japan Standard Time)

2. Venue: Large Conference Hall, 2F, Yokkaichi Port Building
Kasumi 2-1-1, Yokkaichi, Mie, Japan

3. Purpose of Meeting:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 107th Fiscal Year (from April 1, 2020 to March 31, 2021), as well as the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board
2. Non-Consolidated Financial Statements for the 107th Fiscal Year (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

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| Proposal 1 | Disposition of retained earnings |
| Proposal 2 | Amendment of Articles of Incorporation |
| Proposal 3 | Election of seven Directors |
| Proposal 4 | Election of one Audit & Supervisory Board Member |

- When attending the meeting, we request that you submit the enclosed Voting Rights Exercise Form at the conference hall’s reception desk.
- The following listed items are posted on the Company’s website (<https://www.trancy.co.jp>) in accordance with applicable laws and Article 17 of the Company’s Articles of Incorporation, and are not provided in appendices to this Convocation Notice.
“Consolidated Statement of Changes in Stockholders’ Equity” in the Consolidated Financial Statements and “Notes to Consolidated Financial Statements”
“Non-Consolidated Statement of Changes in Stockholders’ Equity” in the Non-Consolidated Financial Statements and “Notes to Non-Consolidated Financial Statements”
Moreover, the Consolidated Financial Statements and Non-Consolidated Financial Statements, which have been audited by the Accounting Auditor and the Audit & Supervisory Board Members at the time of preparation of the audit reports, include not only documents appended to this Convocation Notice, but also items listed above, which are posted on the Company’s website (<https://www.trancy.co.jp>).
- In the event revisions are made to the contents of the Business Report, Consolidated and Non-Consolidated Financial Statements or the Reference Documents for the General Meeting of Shareholders, the revised contents will be posted on the Company’s website (<https://www.trancy.co.jp>).

Response to COVID-19

If you plan to attend this General Meeting of Shareholders in person, we strongly recommend that you check COVID-19 infection status in Japan on the date of the meeting and your health condition to make a careful decision for infection preventive purposes.

- If you are elderly, have an underlying medical condition, or are pregnant, please consider not attending in person.
- You may exercise your voting rights for the General Meeting of Shareholders in writing, instead of attending the meeting in person.
- In order to prevent the spread of infections, we will be making wide spaces between seats with a limited number available. Therefore, we may restrict admission if the venue becomes full.
- At the venue, you are encouraged to wear masks and use alcohol disinfectant, as well as allow us to measure your body temperature using a non-contact thermometer. Should you have a fever or appear to be in poor health, you may be denied admission to the venue.
- Our staff will assist you while wearing masks.

The information above may be updated in the future depending on changes in the situation. In addition, we will announce any major changes in the running of the General Meeting of Shareholders on our website.

The Company's website: <https://www.trancy.co.jp>

Reference Documents for the General Meeting of Shareholders

Proposals and reference matters

Proposal 1 Disposition of retained earnings

The Company regards stable dividends as fundamental, and while preparing for future changes in the management environment and reinforcing the Company's financial structure, the Company intends to implement dividends based on a long-term, comprehensive perspective.

With regard to the year-end dividend for the fiscal year under review, the Company hereby proposes as follows, taking into account the profit level for the fiscal year under review and the Company's desire to express its appreciation for the ongoing support of its shareholders.

Year-end dividends

- (1) Type of dividend property:
Cash
- (2) Matters related to the distribution of dividends to stockholders and the total dividend amount thereof:
¥5 per share of the Company's common stock
Total amount: ¥320,671,005
Together with the interim dividend of ¥5 per share, the total annual dividend for the fiscal year under review becomes ¥10 per share.
- (3) Effective date of dividend from retained earnings:
June 30, 2021

Proposal 2 Amendment of Articles of Incorporation

1. Reason for proposal

The Company introduced an executive officer system on June 29, 2017, and effectively abolished the Directors With Special Titles posts of Vice Chairman, Vice President, Senior Executive Director, and Executive Director. This is to delete these posts from the provisions of Article 24 of the current Articles of Incorporation. In addition, necessary amendments will be made to abolish the post of Advisor as well.

2. Details of amendment

The details of the amendment are as follows.

(The underlined sections indicate changes.)

Current Articles of Incorporation	Amended version
Article 1 – Article 23 (Omitted) (Directors With Special Titles, Representative Directors <u>and Advisors</u>)	Article 1 – Article 23 (Unchanged) (Directors With Special Titles and Representative Directors)
Article 24. The Board of Directors may appoint, by its resolution, one Chairman, <u>one Vice Chairman</u> , one President, <u>one Vice President</u> , <u>one or a small number of Senior Executive Directors</u> , <u>and one or a small number of Executive Directors</u> from among the Directors. The Board of Directors shall appoint, by its resolution, one or a small number of representative Directors from among the Directors. <u>The Board of Directors may, by its resolution, appoint Advisor(s).</u>	Article 24. The Board of Directors may appoint, by its resolution, one Chairman and one President from among the Directors. The Board of Directors shall appoint, by its resolution, one or a small number of representative Directors from among the Directors.
Article 25 – Article 42 (Omitted)	Article 25 – Article 42 (Unchanged)

Proposal 3**Election of seven Directors**

The terms of office of all six Directors will expire at the conclusion of this General Meeting of Shareholders. Therefore, in order to further enhance corporate governance, the Company proposes the election of seven Directors by increasing the number of outside Directors by one.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position, and responsibilities in the Company and significant concurrent positions outside the Company		Number of shares of the Company owned
1	Ken Ogawa (July 29, 1948)	Mar. 1971	Joined the Company	195,148 shares
		June 2005	Director	
		June 2007	Executive Director	
		June 2011	President and Representative Director, Chief of Sales Headquarters, and Chief of Administration Headquarters	
		June 2017	President and Representative Director, Executive Officer, Chief of Sales Headquarters, and Chief of Administration Headquarters	
		Apr. 2018	President and Representative Director, Executive Officer, and Chief of Sales Headquarters, Chief of Administration Headquarters, and Chief of Overseas Headquarters	
		June 2019	Chairman and Representative Director (current position)	
	<p>[Reasons for nomination as Director]</p> <p>Ken Ogawa has a record of leading management, having served as President and Chairman, and possesses abundant experience and broad insight as a manager. Furthermore, he fulfills his duties as chair of the Board of Directors, and steers the overall management of the Group. Given his insight, experience, and performance as a manager, the Company has determined that he is able to appropriately participate in the decision making and supervision of the Company's management as a whole, and proposes his election as a Director.</p>			
2	Hitoshi Ando (December 7, 1958)	Apr. 1981	Joined the Company	95,943 shares
		June 2013	Director	
		June 2017	Managing Executive Officer	
		June 2019	President and Representative Director, Executive Officer, and Chief of Sales Headquarters, Chief of Administration Headquarters, and Chief of Overseas Headquarters (current position)	
	<p>[Reasons for nomination as Director]</p> <p>Hitoshi Ando has abundant experience cultivated in the administration and sales divisions. He has taken on the management of the Company group (the "Group"), having demonstrated potent leadership ability since his appointment as President and Director and facilitated policies according to the medium-term management plan. Given his insight, experience, and performance as a manager, the Company has determined that he is able to appropriately participate in the decision making and supervision of the Company's management as a whole, and proposes his election as a Director.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, and responsibilities in the Company and significant concurrent positions outside the Company		Number of shares of the Company owned
3	Toyohisa Ito (August 15, 1958)	Apr. 1981	Joined the Company	81,646 shares
		June 2007	General Manager of the General Affairs Dept.	
		June 2012	Audit & Supervisory Board Member (full-time)	
		June 2016	Advisor, and General Manager of the Secretarial Dept.	
		June 2017	Executive Officer, and General Manager of the General Affairs Dept.	
		June 2019	Director, Managing Executive Officer, Vice Chief of Administration Headquarters, and Vice Chief of Overseas Headquarters (current position)	
[Reasons for nomination as Director] Toyohisa Ito has experience serving as an Audit & Supervisory Board Member and possesses abundant experience and deep insight into company management. Furthermore, he has a record of striving to enhance the corporate governance system. The Company has determined that he is able to further contribute to ensuring transparency in the corporate management, and proposes his election as a Director.				
4	Nagahisa Kobayashi (November 8, 1943)	Mar. 1966	Joined the Company	408,235 shares
		June 1995	Director	
		June 1999	Executive Director	
		June 2001	Representative Director, and Senior Executive Director	
		June 2003	President and Representative Director	
		June 2009	President and Representative Director, and Chief of Sales Headquarters	
		June 2011	Chairman and Representative Director	
		June 2019	Director & Executive Advisor (current position)	
		<Significant concurrent positions outside the Company> Outside Director of The Hyakugo Bank, Ltd.		
[Reasons for nomination as Director] Nagahisa Kobayashi has experience as President and Chairman, and possesses abundant experience and broad insight as a manager. He is also knowledgeable not only about the industry but also other business communities. The Company has determined that he is able to sufficiently fulfill his duties of appropriate supervision of the Company’s management as a whole while contributing to the sustained growth of the corporate value of the Group. Based on this, the Company proposes his election as a Director.				

Candidate No.	Name (Date of birth)	Career summary, position, and responsibilities in the Company and significant concurrent positions outside the Company		Number of shares of the Company owned		
5	Nagayasu Toyoda (June 21, 1950)	Dec. 1978	Assistant of Mie University Hospital	3,831 shares		
		Dec. 1991	Professor of Faculty of Medicine, Mie University			
		Feb. 2002	Assistant to the President of Mie University			
		Apr. 2004	President of Mie University			
		Apr. 2009	Vice President of Suzuka University of Medical Science			
		Apr. 2010	President of Center for National University Finance and Management (CUFM)			
		Apr. 2013	President of Suzuka University of Medical Science (current position)			
		June 2015	Outside Director of the Company (current position)			
		<Significant concurrent positions outside the Company> President of Suzuka University of Medical Science				
		[Reasons for the nomination as outside Director and expected roles] Nagayasu Toyoda has never been directly involved in the management of a company; however, he has experience as a physician and many years as a university president, and possesses abundant experience and broad insight into medicine and human resource training. The Company has determined that he can be expected to supervise and give advice to Directors on the execution of their duties, especially from an expert perspective on the injury and disease prevention and public health based on his experience and insight. Therefore, the Company proposes his election as a Director. In addition, if he is elected, he will serve as chair of the Nomination Committee and lead the supervisory function in the candidate selection process for the Company’s officers, and also serve as a member of the Compensation Committee and be involved in decisions on the Company’s officers remuneration, etc., both from an objective and neutral standpoint.				
6	Hikoshi Takeuchi (February 15, 1955)	Apr. 1977	Joined Yokkaichi City government office	1,914 shares		
		Apr. 2007	General Manager of Corporate Planning Dept., Yokkaichi City government office			
		Apr. 2009	General Manager of Financial Management Dept., Yokkaichi City government office			
		Oct. 2010	Deputy Mayor of Yokkaichi City			
		Apr. 2015	Principal of Social Welfare Corporation Kawashima Fukushi-kai Nishiura Nursery School (current position)			
		June 2015	Outside Director of the Company (current position)			
		<Significant concurrent positions outside the Company> Principal of Social Welfare Corporation Kawashima Fukushi-kai Nishiura Nursery School				
		[Reasons for the nomination as outside Director and expected roles] Hikoshi Takeuchi has never been directly involved in the management of a company; however, he has a history of prominent positions in Yokkaichi City, such as serving as the Deputy Mayor, and has abundant experience and broad insight in the field of public administration. The Company has determined that he can be expected to supervise and give advice to Directors on the execution of their duties, especially from an expert perspective on organizational management and human resource utilization based on his experience and insight. Therefore, the Company proposes him election as a Director. In addition, if he is elected, he will serve as chair of the Compensation Committee and lead the supervisory function in the decisions on the Company’s officers remuneration, etc., and also serve as a member of the Nomination Committee and be involved in the selection of candidates for the Company’s officers, both from an objective and neutral standpoint.				

Candidate No.	Name (Date of birth)	Career summary, position, and responsibilities in the Company and significant concurrent positions outside the Company	Number of shares of the Company owned
7	* Ayako Deguchi (April 21, 1947)	<p>Mar. 1977 Graduated from Faculty of Law, Kindai University</p> <p>June 2003 Graduated from Ohio University Graduate College</p> <p>Aug. 2004 Assistant Professor of Instruction in Japanese, Linguistics Department, Ohio University</p> <p>May 2021 Resigned from Assistant Professor of Instruction in Japanese, Linguistics Department, Ohio University</p>	1,000 shares
<p>[Reasons for the Nomination as outside Director and Outline of Expected Roles]</p> <p>Ayako Deguchi has never been directly involved in the management of a company; however, she has a wealth of international experience as a university instructor in the United States for many years, and also has broad insight in human resource training. The Company has determined that she can be expected to supervise and give advice to Directors on the execution of their duties, especially from an expert perspective on the training of human resources that can work globally and the promotion of international business development based on her experience and insight. Therefore, the Company proposes her election as a Director. In addition, if she is elected, she will be involved as a member of the Nominating Committee and Remuneration Committee from an objective and neutral standpoint.</p>			

- Notes:
1. There are no special conflicts of interest between any of the candidates and the Company.
 2. Asterisks (*) denote new candidates for election as Director.
 3. Nagayasu Toyoda, Hikoshi Takeuchi and Ayako Deguchi are candidates for outside Director.
Moreover, the Company has notified the Tokyo Stock Exchange, Inc. and the Nagoya Stock Exchange, Inc. of the designation of both Nagayasu Toyoda and Hikoshi Takeuchi as independent officers stipulated by the aforementioned exchanges.
Ayako Deguchi also satisfies the conditions for independent officer stipulated by the two exchanges, and the Company intends to notify the exchanges of her designation as independent officer.
 4. The Company has entered into limited liability agreements with Nagayasu Toyoda and Hikoshi Takeuchi as stipulated by Article 427, Paragraph 1 of the Companies Act. The limit of the liabilities in these agreements is the amount stipulated by law, and the Company intends to renew these agreements if the reelection of both candidates is approved. In addition, the Company intends to enter into the same limited liability agreement with Ayako Deguchi if her election is approved.
 5. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses and court costs incurred due to acts (including failure to act) by the insured based on their position, including Directors of the Company. If the candidates assume office as Director, they will be included as insureds in the policy. In addition, the Company plans to renew the policy with the same terms when it is renewed. Moreover, the full amount of the insurance premium for the policy will be borne by the Company.
 6. Both Nagayasu Toyoda and Hikoshi Takeuchi currently serve as outside Directors of the Company, and their tenures will have been six years at the conclusion of this General Meeting of Shareholders.

Proposal 4**Election of one Audit & Supervisory Board Member**

The term of office of Audit & Supervisory Board Member Hiromitsu Funabashi will expire at the conclusion of this General Meeting of Shareholders; therefore, the Company proposes the election of one Audit & Supervisory Board Member.

The consent of the Audit & Supervisory Board has been obtained for this proposal.

The candidates for Audit & Supervisory Board Member are as follows:

Name (Date of birth)	Career summary and position in the Company, and significant concurrent positions outside the Company	Number of shares of the Company owned
Hiromitsu Funabashi (December 9, 1956)	<p>Apr. 1980 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Feb. 2002 General Manager of Nagoya Ekimae Branch, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Oct. 2009 Retired from The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>Nov. 2009 Executive Director of Mitsubishi UFJ Home Loan Credit Co., Ltd.</p> <p>Mar. 2013 Retired from Mitsubishi UFJ Home Loan Credit Co., Ltd.</p> <p>Apr. 2013 Executive Director of Chitose Kosan Co., Ltd. (currently, Chitose Corporation) Representative Director, and Senior Executive Director of Chitose Facilities Co., Ltd.</p> <p>June 2017 Audit & Supervisory Board Member (full-time) of the Company (current position)</p>	891 shares
<p>[Reasons for nomination as outside Audit & Supervisory Board Member]</p> <p>Hiromitsu Funabashi possesses abundant experience and broad insight, including many years of working in finance and accounting along with direct involvement in corporate management. The Company has determined that he will appropriately fulfill his duties as outside Audit & Supervisory Board Member, and proposes his election as an outside Audit & Supervisory Board Member.</p>		

- Notes:
1. There are no special conflicts of interest between the candidate and the Company.
 2. Hiromitsu Funabashi is a candidate for outside Audit & Supervisory Board Member.
Moreover, the Company has notified the Tokyo Stock Exchange, Inc. and the Nagoya Stock Exchange, Inc. of the designation of Hiromitsu Funabashi as an independent officer stipulated by the aforementioned exchanges.
 3. The Company has entered into a directors and officers liability insurance policy with an insurance company as provided for in Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses and court costs incurred due to acts (including failure to act) by the insured based on their position, including Audit & Supervisory Board Members of the Company. If Hiromitsu Funabashi is elected as an Audit & Supervisory Board Member, he will be included as an insured in the policy. In addition, the Company plans to renew the policy with the same terms when it is renewed. Moreover, the full amount of the insurance premium for the policy will be borne by the Company.
 4. Hiromitsu Funabashi is currently serve as outside Audit & Supervisory Board Member of the Company, and his tenure will have been four years at the conclusion of this General Meeting of Shareholders.