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Securities Code: 1723

June 5, 2023

To our shareholders:

Ryosuke Shimada,  
Representative Director and President  
**NIHON DENGI CO., LTD.**  
10-14, Ryogoku 2-chome, Sumida-ku, Tokyo, Japan

## Notice of the 64th Annual General Meeting of Shareholders

We are pleased to announce the 64th Annual General Meeting of Shareholders of NIHON DENGI CO., LTD. (the “Company”), which will be held as indicated below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of Reference Documents for General Meeting of Shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on each of the following websites. Please access either of the websites to view the information.

The Company’s website:

<https://www.nihondengi.co.jp/ir/meeting.html> (in Japanese)

(From the above website, select “The 64th Annual General Meeting of Shareholders.”)

Website for posted informational materials for the general meeting of shareholders:

<https://d.sokai.jp/1723/teiji/> (in Japanese)

- 1. Date and Time:** Wednesday, June 28, 2023 at 10:00 a.m. (JST)
- 2. Venue:** Conference Room of the Company, 5th floor of Ryogoku City Core  
10-14, Ryogoku 2-chome, Sumida-ku, Tokyo, Japan

### 3. Purpose of the Meeting

#### Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 64th fiscal year (from April 1, 2022 to March 31, 2023), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 64th fiscal year (from April 1, 2022 to March 31, 2023)

#### Matters to be resolved:

- |                       |   |
|-----------------------|---|
| <b>Proposal No. 1</b> | Appropriation of Surplus  |
| <b>Proposal No. 2</b> | Election of 4 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| <b>Proposal No. 3</b> | Election of 2 Directors Who Are Audit and Supervisory Committee Members                       |

If you do not attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the Reference Documents for General Meeting of Shareholders (Japanese only), and exercise your voting rights in accordance with the Guidance on the Exercise of the Voting Rights (Japanese only) on the next page, no later than the end of the business day (5:40 p.m.) on Tuesday, June 27, 2023 (JST).

- When you attend the meeting, you are kindly requested to present the voting form at the reception.
- In accordance with a revision of the Companies Act, in principle you are to check items subject to measures for electronic provision by accessing either of the websites mentioned above, and we have decided to deliver paper-based documents stating the items only to shareholders who request the delivery of paper-based documents by the record date. However, for this general meeting of shareholders, we have delivered paper-based documents stating the items subject to measures for electronic provision to all shareholders, regardless of whether or not they have requested them. Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders.
  - 1) “Consolidated Statement of Changes in Equity” and “Notes to Consolidated Financial Statements” of the Consolidated Financial Statements
  - 2) “Non-consolidated Statement of Changes in Equity” and “Notes to Non-consolidated Financial Statements” of the Non-consolidated Financial StatementsAccordingly, the Consolidated Financial Statements and Non-consolidated Financial Statements provided in the paper-based documents (Japanese only) constitute part of the documents audited by the Financial Auditor and the Audit and Supervisory Committee when preparing the audit report and financial audit report, respectively.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the aforementioned websites.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### Proposal No. 1 Appropriation of Surplus

The Company seeks to revise its capital policy from the perspective of addressing capital efficiency and enhancing its shareholder return policy, and has therefore decided to pay a progressive dividend based on a consolidated Dividend on Equity (DOE) ratio of 4%, assuming that no events occur that have a significant impact on results. Comprehensively taking into consideration the above-mentioned basic policy, the appropriate amount of internal reserves in order to maintain financial soundness, etc., the appropriation of surplus shall be as follows.

##### 1. Year-end dividends

Type of dividend property	Cash
Allotment of dividend property and their aggregate amount	A dividend of ¥142 per common share of the Company Total dividends of ¥1,137,477,226
Effective date of dividends of surplus	June 29, 2023

##### 2. Other appropriation of surplus

Item of surplus to be decreased and amount of decrease	Retained earnings brought forward: ¥900,000,000
Item of surplus to be increased and amount of increase	General reserve: ¥900,000,000

#### Reference

#### Basic Strategy for Capital Policy (announced on November 2, 2022)

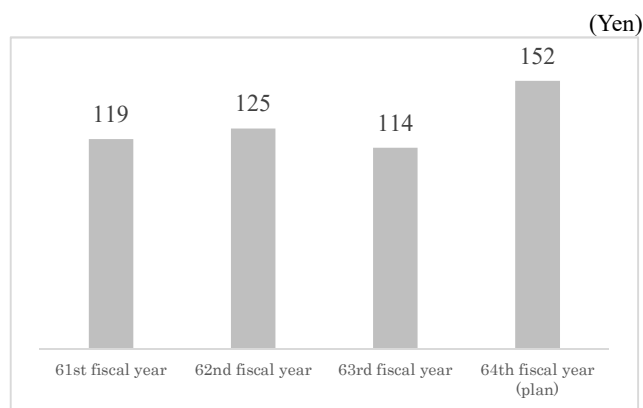
The Company will seek to find a balance between investments for growth, shareholder returns, and financial soundness, while implementing its capital policy to enhance corporate value over the medium to long term.

We have set a target of achieving 10% or more in consolidated ROE, which is our management indicator, and aim to invest actively for growth after taking the cost of capital into account, to generate returns for shareholders.

With regard to shareholder returns, the Company has decided to pay a progressive dividend based on a consolidated Dividend on Equity (DOE) ratio of 4%, assuming that no events occur that have a significant impact on results, and will take a flexible approach to purchasing its own shares.

<Reference>

Trends in annual dividend



**Proposal No. 2** Election of 4 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all 4 Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Therefore, the Company proposes electing 4 Directors (excluding Directors who are Audit and Supervisory Committee Members).

With regard to this proposal, it is the opinion of the Audit and Supervisory Committee that all of the candidates are suitable.

In addition, the Company has determined the candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) based on prior deliberations and reports from the Election and Remuneration Committee that serves as an advisory body to the Board of Directors.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows.

Candidate No.	Candidate attributes	Name	Position in the Company	Attendance at Board of Directors meetings
1	Reelection	Ryosuke Shimada	Representative Director and President	14/14
2	Reelection	Yoshinobu Shinmei	Director Managing Executive Officer	14/14
3	Reelection	Haruo Tamura	Director Senior Executive Officer	14/14
4	Reelection	Hirokazu Takami	Director Senior Executive Officer	11/11

(Note) Because Hirokazu Takami was elected as a new Director at the 63rd Annual General Meeting of Shareholders held on June 28, 2022, and was appointed on the same day, his record of attendance at Board of Directors meetings is given since his appointment.

Candidate No. <b>1</b>	<b>Ryosuke Shimada</b>	Number of Company shares held 521,466 Number of years in office as a Director 16 years Attendance at Board of Directors meetings 14/14
Date of birth: August 24, 1968  Reelection	<b>Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)</b> April 1991    Joined Nissho Iwai Corporation (now Sojitz Holdings Corporation) May 2002    Temporarily transferred to Nissho Iwai American Corporation (now Sojitz Corporation of America) September 2006    Joined the Company June 2007    Managing Director of the Company June 2009    Representative Director of the Company (current) President of the Company June 2020    President of the Company (current)	
	<b>Reasons for Candidacy as a Director</b> As the President and Representative Director of the Company, Ryosuke Shimada has fulfilled the duties of the position by leading the way for general Company management while demonstrating strong leadership in the management of the Company. Taking these achievements into account, Mr. Shimada has again been named as a candidate Director with the expectation of appropriate managerial decisions being made toward the improvement of the corporate value of the Company in the medium-to-long term.	

Candidate No. <b>2</b>	<b>Yoshinobu Shinmei</b>	Number of Company shares held 5,222 Number of years in office as a Director 3 years Attendance at Board of Directors meetings 14/14
Date of birth: March 4, 1956  Reelection	<b>Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)</b> August 1980    Joined the Company April 2012    Okayama Branch Manager April 2015    Executive Officer of the Company April 2018    Senior Executive Officer of the Company and Osaka Branch Manager April 2020    General Manager of the Company (current) June 2020    Director and Managing Executive Officer of the Company (current)	
	<b>Reasons for Candidacy as a Director</b> Yoshinobu Shinmei has been the manager of major business offices and has fulfilled the duties of Company Director based on his wealth of experience and insights. Mr. Shinmei has again been named as a candidate Director with the expectation that this abundance of experience and insights can be put to use toward the improvement of the corporate value of the Company in the medium-to-long term.	

Candidate No. <b>3</b>	<b>Haruo Tamura</b>	Number of Company shares held 5,676 Number of years in office as a Director 2 years Attendance at Board of Directors meetings 14/14
Date of birth: February 8, 1956  Reelection	<b>Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)</b> April 1979    Joined New Japan Securities (now Mizuho Securities) June 1980    Joined Yamatake-Honeywell Co., Ltd. (now Azbil Corporation) April 2012    Executive Officer of Building Systems Company, Yamatake-Honeywell Co., Ltd. Kansai Branch Manager April 2015    Executive Officer and General Manager of Combined Sales, Yamatake-Honeywell Co., Ltd. April 2019    Senior Executive Officer of the Company and Vice General Manager of Head Office April 2021    Senior Executive Officer of the Company and Yokohama Branch Manager (current) June 2021    Director of the Company (current) <b>Reasons for Candidacy as a Director</b> Haruo Tamura has been fulfilling the duties of Director based on his wealth of experience and insights gained from many years of involvement in the instrumentation industry. Mr. Tamura has again been elected as a candidate Director with the expectation that this abundance of experience and insights can be put to use toward the improvement of the corporate value of the Company in the medium-to-long term.	

Candidate No. <b>4</b>	<b>Hirokazu Takami</b>	Number of Company shares held 18,254 Number of years in office as a Director 1 year Attendance at Board of Directors meetings 11/11
Date of birth: December 25, 1956  Reelection	<b>Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)</b> March 1977    Joined the Company April 2011    Hiroshima Branch Manager April 2017    Executive Officer of the Company April 2020    Osaka Branch Manager April 2022    Senior Executive Officer of the Company and General Manager of Planning (current) June 2022    Director of the Company (current) <b>Reasons for Candidacy as a Director</b> Hirokazu Takami has been the manager of major business offices and has fulfilled the duties of Company Director based on his wealth of experience and insights. Mr. Takami has again been elected as a candidate Director with the expectation that this abundance of experience and insights can be put to use toward the improvement of the corporate value of the Company in the medium-to-long term.	

- (Notes)
1. No special-interest relationship exists between the candidates and the Company.
  2. The Company has concluded a compensation agreement with each of the currently serving Directors detailing the compensation to be paid by the Company within the scope stipulated in laws and regulations for the costs stated in item 1 of paragraph 1 of Article 430-2 of the Companies Act and the losses stipulated in item 2 of the same paragraph, Article

and Act. In the case that the candidate is elected and appointed as a Director, the Company intends to renew the said agreement with the respective candidate.

3. The Company has entered into an officer, etc. liability insurance agreement as prescribed in Article 430-3 paragraph 1 of the Companies Act with an insurance company that covers all Directors and that provides coverage for liability in connection to the execution of the relevant professional duties and for damages incurred due to actions made in relation to the pursuit of the said liability. In the case that the candidate is elected and appointed as a Director, the respective candidate will be covered by the said insurance agreement. The full amount of the insurance expenses for the said insurance agreement shall be borne by the Company. At the time of the next renewal, the agreement shall be renewed with the same content.

**Proposal No. 3      Election of 2 Directors Who Are Audit and Supervisory Committee Members**

The terms of office of Toshihiko Uzaki and Fumiko Kishimoto who are Directors and Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes electing 2 Directors who are Audit and Supervisory Committee Members.

Please note that the consent of the Audit and Supervisory Committee for this proposal has been obtained.

In addition, the Company has determined the candidate for Director who is an Audit and Supervisory Committee Member based on prior deliberations and reports from the Election and Remuneration Committee that serves as an advisory body to the Board of Directors.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows.

Candidate No.	Candidate attributes	Name	Position in the Company	Attendance at Board of Directors meetings
1	Reelection Outside Independent	Toshihiko Uzaki	Director (Standing Audit and Supervisory Committee Member)	14/14
2	Reelection Outside Independent	Fumiko Kishimoto	Director (Audit and Supervisory Committee Member)	14/14

Candidate No. <b>1</b>	<b>Toshihiko Uzaki</b>	Number of Company shares held 2,500 Number of years in office as a Director 8 years Attendance at Board of Directors meetings 14/14
Date of birth: June 3, 1955  Reelection Outside  Independent	Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)	
	April 1979	Joined The Fuji Bank, Limited (now Mizuho Bank, Ltd.)
	February 2005	General Manager of Americas Administration Department of Mizuho Corporate Bank, Ltd. (now Mizuho Bank, Ltd.)
	April 2008	General Manager of International Administration Department of Mizuho Corporate Bank, Ltd.
	June 2009	Senior Managing Director of Mizuho Human Service Co., Ltd.
	June 2015	Outside Director (Standing Audit and Supervisory Committee Member) of the Company (current)
Reasons for candidacy as an outside Director who is an Audit and Supervisory Committee Member and summary of expected role		
Toshihiko Uzaki has broad insights and a wealth of experience that includes corporate management, and has been fulfilling the duties of an Audit and Supervisory Committee Member. He has again been named as a candidate for outside Director who is an Audit and Supervisory Committee Member with the expectation that such knowledge and experience can be put to use in the auditing and supervision of Company management to provide appropriate advice and recommendations toward the improvement of the corporate value of the Company in the medium-to-long term. In addition, in the case that Mr. Uzaki is elected, he will contribute from an objective and neutral position in deciding the election of candidate Directors and the remuneration for directors (and other officers) as an Election and Remuneration Committee Member.		

Candidate No. <b>2</b>	<b>Fumiko Kishimoto</b>	Number of Company shares held - Number of years in office as a Director 4 years Attendance at Board of Directors meetings 14/14
Date of birth: September 23, 1973	<b>Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)</b>	
Reelection	April 2000	Registered as an attorney at law (The Tokyo Bar Association) Joined Azusa Sogo Law Office (current)
Outside	June 2019	Outside Director (Audit and Supervisory Committee Member) of the Company (current)
Independent	<b>Reasons for candidacy as an outside Director who is an Audit and Supervisory Committee Member and summary of expected role</b>	
	<p>Fumiko Kishimoto has deep insights and exceptional experience as an attorney at law, and has been fulfilling the duties of an Audit and Supervisory Committee Member. She has again been named as a candidate for outside Director who is an Audit and Supervisory Committee Member with the expectation that such knowledge and experience can be put to use in the supervision of Company management to provide appropriate advice and recommendations toward the improvement of the corporate value of the Company in the medium-to-long term. Please note that while Ms. Kishimoto does not have experience in company management, for the reasons given above, it has been deemed that she will appropriately execute the duties of outside Director.</p> <p>In addition, in the case that Ms. Kishimoto is elected, she will contribute from an objective and neutral position in deciding the election of candidate Directors and the remuneration for directors (and other officers) as an Election and Remuneration Committee Member.</p>	

- (Notes)
1. Toshihiko Uzaki and Fumiko Kishimoto are candidates for outside Director.
  2. No special-interest relationship exists between the candidates and the Company.
  3. The name of Fumiko Kishimoto in the family register is Fumiko Okada.
  4. The Company has submitted notification to the Tokyo Stock Exchange that Toshihiko Uzaki and Fumiko Kishimoto have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their designation as an independent officer to continue.
  5. The Company has concluded an agreement with each of Toshihiko Uzaki and Fumiko Kishimoto pursuant to the provisions of Article 427 paragraph 1 of the Companies Act that limits the amount of liability for damages to that which is stipulated in laws and regulations as provided for in Article 423 paragraph 1 of the same Act, providing the performance of the professional duties has been carried out in good faith and without any act of gross negligence. In the case that the candidate is elected and appointed as a Director who is an Audit and Supervisory Committee Member, the Company intends to renew the said agreement.
  6. The Company has concluded a compensation agreement with each of Toshihiko Uzaki and Fumiko Kishimoto detailing the compensation to be paid by the Company within the scope stipulated in laws and regulations for the costs stated in item 1 of paragraph 1 of Article 430-2 of the Companies Act and the losses stipulated in item 2 of the same paragraph, Article and Act. In the case that the candidate is elected and appointed as a Director who is an Audit and Supervisory Committee Member, the Company intends to renew the said agreement with the respective candidate.
  7. The Company has entered into an officer, etc. liability insurance agreement as prescribed in Article 430-3 Paragraph 1 of the Companies Act with an insurance company that covers all Directors and that provides coverage for liability in connection to the execution of the relevant professional duties and for damages incurred due to an action made in relation to the pursuit of the said liability. In the case that the candidate is elected and appointed as a Director who is an Audit and Supervisory Committee Member, the respective candidate will be covered by the said insurance agreement. At the time of the next renewal, the agreement shall be renewed with the same content.
  8. Toshihiko Uzaki and Fumiko Kishimoto are currently outside Directors who are Audit and Supervisory Committee Members of the Company, and at the conclusion of this meeting, their tenure will have been eight years for Mr. Uzaki, and four years for Ms. Kishimoto.

(Reference) Structure of Board of Directors (in the case that the candidates are appointed at this meeting)

Name	Position	Age	Skills, etc. of the Director					
			Corporate management	Technical	Sales	Business management	Finance/Accounting	Law
Ryosuke Shimada	Representative Director and President	54	●		●	●		
Yoshinobu Shinmei	Director Managing Executive Officer	67		●	●	●		
Haruo Tamura	Director Senior Executive Officer	67		●	●	●		
Hirokazu Takami	Director Senior Executive Officer	66		●	●	●		
Toshihiko Uzaki Outside Independent	Director Audit and Supervisory Committee Member	68	●			●		
Fumiko Kishimoto Outside Independent	Director Audit and Supervisory Committee Member	49						●
Michihiro Kudo Outside Independent	Director Audit and Supervisory Committee Member	63					●	

- (Notes)
1. Each candidate fulfills the Company's criteria for election. The balance between the areas of expertise, etc. of the Board of Directors is shown in this matrix.
  2. "Business management" includes compliance, risk management, human resources, sustainability, etc.
  3. A "●" mark has been placed next to the three main skills of each individual.

(Reference)

## **Independence Standards for Independent Outside Directors**

1. A Director will be independent if none of the following are met, at present and/or in the past five years:
  - (1) A major shareholder<sup>(Note 1)</sup> of the Company or an executive<sup>(Note 2)</sup> thereof
  - (2) An executive of an entity for whom the Company is a major shareholder
  - (3) A major business partner<sup>(Note 3)</sup> of the Company or an executive thereof
  - (4) An entity for whom the Company is a major business partner, or an executive thereof
  - (5) A major lender<sup>(Note 4)</sup> to the Company or an executive thereof
  - (6) A consultant, accounting professional such as a certified public accountant, or legal expert such as an attorney at law who receives substantial amount<sup>(Note 5)</sup> of cash and/or other assets from the Company besides officer compensation
  - (7) An entity who receives substantial amount of donation from the Company, or an executive thereof
  - (8) A person belonging to the audit firm that is the Financial Auditor of the Company, and who was engaged in or involved in the audit operations of the Company
  - (9) A close relative<sup>(Note 6)</sup> of a person with respect to whom any of the aforementioned apply
  - (10) Even in cases where a person could come under one of the above categories, if the person can be considered to be a suitable candidate for independent outside Director of the Company in view of his/her character, insights and other attributes, said person may be appointed independent outside Director of the Company on condition that he/she fulfills the Companies Act's requirements for an outside Director and on condition that the Company provides a public explanation of the reasons that said person is considered to be a suitable candidate for independent outside Director.
2. A person who is not a close relative of a person who has within the past ten years been an executive of the Company
3. A person who has not been an executive of a subsidiary of the Company within the past ten years
4. A person who is not reasonably deemed to be incapable in other ways of fulfilling the duties of an independent outside Director
5. Total term of office of a person who currently serves as an independent outside Director should not exceed ten years to be reelected as independent outside Director.

(Note 1) "Major shareholder" shall mean a person who owns 10% or more of the total voting rights of said company, either directly or indirectly.

(Note 2) "Executive" shall mean an Executive Director, Executive, or Executive Officer of a corporation or other organization, or a person or employee corresponding to such.

(Note 3) "Major business partner" shall mean a customer for which the value of transactions with the Company in any of the most recent three fiscal years accounted for 2% or more of consolidated net sales of the Company or of the customer.

(Note 4) "Major lender" shall mean a lender from which the Company had borrowed an amount equivalent to 2% or more of the total assets of the Company at the end of the most recent fiscal year.

(Note 5) "Substantial amount" shall mean an amount of ¥10 million or more annually.

(Note 6) "Close relative" shall mean a spouse, or relative within the second degree of kinship.