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(Stock Exchange Code 7315)

June 12, 2023

Start date of measures to provide electronic information: June 6, 2023

To Our Shareholders with Voting Rights:

Koichi Seto
President and Representative Director
IJTT Co., Ltd.
1-7 Kinkocho, Kanagawa-ku,
Yokohama-shi, Kanagawa, Japan

**NOTICE OF CONVOCATION OF
THE 10TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are hereby informed that the 10th Annual General Meeting of Shareholders of IJTT Co., Ltd. (the “Company”) will be held as described below.

We have taken measures to provide electronic information for when the Company convenes a general meeting of shareholders and have provided details of those measures to provide electronic information as the “NOTICE OF CONVOCATION OF THE 10TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following website:

Company website

<https://www.ijtt.co.jp/ir/stock/meeting.html>

In addition to the above, we shall also post the same information on the following website:

Tokyo Stock Exchange

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

Upon accessing the above website for the Tokyo Stock Exchange, enter “IJTT” or “7315” and click “Search.” Next, select “Basic Information” and then “Documents for public inspection/PR information” to view.

Please review the attached Reference Documents for the General Meeting of Shareholders and the Reference Documents for the General Meeting of Shareholders listed in the measures to provide electronic information and exercise your voting rights by 5:30 p.m. (close of operation on that day) on Wednesday, June 28, 2023, Japan time.

[Exercise of voting rights in writing (postal mail)]

Please indicate your vote for or against each proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the above deadline.

[Exercise of voting rights via the Internet]

Please access the Company’s voting Web site (<https://evote.tr.mufg.jp/>) for exercising voting rights using your PC or smartphone, follow the instructions on the screen, and enter your vote for or against each proposal using the “login ID” and the “Temporary Password” printed on the enclosed Voting Rights Exercise Form by the above deadline.

- 1. Date and Time:** Thursday, June 29, 2023, at 10:00 a.m. Japan time (The reception desk opens at 9:30 a.m.)
- 2. Place:** “FUYOH” 2F Banquet Bldg, Yokohama Royal Park Hotel,
2-1-3, Minatomirai 2-chome, Nishi-ku, Yokohama-shi, Kanagawa, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business report, Consolidated Financial Statement for the Company’s 10th fiscal year (April 1, 2022- March 31, 2023) and the results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statement for the Company’s 10th fiscal year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

<Company proposals (Proposal 1 - Proposal 3)>

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of 3 Directors
- Proposal 3:** Election of 1 Audit & Supervisory Board Member

<Shareholder proposals (Proposal 4 - Proposal 7)>

- Proposal 4:** Amendment to Articles of Incorporation Concerning Appropriation of Surplus
- Proposal 5:** Amendment to Articles of Incorporation Concerning Acquisition of Treasury Shares
- Proposal 6:** Amendment to Articles of Incorporation Concerning Publication of Financial Briefing Materials
- Proposal 7:** Appropriation of Surplus

4. Matters determined for convocation of this General Meeting of Shareholders

- (1) Handling of exercised voting rights without indication of vote for or against proposals
If there is no indication of either for or against a proposal, the intent shall be deemed to be for the Company proposals and against the Shareholder proposals.
- (2) Exercise of voting rights through a proxy
If you do not attend the meeting, you can exercise your voting rights through a proxy, who must be another shareholder of the Company with voting rights. Such proxy will be required to submit a document certifying his/her authority as proxy.

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Please bring this convocation notice to the meeting with you to save natural resources.
- If any revisions to the measures to provide electronic information arise, we shall post the details of said revisions on the respective websites listed in this convocation notice.
- As per the revisions to the Companies Act, which came into effect on September 1, 2022, we have begun the provision of a system for providing informational materials for General Meetings of Shareholders in electronic format. With this system, materials for General Meetings of Shareholders may, in principle, be viewed online by accessing the website. In exceptional cases, we will send materials for General Meetings of Shareholders in written format to those shareholders who have made request for delivery of such by the prescribed method by the base date of the General Meeting of Shareholders.
Refers to Reference Documents for the General Meeting of Shareholders, Business Reports, Audit Reports, Financial Statements, and Consolidated Financial Statements.
- Notwithstanding the amendments to the Companies Act, informational materials for General Meeting of Shareholders Concerning this year’s Ordinary General Meeting of Shareholders of the Company shall continue to be sent in written format as before.
- Pursuant to laws and Article 15 of the Company’s Articles of Incorporation, the following items shall not be included in the informational materials for General Meeting of Shareholders Concerning Ordinary General Meeting of Shareholders of the Company that we shall send. Accordingly, this document is a part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor when preparing the Audit Report.
 - Notes to “Consolidated Financial Statements”
 - Notes to “Non-consolidated Financial Statements”
- On the day of the Meeting, the Company will adopt “Cool Biz” attire.
- Shareholders who are not feeling well on the day of the meeting may be refused entry. Please refrain from attending the meeting if you are not feeling well.

Reference Documents for the General Meeting of Shareholders

<Company proposals (Proposal 1 - Proposal 3)>

Proposal 1: Appropriation of Surplus

With regard to the appropriation of surplus, the Company intends to pay a year-end dividend for its 10th fiscal year, which ended March 31, 2023, as described below, considering such factors as business performance for the fiscal year under review and future business development.

The annual dividend will be ¥20 per share for the fiscal year under review, including an interim dividend of ¥10 per share already paid.

1. Type of dividend property:
Cash
2. Matters regarding the allocation of dividend property to shareholders and its total amount:
¥10 per share (common stock of the Company) Total amount: ¥469,133,370
3. Effective date for dividends from surplus:
June 30, 2023

Proposal 2: Election of 3 Directors

The terms of office of Company Directors Kazuhiko Ito, Kazunori Asada, Takayuki Kaneko, Hideaki Oda and Ichiro Tsuchiya will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 3 Directors is proposed.

The candidates are as follows:

No.	Name (Date of birth)	Past experience, positions, area of responsibility and significant concurrent positions	Number of shares of the Company held
1	Hideaki Oda (November 11, 1948)	<p>April 1971 Joined Diesel Kiki Co., Ltd. (currently Bosch Corporation)</p> <p>April 2009 President and Representative Director of Bosch Corporation</p> <p>April 2012 Chairman and Director of Bosch Corporation</p> <p>April 2014 Representative Director of GMR Co., Ltd.</p> <p>April 2015 Chairman of the Board, Saitama Industrial Promotion Public Corporation (SIPC)</p> <p>June 2015 Director of IJT Technology Holdings Co., Ltd. (currently the Company) (to present)</p> <p>June 2017 Visiting Professor of Saitama University Comprehensive Open Innovation Center</p>	10,400
	Reasons for his nomination as Outside Director and summary of expected roles	Hideaki Oda has long engaged in corporate management as an Executive Officer, President and Chairman of Bosch Corporation, as well as an Outside Director of our Company (including IJT Technology Holdings Co., Ltd.) . He will be able to supervise the execution of duties by Directors of the Company from an objective standpoint and provide advice on its overall management. Therefore, the Company proposes to reelect Mr. Oda as an Outside Director.	

No.	Name (Date of birth)	Past experience, positions, area of responsibility and significant concurrent positions	Number of shares of the Company held
2	Ichiro Tsuchiya (January 6, 1951)	<p>April 1973 Joined Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation)</p> <p>June 2002 Executive Officer; and General Manager of Corporate Banking Division, Head Office of Mitsubishi Trust and Banking Corporation</p> <p>June 2004 President and Representative Director of Ryoshin Resort Co., Ltd.</p> <p>June 2005 Company Auditor of I Metal Technology Co., Ltd. (currently the Company)</p> <p>June 2006 Chairman and Representative Director of Mitsubishi UFJ Trust Hosho Co., Ltd.</p> <p>June 2006 Company Auditor of Maruzen Showa Unyu Co., Ltd.</p> <p>June 2011 Company Auditor of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>October 2013 Audit & Supervisory Board Member of IJT Technology Holdings Co., Ltd. (currently the Company)</p> <p>June 2016 Director of the Company (to present)</p>	9,760
	Reasons for his nomination as Outside Director and summary of expected roles	<p>Ichiro Tsuchiya long served at a trust bank, followed by his career as an auditor of Jidosha Buhin Kogyo Co., Ltd. and IJT Technology Holdings Co., Ltd., and a Director of the Company to date. He will be able to provide invaluable advice on the Company's overall management based on his insight gained through such experience. Therefore, the Company proposes to reelect Mr. Tsuchiya as an Outside Director.</p>	

No.	Name (Date of birth)	Past experience, positions, area of responsibility and significant concurrent positions	Number of shares of the Company held
3	* Tatsuya Suzuki (April 8, 1965)	<p>March 1990 Joined Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>June 2006 General Manager of Corporate Planning Department of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>April 2015 Executive Officer of IJT Technology Holdings Co., Ltd. (currently the Company), General Manager of Corporate Planning Headquarters Project Promotion Department, and General Manager in charge of special mission attached to Corporate Planning Division Executive of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>October 2015 Executive Officer of IJT Technology Holdings Co., Ltd. (currently the Company), General Manager of Corporate Planning Headquarters Project Promotion Department and, General Manager of Sales Promotion Headquarters, and General Manager of Special Missions Department with Division Executive in charge of Corporate Planning Division of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>April 2016 Executive Officer of IJT Technology Holdings Co., Ltd. (currently the Company), Deputy Division Executive of Corporate Planning Headquarters, General Manager of Project Promotion Department, General Manager of Sales Promotion Headquarters, and Executive Officer and General Manager of Special Missions Department with Division Executive in charge of Corporate Planning Division of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>April 2017 Executive Officer of IJT Technology Holdings Co., Ltd. (currently the Company), Deputy Division Executive of Corporate Planning Headquarters, General Manager of Corporate Planning Department, and Executive Officer and General Manager of Special Missions Department with Division Executive in charge of Corporate Planning Division of Jidosha Buhin Kogyo Co., Ltd. (currently the Company)</p> <p>April 2019 Executive Officer, Deputy Division Executive of Corporate Planning Headquarters of the Company</p> <p>April 2020 Executive Officer, Deputy Division Executive of Sales Division of the Company</p> <p>April 2023 Senior Executive Officer, Division Executive of Sales Division and Acting Division Executive of Corporate Planning Division (to present)</p>	22,000
	Reasons for his nomination as Director	Tatsuya Suzuki has long served in the corporate planning division as well as the sales division of the Company (Jidosha Buhin Kogyo Co., Ltd. and IJT Technology Holdings Co., Ltd.) and accumulated knowledge and experience while engaging in corporate management of the Company as an Executive Officer. We believe he will reflect his insight and experience in the management of the Company.	

(Notes)

1. * Candidate for director to be newly elected.
2. There are no special interests between each candidate Director and the Company.
3. Hideaki Oda and Ichiro Tsuchiya are candidates for Outside Director. Both Hideaki Oda and Ichiro Tsuchiya are currently Outside Directors of the Company. The terms of office as Outside Directors of Oda and Tsuchiya at the conclusion of this General Meeting of Shareholders are 8 years and 7 years, respectively. They have been designated as independent directors as stipulated by the Tokyo Stock Exchange.
4. The Company has a contract with Hideaki Oda and Ichiro Tsuchiya for limitation of indemnity liability for damages as provided in Article 423, Paragraph 1 of the Companies Act on the basis of the provisions of Article 427, Paragraph 1 of the Companies Act (This contract shall continue to be in effect if they are reelected.). The limit of the liability under the contract shall be the amount set forth in Article 425, Paragraph 1 of the Companies Act.
5. The Company has entered into a directors and officers liability insurance contract with an insurance company to insure all its Directors pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The contract will cover damages that may arise due to insured Directors assuming liability for their execution of duties, or receiving a claim for the pursuit of such liability. If the candidates assume office as Directors, they will be insured under the insurance contract, which is to be renewed on October 1, 2023.

Proposal 3: Election of 1 Audit & Supervisory Board Member

The term of office of Company Audit & Supervisory Board Member Seiichi Kurihara will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 1 Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has previously given its approval to this proposal.

The candidate is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions	Number of shares of the Company held
* Takayuki Kaneko (April 5, 1961)	<p>March 1985 Joined Jidosha Imono K.K.*</p> <p>April 2010 Executive in charge of Sales Division; General Manager of Sales Department No. 1 of I Metal Technology Co., Ltd. (currently the Company)</p> <p>April 2015 Executive Officer, Division Executive in charge of Sales Division of I Metal Technology Co., Ltd.</p> <p>April 2017 Senior Executive Officer, Division Executive in charge of Sales Division of I Metal Technology Co., Ltd.</p> <p>April 2019 Senior Executive Officer; Division Executive, Sales Division of the Company</p> <p>June 2019 Director; Senior Executive Officer; Division Executive, Sales Division of the Company</p> <p>April 2020 Director; Senior Executive Officer; Senior Division Executive of Sales Division of the Company</p> <p>April 2023 Director of the Company (to present)</p>	25,900
Reasons for his nomination as Audit & Supervisory Board Member	Takayuki Kaneko has long served in the sales division (including of I Metal Technology Co., Ltd.) and accumulated knowledge and experience, while engaging in corporate management of the Company as an Executive Officer, and Director and accumulated broad insight through his career. The Company believes that he will be able to reflect his insight in the Company's audit work. Therefore, the Company proposes to elect Mr. Kaneko as an Audit & Supervisory Board Member.	

* Jidosha Imono K.K. is the predecessor of I Metal Technology Co., Ltd. before changing its trade name upon an absorption-type merger in April 2007.

(Notes)

- * Candidate for Audit & Supervisory Board Member to be newly elected.
- There are no special interests between candidate Audit & Supervisory Board Member and the Company.
- The Company has entered into a directors and officers liability insurance contract with an insurance company to insure all its Audit & Supervisory Board Members pursuant to the provisions of Article 430-3, Paragraph 1 of the Companies Act. The contract will cover damages that may arise due to insured Audit & Supervisory Board Members assuming liability for their execution of duties, or receiving a claim for the pursuit of such liability. If the candidate assumes office as an Audit & Supervisory Board Member, he will be insured under the insurance contract, which is to be renewed on October 1, 2023.

(Reference)

If Proposal 2 and Proposal 3 are approved, the expertise of Directors and Audit & Supervisory Board Members will be as described below.

(The positions of Directors and Audit & Supervisory Board Members shall be determined by a resolution of the Board of Directors Meeting and Audit & Supervisory Board following this General Meeting of Shareholders.)

		Management	Strategy and Planning	Sales	Development	Manufacturing and Quality	Purchasing	Finance and Accounting	General and Human Resources	Legal, Compliance, and Governance	Global experience
President and Representative Director	Koichi Seto	○	○	○							○
Director and Senior Executive Officer	Shuji Hasegawa	○	○	○				○	○	○	
Director and Senior Executive Officer	Tatsuya Suzuki		○	○							
Director and Senior Executive Officer	Shinichiro Fujita				○	○					
Outside Director	Hideaki Oda	○	○		○	○					○
Outside Director	Ichiro Tsuchiya	○	○	○				○			○
Outside Director	Hidetoshi Kawamoto	○	○	○		○	○		○	○	○
Full-time Audit & Supervisory Board Member	Takayuki Kaneko		○	○				○			
Outside Audit & Supervisory Board Member	Akiko Urabe									○	
Audit & Supervisory Board Member	Kenichi Asahara		○	○				○		○	○
Outside Audit & Supervisory Board Member	Nobuteru Moriuchi	○	○					○	○	○	○

(Note) The above list does not represent all the expertise possessed by Directors and Audit & Supervisory Board Members.

<Shareholder proposals (Proposal 4 - Proposal 7)>

Proposals 4 through 7 are based on proposals from a single shareholder (with 400 voting rights).

The Board of Directors will vote against all of the shareholder proposals.

With regard to the content of the proposals, the proposal texts submitted by the shareholder are presented as-is, along with the opinions of the Company Board of Directors with regard to each proposal.

Shareholder proposal and references

Proposal 4: Amendment to Articles of Incorporation Concerning Appropriation of Surplus

(1) Gist of proposal

To move down Article 42 and all subsequent articles of the current Articles of Incorporation by one article, with Article 42 newly set as detailed below. Amendments to the Articles of Incorporation under this proposal shall become effective upon approval of this proposal at the General Meeting of Shareholders.

(Year-end dividend)

Article 42 The Company shall aim to pay an amount equivalent to at least 3% of net assets at the end of each fiscal year as a year-end dividend within a range that is possible and with other retained earnings to be used as a source for such dividends.

(2) Reasons for the proposal

The Company is a consolidated subsidiary of Isuzu Motors Limited and a preeminent manufacturer of automobile parts who, despite fluctuations, recorded operating margins in excess of a certain level prior to the lockdown in China and the issues caused by the shortages in semiconductors. Despite this, the share price has been stagnant in recent years with a Price Book-value Ratio (PBR) of 0.32 (Tokyo Stock Exchange Standard Market average of 0.92 as of Mar, 24, 2023).

Further, the stagnant revenue on the back of COVID-19 leading to a halving of the dividend from FY2019 (¥20 per share) to FY2020 (¥10 per share) shows a lack of stability in terms of shareholder returns. Originally, automobile parts companies who would have large revenue volatility due to factors such as the cycle of model updates would also see large fluctuations in dividends based on standards for dividend payout ratios which were based on earnings. With the instability of dividends seen as a factor of the stagnant share price, I make the above proposal based on the expectation that the introduction of a dividend on equity ratio (DOE) based on equity capital will bring a stability to shareholder returns, which will, in turn, lead to a stable shareholder composition over the long term.

(3) Opinion of the Board of Directors

The Board of Directors is “against this proposal” for the following reasons.

The Company considers the continued stable payments of dividends to all its shareholders as one of its most important management issues from the medium to long-term perspective. Our basic policy is to distribute earnings at an appropriate level based upon comprehensive analysis of the value of investment to shareholders, the impact of such payments on the Company’s financial position, the state of the Company’s earnings, the dividend payout ratio, and the need to boost capital in order to prepare for any future business developments.

In accordance with this basic policy, the Company has delivered annual dividends of ¥16 for 5th Period (March 2018), ¥20 (including a commemorative dividend of 2 yen) for 6th Period (March 2019), ¥18 for 7th Period (March 2020), ¥10 for 8th Period (March 2021), ¥20 for 9th Period (March 2022), and ¥20 for 10th Period (March 2023) (Forecast). Despite the impact of the sluggish market in the 8th Period resulting from the spread of COVID-19, we were still able to ensure stable and continuous payment of dividends.

Furthermore, in response to the wave of technological innovation currently washing over the automobile industry, we are planning to make proactive capital investments such that the Company may develop new materials and products. As part of these plans, we have decided to construct a new

foundry in Kitakami City, Iwate, with the chief purpose of manufacturing molded components for the industrial machinery and industrial robotics industries.

We believe that the fixing of shareholders returns as per that set forward in this proposal irrespective of the changing environment in which the Company finds itself may inhibit such capital investment as that described above, and will not lead to an improvement in corporate value over the medium to long-term.

Shareholder proposal and references

Proposal 5: Amendment to Articles of Incorporation Concerning Acquisition of Treasury Shares

(1) Gist of proposal

To set Article 7 of the current Articles of Incorporation as Article 7, Paragraph (1) with a new text as detailed below set as Paragraph (2).

Amendments to the Articles of Incorporation under this proposal shall become effective upon approval of this proposal at the General Meeting of Shareholders.

Article 7

- 2 Until such a time as the share price of the Company recovers to a value of $\times 1$ of the Price Book-value Ratio, the Board of Directors shall acquire treasury shares each fiscal year within a range that dividends are possible, with a total acquisition price of an equivalent to at least 1% of the equity capital as of the end of the fiscal year.

(2) Reasons for the proposal

While share prices are affected by the macro environment and trends in the stock market and, therefore, not necessarily linked to earnings and finances, but a management position that does not overlook such stagnation fosters stability of shareholders and increases corporate value.

These past few years, earnings have been sluggish, with operating profit falling to just over ¥1.2 billion in FY2020 compared to just over ¥6.4 billion in FY2019. However, in the current fiscal year, those will recover to 4.6 billion yen (The Company forecast as of March 24, 2023). Behind this stagnant PBR, which continues in spite of the seeming break out from the stagnant earnings, is an unease on the part of the shareholders for the attitude of the management team regarding its failure to acknowledge the stagnant share price and a lack of share repurchasing despite having the financial capacity to do so. In order that this unease be addressed and the confidence of the shareholders be restored, I make the above proposal that the Company continue to repurchase treasury shares until such a time that the share price exceed $\times 1$ the PBR.

(3) Opinion of the Board of Directors

The Board of Directors is “against this proposal” for the following reasons.

In addition to the stable and continuous payment of dividends as per the basic policy outlined in Proposal 4, the Company has also made efforts to improve shareholder returns and the Company share price, including through such efforts as the repurchase of approximately ¥600 million of treasury shares in FY2019.

There are several ways by which we may improve shareholder returns. We believe that such options should be undertaken only upon careful consideration of the appropriate method, timing, and details of such options based upon finding the correct balance between the performance of the Company, the status of transactions of Company shares, the share price, and future development of the business.

We believe that fixing the method, timing, and details of shareholders returns as per that set forward in this proposal irrespective of the changing environment in which the Company finds itself may inhibit capital investment, and will not lead to an improvement in corporate value over the medium to long-term.

Shareholder proposal and references

Proposal 6: Amendment to Articles of Incorporation Concerning Publication of Financial Briefing Materials

(1) Gist of proposal

To set the following as new text in the Articles of Incorporation. On the premise that Agenda Item 1* is approved as originally proposed, the following article text is to be added to the Articles of Incorporation. Should Agenda Item 1* be rejected, Article 44 shall apply. Amendments to the Articles of Incorporation under this proposal shall become effective upon approval of this proposal at the General Meeting of Shareholders.

*The Company Note: “Agenda Item 1” refers to Proposal 4.

Chapter VIII OTHER

(Publication of Financial Briefing Materials)

Article 45 The Company shall publish financial briefing materials, which shall include the following content, on a quarterly basis.

- (1) Earnings by region and division, and analysis of increases/decreases thereof
- (2) Basic policy regarding enhancement of corporate value, and measures thereof
- (3) Medium-term management plan, and progress thereof
- (4) Shareholder returns policy

(2) Reasons for the proposal

Principle 5-2 of the Corporate Governance Code states that companies should clearly explain to shareholders in an understandable and logical manner specifically what it is going to do with regard to basic policies, the presentation of profitability- and capital efficiency-related targets, etc., and the allocation of management resources toward such in order to achieve these policies, targets, etc., whenever formulating and publicly announcing management strategies and company plans as part of efforts to explain important matters that may have a significant impact on shareholders.

However, the Company does not disclose information relating to earnings by division or region in its financial briefing materials. Even in the “Announcement of Establishment of New Factory” announced in February of this year, no detailed explanatory materials were disclosed, in spite of the fact that this project represents a large capital investment that will exceed the Company’s current market capitalization of ¥26.3 billion and with it projected to involve construction costs of ¥32.2 billion. Dependent on its position as a subsidiary of a major automobile manufacturer, it is difficult to say that the Company is providing its shareholders with adequate information with regard to its current situation and its future. In order that the Company may overcome this current predicament in which the inadequate disclosure of information generates unease in its shareholders and in which its share price is stagnant, I make the above proposal that the Company prepare and disclose a detailed medium-term management plan, and provide a detailed breakdown of the progress of such in its financial briefing materials.

(3) Opinion of the Board of Directors

The Board of Directors is “against this proposal” for the following reasons.

The Company is cognizant of the importance of providing explanations of its basic policy with regard to improving corporate value and its policies of shareholder returns, etc., to all its stakeholders, including first and foremost its shareholder. As such, it discloses its management policy and dividend policies in its securities reports, financial results reports, and shareholder communications.

However, we believe that the appropriateness, timing, and methods with regard to the announcement of figures for earnings by region and division is not something that should be stipulated as something consistent and fixed in the Articles of Incorporation as per that suggested in this proposal. Instead, we believe that it is better to make such determinations based on careful consideration by the Board of Directors for each instance in accordance with the business environment and dialogue with Company shareholders and investors.

Shareholder proposal and references

Proposal 7: Appropriation of Surplus

(1) Gist of proposal

An amount equivalent to 3% of net assets minus the total amount of the dividend of surplus proposed and approved at the General Meeting of Shareholders (if there is such dividend of surplus; hereinafter, referred to as “Company Proposed Dividend Amount”) should be paid (in addition to the Company Proposed Dividend Amount) in the manner detailed below as a year-end dividend for the fiscal year ended March 31, 2023, with other retained earnings to be used as a source for such dividends.

(a) Type of dividend property:

Cash

(b) Matters regarding the allocation of dividend property to shareholders:

An amount of ¥40 per share (common stock of the Company) (hereinafter, “Standard Dividend Amount per Share”) minus the Company Proposed Dividend Amount per share of the common stock of the Company.

Total amount of dividends of ¥1,876,536,680 (hereinafter, “Total Standard Dividend Amount”) minus the Company Proposed Dividend Amount

However, the above Standard Dividend Amount per Share and Total Standard Dividend Amount are calculated based on the assumption that the total number of issued Company shares is 49,154,282, of which 2,240,865 shares are treasury shares (hereinafter, the total number of issued shares at a given point minus the number of treasury shares is referred to as the “Standard Number of Shares”), and that monetary worth of net assets at the end of the fiscal year ended March 31, 2022 was ¥62,911,000,000.

Therefore, the Standard Dividend Amount per Share shall be changed accordingly if the monetary worth of net assets as of March 31, 2023—the base date for setting the dividends of surplus—differs from the figure as of March 31, 2022, and/or the Standard Number of Shares as of March 31, 2023 differs from the aforementioned Standard Number of Shares and if the amount obtained by multiplying the net assets for the same period by 3% (rounded down to nearest decimal point) minus the Standard Number of Shares as of March 31, 2023 (rounded down to nearest decimal point) is different to ¥40.

In such a case, the Total Standard Dividend Amount shall be the amount obtained by multiplying the Standard Dividend Amount per Share as determined using the above formula by the Standard Number of Shares as of March 31, 2023.

(c) Effective date for dividends from surplus:

June 30, 2023

However, the above assumes that the General Meeting of Shareholders will be held on June 29, 2023. Should the date of the meeting be changed, the effective date shall be changed to the day following the date of the rescheduled meeting.

(2) Reasons for the proposal

Same reasons as those expressed in “(2) Reasons for the proposal” under Agenda Item 1.

(3) Opinion of the Board of Directors

The Board of Directors is “against this proposal” for the following reasons.

The reasons why the Board of Directors is against this proposal are the same as those given under Proposal 4.