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(Stock Exchange Code 6505)

August 6, 2021

To Shareholders with Voting Rights:

Akira Watanabe
President, Representative Director
Toyo Denki Seizo K.K.
1-4-16 Yaesu, Chuo-ku, Tokyo

NOTICE OF THE 160th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

We hereby announce that the 160th Annual General Meeting of Shareholders of Toyo Denki Seizo K.K. (the “Company”) will be held as described below.

Instead of attending the meeting, you can exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 5:00 p.m. on Thursday, August 26, 2021, Japan time.

- 1. Date and Time:** Friday, August 27, 2021, at 10:00 a.m. Japan time
- 2. Place:** “Station Conference Tokyo” Meeting Room 501 (5F, Sapia Tower)
1-7-12 Marunouchi, Chiyoda-ku, Tokyo
- 3. Meeting Agenda:**
Matters to be reported:
 1. The Business Report, Consolidated Financial Statements for the Company’s 160th Fiscal Year (June 1, 2020 - May 31, 2021) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 160th Fiscal Year (June 1, 2020 - May 31, 2021)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of One (1) Director
- Proposal 3:** Election of Accounting Auditor

- © Of the documents to be provided with this Notice, “Information Concerning Accounting Auditor,” “Overview of Systems to Ensure Appropriate Business Operations (Basic Policy for Internal Control Systems) and Operational Status Thereof” and “Basic Policy on Control of the Company” of the Business Report, and the “Consolidated Statements of Changes in Net Assets,” “Notes to Consolidated Financial Statements,” “Non-consolidated Statements of Changes in Net Assets,” and “Notes to Non-consolidated Financial Statements” are posted on the Company’s website (<https://www.toyodenki.co.jp>) in accordance with provisions of laws and regulations as well as Article 15 of the Company’s Articles of Incorporation and therefore are not provided in this Notice. Furthermore, the aforementioned items posted on the Company’s website are part of the documents audited by the Accounting Auditor and the Board of Corporate Auditors when preparing their accounting audit report and audit report, respectively.
- © Should the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements, or the Reference documents for the General Meeting of Shareholders require revisions, the revised versions will be posted on the Company’s website.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

With regard to the appropriation of surplus, the Company proposes the following.

[Items related to the year-end dividend]

With regard to the year-end dividend for the fiscal year ended May 31, 2021, upon comprehensively taking into consideration the return of profits to shareholders in a stable and continuous manner, the strengthening of the business structure and other factors the Company proposes the ordinary dividend of 30 yen per share.

- (1) Type of dividend property
Cash
- (2) Items related to the allocation of dividend property to shareholders and its total amount
30 yen per share of common stock
Total of 268,226,160 yen
- (3) Effective date of distribution of surplus
August 30, 2021

Proposal 2: Election of One (1) Director

In order to enhance the corporate governance structure and optimize the balance of the Board of Directors as a whole, the election of one Outside Director is proposed.

The candidate for Director is as follows. The term of office of the candidate for Director shall expire at the end of the terms of office of the other serving Directors, as set forth in the Articles of Incorporation of the Company.

Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
<p style="text-align: center;">Taizo Makari January 19, 1959</p> <p style="text-align: center;">New appointment Outside Director Independent Director</p>	April 1983 Joined TEIJIN LIMITED	0
	October 1998 Manager, Engineering Products Development Department, Engineering Laboratories	
	April 2004 General Manager, Business Planning and Administration Department; General Manager, Plant Maintenance and Utility Department, Teijin Entech Co., Ltd.	
	April 2010 General Manager, Engineering Center; General Manager, Chemical Engineering Department, Teijin Engineering Limited; Assistant to CENO, TEIJIN LIMITED (in charge of capital investment)	
	June 2010 Director, Teijin Engineering Limited	
	June 2011 Representative Director; Managing Director	
	April 2012 Teijin Group Chief Representative in Europe, TEIJIN LIMITED; President, Teijin Holdings Netherlands B.V.	
	April 2013 Teijin Group Corporate Officer, TEIJIN LIMITED	
	April 2014 Head, Engineering Unit; Assistant Chief CSR Officer (in charge of disaster prevention)	
	April 2017 Teijin Group Corporate Officer; Chief Officer (Engineering); Assistant Chief CSR Officer (in charge of disaster prevention)	
	June 2018 Director, INFOCOM CORPORATION	
	April 2020 Teijin Group Executive Officer, TEIJIN LIMITED	
	April 2021 Counselor and Technical Advisor (current position)	
<p>[Reason for nomination as a candidate for Director, and overview of expected roles] Mr. Taizo Makari has abundant experience in corporate management both in Japan and overseas and highly specialized expertise. The Company nominated him as a candidate for Outside Director, as the Company expects him to give advice and make proposals in order to ensure legality and appropriateness of decision-making of the Board of Directors of the Company, utilizing his extensive insight and global view.</p>		

- (Notes)
1. There are no special interests between the candidate for Director and the Company.
 2. Mr. Taizo Makari is a candidate for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act. The Company intends to register him as an independent officer with the Tokyo Stock Exchange.
 3. Pursuant to the stipulations of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an Outside Director to limit his liability as set forth in Article 423, Paragraph 1 of the Companies Act to the amount stipulated by laws and regulations. If Mr. Taizo Makari is elected, the Company intends to enter into the above agreement to limit his liability.
 4. The Company has concluded a directors and officers liability insurance agreement as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. Under the said insurance agreement, damage caused as a result of the insured directors assuming liability regarding the execution of their duties or receiving claims pertaining to the pursuit of such liability shall be covered. If the candidate is appointed to the position of Director, the candidate will be included as the insured under this insurance agreement.

<Reference 1>

■ Standards for Independence of Outside Officers

In addition to fulfilling the criteria in the amended Companies Act, Outside Officers shall also not fall under any of the following items, in accordance with the Tokyo Stock Exchange “Guidelines Relating to Listing Management, etc.”

- (1) In the event that a company where the Outside Officer serves as an executive* receives payment from the Company or a subsidiary of the Company as consideration for products, components, or services, or makes payment to the Company or a subsidiary of the Company, cases when the amount of such payments exceeds 2% of the consolidated net sales of either company in any fiscal year during the past three fiscal years.
- (2) Cases when the Outside Officer has received compensation exceeding 10 million yen directly from the Company or a subsidiary of the Company as a legal, accounting, or tax specialist or consultant (or in the event of a corporation, a person belonging to that corporation) in any fiscal year during the past three fiscal years.
- (3) Cases when contributions from the Company to a non-profit organization where the Outside Officer serves as an officer executing business operations have exceeded 10 million yen in any fiscal year during the past three fiscal years.
- (4) Cases when the Outside Officer is or has been a major shareholder of the Company or an executive thereof, directly or indirectly holding more than 10% of the Company’s voting rights during the past three years.
- (5) Cases when a relative within the second degree of the Outside Officer falls under the following categories:
 - An executive of the Company or a subsidiary of the Company during the past three years (excluding insignificant persons);
 - A person falling under any of the above items (1) to (4) (excluding insignificant persons).

*Executive: An executive director, executive officer, operating officer, manager, or other employee

<Reference 2>

■ Directors Skills Matrix

Expertise and experience of Directors (after the approval of Proposal 2)

Name	Outside Directors	Areas of expertise and experience						
		Corporate management	Sales/ Marketing	Research and development/ Technology	Manufacturing/ Quality control	Global business	Accounting/ Finance	Legal affairs
Kenzo Terashima		●	●	●	●	●		
Akira Watanabe		●	●	●	●	●		
Akihiko Ishii		●	●				●	●
Yoshifumi Otsubo		●	●			●	●	
Hirokazu Chinone	●	●						●
Koji Mizumoto	●	●	●			●	●	
Taizo Makari	●	●		●	●	●		

Proposal 3: Election of Accounting Auditor

As Ernst & Young ShinNihon LLC will stand down as the Company’s Accounting Auditor with the expiry of its term of appointment at the conclusion of this General Meeting of Shareholders, approval is requested for the election of ARK LLC as the new Accounting Auditor, based on a decision by the Board of Corporate Auditors.

The Board of Corporate Auditors selected ARK LLC as a candidate for Accounting Auditor because, upon consideration of the number of continuous years of engagement of accounting auditors, the Board judged that the appointment of a new Accounting Auditor could be expected to provide auditing with new perspectives, and, as a result of the Board of Corporate Auditors’ comprehensive deliberation of aspects such as ARK LLC’s specialist expertise, independence, appropriateness, quality control systems, and level of auditing remuneration, the Board judged that it would be an appropriate appointment.

The candidate for Accounting Auditor is as follows. (As of June 1, 2021)

Name	ARK LLC		
Address of Main Office	1-23-3 Nishi-shinjuku, Shinjuku-ku, Tokyo		
History	April 1975	Established Kinki Daiichi Audit Corporation Established Hijiribashi Audit Corporation	
	August 1982	Established Meiji Audit Corporation	
	March 2004	Established ARK Audit Corporation	
	January 2016	Meiji Audit Corporation and ARK Audit Corporation merged to form ARK Meiji Audit & Co.	
	July 2016	Merged Hijiribashi Audit Corporation with ARK Meiji Audit & Co.	
	July 2019	Changed company name to ARK LLC	
	July 2020	Merged Kinki Daiichi Audit Corporation with ARK LLC	
Overview	Capital	50 million yen	
	Partners and Staff	Managing Partners	6
		Partners	31
		CPAs	61
		Assistant CPAs	33
		USCPAs	4
		Assistant USCPA	1
		IT and other professional staff	3
		Audit administration staff	8
Other staff	12		
	Total	159	