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Securities code: 7609

March 8, 2022

To our shareholders:

Shinsuke Tsuchiya  
President and CEO  
**Daitron Co., Ltd.**  
6-11, Miyahara 4-chome, Yodogawa-ku, Osaka

## Notice of the 70th Annual General Meeting of Shareholders

We are pleased to announce the 70th Annual General Meeting of Shareholders of Daitron Co., Ltd. (the “Company”), which will be held as indicated below.

**To prevent the spread of the novel coronavirus disease (COVID-19), we recommend that you refrain from coming to this General Meeting of Shareholders, and that you exercise your voting rights in advance in writing or via the internet, etc., as much as possible.**

**If you exercise your voting rights in advance in writing or via the internet, etc., please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights in accordance with the instruction described below no later than the closing time of our daily business hours (5:30 p.m.) on Tuesday, March 29, 2022 (JST).**

**The Company will not provide souvenir gifts on the day and has decided to cancel the shareholders reception. We would appreciate your understanding.**

**1. Date and Time:** Wednesday, March 30, 2022, at 10:00 a.m. (Reception desk will open at 9:00 a.m.) (JST)

**2. Venue:** The Company’s 6th floor Large Conference Room  
6-11, Miyahara 4-chome, Yodogawa-ku, Osaka

### **3. Purpose of the Meeting**

#### **Matters to be reported:**

1. 70th fiscal year (January 1, 2021, through December 31, 2021)  
Report on Business Report and Consolidated Financial Statements, as well as the audit results of Consolidated Financial Statements by the financial auditor and the Board of Corporate Auditors
2. 70th fiscal year (January 1, 2021, through December 31, 2021)  
Report on Non-consolidated Financial Statements

#### **Matters to be resolved:**

- Proposal No. 1:** Appropriation of Surplus  
**Proposal No. 2:** Amendment to the Articles of Incorporation  
**Proposal No. 3:** Election of Two Substitute Corporate Auditors

1. If you attend the meeting in person, please submit the enclosed voting form to the reception desk.
2. Information on the items listed below is available online on the Company’s website (<https://www.daitron.co.jp/en/>) as part of the documents that should be provided together with this Notice of Convocation in accordance with relevant laws and regulations and with Article 19 of the Articles of Incorporation, and therefore is not included in this Notice of Convocation. These items are some of the items audited by Corporate Auditors and the financial auditor in preparing the audit report.
  - “Basic Policy on Control of Company” in the Business Report
  - “Consolidated Statement of Changes in Equity” in Consolidated Financial Statements
  - “Notes on Consolidated Financial Statements” in Consolidated Financial Statements
  - “Non-consolidated Statement of Changes in Equity” in Non-consolidated Financial Statements
  - “Notes on Non-consolidated Financial Statements” in Non-consolidated Financial Statements
3. Any amendment to the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements will be posted on the Company’s website (<https://www.daitron.co.jp/en/>).

4. Measures to prevent the spread of COVID-19

(1) Requests to shareholders

- We recommend that you refrain from coming to this General Meeting of Shareholders, and that you exercise your voting rights in advance in writing or via the internet, etc., as much as possible.
- Due to the circumstances described above, the Company will not provide souvenir gifts to the attending shareholders and has decided to cancel the shareholders reception that takes place after the General Meeting of Shareholders. We would appreciate your understanding.

(2) For shareholders who are considering attending the meeting

- We ask the shareholders who are considering attending this General Meeting of Shareholders to check the status of infections and make sure they feel well on the day of the General Meeting of Shareholders, and to take precautions to prevent infection including wearing a mask at the venue.
- As precautions to prevent infection, all the attending shareholders will be required to have their temperature measured and have their hands disinfected at the reception desk and wear a mask at the venue. Shareholders who have symptoms such as a fever of 37.5 degrees Celsius or above or a cough may be refused entry to the venue of this General Meeting of Shareholders.

(3) The Company's precautions

- The Company's officers and staff will be wearing a mask at the venue.

## Reference Documents for the General Meeting of Shareholders

### Proposals and reference information

#### Proposal No. 1: Appropriation of Surplus

The Company has given consideration to matters including the business performance of the fiscal year and future business development, and it proposes to appropriate surplus for the 70th fiscal year as follows:

Year-end dividends

- (1) Type of dividend property  
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount  
¥45 per common share of the Company (including a commemorative dividend of ¥10)  
Total payment: ¥499,375,575  
As the Company has already paid an interim dividend of ¥35 per share, the annual dividend for the fiscal year will be ¥80 per share.
- (3) Effective date of dividends of surplus  
March 31, 2022

**Proposal No. 2:** Amendment to the Articles of Incorporation

1. Reasons for proposal

Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 19, paragraph 1 in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 19, paragraph 2 in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 19 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned new establishment and deletion, supplementary provisions regarding the effective date, etc. will be established.

2. Details of amendments

Details of the amendments are as follows.

(Amended parts are underlined)

Current Articles of Incorporation	Proposed amendments
<p>Articles 1. – 18. (Text omitted)</p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 19.</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p style="text-align: center;">(Newly established)</p>	<p>Articles 1. – 18. (Unchanged)</p> <p style="text-align: center;">(Deleted)</p> <p><u>(Measures for Providing Information in Electronic Format, Etc.)</u></p> <p><u>Article 19.</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who</u></p>

Current Articles of Incorporation	Proposed amendments
<p>Articles 20. – 45. (Text omitted)</p> <p>(Newly established)</p>	<p><u>requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>Articles 20. – 45. (Unchanged)</p> <p><u>Supplementary Provisions</u></p> <p><u>Article 1.</u></p> <p><u>1. The deletion of Article 19 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the new establishment of proposed revision of Article 19 (Measures for Providing Information in Electronic Format, Etc.) shall be effective from the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 19 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p><u>3. These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

**Proposal No. 3: Election of Two Substitute Corporate Auditors**

The Company proposes the election of two substitute Corporate Auditors to be ready to fill a vacant position should the number of Corporate Auditors fall below the number required by laws and regulations.

The candidates for substitute Corporate Auditor are as follows. Minoru Kaneda is a candidate for Corporate Auditor as a substitute for Minoru Ujihara who is our current Corporate Auditor. Satoshi Nakayama is a candidate for outside Corporate Auditor as a substitute for Shunsaku Yagi and Noriko Kitajima who are our outside Corporate Auditors.

The election of substitute Corporate Auditor will be valid until the time of the commencement of the next annual general meeting of shareholders. However, the validity of the election can be nullified by resolution of the Board of Directors if the consent of the Board of Corporate Auditors has been obtained; provided, however, that this applies only in the time before assuming office as Corporate Auditor.

In addition, the consent of the Board of Corporate Auditors has been obtained for this proposal.

Candidate No.	Name (Date of birth)	Career summary, and position in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Minoru Kaneda (May 1, 1962)	Apr. 1987      Joined the Company Apr. 2016      General Manager of Audit Office (to present)	1,100
	[Reasons for nomination as candidate for substitute Corporate Auditor] Since Minoru Kaneda has been engaged in internal audit work for many years and has extensive business experience, a good track record and knowledge, the Company believes that he is competent to perform an audit appropriately and nominates him as a candidate for a substitute Corporate Auditor.		
2	Satoshi Nakayama (September 2, 1962) [Candidate for substitute outside Corporate Auditor]  Outside Independent	Oct. 1987      Joined Tohmatsu Awoki & Sanwa (currently Deloitte Touche Tohmatsu LLC) Aug. 1991      Registered as a certified public accountant (to present) June 2007      Partner of Deloitte Touche Tohmatsu (currently Deloitte Touche Tohmatsu LLC) July 2020      Established Satoshi Nakayama Certified Public Accountant Office, Director (to present) Established Kyorissshi Audit Corporation, Senior Partner (to present) (Significant concurrent positions outside the Company) Director of Satoshi Nakayama Certified Public Accountant Office Senior Partner of Kyorissshi Audit Corporation	-
	[Reasons for nomination as candidate for substitute outside Corporate Auditor] Since Satoshi Nakayama has extensive experience and highly professional knowledge as a certified public accountant, the Company believes that he will be able to provide beneficial opinions and advice about the audit of the Daitron Group and nominates him as a candidate for a substitute outside Corporate Auditor. Mr. Nakayama has never in the past been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill duties as an outside Corporate Auditor based on the above reasons. Furthermore, he satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, and if he assumes the office of Corporate Auditor, the Company plans to submit notification to the aforementioned exchange concerning his designation as an independent officer.		

- Notes:
1. There is no special interest between any of the candidates for substitute Corporate Auditor and the Company.
  2. Satoshi Nakayama is a candidate for substitute outside Corporate Auditor.
  3. If Minoru Kaneda and Satoshi Nakayama assume the office of Corporate Auditor, the Company plans to enter into an agreement with them pursuant to the provisions of Article 427, paragraph (1) of the Companies Act to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under this agreement is the amount provided for under laws and regulations.
  4. In accordance with provisions of Article 430-3, paragraph (1) of the Companies Act, the Company has entered into a directors and officers liability insurance policy with an insurance company. The insureds in the insurance policy do not bear any of the premiums. The insurance policy covers legal damages that may arise due to the insured assuming responsibilities for the execution of duties as a corporate officer or being subjected to a claim for damages related to the

said liability. However, in order not to impair the appropriateness of duty execution by the insured, the policy does not cover damages arising from performance of an illegal act with full knowledge of its illegality. If Minoru Kaneda and Satoshi Nakayama assume the office of Corporate Auditor, both of them will be included as insureds in the insurance policy.