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Securities Code: 1723

June 10, 2022

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 63rd Annual General Meeting of Shareholders

We are pleased to announce the 63rd Annual General Meeting of Shareholders of NIHON DENGI CO., LTD. (the “Company”), which will be held as indicated below.

If you do not attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the attached 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) no later than the end of the business day (5:40 p.m.) on Monday, June 27, 2022 (JST).

- 1. Date and Time:** Tuesday, June 28, 2022 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 63rd fiscal year (from April 1, 2021 to March 31, 2022), 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 63rd fiscal year (from April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Partial Amendments to the Articles of Incorporation |
| Proposal No. 3 | Election of 4 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Election of 1 Director Who Is Audit and Supervisory Committee Member |

When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception.

If any changes are made to items in the Reference Documents for General Meeting of Shareholders, the Business Report, the Nonconsolidated Financial Statements, or the Consolidated Financial Statements, such changes will be posted on the Company’s website (<https://www.nihondengi.co.jp/>) (Japanese only).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

Providing there are no events seriously impacting the results and there are no new capital investment plans, it is the policy of the Company to maintain a fixed payout ratio and to return profits to shareholders through dividends that correspond to profit growth.

Also, when necessary, the policy is to use internal reserves as funds for human investment and the expansion of business areas in order to train and secure personnel.

Comprehensively taking into consideration the above-mentioned basic policy and the results of the current term, the appropriation of surplus shall be as follows.

1. Year-end dividends

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥104 per common share of the Company.

In this event, the total dividends will be ¥832,842,504.

(3) Effective date of dividends of surplus

The effective date of dividends will be June 29, 2022.

2. Other appropriation of surplus

(1) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥900,000,000

(2) Item of surplus to be increased and amount of increase

General reserve: ¥900,000,000

Proposal No. 2 Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendment

The Company proposes the following changes to its Articles of Incorporation given that it will introduce a system for providing informational materials in electronic format for the General Meeting of Shareholders, in accordance with 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) taking effect on September 1, 2022.

Other necessary changes shall also be made.

- (1) The Company proposes establishment of paragraph (1) of the proposed amendment of Article 15 (Measures for Providing Information in Electronic Format, Etc.), given its obligation to have the Articles of Incorporation state that it will take measures for providing in electronic format information that constitutes the content of reference documents for the General Meeting of Shareholders, etc.
- (2) The Company proposes establishment of paragraph (2) of the proposed amendment of Article 15 (Measures for Providing Information in Electronic Format, Etc.), so that it will be able to set limits within the scope prescribed by Ordinance of the Ministry of Justice with respect to matters stated in documentation delivered to shareholders who have requested delivery of documentation, among matters for which measures are to be taken for providing in electronic format information that constitutes the content of reference documents for the General Meeting of Shareholders, etc.
- (3) The Company proposes deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents of the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation given that provisions thereof become unnecessary upon introduction of the system for providing informational materials in electronic format for the General Meeting of Shareholders.
- (4) The Company proposes establishment of supplementary provisions regarding the effect of the aforementioned newly established and deleted provisions. Please note that these supplementary provisions shall be deleted after the due date has passed.

2. Details of the Amendments

The following are the details of the amendments.

(Underline indicates amended portions)

Current Articles of Incorporation	Proposed Amendments
<p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</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;">(New)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>Article 15. (Measures, etc. for Providing Information in Electronic Format)</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 requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p style="text-align: center;">Supplementary Provisions</p> <p>Article 1. (New)</p> <p style="text-align: center;">(Omitted)</p> <p style="text-align: center;">(New)</p>	<p style="text-align: center;">Supplementary Provisions</p> <p>Article 1. <u>(Transitional Measures for Exemption from Liability of Audit & Supervisory Board Members)</u></p> <p style="text-align: center;">(Unchanged)</p> <p>Article 2. <u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p>1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of the new Article 15 (Measures, etc. for Providing Information in Electronic Format) in the amended Articles of Incorporation shall be effective from September 1, 2022.</u></p> <p>2. <u>Notwithstanding the provisions of the preceding paragraph, Article 15 of the Articles of Incorporation (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain effective regarding any general meeting of shareholders held on a date within six months from September 1, 2022.</u></p> <p>3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from September 1, 2022 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 4 Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all 5 Directors (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting. Therefore, in order to strengthen the supervisory functions of the Board of Directors and to accelerate decision-making, the Company proposes reducing the number of Directors by 1 and 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.	Name	Position in the Company	
1	Ryosuke Shimada	Representative Director and President	Reelection
2	Yoshinobu Shinmei	Director Managing Executive Officer	Reelection
3	Haruo Tamura	Director Senior Executive Officer	Reelection
4	Hirokazu Takami	Senior Executive Officer	New election

Reelection: Candidate Director for reelection

New election: Candidate Director for new election

Candidate No.	Name (Date of birth)	Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)	Number of Company shares held	
1	Ryosuke Shimada (August 24, 1968) Reelection	April 1991	Joined Nissho Iwai Corporation (now Sojitz Holdings Corporation)	419,733
		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)	
(Reasons for candidacy as a Director) 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.				
2	Yoshinobu Shinmei (March 4, 1956) Reelection	August 1980	Joined the Company	4,703
		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)	
(Reasons for candidacy as a Director) 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.				
3	Haruo Tamura (February 8, 1956) Reelection	April 1979	Joined New Japan Securities (now Mizuho Securities)	2,422
		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)	
(Reasons for candidacy as a Director) 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.	Name (Date of birth)	Career Summary, Positions and Responsibilities in the Company (Major Concurrent Posts)	Number of Company shares held
4	Hirokazu Takami (December 25, 1956) New election	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)	18,000
	(Reasons for candidacy as a Director) Hirokazu Takami has been serving as manager of major business offices and has a wealth of experience and insights. Mr. Takami has been named as a new candidate Director with the expectation that such experience and insights can be put to use toward the improvement of the corporate value of the Company in the medium-to-long term.		

- (Note)
1. No special-interest relationship exists between the candidates and the Company.
 2. In the case of electing and appointing a candidate as a Director, the Company shall conclude a compensation agreement with the candidate 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.
 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. 4 Election of 1 Director Who Is Audit and Supervisory Committee Member

The term of office of Yoichi Yamada who is a Director and an Audit and Supervisory Committee Member will expire at the conclusion of this meeting. Therefore, the Company proposes electing 1 Director who is an Audit and Supervisory Committee Member.

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 candidate for Director who is an Audit and Supervisory Committee Member is as follows.

Name (Date of birth)	Career summary (Major Concurrent Posts)	Number of Company shares held
<p>Michihiro Kudo (May 3, 1960)</p> <p>New election Outside Independent</p>	<p>October 1984 Joined Chuo Audit Corporation</p> <p>March 1991 Registered as Certified Public Accountant</p> <p>July 1993 Established Kudo Certified Public Accountant (current)</p> <p>April 2016 Vice President of The Japanese Institute of Certified Public Accountants Saitama Chapter (current)</p> <p>June 2016 External Auditor of Cyber Com Co., Ltd. (current)</p> <p>July 2017 Saitama City supervisory auditor (current)</p>	<p>-</p>
<p>(Reasons for candidacy as an outside Director who is an Audit and Supervisory Committee Member and summary of expected role) As a certified public accountant, Michihiro Kudo has expert knowledge of financial affairs and accounting. He has been named as a candidate for outside Director who is an Audit and Supervisory Committee Member with the expectation that such knowledge 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. Please note that while Mr. Kudo does not have experience in contributing to company management by any means other than as an outside officer, for the reasons given above, it has been deemed that he will appropriately execute the duties of outside Director. In addition, in the case that Mr. Kudo is elected and appointed, 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.</p>		

- (Note)
1. Michihiro Kudo is a candidate for outside Director.
 2. No special-interest relationship exists between the candidate and the Company.
 3. Michihiro Kudo meets the criteria for independent officers based on the stipulations of the Tokyo Stock Exchange. In the case that Mr. Kudo is elected and appointed as a Director who is an Audit and Supervisory Committee Member, it will be reported that he is an independent officer.
 4. In the case of electing and appointing Michihiro Kudo as a Director who is an Audit and Supervisory Committee Member, the Company shall conclude an agreement with Mr. Kudo 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.
 5. In the case of electing and appointing Michihiro Kudo as a Director who is an Audit and Supervisory Committee Member, the Company shall conclude a compensation agreement with the candidate 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.
 6. 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 Michihiro Kudo is elected and appointed as a Director who is an Audit and Supervisory Committee Member, he will be covered by the said insurance agreement. At the time of the next renewal, the agreement shall be renewed with the same content.

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

Position	Independence	Name	Age	Skills, etc. of the Director					
				Corporate management	Technical	Sales	Business management	Finance/Accounting	Law
Representative Director President	-	Ryosuke Shimada	53	●		●	●		
Director Managing Executive Officer	-	Yoshinobu Shinmei	66		●	●	●		
Director Senior Executive Officer	-	Haruo Tamura	66		●	●	●		
Director Senior Executive Officer	-	Hirokazu Takami	65		●	●	●		
Director Audit and Supervisory Committee Member	Independent Outside Director	Toshihiko Uzaki	67	●			●		
Director Audit and Supervisory Committee Member	Independent Outside Director	Humiko Kishimoto	48						●
Director Audit and Supervisory Committee Member	Independent Outside Director	Michihiro Kudo	62					●	

- (Note)
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, and human resources, etc.
 3. A "●" mark has been placed next to the three main skills of each individual.