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Securities code: 6272
June 8, 2022

To Shareholders with Voting Rights:

Mikio Kobayashi
President & C.E.O.
RHEON AUTOMATIC MACHINERY CO., LTD.
2-3 Nozawa-machi, Utsunomiya, Tochigi, Japan

Notice of the 60th Annual General Meeting of Shareholders

Dear Shareholders:

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

We hereby inform you that the 60th Annual General Meeting of Shareholders of RHEON AUTOMATIC MACHINERY CO., LTD. (the “Company”) will be held as described below.

As the impact of the novel coronavirus disease (COVID-19) is still ongoing, we kindly request that shareholders refrain from attending the meeting in person to prevent the spread of infection. Instead, we strongly recommend that, where possible, shareholders exercise their voting rights in advance, by mail or via the internet, by 5:30 p.m. on Monday, June 27, 2022.

- 1. Date and Time:** Tuesday, June 28, 2022 at 10:00 a.m. (Reception opens at 9:00 a.m.)
- 2. Venue:** Conference room on the 2nd floor of Rheon Solution Center
2-3 Nozawa-machi, Utsunomiya, Tochigi, Japan
*Please note that the venue differs from that of last year.
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. Business Report and Consolidated Financial Statements for the Company’s 60th Fiscal Year (April 1, 2021–March 31, 2022), and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 60th fiscal year (April 1, 2021–March 31, 2022)
 - Matters to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Payment of Bonuses to Board Members

4. Other Matters concerning this Notice

- (1) In accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, the following items are posted on the Company's website (<https://www.rheon.com>) and not described in the documents attached to this notice of annual general meeting of shareholders.
 - (i) "Systems and Policies of the Company" in the Business Report
 - (ii) Notes to the Consolidated Financial Statements
 - (iii) Notes to the Non-consolidated Financial StatementsConsequently, the documents attached to this notice of annual general meeting of shareholders consist of part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members, and part of the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditor, in preparing their respective audit reports.
- (2) Any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements or the Non-consolidated Financial Statements will be posted on the Company's website mentioned above.

Notice regarding Measures against COVID-19

As with the previous year, we will be holding this year's annual general meeting of shareholders with the ongoing impact of COVID-19. To prevent the spread of the virus, we will take following measures. Your understanding and cooperation are much appreciated.

- 1. Alcohol-based sanitizers for shareholders will be placed at the reception area.**
- 2. Shareholders attending in person, including those who are vaccinated against COVID-19, are requested to wear face masks all the time.**
- 3. Depending on the situation of the spread of COVID-19 infection, attendees will be asked to have their temperature checked.**
- 4. Shareholders arriving at the venue who appear to be unwell may be refused to attend the meeting.**
- 5. Administrative staff for the meeting will have their temperature taken, undergo health checks, and wear face masks while serving you.**
- 6. No gifts will be provided to shareholders at the meeting.**

Guidance for the Exercise of Voting Rights

There are three ways to exercise your voting rights.

[Exercise of Voting Rights via the Internet]

Exercise Deadline: To be sent no later than 5:30 p.m. on Monday, June 27, 2022

If you choose to exercise your voting rights via the internet, please access the Voting Rights Exercise Website to do it after reading the procedures on the next page.

* Using a smartphone with a bar-code reading function, you can read the log-in QR code shown on the Voting Rights Exercise Form to log into the Voting Rights Exercise Website.

(QR code is a registered trademark of DENSO WAVE INCORPORATED.).

[Exercise of Voting Rights by Mail]

Exercise Deadline: To be received no later than at 5:30 p.m. on Monday, June 27, 2022

Please indicate your approval or disapproval of each proposal on the enclosed Voting Rights Exercise Form and return it so that it is received by the exercise deadline.

If you send a Voting Rights Exercise Form without indicating your approval or disapproval, your vote shall be counted as an approval.

[Attending the Meeting]

Date and Time of Meeting Tuesday, June 28, 2022, at 10:00 a.m. (Reception opens at 9:00 a.m.)

Please bring the enclosed Voting Rights Exercise Form with you and submit it at the reception desk. Please also bring this “Notice of Annual General Meeting of Shareholders” with you as a reference material for the meeting.

On the day of the meeting, we will follow a business casual (“Cool Biz”) dress code. Shareholder are also welcomed to dress casually.

Procedures for the Exercise of Voting Rights via the Internet

1. Voting Rights Exercise Website

- (1) Exercise of your voting rights via the internet is possible only by accessing the Voting Rights Exercise Website designated by the Company (<https://evote.tr.mufg.jp/>). (Please note that access is unavailable from 2:00 a.m. to 5:00 a.m., daily.)
- (2) The exercise of voting rights using personal computers or smartphones may not be possible in certain operating environments due to factors including the use of a firewall when accessing the internet and the use of antivirus software.

2. Method of Exercising Voting Rights via the Internet

- (1) When using personal computers
 - On the Voting Rights Exercise Website (<https://evote.tr.mufg.jp/>), please use the log-in ID and temporary password shown on your Voting Rights Exercise Form and follow the on-screen instructions to indicate your approval or disapproval of each proposal.
 - To prevent unauthorized access by persons who are not qualified shareholders (“impersonation”) and manipulation of voting details, please be aware that shareholders using this website will be asked to change their temporary passwords.
 - Every time a general meeting of shareholders is convened, new log-in IDs and temporary passwords will be issued.
- (2) When using smartphones
 - By reading the log-in QR code shown on your Voting Rights Exercise Form with a smartphone, you will be automatically directed to the Voting Rights Exercise Website and be able to exercise your voting rights. (It is not necessary to enter the log-in ID and temporary password.)
 - For security reasons, the exercise of voting rights by reading the log-in QR code is permitted only once. From the second time, you will be required to enter the log-in ID and temporary password even when reading the QR code.
 - It might not be possible to log in with the QR code depending on your smartphone model. If you cannot log in with the QR code, please exercise your voting rights using the method described in 2. (1) “When using personal computers” above.

3. Treatment of Voting Rights Exercised Multiple Times

- (1) If voting rights are exercised in duplicate via the internet and by mail, the vote submitted via the internet shall be treated as valid.
- (2) If voting rights are exercised multiple times via the internet, the final vote submitted shall be treated as valid.

4. Costs Incurred when Accessing the Voting Rights Exercise Website

Any costs incurred when accessing the Voting Rights Exercise Website (internet connection fees, etc.) shall be borne by the shareholder.

For inquiries about the system, please contact the following.

Stock Transfer Agency Department (Help Desk), Mitsubishi UFJ Trust and Banking Corporation

Phone: 0120-173-027 (available from 9.00 a.m. to 9:00 p.m., toll-free in Japan)

Institutional investors are allowed to use the ICJ Platform, an electronic voting platform operated by the ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company proposes the following with respect to the appropriation of surplus.

1. Matters regarding year-end dividend

The Company considers returning profits to shareholders as one of the most important management policies. Specifically, our basic policy is to return profits to shareholders based on the business performance with a target consolidated payout ratio of 30% while comprehensively taking into account, among other factors, retaining internal reserves for future business expansion.

The Company proposes to pay a year-end dividend of 8 yen per share for the fiscal year ended March 31, 2022 (the “fiscal year under review”), while comprehensively taking into account the business performance for the fiscal year under review and future outlook.

Together with the interim dividend of 8 yen per share, which were already paid, the total dividends for the fiscal year under review will be 16 yen per share.

(1) Type of dividend property	Cash
(2) Matters concerning the allotment of dividend property to shareholder and the total amount thereof	8 yen per share of the Company’s common stock Total amount: 214,438,744 yen
(3) Effective date of distribution of surplus	Wednesday, June 29, 2022

2. Matters regarding appropriation of surplus

To ensure the sound development of the management and strengthen the financial position while considering the management environment in the future, the Company proposes the appropriation of surplus as follows.

(1) Item and amount of surplus to be increased	General reserve 1,190,000,000 yen
(2) Item and amount of surplus to be decreased	Retained earnings brought forward 1,190,000,000 yen

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

A system for providing general shareholder meeting materials in electronic format as stipulated in the proviso to Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Company proposes to establish provisions stipulating that the Company shall provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. electronically, and that the Company may limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

The provision related to the internet disclosure and deemed provision of the Reference Documents for the General Meeting of Shareholders, etc. under the current Articles of Incorporation will become unnecessary and will therefore be deleted, and supplementary provisions related to the effective date, etc. in line with these amendments shall be established.

2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 14 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, and Consolidated Financial Statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u> (Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures for Electronic Provision, Etc.)</u> <u>Article 14 The Company shall, when convening a general meeting of shareholders, provide information contained in the Reference Documents for the General Meeting of Shareholders, etc. electronically.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>(Newly established)</p>	<p style="text-align: center;"><u>2 Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p><u>(Supplementary Provisions)</u></p> <p><u>1. The deletion of Article 14 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) and the establishment of Article 14 thereof after amendment (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022.</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 14 of the Articles of Incorporation before amendment (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) shall remain in force with respect to a general meeting of shareholders to be held on or before the last day of February 2023.</u></p> <p><u>3. These supplementary provisions shall be deleted on March 1, 2023 or after the lapse of three (3) months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Supplementary Explanation on Proposal 2: Partial Amendments to the Articles of Incorporation

From the next annual general meeting of shareholders, general shareholder meeting materials will be provided electronically.

Shareholders who wish to receive the materials in paper-based format are required to take necessary procedures.

A system for providing general shareholder meeting materials in electronic format is the system that enables companies to provide their shareholders with general shareholder meeting materials by means of uploading these materials onto their own website, etc. and notifying shareholders in writing of the website address, etc.

Since the system is forcibly applied to listed companies, the Company will use it from the next general meeting of shareholders (in or after March 2023) and will provide shareholders with a simple convocation notice (which notifies uploading of the materials on the website and the address thereof). Please note that this changes the general means of provision of information for shareholders from “written” to “electronic” but does not reduce the amount of information.

From the next general meeting of shareholders, shareholders who wish to receive the general shareholder meeting materials in paper-based format can take the procedure of “request for delivery of materials in paper-based format.”

For details of this procedure, please contact the securities company with which you have an account, or Mitsubishi UFJ Trust and Banking Corporation which serves as the Company’s shareholder registry administrator.

Proposal 3: Payment of Bonuses to Board Members

The Company proposes that an amount totaling 2,500,000 yen be paid as bonuses to the three Board Members serving in those posts at the end of the fiscal year under review (excluding the Chairman of the Board and Outside Board Members) while considering the business performance for the fiscal year under review and other factors.

At the Board Meeting held on May 10, 2019, the Company resolved its policy on determining the remuneration of each Board Member, which is explained on pages 26 to 28 in the Japanese version. This proposal is in accordance with the said policy and is considered to be appropriate.