

[Translation]: This represents an excerpted translation, for reference and convenience only, of the original notice issued in Japanese. In the event of any discrepancies between the Japanese and English versions, the former shall prevail.

(Securities Code: 5970)

June 9, 2022

To our shareholders

Naohiro Takao

President, Chief Executive Officer

G-TEKT CORPORATION

1-11-20, Sakuragi-cho, Omiya-ku, Saitama-shi, Saitama

Notice of Convocation of the 11th Ordinary General Meeting of Shareholders

We express our deep appreciation to each of the shareholders for their extraordinary support.

Now, the 11th Ordinary General Meeting of Shareholders of G-TEKT CORPORATION (the “Company” or “G-TEKT”) is to be held as stated below.

Instead of attending the meeting in person, you may also review the enclosed “Reference Documents for the Ordinary General Meeting of Shareholders” and exercise your voting rights by the methods such as the writing or Internet mentioned on pages 3 and 4.

1. Date and Time: 10:00 a.m., Friday, June 24, 2022 (Reception begins at 9:30 a.m.)

2. Place of the Meeting: JP Tower Hall & Conference (KITTE 4th Floor) Hall, 2-7-2, Marunouchi, Chiyoda-ku, Tokyo, Japan

3. Meeting Agenda:

Items for reporting: 1. The Business Report, Consolidated Financial Statements for the Company’s 11th Fiscal Year (April 1, 2021 – March 31, 2022) and results of audits by the Auditor and the Audit & Supervisory Board

2. Non-Consolidated Financial Statements for the Company’s 11th Fiscal Year (April 1, 2021 – March 31, 2022)

Proposals to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Partial Amendments to the Articles of Incorporation

Proposal No. 3 Election of Seven (7) Board Members

Proposal No. 4 Election of One (1) Audit & Supervisory Board Member

- Upon attending the meeting, please present the enclosed Voting Rights Exercise Form to the receptionist at the place of the meeting.
- Of the documents to be provided upon Notice of Convocation, the following documents have been posted on our website on the Internet (<https://www.g-tekt.jp/ir/shareholder/meeting.html>) in accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, and therefore have not been included in this Notice of Convocation: , "Company Systems and Policies", "Consolidated Statement of Changes in Net Assets", "Notes to Consolidated Financial Statements", "Non-Consolidated Statement of Changes in Net Assets" and "Notes to Non-Consolidated Financial Statements".

"Consolidated Financial Statements" and the "Non-Consolidated Financial Statements" that were audited on the occasion of preparation of the audit report by Audit & Supervisory Board Members and the accounting audit report by the Auditor include matters that should be shown as the "Consolidated Statement of Changes in Net Assets", "Notes to Consolidated Financial Statements", "Non-Consolidated Statement of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" in addition to those described in the present documents provided.

- Any changes in the matters described in Reference Documents for the Ordinary General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements will be posted on our website on the Internet (<https://www.g-tekt.jp/ir/shareholder/meeting.html>).

Guidelines of the Exercise of Voting Rights

For those attending the General Meeting of Shareholders

Date and time of the meeting: 10:00 a.m., Friday, June 24, 2022

Please bring and present the enclosed the Voting Rights Exercise Form at the reception desk of the meeting place.

For those not attending the General Meeting of Shareholders

Via mail

Exercise deadline: Arrival by 6:00 p.m., Thursday, June 23, 2022

Please indicate your vote for or against the proposals on the Voting Rights Exercise Form enclosed herewith, and return it to us by the deadline.

Via the Internet

Exercise deadline: 6:00 p.m., Thursday, June 23, 2022

Please indicate whether you approve or disapprove of each proposal on the Exercise of Voting Rights Website that is designated by the Company:

<https://evote.tr.mufg.jp/>

Please see the following page for details.

If you exercise your voting rights both by Voting Rights Exercise Form and via the Internet, rights exercised via the Internet will be treated as effective.

If you exercise your voting rights multiple times via the Internet, the latest exercised voting rights will be treated as effective.

Guidelines Regarding the Exercise of Voting Rights via the Internet

(1) Access the website for exercising votes using QR code:

- (i) If you scan the QR code shown on the voting form, you can log in to the website for exercising votes without the log-in ID and temporary password shown on the form.

*The “QR code” is registered trademarks of DENSO WAVE INCORPORATED.

- (ii) Please indicate whether you approve or disapprove the items on the agenda by following the instructions on the display screen.

* Log-in using the QR code is available once only. If you are to re-exercise, please exercise in the method below.

(2) Access the website for exercising votes using the log-in ID and temporary password:

- (i) Please access the website using the following URL.

<https://evote.tr.mufg.jp/>

- (ii) Log in using the log-in ID and temporary password which are shown on the voting form and press the login button.

(iii) Please confirm new password and press the send button.

- (iv) Please indicate whether you approve or disapprove the items on the agenda by following the instructions on the display screen. Depending on the Internet connection of your computer, smart phone or mobile phone, the website for exercising votes may not be available.

(3) Inquiries regarding the exercise of a voting right via the Internet:

Mitsubishi UFJ Trust and Banking Corporation Corporate Agency Service Support: 0120 (173) 027

* Business Hours: from 9:00 a.m. to 9:00 p.m. (toll free; within Japan only)

* The service is available in Japanese only.

For Institutional investors

Provided that an application to use the platform has been submitted beforehand, institutional investors may use the electronic platform for exercising voting rights operated by ICJ, Inc.

Reference Documents for the Ordinary General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of surplus

G-TEKT's basic policy is to maintain a level of shareholders' equity that ensures investment for growth and tolerance for risk, and to return profits to shareholders in a stable and consistent way, with the aims of achieving sustainable growth and of enhancing corporate value over the medium to long term.

In accordance with the above-stated policy, the 11th year-end dividend is as follows.

Details of the year-end dividend

(i) Type of dividend property	Cash
(ii) Matters concerning the allotment of dividend property to shareholders and the total amount thereof:	¥28 per share of common stock of the Company (common stock dividend per share of ¥25 + the 10th anniversary commemorative dividend per share of ¥3) Total cash dividends of ¥1,214,811,808
(iii) Effective date of dividend of surplus	June 27, 2022

The annual dividend including interim dividend of ¥28 per share will be ¥56 per share.

Proposal 2: Partial Amendments to the Articles of Incorporation

The Company proposes to make partial amendments to the current Articles of Incorporation as follows.

1. Reasons for the 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.

- i. Article 14, 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.
- ii. Article 14, 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 required the delivery of paper-based documents.
- iii. With the introduction of the system for providing informational materials for the General Meeting of Shareholders in electronic format, provisions for Disclosure via the Internet and deemed provision of reference documents etc. for a General Meeting of Shareholders (Article 14 of the current Articles of Incorporation) will no longer be required and thus be deleted.
- iv. Accompanying the new establishment and deletion of provisions as described above, supplementary provisions regarding the effective date, etc. will 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>(Disclosure via the Internet and deemed provision of reference documents etc. for a General Meeting of Shareholders)</u></p> <p><u>Article 14. When convening a General Meeting of Shareholders, it may be deemed that the Company has provided shareholders with the information with respect to matters which shall be stated or presented in reference documents for the General Meeting of Shareholders, business reports, and non-consolidated and consolidated financial statements by disclosing said information via the Internet pursuant to the provisions of the applicable ordinance of the Ministry of Justice.</u></p>	<p>(Deleted)</p>
<p>(Newly established)</p>	<p><u>(Measures for providing information in electronic format, etc.)</u></p> <p><u>Article 14. In convening a General Meeting of Shareholders, the Company shall take measures for providing</u></p>

(Newly established)

information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. in electronic format.

Paragraph 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 set forth in the Order of the Ministry of Justice 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.

(Supplementary Provisions)

Article 1. The deletion of Article 14 of the current Articles of Incorporation (Disclosure via the Internet and deemed provision of reference documents etc. for a General Meeting of Shareholders) and the proposed Article 14 (Measures for providing information in electronic format, etc.) shall be effective from September 1, 2022.

Article 2. Notwithstanding the provisions of the preceding Article, Article 14 of the current Articles of Incorporation shall remain in force with respect to a General Meeting of Shareholders to be held on a date no later than the last day of February 2023.

Article 3. These supplementary provisions shall be deleted on March 1, 2023 or three (3) months after the date of the preceding General Meeting of Shareholders, whichever is later.

Proposal 3: Election of Seven (7) Board Members

The terms of office of six Board Members, Naohiro Takao, Isao Yoshizawa, Hiroshi Seko, Fumihiko Hirotaki, Makoto Ogo, and Rieko Inaba will expire upon the conclusion of this General Meeting of Shareholders. In order to achieve a more functional Board of Directors, we have added one candidate with experience in company management.

Therefore, we propose the election of seven Board Members, including one new Board Member.

It should be noted that the candidates for Board Member were selected in accordance with our “Selection Criteria and Procedures for Candidates for Board Member” described below. In addition, three of the seven candidates for Board Member are candidates for outside Board Member, both of whom meet our “Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members” described below.

[Selection criteria and procedures for candidates for Board Member]

- The basic policy is to have a Board of Directors that consists of a small number of people in order to speed up the making of management decisions.
- The candidates for Board Member were proposed by the Company President in consideration of diversity, and based on the experience, knowledge, and abilities required for the medium- to long-term creation of corporate value, and were determined by the Board of Directors following deliberations at the voluntary Nomination Advisory Committee.
- The ratio of independent outside Board Members at the Board of Directors has been set at one-third or more, and internationality is also sufficiently considered for Board Members, such as their experiences working or engaging in academic research overseas.
- We recognize that the background of each individual, including their gender and nationality, is a source of diverse perspectives in itself, and we promote the hiring as officers of a diverse range of human resources.

[Independence standards for outside Board Members / Outside Audit & Supervisory Board Members]

In the event of determining that an outside Board Member or outside Audit & Supervisory Board Member meets the requirements set forth below, we will judge that such a person has sufficient independence from the Company.

1. The individual has never worked at the Group.
2. The individual has never worked at an organization that is a major shareholder of the Company.
3. The individual has never worked at a major trading partner (Note) 1 of the Company.
4. The individual has never worked at a major lender (Note) 2 of the Company.
5. The individual has never worked at the lead managing underwriter of the Company.
6. The individual has never worked at the audit firm of the Company.
7. There is currently no major trading relationship (Note) 3 between the Company and the individual, such as in the form of a consulting or advisory agreement, and there has been no such relationship in the past five years.
8. The individual has never worked at an organization in which the Company had decided to invest under policy holding purposes.
9. No relatives (Note) 4 of the individual work for the Company.
10. The tenure of the individual as outside Board Member or outside Audit & Supervisory Board Member officer at the Company is less than ten years in total.

(Note) 1. “Major trading partner” refers to a party for which the sales, etc., through the transactions with said trading partner occupy a considerable portion of the sales, etc., of the Company, or to a party that provides a considerable amount of business property, such as

important equipment and materials that are indispensable to the Company for their business activities.

2. “Major lender” refers to our so-called main banks and quasi-main banks.
3. “Major trading relationship” refers to cases where the payments received from the Company exceed ¥10 million per year.
4. “Relative” refers to the spouse of the individual or to a relative within the fourth degree of kinship.

■Candidates for Board Member

No.	Name		Current positions and responsibilities		Attendance at the Board meetings
			Position	Responsibilities	
1	Naohiro Takao	Reappointment	President, Chief Executive Officer		14/14
2	Isao Yoshizawa	Reappointment	Member of the Board, Senior Managing Officer of the Company	In charge of Corporate Management, Compliance Officer	14/14
3	Hiroshi Seko	Reappointment	Member of the Board, Managing Officer of the Company	Engineering Operations Director	14/14
4	Fumihiko Hirotaki	Reappointment	Member of the Board, Managing Officer of the Company	Sales Operations Director	11/11
5	Makoto Ogo	Reappointment Outside Independent	Member of the Board		14/14
6	Keiji Kasamatsu	New Candidate Outside Independent			-
7	Rieko Inaba	Reappointment Outside Independent	Member of the Board		14/14

Outside : A candidate for outside Board Member

Independent : An independent Board Member registered with the Tokyo Stock Exchange

- (Note) 1. In addition to the number meetings of the Board of Directors held in the above table, one resolution was adopted in writing that was deemed to be a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.
2. The number of meetings of the Board meetings that Mr. Fumihiko Hirotaki attended is for meetings that were held after his election as Board Member on June 18, 2021 (JST)
3. Please refer to "Expertise and Experience of Candidates for Board Member and Audit & Supervisory Board Member (Skills Matrix)" on page 21 for the expertise and experience of the candidates for Board Member and the committee members to be appointed.

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
1	<p>Naohiro Takao (August 27, 1960)</p> <p>Number of shares held: 1,372,391 (including 85,815 shares to be issued based on performance-based remuneration)</p> <p>Reappointment</p>	<p>April 1983 Joined Honda Motor Co., Ltd.</p> <p>April 1986 Joined TAKAO KINZOKU KOGYO CO., LTD.</p> <p>June 1990 Business Division General Manager of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>March 1993 Member of the Board of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>August 1993 Research & Development and Planning Division General Manager of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>June 1994 Sales Operations Director of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>June 1995 President of Takao (Thailand) Co., Ltd. (currently G-TEKT (Thailand) Co., Ltd.)</p> <p>May 1996 President of Takao Eastern Co., Ltd. (currently G-TEKT Eastern Co., Ltd.)</p> <p>March 1997 Member of the Board, Managing Director of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>March 1999 President of Takao America Corporation (currently G-TEKT America Corporation)</p> <p>September 1999 Sales Operations Director and Overseas Operations Director of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>May 2004 Member of the Board of Thai G&B Manufacturing Ltd.</p> <p>April 2006 Manufacturing Operations Director of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>April 2011 Member of the Board, Senior Managing Director of the Company Overseas Operations Director of the Company Member of the Board of G-TEKT Europe Manufacturing Ltd. Member of the Board of Auto Parts Alliance (China) Ltd. Member of the Board of Wuhan Auto Parts Alliance Co., Ltd. Member of the Board of Conghua K&S Auto Parts Co., Ltd. (currently Conghua Auto Parts Alliance (China) Ltd.)</p> <p>November 2011 Member of the Board of G-TEKT India Private Ltd.</p> <p>February 2012 Member of the Board of PT.G-TEKT Indonesia Manufacturing</p> <p>April 2014 Vice President and Member of the Board of the Company</p> <p>April 2015 Vice President and Managing Officer of the Company Komisaris of PT.G-TEKT Indonesia Manufacturing</p> <p>June 2015 Member of the Board of G-TEKT North America Corporation</p> <p>April 2016 President, Chief Executive Officer of the Company (incumbent)</p>
	<p>Reasons for nomination as candidate for Board Member</p>	<p>Mr. Naohiro Takao, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in manufacturing, sales, and overseas business, etc.</p> <p>Since being appointed President in April 2016, he has led business strategies for the entire group, including the establishment of the G-TEKT TOKYO LAB, which is a key base for technological developments in anticipation of the spread of EVs, as well as overseas expansion.</p> <p>In addition, he has strongly driven the business of the Company as the top manager, including promptly responding to changes in circumstances that were caused by the spread of the novel coronavirus in 2020.</p> <p>Based on the above, we have determined that he has the knowledge required for the management of the Company, is suitable for supervising the Company in general, and therefore we have again nominated him as candidate for Board Member.</p>

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
2	Isao Yoshizawa (April 27, 1957) Number of shares held: 35,348 (including 24,448 shares to be issued based on performance-based remuneration) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointment</div>	April 1981 April 2003 April 2008 April 2011 April 2013 April 2014 June 2014 April 2015 April 2021	Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Deputy Manager of Settlement & Clearing Service Department of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Joined KIKUCHI CO., LTD. Advisor of Corporate Management Operations of KIKUCHI CO., LTD. Legal Division General Manager, Corporate Management Operations of the Company Officer of the Company, Corporate Management Operations Deputy Director of the Company Senior Officer of the Company Member of the Board, In charge of Corporate Management of the Company (incumbent) Compliance Officer of the Company (incumbent) Member of the Board, Managing Officer of the Company Member of the Board, Senior Managing Officer of the Company (incumbent)
	Reasons for nomination as candidate for Board Member	<p>Mr. Isao Yoshizawa, since joining the Company in April 2008 after having worked at financial institutions, has used his many years of experience in investment banking globally to perform in legal and financial field, and has deepened his experience and knowledge of group management at the Company.</p> <p>Since being appointed as Board Member in 2014, he has engaged in human resource development measures and efforts to improve capital policy and corporate governance, and has contributed to the reforming of our management structure.</p> <p>Based on the above, we have determined that he has the experience and knowledge required for the management of business at the Company, is suitable for supervising the Company in general, and we have therefore again nominated him as candidate for Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
3	<p>Hiroshi Seko (June 6, 1961)</p> <p>Number of Shares Held: 20,521 (including 14,421 shares to be issued based on performance-based remuneration)</p> <p style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</p>	<p>March 1984</p> <p>April 2008</p> <p>April 2011</p> <p>August 2011</p> <p>April 2013</p> <p>April 2014</p> <p>April 2019</p> <p>April 2020</p> <p>June 2020</p>	<p>Joined TAKAO KINZOKU KOGYO CO., LTD.</p> <p>Engineering Division General Manager of TAKAO KINZOKU KOGYO CO., LTD.</p> <p>Stamping Engineering Division II General Manager, Engineering Operations of the Company</p> <p>Stationed to G-TEKT Europe Manufacturing Ltd.</p> <p>Chief Operating Officer for Regional Operations (Europe) and Managing Director of G-TEKT Europe Manufacturing Ltd.</p> <p>Officer of the Company</p> <p>Engineering Operations Director of the Company (incumbent)</p> <p>Managing Officer of the Company</p> <p>Member of the Board, Managing Officer of the Company (incumbent)</p>
	<p>Reasons for nomination as candidate for Board Member</p>	<p>Mr. Hiroshi Seko, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in technology and overseas business, etc.</p> <p>Since being appointed as Board Member in 2020, he has played a leading role in improving technological development and profitability based on trends in state-of-the-art technology in the European automobile market.</p> <p>Based on the above, we have determined that he is suitable for leading the Company's sustainable growth as well as carrying out supervision as he has the experience and knowledge required for the management of business at the Company, in the technology field in particular, and we have therefore again nominated him as candidate for Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
4	Fumihiko Hirotaki (November 23, 1964) Number of shares held: 16,998 (including 12,598 shares to be issued based on performance- based remuneration) <div style="border: 1px solid black; padding: 2px; width: fit-content;">Reappointment</div>	March 1987 February 2008 April 2011 April 2015 April 2019 April 2021 June 2021	Joined TAKAO KINZOKU KOGYO CO., LTD. President of Takao Eastern Co., Ltd. (currently G-TEKT Eastern Co., Ltd.) Sales Division I General Manager, Sales Operations of the Company Officer of the Company Sales Operations Deputy Director of the Company Sales Operations Director of the Company (incumbent) Managing Officer of the Company Member of the Board, Managing Officer of the Company (incumbent)
	Reasons for nomination as candidate for Board Member	<p>Mr. Fumihiko Hirotaki, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in sales and overseas business, etc.</p> <p>Through his service as Sales Operations Deputy Director from 2015 and as Sales Operations Director since 2019, he has endeavored to maintain and expand relationships with existing trading partners as well as to achieve new orders from a plurality of trading partners both inside and outside of Japan, and has contributed to a significant expansion in sales.</p> <p>Based on the above, we have determined that he is suitable for leading the Company's sustainable growth as well as carrying out supervision as he has the experience and knowledge required for the management of business at the Company, in the sales field in particular, and we have therefore nominated him as candidate for Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
5	<p>Makoto Ogo (April 6, 1958)</p> <p>Number of shares held: -</p> <p>Reappointment</p> <p>Outside</p> <p>Independent</p>	<p>April 1986</p> <p>October 2000</p> <p>June 2002</p> <p>April 2011</p> <p>June 2013</p> <p>March 2015</p> <p>June 2015</p> <p>April 2016</p> <p>March 2021</p>	<p>Registered as an attorney at law Yanagida Nomura Law Offices (currently Yanagida & Partners) (incumbent)</p> <p>Leaving for Daiwa Securities Group Inc. Corporate Planning Department and Legal Management Division</p> <p>Outside Audit & Supervisory Board Member of NIF Ventures Co., Ltd. (currently Daiwa Corporate Investment Co., Ltd.)</p> <p>Outside Audit & Supervisory Board Member of Maruzen CHI Holdings Co., Ltd.</p> <p>Independent Outside Member of the Board of the Company (incumbent)</p> <p>Outside Audit & Supervisory Board Member of Lilycolor Co., Ltd.</p> <p>Outside Board Member of Nihon Kasei CO., LTD</p> <p>Outside Board Member of Maruzen CHI Holdings Co., Ltd. (Audit & Supervisory Committee Member) (incumbent)</p> <p>Outside Board Member of Lilycolor Co., Ltd. (Audit & Supervisory Committee Member) (incumbent)</p>
	<p>Reasons for nomination as candidate for outside Board Member and overview of expected roles</p>	<p>Although Mr. Makoto Ogo has not been directly involved in the company management in the past, he has accumulated many years of experience through his involvement in a broad range of cases, also including international cases, as an attorney at law, and also has experience serving as an outside Audit & Supervisory Board Member, thereby gaining significant knowledge and abilities in corporate legal affairs.</p> <p>From this background, and based also on the management environment of the Company, which is actively developing overseas, we expect that he will contribute to the monitoring of the Company in general, including the presentation of specialist opinions from an objective perspective that are useful for highly transparent management, and we have therefore nominated him as a candidate for outside Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
6	Keiji Kasamatsu (January 20, 1955) Number of shares held: - <input type="text" value="New Candidate"/> <input type="text" value="Outside"/> <input type="text" value="Independent"/>	April 1977 April 2004 April 2008 April 2009 April 2011 April 2014 June 2016 June 2019	Joined Mitsui & Co., Ltd. General Manager, Automotive Steel Division, of Mitsui & Co., Ltd. Executive Managing Officer, General Manager of Second Unit of Mitsui & Co. Steel Ltd. Director and Chairman of Steel Technologies LLC (United States) Director of Mitsui & Co., Ltd. Representative Director and President of Mitsui & Co. Steel Ltd. President of Mitsui & Co. Group Pension Fund Outside Director of Chubu Steel Plate Co., Ltd.
	Reasons for nomination as candidate for outside Board Member and overview of expected roles	<p>Mr. Keiji Kasamatsu has extensive and wide-ranging knowledge of business relationships and commercial practices within the automotive industry, based on his many years of experience at a general trading company engaged mainly in transactions involving steel plates for automobiles. He is also expected to provide a high level of insight into various management decisions based on his experience in corporate management.</p> <p>We have nominated him as candidate for outside Board Member in the expectation that he will provide advice on management decisions from a high-level perspective backed by his expertise and contribute to the supervision of management in order for the Company to achieve sustainable growth in the ever-changing automobile industry.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
7	Rieko Inaba (October 23, 1975) Number of Shares Held: - <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Reappointment</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 5px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div>	April 2003 September 2004 March 2005 April 2006 November 2009 April 2013 April 2018 June 2019 April 2022	Inter-University Research Institute Corporation (currently National Institute of Multimedia Education) Assistant of Research and Development Department Visiting Research Fellow of Massachusetts Institute of Technology Visiting Research Fellow of Katholieke Universiteit Leuven Special researcher of National Institute of Information and Communications Technology, Knowledge Creating Communication Research Center Specific Instructor of Graduate School of Informatics, Kyoto University Specially Appointed Associate Professor, Department of Computer Science, Tsuda University Associate Professor of Department of Computer Science, Tsuda University Independent Outside Member of the Board of the Company (incumbent) Professor of Department of Computer Science, Tsuda University (incumbent)
	Reasons for nomination as candidate for outside Board Member and overview of expected roles	Although Ms. Rieko Inaba has not been directly involved in the company management in the past, she has been engaged in research centered on information technology, language, and communication as a researcher at a higher education institution, and has engaged in a broad range of research activities, including the writing of academic papers and books. She has further been involved in educational activities including taking charge of training in her field and college lectures, and has gained advanced knowledge as a researcher and educator. Based on such a background, we expect that she will give useful opinions and advice, etc., on management-related matters of the Company from an objective perspective, and will contribute to the monitoring of the Company in general, and therefore we have nominated her as a candidate for outside Board Member.	

- (Note)
1. The Company has no special interest with each candidate.
 2. The Company has entered into a liability agreement with Mr. Makoto Ogo and Ms. Rieko Inaba, which their liability shall be limited to the minimum liability amount stipulated by laws and regulations under Article 423, Paragraph 1 of the Companies Act. If their reelection is approved, the Company intends to extend the agreement with them. In addition, upon the approval for Mr. Keiji Kasamatsu's appointment as a Board Member, the company will enter into the agreement with him.
 3. Mr. Makoto Ogo and Ms. Rieko Inaba are candidates for outside Board Member of the Company, who satisfy the "Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members" of the Company and the requirements of Independent Board Members as stipulated by the Tokyo Stock Exchange. The Company has registered them as Independent Board Members as stipulated by the said Exchange.
 4. Mr. Keiji Kasamatsu is a candidate for outside Board Member of the Company, who satisfies the "Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members" of the Company and the requirements of Independent Board Member as stipulated by the Tokyo Stock Exchange. Upon the approval for his appointment, the Company will register him as Independent Board Member as stipulated by the said Exchange.
 5. Mr. Makoto Ogo's term of office as outside Board Member of the Company will be 9 years at the conclusion of this meeting.
 6. Ms. Rieko Inaba's term of office as outside Board Member of the Company will be 3 years at the conclusion of this meeting.
 7. The Company has entered into a directors and officers liability insurance policy, the content of which has been summarized below, and plans to renew this policy in April 2023. Upon the reappointment or election of the seven (7) candidates for Board Member, each of the candidates will be covered under this insurance policy.

[Overview of the insurance policy]

(i) Actual portion of insurance premiums borne by the insureds

Approximate 10% of the insurance premiums will be borne by the insured, including Board Members, Audit & Supervisory Board Members, and Executive Officers.

(ii) Overview of insurance incidents subject to compensation

The policy will compensate the insured for damage incurred through claims for damages, etc., that are filed during the insurance term in relation to the execution of the duties of the insured.

Proposal 4: Election of One (1) Audit & Supervisory Board Member

As Mr. Takahiro Nakanishi, an incumbent Audit & Supervisory Board Member, will resign from his position at the close of this General Meeting of Shareholders, it is proposed that one (1) new Audit & Supervisory Board Member be elected. Prior to the submission of this proposed item, we have already obtained the consent of Audit & Supervisory Board.

The candidate for a position as Audit & Supervisory Board Member is as follows.

	Position	Attendance at the Board meetings	Attendance at Audit & Supervisory Board meetings
Yoshiaki Kawakubo New Candidate	-	-	-

Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
Yoshiaki Kawakubo (September 13, 1963) Number of Shares Held: 1,600 (including 0 shares to be issued based on performance-based remuneration) New Candidate	<p>April 1986 Joined Cosmo Securities Co., Ltd.</p> <p>November 1999 Joined KIKUCHI CO., LTD.</p> <p>April 2001 Stationed to Jefferson Southern Corporation</p> <p>July 2014 Stationed to Jefferson Industries Corporation</p> <p>April 2015 Overseas Business Division General Manager, Overseas Operations of the Company</p> <p>April 2017 Chief Auditor, Business Audit Office of the Company</p> <p>April 2018 General Manager, Business Audit Office of the Company</p>
Reasons for nomination as candidate for Audit & Supervisory Board Member	<p>Since joining the Company, Mr. Yoshiaki Kawakubo has been engaged in work related to overseas operations for many years, providing overseas support at financial institutions and working at two local entities in Europe and the United States, leveraging these experiences in his work. During his overseas assignment, he gained abundant experience mainly in finance and business management at subsidiaries. After returning to Japan, he deepened his knowledge of the Group's management through supervision and support of overseas business operations as General Manager of the Overseas Business Division. In his work with our audit unit, he has also overseen audit operations for the entire Group. Based on this career experience, we have determined that he is capable of conducting audits of the Company's overall corporate management based on the Company's actual conditions as an Audit & Supervisory Board Member originating from within the Company, and therefore we have nominated him as candidate for Audit & Supervisory Board Member.</p>

- (Note) 1. The Company has no special interest with Mr. Yoshiaki Kawakubo.
2. The Company has entered into a directors and officers liability insurance policy, the content of which has been summarized below, and plans to renew this policy in April 2023. Upon the approval for Mr. Yoshiaki Kawakubo's appointment as an Audit & Supervisory Board Member, he will be covered under this insurance policy.

[Overview of the insurance policy]

(i) Actual portion of insurance premiums borne by the insureds

Approximate 10% of the insurance premiums will be borne by the insured, including Board Members, Audit & Supervisory Board Members, and Executive Officers.

(ii) Overview of insurance incidents subject to compensation

The policy will compensate the insured for damage incurred through claims for damages, etc., that are filed during the insurance term in relation to the execution of the duties of the insured.

(Reference)

Expertise and Experience of Candidates for Board Member and Audit & Supervisory Board Member (Skills Matrix)

The holding of lively discussion from different perspectives between diverse persons of varying specialties will result in management that enables the realization of our corporate philosophy through improvement in corporate value in the medium to long term.

Name and affiliation	Board of Directors						
	Naohiro Takao August 27, 1960	Isao Yoshizawa April 27, 1957	Hiroshi Seko June 6, 1961	Fumihiko Hirota November 23, 1964	Makoto Ogo April 6, 1958 Independent Outside	Keiji Kasamatsu January 20, 1955 New candidate Independent Outside	Rieko Inaba October 23, 1975 Independent Outside
Committee member planned to be appointed, etc.	President, Chief Executive Officer	Member of the Board, Senior Managing Officer	Member of the Board, Managing Officer	Member of the Board, Managing Officer	Member of the Board	Member of the Board	Member of the Board
	Nomination Advisory Committee Member	Nomination Advisory Committee Member			Chairperson, Nomination Advisory Committee	Nomination Advisory Committee Member	Nomination Advisory Committee Member
	Remuneration Advisory Committee Member	Remuneration Advisory Committee Member			Chairperson, Remuneration Advisory Committee	Remuneration Advisory Committee Member	Remuneration Advisory Committee Member
	Chairperson of the Board of Directors						
Length of service	29 years	8 years	2 years	1 year	9 years	-	3 years
Business administration	●	●	●	●		●	
Technology/R&D	●		●	●			
Sales and marketing	●		●	●		●	
Manufacturing/Quality Management	●		●	●			
Finance	●	●				●	
Legal affairs and risk management	●	●			●	●	●
ESG (Environment, society, governance)	●	●	●	●	●	●	●

[Tenure as Board member]		
0 to 5 years	4 people	
5 to 15 years	2 people	
15 years or more	1 person	

Name and affiliation	Audit and Supervisory Board			
	Kesao Tamura June 2, 1961	Yoshiaki Kawakubo September 13, 1963 New candidate	Yasunori Niizawa December 6, 1954 Independent Outside	Yasuo Kitamura March 8, 1965 Independent Outside
Committee member planned to be appointed, etc.	Audit and Supervisory Board Member (full-time)	Audit and Supervisory Board Member (full-time)	Audit and Supervisory Board Member	Audit and Supervisory Board Member
Length of service	7 years	-	3 years	3 years
Business administration	●			
Technology/R&D				
Sales and marketing				
Manufacturing/Quality Management	●			
Finance	●	●	●	
Legal affairs and risk management		●		●
ESG (Environment, society, governance)	●	●	●	●

The Skills Matrix shows the correspondence between the expertise and experience that we expect from our Board Members and Audit & Supervisory Board Members in promoting the New G-TEKT Management Strategy and the expertise and experience possessed by each. In addition to “Business administration,” which handles the proposal and advancement of supervision and strategy for the corporate organization, “Legal affairs and risk management” and “Finance,” which are key to sound organizational operations, and “Technology/R&D,” “Sales and marketing,” and “Manufacturing/Quality Management,” which are central to our business activities, we consider “ESG,” which is essential for sustainable growth, as necessary expertise and experience.

Business Report
(From April 1, 2021 to March 31, 2022)

1. Status of the Corporate Group

(1) Overview of business this consolidated fiscal year

(i) Progress and results of operations

The global economy during this consolidated fiscal year has shown a recovery trend, although varied between countries and regions, amid a gradual rebound in economic activities thanks to progress in the countermeasures against COVID-19 around the world and relaxation of restrictions on activities. On the other hand, the resumption of economic activity was followed by supply constraints, sharp rises in resource and energy prices, and labor shortages, leading to rising inflation. Outlooks remain uncertain amid a shift to tighter monetary policy, particularly in the U.S., and with the impact of the invasion of Ukraine.

In the automobile industry, production and sales activities rebounded due to a global recovery in demand. However, supply chain risks became apparent due to shortages in semiconductors and other parts, and major customers suspended or adjusted production.

While responding to immediate production fluctuations, the Company has been working on the four priority items described below under the New G-TEKT Management Strategy in order to survive this period of major transformation in the automobile industry, accurately capturing the strategies of its customers and changes in the market as a supplier.

- (1) Action for the global environment
- (2) Establishment of EV-related business
- (3) Improvement of the diversity of human resources
- (4) Transformation of existing businesses

In addressing the global environment, we declared that we would aim for virtually zero CO₂ emissions by FY 2050. The majority of the Company's CO₂ emissions are due to electricity consumption in manufacturing processes. We will transition these processes to electricity derived from renewable energy sources. In addition, we are investing in energy conservation at our factories, including switching to LED lighting. The COVID-19 pandemic and the crisis in Ukraine have prompted finished vehicle manufacturers to shift to electric vehicles (EVs) en masse. Honda, one of our customers, has announced that it will produce more than two million EVs per year globally by 2030, and that all of its models will become EVs and FCVs by 2040. We see the shift to EVs as an opportunity for growth, and we are developing and mass-producing motor cores, battery housings, and EV body-specific parts. Going forward, we have set a goal of ¥70 billion for research and development and capital investment in EV-related business over the next 10 years, with a target business scale of ¥100 billion in net sales. To promote such transformation, we will focus on investing in diverse human resources.

In order to accelerate new business, we will acquire human resources with the necessary skills and experience and form an organization and human resource policies facilitative of work. In addition, we are working toward business transformation in existing vehicle body parts and other areas, and we are using DX to achieve transformation in the areas of quality and cost.

Business performance for this consolidated fiscal year was as follows. Net sales were ¥236,503 million (a year-on-year increase of 12.9%) and operating profit was ¥10,931 million (a year-on-year increase of 35.8%). Ordinary profit was ¥12,532 million (a year-on-year increase of 44.8%) and net income attributable to owners of parent was ¥8,878 million (a year-on-year increase of 35.9%).

During this period, a series of new models previously delayed by the COVID-19 pandemic were launched.

Major models included Honda's Civic, global favorite which launched in Japan, North America, Asia, and China. For EVs, Honda's e: N series launched in China, while Toyota and Subaru launched respective models in their bZ4X and Solterra lines. We look forward to expanding mass production sales here.

The following describes segment performance by region.

[Japan and North America]

Sales of vehicle body parts declined as clients cut production due to difficulties procuring semiconductors and other parts.

Both sales and profits declined as fixed costs could not be covered in the face of sharp production fluctuations.

In particular, a tight labor market and inflation in the United States drove up labor and manufacturing costs, putting pressure on earnings. We will pursue fundamental management reforms at our subsidiaries to rectify performance as quickly as possible and prepare for the expansion of EV-related business in North America.

[Europe and South America]

Both sales and profits increased significantly due to contributions from mass production of new orders and relatively small impact from the semiconductor supply shortage. In Europe, we will promote research and sales activities, capturing the trend toward EVs.

[China]

Although customers cut production volumes due to semiconductor shortages, sales increased due to increasing orders from other companies and unit price revisions for materials. Profits decreased due to labor costs and other cost factors.

[Asia]

Production activities recovered amid easing of lockdowns, resulting in a significant increase in both sales and profits (compared to an operating loss in the previous period).

◆Sales and operating profit or loss by region

Region	Sales			Operating profit or loss		
	The 10th year (Year ended March 31, 2021)	The 11th year (Year ended March 31, 2022)	Year-on-year change (%)	The 10th year (Year ended March 31, 2021)	The 11th year (Year ended March 31, 2022)	Year-on-year change (%)
	Amount (Billions of yen)	Amount (Billions of yen)		Amount (Billions of yen)	Amount (Billions of yen)	
Japan	49.7	45.9	(7.7)	(0.5)	(0.9)	-
North America	70.0	65.5	(6.5)	(0.1)	(2.3)	-
Europe	17.7	21.8	23.2	2.8	4.3	54.7
Asia	23.6	31.8	34.9	(0.5)	2.2	-
China	56.2	70.4	25.4	6.3	5.9	(6.5)
South America	5.1	10.9	111.9	(0.2)	2.1	-
Consolidation adjustment	(12.9)	(9.8)	-	0.3	(0.4)	-
Total	209.4	236.5	12.9	8.1	10.9	35.8

(Note) The above figures are rounded to the nearest 100 million yen. Year-on-year change ratio is calculated in units of million yen.

◆Sales by business segment

Business segment	The 10th year (Year ended March 31, 2021)		The 11th year (Year ended March 31, 2022)		Year-on-year change (%)
	Amount (Billions of yen)	Composition ratio (%)	Amount (Billions of yen)	Composition ratio (%)	
Auto body components	173.2	82.7	198.3	83.8	14.5
New vehicle model development	27.4	13.1	29.5	12.5	7.6
Transmission parts	7.2	3.5	6.7	2.8	(7.3)
Other	1.6	0.7	2.0	0.9	28.2
Total	209.4	100.0	236.5	100.0	12.9

(Note) The above figures are rounded to the nearest 100 million yen. Composition ratio and year-on-year change ratio are calculated in units of million yen.

(ii) Capital expenditures

This period, model investment in conjunction with the launch of new models was ¥7.7 billion (a year-on-year fall of 9.3%). On the other hand, as a result of the investment in expansion of production capacity, quality assurance etc., fundamental investment was ¥6.6 billion (a year-on-year decrease of 50.0%), and total investment was ¥14.2 billion (a year-on-year decrease of 34.0%).

Region	Amount (Billions of yen)			Details of fundamental investment
	Model investment	Fundamental investment	Total	
Japan	0.7	2.2	2.9	Quality assurance center, multipurpose equipment and quality inspection equipment
North America	0.1	1.5	1.6	JEC and ATA welding equipment
Europe	1.2	0.2	1.4	G-TEM and G-TES welding equipment
Asia	3.7	0.6	4.3	Plant expansion of G-TIM
China	1.7	2.0	3.7	APAC press machine and welding equipment
South America	0.3	0	0.3	-
Total	7.7	6.6	14.2	-

(Note) The above figures are rounded to the nearest 100 million yen.

(iii) Financing

We procure funding by borrowing from financial institutions. We maintain a credit rating of “A-” from Rating and Investment Information, Inc. (R&I) and strive to procure stable funds at low interest rates.

(iv) Acquisitions and disposals of shares, other equities, and share acquisition rights in other companies

This item is not applicable.

(2) Status of assets and profit and loss

(Billions of yen)

	The 8th year (FY 2018)	The 9th year (FY 2019)	The 10th year (FY 2020)	The 11th year (FY 2021)	Year-on-year	
					Amount	Ratio (%)
Net sales	255.6	228.3	209.4	236.5	27.1	12.9
Operating profit	16.8	8.7	8.1	10.9	2.8	35.8
Ordinary profit	17.4	8.7	8.7	12.5	3.8	44.8
Profit attributable to owners of parent	10.5	5.6	6.5	8.9	2.4	35.9
Earnings per share (yen)	243.11	131.35	152.15	206.68	54.53	35.8
Total assets	225.3	232.2	238.0	282.5	44.5	18.7
Net assets	133.5	131.6	145.1	163.9	18.8	13.0
Net assets per share (yen)	2,838.35	2,803.15	3,117.66	3,543.98	426.32	13.7
Return on equity (%)	8.7	4.7	5.1	6.2	—	—
Return on asset (%)	7.7	3.8	3.7	4.8	—	—
Operating profit margin (%)	6.6	3.8	3.8	4.6	—	—

(Note) 1. The above figures are rounded to the nearest 100 million yen. Profit margin and year-on-year change ratio are calculated in units of million yen.

2. At the beginning of this consolidated fiscal year, the Company adopted the Revised Accounting Standard for Revenue Recognition (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) and other relevant regulations. Indicators for this consolidated fiscal year reflect a retroactive application of this accounting standard and its relevant regulations.

(3) Capital policy

The Company, with the objective of sustainable growth and the improvement of corporate value in the medium to long term, has set a basic policy of maintaining shareholders' equity at a level that can tolerate growth investment and risk, while implementing stable and ongoing returns to shareholders. In the future as well, we will meet the expectations of long-term investors by continuing this basic policy.

In the current consolidated fiscal year, the Company paid a commemorative dividend to celebrate the 10th anniversary of the launch of G-TEKT. As with the interim dividend, we plan to pay a commemorative dividend for the year-end dividend as well. Both will be 3 yen per share each as a commemorative dividend. Together with the interim dividend of 28 yen, the annual dividend will be 56 yen per share, an increase of 6 yen from the previous fiscal year. For the next fiscal year (ending March 31, 2023), we plan to pay both interim and year-end dividends of 29 yen per share, for an annual dividend of 58 yen per share, which is an increase of 2 yen from the previous year.

(4) Status of major parent company and subsidiaries

(i) Relationship with parent company

This item is not applicable.

(ii) Status of major subsidiaries

Name of Company	Amount of Capital	Voting Rights Ratio	Major Lines of Business
Jefferson Industries Corporation	US\$ 40 million	62.6%	Manufacturing of auto body components
Jefferson Southern Corporation	US\$ 23 million	100.0% (91.3)	Same as above
Austin Tri-Hawk Automotive, Inc.	US\$ 18 million	93.6%	Same as above
G-TEKT America Corporation	US\$ 14million	85.0%	Same as above
Jefferson Elora Corporation	C\$ 24 million	100.0% (88.8)	Same as above
G-TEKT MEXICO CORP. S.A. DE C.V.	US\$ 20 million	100.0%	Manufacturing of auto body components and transmission parts
G-TEKT Europe Manufacturing Ltd.	£12 million	100.0%	Manufacturing of auto body components
G-TEKT Slovakia, s.r.o.	€28 million	100.0% (20.0)	Same as above
G-TEKT (Thailand) Co., Ltd.	THB 140 million	52.3%	Same as above
G-TEKT Eastern Co., Ltd.	THB 507 million	100.0%	Same as above
Thai G&B Manufacturing Ltd.	THB 74 million	100.0%	Same as above
G-TEKT India Private Ltd.	INR 650 million	100.0%	Same as above
PT.G-TEKT Indonesia Manufacturing	US\$ 61 million	100.0%	Manufacturing of auto body components and transmission parts
Auto Parts Alliance (China) Ltd.	US\$ 38 million	100.0%	Same as above
Wuhan Auto Parts Alliance Co.,Ltd.	US\$ 15 million	100.0%	Manufacturing of auto body components
Conghua Auto Parts Alliance (China) Ltd.	CNY 35 million	100.0% (100.0)	Same as above
G-KT do Brasil Ltda.	BRL 52 million	100.0%	Same as above

(Note) 1. The figures stated in brackets in the column of “Voting Rights Ratio” represent the indirect ownership ration.

- Jefferson Southern Corporation and Jefferson Elora Corporation are subsidiaries of Jefferson Industries Corporation.
- On March 11, 2022, Auto Parts Alliance (China) Ltd. increased its capital by US\$ 4,505 thousand. The purpose was to improve management efficiency and strengthen sales capabilities, etc. in the Guangzhou region of China through an investment in kind of all the equity of Conghua Auto Parts Alliance (China) Ltd.
- Conghua Auto Parts Alliance (China) Ltd. is a subsidiary of Auto Parts Alliance (China) Ltd. Its trade name was changed from Conghua K&S Auto Parts Co., Ltd. as a result of the investment in kind on March 11, 2022.

(iii) Status of specified wholly owned subsidiaries as of the end of the fiscal year

This item is not applicable.

(iv) Other important status of business combination

Name of Company	Amount of Capital	Voting Rights Ratio	Major Lines of Business
G-ONE AUTO PARTS DE MEXICO, S.A. DE C.V.	US\$60 million	50.0%	Manufacturing of auto body components

(5) Issues that should be addressed

The external environment has changed dramatically in recent years, including major changes in the automobile industry and climate change issues. In May 2021, we set forth the New G-TEKT Management Strategy to chart a new course for the future. In order to accelerate efforts in the area of electric vehicles, proactively address climate change issues, and achieve further growth, we will accelerate the following activities.

(i) Action for the global environment

We will take action to reduce greenhouse gas emissions in order to contribute to the realization of a decarbonized society. The Company's main greenhouse gas emissions from business activities (Scopes 1 and 2) are CO₂ emissions associated with the use of electricity derived from fossil fuels. For reducing CO₂ emissions, we have set the goals of 50% reduction in Scopes 1 and 2 by FY 2030 (vs. 2013) and 100% reduction in FY 2040, and we are working to switch to the use of electricity derived from renewable energy sources and to upgrade our facilities for better electricity-saving performance. In Scope 3, we are working on measures to reduce CO₂ emissions in logistics with the goal of virtually zero CO₂ emissions in FY 2050. In addition, we are promoting disclosures aligned to the framework of the Task Force for Climate-related Financial Disclosures (TCFD), such as identifying risks and opportunities from business activities associated with climate change.

(ii) Establishment of EV-related business

Looking at the global shift to electric vehicles as an opportunity for business expansion of the Company, we will work to establish business related to EVs, focused on battery housings and motor cores, both used in EVs. With regard to battery housings, the Company is promoting initiatives to propose waste-free, optimal platforms through bundled development of body and battery housings based on its accumulated whole vehicle-body analysis technologies. In motor cores, we have started developing mass production technology using prototype dies, while proceeding with motor core technology development and plans to build in-house production lines for verifying the quality and productivity of suppliers.

(iii) Improvement of the diversity of human resources

To respond to a rapidly changing business environment, we will work to develop and secure human resources of diverse knowledge and experience. From a perspective of improvement of the individual diversity of our employees, we are working to develop and promote human resources internally, while strengthening the use of competent external human resources in new business areas, and so forth, where securing specialists is an urgent priority. Furthermore, in the area of promoting active participation of women, which we are currently addressing, in addition to fostering female leaders, we are taking steps to create plants that are comfortable for all workers, in order to fully engage in recruitment of women at our domestic plants. To support these activities, we will revise and enhance our personnel systems, build more appealing workplaces, and create systems that enable employees to continue working with confidence.

(iv) Transformation of existing businesses

Through our DX (Digital Transformation) project under the direct supervision of the President, we will utilize digital technologies to transform our organization, including operational processes, mainly in the areas of quality assurance and cost. In the quality assurance area, in 2021 established the G-TEKT Quality Assurance Center (GQC) in Tokyo, and we build systems with stronger prediction and prevention functions by visualizing the quality information of the Group globally and monitoring it. We are also working urgently to establish quality assurance systems suitable for our new business areas. In the area of cost, we are working to ascertain manufacturing costs in real time and in greater detail than ever before in order to improve the accuracy of cost planning and enable profitable product design from the development stage.

(6) Major businesses (as of March 31, 2022)

The Group (the Company and its affiliates) is comprised of the Company, 21 consolidated subsidiaries, and one affiliate accounted for by the equity method, and our main business is the manufacture and sale of automobile parts in Japan, North America, Europe, Asia, China, and South America.

The Company manufactures and sells auto parts to domestic customers, and manufacturing and sales to overseas customers are carried out by local subsidiaries and affiliates in North America, Europe, Asia, China, and South America with technical assistance from the Company.

Production equipment such as dies, jigs and tools is mainly supplied by the Company, G-TEKT (Thailand) Co., Ltd. and Auto Parts Alliance (China) Ltd. within the group.

(7) Major offices and plants (as of March 31, 2022)

(i) the Company

Head Office (Saitama-shi, Saitama)

Sales

C&C Tochigi (Takanezawa-machi, Shioya-gun, Tochigi)

Engineering, R&D and Quality Assurance

G-TEKT Technical Center (Hamura-shi, Tokyo)

G-TEKT TOKYO LAB (Hamura-shi, Tokyo)

G-TEKT Quality Assurance Center (Hamura-shi, Tokyo)

Production

Saitama Plant (Fukaya-shi, Saitama)

Hamura Plant (Hamura-shi, Tokyo)

Shiga Plant (Koka-shi, Shiga)

Tochigi Plant (Sakura-shi, Tochigi)

Gunma Plant (Ota-shi, Gunma)

(Note) 1. As of November 2021, Hamura office has changed its name to G-TEKT Technical Center.

2. As of December 2021, G-TEKT Quality Assurance Center has started its operation.

(ii) Subsidiaries

Production

Jefferson Industries Corporation (Ohio, U.S.)	G-TEKT India Private Ltd. (Rajasthan, India)
Jefferson Southern Corporation (Georgia, U.S.)	PT.G-TEKT Indonesia Manufacturing (West Java, Indonesia)
Austin Tri-Hawk Automotive, Inc. (Indiana, U.S.)	Auto Parts Alliance (China) Ltd. (Guangzhou, Guangdong Province, China)
G-TEKT America Corporation (Michigan, U.S.)	Wuhan Auto Parts Alliance Co.,Ltd. (Wuhan, Hubei Province, China)
Jefferson Elora Corporation (Ontario, Canada)	Conghua Auto Parts Alliance (China) Ltd. (Guangzhou, Guangdong Province, China)
G-TEKT MEXICO CORP. S.A. DE C.V. (Guanajuato, Mexico)	G-KT do Brasil Ltda. (Sao Paulo, Brazil)
G-TEKT Europe Manufacturing Ltd. (Gloucester, U.K.)	
G-TEKT Slovakia, s.r.o. (Nitra, Slovakia)	
G-TEKT (Thailand) Co., Ltd. (Ayutthaya, Thailand)	
G-TEKT Eastern Co., Ltd. (Rayong, Thailand)	
Thai G&B Manufacturing Ltd. (Rayong, Thailand)	

Sales, research and development

G-TEKT North America Corporation (Ohio, U.S.)
G-TEKT (Deutschland) GmbH. (Bavaria, Germany)
G-TEKT (Shanghai) Technical & Trading Co., Ltd. (Shanghai, China)

- (Note) 1. As of March 11, 2022, Conghua K&S Auto Parts Co., Ltd. has changed its trade name to Conghua Auto Parts Alliance (China) Ltd.
2. As of February 16, 2022, G-TEKT Shanghai Representative Office in China has changed its trade name to G-TEKT (Shanghai) Technical & Trading Co., Ltd. and has become a subsidiary of the Company.
3. As of May 2022, G-TEKT North America Corporation is scheduled to relocate to the state of Michigan, and is carrying out operations at a temporary office established within G-TEKT America Corporation.
4. Global Auto-Parts Alliance India Private Ltd. is liquidation.

(8) Employees (as of March 31, 2022)

(i) Employees of the G-TEKT Group

Number of employees	Change in the number since the previous fiscal year end
8,122 [1,681]	(50) [(86)]

(Note) Number of employees means the number of full-time employees (including employees temporarily transferred to the Company), and the number of temporary employees on the annual average is stated in brackets.

(ii) Employees of the Company

Number of employees	Change in the number since the previous fiscal year end	Average age	Average service years
1,151 (Men: 1,043 Women: 108)	(18)	40 years and 2 months	16 years and 4 month

(Note) Number of employees means the number of full-time employees (including employees temporarily transferred to the Company), the following number of employees does not include: 387 temporary employees, 6 employees transferred to other companies and 103 employees transferred to overseas subsidiaries.

(9) Main loan lenders (as of March 31, 2022)

(Millions of yen)

Name of loan lender	Amount of loan
MUFG Bank, Ltd.	26,493
Sumitomo Mitsui Banking Corporation	12,673
Mizuho Bank, Ltd.	9,518
Sumitomo Mitsui Trust Bank, Limited	4,260
Nippon Life Insurance Company	3,335
Saitama Resona Bank, Limited	2,462

(10) Other important matters concerning the present state of the G-TEKT Group

This item is not applicable.

2. Company Shares (as of March 31, 2022)

- (1) Total number of authorized shares: 100,000,000 shares
(2) Total number of issued shares: 43,931,260 shares (including the Company's treasury stock 545,124 shares)
(3) Number of shareholders: 15,055 (Change in the number since the previous fiscal year end: 3,543)
(4) Principal shareholders

Shareholders	Number of shares held (shares)	Shareholding ratio (%)
Honda Motor Co., Ltd.	13,035,098	30.04
The Master Trust Bank of Japan, Ltd (Trust Account)	3,466,500	7.99
BBH FOR FIDELITY PURITAN TR : FIDELITY SR INTRINSIC OPPORTUNITIES FUND	2,918,382	6.73
Custody Bank of Japan, Ltd. (Trust Account)	2,262,784	5.22
Toshitsugu Kikuchi	2,225,901	5.13
KP K.K.	2,200,800	5.07
TK Holdings Inc.	2,194,344	5.06
Naohiro Takao	1,286,576	2.97
SSBTC CLIENT OMNIBUS ACCOUNT	802,755	1.85
RE FUND 107-CLIENT AC	672,300	1.55

(Note) 1. The Shareholding Ratio is calculated after deducting 545,124 treasury stock.

2. The treasury stock does not include 413,884 shares for performance-based remuneration owned by Custody Bank of Japan, Ltd. (Trust Account)

- (5) Status of shares issued to Board Members and Audit & Supervisory Board Members of the Company as consideration for their execution of duties during the fiscal year ended March 31, 2022

Classification	Number of shares	Number of grantees
Board Members (excluding Outside Board Members)	Common stock 22,372	1
Outside Board Members	Common stock 0	0
Audit & Supervisory Board Members	Common stock 0	0

3. Matters relating to shares held by the Company

(1) Policy on cross-shareholdings of the Company

The Company, upon comprehensive decision-making on the maintenance and strengthening of business relationships, the necessity for business operations, as well as economic rationality, etc., holds listed shares, annual reviews of which are conducted by the Board of Directors, and stocks with little meaning to hold are sold as appropriate.

(2) Standards for the exercising of voting rights of the Company

The exercising of voting rights in relation to held shares is performed appropriately upon examining the possibility of the content of each proposal causing damage to the corporate value of the Company, whether or not such content will be useful for the sound operation of the issuing company, and whether or not it can be expected to improve corporate value.

(3) Stock investments for purposes other than net investment

Brand	Number of shares (shares)	Amount stated on balance sheet (Millions of yen)	Purpose of holding
Mitsubishi UFJ Financial Group, Inc.	447,170	339	Maintenance and enhancement of long-term trading relationship
SUBARU CORPORATION	41,900	81	Maintenance and enhancement of long-term trading relationship
HANWA Co., Ltd.	33,949	109	Maintenance and enhancement of long-term trading relationship
AIDA ENGINEERING, LTD.	14,674	15	Maintenance and enhancement of long-term trading relationship

4. Particulars Regarding the Company's Officers

(1) Names etc. of Board Members and Audit & Supervisory Board Members (as of March 31, 2022)

Position	Name	Responsibilities in the company and significant positions concurrently held
President, Chief Executive Officer of the Company	Naohiro Takao	
Member of the Board, Senior Managing Officer of the Company	Isao Yoshizawa	In charge of Corporate Management, Compliance Officer and Corporate Management Division General Manager
Member of the Board, Managing Officer of the Company	Hiroshi Seko	Engineering Operations Director
Member of the Board, Managing Officer of the Company	Fumihiko Hirotaki	Sales Operations Director

Position	Name	Responsibilities in the company and significant positions concurrently held
Independent Outside Member of the Board of the Company	Makoto Ogo	Attorney at law Outside Board Member of Maruzen CHI Holdings Co., Ltd. (Audit & Supervisory Committee Member) Outside Board Member of Lilycolor Co., Ltd. (Audit & Supervisory Committee Member)
Independent Outside Member of the Board of the Company	Rieko Inaba	Associate Professor of Department of Computer Science, Tsuda University
Audit & Supervisory Board Member	Takahiro Nakanishi	
Audit & Supervisory Board Member	Kesao Tamura	
Independent Outside Audit & Supervisory Board Member	Yasunori Niizawa	Tax accountant Outside Audit & Supervisory Board Member of Kanto Kensetsu Kogyo K.K.
Independent Outside Audit & Supervisory Board Member	Yasuo Kitamura	Attorney at law Outside Board Member of LITALICO Inc. (Audit & Supervisory Committee Member) Outside Audit & Supervisory Board Member of AIMECHATEC, Ltd.

(Note) 1. Board Members Makoto Ogo and Rieko Inaba are outside Board Members.

2. Board Member Makoto Ogo is a qualified attorney at law, and has broad insight and extensive experience.
3. Board Member Rieko Inaba has broad insight and extensive experience as a researcher at a higher education institution.
4. Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura are outside Audit & Supervisory Board Members.
5. Audit & Supervisory Board Member Yasunori Niizawa is a qualified tax accountant, and has considerable knowledge in taxation.
6. Audit & Supervisory Board Member Yasuo Kitamura is a qualified attorney at law, and has broad insight and extensive experience.
7. Board Members Makoto Ogo and Rieko Inaba, and Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura have been registered as independent officers with the Tokyo Stock Exchange.

(2) Summary of details of directors and officers liability insurance policy

The Company has entered into a directors and officers liability insurance policy with an insurance company as prescribed in Article 430-3 Paragraph 1 of the Companies Act, and a summary of the insured and the contents of said insurance policy are provided below.

- Insured: Board Members, Audit & Supervisory Board Members, Executive Officers, management personnel, officers and employees who are dispatched as officers to a non-subsidiary external corporate entity
- Summary of the contents
 - Ratio to be borne by the insured..... Board Members, Audit & Supervisory Board Members, and Executive Officers are to bear approximately 10% of the insurance premiums.

- Insurance incidents subject to compensation... Damage incurred by the insured through claims for damages, etc., that are filed during the insurance term in relation to the execution of the duties of the insured.

(3) Amount of remuneration for Board Members and Audit & Supervisory Board Members

Classification	Total amount of remuneration, etc. (Millions of yen)	Amount of remuneration, etc., by type (Millions of yen)			Number of people
		Basic remuneration	Performance-based remuneration (bonus)	Non-monetary remuneration (share-based remuneration)	
Board Members [of which outside Board Members]	220 [10]	169 [10]	10 [-]	39 [-]	7 [2]
Audit & Supervisory Board Members [of which outside Audit & Supervisory Board Members]	49 [9]	49 [9]	- [-]	- [-]	4 [2]
Total	269	219	10	39	11

- (Note) 1. The maximum remuneration for Board Members was set at ¥500 million per year at the extraordinary general meeting of shareholders held on February 25, 2011. There were six Board Members as of the conclusion of said annual general meeting of shareholders.
2. The amount of monetary remuneration for Audit & Supervisory Board Members was set at up to ¥60 million per year at the annual general meeting of shareholders held on December 22, 1993. There were two Audit & Supervisory Board Members as of the conclusion of said annual general meeting of shareholders.
3. Bonuses are performance-based remuneration aimed at increasing the motivation to contribute while taking appropriate risks for improving business performance, and operating profit, etc. is used as a performance indicator. The amount of bonus is determined by multiplying operating profit for the current fiscal year under review as the standard by a coefficient determined according to the growth rate of operating profit.
4. Issuance of share-based remuneration to Board Members in the form of non-monetary remuneration, etc. The Company has introduced a share-based remuneration system using a trust, points are granted for each fiscal year, and shares are delivered according to the total number of points when each officer retires. It consists of a non-performance-based component to increase motivation to contribute to medium- to long-term improvement of the stock price, and a performance-based component to increase motivation to contribute to short-term improvement of business performance using operating profit as a performance indicator. The amount of performance-based remuneration is determined by multiplying the standard amount for each position by a coefficient according to the performance of operating profit, and points equivalent to ¥11 million were granted in the current fiscal year under review. The trend of operating profit including the current fiscal year under review is as described in “Status of assets and profit and loss.”

(4) Remuneration, etc. for Board Members

- (i) Matters relating to the decision- making policy for the content of individual remuneration, etc. for Board Member

■ Summary

The Company has prescribed a decision-making policy for the content of individual remuneration, etc. for Board Member (“Decision Making Policy”), and the content of individual remuneration, etc. for Board Member, is determined based on this Decision Making Policy, with the objectives of raising the motivation of officers to contribute towards enabling sustainable growth and the improvement of corporate value, as well as towards improving short- and medium-term performance.

<<Composition of remuneration>>

The remuneration system comprises three elements, namely “basic remuneration,” which is a fixed and monthly salary; “bonuses,” which are linked to short-term performance; and “share-based remuneration,” which is linked to stock price and performance. The distribution of remuneration (the ratio of remuneration by type) is based on a ratio of “basic remuneration : bonuses : share-based remuneration = 7:1:2.” Bonuses and share-based remuneration are not paid to non-executive Board Members, including outside Board Members.

<<Basic remuneration>>

For President and Executive Officers and below, remuneration is set as a fixed monthly salary, in accordance with the position, in consideration also of the individual’s responsibilities, length of service, as well as standards and employee salary levels at other companies.

<<Bonuses>>

In regard to bonuses, in the case of operating profit for the period having increased year-on-year, a performance coefficient is determined in consideration of various circumstances, such as operating profit margin, year on year growth rate of operating profit, EPS growth rate, and contribution to ESG (Environment, i.e., climate change, Social contribution activities and Governance), etc., based on operating profit this period, and the aggregate amount is determined accordingly.

Individual remuneration is calculated by multiplying the standard amount determined in accordance with position by the coefficient in accordance with the level of contribution, and is paid at the defined time each year.

<<Share-based remuneration>>

We have introduced a share-based remuneration system that uses a trust, in which we grant points each fiscal year and issue shares in accordance with the total number of points at the time the officer leaves their position. This comprises a non-performance based part for the medium- to long-term improvement of the stock price, as well as a short-term performance-based part, and the specific allocation of points is determined by the Board of Directors and operated based on the Share Issuance Rules.

<<Method for determining remuneration>>

Basic remuneration, bonuses, and share-based remuneration, including the content of individual remuneration, etc., are discussed at the voluntary Remuneration Advisory Committee, which is chaired by the lead independent outside Board Member. The final decision is made by the Board of Directors and entrusted to the President, based on the results of deliberation by the voluntary Remuneration Advisory Committee.

■ Decision-making policy determination method

The decision-making policy was resolved at the meeting of the Board of Directors held on February 26, 2021, in order to establish remuneration that is targeted at the realization of the management policy, and based on the content of deliberations on the proposals deliberated by the voluntary Remuneration Advisory Committee.

■ Reasons for the determination by the Board of Directors that the amount of individual remuneration is in line with the decision-making policy

At the time of the determination of the content of individual remuneration, etc. for Board Member, as a voluntary Remuneration Advisory Committee chaired by an independent outside Board Member conducted a verification of the proposal in light of the decision-making policy, the Board of Directors has determined that the content of the deliberations was in line with the basic policy.

(ii) Matters relating to the entrustment of decisions on the content of individual remuneration, etc. for Board Member

The content of individual remuneration for Board Member in this fiscal year was determined by President Naohiro Takao, based on the resolution of delegation of the Board of Directors.

The content of the authority is the amount of basic remuneration, the amount of bonuses, and the number of shares in share-based remuneration for each Board Member, as well as the distribution of basic remuneration, bonuses, and share-based remuneration. The reason for the delegation of such authority is because the President is a suitable person for evaluating the duties and achievements of each Board Member, in consideration of business performance in light of the business environment surrounding the Company, as well as based on the function of each department as an organization. It should be noted that in order to ensure that the delegated authority is exercised appropriately, the remuneration of each Board Member is deliberated by the voluntary Remuneration Advisory Committee established by the Board of Directors, after which said advisory committee presents a report.

(5) Matters concerning outside Board Members and outside Audit & Supervisory Board Members

(i) Status of important concurrent positions with other corporate entities, etc. (in the case of being a business executor of another corporate entity, etc.), and the relationship between the Company and such other corporate entities, etc.

This item is not applicable.

(ii) Status of important concurrent positions of outside Board Members or outside Audit & Supervisory Board Members with other corporate entities, etc., and the relationship between the Company and such other corporate entities, etc.

- Board Member Makoto Ogo is an outside Board Member (Audit & Supervisory Committee Member) of Maruzen CHI Holdings Co., Ltd. and an outside Board Member (Audit & Supervisory Committee Member) of Lilycolor CO., LTD. It should be noted that there are no major transactions or other special relationships between the Company and said other corporate entities, etc.
- Audit & Supervisory Board Member Yasunori Niizawa is an outside Audit & Supervisory Board Member of Kanto Kensetsu Kogyo K.K. It should be noted that there are no major transactions or other special relationships between the Company and said other corporate entities, etc.
- Audit & Supervisory Board Member Yasuo Kitamura is an outside Board Member (Audit & Supervisory Committee Member) of LITALICO Inc., an outside Audit & Supervisory Board Member of AIMECHATEC, Ltd. It should be noted that there are no major transactions or other special relationships between the Company and said other corporate entities, etc.

(iii) Status of major activities this fiscal year

- Status of attendance at Board of Directors meetings and Audit & Supervisory Board meetings

	Board of Directors meetings (14 held)		Audit & Supervisory Board meetings (14 held)	
	Number attended (meetings)	Attendance ratio (%)	Number attended (meetings)	Attendance ratio (%)
Board Member Makoto Ogo	14	100.0	-	-
Board Member Rieko Inaba	14	100.0	-	-
Audit & Supervisory Board Member Yasunori Niizawa	14	100.0	14	100.0
Audit & Supervisory Board Member Yasuo Kitamura	14	100.0	14	100.0

(Note) In addition to the number meetings of the Board of Directors held in the above table, one resolution was adopted in writing that was deemed to be a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.

- Remarks at meetings of the Board of Directors

Board Members Makoto Ogo and Rieko Inaba have both made remarks from an objective perspective towards improving the transparency of corporate management. Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura have both made remarks towards ensuring the appropriateness of the decision- making by the Board of Directors.

- Remarks at meetings of the Audit & Supervisory Board

Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura have both made remarks from an objective perspective and specialist position as necessary in their role as outside Audit & Supervisory Board Members.

- Status of activities at the Nomination Advisory Committee and Remuneration Advisory Committee

At the voluntary Nomination and Remuneration Advisory Committee, Committee Chairperson Makoto Ogo, Board Member, and Ms. Rieko Inaba, as a Committee member, make statements from an objective perspective regarding the appointment and remuneration of officers of the Company.

- Overview of duties performed in relation to roles expected to be fulfilled by outside Board Members

- Outside Board Member Makoto Ogo

Based on his wide range of insights and extensive experience as an attorney involved in international matters and as an outside Audit & Supervisory Board Member / outside Board Member at other companies, he provides opinions from an objective perspective on the Articles of Incorporation, internal regulations, contracts, etc., and he provides useful advice on improving management of the organization and raising the efficiency of business. At the Board of Directors, he has exerted a supervisory function over management in general.

- Outside Board Member Rieko Inaba

She has gained insight in a wide range of fields, including education and cross-cultural communication through the use of information processing technology, as a researcher at a higher education institution, and has demonstrated a supervisory function for management in general at the Board of Directors by providing logical and objective advice for the handling of business plans and issues, upon having gained an understanding of the corporate activities of the Company from a new perspective.

(iv) Summary of details of limited liability agreement

The Company has entered into an agreement that limits liability as prescribed in Article 423 Paragraph 1 of the Companies Act, and liability is limited to the amount prescribed in Article 425 Paragraph 1 of the Companies Act.

5. Financial Auditor

(i) Name Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration, etc.

	Payment amount (Millions of yen)
The amount of remuneration, etc., for duties (audit certification duties) prescribed in Article 2 Paragraph 1 of the Certified Public Accountants Act.	57
Total amount of money and other property gain that should be paid by the Company and its subsidiaries to the Financial Auditor	57

- (Note) 1. The reason for the Company's Audit & Supervisory Board having agreed to the Financial Auditor remuneration, etc., is because the estimated remuneration, etc., for the auditing of the 11th period submitted by Deloitte Touche Tohmatsu LLC to President Naohiro Takao was examined by both parties, and was determined to be valid as a result of a comparison between the audit plan of the Financial Auditor for the 11th period and actual performance in the 10th period by the Company's Audit & Supervisory Board.
2. Of the major subsidiaries of the Company, Jefferson Industries Corporation, Jefferson Southern Corporation, G-TEKT MEXICO CORP. S.A. DE C.V., Jefferson Elora Corporation, G-TEKT (Thailand) Co., Ltd., G-TEKT Eastern Co., Ltd., Thai G&B Manufacturing Ltd., and G-KT do Brasil Ltda. have been audited by member firms of Deloitte Touche Tohmatsu (a federation based on the laws and regulations of the United Kingdom). In addition, Austin Tri-Hawk Automotive, Inc., G-TEKT America Corporation, G-TEKT Europe Manufacturing Ltd., G-TEKT Slovakia, s.r.o., Auto Parts Alliance (China) Ltd., Wuhan Auto Parts Alliance Co., Ltd., Conghua Auto Parts Alliance (China) Ltd., G-TEKT India Private Ltd., and PT.G-TEKT Indonesia Manufacturing have undergone audits by a certified public accountant or an audit firm (includes persons who hold qualifications equivalent to these in foreign countries) other than the Company's Financial Auditor.
3. The amount of audit remuneration, etc., for the audit under the Companies Act and the audit under the Financial Instruments and Exchange Act is not clearly distinguished in the audit agreement between the Company and the Financial Auditor, and is unable to be properly classified, and therefore, the total amount of these has been stated in remuneration, etc., based on audit certification business.

(iii) Policy for decisions on dismissal and non-reappointment of Financial Auditor

The Audit & Supervisory Board, in the event of deeming it necessary, such as where there is hindrance to the execution of duties of the Financial Auditor, by resolution of the Audit & Supervisory Board, may make the dismissal or non-reappointment of the Financial Auditor subject to resolution at a general meeting of shareholders.

In addition, in the event of the Financial Auditor being deemed to fall applicable under any of the items of Article 340 Paragraph 1 of the Companies Act, the Audit & Supervisory Board shall dismiss the Financial Auditor upon the agreement of all Audit & Supervisory Board Members. In such a case, the Audit & Supervisory Board Member selected by the Audit & Supervisory Board shall report the fact of the dismissal of the Financial Auditor as well as the reason(s) for the dismissal at the first general meeting of shareholders held after the dismissal is performed.

(iv) Summary of details of limited liability agreement

This item is not applicable.

Consolidated Financial Statements

Consolidated Balance Sheet (as of March 31, 2022)

(Millions of yen)

Item	The 11th year As of March 31, 2022	(Reference) The 10th year As of March 31, 2021	Item	The 11th year As of March 31, 2022	(Reference) The 10th year As of March 31, 2021
Assets			Liabilities		
Current assets	136,450	90,565	Current liabilities	81,165	62,261
Cash and deposits	40,685	29,162	Accounts payable - trade	30,394	20,581
Notes and accounts receivable - trade	51,230	29,534	Short-term borrowings	22,247	15,583
Finished goods	1,908	1,341	Current portion of long-term borrowings	12,414	8,549
Work in process	29,081	20,790	Accounts payable - other	6,773	6,323
Raw materials	3,872	2,319	Income taxes payable	1,610	1,278
Supplies	1,297	1,115	Advances received	3,042	6,349
Other	8,374	6,300	Provision for bonuses	1,424	1,342
Non-current assets	146,090	147,390	Other	3,259	2,253
Property, plant and equipment	134,067	135,463	Non-current liabilities	37,450	30,641
Buildings and structures	57,773	54,299	Long-term borrowings	29,019	22,246
Machinery, equipment and vehicles	38,645	36,935	Retirement benefit liability	1,048	1,304
Tools, furniture and fixtures	11,627	18,528	Provision for share awards for directors (and other officers)	438	397
Land	13,342	12,902	Deferred tax liabilities	5,131	3,565
Construction in progress	12,677	12,797	Other	1,811	3,128
Intangible assets	1,416	1,699	Total liabilities	118,615	92,903
Investments and other assets	10,606	10,227	Net assets		
Investment securities	8,518	7,832	Shareholders' equity	130,261	123,358
Deferred tax assets	1,769	2,068	Share capital	4,656	4,656
Other	326	334	Capital surplus	23,635	23,635
Allowance for doubtful accounts	(8)	(8)	Retained earnings	103,677	96,839
			Treasury shares	(1,707)	(1,772)
			Accumulated other comprehensive income	22,031	10,485
			Valuation difference on available-for-sale securities	1,285	1,115
			Deferred gains or losses on hedges	1	–
			Foreign currency translation adjustment	20,363	9,032
			Remeasurements of defined benefit plans	380	337
			Non-controlling interests	11,631	11,207
Total assets	282,540	237,955	Total net assets	163,924	145,052
			Total liabilities and net assets	282,540	237,955

Consolidated Statement of Income (April 1, 2021 to March 31, 2022)

(Millions of yen)

Item	The 11th year (April 1, 2021 to March 31, 2022)	(Reference) The 10th year (April 1, 2020 to March 31, 2021)
Net sales	236,503	209,420
Cost of sales	212,396	189,348
Gross profit	24,106	20,072
Selling, general and administrative expenses	13,174	12,022
Operating profit	10,931	8,050
Non-operating income	2,287	1,341
Interest income	405	292
Dividend income	141	107
Foreign exchange gains	781	220
Share of profit of entities accounted for using equity method	50	70
Gain on sale of scraps	164	79
Consumption taxes refund	377	2
Subsidy income	118	296
Other	248	273
Non-operating expenses	686	738
Interest expenses	560	674
Taxes and dues	77	10
Other	48	54
Ordinary profit	12,532	8,653
Extraordinary income	51	76
Gain on sale of non-current assets	47	76
Gain on sale of investment securities	3	-
Extraordinary losses	13	421
Loss on sale of non-current assets	13	2
Loss related to COVID-19	-	418
Profit before income taxes	12,570	8,308
Income taxes - current	3,148	2,113
Income taxes - deferred	930	(55)
Profit	8,490	6,250
Loss attributable to non-controlling interests	(387)	(281)
Profit attributable to owners of parent	8,878	6,532

(Reference)

Consolidated Statement of Cash Flows (April 1, 2021 to March 31, 2022)

(Millions of yen)

Item	Amount
Cash flows from operating activities	14,064
Cash flows from investing activities	(18,860)
Cash flows from financing activities	12,546
Effect of exchange rate change on cash and cash equivalents	2,246
Net increase (decrease) in cash and cash equivalents	9,997
Cash and cash equivalents at beginning of period	25,970
Cash and cash equivalents at end of period	35,968

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet (as of March 31, 2022)

(Millions of yen)

Item	The 11th year As of March 31, 2022	(Reference) The 10th year As of March 31, 2021	Item	The 11th year As of March 31, 2022	(Reference) The 10th year As of March 31, 2021
Assets			Liabilities		
Current assets	37,670	22,369	Current liabilities	24,491	23,252
Cash and deposits	3,634	1,835	Accounts payable-trade	4,176	4,007
Notes receivable-trade	323	400	Short-term borrowings	7,400	8,900
Accounts receivable-trade	16,465	8,110	Current portion of long-term borrowings	9,257	6,498
Finished goods	349	250	Accounts payable	1,773	1,608
Work in process	12,151	6,170	Advances received	308	715
Raw materials	269	204	Accrued expenses	219	147
Supplies	679	649	Income taxes payable	134	136
Advance payments	419	168	Deposits received	119	122
Accounts receivable-other	1,831	2,097	Provision for bonuses	851	861
Short-term loans receivable from subsidiaries and associates	530	1,608	Other	250	254
Other	1,015	873	Non-current liabilities	25,783	20,142
Non-current assets	90,758	98,321	Long-term borrowings	24,382	18,530
Property, plant and equipment	29,459	37,958	Provision for retirement benefits	626	877
Buildings	10,643	10,706	Provision for share awards for directors (and other officers)	438	397
Structures	272	238	Asset retirement obligations	293	282
Machinery and equipment	6,640	6,386	Other	42	54
Vehicles	53	65	Total liabilities	50,274	43,395
Tools, furniture and fixtures	2,633	8,955	Net assets		
Land	7,298	7,298	Shareholders' equity	76,867	76,180
Construction in progress	1,917	4,306	Share capital	4,656	4,656
Intangible assets	1,073	1,353	Capital surplus	23,657	23,657
Leasehold interests in land	69	69	Legal capital surplus	23,333	23,333
Software	995	1,275	Other capital surplus	323	323
Telephone subscription right	8	8	Retained earnings	50,260	49,639
Investments and other assets	60,224	59,009	Legal retained earnings	369	369
Investment securities	548	488	Other retained earnings	49,891	49,270
Shares of subsidiaries and associates	53,971	53,644	Reserve for property replacement	18	19
Long-term loans receivable from subsidiaries and associates	4,230	3,374	Reserve for special depreciation	-	94
Deferred tax assets	1,337	1,362	General reserve	10,800	10,800
Other	145	147	Retained earnings brought forward	39,072	38,355
Allowance for doubtful accounts	(8)	(8)	Treasury shares	(1,707)	(1,772)
			Valuation and translation adjustments	1,286	1,115
			Valuation difference on available-for-sale securities	1,285	1,115
			Deferred gains or losses on hedges	1	-
			Total net assets	78,154	77,295
Total assets	128,429	120,691	Total liabilities and net assets	128,429	120,691

Non-Consolidated Statement of Income (April 1, 2021 to March 31, 2022)

(Millions of yen)

Item	The 11th year (April 1, 2021 to March 31, 2022)	(Reference) The 10th year (April 1, 2020 to March 31, 2021)
Net sales	45,880	49,712
Cost of sales	40,481	44,223
Gross profit	5,399	5,489
Selling, general and administrative expenses	6,329	5,983
Operating profit or loss	(930)	(494)
Non-operating income	4,944	4,026
Interest income	84	112
Dividend income	3,881	3,537
Foreign exchange gains	668	244
Gain on sale of scraps	130	56
Other	179	75
Non-operating expenses	216	227
Interest expenses	212	227
Other	3	0
Ordinary profit	3,798	3,304
Extraordinary income	4	6
Gain on sale of non-current assets	1	6
Gain on sale of investment securities	3	-
Extraordinary losses	-	(664)
Loss on valuation of shares of subsidiaries and associates	-	(664)
Profit before income taxes	3,802	2,646
Income taxes – current	442	348
Income taxes - deferred	99	(68)
Profit	3,260	2,366

Audit Report by the Audit & Supervisory Board

This document has been translated from the original Japanese version for reference purposes only. In the event of any discrepancy between this translated document and the original Japanese version, the latter shall prevail in all respects.

Audit Report

The Audit & Supervisory Board has prepared this Audit Report after deliberation based on the audit reports prepared by each Audit & Supervisory Board Member in relation to the performance of the Board Members' duties during the 11th fiscal year starting on April 1, 2021 and ending on March 31, 2022, and hereby reports as follows:

1. Method and details of audit conducted by the Audit & Supervisory Board Members and the Audit & Supervisory Board
 - (1) The Audit & Supervisory Board determined the audit policy and assignment of duties, etc., received reports on the status and results of audit from each Audit & Supervisory Board Member, as well as the status of performance of duties from the Board Members and the Financial Auditor, and requested explanations, where necessary.
 - (2) Each Audit & Supervisory Board Member, in compliance with the Audit & Supervisory Board Members' audit standards established by the Audit & Supervisory Board, and in accordance with the audit policy and assignment of duties, etc., communicated with Board Members, internal audit department and other employees, etc., collected information, maintained an audit environment, and conducted an audit in the following methods:
 - (i) Each Audit & Supervisory Board Member attended board meetings, and other important meetings, received reports from Board Members and employees, etc. regarding the status of performance of their duties, requested explanations, where necessary, reviewed material draft proposal documents, and inspected the status of business and assets at the head office, major offices and plants. As for subsidiaries, Audit & Supervisory Board Members communicated and exchanged information with their Board Members and Audit & Supervisory Board Members etc., received reports on business, as necessary.
 - (ii) Each Audit & Supervisory Board Member received regular reports from Board Members and employees, etc. on the status of establishment and operation of the system to ensure that the performance of the Board Members' duties, as described in the Business Report, complies with the applicable laws and regulations and the Articles of Incorporation, as well as the board resolution concerning the establishment of a system provided in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, which is required in order to ensure the appropriate performance of business by the corporate group comprising a joint stock corporation and its subsidiaries, and the system established based on said resolution (internal control system), requested explanations and expressed opinions, when necessary.
 - (iii) Each Audit & Supervisory Board Member monitored and reviewed whether the Financial Auditor maintains independence and conducts an appropriate audit, and received reports on the status of performance of duties from the Financial Auditor, and requested explanations, where necessary. In addition, each Audit & Supervisory Board Member received a notice from the Financial Auditor stating that "a system to ensure appropriate performance of duties" (as indicated in each item of Article 131 of the Ordinance on Company Accounting) is in place in accordance with the "Quality Control Standards for Audit" (Business Accounting Council, October 28, 2005), etc., and requested explanations, as necessary.

Based on the above method, each Audit & Supervisory Board Member reviewed the Business Report and its supporting documents, financial statements (Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated

Statement of Changes in Net Assets and Notes to Non-consolidated Financial Statements) and supplementary schedules, and consolidated financial statements (Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Net Asset and Notes to Consolidated Financial Statements) for the subject fiscal year.

2. Results of Audit

(1) Results of audit of the Business Report, etc.

- (i) We confirm that the Business Report and its supporting documents accurately present the status of the Company in accordance with the applicable laws and regulations and the Articles of Incorporation.
- (ii) There are no improper actions, or material events which violate any of the applicable laws or regulations or the Articles of Incorporation, in relation to the execution of the Board Members' duties.
- (iii) We confirm that the resolution of the board concerning the internal control system is appropriate. There are no matters to note regarding the descriptions of the Business Report and the execution of the Board Members' duties in relation to the internal control system.

(2) Results of audit of the financial statements and their supporting documents

We confirm that the method and results of audit by the Financial Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of audit of the consolidated financial statements

We confirm that the method and results of audit by the Financial Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

May 27, 2022

G-TEKT CORPORATION Audit & Supervisory Board

Takahiro Nakanishi,	Audit & Supervisory Board Member	[seal]
Kesao Tamura,	Audit & Supervisory Board Member	[seal]
Yasunori Niizawa,	Outside Audit & Supervisory Board Member	[seal]
Yasuo Kitamura,	Outside Audit & Supervisory Board Member	[seal]

END