

Stock Exchange Code 3446  
September 9, 2022

To Our Shareholders

2-5-38 Saito-Yamabuki, Ibaraki, Osaka Prefecture  
JTEC Corporation  
President Takashi Tsumura

## Notice of the 29th Annual General Meeting of Shareholders

You are cordially invited to the 29th Annual General Meeting of Shareholders of JTEC Corporation (hereafter the “Company”) to be held as below.

If you are unable to attend the meeting, you may exercise your voting rights in writing or via the Internet, as provided in the Guide to Exercising Voting Rights (pp. 3–4). Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:30 p.m. on Wednesday, September 28, 2022.

1. **Date and Time:** Thursday, September 29, 2022 at 10:00 a.m. Japan time
2. **Place:** Main Conference Room, 4th floor of the Company’s Head Office  
2-5-38 Saito-Yamabuki, Ibaraki, Osaka Prefecture  
(Please see the map of the venue attached at the end of this notice.)
3. **Meeting Agenda:**
  - Matters to be reported:**
    1. Business Report, Consolidated Financial Statements, and report on audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Auditors for the 29th Fiscal Term (July 1, 2021–June 30, 2022)
    2. Non-Consolidated Financial Statements for the 29th Fiscal Term (July 1, 2021–June 30, 2022)
  - Proposals to be resolved:**
    - Proposal**
      1. Partial Amendment of the Articles of Incorporation
      2. Election of Seven (7) Directors
      3. Determination of Remuneration for Grant of Restricted Stock to Directors (excluding Outside Directors)

Note: When attending the Annual General Meeting of Shareholders, please submit the enclosed Voting Rights Exercise Form at the reception desk.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Partial Amendment of the Articles of Incorporation

#### 1. Reasons for Amendment

The Company proposes the following amendments to the Articles of Incorporation to prepare for the introduction of a system to provide reference materials for General Meetings of Shareholders in electronic format in accordance with the amended provisions prescribed in the proviso to Article 1 of the Supplementary Provisions of the Act for Partial Amendment of the Companies Act (Act No. 70 of 2019), which came into effect on September 1, 2022.

- (1) Article 14, Paragraph 1 of the amended Articles of Incorporation stipulates that the Company shall take measures to provide information corresponding with the reference documents for the General Meeting of Shareholders, etc. in electronic format.
- (2) Article 14, Paragraph 2 of the amended Articles of Incorporation sets forth a provision for limiting the scope of items to be included in written documents to be delivered to shareholders who have requested the delivery of such documents.
- (3) The Company proposes the deletion of Article 14 of the current Articles of Incorporation (Online Disclosure and Deemed Provision of Reference Documents for General Meeting of Shareholders, etc.) as provisions of said Article become unnecessary.
- (4) The Company proposes the addition of supplementary provisions accompanying its proposal for the above amendments.

#### 2. Details of Amendments

Details of the proposed amendments are as follows.

(Amendments are underlined)

| Current Articles of Incorporation   | Proposed Amendments |
|---|---------------------|
| <p><u>(Online Disclosure of Reference Documents for General Meeting of Shareholders, etc.)</u></p> <p><u>Article 14 With respect to the convocation of a General Meeting of Shareholders, the Company may deem that it has provided information pertaining to items to be stated or indicated in the reference documents for the General Meeting of Shareholders, business reports, non-consolidated and consolidated financial statements to shareholders by disclosing such information online in accordance with the Ordinance of the Ministry of Justice.</u></p> | <p>(Deleted)</p>    |

| Current Articles of Incorporation | Proposed Amendments  |
|-----------------------------------|--|
| (Newly established)               | <p><u>(Measures, etc. to Provide Information in Electronic Format)</u></p> <p><u>Article 14 When convening a General Meeting of Shareholders, the Company shall take measures to provide in electronic format information corresponding with the reference documents for the General Meeting of Shareholders, etc.</u></p> <p><u>2 Of the items to be provided electronically, the Company may omit all or part of the items stipulated by the Ordinance of the Ministry of Justice from the documents to be delivered to shareholders who have requested the delivery of such documents by the record date for voting rights.</u></p>                       |
| (Newly established)               | <p><u>(Supplementary provisions)</u></p> <p><u>Article 1 Article 14 (Online Disclosure of Reference Documents for General Meeting of Shareholders, etc.) of the pre-amended Articles of Incorporation shall remain in effect with respect to the General Meeting of Shareholders to be held on a date within six months from September 1, 2022 (hereafter, the “Effective Date”).</u></p> <p><u>2 The supplementary provisions shall be deleted after six months have elapsed from the Effective Date or three months have elapsed from the date of the General Meeting of Shareholders set forth in the preceding paragraph, whichever comes later.</u></p> |

**Proposal 2: Election of Seven (7) Directors**

The terms of office of all seven (7) Directors will expire at the conclusion of this General Meeting of Shareholders, and thus, we propose the election of seven (7) Directors.

The candidates for Directors are as follows.

| No. | Name<br>(Date of birth)             | Career summary, position and responsibility in the Company,<br>and significant concurrent positions   | No. of Company<br>shares held |
|-----|-------------------------------------|---|-------------------------------|
| 1   | Takashi Tsumura<br>(April 25, 1957) | Apr 1981 Joined Kurabo Industries Ltd.<br>Apr 1991 Joined Kataoka Jitsugyo, K.K.<br>Director, General Manager of Technology Department<br>Dec 1993 Established the Company<br>President (current)<br>May 2021 President and Executive Director, ESCO, Ltd.<br>Dec 2021 Chairman and Executive Director, ESCO (current)  | 2,669,200                     |
| 2   | Masahiko Kanaoka<br>(July 7, 1978)  | Apr 2003 Joined NIKON CORPORATION<br>Apr 2017 Seconded to TOCHIGI NIKON CORPORATION<br>Oct 2019 Joined the Company<br>Jul 2020 General Manager of Sales Department, the Company (current)<br>Sep 2020 Director, the Company (current)<br>May 2021 Director, ESCO (current)  | 200                           |
| 3   | Yasuhito Hirai<br>(June 19, 1976)   | May 2003 Joined ASAHI CO., LTD.<br>Nov 2005 Joined DAIKEN MEDICAL CO., LTD.<br>Nov 2011 Joined sanwacompany ltd.<br>Sep 2012 Director, General Manager of Administration Department,<br>sanwacompany<br>Oct 2015 Joined NASA HOME Co., Ltd.<br>Jun 2016 Director, General Manager of Administration Department,<br>NASA HOME<br>Dec 2016 Joined the Company<br>Head of Listing Preparation Office<br>Jan 2017 General Manager of Management Department,<br>the Company (current)<br>Jun 2017 Director, the Company (current)<br>May 2021 Director, ESCO (current) | 14,000                        |

|   |                                       |   |   |         |
|---|---------------------------------------|---|---|---------|
| 4 | Tetsuya Hidani*<br>(May 14, 1967)     | <p>Apr 1990<br/>Oct 2002<br/>Jun 2008<br/>Jul 2012<br/>Apr 2015<br/>Apr 2017<br/><br/>Apr 2018<br/>May 2018<br/>Aug 2022</p>  | <p>Joined Daiwa Securities Co. Ltd.<br/>Joined Security Protection Network Co., Ltd. (“SPN”)<br/>President of Osaka Branch, SPN<br/>Executive Officer in charge of West Japan operations, SPN<br/>Executive Officer in charge of Headquarters, SPN<br/>Joined Helios co., ltd. (information communication business)<br/>Managing Executive Officer<br/>Joined the Company<br/>Head of Internal Audit Office, the Company<br/>Head of Audit Office, the Company (current)</p>  | 200     |
| 5 | Nozomu Kawasaki<br>(July 22, 1950)    | <p>Apr 1972<br/><br/>Oct 1972<br/><br/>Aug 1977<br/><br/>Apr 1979<br/><br/>Dec 1993<br/>Jan 2020</p>  | <p>Joined Matsushita Electric Industrial Co., Ltd. (current Panasonic Holdings Corporation)<br/>Seconded to Semiconductor Department, Matsushita Electronics Corporation (current Panasonic Holdings)<br/>Established Contec, K.K. (current Osaka Computer Industry, K.K.)<br/>Representative Director (current)<br/>Joined TECHNO TAKATSUKI CO., LTD.<br/>President &amp; CEO<br/>Director, the Company (current)<br/>Chairman of the Board, TECHNO TAKATSUKI (current)</p>  | 360,000 |
| 6 | Yoshio Matsumi<br>(September 1, 1946) | <p>Apr 1969<br/>Jan 1994<br/><br/>Apr 1997<br/><br/>Jan 2000<br/><br/>Jun 2004<br/><br/>Jul 2007<br/><br/>Apr 2009<br/>Apr 2009<br/>Dec 2014<br/><br/>Jul 2017<br/>Sep 2018</p> | <p>Joined ITOCHU Corporation<br/>Joined ITOCHU International Inc.<br/>General Manager of Development &amp; Venture Division<br/>General Manager of Aerospace Information Division, ITOCHU International<br/>Vice President of Aerospace, Electronics &amp; Multimedia Company, ITOCHU<br/>Executive Officer, Head of Innovative Technology Business Development Office, ITOCHU<br/>Advisor, Head of Research Institute of Innovative Technology, ITOCHU<br/>Advisory Member, ITOCHU (current)<br/>Representative Director, Matsumi Associates LLC (current)<br/>Representative Director and President, Osaka University Venture Capital Co., Ltd. (“OUVC”)<br/>Consultant, OUVC<br/>Director, the Company (current)</p> | None    |

| No. | Name<br>(Date of birth)             | Career summary, position and responsibility in the Company,<br>and significant concurrent positions   | No. of Company<br>shares held |
|-----|-------------------------------------|---|-------------------------------|
| 7   | Isahiro Hasegawa<br>(July 27, 1959) | <p>Apr 1982    Joined Tokyo Shibaura Electric Co., Ltd. (current TOSHIBA CORPORATION)</p> <p>Mar 2002    General Manager of Production Technology Department, Yokkaichi Plant, TOSHIBA</p> <p>Jun 2014    Executive Officer &amp; Corporate Vice President (in charge of Production and Planning Division, Procurement Division, and Corporate Manufacturing Engineering Center), TOSHIBA</p> <p>Jun 2016    Executive Officer &amp; Corporate Senior Vice President (in charge of Production and Procurement Division), TOSHIBA</p> <p>Nov 2017    Joined Toshiba Trading Incorporated (TTI)</p> <p>Dec 2017    President, TTI</p> <p>Apr 2019    Representative Director, character K.K. (current)</p> <p>Sep 2021    Director, the Company (current)</p> | None                          |

Notes:

1. \* indicates new candidates for Directors.
2. There are no special-interest relationships between the Company and the above candidates.
3. Mr. Nozomu Kawasaki, Mr. Yoshio Matsumi, and Mr. Isahiro Hasegawa are candidates for Outside Directors.
4. Reasons for nomination as candidates for Outside Directors and summary of expected roles
  - (1) We propose the election of Mr. Nozomu Kawasaki as Outside Director, as we believe he will bring his extensive knowledge, experience, and high level of expertise gained through managing manufacturing companies over many years to supervising and monitoring the Company's overall management, thereby strengthening the functions of its Board of Directors. If his reappointment is approved, as a member of the voluntary Nominating and Compensation Committee, he will participate in nominating Directors and determining remuneration for officers from an objective and neutral standpoint.
  - (2) We nominate Mr. Yoshio Matsumi as a candidate for Outside Director, because we believe he will contribute to the Company's management with his abundant business experience and management expertise acquired through his years at a major general trading company. Further, with his extensive knowledge in innovative technologies, we believe he will provide effective oversight of the Company's management from an objective standpoint, independent of executive management. If his reappointment is approved, as a member of the voluntary Nominating and Compensation Committee, he will participate in nominating Directors and determining remuneration for officers from an objective and neutral standpoint.
  - (3) We request that you reelect Mr. Isahiro Hasegawa as Outside Director, because we believe that with his extensive knowledge and high level of expertise in management and production technology he has amassed through his years at a major general manufacturing company, he will provide effective oversight of the Company's management, especially in the area of manufacturing, from an objective standpoint independent of executive management and with specialization in the field. If his election is approved, as a member of the voluntary Nominating and Compensation Committee, he will participate in nominating Directors and determining remuneration for officers from an objective and neutral position.
5. Mr. Nozomu Kawasaki, Mr. Yoshio Matsumi, and Mr. Isahiro Hasegawa are currently Outside Directors of the Company. As of the conclusion of this General Meeting of Shareholders, Mr. Kawasaki's term of office will be 28 years and nine (9) months, Mr. Matsumi's four (4) years, and Mr. Hasegawa's one (1) year.
6. The Company has concluded limited liability agreements with Mr. Nozomu Kawasaki, Mr. Yoshio Matsumi, and Mr. Isahiro Hasegawa under Article 423, Paragraph 1 of the Companies Act in accordance with provisions of Article 427, Paragraph 1 of said Act. The maximum amount of liability for damages under the agreement shall be the higher of 100,000 yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of said Act for Mr. Kawasaki, and the minimum liability amount stipulated in Article 425, Paragraph 1 of said Act for Mr. Matsumi and Mr. Hasegawa. If the reappointment of the three candidates is approved, the Company will maintain the limited liability agreements with the candidates.
7. The Company has entered into a directors' and officers' liability insurance agreement with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, which includes all Directors and members of the Board of Auditors of the Company as insured parties. The insurance agreement covers the cost of liability claims made against the insured parties as well as litigation costs incurred by them in connection with the liability claims, as a result of actions taken by the insured to fulfill the duties of their position. If the candidates are appointed as Directors, they will become the insured parties of this agreement. The Company intends to renew the agreement with the same details at the next renewal period.
8. The Company has registered Mr. Nozomu Kawasaki, Mr. Yoshio Matsumi, and Mr. Isahiro Hasegawa as Independent Directors as stipulated by the Tokyo Stock Exchange. If they are reappointed, the Company will continue to designate them as Independent Directors.
9. The number of shares of the Company held by Mr. Nozomu Kawasaki is the number of shares actually held, including those held by a company in which Mr. Kawasaki holds a majority of voting rights.

(Reference) Areas of particular specialization of candidates for Directors (skills matrix)

The areas in which each candidate for Directors is expected to make a particular contribution are as below.

When appointing Directors, the Company places much importance on the expertise, experience, and enthusiasm of each candidate in their respective field of specialization that it considers are necessary for enhancing corporate value in the medium to long term. The Company appoints candidates for Outside Directors who it expects will provide effective oversight of business execution and management from an independent standpoint, considering overall balance and diversity of the Board of Directors. Candidates for Independent Outside Directors include those that have gained management experience at other companies.

[Skills matrix]

| Candidates for Directors |               | Independent | Outside | Term of office   | Corporate management | Areas of particular specialization            |                  |        |                             |                     | Nominating and Compensation Committee |     |
|--------------------------|---------------|-------------|---------|------------------|----------------------|---|------------------|--------|-----------------------------|---------------------|---------------------------------------|-----|
|                          |               |             |         |                  |                      | Research, technology development, manufacture | Sales, marketing | Global | Compliance, risk management | Finance, accounting |                                       | ESG |
| Takashi Tsumura          | Reappointment |             |         | 28 yrs.<br>9 mo. | ○                    | ○   | ○                |        | ○                           |                     | ○                                     | ○   |
| Masahiko Kanaoka         | Reappointment |             |         | 2 yrs.           |                      | ○   | ○                | ○      |                             |                     |                                       |     |
| Yasuhito Hirai           | Reappointment |             |         | 5 yrs.<br>3 mo.  | ○                    |   |                  |        |                             | ○                   |                                       |     |
| Tetsuya Hidani           | New           |             |         | New              |                      |   |                  |        |                             | ○                   |                                       | ○   |
| Nozomu Kawasaki          | Reappointment | ●           | ●       | 28 yrs.<br>9 mo. | ○                    | ○   | ○                | ○      | ○                           |                     | ○                                     | ○   |
| Yoshio Matsumi           | Reappointment | ●           | ●       | 4 yrs.           | ○                    |   | ○                | ○      | ○                           |                     | ○                                     | ○   |
| Isahiro Hasegawa         | Reappointment | ●           | ●       | 1 yr.            | ○                    | ○   |                  | ○      | ○                           |                     | ○                                     | ○   |

Notes: The above table does not show all areas of expertise for each candidate.

Nominating and Compensation Committee comprises five members, including full-time auditor Nobuhisa Masaki, in addition to the four indicated above.

### Proposal 3: Determination of Remuneration for Grant of Restricted Stock to Directors (excluding Outside Directors)

At the Extraordinary General Meeting of Shareholders held on November 11, 2016, a resolution was passed to limit the total amount of remuneration, etc. paid to Directors of the Company to 200 million yen per year.

The Company proposes to grant shares of its common stock with provisions for restriction on transfer over a specified period and for acquisition by the Company without compensation under specified circumstances (hereafter, “Restricted Stock” or “Restricted Shares”) to its Directors (excluding Outside Directors), to promote their value sharing with shareholders and further motivate them to contribute to increasing the share value and corporate value of the Company.

The Company requests that the upper limit for the amount of monetary compensation claims paid to its Directors (excluding Outside Directors) in connection with the grant of Restricted Stock be set to 40 million yen per year, separate from the aforementioned amount for remuneration, etc. for Directors, after comprehensively considering such matters as the degree of Directors’ contribution to the Company. Further, the maximum number of Restricted Shares to be granted in a business year as stipulated in 2. below is equivalent to around 0.51% of the total number of shares issued (if the above maximum number of Restricted Shares are issued over ten years, the ratio of said Shares to the total number of shares issued will be around 5.11%), indicating that the issuance of Restricted Stock has a marginal dilution effect. Hence, the Company deems the content to be appropriate.

If this proposal is approved, the Company’s Board of Directors will, at a meeting scheduled to be held after the conclusion of this General Meeting of Shareholders, replace the current policy for determining executive remuneration, etc. outlined on page 20 of Business Report with the amended policy provided on page 52 of said Report for consistency with the approved matters of this proposal. This proposal is in line with the amended policy, and its content is deemed appropriate. The Company currently has seven (7) Directors (of which three [3] are Outside Directors), and this number will be the same even after Proposal 2 is approved.

Details of, and maximum number of Restricted Shares to be granted to Directors (excluding Outside Directors) of the Company

#### 1. Allotment of and payment for Restricted Stock

Based on the resolution of the Board of Directors, the Company will pay monetary compensation claims to Directors (excluding Outside Directors) in connection with the allotment of Restricted Stock in the amount that falls within the aforementioned annual amount for said monetary compensation claims. Each Director shall make contribution in kind of all monetary compensation claims provided by the Company to receive allotment of Restricted Stock.

The amount to be paid-in for Restricted Stock shall be determined by the Company’s Board of Directors based on the closing price of the common shares of the Company on the Tokyo Stock Exchange on the business day immediately preceding the date of the resolution by the Board of Directors (or the closing price on the transaction day immediately prior thereto if no transaction was made on such business day) pertaining to such issue or disposal, to the extent that the amount does not constitute an especially advantageous sum for the Directors subscribing to the Restricted Stock.

Further, the aforementioned monetary compensation claims will be paid to Directors (excluding Outside Directors) of the Company, provided that they have agreed to make the contribution in kind as stated above and signed the restricted stock allotment agreement, which includes provisions set forth in 3. below.

#### 2. Total number of Restricted Shares

The total number of Restricted Shares to be granted to Directors (excluding Outside Directors) of the Company in a business year shall not exceed 30,000 shares.

However, on or after the date of resolution of this proposal, in the event of a stock split (including gratis allotment) or reverse stock split of the Company’s common shares, or any other event requiring adjustment of the total number of Restricted Shares to be granted, the total number shall be adjusted within a reasonable range.

#### 3. Overview of restricted stock allotment agreement

The Company shall enter into a restricted stock allotment agreement with the Director subscribing to Restricted Stock based on the resolution of the Board of Directors. Details of the agreement are as follows.

##### (1) Overview of transfer restrictions

Directors who have been allotted Restricted Shares (hereafter, the “Allotted Shares”) shall not transfer to a third party, establish a pledge on, create a security interest in, gift before death, bequeath, or otherwise dispose of said Shares in any way (hereafter, the “Transfer Restrictions”) during the period from the date of the allotment of the shares until the date of resignation or retirement from their position as Director of the Company (hereafter, the “Transfer Restriction Period”).

##### (2) Acquisition of Restricted Stock without compensation

If a Director who has been granted Restricted Stock resigns or retires from his or her post prior to or on the day immediately preceding the date of the first General Meeting of Shareholders to be held after the commencement of the Transfer Restriction Period, the Company shall, unless there is a reason that the Board of Directors deems justifiable, naturally acquire the Allotted Shares without consideration.

In addition, the Company shall naturally acquire without consideration the Allotted Shares for which Transfer Restrictions have not been removed in accordance with the provisions of (3) below at the time the Transfer Restriction Period stipulated in (1) above expires.



(3) Removal of Transfer Restrictions

The Company shall remove Transfer Restrictions on all Allotted Shares upon expiration of the Transfer Restriction Period, provided that the Director who has been granted the shares has continuously held his or her position until the date of the first General Meeting of Shareholders since the commencement of the Transfer Restriction Period.

However, if the Director resigns or retires from his or her position prior to or on the day immediately preceding the date of the first General Meeting of Shareholders to be held after the commencement of the Transfer Restriction Period due to reasons deemed justifiable by the Board of Directors of the Company, the number of the Allotted Shares for which Transfer Restrictions are removed and the timing of the removal will be reasonably adjusted as necessary.

(4) Treatment in case of restructuring, etc.

If, during the Transfer Restriction Period, a merger agreement under which the Company shall be dissolved, a share exchange agreement or share transfer plan under which the Company shall become a wholly owned subsidiary, or other matters relating to organizational restructuring, etc., are approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors if such organizational restructuring, etc. does not require approval at the General Meeting of Shareholders), the Company's Board of Directors shall, by its resolution, remove Transfer Restrictions on a reasonably determined number of Allotted Shares based on the length of period from the commencement date of the Transfer Restriction Period to the date of approval of such organizational restructuring, etc., prior to the effective date of such organizational restructuring, etc.

The Company shall naturally acquire, without compensation, the Allotted Shares for which Transfer Restrictions have not been removed as of the time immediately after the removal of Transfer Restrictions based on the above provisions.