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Securities Code: 6871

March 9, 2023

To our shareholders:

Masayoshi Hasegawa
Representative Director, President & CEO
MICRONICS JAPAN CO., LTD.
2-6-8 Kichijoji Hon-cho, Musashino-shi, Tokyo

Notice of the 52nd Annual General Meeting of Shareholders

We are writing to inform you that the 52nd Annual General Meeting of Shareholders of MICRONICS JAPAN CO., LTD. (the “Company”) will be held as indicated below.

Although the Company plans to hold the meeting with precautionary measures in place to prevent the spread of novel coronavirus disease (COVID-19), to those shareholders considering attending the meeting in person, we ask that you make such decision after considering the level of infection of COVID-19 at the time of the meeting, along with your own state of health.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the Internet. Please review the reference documents and exercise your voting rights so that your vote is received **by 5:30 p.m. on Wednesday, March 29, 2023 (JST)**.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the following websites. Please access one of the websites to review the information.

The Company’s website: <https://www.mjc.co.jp/> (in Japanese only)
(From the above website, select “Investor Relations,” then “Stock Information” and then “General Meeting of Shareholders” to review the information.)

Tokyo Stock Exchange website (Listed Company Search):
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese only)
(Access the Tokyo Stock Exchange website (Listed Company Search) by using the address given above, input “MICRONICS JAPAN CO., LTD.” in “Issue name (company name)” or the Company’s securities code “6871” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting.”

Website for providing informational materials for the General Meeting of Shareholders:
<https://d.sokai.jp/6871/teiji/> (in Japanese only)

- 1. Date and Time:** Thursday, March 30, 2023, at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)
- 2. Venue:** Ambassador Room, 8th Floor, KICHIJOJI EXCEL HOTEL TOKYU
2-4-14 Kichijoji Hon-cho, Musashino-shi, Tokyo
- * Please note that although this is the same venue as last year, both hotel and room have been renamed.
- Continuing on from the previous year, to prevent the spread of COVID-19, we have placed greater space between chairs, greatly reducing the number of chairs compared to normal years. As such, even if you arrive in person on the day of the General Meeting of Shareholders, you may be refused entry.

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 52nd fiscal year (from January 1, 2022 to December 31, 2022), and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee
2. The Non-consolidated Financial Statements for the 52nd fiscal year (from January 1, 2022 to December 31, 2022)

Matters to be resolved:

- Proposal No. 1** Appropriation of Surplus
- Proposal No. 2** Election of Eight Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 3** Election of Three Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 4** Election of One Substitute Director Who Is an Audit & Supervisory Committee Member
- Proposal No. 5** Renewal of Countermeasures to Large-Scale Acquisitions of Micronics Japan Shares

- From the perspective of preventing the spread of COVID-19, we are asking all our shareholders to make every effort to exercise your voting rights in writing using the voting form or via the Internet and avoid attending in person on the day of the General Meeting of Shareholders.
 - We may change our response for the General Meeting of Shareholders up until the day of the meeting based on COVID-19 conditions and announcements from the government, etc. We ask that you check for any announcements online on the Company's website (<https://www.mjc.co.jp/>) (in Japanese only).
 - On the day of the General Meeting of Shareholders, there will be temperature checks at the entrance to the venue, and those with high temperatures or appearing to be in poor health may be denied entry and asked to return home.
 - Please bring and wear a mask when attending in person.
 - Operational staff for the General Meeting of Shareholders will have their health conditions confirmed including their temperature and will wear masks.
 - At this General Meeting of Shareholders, to reduce the overall time to prevent the spread of COVID-19, some of the detailed explanations of matters to be reported (including audit reports) and proposals will be omitted at the venue. We ask that our shareholders read the notice of convocation ahead of time.
- When you attend the meeting, you are kindly requested to present the enclosed voting form at the reception.
- In accordance with a revision of the Companies Act, in principle you are to check items subject to measures for electronic provision by accessing the websites mentioned above on the Internet, and we will deliver paper-based documents stating the items only to shareholders who request the delivery of paper-based documents by the record date. However, for this general meeting of shareholders, we will deliver paper-based documents stating the items subject to measures for electronic provision uniformly to all shareholders, regardless of whether or not they have requested them.
- Among the items subject to measures for electronic provision, in accordance with the provisions of laws and regulations and Article 15 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders.
- "Status of Share Acquisition Rights, etc.," "Systems for Ensuring the Properness of Operations and Operating Status of the Systems" and "Basic Policy Regarding the Control of a Stock Company" in the Business Report
 - "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
 - "Non-consolidated Statement of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements
- Note: The items listed above are available in Japanese only.
- Accordingly, the documents attached to this notice consist of part of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Audit & Supervisory Committee, and part of the Consolidated Financial Statements and Non-consolidated Financial Statements that were audited by the Accounting Auditor in preparing the audit reports.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the websites mentioned above on the Internet.

Exercise of voting rights in writing

Please indicate your approval or disapproval of the proposals in the voting form and then return the form to the Company by postal mail so that your vote is received by 5:30 p.m. on Wednesday, March 29, 2023 (JST). If neither approval nor disapproval of a proposal is indicated on your vote submitted in writing (by postal mail), the Company will deem that you indicated your approval of the proposal.

Exercise of voting rights via the Internet

Please access the voting website designated by the Company (<https://evote.tr.mufg.jp/>) (in Japanese only) and enter your approval or disapproval for each proposal following the instructions on the screen using the “log-in ID” and the “temporary password” printed on the voting form no later than 5:30 p.m. on Wednesday, March 29, 2023 (JST).

If you exercise your voting rights more than once via the Internet, only the last vote shall be deemed effective. If you exercise your voting rights in duplicate via both the Internet and writing (postal mail), regardless of the timing, only the vote cast via the Internet shall be deemed valid.

Before exercising your voting rights via the Internet, please review the “Exercise of voting rights via the Internet” below.

- For matters with particularly strong interest among all our shareholders, we will receive questions ahead of time and respond on the day of the General Meeting of Shareholders during the question and answer portion.

[Method to ask questions ahead of time]

- (1) Via postal mail MICRONICS JAPAN CO., LTD. Investor Relations
2-6-8 Kichijoji Hon-cho, Musashino-shi, Tokyo 180-8508, Japan
- (2) Via e-mail mjc-soukai52@mjc.co.jp

When sending a question, please include your shareholder number, address, and name along with your question.

Period for receiving questions: March 2, 2023 at 10:00 a.m. to March 29, 2023 at 5:30 p.m. (JST)

Guidance for Exercising Voting Rights

A. Attending the Annual General Meeting of Shareholders	▶ Please submit the voting form to the reception at the meeting venue. Please also bring this notice of convocation with you to the meeting.
B. Submitting the voting form by postal mail	▶ Please indicate your approval or disapproval of the proposals and send it by postal mail to arrive at the Company no later than 5:30 p.m., Wednesday, March 29, 2023 (JST). Please see the instructions below for how to fill out the voting form
C. Exercising voting rights via the Internet	▶ Please access the voting website designated by the Company (https://evote.tr.mufg.jp/) (in Japanese only) and enter your approval or disapproval for each proposal following the instructions on the screen using the “log-in ID” and the “temporary password” printed on the voting form no later than 5:30 p.m., Wednesday, March 29, 2023 (JST).

How to fill out your voting form

Please indicate whether you approve or disapprove of each proposal.

You will need the login ID and temporary password given on the voting form in order to vote via the Internet.

Note: “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

Proposal No. 1, 4, and 5

To mark your approval → Circle “賛” (approve).

To mark your disapproval → Circle “否” (disapprove).

Proposal No. 2 and 3

To mark your approval for all candidates → Circle “賛” (approve).

To mark your disapproval for all candidates → Circle “否” (disapprove).

If you disapprove certain candidates → Circle “賛” (approve), and also write the candidate number for each candidate you disapprove.

In the event voting rights are exercised more than once:

- (1) If you exercise your voting rights in duplicate via both postal mail and the Internet, then only the vote cast via the Internet shall be deemed valid.
- (2) If you cast your vote via the Internet multiple times, then only the last vote cast shall be deemed valid. In addition, if you cast your vote via the Internet more than once, using a personal computer and a smartphone, then only the last vote cast shall be deemed valid.

Exercise of voting rights via the Internet

Scanning the QR Code

You can log in to the website for the exercise of voting rights without entering the login ID or temporary password printed on the voting form.

1. Please scan QR Code provided on the voting form.

Note: “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

Note that you can log in to the website only once by using the QR Code.

If you wish to redo your vote or exercise your voting rights without using the QR Code, please refer to “Entering login ID and temporary password” below.

Entering login ID and temporary password

The website for the exercise of voting rights:

<https://evote.tr.mufg.jp/> (in Japanese only)

1. Please access the website for exercise of voting rights.
2. Log in by entering your “login ID” and “temporary password” printed on the voting form.
3. Register a new password.
4. Please follow the directions that appear on the screen to input approval or disapproval to each proposal.

In case you need instructions for how to operate your computer or smartphone in order to exercise your voting rights via the Internet, please contact:

Stock Transfer Agency Help Desk
Mitsubishi UFJ Trust and Banking Corporation
0120-173-027 (Japanese-language only)
(9:00 a.m. – 9:00 p.m. (JST); toll free only within Japan)

Note: Electronic Voting Platform for Institutional Investors

Trust and custody services banks and other nominee shareholders (including standing proxies) that participate in the Electronic Voting Platform for Institutional Investors operated by ICJ Inc. may use this platform to exercise their voting rights.

Reference Documents for General Meeting of Shareholders

Proposals and Reference Materials

Proposal No. 1 Appropriation of Surplus

One of the management priorities of the Company is the appropriate and stable return of profits to shareholders after comprehensively considering the financial status and performance trends in order to strengthen future business development and management structure.

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

Year-end dividends

- (1) Type of dividend property
To be paid in cash.
- (2) Allotment of dividend property and their aggregate amount
¥59 per common share (ordinary dividends of ¥59)
Total dividends will be ¥2,274,101,310.
- (3) Effective date of dividends of surplus
March 31, 2023

Proposal No. 2 Election of Eight Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all nine Directors (excluding Directors who are Audit & Supervisory Committee Members. Same below in this proposal) will expire. Therefore, the Company proposes the election of eight Directors. The Audit & Supervisory Committee considered this proposal and did not raise any objections.

The candidates for Director are as follows:

Candidate No.	Name	Position and responsibility in the Company and significant concurrent positions outside the Company	
1	Masayoshi Hasegawa	Representative Director, President & CEO President Executive Officer and General Manager of Corporate Planning Strategy Division	<u>Reelection</u>
2	Yuichi Abe	Director Senior Executive Officer, General Manager of TE Division, and Deputy General Manager of Corporate Planning Strategy Division	<u>Reelection</u>
3	Ko Sotokawa	Director Senior Executive Officer, General Manager of Probe Card Division and General Manager of Memory Business Unit	<u>Reelection</u>
4	KI SANG KANG	Director Senior Executive Officer and CEO of MEK Co., Ltd.	<u>Reelection</u>
5	Yuki Katayama	Director Senior Executive Officer, Deputy General Manager of Administration Division, and Department Manager of Accounting Dept.	<u>Reelection</u>
6	Mitsuru Furuyama	Outside Director Representative Director of Coresupply Corporation	<u>Outside</u> <u>Reelection</u>
7	Eitatsu Tanabe	Outside Director President and CEO of Penfield Corporation Outside Director (Audit & Supervisory Committee Member) of Newtech Co., Ltd.	<u>Outside</u> <u>Reelection</u>
8	Yasuhiro Ueda	Outside Director Senior Business Strategist of BIPROGY Inc.	<u>Outside</u> <u>Reelection</u>

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Masayoshi Hasegawa (July 3, 1967)	<p>Apr. 1990 Joined KOKUSAI Securities Co., Ltd. (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>Nov. 1994 Joined Seki Technotron Corporation (currently Cornes Technologies Limited)</p> <p>Mar. 1998 Joined the Company</p> <p>Dec. 2001 Director and Department Manager of Product Planning Dept.</p> <p>Dec. 2004 Managing Director, Department Manager of Product Planning Dept., and Group Manager of Package Probe Group, Semiconductor Equipment Division</p> <p>Apr. 2005 Managing Director, General Manager of Aomori Factory, Semiconductor Equipment Division, and Group Manager of Semiconductor Equipment Production Control Group</p> <p>Dec. 2005 Representative Director & Executive Vice President</p> <p>Apr. 2007 Representative Director, President & CEO</p> <p>Dec. 2010 Representative Director, President & CEO and President Executive Officer</p> <p>Mar. 2021 Representative Director, President & CEO, President Executive Officer, and General Manager of Corporate Planning Strategy Division (current position)</p>	2,532,386 shares
<p>Reasons for nomination as candidate for Director</p> <p>Since his appointment as a Representative Director, Masayoshi Hasegawa has used his experience received thus far and demonstrated strong leadership as well as fulfilled the significant role of increasing the Group's corporate value. The Company expects that he will strengthen the Board of Directors' decision-making and oversight functions through his participation in management using such experience and achievements. Therefore, the Company has judged that he is well qualified.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
2	Yuichi Abe (October 30, 1961)	<p>Apr. 1984 Joined Tokyo Electron Ltd.</p> <p>Apr. 2010 Project leader of TS Project</p> <p>July 2011 VP & General Manager of TSBU</p> <p>July 2016 Administrative Officer & General Manager of ATSBU</p> <p>Oct. 2018 Joined the Company Deputy General Manager of TE Division</p> <p>Dec. 2018 Executive Officer and Deputy General Manager of TE Division</p> <p>Oct. 2019 Executive Officer and General Manager of TE Division</p> <p>Mar. 2021 Executive Officer, General Manager of TE Division, and Deputy General Manager of Corporate Planning Strategy Division</p> <p>Mar. 2021 Director, Senior Executive Officer, General Manager of TE Division, and Deputy General Manager of Corporate Planning Strategy Division</p> <p>Mar. 2022 Director, Senior Executive Officer, General Manager of TE Division, and Deputy General Manager of Corporate Planning Strategy Division (current position)</p>	4,377 shares
<p>Reasons for nomination as candidate for Director</p> <p>Yuichi Abe has abundant experience and deep insight as a manager in the semiconductor test equipment business and has worked on strengthening the Group's management strategy. The Company expects that he will strengthen the Board of Directors' decision-making and oversight functions through his participation in management using such experience and achievements. Therefore, the Company has judged that he is well qualified.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Ko Sotokawa (December 2, 1963)	<p>June 1984 Joined Nihon Semicon Co. Ltd. (currently the Company)</p> <p>Apr. 2001 Department Manager of Aomori PB Production Dept. of the Company</p> <p>Feb. 2003 Department Manager of PB Production Dept. 3, Kumamoto TL, PB Division</p> <p>Apr. 2005 Department Manager of PS Production Dept., Semiconductor Equipment Division</p> <p>Jan. 2010 Seconded to MEK Co., Ltd.</p> <p>Oct. 2013 Deputy General Manager of Memory Group, Probe Card Division of the Company</p> <p>Dec. 2013 Executive Officer and Deputy General Manager of Memory Group, Probe Card Division</p> <p>Oct. 2014 Executive Officer and Group Manager of Logic Group, Probe Card Division</p> <p>Dec. 2015 Director, Executive Officer, and Group Manager of Logic Group, Probe Card Division</p> <p>Oct. 2016 Director, Executive Officer, and Group Manager of Aomori Group, Probe Card Division</p> <p>Dec. 2018 Director, Senior Executive Officer, and Group Manager of Aomori Group, Probe Card Division</p> <p>Sept. 2021 Director, Senior Executive Officer, and General Manager of Memory Business Unit, Probe Card Division</p> <p>Oct. 2022 Director, Senior Executive Officer, General Manager of Probe Card Division and General Manager of Memory Business Unit (current position)</p>	18,796 shares
<p>Reasons for nomination as candidate for Director</p> <p>Ko Sotokawa has abundant experience and insight in various departments such as domestic business and international business as well as accomplishments in product development to create new demand. The Company expects that he will strengthen the Board of Directors' decision-making and oversight functions through his participation in management using such experience and achievements. Therefore, the Company has judged that he is well qualified.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	KI SANG KANG (February 8, 1958)	Aug. 1983 Joined Samsung Electronics Co., Ltd. Feb. 1986 Wafer Test Engineer Sept. 1988 Assistant Manager Sept. 1990 Manager July 1995 General Manager Jan. 2005 Vice President in the Test Technology Team Jan. 2009 Consultant Jan. 2011 Joined the Company Apr. 2011 Executive Officer of the Company CEO of MEK Co., Ltd. Dec. 2018 Director and Senior Executive Officer of the Company (current position) CEO of MEK Co., Ltd. (current position)	-
		<p>Reasons for nomination as candidate for Director</p> <p>KI SANG KANG has abundant global experience and insight as a technician and manager in the semiconductor and electronic equipment business which he has used in product development and market development to create new demand. The Company expects that he will strengthen the Board of Directors' decision-making and oversight functions through his participation in management using such experience and achievements. Therefore, the Company has judged that he is well qualified.</p>	
5	Yuki Katayama (April 9, 1970)	Apr. 1994 Joined HOLON CO., LTD. Aug. 2000 Joined the Company Apr. 2008 Section Manager of Finance Section, Accounting Dept., Administration Division Jan. 2011 Registered as U.S. Certified Public Accountant (U.S. CPA-Inactive) Apr. 2011 Section Manager of Accounting Section, Accounting Dept., Administration Division of the Company Dec. 2014 Department Manager of Accounting Dept., Administration Division Dec. 2017 Executive Officer and Department Manager of Accounting Dept., Administration Division Mar. 2021 Executive Officer, Deputy General Manager of Administration Division, and Department Manager of Accounting Dept. Mar. 2021 Director, Senior Executive Officer, Deputy General Manager of Administration Division, and Department Manager of Accounting Dept. (current position)	9,496 shares
		<p>Reasons for nomination as candidate for Director</p> <p>Yuki Katayama has abundant experience, accomplishments, and insight in management, accounting, and finance in her role as the person responsible for the Company's Accounting Department and has worked on improving the performance of Group companies. The Company expects that she will strengthen the Board of Directors' decision-making and oversight functions through her participation in management using such experience and achievements. Therefore, the Company has judged that she is well qualified.</p>	

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned	
6	Mitsuru Furuyama (April 29, 1951)	Mar. 1978	Joined Seki Technotron Corporation (currently Cornes Technologies Limited)	4,000 shares
		May 1993	Director	
		Apr. 1996	Managing Director	
		Aug. 2003	Joined RAYTEX CORPORATION Director	
		Apr. 2010	Representative Director of Coresupply Corporation (current position)	
		Dec. 2010	Outside Audit & Supervisory Board Member of the Company	
		Dec. 2012	Outside Director (current position)	
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>Mitsuru Furuyama provides advice regarding management and supervises the execution of duties from a viewpoint independent of internal management based on his abundant experience and deep insight as a corporate manager. The Company expects that he will further strengthen the Board of Directors' oversight function by continuing to reflect this experience and insight in the Company's Board of Directors. Therefore, the Company has judged that he is well qualified.</p>				
7	Eitatsu Tanabe (March 4, 1947)	May 1970	Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)	2,000 shares
		Sept. 1990	President & CEO and General Manager of Toronto Branch of Mitsubishi Bank of Canada	
		Nov. 1993	General Manager of the Corporate Banking Division IV of The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)	
		Apr. 1996	General Manager of Senba Branch of The Bank of Tokyo-Mitsubishi, Ltd. (currently MUFG Bank, Ltd.)	
		June 1999	Director and General Manager of Corporate Planning Division of Tanaka Chemical Corporation	
		Apr. 2003	Managing Director, General Manager of Corporate Unit, and General Manager of Finance & Accounting Division	
		Aug. 2008	President and CEO of Penfield Corporation (current position)	
		May 2009	Outside Audit & Supervisory Board Member of Newtech Co., Ltd.	
		Dec. 2017	Outside Director of the Company (current position)	
		May 2021	Outside Director (Audit & Supervisory Committee Member) of Newtech Co., Ltd. (current position)	
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>Eitatsu Tanabe has a considerable amount of knowledge regarding finance and accounting gained through practical experience and provides advice regarding management and supervises the execution of duties from a viewpoint independent of internal management based on his abundant experience and deep insight as a corporate manager. The Company expects that he will further strengthen the Board of Directors' oversight function by continuing to reflect this experience and insight in the Company's Board of Directors. Therefore, the Company has judged that he is well qualified.</p>				

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Yasuhiro Ueda (October 15, 1957)	<p>Apr. 1982 Joined Sony Corporation (currently Sony Group Corporation) Semiconductor Research Department, Semiconductor Business Group, and Research Department, Development Division</p> <p>Apr. 1994 Manager of Design Unit, CCD Department, CCD/LCD Division, Semiconductor Solutions Network Company</p> <p>Oct. 2000 General Manager of Design Department, CCD Business Division, Semiconductor Solutions Network Company</p> <p>Apr. 2001 Senior General Manager of CCD Business Division, CCD System Division, Semiconductor Solutions Network Company</p> <p>Sept. 2007 Senior General Manager of Image Sensor Business Division, Semiconductor Business Group, Semiconductor Solutions Network Company</p> <p>June 2010 Corporate Executive, Senior Vice President</p> <p>Apr. 2015 Representative Director and President of Sony Semiconductor Manufacturing Corporation Senior Vice President, Business Executive of Sony Corporation (currently Sony Group Corporation)</p> <p>Apr. 2018 Senior Vice President, in charge of Technology Policy and Relations</p> <p>July 2018 Chairman of the Semiconductor Board and Standardization and Policy Board of Japan Electronics and Information Technology Industries Association (JEITA)</p> <p>July 2019 Executive Chief Engineer of Sony Corporation (currently Sony Group Corporation)</p> <p>July 2020 Fixed-term Temporary Officer</p> <p>Oct. 2020 Senior Business Strategist of Nihon Unisys, Ltd. (currently BIPROGY Inc.) (current position)</p> <p>Mar. 2022 Outside Director of the Company (current position)</p>	-
<p>Reasons for nomination as candidate for outside Director and overview of expected roles</p> <p>Yasuhiro Ueda has a wealth of experience and wide-ranging insights in management as the Representative Director and President of Sony Semiconductor Manufacturing Corporation. He possesses deep insights into the semiconductor business from his experience as the head of the semiconductor business at Sony Corporation (currently Sony Group Corporation) and the Chairman of the JEITA Semiconductor Board.</p> <p>The Company expects that he will further strengthen the Board of Directors' oversight function by reflecting this experience and insight in the Company's Board of Directors. Therefore, the Company has judged that he is well qualified.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Mitsuru Furuyama, Eitatsu Tanabe and Yasuhiro Ueda are candidates for outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Furuyama, Mr. Tanabe and Mr. Ueda have been designated as

independent officers as provided for by the aforementioned exchange. If the elections of Mr. Furuyama, Mr. Tanabe and Mr. Ueda are approved, the Company plans to continue to designate them as independent officers.

3. Mr. Furuyama was an outside Audit & Supervisory Board Member of the Company for two years in the past, and is currently an outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been ten years and three months.
4. At the conclusion of this meeting, Mr. Tanabe's tenure as outside Director of the Company will have been five years and three months.
5. At the conclusion of this meeting, Mr. Ueda's tenure as outside Director of the Company will have been one year.
6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Mr. Furuyama, Mr. Tanabe and Mr. Ueda to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. If their elections are approved, the Company plans to enter into the same agreements with them. The maximum amount of liability for damages under this agreement is the minimum amount provided for by Article 425, paragraph (1) of the Companies Act. Such limitation of liability shall apply only when the persons acted in good faith and without gross negligence in performing the duties giving rise to liabilities.
7. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and the insurance agreement covers compensation for damages, lawsuit-related costs, and attorney fees borne by the insured persons. If each candidate for Director is elected, the Company plans to renew the insurance agreement, and they will be included in the insurance agreement as insured persons.

Proposal No. 3 Election of Three Directors Who Are Audit & Supervisory Committee Members

At the conclusion of this meeting, the terms of office of all three Directors who are Audit & Supervisory Committee Members will expire. Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidates for Director who is an Audit & Supervisory Committee Member are as follows:

Candidate No.	Name	Position and responsibility in the Company and significant concurrent positions outside the Company
1	Shinichi Niihara	Director Full-Time Audit & Supervisory Committee Member Reelection
2	Tadaaki Uchiyama	Outside Director Audit & Supervisory Committee Member President of Uchiyama Law Office Outside Reelection
3	Yoshiyuki Higuchi	Outside Director Audit & Supervisory Committee Member Representative of Yoshiyuki Higuchi Certified Public Accountant Office External Audit & Supervisory Board Member of EPS Holdings, Inc. Outside Corporate Auditor of TAIHEI DENGYO KAISHA, LTD. Outside Reelection

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Shinichi Niihara (April 5, 1955)	<p>Apr. 1978 Joined The Bank of Tokyo, Ltd., (currently MUFG Bank, Ltd.)</p> <p>Aug. 1991 Assistant General Manager of Capital Market Department No. 1</p> <p>Aug. 1993 Assistant General Manager of Corporate Banking Division No. 1</p> <p>Aug. 2000 Deputy General Manager of Bangkok Branch</p> <p>June 2004 Chief Assistant of On-site Credit Supervision Office, Credit Division</p> <p>July 2006 Joined Sharp Corporation Administrative Manager of International Business Unit</p> <p>Apr. 2010 Deputy General Manager of Accounting Division (in charge of IR)</p> <p>Apr. 2013 Executive Officer and Chief Executive for China of Sharp Corporation Chairman and President of Sharp (China) Investment Co., Ltd.</p> <p>Nov. 2016 Joined the Company</p> <p>Dec. 2016 Full-Time Audit & Supervisory Board Member</p> <p>Mar. 2021 Director, Full-Time Audit & Supervisory Committee Member (current position)</p>	—
<p>Reasons for nomination as candidate for Director who is an Audit & Supervisory Committee Member</p> <p>Shinichi Niihara has practical experience at financial institutions and business companies over many years and considerable insight regarding finance and accounting. Based on this experience and insight, the Company expects that he will further strengthen the Company's auditing and oversight functions. Therefore, the Company has judged that he is well qualified.</p>			
2	Tadaaki Uchiyama (August 19, 1946)	<p>Apr. 1976 Completed the training of a Legal Apprentice</p> <p>Apr. 1976 Joined Tokyo Metropolitan Government Bureau of General Affairs</p> <p>Apr. 1990 Legal Department Manager of Partial Affairs Association of Tokyo Metropolitan Area Cities for Personnel Affairs and Welfare Services, and Legal Investigation Manager of Council of Special Wards</p> <p>Apr. 2000 Professor of College of Law, Nihon University</p> <p>Apr. 2000 Registered as an attorney at law, President of Uchiyama Law Office (current position)</p> <p>Apr. 2003 Professor of Nihon University Law School</p> <p>Dec. 2012 Outside Audit & Supervisory Board Member of the Company</p> <p>Mar. 2021 Outside Director, Audit & Supervisory Committee Member (current position)</p>	2,000 shares
<p>Reasons for nomination as candidate for outside Director who is an Audit & Supervisory Committee Member and overview of expected roles</p> <p>Tadaaki Uchiyama has abundant experience and insight as an attorney at law and university professor, and he has an excellent personality. Although he has not been involved in corporate management in the past, the Company expects that he will further strengthen the Company's auditing and oversight functions. Therefore, the Company has judged that he is well qualified.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	Yoshiyuki Higuchi (January 5, 1954)	<p>Oct. 1984 Joined Tokyo Marunouchi Office of Sanwa Audit Corporation (currently Deloitte Touche Tohmatsu LLC)</p> <p>May 1988 Registered as Certified Public Accountant</p> <p>June 2006 Representative Partner of Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Nov. 2013 In charge of General Affairs at Deloitte Touche Tohmatsu LLC head office</p> <p>June 2019 Retired from Deloitte Touche Tohmatsu LLC</p> <p>July 2019 Representative of Yoshiyuki Higuchi Certified Public Accountant Office (current position)</p> <p>Dec. 2019 External Audit & Supervisory Board Member of EPS Holdings, Inc. (current position)</p> <p>Mar. 2021 Outside Director, Audit & Supervisory Committee Member of the Company (current position)</p> <p>June 2022 Outside Corporate Auditor of TAIHEI DENGYO KAISHA, LTD. (current position)</p>	—
<p>Reasons for nomination as candidate for outside Director who is an Audit & Supervisory Committee Member and overview of expected roles</p> <p>Yoshiyuki Higuchi has experience as a Certified Public Accountant for many years and abundant insight in finance and accounting, and he has an excellent personality. Although he has not been involved in corporate management in the past, the Company expects that he will further strengthen the Company's auditing and oversight functions. Therefore, the Company has judged that he is well qualified.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Tadaaki Uchiyama and Yoshiyuki Higuchi are candidates for outside Director.
 3. The Company has submitted notification to the Tokyo Stock Exchange that Mr. Uchiyama and Mr. Higuchi have been designated as independent officers as provided for by the aforementioned exchange. If the elections of Mr. Uchiyama and Mr. Higuchi are approved, the Company plans to continue to designate them as independent officers.
 4. At the conclusion of this meeting, Mr. Uchiyama's tenure as outside Director of the Company will have been two years.
 5. At the conclusion of this meeting, Mr. Higuchi's tenure as outside Director of the Company will have been two years.
 6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Shinichi Niihara, Tadaaki Uchiyama and Yoshiyuki Higuchi to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. If their elections are approved, the Company plans to enter into the same agreements with them.
The maximum amount of liability for damages under this agreement is the minimum amount provided for by Article 425, paragraph (1) of the Companies Act. Such limitation of liability shall apply only when the persons acted in good faith and without gross negligence in performing the duties giving rise to liabilities.
 7. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and the insurance agreement covers compensation for damages, lawsuit-related costs, and attorney fees borne by the insured persons. The Company plans to renew the insurance agreement, and each candidate for Director will be included in the insurance agreement as an insured person.

Reference: Skills matrix of the Board of Directors
(Upon the approval and adoption of Proposals No. 2 and No. 3)

Name	Position	Areas of particularly expected contribution				
		Experience in corporate management	Sales/ Marketing	Development/ Production/ Technologies	Finance/ Accounting	Legal affairs/ Risk management
Masayoshi Hasegawa	Representative Director, President & CEO	◎				
Yuichi Abe	Director		●	●		
Ko Sotokawa	Director			●		
KI SANG KANG	Director		●	●		
Yuki Katayama	Director				●	
Mitsuru Furuyama	Outside Director	●		●		
Eitatsu Tanabe	Outside Director	●			●	
Yasuhiro Ueda	Outside Director	●		●		
Shinichi Niihara	Director (Full-Time Audit & Supervisory Committee Member)				●	●
Tadaaki Uchiyama	Outside Director (Audit & Supervisory Committee Member)					●
Yoshiyuki Higuchi	Outside Director (Audit & Supervisory Committee Member)				●	●

Note: The above table does not represent all of the knowledge possessed by the candidates.

Proposal No. 4 Election of One Substitute Director Who Is an Audit & Supervisory Committee Member

The Company proposes the election of one substitute Director who is an Audit & Supervisory Committee Member to be ready to fill a vacant position should the number of Audit & Supervisory Committee Members fall below the number required by laws and regulations.

In addition, the consent of the Audit & Supervisory Committee has been obtained for this proposal.

Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
Kimihiro Sakato (March 12, 1965)	Oct. 1986 Joined Shinko Audit Corporation Mar. 1990 Registered as Certified Public Accountant Apr. 1993 Established Sakato Certified Public Accountant Office Aug. 1999 Registered as Certified Tax Accountant Feb. 2008 Consulting Certified Public Accountant to MICRONICS JAPAN CO., LTD. (current position)	-
Reasons for nomination as candidate for substitute outside Director who is an Audit & Supervisory Committee Member and overview of expected roles Kimihiro Sakato has longstanding experience and broad insight cultivated as a Certified Public Accountant and Certified Tax Accountant. Although he has not been involved in corporate management in the past, the Company expects that, in the event that he assumes the office of outside Director who is an Audit & Supervisory Committee Member, he will make use of his experience and insight to benefit the Company's audit system. Therefore, the Company has judged that he is well qualified as a candidate for substitute outside Director who is an Audit & Supervisory Committee Member.		

- Notes:
1. The Company has entered into a consultant agreement with Sakato Certified Public Accountant Office. However, the amount of those consultancy fees is insignificant and does not affect independence. There is no special interest between the Company and office that the candidate belongs to.
 2. Kimihiro Sakato is a candidate for substitute outside Director.
 3. If Kimihiro Sakato assumes position as outside Director, the Company plans to enter into a limited liability agreement with him pursuant to the provisions of Article 427, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations.
 4. The Company has concluded a directors and officers liability insurance agreement provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, and the insurance agreement covers compensation for damages, lawsuit-related costs, and attorney fees borne by the insured persons. If the candidate assumes position as Audit & Supervisory Committee Member, he will be included in the insurance agreement as an insured person.

Proposal No. 5 Renewal of Countermeasures to Large-Scale Acquisitions of Micronics Japan Shares

The board of directors of Micronics Japan Co., Ltd. (the “Company”) resolved to renew a plan at the meeting held on November 14, 2019 and obtained shareholder approval for countermeasures to large-scale acquisitions of the shares in the Company at the ordinary general meeting of shareholders of the Company held on December 19, 2019 (the “Former Plan”). Since the effective period expires at the conclusion of the ordinary general meeting of shareholders for the fiscal year ended December 31, 2022, the Former Plan will become invalid at the conclusion of the 52nd ordinary general meeting of shareholders of the Company to be held on March 30, 2023 (the “52nd Ordinary General Meeting of Shareholders”).

Due to the Former Plan becoming invalid, the Company’s board of directors determined at the meeting held on February 14, 2023 to, in accordance with the basic policy regarding the persons who control decisions on the Company’s financial and business policies (as provided in Article 118, Item 3 of the Enforcement Regulations of the Companies Act; the “Basic Policy”), renew the Former Plan (the renewal is to be referred to as the “Renewal,” and the renewed plan is to be referred to as the “Plan”) as a measure to prevent decisions on the Company’s financial and business policies from being controlled by persons deemed inappropriate (Article 118, Item 3(b) of the Enforcement Regulations of the Companies Act) under the Basic Policy. The Renewal will be subject to approval by the shareholders at the 52nd Ordinary General Meeting of Shareholders.

Therefore, the Company requests the shareholders’ approval for the Renewal.

1. Reasons for the proposal

(1) Basic Policy Regarding the Persons Who Control Decisions on the Company’s Financial and Business Policies

The Company believes that the persons who control decisions on the Company’s financial and business policies need to be persons who fully understand the details of the Company’s financial and business affairs and the source of the Company’s corporate value and who will make it possible to continually and persistently ensure and enhance the Company’s corporate value and, in turn, the common interests of its shareholders.

The Company believes that ultimately its shareholders as a whole must make the decision on any proposed acquisition that would involve a change of control of the Company. Also, the Company will not reject a large-scale acquisition of the shares in the Company if it will contribute to the corporate value of the Company and, in turn, the common interests of its shareholders.

Nonetheless, there are some forms of large-scale acquisition of shares that benefit neither the corporate value of the target company nor the common interests of its shareholders including those with a purpose that would obviously harm the corporate value of the target company and the common interests of its shareholders, those with the potential to substantially coerce shareholders into selling their shares; those that do not provide sufficient time or information for the target company’s board of directors and shareholders to consider the details of the large-scale acquisition, or for the target company’s board of directors to make an alternative proposal and those that require the target company to discuss or negotiate with the acquirer in order to procure more favorable terms for shareholders than those presented by the acquirer.

Particularly, it is necessary and essential for the Company to pursue the establishment of new technology and the development of human resources from a medium-to-long-term perspective, provide benefit for customers with a combination of technological assets, human assets and facilities that have been cultivated through such technological and human resources development and maintain the corporate culture that underpins this policy so that the Company may maintain its technical strength and production power superior to other companies and ensure and enhance its corporate value. Unless the acquirer of a proposed large-scale acquisition of the shares in the Company understands the source of the corporate value of the Company as well as the details of financial and business affairs of the Company and would ensure and enhance these elements over the medium-to-long term, the corporate value of the Company and, in turn, the common interests of its shareholders would be harmed.

The Company believes that persons who would make a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate as persons that control decisions on the Company’s financial and business policies. The Company believes that it is necessary to ensure the corporate value of the Company and, in turn, the common interests of its shareholders by taking necessary and reasonable countermeasures

against a large-scale acquisition by such persons.

(2) Purpose of the Plan

The Plan is in line with the Basic Policy set out in section I above for the purpose of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders.

As set out in the Basic Policy, the Company's board of directors believes that persons who would propose a large-scale acquisition of the shares in the Company in a manner that does not contribute to the corporate value of the Company or the common interests of its shareholders would be inappropriate to become persons who control decisions on the Company's financial and business policies. The purpose of the Plan is to prevent decisions on the Company's financial and business policies from being controlled by persons deemed inappropriate, to deter large-scale acquisitions that are detrimental to the corporate value of the Company and the common interests of its shareholders, and on the occasion that the Company receives a large-scale acquisition proposal from an acquirer, to enable the Company's board of directors to present an alternative proposal to the shareholders, to ensure necessary time and information for the shareholders to decide whether or not to accept the large-scale acquisition, and to negotiate for the benefit of the shareholders.

The Company has not received any proposal of a large-scale acquisition of the shares in the Company from any specific third parties.

2. Details of the proposal

(1) Plan Outline

The Plan sets out procedures necessary to achieve the purpose stated above, including requirements for acquirers to provide information in advance in the case that the acquirer intends to make an acquisition of 20% or more of the Company's share certificates (Note 1) or other equity securities.

The acquirer must not effect a large-scale acquisition of the shares and other equity securities in the Company until and unless the Company's board of directors determines not to trigger the Plan in accordance with the procedures for the Plan.

In the event that an acquirer does not follow the procedures set out in the Plan, or a large-scale acquisition of shares and other equity securities in the Company could harm the corporate value of the Company and the common interests of its shareholders and if the acquisition satisfies the triggering requirements set out in the Plan, the Company will implement a gratis allotment of share options (*shinkabu yoyakuken mushou wariate*) with (a) an exercise condition that does not allow the acquirer, etc. to exercise the rights (except where any exception event occurs) and (b) an acquisition provision to the effect that the Company may acquire the share options in exchange for the Company's shares from persons other than the acquirer, etc. or other reasonable measures that can be taken under laws and ordinances and the Articles of Incorporation of the Company. If a gratis allotment of share options were to take place in accordance with the Plan and all shareholders other than the acquirer received the Company's shares as a result of those shareholders exercising or the Company acquiring those share options, the ratio of voting rights in the Company held by the acquirer may be diluted by up to a maximum of approximately 50%.

For matters such as the implementation or non-implementation of the gratis allotment of share options or the acquisition of share options, the Company will obtain a determination from the Independent Committee, which is solely composed of outside directors of the Company who are independent from the management of the Company subject to the Rules of the Independent Committee in order to eliminate arbitrary decisions by directors. In addition, the Company's board of directors may, if prescribed in the Plan, convene a Shareholders Meeting and confirm the intent of the Company's shareholders.

Transparency with respect to the course of those procedures will be ensured by timely disclosure to all of the Company's shareholders.

(2) Procedures for Triggering the Plan

(a) Targeted Acquisitions

The Plan will be applied in cases where any purchase or other acquisition of share certificates, etc. of the Company that falls under any of (I) through (III) below or any similar action (including a proposal for such action) (except for such action as the Company's board of directors separately determines not to be subject to the Plan; the "Acquisition") takes place.

(I) A purchase or other acquisition that would result in the holding ratio of share certificates, etc.

(*kabuken tou hoyuu wariiai* (Note 2)) of a holder (*hoyuusha* (Note 3)) totaling 20% or more of the share certificates, etc. (*kabuken tou* (Note 4)) issued by the Company; or

- (II) A tender offer (*koukai kaittsuke* (Note 5)) that would result in the party conducting the tender offer's ownership ratio of share certificates, etc. (*kabuken tou shoyuu wariiai* (Note 6)) and the ownership ratio of share certificates, etc. of a person having a special relationship (*tokubetsu kankei-sha* (Note 7)) totaling 20% or more of the share certificates, etc. (*kabuken tou* (Note 8)) issued by the Company.
- (III) Regardless of whether or not any of the acts provided for in items (I) and (II) above is conducted, an act (i) conducted between (a) a person who intends to acquire share certificates, etc. of the Company, or a joint holder (*kyoudou hoyuusha* (Note 9)) or a person having a special relationship with respect to that person (each, an "acquirer of share certificates, etc." in this item (III)) and (b) one or more other shareholders of the Company and that constitutes an agreement or other act as a result of which the other shareholder(s) become(s) a joint holder of the acquirer of share certificates, etc. or any act that establishes a relationship (Note 10) whereby the acquirer of share certificates, etc. or the other shareholder(s) substantially control(s) the other or they act jointly or in concert with each other (Note 11), and (ii) that would result in the total holding ratio of share certificates, etc. issued by the Company of that acquirer of share certificates, etc. and the other shareholder(s) accounting for 20% or more.

The party intending to make the Acquisition alone or jointly or in concert with other parties (the "Acquirer") shall follow the procedures prescribed in the Plan, and the Acquirer must not effect the Acquisition until and unless the Company's board of directors resolves not to implement the gratis allotment of Share Options (defined in (e) 'Recommendation by the Independent Committee' below; hereinafter the same) in accordance with the Plan.

(b) Submission of Acquirer's Statement

The Company will request the Acquirer to submit to the Company in the form separately prescribed by the Company a legally binding document that includes an undertaking that the Acquirer will comply with the procedures set out in the Plan (signed by or affixed with the name and seal of the representative of the Acquirer and to which no conditions or reservations are attached) and a qualification certificate of the person who signed or affixed its name and seal to that document (collectively, "Acquirer's Statement") before commencing or effecting the Acquisition. The Acquirer's Statement must include the name, address or location of headquarters, location of offices, governing law for establishment, name of the representative, contact information in Japan for the Acquirer and the outline of the intended Acquisition. The Acquirer's Statement and the Acquisition Document set out in (c) below and any other materials submitted by the Acquirer to the Company or the Independent Committee must be written in Japanese.

(c) Request to the Acquirer for the Provision of Information

The Company will provide the Acquirer the format for the Acquisition Document (defined below), including a list of information that the Acquirer should provide to the Company, no later than 10 business days after receiving the Acquirer's Statement. The Acquirer must provide the Company's board of directors with the document in the form provided by the Company (the "Acquisition Document"), which includes the information described in each item of the list below ("Essential Information").

If the Company's board of directors receives the Acquisition Document, it will promptly send it to the Independent Committee (Please refer to Note 12 for the standards for appointing members, requirements for resolutions, resolution matters, and other matters concerning the Independent Committee and Note 13 for the business backgrounds and other matters regarding members of the Independent Committee at the time of the Renewal). If the Company's board of directors and the Independent Committee determine that the Acquisition Document does not contain sufficient Essential Information, it may set a reply period and request that the Acquirer additionally provide information. In such case, the Acquirer should additionally provide such information within the relevant time limit.

- (i) Details (including name, capital relationship, financial position, operation results, details of violation

- of laws or ordinances in the past (if any), terms of previous transactions by the Acquirer similar to the Acquisition) of the Acquirer and its group (including joint holders, persons having a special relationship and persons having a special relationship with a person in relation to whom the Acquirer is the controlled corporation (Note 14)) (Note 15).
- (ii) The purpose, method and specific terms of the Acquisition (including the amount and type of consideration, the timeframe, the scheme of any related transactions, the legality of the Acquisition method, and the feasibility of the Acquisition).
 - (iii) The amount and basis for the calculation of the purchase price of the Acquisition.
 - (iv) Information relating to any previous acquisition of the share certificates, etc. of the Company by the Acquirer.
 - (v) Financial support for the Acquisition (specifically including the names of providers of funds for the Acquisition (including all indirect providers of funds), financing methods and the terms of any related transactions and the like).
 - (vi) Details of communications regarding the Acquisition with a third party (if any).
 - (vii) Post-Acquisition management policy, administrative organization, business plan, capital and dividend policies for the Company group.
 - (viii) Post-Acquisition policies for the Company's shareholders (other than the Acquirer), employees, business partners, customers, and any other stakeholders in the Company.
 - (ix) Specific measures to avoid any conflict of interest with other shareholders of the Company if any plans are scheduled to be implemented that could raise such conflict of interest.
 - (x) Information on any relationships with an anti-social force.
 - (xi) Any other information that the Company's board of directors or the Independent Committee reasonably considers necessary.
- (d) Consideration of Acquisition Terms, Negotiation with the Acquirer, and Consideration of an Alternative Proposal
- (i) Request to the Company's Board of Directors for the Provision of Information
If the Acquirer submits the Acquisition Document and any additional information that the Company's board of directors or the Independent Committee requests (if any), the Independent Committee may set a reply period (up to sixty days as a general rule) and request that the Company's board of directors present an opinion (including an opinion to refrain from giving such opinion; hereinafter the same) on the Acquirer's Acquisition terms, materials supporting such opinion, an alternative proposal (if any), and any other information that the Independent Committee considers necessary.
 - (ii) Independent Committee Consideration
The Independent Committee will conduct its consideration of the Acquisition terms, collection of information on the materials such as the management plans and business plans of the Acquirer and the Company's board of directors and comparison thereof, and consideration of any alternative plan presented by the Company's board of directors, and the like for a period of time that does not, as a general rule, exceed sixty days after the date on which the Independent Committee receives the information (including the information additionally requested) from the Acquirer and (if the Independent Committee requests the Company's board of directors to provide information as set out in (i) above) the Company's board of directors (the period for information collection and consideration by the Independent Committee is hereinafter referred to as the "Independent Committee Consideration Period").
The Independent Committee may, at the cost of the Company, obtain advice from financial advisers, certified public accountants, attorneys, certified public tax accountants, consultants or any other experts.
In addition, if it is necessary to improve the terms of the Acquisition from the standpoint of ensuring and enhancing the corporate value of the Company and, in turn, the common interests of its shareholders, the Independent Committee shall directly or indirectly discuss and negotiate with the Acquirer. If the Independent Committee directly or indirectly requests the Acquirer to provide materials for consideration or any other information, or to discuss and negotiate with the Independent Committee, the Acquirer must promptly respond to such request.

The Independent Committee may, to the reasonable extent that it is considered necessary for actions such as consideration of the terms of the Acquirer's Acquisition, consideration of an alternative proposal and discussion and negotiation with the Acquirer, extend the Independent Committee Consideration Period (in principle up to 30 days in total).

(e) Recommendation by the Independent Committee

Based on the abovementioned procedures, if the Independent Committee determines that one of the trigger events set out below in (3), 'Requirements for the Gratis Allotment of Share Options' (collectively "Trigger Event") arises with respect to the Acquisition, the Independent Committee will recommend the implementation of the gratis allotment of share options (as detailed in (4) 'Outline of the Gratis Allotment of Share Options'; the relevant share options hereinafter referred to as "Share Options") to the Company's board of directors except in any specific case where further disclosure of information by the Acquirer or discussion or negotiation with the Acquirer is necessary. The Independent Committee may recommend implementation of the gratis allotment of Share Options or other measures subject to confirming the shareholders' intent in advance or subsequently.

Notwithstanding the foregoing paragraph, even after the Independent Committee has already made a recommendation for the implementation of the gratis allotment of Share Options, if the Independent Committee determines that either of the events in (A) or (B) below applies, it may make a new recommendation that (i) on or before the second business day prior to the ex-rights date with respect to the gratis allotment of Share Options, the Company should suspend the gratis allotment of Share Options, or (ii) from the effective date of the gratis allotment of Share Options and until the day immediately prior to the commencement date of the exercise period of the Share Options, the Company should acquire the Share Options for no consideration.

(i) The Acquirer cancels or withdraws the Acquisition and the Acquisition ceases to exist after the recommendation (Note 16).

(ii) There is no longer any Trigger Event due to a change or the like in the facts or other matters on which the recommendation decision was made.

On the other hand, if the Independent Committee determines that the Acquisition does not fall under either Trigger Event, the Independent Committee will not recommend the implementation of the gratis allotment of Share Options to the Company's board of directors. However, even after such decision, if there is a change in the facts or other matters on which the decision was made and a Trigger Event arises, the Independent Committee may make a new recommendation that the Company should implement the gratis allotment of Share Options.

In addition, if the Independent Committee determines that there is a possibility that the Acquisition could harm the corporate value of the Company and, in turn, the common interests of its shareholders, the Independent Committee may, by submitting the reasons therefor, make a recommendation such as holding a meeting of shareholders and confirming the shareholders' intent regarding the Acquisition by the Acquirer.

(f) Convocation of the Shareholders Meeting

The Company's board of directors may convene a meeting of shareholders (Note 17) (the "Shareholders Meeting") and confirm the intent of the Company's shareholders if (i) the Independent Committee recommends implementation of the gratis allotment of Share Options subject to confirming the shareholders' intent or recommends confirmation of the shareholders' intent regarding the Acquisition by the Acquirer in accordance with (e) above, or (ii) the Company's board of directors believes that it should implement a gratis allotment of Share Options or other measures and determines it appropriate to confirm the shareholders' intent taking into consideration the time required to convene the Shareholders Meeting or other matters pursuant to the duty of care of a director.

(g) Resolutions by the Board of Directors

If the Shareholders Meeting is convened in accordance with (f) above, the Company's board of directors will pass a resolution in accordance with the resolution at the Shareholders Meeting. In addition, if the Shareholders Meeting is not held, the Company's board of directors, in exercising its role under the Companies Act, will pass a resolution relating to the implementation or non-implementation of a gratis

allotment of Share Options respecting the recommendation of the Independent Committee in accordance with (e) above to the maximum extent.

(h) Information Disclosure

When operating the Plan, the Company will disclose, in a timely manner, information on matters that the Independent Committee or the Company's board of directors considers appropriate including the progress of each procedure set out in the Plan (including the fact that the Acquirer's Statement and Acquisition Document have been submitted and the Independent Committee Consideration Period has commenced, and, if the Independent Committee Consideration Period will be extended, the period of extension and reasons for the extension), or an outline of recommendations made by the Independent Committee, an outline of resolutions by the board of directors and an outline of resolutions at the Shareholders Meeting, in accordance with the applicable laws and ordinances or the regulations of the financial instruments exchange.

(3) Requirements for the Gratis Allotment of Share Options

The requirements to trigger the Plan to implement a gratis allotment of Share Options are as follows. As described above in (e) of (2), 'Procedures for Triggering the Plan,' the Company's board of directors will make a determination as to whether any of the following requirements applies to an Acquisition for which the recommendation by the Independent Committee has been obtained.

Trigger Event (1)

The Acquisition is not in compliance with the procedures prescribed in the Plan (including cases that time and information necessary to consider the details of the Acquisition is not offered) and it is reasonable to implement the gratis allotment of Share Options.

Trigger Event (2)

The Acquisition falls under any of the items below and it is reasonable to implement the gratis allotment of Share Options.

- (a) An Acquisition that threatens to cause obvious harm to the corporate value of the Company and, in turn, the common interests of its shareholders through any of the following actions.
 - (i) A buyout of share certificates, etc. to require such share certificates, etc. to be compulsorily purchased by the Company or the Company's affiliates at a high price.
 - (ii) Management that achieves an advantage for the Acquirer to the detriment of the Company, such as temporary control of the Company's management for the low-cost acquisition of the Company's material assets.
 - (iii) Diversion of the Company's assets to secure or repay debts of the Acquirer or its group company.
 - (iv) Temporary control of the Company's management to bring about the disposal of high-value assets that have no current relevance to the Company's business and declaring temporarily high dividends from the profits of the disposal, or selling the shares at a high price taking advantage of the opportunity afforded by the sudden rise in share prices created by the temporarily high dividends.
- (b) Certain Acquisitions that threaten to have the effect of coercing shareholders into selling shares, such as coercive two-tiered tender offers (meaning acquisitions of shares including tender offers, in which no offer is made to acquire all shares in the initial acquisition, and acquisition terms for the second stage are set that are unfavorable or unclear).
- (c) Acquisitions to which the terms (including the amount and type of consideration, timeframe, legality of the Acquisition method, feasibility of the Acquisition being effected, and post-Acquisition policies dealing with the Company's other shareholders, employees, customers, business partners and any other stakeholders in the Company) are inadequate or inappropriate in light of the Company's intrinsic value.
- (d) Acquisitions that materially threaten to oppose the corporate value of the Company and, in turn, the common interests of shareholders, by destroying the technical strength or production power or relationships with the Company's employees, customers, business partners and the like, which are indispensable to the generation of the Company's corporate value.

(4) Outline of the Gratis Allotment of Share Options

The following is an outline of the gratis allotment of Share Options scheduled to be implemented under the

Plan.

(a) Number of Share Options

The Company will implement a gratis allotment of Share Options in the same number as the most recent total number of issued and outstanding shares in the Company (excluding the number of shares in the Company held by the Company at that time) on a certain date (the “Allotment Date”) that is separately determined in a resolution by the Company’s board of directors relating to the gratis allotment of Share Options (the “Gratis Allotment Resolution”).

(b) Shareholders Eligible for Allotment

The Company will allot the Share Options to shareholders, other than the Company, who are recorded in the Company’s register of shareholders on the Allotment Date, at a ratio of one Share Option for each share in the Company held.

(c) Effective Date of Gratis Allotment of Share Options

The effective date of the gratis allotment of Share Options will be separately determined in the Gratis Allotment Resolution.

(d) Number of Shares to be Acquired upon Exercise of the Share Options

The number of shares in the Company (Note 18) to be acquired upon exercise of each Share Option (the “Applicable Number of Shares”) will, in principle, be one share.

(e) Amount to be Contributed upon Exercise of Share Options

Contributions upon exercise of the Share Options are to be in cash, and the amount per share in the Company to be contributed upon exercise of the Share Options will be an amount separately determined in the Gratis Allotment Resolution within the range of a minimum of one yen and a maximum of the amount equivalent to one-half of the fair market value of one share in the Company. “Fair market value” means an amount equivalent to the average closing price (including quotations) for regular transactions of the common stock of the Company on the Tokyo Stock Exchange on each day during the ninety day period prior to the Gratis Allotment Resolution (excluding the days on which trades are not made), with any fraction of a yen after such calculation to be rounded up to the nearest whole yen.

(f) Exercise Period of the Share Options

The commencement date will be a date separately determined in the Gratis Allotment Resolution (this commencement date of the exercise period is referred to as the “Exercise Period Commencement Date”), and the period will, in principle, be a period from one month to six months long as separately determined in the Gratis Allotment Resolution.

(g) Conditions for Exercise of Share Options

As a general rule, the following parties may not exercise the Share Options (the parties falling under (I) through (V) below are collectively referred to as “Non-Qualified Parties” (Note 19)):

(I) Acquirers;

(II) Joint holders of Acquirers;

(III) Persons having a special relationship with Acquirers;

(IV) Any transferee of, or successor to, the Share Options of any party falling under (I) through (III) without the approval of the Company’s board of directors (including joint holders of or persons having a special relationship with the transferee or successor); or

(V) Any Affiliated Party (Note 20) of any party falling under (I) through (IV).

Please note that the Company’s board of directors will hear the opinion of the Independent Committee and respect the recommendation of the Independent Committee to the maximum extent when making a determination regarding whether a person is a Non-Qualified Party (Note 21).

Further, nonresidents of Japan who are required to follow certain procedures under applicable foreign laws and ordinances to exercise the Share Options may not as a general rule exercise the Share Options (provided, however, that the Share Options held by nonresidents will be subject to acquisition by the Company in exchange for shares in the Company as set out in (ii) of paragraph (i) below, ‘Acquisition of the Share Options by the Company,’ subject to compliance with applicable laws and ordinances).

In addition, anyone who fails to submit a written undertaking, in the form prescribed by the Company and containing representations and warranties regarding matters such as the fact that he or she satisfies the exercise conditions of the Share Options, indemnity clauses and other covenants, may not exercise the Share Options.

(h) Assignment of Share Options

Any acquisition of the Share Options by assignment requires the approval of the Company's board of directors.

(i) Acquisition of Share Options by the Company

(i) At any time on or before the date immediately prior to the Exercise Period Commencement Date, if the Company's board of directors deems that it is appropriate for the Company to acquire the Share Options, the Company may, on a day that falls on a date separately determined by the Company's board of directors, acquire all of the Share Options for no consideration.

(ii) On a day that falls on a date separately determined by the Company's board of directors, the Company may acquire all of the Share Options that have not been exercised before or on the day immediately prior to such date determined by the Company's board of directors, that are held by parties other than Non-Qualified Parties and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for each Share Option.

Further, if, on or after the date upon which the acquisition takes place, the Company's board of directors recognizes the existence of any party holding Share Options other than Non-Qualified Parties (Note 22), the Company may, on a day falling on a date determined by the Company's board of directors after the date upon which the acquisition described above takes place, acquire all of the Share Options held by that party that have not been exercised by or on the day immediately prior to such date determined by the Company's board of directors (if any) and, in exchange, deliver shares in the Company in the number equivalent to the number of the Applicable Number of Shares for every one Share Option. The same will apply thereafter.

(iii) On a date that is on or after the effective date of the gratis allotment of Share Options and separately determined by the board of directors, the Company may acquire all of the Share Options held by Non-Qualified Parties and, in exchange, deliver share options that may not, as a general rule, be exercised by Non-Qualified Parties (Note 23) as consideration in the number equal to the Share Options to be acquired. In addition, with respect to such share options, acquisition provisions such as a provision stipulating that in certain cases the Company may acquire such share options after a certain period has passed by delivering reasonable consideration may be provided. The details of such share options will be determined in the Gratis Allotment Resolution.

(iv) Other matters regarding acquisitions will be separately determined in the Gratis Allotment Resolution.

(j) Delivery of Share Options in Case of Merger, Absorption-type Demerger (*kyushu bunkatsu*), Incorporation-type Demerger (*shinsetsu bunkatsu*), Share Exchange (*kabushiki koukan*), and Share Transfer (*kabushiki iten*)

These matters will be separately determined in the Gratis Allotment Resolution.

(k) Issuance of Certificates Representing the Share Options

Certificates representing the Share Options will not be issued.

(l) Other

In addition to the above, the details of the Share Options will be separately determined in the Gratis Allotment Resolution.

(5) Effective Period, and Abolition, Revision or Amendment of the Plan

The effective period of the Plan (the "Effective Period") will be the period until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the conclusion of the 52nd Ordinary General Meeting of Shareholders.

However, if, before the expiration of the Effective Period, the Company's board of directors resolves to abolish the Plan, the Plan will be abolished at that time.

Further, the Company's board of directors may revise or amend the Plan even during the Effective Period of the Plan, if such revision or amendment is not against the purpose of a resolution of the 52nd Ordinary General Meeting of Shareholders such as cases where any law, ordinance, or regulations or rules of a financial instruments exchange or the like concerning the Plan is established, amended or abolished and it is appropriate to reflect such establishment, amendment or abolition, cases where it is appropriate to revise the wording for reasons such as typographical errors and omissions, cases where the revision or amendment does not cause any disadvantage to the Company's shareholders, and the like, and subject to the approval of the Independent Committee.

If the Plan is abolished, revised or amended, the Company will promptly disclose facts including the fact that such abolition, revision or amendment has taken place, and (in the event of a revision or amendment) the details of the revision, amendment and any other matters.

(6) Revision Due to Amendment to Laws and Ordinances

The provisions of laws and ordinances referred to under the Plan are subject to the prevailing provisions as of February 14, 2023. If it becomes necessary after such date to revise the terms and conditions or definitions of terms set out in the paragraphs above due to the establishment, amendment or abolishment of laws and ordinances, the terms and conditions or definitions of terms set out in the paragraphs above will be read accordingly as required to a reasonable extent, taking into consideration the purposes of such establishment, amendment or abolishment.

- Note 1 The Company is no longer a company issuing share certificates since the electronic share certificate system came into effect on January 5, 2009; however, we use the term “share certificate” in the Plan in accordance with the provisions of the Financial Instruments and Exchange Act from the perspective that using descriptions in the Plan that are in accordance with the provisions of the Financial Instruments and Exchange Act will contribute to clarity and objectivity.
- Note 2 Defined in Article 27-23.4 of the Financial Instruments and Exchange Act. The same applies throughout this document.
- Note 3 Including persons described as a holder under Article 27-23.3 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the board of directors of the Company). The same applies throughout this document.
- Note 4 Defined in Article 27-23.1 of the Financial Instruments and Exchange Act. The same applies throughout this document unless otherwise provided for.
- Note 5 Defined in Article 27-2.6 of the Financial Instruments and Exchange Act. The same applies throughout this document.
- Note 6 Defined in Article 27-2.8 of the Financial Instruments and Exchange Act. The same applies throughout this document.
- Note 7 Defined in Article 27-2.7 of the Financial Instruments and Exchange Act (including persons who are deemed to fall under the above by the board of directors of the Company); provided, however, that persons provided for in Article 3.2 of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, Etc. by Person other than Issuer are excluded from the persons described in Article 27-2.7(i) of the Financial Instruments and Exchange Act. The same applies throughout this document.
- Note 8 Defined in Article 27-2.1 of the Financial Instruments and Exchange Act.
- Note 9 Defined in Article 27-23.5 of the Financial Instruments and Exchange Act, including persons regarded as a joint holder under Article 27-23.6 of the Financial Instruments and Exchange Act (including persons who are deemed a joint holder by the Company’s board of directors). The same applies throughout this document.
- Note 10 Determination as to whether or not a “relationship whereby the acquirer of share certificates, etc. or the other shareholder(s) substantially control(s) the other or they act jointly or in concert with each other” has been established between them will be made based on certain factors such as the current or past capital relationship (including a relationship of joint control), business alliance relationship, business or contractual relationship, relationship of interlocking directorate, financing relationship, and credit granting

relationship, and currently or in the past having a beneficial interest in the Company's share certificates, etc. through derivatives, stock lending, and other transactions, and direct or indirect effects on the Company caused by that acquirer of share certificates, etc. and the other shareholder(s).

Note 11 Whether or not an act specified in item (III) of the main text has been conducted or not will be reasonably determined by the Company's board of directors. Please note that the Company's board of directors may request the Company's shareholders to provide necessary information to the extent that is required for making a judgment regarding whether or not the relevant act satisfies the requirements prescribed in (III) of the main text.

Note 12 The summary of the rules of the Independent Committee is as follows.

- There will be no less than three members in the Independent Committee, and the Company's board of directors shall appoint the members from outside directors of the Company or outside experts who are independent from the management that executes the business of the Company. However, such experts must be experienced corporate managers, former government employees, parties with knowledge of the investment banking industry, parties with knowledge of the Company's business, lawyers, certified public accountants, researchers whose research focuses on the Companies Act or the like, or parties of similar qualifications, and must have executed with the Company an agreement separately specified by the Company's board of directors that contains a provision obligating the experts to exercise their duty of care to the Company or a similar provision.
- Unless otherwise determined by a resolution of the Company's board of directors, the term of office of members of the Independent Committee will be until the conclusion of the ordinary general meeting of shareholders relating to the last fiscal year ending within three years after the 52nd Ordinary General Meeting of Shareholders. However, the term of office of any member of the Independent Committee who is an outside director of the Company will end at the same time when they cease to be a director (except in the case of their re-election).
- The Independent Committee shall make decisions, etc. on the implementation or non-implementation of the gratis allotment of Share Options, the cancellation of the gratis allotment of Share Options or the gratis acquisition of Share Options, and any matters that the Company's board of directors of the Company separately refers to the Independent Committee and any other matters prescribed in the Plan.
- As a general rule, resolutions of meetings of the Independent Committee shall pass with a majority when all of the members of the Independent Committee are in attendance (including attendance via video conference or telephone conference). However, in unavoidable circumstances a resolution may pass with a majority of voting rights when a majority of the members of the Independent Committee are in attendance.

Note 13 If Proposal No. 2 "Election of Eight Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)", Proposal No. 3 "Election of Three Directors Who Are Audit & Supervisory Committee Members" and this Proposal are approved, Mitsuru Furuyama, Eitatsu Tanabe, Yasuhiro Ueda, Tadaaki Uchiyama and Yoshiyuki Higuchi will be elected as members of the Independent Committee. The career summary of Mr. Furuyama, Mr. Tanabe and Mr. Ueda are as shown on pages 13 and 14 of this notice, and the career summary of Mr. Uchiyama and Mr. Higuchi are as shown on pages 17 and 18 of this notice.

Note 14 Defined in Article 9.5 of the Order for Enforcement of the Financial Instruments and Exchange Act.

Note 15 If an Acquirer is a fund, information relating to the matters described in (i) about each partner and other constituent members is required.

Note 16 This would apply, for example, when the Acquirer cancels or withdraws an Acquisition that has already commenced (if the Acquisition is conducted by means of a tender offer, a public notice of the withdrawal of a tender offer (the main text of Article 27-11.2 of the Financial Instruments and Exchange Act) is required) and then a document to the effect that the Acquirer covenants such matters as that (i) the Acquisition will not be effected for a certain period, (ii) the Acquirer will reduce its holding ratio of share certificates, etc. to a certain percentage within a specific period, and (iii) the Acquirer will not exercise its

right to demand convocation of an extraordinary general meeting of shareholders for a certain period is submitted and the Acquirer acts in compliance with the written covenant.

- Note 17 A “meeting of shareholders” includes not only a shareholders meeting where shareholders resolve statutory matters for resolution set out in Article 295 of the Companies Act, but also a meeting where advisory resolutions regarding matters other than the statutory matters for resolution set out in Article 295 of the Companies Act are made.
- Note 18 Even if the Company becomes a company issuing class shares (Article 2, Item 13 of the Companies Act) in the future, both (i) the shares in the Company to be delivered upon exercise of Share Options and (ii) the shares to be delivered in exchange for acquisition of Share Options are the same class of shares of common stock that have been issued at the time of the 52nd Ordinary General Meeting of Shareholders.
- Note 19 However, a party that the Company’s board of directors recognizes as a party whose acquisition or holding of share certificates, etc., of the Company is not contrary to the Company’s corporate value or the common interests of shareholders or a certain other party that the Company’s board of directors separately determines in the Gratis Allotment Resolution is not a Non-Qualified Party.
- Note 20 An “Affiliated Party” of a given party means a person who substantially controls, is controlled by, or is under common control with such given party (including any party who is deemed to fall under the above by the Company’s board of directors), or a party deemed by the Company’s board of directors to act jointly or in concert with such given party. “Control” means to “control the determination of the financial and business policies” (as defined in Article 3.3 of the Enforcement Regulations of the Companies Act) of other corporations or entities. In addition, when making a judgment regarding an “Affiliated Party” of a partnership or other fund, whether the fund manager is substantially identical and other circumstances will be taken into account.
- Note 21 The Company’s board of directors may require a person whose applicability as a Non-Qualified Party is in question to provide information, etc. that is required to make such determination.
- Note 22 For example, the case of a person who initially was a person having a special relationship with an Acquirer but cancels the relationship with the Acquirer after the triggering of the Plan and thereby is no longer a Non-Qualified Party.
- Note 23 However, the Company may set a condition that Non-Qualified Parties may exercise such share options in certain cases. Specifically, the Company may, for example, stipulate such matters as that the Acquirer or other Non-Qualified Parties may exercise share options held by them within a certain percentage if the Acquirer cancels or withdraws an Acquisition that has already commenced (if the Acquisition is conducted by means of a tender offer, a public notice of the withdrawal of a tender offer (the main text of Article 27-11.2 of the Financial Instruments and Exchange Act) is required) and then a document to the effect that the Acquirer covenants such matters as that (i) the Acquisition will not be effected for a certain period, (ii) the Acquirer will reduce its holding ratio of share certificates, etc. to a certain percentage within a specific period, and (iii) the Acquirer will not exercise its right to demand convocation of an extraordinary general meeting of shareholders for a certain period is submitted and the Acquirer acts in compliance with the written covenant.