

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

(Securities Code: 5970)

June 1, 2023

To our shareholders

Naohiro Takao

President, Chief Executive Officer

G-TEKT CORPORATION

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

Notice of Convocation of the 12th Ordinary General Meeting of Shareholders

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

Now, the 12th Ordinary General Meeting of Shareholders of G-TEKT CORPORATION (the “Company” or “G-TEKT”) is to be held as stated below.

We have taken measures to provide reference document, etc., (except for voting rights exercise form) for this General Meeting for Shareholders in electronic format, and the matters subject to electronic provision measures are posted on our web site shown below.

<https://www.g-tekt.jp/index.html>

The matters are also posted on the web site shown below.

<https://d.sokai.jp/5970/teiji/>

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

1. Date and Time: 10:00 a.m., Wednesday, June 21, 2023 (Reception begins at 9:30 a.m.)

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

3. Meeting Agenda:

Items for reporting: 1. The Business Report, Consolidated Financial Statements for the Company’s 12th Fiscal Year (April 1, 2022 – March 31, 2023) and results of audits by the Auditor and the Audit & Supervisory Board

2. Non-Consolidated Financial Statements for the Company’s 12th Fiscal Year (April 1, 2022 – March 31, 2023)

Proposals to be resolved:

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Six (6) Board Members

Proposal No. 3 Election of Three (3) Audit & Supervisory Board Members

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

- Upon attending the meeting, please present the enclosed Voting Rights Exercise Form to the receptionist at the place of the meeting.
- For this general meeting of shareholders, we have delivered paper-based documents stating the items subject to measures for electronic provision 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 14 of the Articles of Incorporation of the Company, the following items are not provided in the paper-based documents delivered to shareholders.

(1) “Company System and Policies” of the Business Report

(2) “Consolidated Statement of Changes in Equity” and “Notes to the Consolidated Financial Statements” of the Consolidated Financial Statements

(3) “Non-consolidated Statement of Changes in Equity” and “Notes to the Non-consolidated Financial Statements” of the Non-consolidated Financial Statements.

Furthermore, Business report, Consolidated Financial Statement and Non-consolidated Financial Statement are only part of the documents audited by the Audit & Supervisory Board Members and the Financial Auditor in preparing their audit reports.

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

Guidelines of the Exercise of Voting Rights

For those attending the General Meeting of Shareholders

Date and time of the meeting: 10:00 a.m., Wednesday, June 21, 2023

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

For those not attending the General Meeting of Shareholders

Via mail

Exercise deadline: Arrival by 6:00 p.m., Tuesday, June 20, 2023

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

Via the Internet

Exercise deadline: 6:00 p.m., Tuesday, June 20, 2023

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

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

Please see the following page for details.

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

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

Guidelines Regarding the Exercise of Voting Rights via the Internet

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

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

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

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

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

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

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

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

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

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

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

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

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

* The service is available in Japanese only.

For Institutional investors

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

Reference Documents for the Ordinary General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of surplus

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

In accordance with the above-stated policy, the 12th year-end dividend is as follows.

Details of the year-end dividend

(i) Type of dividend property	Cash
(ii) Matters concerning the allotment of dividend property to shareholders and the total amount thereof:	¥29 per share of common stock of the Company Total cash dividends of ¥1,258,196,581
(iii) Effective date of dividend of surplus	June 22, 2023

The annual dividend including interim dividend of ¥29 per share will be ¥58 per share.

Proposal 2: Election of Six (6) Board Members

The terms of office of seven (7) Board Members, Naohiro Takao, Isao Yoshizawa, Hiroshi Seko, Fumihiko Hirotaki, Makoto Ogo, Keiji Kasamatsu, and Rieko Inaba will expire upon the conclusion of this General Meeting of Shareholders.

Therefore, we propose the election of six (6) Board Members, including one (1) new Board Member. It should be noted that the candidates for Board Member were selected in accordance with our “Selection Criteria and Procedures for Candidates for Board Member” described below. In addition, two (2) of the six (6) candidates for Board Member are candidates for Outside Board Member, both of whom meet our “Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members” described below.

[Selection criteria and procedures for candidates for Board Member]

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

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

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

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

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

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

■Candidates for Board Member

No.	Name		Current positions and responsibilities		Attendance at the Board meetings
			Position	Responsibilities	
1	Naohiro Takao	Reappointment	President, Chief Executive Officer		15/15
2	Hiroshi Seko	Reappointment	Member of the Board, Senior Managing Officer of the Company	Engineering Operations Director	15/15
3	Fumihiko Hirotaki	Reappointment	Member of the Board, Managing Officer of the Company	Sales Operations Director	15/15
4	Akira Kakizaki	New Candidate	Managing Officer of the Company	Quality Assurance Operations Director and DX Charge Officer	-
5	Keiji Kasamatsu	Reappointment Outside Independent	Member of the Board		12/12
6	Rieko Inaba	Reappointment Outside Independent	Member of the Board		15/15

Outside : A candidate for outside Board Member

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

- (Note) 1. In addition to the number meetings of the Board of Directors held in the above table, one resolution was adopted in writing that was deemed to be a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.
2. The number of meetings of the Board meetings that Mr. Keiji Kasamatsu attended is for meetings that were held after his election as Board Member on June 24, 2022 (JST)
3. Please refer to "Expertise and Experience of Candidates for Board Member and Audit & Supervisory Board Member (Skills Matrix)" on page 21 for the expertise and experience of the candidates for Board Member and the committee members to be appointed.

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
1	<p>Naohiro Takao (August 27, 1960)</p> <p>Number of shares held: 1,384,353 (including 97,777 shares to be issued based on performance-based remuneration)</p> <p>Reappointment</p>	<p>April 1983 Joined Honda Motor Co., Ltd.</p> <p>April 1986 Joined Takao Kinzoku Kogyo Co., Ltd.</p> <p>June 1990 Business Division General Manager of Takao Kinzoku Kogyo Co., Ltd.</p> <p>March 1993 Member of the Board of Takao Kinzoku Kogyo Co., Ltd.</p> <p>August 1993 Research & Development and Planning Division General Manager of Takao Kinzoku Kogyo Co., Ltd.</p> <p>June 1994 Sales Operations Director of Takao Kinzoku Kogyo Co., Ltd.</p> <p>June 1995 President of Takao (Thailand) Co., Ltd. (currently G-TEKT (Thailand) Co., Ltd.)</p> <p>May 1996 President of Takao Eastern Co., Ltd. (currently G-TEKT Eastern Co., Ltd.)</p> <p>March 1997 Member of the Board, Managing Director of Takao Kinzoku Kogyo Co., Ltd.</p> <p>March 1999 President of Takao America Corporation (currently G-TEKT America Corporation)</p> <p>September 1999 Sales Operations Director and Overseas Operations Director of Takao Kinzoku Kogyo Co., Ltd.</p> <p>May 2004 Member of the Board of Thai G&B Manufacturing Ltd.</p> <p>April 2006 Manufacturing Operations Director of Takao Kinzoku Kogyo Co., Ltd.</p> <p>April 2011 Member of the Board, Senior Managing Director of the Company Overseas Operations Director of the Company Member of the Board of G-TEKT Europe Manufacturing Ltd. Member of the Board of Auto Parts Alliance (China) Ltd. Member of the Board of Wuhan Auto Parts Alliance Co., Ltd. Member of the Board of Conghua K&S Auto Parts Co., Ltd. (currently Conghua Auto Parts Alliance (China) Ltd.)</p> <p>November 2011 Member of the Board of G-TEKT India Private Ltd.</p> <p>February 2012 Member of the Board of PT.G-TEKT Indonesia Manufacturing</p> <p>April 2014 Vice President and Member of the Board of the Company</p> <p>April 2015 Vice President and Managing Officer of the Company Komisaris of PT. G-TEKT Indonesia Manufacturing</p> <p>June 2015 Member of the Board of G-TEKT North America Corporation</p> <p>April 2016 President, Chief Executive Officer of the Company (incumbent)</p>
	<p>Reasons for nomination as candidate for Board Member</p>	<p>Mr. Naohiro Takao, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in manufacturing, sales, and overseas business, etc.</p> <p>Since being appointed President in April 2016, he has led business strategies for the entire group, including the establishment of the G-TEKT TOKYO LAB, which is a key base for technological developments in anticipation of the spread of EVs, as well as overseas expansion.</p> <p>In addition, he has strongly driven the business of the Company as the top manager, including promptly responding to changes in circumstances that were caused by the spread of the novel coronavirus in 2020.</p> <p>Based on the above, we have determined that he has the knowledge required for the management of the Company, is suitable for supervising the Company in general, and therefore we have again nominated him as candidate for Board Member.</p>

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
2	<p>Hiroshi Seko (June 6, 1961)</p> <p>Number of Shares Held: 24,407 (including 17,507 shares to be issued based on performance-based remuneration)</p> <p style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</p>	<p>March 1984</p> <p>April 2008</p> <p>April 2011</p> <p>August 2011</p> <p>April 2013</p> <p>April 2014</p> <p>April 2019</p> <p>April 2020</p> <p>June 2020</p> <p>April 2023</p>	<p>Joined Takao Kinzoku Kogyo Co., Ltd.</p> <p>Engineering Division General Manager of Takao Kinzoku Kogyo Co., Ltd.</p> <p>Stamping Engineering Division II General Manager, Engineering Operations of the Company</p> <p>Stationed to G-TEKT Europe Manufacturing Ltd.</p> <p>Chief Operating Officer for Regional Operations (Europe) and Managing Director of G-TEKT Europe Manufacturing Ltd.</p> <p>Officer of the Company</p> <p>Engineering Operations Director of the Company (incumbent)</p> <p>Managing Officer of the Company</p> <p>Member of the Board, Managing Officer of the Company</p> <p>Member of the Board, Senior Managing Officer of the Company (incumbent)</p>
	<p>Reasons for nomination as candidate for Board Member</p>	<p>Mr. Hiroshi Seko, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in technology and overseas business, etc.</p> <p>Since being appointed as Board Member in 2020, he has played a leading role in improving technological development and profitability based on trends in state-of-the-art technology in the European automobile market. Based on the above, we have determined that he is suitable for leading the Company's sustainable growth as well as carrying out supervision as he has the experience and knowledge required for the management of business at the Company, in the technology field in particular, and we have therefore again nominated him as candidate for Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
3	Fumihiko Hirotaki (November 23, 1964) Number of shares held: 20,884 (including 15,684 shares to be issued based on performance- based remuneration) <div style="border: 1px solid black; padding: 2px; width: fit-content;">Reappointment</div>	March 1987 February 2008 April 2011 April 2015 April 2019 April 2021 June 2021	Joined Takao Kinzoku Kogyo Co., Ltd. President of Takao Eastern Co., Ltd. (currently G-TEKT Eastern Co., Ltd.) Sales Division I General Manager, Sales Operations of the Company Officer of the Company Sales Operations Deputy Director of the Company Sales Operations Director of the Company (incumbent) Managing Officer of the Company Member of the Board, Managing Officer of the Company (incumbent)
	Reasons for nomination as candidate for Board Member	<p>Mr. Fumihiko Hirotaki, since joining the Company, has gained extensive business experience and deep insight into group management through his involvement in sales and overseas business, etc.</p> <p>Through his service as Sales Operations Deputy Director from 2015 and as Sales Operations Director since 2019, he has endeavored to maintain and expand relationships with existing trading partners as well as to achieve new orders from a plurality of trading partners both inside and outside of Japan, and has contributed to a significant expansion in sales.</p> <p>Based on the above, we have determined that he is suitable for leading the Company's sustainable growth as well as carrying out supervision as he has the experience and knowledge required for the management of business at the Company, in the sales field in particular, and we have therefore nominated him as candidate for Board Member.</p>	

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
4	<p>Akira Kakizaki (April 9, 1965)</p> <p>Number of shares held: 13,002 (including 9,802 shares to be issued based on performance-based remuneration)</p> <p style="border: 1px solid black; display: inline-block; padding: 2px;">New Candidate</p>	<p>March 1990 Joined Kikuchi Koki Co., Ltd.</p> <p>September 1991 Engineering Division Block I of Kikuchi Co., Ltd.</p> <p>January 2005 Stationed at Austin Tri-Hawk Automotive, Inc.</p> <p>April 2013 Stamping Engineering Division I General Manager, Engineering Operations of the Company</p> <p>April 2017 Officer of the Company</p> <p> Engineering Operations Deputy Director of the Company</p> <p> Engineering Planning Division General Manager, Engineering Operations of the Company</p> <p>April 2023 Managing Officer of the Company (incumbent)</p> <p> Quality Assurance Operations Director (incumbent)</p> <p> DX Charge Officer (incumbent)</p>
	<p>Reasons for nomination as candidate for outside Board Member and overview of expected roles</p>	<p>Mr. Akira Kakizaki, since joining the company, has extensive business experience and deep knowledge in the areas of technology and development. As Engineering Operations Deputy Director from the time of his appointment as Executive Officer, he has worked on reforming the structure of Engineering Operations with the aim of recovering profitability in the stamping die engineering area in particular, and has led the transformation of engineering operations, including the development of digital tools and the shift to cloud computing. He was in charge of overseeing digital transformation in the company-wide DX project launched in 2021, with a focus on the quality and cost areas. Based on the above, we have determined that he is suitable for leading and supervising the company's transformation, and we have therefore nominated him as candidate for Board Member.</p>

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
6	Keiji Kasamatsu (January 20, 1955) Number of shares held: - <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent	April 1977 April 2004 April 2008 April 2009 April 2011 April 2014 June 2016 June 2019 June 2022	Joined Mitsui & Co., Ltd. General Manager, Automotive Steel Division, of Mitsui & Co., Ltd. Executive Managing Officer, General Manager of Second Unit of Mitsui & Co. Steel Ltd. Director and Chairman of Steel Technologies LLC (United States) Director of Mitsui & Co., Ltd. Representative Director and President of Mitsui & Co. Steel Ltd. President of Mitsui & Co. Group Pension Fund Outside Director of Chubu Steel Plate Co., Ltd. Independent Outside Member of the Board of the Company (incumbent)
	Reasons for nomination as candidate for outside Board Member and overview of expected roles	<p>Mr. Keiji Kasamatsu has extensive and wide-ranging knowledge of business relationships and commercial practices within the automotive industry, based on his many years of experience at a general trading company engaged mainly in transactions involving steel plates for automobiles. He is also expected to provide a high level of insight into various management decisions based on his experience in overseas business and corporate management.</p> <p>We have nominated him as candidate for outside Board Member in the expectation that he will provide advice on management decisions from a high-level perspective backed by his expertise and contribute to the supervision of management in order for the Company to achieve sustainable growth in the ever-changing automobile industry.</p>	

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

(Note)

1. The Company has no special interest with each candidate.
2. The Company has entered into a liability agreement with Mr. Keiji Kasamatsu and Ms. Rieko Inaba, which their liability shall be limited to the minimum liability amount stipulated by laws and regulations under Article 423, Paragraph 1 of the Companies Act. If their reelection is approved, the Company intends to extend the agreement with them.
3. Mr. Keiji Kasamatsu and Ms. Rieko Inaba are candidates for outside Board Member of the Company, who satisfy the “Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members” of the Company and the requirements of Independent Board Members as stipulated by the Tokyo Stock Exchange. The Company has registered them as Independent Board Members as stipulated by the said Exchange.
4. Mr. Keiji Kasamatsu’s term of office as outside Board Member of the Company will be 1 year at the conclusion of this meeting.
5. Ms. Rieko Inaba’s term of office as outside Board Member of the Company will be 4 years at the conclusion of this meeting.
6. Ms. Rieko Inaba’s legal surname is “Watanabe” by marriage but she keeps her maiden name “Inaba” in the office.
7. The Company has entered into an indemnification agreement stipulated in Article 430-2 Paragraph 1 of the Companies Act with Board Members. This agreement stipulates that the Company indemnifies costs under Item 1 of the same paragraph and losses under Item 2 of the same paragraph within the scope stipulated by laws and regulations. Subject to the approval of the election of the Board Members, the Company plans to continue or enter into indemnification agreement with them.

8. The Company has entered into a directors and officers liability insurance policy, the content of which has been summarized below, and plans to renew this policy in April 2024. Upon the reappointment or election of the six (6) candidates for Board Member, each of the candidates will be covered under this insurance policy.

[Overview of the insurance policy]

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

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

- (ii) Overview of insurance incidents subject to compensation

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

Proposal 3: Election of Three (3) Audit & Supervisory Board Member

The terms of office of three (3) Audit & Supervisory Board Members, Mr. Kesao Tamura, Yasunori Niizawa, and Yasuo Kitamura will expire upon the conclusion of this General Meeting of Shareholders. Therefore, we propose the election of three (3) Audit & Supervisory Board Members. Prior to the submission of this proposed item, we have already obtained the consent of Audit & Supervisory Board.

The candidates for positions as Audit & Supervisory Board Member are as follows.

No.		Position	Attendance at the Board meetings	Attendance at Audit & Supervisory Board meetings
1	Kesao Tamura <input type="text" value="Reappointment"/>	Audit and Supervisory Board Member (full-time)	15/15	14/14
2	Yasunori Niizawa <input type="text" value="Reappointment"/> <input type="text" value="Outside"/> <input type="text" value="Independent"/>	Audit and Supervisory Board Member	15/15	14/14
3	Yasuo Kitamura <input type="text" value="Reappointment"/> <input type="text" value="Outside"/> <input type="text" value="Independent"/>	Audit and Supervisory Board Member	15/15	14/14

: A candidate for outside Audit & Supervisory Board Member

: An independent Board Member registered with the Tokyo Stock Exchange

(Note) 1. In addition to the number meetings of the Board of Directors held in the above table, one resolution was adopted in writing that was deemed to be a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.

2. Please refer to "Expertise and Experience of Candidates for Board Member and Audit & Supervisory Board Member (Skills Matrix)" on page 21 for the expertise and experience of the candidates for Audit & Supervisory Board Members.

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
1	<p>Kesao Tamura (June 2, 1961)</p> <p>Number of Shares Held: 3,100 (including 0 shares to be issued based on performance-based remuneration)</p> <p style="border: 1px solid black; display: inline-block; padding: 2px;">Reappointment</p>	<p>April 1980 Joined Takao Kinzoku Kogyo Co., Ltd.</p> <p>February 1993 Stationed to Jefferson Industries Corporation</p> <p>October 2005 Vice President of Wuhan Auto Parts Alliance Co., Ltd.</p> <p>April 2013 Overseas Business Division General Manager, Overseas Operations of the Company</p> <p>June 2015 Audit & Supervisory Board Member of the Company (incumbent)</p>
	<p>Reasons for nomination as candidate for Audit & Supervisory Board Member</p>	<p>Since joining the Company, Kesao Tamura has gained experience in the finance department, manufacturing department, overseas assignments, etc. Also, as General Manager of the Overseas Business Division, he was responsible for overseeing the Company's overseas business operations. He was appointed as Auditor & Supervisory Board Member in 2015 and currently oversees the Company's management. We have determined that he is capable of conducting audits of the Company's overall corporate management based on the Company's actual conditions as an Audit & Supervisory Board Member originating from within the Company, and therefore we have nominated him as candidate for Audit & Supervisory Board Member.</p>

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
2	Yasunori Niizawa (December 6, 1954) Number of Shares Held: - <input type="checkbox"/> Reappointment <input type="checkbox"/> Outside <input type="checkbox"/> Independent	April 1973 Joined Kantoshinetsu Regional Taxation Bureau July 2009 District Director of Takada Tax Office, Niigata Japan July 2012 District Director of Ryugasaki Tax Office, Ibaraki Japan July 2014 District Director of Kawaguchi Tax Office, Saitama Japan August 2015 Opened Niizawa Tax Accountant Office June 2019 Independent Outside Audit & Supervisory Board Member of the Company (incumbent) April 2020 Outside Audit & Supervisory Board Member of Kanto Construction Co., Ltd. (incumbent)
	Reasons for nomination as candidate for Audit & Supervisory Board Member	Having many years of extensive business experience in national taxation and professional knowledge as a tax accountant, we have determined that he is capable of auditing the Company's overall corporate management from an objective perspective, and therefore we have nominated him as a candidate for Independent Outside Audit & Supervisory Board Member.

No.	Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held	
3	Yasuo Kitamura (March 8, 1965) Number of Shares Held: - Reappointment Outside Independent	April 1988 April 1996 August 2000 February 2001 August 2001 October 2007 June 2012 March 2015 March 2016 December 2018 March 2019 June 2019 December 2020	Joined The Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) Registered as Attorney-at-law in Japan Ozawa & Akiyama Law Office Shearman & Sterling LLP Registered as Attorney-at-law in New York State, the United States Ozawa & Akiyama Law Office Partner, Kitamura & Hiraga Law Office (incumbent) Substitute Audit & Supervisory Board Member of the Company Outside Audit & Supervisory Board Member of Toagosei Co., Ltd. Outside Director and Audit & Supervisory Committee Member of Toagosei Co., Ltd. Outside Audit & Supervisory Board Member of AI MECHATEC, Ltd. (incumbent) Outside Director of Toagosei Co., Ltd. Independent Outside Audit & Supervisory Board Member of the Company (incumbent) Outside Board Members (Audit & Supervisory Committee Member) of LITALICO Inc. (incumbent)
	Reasons for nomination as candidate for Audit & Supervisory Board Member	Having extensive insight and experience as a lawyer, Independent Outside Audit & Supervisory Board Member, and Outside Board Member at other companies, we believe that he is capable of auditing the Company's overall corporate management from an objective perspective, and therefore we have nominated him as a candidate for Independent Outside Audit & Supervisory Board Member.	

- (Note)
1. The Company has no special interest with each candidate.
 2. The Company has entered into a liability agreement with Mr. Yasunori Niizawa and Mr. Yasuo Kitamura, which their liability shall be limited to the minimum liability amount stipulated by laws and regulations under Article 423, Paragraph 1 of the Companies Act. If their reelection is approved, the Company intends to extend the agreement with them.
 3. Mr. Yasunori Niizawa and Mr. Yasuo Kitamura are candidates for Outside Audit & Supervisory Board Member of the Company, who satisfy the "Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members" of the Company and the requirements of Independent Board Members as stipulated by the Tokyo Stock Exchange. The Company has registered them as Independent Board Members as stipulated by the said Exchange.
 4. Mr. Yasunori Niizawa's term of office as Outside Audit and Supervisory Board Member of the Company will be 4 years at the conclusion of this meeting.
 5. Mr. Yasuo Kitamura's term of office as Outside Audit and Supervisory Board Member of the Company will be 4 years at the conclusion of this meeting.

6. The Company has entered into an indemnification agreement stipulated in Article 430-2 Paragraph 1 of the Companies Act with Audit & Supervisory Board Member. This agreement stipulates that the Company indemnifies costs under Item 1 of the same paragraph and losses under Item 2 of the same paragraph within the scope stipulated by laws and regulations. Subject to the approval of the election of candidates, the Company plans to continue said indemnification agreement with them.
7. The Company has entered into a directors and officers liability insurance policy, the content of which has been summarized below, and plans to renew this policy in April 2024. Upon the reappointment or election of the three (3) candidates for Audit & Supervisory Board Member, each of the candidates will be covered under this insurance policy.

[Overview of the insurance policy]

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

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

(ii) Overview of insurance incidents subject to compensation

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

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

Should the Company be unable to fill the number of Corporate Auditors required by law, the Company proposes the election of one (1) substitute Independent Outside Audit & Supervisory Board Member. Prior to the submission of this proposed item, we have already obtained the consent of Audit & Supervisory Board.

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

Name (Date of birth)	Brief personal history, positions and responsibilities in the Company and significant positions concurrently held
<p>Mayumi Okamori (June 18, 1967)</p> <p>Number of Shares Held: -</p> <p>Reappointment</p> <p>Outside</p> <p>Independent</p>	<p>October 1991 Joined Audit Firm Asahi & Co., Ltd. (Currently KPMG AZSA LLC.)</p> <p>July 1995 Registered as certified public accountant</p> <p>January 1999 Joined Tanabe Seiyaku Co., Ltd. (currently Mitsubishi Tanabe Pharma Corporation)</p> <p>April 2008 Established Okamori Certified Public Accountant Office</p> <p>June 2019 Substitute Audit & Supervisory Board Member of the Company (incumbent)</p>
<p>Reasons for nomination as candidate for Audit & Supervisory Board Member</p>	<p>Based on her professional knowledge as a certified public accountant and business experience, we have determined that she is capable of auditing the Company's overall corporate management from an objective perspective, and therefore we have nominated her as a candidate for substitute Independent Outside Audit & Supervisory Board Member. Although she has not been directly involved in corporate management in the past except as an Outside Board Member and Outside Audit & Supervisory Board Member, for the reasons stated above, we expect that she will be able to appropriately perform her duties as an Independent Outside Audit & Supervisory Board Member.</p>

(Note) 1. The Company has no special interest with each candidate.

2. Ms. Mayumi Okamori is a candidate for outside Substitute Audit & Supervisory Board Member of the Company, who satisfies the "Independence Standards for Outside Board Members and Outside Audit & Supervisory Board Members" of the Company and the requirements of Independent Board Member as stipulated by the Tokyo Stock Exchange. Upon the approval for her appointment, the Company will register her as Independent Board Member as stipulated by the said Exchange.

(Reference)

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

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

Name and affiliation	Board of Directors					
	Naohiro Takao August 27, 1960	Hiroshi Seko June 6, 1961	Fumihiko Hirota November 23, 1964	Akira Kakizaki April 9, 1965 New candidate	Keiji Kasamatsu January 20, 1955	Rieko Inaba October 23, 1975
Gender	Male	Male	Male	Male	Independent Outside	Independent Outside
Committee member planned to be appointed, etc.	President, Chief Executive Officer	Member of the Board, Senior Managing Officer	Member of the Board, Managing Officer	Member of the Board, Managing Officer	Member of the Board	Member of the Board
	Nomination Advisory Committee Member				Chairperson, Nomination Advisory Committee Member	Nomination Advisory Committee Member
	Remuneration Advisory Committee Member				Chairperson, Remuneration Advisory Committee Member	Remuneration Advisory Committee Member
	Chairperson of the Board of Directors					
Length of service	30 years	3 years	2 year	-	1 year	4 years
Business administration	●	●	●		●	
Technology/R&D	●	●	●	●		
Sales and marketing	●	●	●		●	
Manufacturing/Quality Management	●	●	●	●		
Finance	●				●	
Legal affairs and risk management	●				●	●
Sustainability•ESG (Environment, Social, Governance)	●	●	●	●	●	●

[Tenure as Board member]

0 to 5 years	5 people
5 to 15 years	0 people
15 years or more	1 person

Name and affiliation	Audit and Supervisory Board			
	Kesao Tamura June 2, 1961	Yoshiaki Kawakubo September 13, 1963	Yasunori Niizawa December 6, 1954	Yasuo Kitamura March 8, 1965
Gender	Male	Male	Independent Outside	Independent Outside
Committee member planned to be appointed, etc.	Audit and Supervisory Board Member (full-time)	Audit and Supervisory Board Member (full-time)	Audit and Supervisory Board Member	Audit and Supervisory Board Member
Length of service	8 years	1 year	4 years	4 years
Business administration	●			
Technology/R&D				
Sales and marketing				
Manufacturing/Quality Management	●			
Finance	●	●	●	
Legal affairs and risk management		●		●
Sustainability•ESG (Environment, Social, Governance)	●	●	●	●

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

Business Report
(From April 1, 2022 to March 31, 2023)

1. Status of the Corporate Group

(1) Overview of business this consolidated fiscal year

(i) Progress and results of operations

During the consolidated fiscal year under review, the global economy experienced price hikes against the backdrop of the post-COVID-19 economic resumption and the situation in Ukraine, etc. However, monetary tightening by central banks in various countries led to signs of slowing inflation and a correction in the appreciation of the dollar as interest rates peaked. Meanwhile, the outlook remains uncertain due to concerns of economic slowdown, mainly in Europe and the United States, as risk factors still remain, namely, energy security due to the protracted situation in Ukraine and the suppression of economic activities in China due to geopolitical factors.

Although the automobile industry experienced fluctuations in production volume at the beginning of the period due to constraints on semiconductor supply, lockdowns, etc., there is a gradual recovery trend, albeit with some differences among automotive OEMs. Furthermore, the shift to EVs is expected to follow China's lead as tighter environmental regulations accelerate, primarily in Europe and the United States. Despite this external environment, the Company strengthened its ability to respond to production fluctuations through extensive on-site management, while continuing its efforts to reflect cost increases in electricity, logistics, and other areas in the selling prices of its products. Furthermore, in order to make this once-in-a-century period of major transformation as an opportunity for growth, we have been promoted our New G-TEKT Management Strategy ("Action for the global environment," "Establishment of EV-related business," "Improvement of the diversity of human resources," and "Transformation of existing businesses").

As part of our action for the global environment, we are working to reduce CO₂ emissions with the goal of becoming carbon neutral by FY 2050. The majority of the Company's CO₂ emissions are due to electricity consumption in manufacturing processes. We will transition these processes to electricity derived from renewable energy sources. In May 2023, we completed the switchover to renewable energy at all factories and company-owned offices in Japan. Overseas subsidiaries will also gradually switchover in consideration of regional characteristics.

We are developing and mass-producing motor cores, battery housings, and EV body-specific parts to establish EV-related businesses. In the fiscal year under review, the EV-related business saw the start of mass production of EV body parts for Tesla Inc. and an increase in orders for EV-related parts. Moreover, a demonstration line for production technology has started operation in the motor core business and is moving into the commercialization phase.

To promote such transformation, we are focusing on investing in diverse human resources. In order to accelerate new businesses, we are acquiring human resources with the necessary skills and experience and forming an organization and human resource policies facilitative of work. In addition, we are promoting business transformation in existing vehicle body parts and other areas, and are using DX to achieve transformation in the areas of quality and cost.

Consequently, despite the impact of production cutbacks by customers, net sales for the consolidated fiscal year under review reached a record high of ¥314,312 million (year-on-year increase of 32.9%) due to material unit price revisions and the impact of foreign exchange rates and operating profit amounted to ¥12,836 million (year-on-year increase of 17.4%) due to increased sales of die equipment, among other factors. Ordinary profit was ¥14,284 million (year-on-year increase of 14.0%), mainly due to share of profit of entities accounted for using equity method, etc., and net income attributable to owners of parent was ¥10,270 million (year-on-year increase of 15.7%).

The following describes segment performance by region.

[Japan]

Although sales of vehicle body parts declined in the first half of the fiscal year as main customers cut production due to the shortage of semiconductors, sales returned to profitability in the second half of the fiscal year as customer's production volumes recovered, sales of die equipment increased, and cost reduction activities were promoted.

[United States]

Despite a series of production cutbacks by main customers due to the shortage of semiconductors, the operating loss narrowed significantly due to a recovery in production volume toward the end of the period, increased sales of die equipment, and improvement of the Company's structure through labor saving and streamlining of the production lines.

[Europe]

Sales increased due to the relatively small impact from the shortage of semiconductors and increased mass-production sales resulting from increased production volume, among other factors. Although profits decreased, excluding one-time factors such as compensation in the previous fiscal year, profits increased substantially.

[Asia]

While customers cut production volume due to the Shanghai lockdown, production recovered in the second half of the fiscal year, and mass-production sales increased, resulting in an increase in sales. Profits were down mainly due to a decrease in sales of die equipment.

[China]

Sales increased due to the unit price revisions for materials, the impact of foreign exchange rates, etc. However, profits decreased due to a decrease in sales of die equipment, the re-spreading of COVID-19, and a series of production adjustments by main customers, which failed to cover fixed costs.

[South America]

Both sales and profits increased significantly due to contributions from mass production, relatively small impact from the shortage of semiconductors and foreign exchange rate.

◆Sales and operating profit or loss by region

Region	Sales			Operating profit or loss		
	The 11th year (Year ended March 31, 2022)	The 12th year (Year ended March 31, 2023)	Year-on-year change (%)	The 11th year (Year ended March 31, 2022)	The 12th year (Year ended March 31, 2023)	Year-on-year change (%)
	Amount (Billions of yen)	Amount (Billions of yen)		Amount (Billions of yen)	Amount (Billions of yen)	
Japan	45.9	58.7	27.9	(0.9)	2.0	-
North America	65.5	109.0	66.5	(2.3)	(0.0)	-
Europe	21.8	26.9	23.7	4.3	2.9	(32.2)
Asia	31.8	41.3	29.9	2.2	1.9	(13.4)
China	70.4	76.6	8.7	5.9	3.8	(36.5)
South America	10.9	17.1	56.6	2.1	2.4	16.8
Consolidation adjustment	(9.8)	(15.3)	-	(0.3)	(0.1)	-
Total	236.5	314.3	32.9	10.9	12.8	17.4

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

◆Sales by business segment

Business segment	The 11th year (Year ended March 31, 2022)		The 12th year (Year ended March 31, 2023)		Year-on-year change (%)
	Amount (Billions of yen)	Composition ratio (%)	Amount (Billions of yen)	Composition ratio (%)	
Auto body components	198.3	83.8	268.8	85.5	35.6
New vehicle model development	29.5	12.5	37.9	12.0	28.3
Transmission parts	6.7	2.8	7.5	2.4	12.2
Other	2.0	0.9	0.2	0.1	(92.5)
Total	236.5	100.0	314.3	100.0	32.9

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

(ii) Capital expenditures

This period, model investment in conjunction with the launch of new models was ¥14.9 billion (a year-on-year increase of 93.5%). On the other hand, as a result of the investment in expansion of production capacity, installation of the demonstration line for EV-related business etc., fundamental investment was ¥9.7 billion (a year-on-year increase of 47.9%), and total investment was ¥24.5 billion (a year-on-year increase of 72.5%).

Region	Amount (Billions of yen)			Details of fundamental investment
	Model investment	Fundamental investment	Total	
Japan	1.4	2.4	3.7	Plant expansion of Gunma Plant, motor core related equipment
North America	6.2	3.3	9.4	ATA press machine
Europe	0.2	0.5	0.7	G-TEM solar panel and related equipment
Asia	2.2	0.3	2.5	G-TEC material handling equipment, G-TIP press machine
China	4.9	2.7	7.6	APAC press machine and automation of existing equipment
South America	0.1	0.5	0.6	-
Total	14.9	9.7	24.5	-

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

(iii) Financing

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

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

This item is not applicable.

(2) Status of assets and profit and loss

(Billions of yen)

	The 9th year (FY 2019)	The 10th year (FY 2020)	The 11th year (FY 2021)	The 12th year (FY 2022)	Year-on-year	
					Amount	Ratio (%)
Net sales	228.3	209.4	236.5	314.3	77.8	32.9
Operating profit	8.7	8.1	10.9	12.8	1.9	17.4
Ordinary profit	8.7	8.7	12.5	14.3	1.8	14.0
Profit attributable to owners of parent	5.6	6.5	8.9	10.3	1.4	15.7
Earnings per share (yen)	131.35	152.15	206.68	238.87	32.19	15.6
Total assets	232.2	238.0	282.5	288.7	6.2	2.2
Net assets	131.6	145.1	163.9	176.7	12.8	7.8
Net assets per share (yen)	2,803.15	3,117.66	3,543.98	3,829.15	285.17	8.0
Return on equity (%)	4.7	5.1	6.2	6.5	—	—
Return on asset (%)	3.8	3.7	4.8	5.0	—	—
Operating profit margin (%)	3.8	3.8	4.6	4.1	—	—

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

(3) Capital policy

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

The year-end dividend for this consolidated fiscal year, in accordance with the policy described above, and in comprehensive consideration of performance this period, liquidity on hand, and our financial base, etc., is planned to be set at ¥29 per share, as was planned at the start of the period.

Including the interim dividend of ¥29 per share, the annual dividend will be ¥58 per share, a year-on-year increase of ¥2 per share.

For the fiscal year ending March 31, 2024, we plan to pay both interim and year dividends of ¥30 per share, for an annual dividend of ¥60 per share, which is an increase of ¥2 from the previous fiscal year.

(4) Status of major parent company and subsidiaries

(i) Relationship with parent company

This item is not applicable.

(ii) Status of major subsidiaries

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

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

2. Jefferson Southern Corporation and Jefferson Elora Corporation are subsidiaries of Jefferson Industries Corporation.

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

This item is not applicable.

(iv) Other important status of business combination

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

(5) Issues that should be addressed

In this once-in-a-century period of transformation known as the CASE revolution, the environment surrounding the automobile industry is changing dramatically.

We recognize that one of our most important tasks is to contribute to the realization of a decarbonized society, which is a challenge for all of humankind. We are working to reduce CO₂ emissions in our business activities and are preparing to pioneer the next-generation market that will be created by the shift to EVs ahead of the rest of the industry.

In order to solve these issues, we believe it is necessary to reform and further evolve our conventional business model, as well as to discover and develop diverse human resources who will lead the change.

Our Group is promoting initiatives aimed at medium- to long-term growth under four new management strategies: “Action for the global environment (for climate change),” “Establishment of EV-related business,” “Improvement of the diversity of human resources,” and “Transformation of existing businesses.”

Furthermore, as a foundation to support sustainable growth, we are promoting governance reforms in accordance with the Corporate Governance Code and striving to establish a highly transparent internal control system.

We would like to ask our shareholders for their continued understanding and further support of our Group's corporate activities.

(i) Action for the global environment

We will take action to reduce greenhouse gas emissions with the goal of carbon neutral by FY2050 in order to contribute to the realization of a sustainable decarbonized society. With regard to CO₂ emissions from the use of electricity derived from fossil fuels, we are considering individual measures to reduce emissions based on the geopolitics of each country where our production bases are located.

In addition, to reduce emissions from materials, we are working to establish production technologies that use highly recyclable aluminum as a new material. We are also studying the application of green materials in the area of conventional steel products through cooperation with automotive OEMs and materials among other initiatives.

We follow the framework of the Task Force on Climate-related Financial Disclosure (TCFD) in disclosing our initiatives, including the identification of risks and opportunities to our business activities associated with climate change.

(ii) Establishment of EV-related business

Looking at the global shift to electric vehicles as an opportunity for business expansion of the Company, we will work to establish business related to EVs, focused on battery housings and motor cores, both used in EVs. In the area of motor cores, we have introduced a demonstration line at our base in Tokyo and are developing technologies for mass production with the aim of expanding our business using the know-how and technologies we have cultivated in our existing transmission business.

In the area of battery housings, we have partnered with a German engineering company to develop battery housings using lightweight and highly recyclable aluminum as material. Furthermore, we are aiming to become a supplier that proposes an optimal platform for EVs that combines high rigidity and light weight at a high level based on our accumulated whole vehicle-body analysis technologies.

(iii) Improvement of the diversity of human resources

We view our human resources as our most important management resource. We are striving to create an environment and foster a corporate culture that supports the self-learning, thinking, and growth of a diverse range of human resources from Japan and overseas who are responsible for solving the Company's issues. In addition to the industrial and mechanical personnel we have traditionally hired, we are focusing on hiring personnel specializing in new business areas such as EV-related businesses. We will also promote the acquisition of talented

human resources in cutting-edge fields such as IT and data science, recognizing the needs to create innovative businesses and address increasingly sophisticated cyber-attacks among others.

(iv) Transformation of existing businesses

Currently, automotive OEMs are developing EV vehicles as a response to the rapid shift toward EVs. At the same time, they are working to establish new supply chains, which is straining development and procurement resources for the industry as a whole.

Under these circumstances, we aim to become a system supplier in the vehicle body area that accepts bulk orders from development, taking advantage of our accumulated whole vehicle-body analysis and production technologies.

We will build new alliances with outside parties as the G-TEKT network in accordance with regions and products, and utilize production outsourcing as necessary to produce and sell whole vehicle bodies.

(6) Major businesses (as of March 31, 2023)

The Group (the Company and its affiliates) is comprised of the Company, 22 consolidated subsidiaries, and one affiliate accounted for by the equity method, and our main business is the manufacture and sale of automobile parts in Japan, North America, Europe, Asia, China, and South America.

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

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

(7) Major offices and plants (as of March 31, 2023)

(i) the Company

Head Office (Saitama-shi, Saitama)

Sales

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

Engineering, R&D and Quality Assurance

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

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

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

Production

Saitama Plant (Fukaya-shi, Saitama)

Hamura Plant (Hamura-shi, Tokyo)

Shiga Plant (Koka-shi, Shiga)

Tochigi Plant (Sakura-shi, Tochigi)

Gunma Plant (Ota-shi, Gunma)

(ii) Subsidiaries

Production

Jefferson Industries Corporation (Ohio, U.S.)

Jefferson Southern Corporation (Georgia, U.S.)

Austin Tri-Hawk Automotive, Inc. (Indiana, U.S.)

Jefferson Elora Corporation (Ontario, Canada)

G-TEKT MEXICO CORP. S.A. DE C.V. (Guanajuato, Mexico)

G-TEKT Europe Manufacturing Ltd. (Gloucester, U.K.)

G-TEKT Slovakia, s.r.o. (Nitra, Slovakia)

G-TEKT (Thailand) Co., Ltd. (Ayutthaya, Thailand)

G-TEKT Eastern Co., Ltd. (Rayong, Thailand)

G-TEKT India Private Ltd. (Rajasthan, India)

PT.G-TEKT Indonesia Manufacturing (West Java, Indonesia)

Auto Parts Alliance (China) Ltd. (Guangzhou, Guangdong Province, China)

Wuhan Auto Parts Alliance Co.,Ltd. (Wuhan, Hubei Province, China)

G-KT do Brasil Ltda. (Sao Paulo, Brazil)

Sales, research and development

G-TEKT North America Corporation (Michigan, U.S.)

G-TEKT (Deutschland) GmbH. (Bavaria, Germany)

G-TEKT (Shanghai) Technical & Trading Co., Ltd. (Shanghai, China)

(8) Employees (as of March 31, 2023)

(i) Employees of the G-TEKT Group

Number of employees	Change in the number since the previous fiscal year end
8,227 [1,842]	105 [161]

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

(ii) Employees of the Company

Number of employees	Change in the number since the previous fiscal year end	Average age	Average service years
1,168 (Men: 1,063 Women: 105)	17	40 years and 2 months	16 years and 4 month

(Note) Number of employees means the number of full-time employees (including employees temporarily transferred to the Company), the following number of employees does not include: 386 temporary employees, 6 employees transferred to other companies and 95 employees transferred to overseas subsidiaries.

(9) Main loan lenders (as of March 31, 2023)

(Millions of yen)

Name of loan lender	Amount of loan
MUFG Bank, Ltd.	22,852
Sumitomo Mitsui Banking Corporation	11,106
Mizuho Bank, Ltd.	7,896
Sumitomo Mitsui Trust Bank, Limited	3,024
Nippon Life Insurance Company	2,195

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

This item is not applicable.

2. Company Shares (as of March 31, 2023)

- (1) Total number of authorized shares: 100,000,000 shares
(2) Total number of issued shares: 43,931,260 shares (including the Company's treasury stock 545,171 shares)
(3) Number of shareholders: 22,000 (Change in the number since the previous fiscal year end: 6,945)
(4) Principal shareholders

Shareholders	Number of shares held (shares)	Shareholding ratio (%)
Honda Motor Co., Ltd.	13,035,098	30.04
The Master Trust Bank of Japan, Ltd (Trust Account)	3,020,900	6.96
KP K.K.	2,200,800	5.07
TK Holdings Inc.	2,194,344	5.06
Custody Bank of Japan, Ltd. (Trust Account)	2,112,652	4.87
Toshitsugu Kikuchi	1,795,901	4.14
BBH FOR FIDELITY LOW-PRICED STOCK FUND	1,576,633	3.63
Naohiro Takao	1,286,576	2.97
RE FUND 107-CLIENT AC	682,400	1.57
MUFG Bank, Ltd.	576,000	1.33

(Note) 1. The Shareholding Ratio is calculated after deducting 545,171 treasury stock.

2. The treasury stock does not include 376,052 shares for performance-based remuneration owned by Custody Bank of Japan, Ltd. (Trust Account)

- (5) Status of shares issued to Board Members and Audit & Supervisory Board Members of the Company as consideration for their execution of duties during the fiscal year ended March 31, 2023

Classification	Number of shares	Number of grantees
Board Members (excluding Outside Board Members)	Common stock 0	0
Outside Board Members	Common stock 0	0
Audit & Supervisory Board Members	Common stock 13,692	1

(Note) The shares issued to one of the aforementioned Audit & Supervisory Board Members are compensation for the execution of their duties during the period in which they were a Board Member.

3. Matters relating to shares held by the Company

(1) Policy on cross-shareholdings of the Company

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

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

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

(3) Stock investments for purposes other than net investment

Brand	Number of shares (shares)	Amount stated on balance sheet (Millions of yen)	Purpose of holding
Mitsubishi UFJ Financial Group, Inc.	447,170	379	Maintenance and enhancement of long-term trading relationship
HANWA Co., Ltd.	35,908	141	Maintenance and enhancement of long-term trading relationship
AIDA ENGINEERING, LTD.	14,674	11	Maintenance and enhancement of long-term trading relationship

4. Particulars Regarding the Company's Officers

(1) Names etc. of Board Members and Audit & Supervisory Board Members (as of March 31, 2023)

Position	Name	Responsibilities in the company and significant positions concurrently held
President, Chief Executive Officer of the Company	Naohiro Takao	
Member of the Board, Senior Managing Officer of the Company	Isao Yoshizawa	In charge of Corporate Management and Compliance Officer
Member of the Board, Managing Officer of the Company	Hiroshi Seko	Engineering Operations Director
Member of the Board, Managing Officer of the Company	Fumihiko Hirotaki	Sales Operations Director
Independent Outside Member of the Board of the Company	Makoto Ogo	Attorney at law Outside Board Member of Maruzen CHI Holdings Co., Ltd. (Audit & Supervisory Committee Member)

Position	Name	Responsibilities in the company and significant positions concurrently held
Independent Outside Member of the Board of the Company	Keiji Kasamatsu	
Independent Outside Member of the Board of the Company	Rieko Inaba	Professor of Department of Computer Science, Tsuda University
Audit & Supervisory Board Member	Kesao Tamura	
Audit & Supervisory Board Member	Yoshiaki Kawakubo	
Independent Outside Audit & Supervisory Board Member	Yasunori Niizawa	Tax accountant Outside Audit & Supervisory Board Member of Kanto Construction Co., Ltd.
Independent Outside Audit & Supervisory Board Member	Yasuo Kitamura	Attorney at law Outside Board Member of LITALICO Inc. (Audit & Supervisory Committee Member) Outside Audit & Supervisory Board Member of AIMECHATEC, Ltd.

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

2. Board Member Makoto Ogo is a qualified attorney at law, and has broad insight and extensive experience.

3. Board Member Keiji Kasamatsu has management experiences in other company, and has broad insight and extensive experience of a corporate management.

4. Board Member Rieko Inaba has broad insight and extensive experience as a researcher at a higher education institution.

5. Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura are outside Audit & Supervisory Board Members.

6. Audit & Supervisory Board Member Yasunori Niizawa is a qualified tax accountant, and has considerable knowledge in taxation.

7. Audit & Supervisory Board Member Yasuo Kitamura is a qualified attorney at law, and has broad insight and extensive experience.

8. Board Members Makoto Ogo, Keiji Kasamatsu and Rieko Inaba, and Audit & Supervisory Board Members Yasunori Niizawa and Yasuo Kitamura have been registered as independent officers with the Tokyo Stock Exchange.

(2) Indemnity agreement

The Company has entered into an indemnity agreement prescribed in Article 430-2, paragraph (1) of the Companies Act on an individual basis with Board Members and Audit & Supervisory Board Members under which the Company indemnifies them against costs referred to in item (i) and losses referred to in item (ii) of said paragraph to the extent prescribed by laws and regulations.

This is provided, however, that indemnification is conditional, e.g., in cases where a Director is found to have executed his/her duties for the purpose of unjustly benefiting him/herself or a third party or inflicting a loss to the Company, the Director shall be required to reimburse the costs, etc., from which he/she has been indemnified.

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

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

- Insured: Board Members, Audit & Supervisory Board Members, Executive Officers, management personnel, officers and employees who are dispatched as officers to a non-subsiary external corporate entity

• Summary of the contents

- Ratio to be borne by the insured..... Board Members, Audit & Supervisory Board Members, and Executive Officers are to bear approximately 10% of the insurance premiums.
- Insurance incidents subject to compensation... Damage incurred by the insured through claims for damages, etc., that are filed during the insurance term in relation to the execution of the duties of the insured.

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

Classification	Total amount of remuneration, etc. (Millions of yen)	Amount of remuneration, etc., by type (Millions of yen)			Number of people
		Basic remuneration	Performance-based remuneration (bonus)	Non-monetary remuneration (share-based remuneration)	
Board Members [of which outside Board Members]	221 [15]	171 [15]	9 [-]	41 [-]	7 [3]
Audit & Supervisory Board Members [of which outside Audit & Supervisory Board Members]	42 [9]	42 [9]	- [-]	- [-]	5 [2]
Total	264	213	9	41	12

- (Note) 1. The maximum remuneration for Board Members was set at ¥500 million per year at the extraordinary general meeting of shareholders held on February 25, 2011. There were six Board Members as of the conclusion of said annual general meeting of shareholders.
2. The amount of monetary remuneration for Audit & Supervisory Board Members was set at up to ¥60 million per year at the annual general meeting of shareholders held on December 22, 1993. There were two Audit & Supervisory Board Members as of the conclusion of said annual general meeting of shareholders.
3. The introduction of the system for share-based remuneration was approved at the Ordinary General Meeting of Shareholders held on June 19, 2015, and the continuation of the system was approved at the Ordinary General Meeting of Shareholders held on June 22, 2018.
4. Bonuses are performance-based remuneration aimed at increasing the motivation to contribute while taking appropriate risks for improving business performance, and operating profit, etc. is used as a performance indicator. The amount of bonus is determined by multiplying operating profit for the current fiscal year under review as the standard by a coefficient determined according to the growth rate of operating profit.
5. Issuance of share-based remuneration to Board Members in the form of non-monetary remuneration, etc. The Company has introduced a share-based remuneration system using a trust, points are granted for each fiscal year, and shares are delivered according to the total number of points when each officer retires. It consists of a non-performance-based component to increase motivation to contribute to medium- to long-term improvement of the stock price, and a performance-based component to increase motivation to contribute to short-term improvement of business performance using operating profit as a performance indicator. The amount of performance-based remuneration is determined by multiplying the standard amount for each position by a coefficient according to the performance of operating profit, and points equivalent to ¥11 million were granted in the current fiscal year under review. The trend of operating profit including the current fiscal year under review is as described in “Status of assets and profit and loss.”

(5) Remuneration, etc. for Board Members

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

■ Summary

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

<<Composition of remuneration>>

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

<<Basic remuneration>>

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

<<Bonuses>>

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

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

<<Share-based remuneration>>

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

<<Method for determining remuneration>>

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

■ Decision-making policy determination method

The decision-making policy was resolved at the meeting of the Board of Directors held on February 25, 2022, in order to establish remuneration that is targeted at the realization of the management policy, and based on the content of deliberations on the proposals deliberated by the voluntary Remuneration Advisory Committee.

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

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

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

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

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

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

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

This item is not applicable.

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

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

(iii) Status of major activities this fiscal year

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

	Board of Directors meetings (15 held)		Audit & Supervisory Board meetings (14 held)	
	Number attended (meetings)	Attendance ratio (%)	Number attended (meetings)	Attendance ratio (%)
Board Member Makoto Ogo	15	100.0	-	-
Board Member Keiji Kasamatsu	12	100.0	-	-
Board Member Rieko Inaba	15	100.0	-	-
Audit & Supervisory Board Member Yasunori Niizawa	15	100.0	14	100.0
Audit & Supervisory Board Member Yasuo Kitamura	15	100.0	14	100.0

(Note) 1. In addition to the number meetings of the Board of Directors held in the above table, one resolution was adopted in writing that was deemed to be a resolution of the Board of Directors in accordance with Article 370 of the Companies Act and the Articles of Incorporation.

2. The number of meetings of the Board meetings that Mr. Keiji Kasamatsu attended is for meetings that were held after his election as Board Member on June 24, 2022 (JST)

• Remarks at meetings of the Board of Directors

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

• Remarks at meetings of the Audit & Supervisory Board

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

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

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

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

■ Outside Board Member Makoto Ogo

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

■ Outside Board Member Keiji Kasamatsu

Outside Board Member Mr. Keiji Kasamatsu possesses a high level of insight into management as a person with experience in corporate management and has expressed his opinions on investment and financial management decisions from a sophisticated perspective based on his expertise and knowledge in the automotive industry. He has provided guidance on business management measures, thereby exercising a supervisory function on overall management as a Board Member.

■ Outside Board Member Rieko Inaba

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

(iv) Summary of details of limited liability agreement

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

5. Financial Auditor

(i) Name Deloitte Touche Tohmatsu LLC

(ii) Amount of remuneration, etc.

	Payment amount (Millions of yen)
The amount of remuneration, etc., for duties (audit certification duties) prescribed in Article 2 Paragraph 1 of the Certified Public Accountants Act.	62
Total amount of money and other property gain that should be paid by the Company and its subsidiaries to the Financial Auditor	65

- (Note) 1. The reason for the Company's Audit & Supervisory Board having agreed to the Financial Auditor remuneration, etc., is because the estimated remuneration, etc., for the auditing of the 12th period submitted by Deloitte Touche Tohmatsu LLC to President Naohiro Takao was examined by both parties, and was determined to be valid as a result of a comparison between the audit plan of the Financial Auditor for the 12th period and actual performance in the 11th period by the Company's Audit & Supervisory Board.
2. Of the major subsidiaries of the Company, Jefferson Industries Corporation, Jefferson Southern Corporation, G-TEKT MEXICO CORP. S.A. DE C.V., Jefferson Elora Corporation, G-TEKT (Thailand) Co., Ltd., G-TEKT Eastern Co., Ltd., Thai G&B Manufacturing Ltd., and G-KT do Brasil Ltda. have been audited by member firms of Deloitte Touche Tohmatsu (a federation based on the laws and regulations of the United Kingdom). In addition, Austin Tri-Hawk Automotive, Inc., G-TEKT America Corporation, G-TEKT Europe Manufacturing Ltd., G-TEKT Slovakia, s.r.o., Auto Parts Alliance (China) Ltd., Wuhan Auto Parts Alliance Co., Ltd., Conghua Auto Parts Alliance (China) Ltd., G-TEKT India Private Ltd., and PT.G-TEKT Indonesia Manufacturing have undergone audits by a certified public accountant or an audit firm (includes persons who hold qualifications equivalent to these in foreign countries) other than the Company's Financial Auditor.
3. The amount of audit remuneration, etc., for the audit under the Companies Act and the audit under the Financial Instruments and Exchange Act is not clearly distinguished in the audit agreement between the Company and the Financial Auditor, and is unable to be properly classified, and therefore, the total amount of these has been stated in remuneration, etc., based on audit certification business.

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

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

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

(iv) Summary of details of limited liability agreement

This item is not applicable.

(v) Indemnity agreement

This item is not applicable.

Consolidated Balance Sheet (as of March 31, 2023)

(Millions of yen)

Item	The 12th year As of March 31, 2023	(Reference) The 11th year As of March 31, 2022	Item	The 12th year As of March 31, 2023	(Reference) The 11th year As of March 31, 2022
Assets			Liabilities		
Current assets	136,326	136,450	Current liabilities	74,239	81,165
Cash and deposits	44,232	40,685	Accounts payable - trade	34,019	30,394
Notes and accounts receivable - trade	56,670	51,230	Short-term borrowings	13,848	22,247
Finished goods	2,090	1,908	Current portion of long-term borrowings	9,912	12,414
Work in process	20,580	29,081	Accounts payable - other	7,654	6,773
Raw materials	4,244	3,872	Income taxes payable	1,103	1,610
Supplies	1,405	1,297	Advances received	2,955	3,042
Other	7,012	8,374	Provision for bonuses	1,529	1,424
Non-current assets	152,372	146,090	Other	3,215	3,259
Property, plant and equipment	139,654	134,067	Non-current liabilities	37,763	37,450
Buildings and structures	59,936	57,773	Long-term borrowings	27,405	29,019
Machinery, equipment and vehicles	42,567	38,645	Retirement benefit liability	1,452	1,048
Tools, furniture and fixtures	15,626	11,627	Provision for share awards for directors (and other officers)	472	438
Land	14,375	13,342	Deferred tax liabilities	5,771	5,131
Construction in progress	7,148	12,677	Other	2,661	1,811
Intangible assets	1,200	1,416	Total liabilities	112,003	118,615
Investments and other assets	11,518	10,606	Net assets		
Investment securities	9,429	8,518	Shareholders' equity	138,104	130,261
Deferred tax assets	1,755	1,769	Share capital	4,656	4,656
Other	341	326	Capital surplus	23,622	23,635
Allowance for doubtful accounts	(8)	(8)	Retained earnings	111,475	103,677
			Treasury shares	(1,649)	(1,707)
			Accumulated other comprehensive income	26,587	22,031
			Valuation difference on available-for-sale securities	1,337	1,285
			Deferred gains or losses on hedges	31	1
			Foreign currency translation adjustment	25,185	20,363
			Remeasurements of defined benefit plans	33	380
			Non-controlling interests	12,003	11,631
Total assets	288,698	282,540	Total net assets	176,695	163,924
			Total liabilities and net assets	288,698	282,540

Consolidated Statement of Income (April 1, 2022 to March 31, 2023)

(Millions of yen)

Item	The 12th year (April 1, 2022 to March 31, 2023)	(Reference) The 11th year (April 1, 2021 to March 31, 2022)
Net sales	314,312	236,503
Cost of sales	286,533	212,396
Gross profit	27,778	24,106
Selling, general and administrative expenses	14,941	13,174
Operating profit	12,836	10,931
Non-operating income	2,496	2,287
Interest income	700	405
Dividend income	154	141
Foreign exchange gains	385	781
Share of profit of entities accounted for using equity method	626	50
Gain on sale of scraps	180	164
Other	448	744
Non-operating expenses	1,048	686
Interest expenses	993	560
Other	54	125
Ordinary profit	14,284	12,532
Extraordinary income	142	51
Gain on sale of non-current assets	114	47
Gain on sale of investment securities	27	3
Extraordinary losses	215	13
Loss on sale of non-current assets	1	13
Loss on retirement of non-current assets	46	-
Loss related to COVID-19	167	-
Profit before income taxes	14,211	12,570
Income taxes - current	3,083	3,148
Income taxes - deferred	768	930
Profit	10,358	8,490
Profit (Loss) attributable to non-controlling interests	87	(387)
Profit attributable to owners of parent	10,270	8,878

(Reference)

Consolidated Statement of Cash Flows (April 1, 2022 to March 31, 2023)

(Millions of yen)

Item	Amount
Cash flows from operating activities	32,370
Cash flows from investing activities	(16,022)
Cash flows from financing activities	(17,582)
Effect of exchange rate change on cash and cash equivalents	613
Net increase (decrease) in cash and cash equivalents	4,279
Cash and cash equivalents at beginning of period	35,968
Cash and cash equivalents at end of period	40,248

Non-Consolidated Financial Statements

Non-Consolidated Balance Sheet (as of March 31, 2023)

(Millions of yen)

Item	The 12th year As of March 31, 2023	(Reference) The 11th year As of March 31, 2022	Item	The 12th year As of March 31, 2023	(Reference) The 11th year As of March 31, 2022
Assets			Liabilities		
Current assets	34,068	37,670	Current liabilities	16,734	24,491
Cash and deposits	6,716	3,634	Accounts payable-trade	5,353	4,176
Notes receivable-trade	469	323	Short-term borrowings	1,100	7,400
Accounts receivable-trade	14,517	16,465	Current portion of long-term borrowings	6,478	9,257
Finished goods	386	349	Accounts payable	2,024	1,773
Work in process	6,863	12,151	Advances received	21	308
Raw materials	307	269	Accrued expenses	93	219
Supplies	690	679	Income taxes payable	384	134
Advance payments	87	419	Deposits received	121	119
Accounts receivable-other	2,487	1,831	Provision for bonuses	903	851
Short-term loans receivable from subsidiaries and associates	453	530	Other	253	250
Other	1,089	1,015	Non-current liabilities	25,731	25,783
Non-current assets	91,195	90,758	Long-term borrowings	24,473	24,382
Property, plant and equipment	29,891	29,459	Provision for retirement benefits	446	626
Buildings	10,853	10,643	Provision for share awards for directors (and other officers)	472	438
Structures	271	272	Asset retirement obligations	301	293
Machinery and equipment	6,924	6,640	Other	38	42
Vehicles	39	53	Total liabilities	42,466	50,274
Tools, furniture and fixtures	2,738	2,633	Net assets		
Land	7,298	7,298	Shareholders' equity	81,428	76,867
Construction in progress	1,766	1,917	Share capital	4,656	4,656
Intangible assets	918	1,073	Capital surplus	23,657	23,657
Leasehold interests in land	69	69	Legal capital surplus	23,333	23,333
Software	839	995	Other capital surplus	323	323
Telephone subscription right	8	8	Retained earnings	54,763	50,260
Investments and other assets	60,385	60,224	Legal retained earnings	369	369
Investment securities	533	548	Other retained earnings	54,394	49,891
Shares of subsidiaries and associates	54,376	53,971	Reserve for property replacement	17	18
Long-term loans receivable from subsidiaries and associates	4,152	4,230	General reserve	10,800	10,800
Deferred tax assets	1,187	1,337	Retained earnings brought forward	43,577	39,072
Other	142	145	Treasury shares	(1,649)	(1,707)
Allowance for doubtful accounts	(8)	(8)	Valuation and translation adjustments	1,369	1,286
			Valuation difference on available-for-sale securities	1,337	1,285
			Deferred gains or losses on hedges	31	1
Total assets	125,264	128,429	Total net assets	82,797	78,154
			Total liabilities and net assets	125,264	128,429

Non-Consolidated Statement of Income (April 1, 2022 to March 31, 2023)

(Millions of yen)

Item	The 12th year (April 1, 2022 to March 31, 2023)	(Reference) The 11th year (April 1, 2021 to March 31, 2022)
Net sales	58,662	45,880
Cost of sales	50,015	40,481
Gross profit	8,647	5,399
Selling, general and administrative expenses	6,666	6,329
Operating profit or loss	1,981	(930)
Non-operating income	6,100	4,944
Interest income	83	84
Dividend income	5,382	3,881
Foreign exchange gains	365	668
Gain on sale of scraps	150	130
Other	118	179
Non-operating expenses	165	216
Interest expenses	157	212
Other	8	3
Ordinary profit	7,916	3,798
Extraordinary income	29	4
Gain on sale of non-current assets	1	1
Gain on sale of investment securities	27	3
Profit before income taxes	7,945	3,802
Income taxes – current	856	442
Income taxes - deferred	113	99
Profit	6,975	3,260

Audit Report by the Audit & Supervisory Board

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

Audit Report

The Audit & Supervisory Board has prepared this Audit Report after deliberation based on the audit reports prepared by each Audit & Supervisory Board Member in relation to the performance of the Board Members' duties during the 12th fiscal year starting on April 1, 2022 and ending on March 31, 2023, and hereby reports as follows:

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

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

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

2. Results of Audit

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

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

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

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

(3) Results of audit of the consolidated financial statements

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

May 19, 2023

G-TEKT CORPORATION Audit & Supervisory Board

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

END