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Securities Code: 6357

June 12, 2023

(Start date of measures for electronic provision: June 7, 2023)

To Shareholders,

Noboru Rachi
President & CEO, Representative Director, Executive Officer
Sansei Technologies, Inc.
4-3-29 Miyahara, Yodogawa-ku, Osaka City

Notice of the 73rd Annual General Meeting of Shareholders

You are cordially invited to attend the 73rd Annual General Meeting of Shareholders of Sansei Technologies, Inc. (hereinafter, the “Company” or “we”). The meeting will be held as detailed below.

The Company has taken measures for electronic provision in convening the General Meeting of Shareholders and has posted the information subject to such measures on the following Internet website:

The Company’s website: <https://www.sansei-technologies.com>

Please access the website of the Company from the link shown above and select “IR INFO” and “Press Release” in turn to see the information.

The same information has been made available for inspection also on the following Internet website:

Website of the Tokyo Stock Exchange:

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the website from the link shown above, enter the name of the Company or its securities code on the search screen, and then select “Basic Information” and “Posted Documents/PR Information” in turn to see the information.

Shareholders who do not attend the General Meeting of Shareholders in person can also exercise their voting rights in writing or via the Internet. Please read the following Materials for the General Meeting of Shareholders, and exercise your voting rights by 5:15 p.m., Japan Standard Time, on June 28, 2023 (Wednesday), by following the instructions below.

Details

1. Date and Time: Thursday, June 29, 2023, at 10 a.m., Japan Standard Time
2. Place: Canale, 5th floor, Hotel Mielparque Osaka
4-2-1 Miyahara, Yodogawa-ku, Osaka City, Osaka

3. Agenda of the Meeting:

- Matters to be reported
1. Report on the Business Report, the Consolidated Financial Statements, and the results of an audit on the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 73rd fiscal year ended March 31, 2023 (April 1, 2022–March 31, 2023)
 2. Report on the Non-consolidated Financial Statements for the 73rd fiscal year ended March 31, 2023 (April 1, 2022–March 31, 2023)
- Proposals to be resolved
- Proposal No. 1: Appropriation of surplus
Proposal No. 2: Election of nine directors
Proposal No. 3: Election of two Audit & Supervisory Board Members

4. Guide to Exercise of Voting Rights

(1) Exercise of voting rights by paper ballot

Please indicate your vote for or against each of the proposals on the enclosed Voting Rights Exercise Form, and return the form so that it reaches us no later than 5:15 p.m., Japan Standard Time, on Wednesday, June 28, 2023. If there is no indication of for or against a proposal on the Voting Rights Exercise Form, the shareholder will be deemed to have voted for the proposal.

(2) Exercise of voting rights via the Internet

If you wish to exercise your voting rights via the Internet, please review the “Guidance for Exercise of Voting Rights via the Internet” on page 3, and complete the exercise of voting rights no later than 5:15 p.m., Japan Standard Time, on Wednesday, June 28, 2023.

(3) If you exercise your voting rights more than once, the last vote we have received shall be deemed effective. If the vote exercised via the Internet and the Voting Rights Exercise Form reach us on the same date, the vote exercised via the Internet shall be deemed effective.

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1. If you plan to attend the meeting, please hand in the enclosed Voting Rights Exercise Form at the reception desk when you arrive the venue.
 2. Please refrain from entering the venue if you have a fever or cold symptoms. Those who enter the venue are requested to be considerate of cough etiquette.
 3. The document sent to you also serves as a “document containing information subject to measures for electronic provision” delivered to you based on document delivery request. Pursuant to the provisions of applicable laws and regulations and Article 16 of the Articles of Incorporation of the Company, the matters listed below have been excluded. Accordingly, the document attached hereto is part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor as part of their preparation of their audit reports.
 - “Matters concerning Stock Acquisition Rights of the Company” and “System to Ensure the Appropriateness of Business Operations and its Operational Status,” which should otherwise be included in the Business Report
 - Non-consolidated statements of changes in equity and notes to non-consolidated financial statements, which should otherwise be included as part of non-consolidated financial statements
 - Notes to consolidated financial statements, which should otherwise be included as part of consolidated financial statements
 - Accounting audit report on non-consolidated financial statements
 - Accounting audit report on consolidated financial statements
 4. If there is any change in information subject to measures for electronic provision, the revised information will be posted on each of the websites shown above.

[Guidance for Exercise of Voting Rights via the Internet]

If you plan to attend the meeting, please hand in the enclosed Voting Rights Exercise Form at the reception desk when you arrive the venue.

1. Website for exercise of voting rights

You can exercise your voting rights via the Internet only through the Company's designated voting website below:

Voting Website: <https://www.web54.net>

2. Method of exercise of voting rights

(1) PC users

Please access the address shown above and enter the “voting rights exercise code” and “password” printed on the enclosed Voting Rights Exercise Form. Then, follow the instructions and enter your vote for each proposal.

(2) Smartphone users

By scanning the “website for exercise of voting rights login QR code for smartphone users” printed on the enclosed Voting Rights Exercise Form, you can exercise your voting rights from the website for the exercise of voting rights for smartphone users without needing to enter the “voting rights exercise code” and “password.” The use of this method is highly recommended.

However, if you wish to change your vote after exercising your voting rights once, you will need to scan the QR code again and to enter the “voting rights exercise code” and “password” printed on the enclosed Voting Rights Exercise Form.

3. Handling of exercise of voting rights

- (1) You will be able to exercise your voting rights until 5:15 p.m., Japan Standard Time, on Wednesday, June 28, 2023. You are advised to exercise your voting rights at the earliest opportunity.
- (2) If you exercise your voting rights more than once, the last vote we receive shall be deemed effective. If votes exercised via the Internet and the Voting Rights Exercise Form reach us on the same date, the vote exercised via the Internet shall be deemed effective.
- (3) Fees for Internet providers and carriers (e.g., connection charges) associated with using the website for the exercise of voting rights are at your own expense.
- (4) The website for the exercise of voting rights may not always be available for use depending on the Internet environment while you are using a PC or a smartphone.


4. Handling of password and voting rights exercise code

- (1) The password is important information used to verify whether the person voting is a legitimate shareholder. Please handle it as carefully as you do your seals and PINs.
- (2) The password will be disabled when inputted incorrectly for a certain number of times. If you wish to have a new password issued, please follow the instructions on the screen.
- (3) The voting rights exercise code printed on the Voting Rights Exercise Form shall be valid only for this General Meeting of Shareholders.

5. Inquiries on operation method of personal computer and other devices

- (1) If you have any questions about how to operate a personal computer, mobile phone, or other device to exercise your voting rights on the Voting Website, please contact the following for assistance:

Hotline of Stock Transfer Agency Web Support, Sumitomo Mitsui Trust Bank, Limited

0120-652-031 (Operating hours: 9:00 a.m. to 9:00 p.m., Japan Standard Time)


- (2) For any other inquiries, please contact the following for assistance:

A. Stockholder with an account with a securities company:

Please contact the securities company which you hold an account at.

B. Stockholder without an account with a securities company (stockholder with a special account):

Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited

0120-782-031 (Operating hours: 9:00 a.m. to 5:00 p.m., Japan Standard Time, except for weekends and holidays)

Business Report

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

1. Overview of the corporate group

(1) Business activities and performance

During the fiscal year ended March 31, 2023, economic activities in Japan, which had previously been in stagnation due to COVID-19, started to recover at a moderate pace partly driven by the relaxation of movement restrictions. On the other hand, the outlook of the Japanese economy remains uncertain due to the concerns about the impact on the global economy of global shortages of semiconductors and other parts, rising raw material prices, the dislocation in the financial and capital markets, and geopolitical risks arising from the protracted situation in Ukraine, among other things.

In such an environment, the entertainment industry both in Japan and overseas, including amusement parks, theme parks, theaters, and the like, which are our customers, has shown signs of recovery, including renewed appetite for capital investment to respond to increases in the number of visitors as a result of the relaxation of restrictions.

In our business, orders are recovering for the Amusement Rides segment both in Japan and overseas as exemplified by rising demand for new rides and repair parts and materials. Also for the Stage Equipment segment, demand for temporary stages is increasing as concerts and events have returned to full capacity.

In such an environment, the Company Group worked to improve its business performance in each of its operating segments, which are Amusement Rides, Stage Equipment, and Elevators segments.

As for net sales for the fiscal year ended March 31, 2023, total net sales were 40,683 million yen (up 18.3% year on year). The breakdown by segment is as follows: Net sales in the Amusement Rides segment were 18,892 million yen (up 25.4% year on year) as construction work progressed steadily particularly in overseas markets following the recovery in orders. Net sales in the Stage Equipment segment were 14,976 million yen (up 13.0% year on year) mainly due to the recovery in demand for temporary stages for use in concerts and events. Net sales in the Elevators segment were 6,713 million yen (up 11.5% year on year) supported by steady progress in refurbishment work for public facilities and apartment buildings.

As a result of the increases in net sales, income also increased as follows: Operating income was 2,007 million yen (up 93.0% year on year), ordinary income was 2,757 million yen (up 46.6% year on year), and net income attributable to owners of parent was 1,704 million yen (up 17.6% year on year).

The total amount of orders received during the fiscal year ended March 31, 2023 was 60,697 million yen (up 52.4% year on year). The breakdown by segment is as follows: Orders received by the Amusement Rides segment increased significantly to 40,163 million yen (up 100.0% year on year) as new investments in theme parks started to recover both in Japan and overseas and demand for repair parts remained resilient. Orders received by the Stage Equipment segment were 13,599 million yen (up 1.9% year on year) due to the recovery in demand for temporary stages. Orders received by the Elevators segment were 6,933 million yen (up 8.2% year on year) as orders for refurbishment projects increased.

(2) Capital investment and fund procurement

① Capital investment

Capital investment of 949 million yen was made during the fiscal year ended March 31, 2023, including investments in plant production facilities, staging equipment, and management systems. Major investments were as shown below:

Machinery and equipment: 462 million yen; tools, equipment and fixtures: 137 million yen; construction in progress: 136 million yen

② Fund procurement

As for fund procurement, the balance of loans at the end of the current fiscal year increased by 950 million yen from the previous fiscal year to 18,072 million yen as demand for funds increased during the year.

(3) Assets and profit/loss status

Classification	70th Business Year	71st Business Year	72nd Business Year	73rd Business Year (current fiscal year)
	April 1, 2019 to March 31, 2020	April 1, 2020 to March 31, 2021	April 1, 2021 to March 31, 2022	April 1, 2022 to March 31, 2023
Orders Received ^(Note) (in million yen)	39,787	30,253	39,838	60,697
Net sales (in million yen)	45,077	36,537	34,404	40,683
Net income attributable to shareholders of parent (in million yen)	1,420	751	1,448	1,704
Net income per share		40円62銭	78円29銭	91.89 yen
Total assets (in million yen)	64,979	66,438	65,401	73,074
Net assets (in million yen)	30,116	31,679	33,073	36,037
Net assets per share		1,703円95銭	1,777円15銭	1,931.53 yen

(Note) Orders received do not include orders received in the leisure & service business and in the real estate lease business.

(4) Significant subsidiaries

① Significant subsidiaries

Company Name	Capital Stock	Voting Right Holding Ratio	Major Businesses
Sansei Maintenance Co., Ltd. <WEST>	20 million yen	100 %	Installation, maintenance and repair service of elevators and other facilities (Note 1)
Sansei Maintenance Co., Ltd. <EAST>	10	100	Installation, maintenance and repair service of elevators and other facilities (Note 1)
Sun Ace Co., Ltd.	10	100	Operation and management of amusement facilities
Sansei Facilities Co., Ltd.	10	100	Property management service and logistics operations
TELMIC Corp.	23 ^(Note 2)	100	Production, installation, and operation of illuminative and mechanical equipment for concerts, TV programs, etc.
Sansei Technologies, Inc.	29.4 million US dollars ^(Note 2)	100	A holding company in the U.S.
S&S Worldwide, Inc.	15.8 million US dollars ^(Note 2)	Indirect 100	Design, production, installation and sale of amusement machines
Vekoma Rides B.V.	3.5 million Euro	100	Design, production, installation and sale of amusement machines

(Note 1) Sansei Maintenance Co., Ltd. <WEST> provides services in western Japan. Sansei Maintenance Co., Ltd. <EAST> provides services in eastern Japan.

(Note 2) The amount of capital surplus is included in the amount of capital stock.

- ② Status of special wholly-owned subsidiaries as of the closing date of the fiscal year
There is no relevant information.

(5) Issued to be overcome

Under the environment of living with COVID, we expect that economic activities will stay on a recovery path throughout the year as COVID-19 cases decline and related restrictions are relaxed. On the other hand, the future course of the global economy continues to be unpredictable due to price hikes in resources and raw materials and increasingly unstable international relations.

In addition to growing each business by steadily capturing the demand that has been recovering in Japan and overseas, we will also actively work to build new business fields, strengthen the management foundation that supports these efforts and focus on sustainability initiatives so that we can ensure a turnaround in our performance and lead to sustainable growth and increased corporate value over the medium to long term.

- ① Strengthen responses in each business segment to capture full-fledged recover in demand

We will further improve communication with our main customers and focus on product development and proposal activities to respond effectively to changes in customer needs, making full use of our group capabilities.

In the Amusement Rides Business, we will further promote the tri-party business alliance among the Company, S&S, and Vekoma. to strengthen our group sales capability in the fast-growing East Asian and Middle Eastern markets by utilizing the Singapore representative office that we opened last year, in addition to the largest U.S. market. At the same time, we will promote the development of new products by each company, focusing on fields where needs are expected, and actively participate in exhibitions overseas.

In the Stage Equipment Business, TELMIC will respond effectively to the recovery in demand for temporary stages used in concerts and events while promoting business development in the fields related to video production, such as virtual studio, aiming to acquire new customers. In the field of permanent stage equipment, we will complete the development of a new staging system that takes advantage of digital and remote-control technologies and aim to secure orders for large projects. In anticipation of integrated resort projects in Japan and other opportunities, we will make group-wide efforts to develop and propose stage equipment and staging equipment for futuristic theaters and entertainment facilities that are not constrained by the style of conventional theaters.

The Elevators Business is characterized as a non-entertainment business. In this business, we will continue to work to enhance the maintenance and refurbishment business, which is a source of stable revenue.

- ② Consider entering new business domains and creating revenue sources that will be our new pillars

We will continue to actively consider entering new business domains through inorganic measures, such as strategic business alliances and M&As, for the purpose of creating revenue sources that are less susceptible to fluctuations in the economic environment while improving the profitability of existing businesses.

- ③ Strengthen business bases and promote sustainability initiatives

We will improve operational efficiency by completing the fundamental revision of major systems related to business management and the development of peripheral systems on schedule, while pushing further forward with high-quality and efficient manufacturing by internally sharing and further utilizing information on production and quality through the effective use of digital infrastructures.

In order to support sustainable corporate growth, starting with the introduction of solar power generation to the Kobe Plant, we will actively promote initiatives to reduce environmental load at each job site of design, manufacturing, and construction, including the significant reduction in the use of paints used for stage equipment and the reuse of packing materials. At the same time, we will continue to promote the development of human resources that have diverse perspectives and values, create a working environment that is flexible and pleasant for employees to work, and enhance our personnel programs.

(6) Major businesses

Businesses Segment	Major Products
Stage Equipment Business	Production and sale of stage facilities, suspended facilities, sound equipment, lighting equipment, etc. Production, installation and operation of illuminative and mechanical equipment for TV programs, concerts, stages, events, etc.
Amusement Rides Business	Production and sale of roller coasters, sky towers, wonder wheels, rafting rides, jungle mouse rides, splash falls, and other amusement rides
Elevators Business	Production and sale of elevators, facilities and special mechanisms
Maintenance & Repair Business	Maintenance and repair of products sold by the above-mentioned business departments
Real Estate Lease Business	Leasing and management of real estate and parking lots
Leisure & Service Business	Operation and management of amusement facilities installed in amusement parks in Japan

(7) Major offices and plants

	Name	Address
Sansei Technologies, Inc.	Osaka Head Office	Osaka, Osaka Prefecture
	Kobe Plant	Kobe, Hyogo Prefecture
	Tokyo Branch and five other offices	Shinjuku, Tokyo and others
	Sansei Maintenance Co., Ltd.<WEST>	Osaka, Osaka Prefecture
Sansei Maintenance Co., Ltd.<EAST>	Shinjuku, Tokyo	
Sun Ace Co., Ltd.	Osaka, Osaka Prefecture	
Sansei Facilities Co., Ltd.	Osaka, Osaka Prefecture	
TELMIC Corp.	Taito, Tokyo	
Sansei Technologies, Inc.	California, U.S.A.	
S&S Worldwide, Inc.	Utah, U.S.A.	
Vekoma Rides B.V.	Limburg, Netherlands	

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

① Employees in the corporate group

Number	Change from the end of the previous year	Average age	Average service years
1,182 employees	+25	41.2	12.5 years

② Employees in the Company

Number	Change from the end of the previous year	Average age	Average service years
314 employees	+13	43.5	15.6 years

2. Matters concerning the Company's ownership

(1) State of shares

- | | |
|---|------------|
| ① Total number of authorized shares | 39,000,000 |
| ② Total number of shares outstanding | 19,332,057 |
| ③ Number of shareholders at the end of current term | 6,036 |
| ④ Large shareholders | |

Name of shareholders	Number of shares held (Unit: thousand)	Shareholding ratio (%)
Maruichi Steel Tube Ltd.	1,300	7.00
Keihanshin Building Co., Ltd.	828	4.46
Sumitomo Mitsui Banking Corporation	805	4.34
San ju San Bank, Ltd.	805	4.34
Torishima Pump Mfg. Co., Ltd.	801	4.31
Sumitomo Mitsui Finance and Leasing Co., Ltd.	693	3.73
Sumitomo Mitsui Card Co., Ltd.	692	3.73
Sumitomo Realty & Development Co., Ltd.	584	3.14
Shingo Toriumi	552	2.97
Takako Toriumi	539	2.90

(Note) Although the Company has 771,945 treasury shares, the Company is not included among the abovementioned large shareholders. The above shareholding ratios are calculated by excluding treasury shares.

(2) Directors and Audit & Supervisory Board Members (as of March 31, 2022)

Position	Name	Duties and important concurrent positions
Chairman and Director	Makoto Nakagawa	Chairman of the Board of Directors
President & CEO, Representative Director, Executive Officer	Noboru Rachi	CEO
Director and Managing Executive Officer	Kazuya Miyazaki	General Manager of Kobe Plant CTO and General Manager of Production Division
Director and Managing Executive Officer	Yukio Noguchi	General Manager of Stage Equipment Business Division, and Deputy Officer in Charge of New Technologies & Business Development
Director and Managing Executive Officer	Yasuharu Nishiyama	General Manager of Amusement Rides Business Division
Director	William Ireton	Representative Director of Ireton Entertainment Inc.
Director	Tadashi Ono	Professor Emeritus, University of Tsukuba Visiting Professor, University of Tsukuba, Graduate School of Business Sciences
Director	Yoshiko Ando	Kirin Holdings Co., Ltd., External Member of Audit & Supervisory Board External Director, JFE Holdings, Inc.
Director	Isamu Kawashima	External Director, Japan Pure Chemical Co., Ltd. External Audit & Supervisory Board Member, AGC Inc.
Audit & Supervisory Board Member (full-time)	Hisakazu Kobayashi	
Audit & Supervisory Board Member	Tsuyoshi Ikeguchi	Attorney Audit & Supervisory Board Member, Tokushukai Information System Inc. Auditor, The Mental Health Okamoto Memorial Foundation
Audit & Supervisory Board Member	Kikuo Yasukawa	President and Representative Director of Genome Pharmaceuticals Institute External Director, MICS Chemical Co., Ltd.
Audit & Supervisory Board Member	Akihiko Kakiuchi	

Notes: 1. Directors William Ireton, Tadashi Ono, Yoshiko Ando, and Isamu Kawashima are external directors, as defined in Item (xv) of Article 2 of the Companies Act.

2. The Company has not made any important transactions, nor does it have any relationship, with the corporations at which Mr. William Ireton, Mr. Tadashi Ono, Ms. Yoshiko Ando, and Mr. Isamu Kawashima, who are directors of the Company, have concurrent positions.

3. Audit & Supervisory Board Members Tsuyoshi Ikeguchi, Kikuo Yasukawa and Akihiko Kakiuchi are External Audit & Supervisory Board Members as specified in Item (xvi) of Article 2 of the Companies Act.

4. The Company has not made any important transactions, nor does it have any relationship, with the corporations at which Mr. Tsuyoshi Ikeguchi and Mr. Kikuo Yasukawa, who are Audit & Supervisory Board Members of the Company, have concurrent positions.

5. External Directors William Ireton, Tadashi Ono, Yoshiko Ando, and Isamu Kawashima are independent officers as stipulated in the rules of the Tokyo Stock Exchange.

6. Audit & Supervisory Board Members Tsuyoshi Ikeguchi, Kikuo Yasukawa and Akihiko Kakiuchi are independent officers as stipulated in the rules of the Tokyo Stock Exchange.

7. Audit & Supervisory Board Member Hisakazu Kobayashi has assumed the position of General Manager of the Finance and Accounting Division and the Business Administration Division at the Company, and therefore has considerable knowledge of finance and accounting.

8. There were following changes in directors during the fiscal year ended March 31, 2023:

At the 72nd Annual General Meeting of Shareholders held on June 29, 2022, Mr. Yasuharu Nishiyama and Mr. Isamu Kawashima were newly elected as directors and assumed office. At the same meeting, Mr. Kimihiro Oshima resigned as a director.

9. After the last day of the fiscal year ended March 31, 2023, there have been the following changes in the positions and duties and important concurrent positions of Directors:

Name	Positions and duties and important concurrent positions		Effective date of change
	Before the change	After the change	
Kazuya Miyazaki	Director Managing Executive Officer General Manager of Kobe Plant CTO and General Manager of Production Division	Director Managing Executive Officer General Manager of Elevators Business Division and CTO	April 1, 2023
Yukio Noguchi	Director Managing Executive Officer General Manager of Stage Equipment Business Division Deputy Officer in Charge of New Technologies & Business Development	Director Managing Executive Officer General Manager of Stage Equipment Business Division Officer in Charge of New Technologies & Business Development	April 1, 2023

(3) Compensation, etc. of directors and Audit & Supervisory Board Members for the fiscal year under review

① Policy on the determination of compensation of individual directors

The Board of Directors of the Company approved the following Policy on the Determination of Compensation of Individual Directors (hereinafter, the “Determination Policy”) at its meeting held on February 10, 2021 based on the advice of the Compensation Committee, which is established as a voluntary advisory committee.

A Basic policy

The compensation of directors shall consist of “monthly basic compensation” and “stock options as stock-based compensation” as fixed compensation, and “bonuses” as performance-based compensation. The compensation of directors and Audit & Supervisory Board Members shall be determined within the upper limit approved by the General Meeting of Shareholders. The Company’s basic policy on compensation is to have a compensation system that elevates the motivation of officers to improve the financial performance of the Company, and thereby contributes to the medium- to long-term enhancement of corporate value to answer to the mandate of shareholders.

B Determination Policy of the method of calculating fixed compensation

The amount of fixed compensation of individual directors shall be the amount appropriate for the position and duties of each director, and shall be determined in consideration of the compensation data of other companies supplied by external research organizations and the salary levels of employees of the Company. The monthly basic compensation, which is part of fixed compensation, shall be paid on the same day as the salary payment date of employees.

C Determination Policy of non-monetary compensation

A certain percentage of fixed compensation shall be allotted as stock options at a fixed time every year as stock-based compensation to individual directors in accordance with their positions and duties, for the purpose of elevating their motivation to contribute to medium- to long-term performance improvement and corporate value enhancement, by having them share with shareholders not only the merit of rising stock prices, but also the risk of falling stock prices.

D Determination Policy of performance-based compensation, performance indicators, etc.

Bonuses, which are performance-based compensation, shall be determined based on the actual results of consolidated ordinary income and its margin, the amount of orders received, etc., which reflect the results of business performance and sales activities of the Company, and in comprehensive consideration of the progress of the medium-term management plan, actual results that contribute to the enhancement of corporate value, etc., and shall be provided to directors at a fixed time every year.

E Determination Policy of the relative composition of fixed compensation and performance-based compensation

The relative composition of monthly basic salary, stock options as stock-based compensation, and bonuses shall be deliberated on and advised to the Board of Directors by the Compensation Committee based on the basic policy in such a manner that the percentage of performance-based compensation (bonuses) is higher for directors whose position is higher. Specific compensation of individual directors

shall be determined based on and within the limit of the advice of the Compensation Committee.

F Matters concerning the method of determination of compensation of individual directors and the delegation of determination

The policy on the allocation of monthly basic salary, stock options as stock-based compensation, and bonuses to each director shall be deliberated on and advised to the Board of Directors by the Compensation Committee. The specific amount of allocation of such compensation to each director shall be determined based on the basic policy by the President & CEO, Representative Director as authorized by the Board of Directors.

G Other important matters

The compensation of external directors shall consist only of monthly basic salary as fixed compensation from the viewpoint of emphasizing their independence in light of their responsibilities.

② Resolutions of the General Meeting of Shareholders on the compensation, etc. of directors and Audit & Supervisory Board Members

The 69th Ordinary General Meeting of Shareholders held on June 27, 2019 resolved that the maximum monetary compensation amount for directors should not exceed 270 million yen a year (up to 50 million yen a year for external directors, and the limit for internal directors does not include their salaries as employees of the Company). The number of directors who were incumbent was nine (including three external directors) as of the close of the Ordinary General Meeting. Separately from the monetary compensation, the 64th Ordinary General Meeting of Shareholders held on June 27, 2014 resolved that the amount of compensation in the form of stock acquisition rights issued as stock options should not exceed 30 million yen a year, and the total number of stock acquisition rights issued should not exceed 1,000 a year (external directors are not entitled to such compensation). The number of directors who were incumbent (excluding external directors) was eight as of the close of the Ordinary General Meeting. The 67th Ordinary General Meeting of Shareholders held on June 29, 2017 resolved that the maximum compensation amount for Audit & Supervisory Board Members should not exceed 50 million yen a year. The number of Audit & Supervisory Board Members who were incumbent was four as of the close of the Ordinary General Meeting.

③ Matters concerning delegation of the determination of compensation of individual directors

In the fiscal year under review, it was resolved at the meeting of the Board of Directors held on June 29, 2022 that the determination of specific amounts of compensation of individual directors should be delegated to President & CEO, Representative Director Noboru Rachi. More specifically, he was delegated the authorities to determine the amounts of monthly basic salary and stock options of each director and the evaluation and allocation of bonuses to each director. The reason for the delegation of these authorities is that the President & CEO, Representative Director, is best suited to evaluate each director's performance and contribution to corporate value, while taking into consideration the financial performance of the whole Company from a high-level perspective.

To ensure that the delegated authorities are exercised properly, the Board of Directors is required to submit a draft to the Compensation Committee for consultation and the Compensation Committee shall submit its report on the matters consulted to the Board of Directors. As the compensation of individual directors has been determined in

accordance with this procedure, the Board of Directors has determined that the contents of the compensation are in line with the determination policy.

④ Amount of compensation, etc. for directors and Audit & Supervisory Board Members

Officer category	Total amount of compensation (1,000 yen)	Total amount of compensation by type (1,000 yen)			Number of officers who receive compensation
		Basic compensation	Non-monetary compensation	Performance-based compensation	
Directors (of which, External Directors)	227,577 (45,000)	153,840 (45,000)	21,937 (—)	51,800 (—)	10 (4)
Audit & Supervisory Board Members (of which, External Audit & Supervisory Board Members)	37,080 (20,880)	37,080 (20,880)	—	—	4 (3)

- Notes: 1. The payment amount for directors does not include the employee's salary for director cum employee.
2. The Company grants stock options as stock-based compensation, and their specific terms and conditions are determined in accordance with the policy described in ①C above. The figure in the table above represents the amount recognized in profit or loss for the fiscal year under review.
3. For the determination of the amount of performance-based compensation, the Company has selected consolidated ordinary income and its margin, the amount of orders received, etc., as indicators that accurately indicate the financial performance and results of business activities of the Company for the current fiscal year. Based on these indicators, the Company determines the amount of such compensation in consideration of each director's contribution to financial performance, the progress of the medium-term management plan, and the enhancement of corporate value. The actual results of these performance indicators and their changes are as disclosed in "1. (1) Business activities and performance, (3) Assets and profit/loss status."

(4) External officers

① Main activities of external directors in the fiscal year under review, and summary of duties performed in relation to the expected roles of the external directors

Name	Main activities, etc.
William Ireton	He attended all 13 meetings of the Board of Directors held in the fiscal year under review. He provided appropriate opinions and advice drawing on his abundant global experience and excellent insight as a corporate executive, and otherwise played an adequate role in supervising business execution. In addition, he serves as the chairperson of the Compensation Committee, which is a voluntary advisory body to the Board of Directors.
Tadashi Ono	He attended all 13 meetings of the Board of Directors held in the fiscal year under review. He expressed his opinions as appropriate from a broad perspective, drawing on his excellent insight as an expert in the field of business science study, and otherwise contributed to reasonable and appropriate decision making and the improvement of corporate governance. In addition, he serves as a member of the Nomination Committee, which is a voluntary advisory body to the Board of Directors.
Yoshiko Ando	She attended all 13 meetings of the Board of Directors held in the fiscal year under review. She expressed her opinions as appropriate from a broad perspective including personnel and labor affairs and organizational operation, drawing on her plentiful insight in a wide range of employment and labor fields, and

	otherwise contributed to appropriate decision making. In addition, she serves as the chairperson of the Nomination Committee, which is a voluntary advisory body to the Board of Directors.
Isamu Kawashima	He attended all 10 meetings of the Board of Directors held since his assumption of office. He offered opinions and advice on corporate management in general from the perspective of global management, drawing on his ample experience and broad insight in accounting finance, and otherwise contributed to appropriate decision making. In addition, he serves as a member of the Compensation Committee, which is a voluntary advisory body to the Board of Directors.

② Main activities of external Audit & Supervisory Board Members in the fiscal year under review

Name	Main activities
Tsuyoshi Ikeguchi	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Board that were held in the fiscal year under review, and expressed his opinions based on his expertise as an attorney.
Kikuo Yasukawa	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Board that were held in the fiscal year under review, and expressed his opinions based on his profound experience of business administration.
Akihiko Kakiuchi	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit & Supervisory Board that were held in the fiscal year under review, and expressed his opinions based on his profound experience of business administration.

(5) Outline of the liability limiting agreement

The Company and each of four External Members of the Board of Directors and three External Audit & Supervisory Board Members have concluded a liability limiting agreement concerning compensation liability as specified in paragraph 1 of Article 423 of the Companies Act which limits their liability to the minimum liability as specified in paragraph 1 of Article 425 of the Companies Act on condition that they perform their duties in good faith and they don't commit gross negligence.

(6) Outline of officers' liability insurance contract

The Company has entered into an officers' liability insurance contract, which is prescribed in paragraph 1 of Article 430-3 of the Companies Act, with an insurance company to compensate insured persons for any damage they may incur when a claim for damages is made against them by a third party, etc., including damages and litigation cost.

The insured persons of this officers' liability insurance contract are the main executives, including directors, Audit & Supervisory Board Members, and executive officers, of the Company and its domestic and overseas consolidated subsidiaries. The insurance premiums for all insured persons are borne by the Company.

(7) Accounting auditor

① Name: Ernst & Young ShinNihon LLC

② Amount of compensation for the accounting auditor for the business term under review

① Compensation owed by the Company to the accounting auditors as consideration for services stipulated in Article 2.1 of the Certified Public Accountants Act (Audit and attestation services)	33,500 thousand yen
② Compensation owed by the Company to the accounting auditors as consideration for other services than those stipulated in Article 2.1 of the Certified Public Accountants Act	- thousand yen
Total of ① and ②	33,500 thousand yen

Notes: 1. Based on the “operational guidelines concerning cooperation with the accounting auditor” issued by the Japan Audit & Supervisory Board Members Association, the Audit & Supervisory Board checked the audit hours by audit item, changes of audit fees and audit plans and actual audit results in the past years, and examined the appropriateness of the audit hours and audit fees for the business term under review. As a result, the Audit & Supervisory Board approved the accounting auditor’s fee, etc. as specified in paragraph 1 of Article 399 of the Companies Act.

2. In the audit agreement concluded between the Company and the accounting auditor, the fee for audit under the Companies Act and the fee for audit under the Financial Instruments and Exchange Act are not separated from each other and such fees cannot be separated in effect. Therefore, the total of these fees is stated as the amount of compensation, etc.

3. The financial statements of significant subsidiaries of the Company have been audited (limited to audits required by the provisions of the Companies Act or the Financial Instruments and Exchange Act (including equivalent foreign laws and regulations)) by certified public accountants or audit corporations (including persons with equivalent qualifications accredited in foreign states) other than the accounting auditor of the Company.

③ Policy concerning decision on dismissal or non-reappointment of the accounting auditor

If the accounting auditor falls under any of the subparagraphs of paragraph 1 of Article 340 of the Companies Act and it is found reasonable to dismiss the accounting auditor, the Audit & Supervisory Board will dismiss the accounting auditor.

If it is found appropriate or reasonable to dismiss or not to reappoint the accounting auditor in accordance with the standards of appointment and evaluation of accounting auditor which are established by the Audit & Supervisory Board, the Audit & Supervisory Board will decide on the particulars of a proposal on dismissal or non-reappointment of the accounting auditor.

3. Basic policy regarding control of the company

At the closing of the 66th General Meeting of Shareholders held on June 29, 2016, the term of the Company’s Response Policy for Large-Scale Purchase expired, and the Company determined not to continue the Policy on and after that day because the business conditions for the Group had changed since the time when the Policy was first introduced and regulations concerning large-scale purchase of shares had been established under the Financial Instruments and Exchange Act. However, if any party attempts a large-scale purchase of Company shares, the Company will endeavor to collect and disclose necessary information so that shareholders can make an informed decision on whether to accept the offer and will take appropriate measures to the extent allowed under the relevant laws and the Articles of Incorporation of the Company, from the viewpoint of protecting the corporate value of the Company and common interests of shareholders.

Consolidated Balance Sheet

(As of March 31, 2023)

(in thousand yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets	44,982,110	Current liabilities	23,380,814
Cash and deposits	16,429,604	Notes and accounts payable - trade	3,478,728
Notes and accounts receivable— trade, and contract assets	21,079,221	Short-term loans payable	6,059,810
Electronically recorded monetary claims - operating	98,109	Current portion of long-term loans payable	1,165,887
Work in process	1,340,285	Income taxes payable	560,497
Raw materials and supplies	2,689,108	Accrued consumption taxes	237,718
Other	4,033,019	Contract liabilities	8,564,561
Allowance for doubtful accounts	-687,238	Provision for bonuses	588,120
Non-current assets	28,092,383	Provision for directors' bonuses	33,816
Property, plant and equipment	10,842,093	Provision for loss on construction contracts	294,509
Buildings and structures	4,984,619	Other	2,397,165
Machinery, equipment and vehicles	910,694	Non-current liabilities	13,655,959
Land	4,271,651	Long-term loans payable	10,846,493
Construction in progress	250,372	Deferred tax liabilities	761,358
Other	424,754	Net defined benefit liability	1,956,893
Intangible non-current assets	9,377,919	Other	91,214
Goodwill	7,936,417	Total liabilities	37,036,774
Other	1,441,502	NET ASSETS	
Investments and other assets	7,872,370	Shareholders' equity	31,409,522
Investment securities	5,802,723	Capital stocks	3,251,279
Long-term loans receivable	19,896	Capital surplus	2,451,864
Deferred tax assets	1,143,063	Retained earnings	26,095,410
Other	907,150	Treasury shares	-389,031
Allowance for doubtful accounts	-462	Accumulated other comprehensive income	4,439,976
		Valuation difference on available- for-sale securities	1,853,269
		Deferred gains or losses on hedges	-174
		Foreign currency translation adjustment	2,482,987
		Remeasurements of defined benefit plans	103,893
		Stock acquisition rights	188,221
		Total net assets	36,037,720
Total assets	73,074,494	Total liabilities and net assets	73,074,494

(Any fractional amounts less than 1,000 yen are rounded down.)

Consolidated Statement of Income

(April 1, 2022 to March 31, 2023)

(in thousand yen)

Account	Amount	
Net sales		40,683,716
Cost of sales		29,167,794
Gross profit		11,515,921
Selling, general and administrative expenses		9,508,628
Operating income		2,007,293
Non-operating income		
Interest income	4,043	
Dividend income	168,630	
Dividend income of insurance	56,730	
Rent income	37,675	
Subsidy income	754,572	
Other	24,014	1,045,667
Non-operating expenses		
Interest expenses	249,423	
Commission expenses	3,891	
Foreign exchange losses	38,660	
Other	3,292	295,268
Extraordinary income		2,757,692
Income before income taxes		2,757,692
Income taxes - current		1,099,721
Income taxes - deferred		-46,279
Net Income		1,704,249
Net income attributable to non-controlling interests		—
Net income attributable to owners of parent		1,704,249

(Any fractional amounts less than 1,000 yen are rounded down.)

Consolidated Statement of Changes in Equity

(April 1, 2022 to March 31, 2023)

(in thousand yen)

	Shareholders' equity				
	Capital stocks	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Year-beginning balance	3,251,279	2,442,954	25,039,798	-416,780	30,317,252
Changes of items during the year					
Dividends of surplus			-648,638		-648,638
Net income attributable to owners of parent			1,704,249		1,704,249
Purchase of treasury shares				-323	-323
Disposal of treasury shares		8,909		28,072	36,982
Net changes of items other than shareholders' equity					
Total changes of items during the year	—	8,909	1,055,611	27,749	1,092,269
Year-end balance	3,251,279	2,451,864	26,095,410	-389,031	31,409,522

	Accumulated other comprehensive income					Share acquisition rights	Total net assets
	Valuation difference on available-for sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Accumulated other comprehensive income		
Year-beginning balance	1,866,272	76	697,940	4,305	2,568,594	187,210	33,073,057
Changes of items during the year							
Dividends of surplus							-648,638
Net income attributable to owners of parent							1,704,249
Purchase of treasury shares							-323
Disposal of treasury shares							36,982
Net changes of items other than shareholders' equity	-13,002	-251	1,785,047	99,588	1,871,381	1,011	1,872,392
Total changes of items during the year	-13,002	-251	1,785,047	99,588	1,871,381	1,011	2,964,662
Year-end balance	1,853,269	-174	2,482,987	103,893	4,439,976	188,221	36,037,720

(Any fractional amounts less than 1,000 yen are rounded down.)

Non-Consolidated Balance Sheet

(As of March 31, 2023)

(in thousand yen)

Account	Amount	Account	Amount
ASSETS		LIABILITIES	
Current assets	14,872,858	Current liabilities	10,218,792
Cash and deposits	2,940,902	Notes and accounts payable—trade	3,105,719
Notes and accounts receivable— trade, and contract assets	9,697,954	Short-term loans payable	4,600,000
Electronically recorded monetary claims - operating	1,057	Short-term loans payable from affiliates	1,000,000
Work in process	306,299	Current portion of long-term loans payable	339,387
Raw materials and supplies	652,184	Accrued expenses	822,267
Other	1,274,461	Contract liabilities	196,861
Non-current assets	35,662,237	Provision for bonuses	61,794
Property, plant and equipment	4,863,446	Provision for loss on construction contracts	92,760
Buildings	1,989,015	Other	11,661,010
Structures	10,009	Non-current liabilities	10,100,000
Machines and equipment	104,390	Long-term loans payable	1,188,445
Vehicles	607	Provision for retirement benefits	372,514
Tools, furniture and fixtures	133,688	Deferred tax liabilities	50
Land	2,433,792	Other	21,879,802
Construction in progress	191,943	Total liabilities	26,613,977
Intangible non-current assets	280,138	NET ASSETS	26,613,977
Software	208,132	Shareholders' equity	3,251,279
Telephone subscription rights	9,679	Capital stocks	3,088,640
Other	62,326	Capital surplus	2,989,057
Investments and other assets	30,518,652	Legal capital surplus	99,583
Investment securities	5,799,965	Total other capital surplus	20,324,642
Stocks of subsidiaries and affiliates	24,245,311	Retained earnings	434,000
Guarantee deposits	160,384	Legal retained earnings	19,890,642
Business insurance	186,891	Other retained earnings	278,850
Other	126,099	Reserve for advanced depreciation of non-current assets	9,320,000
		General reserve	10,291,791
		Retained earnings brought forward	-50,585
		Treasury shares	1,853,095
		Valuation and translation adjustments	1,853,269
		Valuation difference on available-for- sale securities	-174
		Deferred gains or losses on hedges	188,221
		Share acquisition rights	28,655,293
Total assets	50,535,096	Total net assets	50,535,096

(Any fractional amounts less than 1,000 yen are rounded down.)

Non-Consolidated Statement of Income

(April 1, 2022 to March 31, 2023)

(in thousand yen)

Account	Amount	
Net sales		18,020,211
Cost of sales		15,499,991
Gross profit		2,520,219
Selling, general and administrative expenses		2,479,567
Operating income		40,652
Non-operating income		
Interest income	790	
Dividend income	4,883,807	
Other	48,831	4,933,429
Non-operating expenses		
Interest expenses	121,166	
Commission expenses	3,891	
Other	1,272	126,329
Ordinary income		4,847,752
Extraordinary loss		
Loss on valuation of shares of subsidiaries and associates	769,722	769,722
Income before income taxes		4,078,029
Income taxes - current	34,787	
Income taxes - deferred	36,084	70,872
Net income		4,007,156

(Any fractional amounts less than 1,000 yen are rounded down.)

Audit Report by the Audit & Supervisory Board

Audit Report by the Audit & Supervisory Board

The Audit & Supervisory Board of the Company presents this Audit Report as the unanimous opinion of all Audit

& Supervisory Board Members of the Company, prepared based on reports prepared by individual Audit & Supervisory Board Members regarding auditing of the business execution of directors during the 72nd business year of the Company from April 1, 2022 to March 31, 2023, as follows:

1. Auditing techniques used by the Audit & Supervisory Board and its members and audited items

- (1) The Audit & Supervisory Board defined the audit policies and division of duties among the Audit & Supervisory Board Members, received reports from individual Audit & Supervisory Board Members regarding the progress and results of their audits. The Audit & Supervisory Board also received reports from directors and other officers and independent accounting auditors regarding the progress of the execution of their respective duties and requested explanations from them as needed.
- (2) Individual Audit & Supervisory Board Members conducted their audits, in accordance with the audit standards for Audit & Supervisory Board Members established by the Audit & Supervisory Board, following the audit policies and the division of duties among the Audit & Supervisory Board Members, maintaining close communication with directors, the Legal & Internal Audit Office and employees, collecting necessary information and by establishing an appropriate environment for auditing, by using the following audit techniques:
 - (i) The Audit & Supervisory Board Members attended meetings of the Board of Directors and other important meetings, received reports from directors, employees and other related parties regarding the execution of their duties and requested explanations from them as needed. They also inspected important managerial approval documents and operations and the status of properties at the head office and major business offices. The Audit & Supervisory Board Members also communicated and exchanged information with directors and Audit & Supervisory Board Members of subsidiaries and received business reports from subsidiaries as needed.
 - (ii) With respect to the systems stipulated in Article 100 (1) and (3) of the Ordinance for Enforcement of the Companies Act to ensure the appropriateness of the business operations of a corporate group comprising a parent and its subsidiaries, including a system to ensure compliance of the duties performed by directors and reported in business reports with the applicable laws and the Articles of Incorporation of the Company (“internal control system”), the Audit & Supervisory Board Members received reports from directors, employees and other related parties, asked for explanations and expressed opinions as needed, regarding the resolutions adopted by the Board of Directors on the establishment of such system, the system established in accordance with the resolutions, and the status of improvement and operation of the system. Regarding internal control related to the financial report of the Company, the Audit & Supervisory Board Members received reports from directors and other related parties and Ernst & Young ShinNihon LLC regarding the assessment and audit of such internal control, and requested explanations from them as needed.
 - (iii) The Audit & Supervisory Board Members monitored and examined whether the independent accounting auditors maintained independence and conducted fair audits, received reports from the independent accounting auditors about their execution of duties and requested explanations from them as needed. The Audit & Supervisory Board Members received a notice from the independent accounting auditors that the independent accounting auditors had a “system that guarantees the fair execution of duties” in place (items stipulated under Article 131 of the Corporate Accounting Rules) in accordance with the Quality Control Standards for Audit (October 28, 2005) and other regulations, and requested explanations from them as needed.

By using the techniques and methods referred to above, the Audit & Supervisory Board Members examined the business report of the Company for the fiscal year ended March 31, 2021 and supplementary schedules thereto, financial statements (balance sheet, statement of income, statement of change in equity and notes to financial statements) for the same fiscal year and supplementary schedules thereto, and consolidated financial statements (consolidated balance sheet, consolidated state of income, consolidated statement of change in equity and notes to consolidated financial statements) for the same fiscal year.

2. Result of the audits

(1) Results of the audit of business report

The Audit & Supervisory Board Members acknowledge that

- (i) The business report of the Company and supplementary schedule thereto truly and fairly present the status of the Company in accordance with the applicable laws and the articles of incorporation of the Company;
- (ii) There were no wrongful acts or material breaches of law or the articles of incorporation in the directors' execution of duties;
- (iii) The resolutions adopted by the Board of Directors related to the internal control system were appropriate. There were no issues to be noted in descriptions in the business report and the directors' execution of duties, related to such internal control system, including the internal control of financial reporting.

(2) Results of audits of financial statements and supplementary schedules thereto

The Audit & Supervisory Board Members acknowledge that the audit techniques and methods used by Ernst & Young ShinNihon LLC, the independent accounting auditors for the Company, and the results of their audit were reasonable.

(3) Results of audits of consolidated financial statements

The Audit & Supervisory Board Members acknowledge that the audit techniques and methods used by Ernst & Young ShinNihon LLC, the independent accounting auditors for the Company, and the results of their audit were reasonable.

May 24, 2023

Sansei Technologies, Inc. Audit & Supervisory Board

Audit & Supervisory Board Member (Full-time)	Hisakazu Kobayashi	(Seal)
External Audit & Supervisory Board Member	Tsuyoshi Ikeguchi	(Seal)
External Audit & Supervisory Board Member	Kikuo Yasukawa	(Seal)
External Audit & Supervisory Board Member	Akihiko Kakiuchi	(Seal)

Materials for General Meeting of Shareholders

Proposal No. 1: Appropriation of surplus

Distribution of year-end dividend

The Company's basic policy is to maintain stable dividends, and the Company proposes the following year-end dividend for the 73rd business year in view of its financial performance and future business expansion:

(1) Type of dividend

Dividend will be distributed in cash.

(2) Appropriation and the amount of dividend

A dividend of 20.00 yen per common share will be distributed.

The total amount of dividend will be 371,202,240 yen. (As a result, dividends per share paid for the full year will be 37.50 yen per share, including the interim dividend of 17.50 yen per share already paid during the year.)

(3) Effective date of distribution of dividend from surplus

June 30, 2023

Proposal No. 2: Election of nine directors

As the term of the nine present directors will expire at the closing of this General Meeting of Shareholders, the shareholders are requested to elect nine directors.

Candidates for directors and their profiles are as follows:

Candidate No.	Name (Date of Birth)	Career History, Major Positions and Responsibilities, and Important Concurrent Service	Holding of the Company shares
1	Makoto Nakagawa (born February 2, 1953)	<p>May 2007 Sansei Technologies, Corporate Advisor</p> <p>June 2007 Sansei Technologies, Director, Executive Vice President, General Manager of Production Division, Officer in Charge of the Quality and Safety Management Department</p> <p>June 2008 Sansei Technologies, Executive Vice President, Representative Director</p> <p>August 2008 Sansei Technologies, Executive Vice President, Representative Director, General Manager of Tokyo Branch</p> <p>December 2009 Sansei Technologies, Executive Vice President, Representative Director</p> <p>April 2010 Sansei Technologies, President & CEO, Representative Director</p> <p>April 2018 Sansei Technologies, Chairman, Representative Director</p> <p>June 2020 Sansei Technologies, Chairman and Director (to date)</p>	47,100 shares
2	Noboru Rachi (born May 7, 1959)	<p>May 2016 Sansei Technologies, Senior Executive Officer, General Manager of Maintenance & Services Division, Deputy General Manager of Production Division</p> <p>June 2016 Sansei Technologies, Director, Senior Managing Executive Officer, General Manager of Maintenance & Service Division, Deputy General Manager of Production Division</p> <p>April 2017 Sansei Technologies, Executive Vice President, Representative Director, In charge of Corporate Planning Office, General Manager of Maintenance & Service Division</p> <p>April 2018 Sansei Technologies, President & CEO, Representative Director, Executive Officer (to date)</p>	12,700 shares

Candidate No.	Name (Date of Birth)	Career History, Major Positions and Responsibilities, and Important Concurrent Service	Holding of the Company shares
3	Kazuya Miyazaki (born November 26, 1960)	<p>April 1985 Joined Sansei Technologies</p> <p>December 2006 Sansei Technologies, Manager of Second Design Department, First Business Division</p> <p>June 2008 Sansei Technologies, Manager of Design Department, Elevator Division</p> <p>April 2013 Sansei Technologies, Manager of Design Department, Stage Equipment Division</p> <p>July 2015 Sansei Technologies, Manager of Production Administration Department</p> <p>April 2017 Sansei Technologies, Executive Officer, Manager of Production Administration Department</p> <p>April 2018 Sansei Technologies, Executive Officer, General Manager of Quality Control Division</p> <p>June 2018 Sansei Technologies, Director, Managing Executive Officer, and General Manager of Quality Control Division</p> <p>November 2019 Sansei Technologies, Director, Managing Executive Officer, General Manager of Quality Control Division, Deputy Officer in Charge of New Technologies & Business Development</p> <p>May 2021 Director, Managing Executive Officer, CTO and General Manager of Production Division</p> <p>June 2022 Director, Managing Executive Officer, General Manager of Kobe Plant CTO and General Manager of Production Division</p> <p>April 2023 Director, Managing Executive Officer, General Manager of Elevators Business Division and CTO (to date)</p>	10,200 shares
4	Yukio Noguchi (born August 27, 1964)	<p>April 1983 Joined Sansei Technologies</p> <p>June 2007 Sansei Technologies, Manager of Engineering Department, First Business Division</p> <p>April 2014 Sansei Technologies, Manager of Sales Department, Stage Equipment Division</p> <p>April 2016 Sansei Technologies, Executive Officer, Manager of Sales Department, Stage Equipment Division</p> <p>April 2017 Sansei Technologies, Executive Officer, Deputy General Manager of Stage Equipment Division</p> <p>April 2018 Sansei Technologies, Executive Officer, General Manager of Stage Equipment Division</p> <p>June 2018 Sansei Technologies, Director, Executive Officer, and General Manager of Stage Equipment Division</p> <p>November 2019 Sansei Technologies, Director, Executive Officer, General Manager of Stage Equipment Division, and Deputy Officer in Charge of New Technologies & Business Development</p> <p>April 2021 Sansei Technologies, Director and Managing Executive Officer General Manager of Stage Equipment Business Division, and Deputy Officer in Charge of New Technologies & Business Development (to date)</p> <p>April 2023 Director, Managing Executive Officer, General Manager of Stage Equipment Business Division, Officer in Charge of New Technologies & Business Development (to date)</p>	7,100 shares

Candidate No.	Name (Date of Birth)	Career History, Major Positions and Responsibilities, and Important Concurrent Service	Holding of the Company shares
5	Yasuharu Nishiyama (born January 30, 1965)	<p>April 1987 Joined Chiyoda Corporation</p> <p>April 2002 Joined USJ Co., Ltd. (currently USJ LLC)</p> <p>July 2013 Joined Sansei Technologies, Manager reporting to General Manager, Amusement Rides Business Division</p> <p>October 2013 Sansei Technologies, Manager of Design Department, Amusement Rides Business Division</p> <p>April 2015 Sansei Technologies, Executive Officer, Manager of Design Department, Amusement Rides Business Division</p> <p>April 2016 Sansei Technologies, Executive Officer, Deputy General Manager of Amusement Rides Business Division</p> <p>April 2019 Sansei Technologies, Managing Executive Officer, General Manager of Amusement Rides Business Division (to date)</p> <p>June 2022 Director, Managing Executive Officer, General Manager of Amusement Rides Business Division (to date)</p>	8,700 shares
6	William Ireton (born December 6, 1955)	<p>June 1976 Joined Toho-Towa Co., Ltd.</p> <p>March 1979 Joined Movie/TV Marketing Co., Ltd.</p> <p>July 1988 Joined Warner Bros. Pictures, representative for Japan</p> <p>June 2006 Warner Entertainment Japan Inc., President and Representative Director</p> <p>December 2014 Warner Entertainment Japan, Advisor</p> <p>March 2015 Warner Entertainment Japan, resigned as Advisor</p> <p>April 2015 Established Ireton Entertainment Inc., President and Representative Director (to date)</p> <p>June 2015 Sansei Technologies, External Member of the Board of Directors (to date)</p> <p>[Important Concurrent Service]</p> <p>April 2015 Ireton Entertainment Inc., Representative Director</p>	5,400 shares
7	Tadashi Ono (born February 13, 1955)	<p>August 2008 The University of Tsukuba, Graduate School of Business Science Study (currently Graduate School of Business Sciences), Professor</p> <p>June 2012 Sansei Technologies, External Member of Audit & Supervisory Board</p> <p>June 2015 Sansei Technologies, External Member of the Board of Directors (to date)</p> <p>April 2020 Honorary Professor, University of Tsukuba (to date)</p> <p>May 2021 Visiting Professor, University of Tsukuba, Graduate School of Business Sciences (to date)</p> <p>[Important Concurrent Service]</p> <p>April 2020 Honorary Professor, University of Tsukuba</p> <p>May 2021 Visiting Professor, University of Tsukuba, Graduate School of Business Sciences</p>	16,300 shares

Candidate No.	Name (Date of Birth)	Career History, Major Positions and Responsibilities, and Important Concurrent Service	Holding of the Company shares
8	Yoshiko Ando (born March 17, 1959)	<p>April 1982 Joined the Ministry of Labor</p> <p>July 2013 Manager of the Worker's Compensation Division, Labor Standards Bureau, Ministry of Health, Labor and Welfare</p> <p>July 2014 Director of Equal Employment, Children and Families Bureau, Ministry of Health, Labor and Welfare</p> <p>October 2015 Director-General (in charge of labor), Ministry of Health, Labor and Welfare</p> <p>June 2016 Director-General (in charge of statistics and information), Ministry of Health, Labor and Welfare</p> <p>July 2017 Director-General of Human Resource Development, Ministry of Health, Labor and Welfare</p> <p>July 2018 Retired from the Ministry</p> <p>March 2019 Kirin Holdings Co. Ltd., External Member of the Audit & Supervisory Board (to date)</p> <p>June 2019 Sansei Technologies, External Member of the Board of Directors (to date)</p> <p>June 2020 JFE Holdings, Inc., External Director (to date)</p> <p>[Important Concurrent Service]</p> <p>March 2019 Kirin Holdings Co., Ltd., External Member of Audit & Supervisory Board</p> <p>June 2020 JFE Holdings, Inc., External Director</p>	5,700 shares
9	Isamu Kawashima (born February 20, 1959)	<p>April 1981 Joined NEC Corporation</p> <p>April 2009 NEC Corporation, General Manager of Accounting Department</p> <p>June 2011 NEC Corporation, Director and General Manager of Accounting Department and General Manager of Financial Internal Control Promotion Department</p> <p>July 2011 NEC Corporation, Director, Executive Officer and CFO</p> <p>April 2015 NEC Corporation, Director, Managing Executive Officer and CFO</p> <p>April 2017 NEC Corporation, Representative Director, Managing Executive Officer and CFO</p> <p>June 2018 NEC Corporation, Full-time Audit & Supervisory Board Member</p> <p>November 2020 Vice Chairperson and Chairperson of the Accounting Committee, Japan Audit & Supervisory Board Members Association</p> <p>June 2022 External Director, Japan Pure Chemical Co., Ltd. (to date)</p> <p>June 2022 External Director, Sansei Technologies (to date)</p> <p>March 2023 External Audit & Supervisory Board Member, AGC Inc. (to date)</p> <p>[Important concurrent positions]</p> <p>June 2022 External Director, Japan Pure Chemical Co., Ltd.</p> <p>March 2023 External Audit & Supervisory Board Member, AGC Inc.</p>	800 shares

- (Notes)
1. Candidates marked with an asterisk (*) are new candidates for director.
 2. Mr. William Ireton, Mr. Tadashi Ono, Ms. Yoshiko Ando, and Mr. Isamu Kawashima are candidates for External Member of the Board of Directors. Mr. William Ireton, Mr. Tadashi Ono, Ms. Yoshiko Ando, and Mr. Isamu Kawashima satisfy the requirements for independent officers as stipulated in the rules of the Tokyo Stock Exchange, and have been registered as independent officers of the Company with the Exchange.
 3. The Company has liability limitation agreements with Mr. William Ireton, Mr. Tadashi Ono, Ms. Yoshiko Ando, and Mr. Isamu Kawashima that limit their liabilities for compensation under Article

- 423 (1) of the Companies Act to the minimum amount stipulated in Article 425 (1) of the same Act provided that they perform their duties in good faith free of material negligence. If they are re-appointed as directors, the liability limitation agreement with them will be continued.
4. Reason for nomination of each candidate for external director and judgment that the candidate be able to perform his or her duties as an external director
- (1) As Mr. William Ireton has abundant global experience and great knowledge as a business executive, we request that shareholders elect him as an External Member of the Board of Directors of the Company. As he has provided useful opinions and advice in the deliberations by the Board of Directors drawing on his global experience and insight, we expect that he will continue to provide advice to and supervision of business execution properly from a global perspective, particularly in the area of overseas business strategy of the Group.
 - (2) As Mr. Tadashi Ono has abundant experience in international businesses and extensive knowledge as an expert in business science, we request that shareholders elect him as an External Member of the Board of Directors of the Company. As he has actively provided comments at the meetings of the Board of Directors based on his expert knowledge to contribute to the supervision of business execution and has expressed useful opinions at the meetings of the Nomination Committee, we expect that he will continue to properly perform his duties such as decision making on important matters and supervision of business execution from an expert standpoint.
 - (3) Ms. Yoshiko Ando has been engaged in policy development in the labor administration area as a national public official for many years. She has abundant experience and knowledge in a wide range of employment and labor fields, including promoting women's careers. For this reason, we request that shareholders elect her as an External Member of the Board of Directors of the Company. As she has expressed useful opinions in the deliberations by the Board of Directors based on her excellent insight and experience in serving as an external officer at other companies, we expect that she will continue to properly perform her duties such as decision making on important matters and supervision of business execution from an objective standpoint. Although Ms. Ando has no experience in the management of a commercial business, except for serving as an external director or an external audit & supervisory board member of a company, we believe that she can adequately execute the duties of an external director for the reasons stated above.
 - (4) Mr. Isamu Kawashima was in charge of accounting and finance in the corporate division of NEC Corporation and at its North American subsidiary for many years before serving as Representative Director, Managing Executive Officer and CFO of the company to supervise the financial strategy of the entire NEC Group. As he has extensive experience and deep insight in the areas of accounting and finance as well as corporate management, shareholders are requested to approve his election as an external director. As he has provided useful opinions and advice in the deliberations by the Board of Directors of the Company drawing on his experience and insight, we expect that he will continue to properly perform his duties, such as the provision of advice on management in general and supervision of business execution.
5. The office term of Mr. William Ireton and Mr. Tadashi Ono as External Members of the Board of Directors of the Company will reach eight years at the closing of this General Meeting of Shareholders. The office term of Ms. Yoshiko Ando as an External Member of the Board of Directors of the Company will reach four years at the closing of this General Meeting of Shareholders. The office term of Mr. Isamu Kawashima as an External Member of the Board of Directors of the Company will reach one year at the closing of this General Meeting of Shareholders.
6. The Company has entered into an officers' liability insurance contract with an insurance company to compensate the insured persons for any damage that they may incur when a claim for damages is made against them based on any acts they perform in the capacity of an officer of the Company, including damages and litigation cost. All director candidates will be included among the insured persons under this insurance contract. The Company plans to renew the contract under the same terms and conditions on the next renewal date.

Proposal No. 3: Election of two Audit & Supervisory Board Members

As the term of office of Audit & Supervisory Board Members Kikuo Yasukawa and Akihiko Kakiuchi will expire at the closing of this General Meeting of Shareholders, the shareholders are requested to elect two Audit & Supervisory Board Member. This proposal has been approved by the Audit & Supervisory Board.

The profiles of the candidates for Audit & Supervisory Board Members are as follows:

Candidate No.	Name (Date of Birth)	Career history, positions, and important concurrent positions	Holding of Company shares
1	* Hitoshi Shimizu (born February 1, 1960)	<p>April 2004 General Manager of Niigata Corporate Sales Department, Sumitomo Mitsui Banking Corporation</p> <p>April 2006 General Manager of Oniya Corporate Sales Department, Sumitomo Mitsui Banking Corporation</p> <p>April 2009 General Manager of Kawasaki Corporate Sales Department, Sumitomo Mitsui Banking Corporation</p> <p>April 2011 General Manager of Quality Control Department, Sumitomo Mitsui Banking Corporation</p> <p>May 2014 Seconded to Tozai Kenchiku Service Co., Ltd. (as Senior Vice President and Executive Officer)</p> <p>February 2015 Retired from Sumitomo Mitsui Banking Corporation</p> <p>May 2015 Representative Director and President, Tozai Kenchiku Service Co., Ltd.</p> <p>May 2021 Advisor (full-time), Tozai Kenchiku Service Co., Ltd.</p> <p>May 2022 Advisor (part-time), Tozai Kenchiku Service Co., Ltd. (to date)</p> <p>December 2022 Director, EduLab, Inc. (to date)</p> <p>[Important concurrent positions] December 2022 Director, EduLab, Inc.</p>	0 share
2	* Eiji Ichinose (born May 26, 1960)	<p>April 2007 General Manager of Takadanobaba Corporate Sales Department, Sumitomo Mitsui Banking Corporation</p> <p>April 2012 Seconded to Hibiya Engineering, Ltd.</p> <p>June 2013 Transferred to Hibiya Engineering, Ltd. as Executive Office and General Manager of Business Development Department</p> <p>June 2016 Senior Executive Officer, General Manager of Finance Department, Administration Division, Hibiya Engineering, Ltd.</p> <p>June 2019 Department Manager of Research Consulting Division, The Japan Research Institute, Limited</p> <p>January 2021 Retired from The Japan Research Institute, Limited</p> <p>March 2021 Opened Eiji Ichinose Tax Accountant Office</p> <p>[Important concurrent positions] March 2021 Representative, Eiji Ichinose Tax Accountant Office</p>	100 shares

- (Notes)
- (*) indicates a new-appointment candidate for Audit & Supervisory Board Member.
 - No interest to be noted exists between each of the candidates and the Company.
 - Mr. Hitoshi Shimizu and Mr. Eiji Ichinose are candidates for External Audit & Supervisory Board Members of the Company. They both satisfy the requirements of independent officer under the rules of the Tokyo Stock Exchange, and the Company will designate them as independent officers of the Company and notify the Exchange of the designation.
 - Reason for election
 - (1) Shareholders are requested to elect Mr. Hitoshi Shimizu as an External Audit & Supervisory

Board Member as he has broad experience and deep insight developed while he was working for many years for a bank and as the representative director of an architectural design office and is expected to contribute to the strengthening of the functions of the Company's Board of Director and audit system.

- (2) Shareholders are requested to elect Mr. Eiji Ichinose as an External Audit & Supervisory Board Member as he has deep insight and ample experience mainly in the areas of finance, accounting, and tax developed while he was working for many years for a bank, a facility construction company, etc., and is expected to contribute to the strengthening of the functions of the Company's Board of Director and audit system.
5. If the election of Mr. Hitoshi Shimizu and Mr. Eiji Ichinose is approved as proposed, the Company will concluded a liability limiting agreement with each of them concerning the compensation of liability as specified in paragraph 1 of Article 423 of the Companies Act, which limits their liability to the minimum liability as specified in paragraph 1 of Article 425 of the Companies Act on condition that they perform their duties in good faith and they do not commit gross negligence.
6. The Company has entered into an officers' liability insurance contract with an insurance company to compensate the insured persons for any damage that they may incur when a claim for damages is made against them based on any acts they perform in the capacity of an officer of the Company, including damages and litigation cost. The candidates will be included among the insured persons under this insurance contract. The Company plans to renew the contract under the same terms and conditions on the next renewal date.

(Reference) Skills matrix of Directors and Audit & Supervisory Board Members

The Company has selected the following eight items as skills that Directors and Audit & Supervisory Board Members should have in order to be able to make important decisions on or supervise business execution: (1) corporate management and organizational management, (2) global experience, (3) manufacturing and quality control, technology and development, (4) industry knowledge and insight, (5) finance and accounting, (6) legal affairs and risk management, (7) personnel and labor affairs and human resource development, and (8) ESG. If Proposal No. 2 and Proposal No. 3 are approved as proposed at this General Meeting of Shareholders, the composition of directors and audit & supervisory board members of the Company and their experience and expertise will be as follows:

	Name	Years in office (Years)	Experience and expertise							
			Corporate management Organizational management	Global experience	Manufacturing and quality control Technology and	Industry knowledge and insight	Finance, accounting, and tax	Legal affairs and risk management	Personnel and labor affairs and human resource	ESG
Directors	Makoto Nakagawa	16	○	○		○				
	Noboru Rachi	7	○	○		○	○			
	Kazuya Miyazaki	5			○	○				
	Yukio Noguchi	5			○	○				
	Yasuharu Nishiyama	1		○	○	○				
	Tadashi Ono (external)	11		○			○			○
	William Ireton (external)	8	○	○		○		○		
	Yoshiko Ando (external)	4	○					○	○	○
	Isamu Kawashima (external)	1	○	○			○	○		
Audit & supervisory board	Hisakazu Kobayashi	3					○	○		
	Tsuyoshi Ikeguchi (external)	10	○					○		○
	Hitoshi Shimizu (external)	New	○					○	○	
	Eiji Ichinose (external)	New		○			○			

* Including three years as an external audit & supervisory board member