

Securities Code: 3374

June 9, 2023

To Shareholders:

2-11-22 Sangenjaya, Setagaya-ku, Tokyo

**Naigai TEC Corporation**

Katsuro Iwaida, President and Representative Director

## **Notice of the 62nd Annual General Meeting of Shareholders**

You are cordially invited to attend the 62nd Annual General Meeting of Shareholders of Naigai TEC Corporation (hereinafter, the "Company" or "we"). The meeting will be held as detailed below.

You are kindly advised to check the infection situation of COVID-19 and your own health condition as of the date of the General Meeting of Shareholders and make a prudent decision regarding your attendance.

**When we convene a General Meeting of Shareholders, we electronically provide the information contained in the Reference Documents for the General Meeting of Shareholders (i.e. Materials Electronically Provided for the General Meeting of Shareholders), which is published on the following websites. Please access any of them to view the information.**

Our website

<https://www.naigaitec.co.jp>

(Please access the above website and click "Investor Relations," followed by "Shares" and then "General meetings of shareholders" on the menu to read the information.)

Website on which the Materials for the General Meeting of Shareholders are published

<https://d.sokai.jp/3374/teiji/>

The Tokyo Stock Exchange's website (Tokyo Stock Exchange Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

(Please access the Tokyo Stock Exchange's website and enter the Issue name (Naigai TEC Corporation) or the Issue Code (3374) to search for the information. Click "Basic information," followed by "Documents for public inspection/PR information" to read the information in the "Notices of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" section.)

If you decide not to attend the meeting, you may exercise your voting rights on the Internet or in writing (by postal mail). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by indicating your vote for or against the proposals by 5:20 p.m., Japan Standard Time, on June 27, 2023 (Tuesday).

Exercise of your voting rights on the Internet

Please access our website for exercising voting rights (<https://soukai.mizuho-tb.co.jp>) and enter the Voting Rights Exercise Code and password provided on the Voting Right Exercise Form that has been sent to you together with this Notice. Please follow the instructions on the screen to enter your vote for or against the proposals by the above deadline.

Exercise of your voting rights in writing (by postal mail)

Please indicate whether you wish to vote for or against the proposals on the Voting Right Exercise Form and return the form to us to ensure it reaches us by the above deadline.

- 1. Date and Time:** Wednesday, June 28, 2023, at 10:00 a.m., Japan Standard Time
- 2. Venue:** 4-2-25 Kudankita, Chiyoda-ku, Tokyo  
Hodaka, 5th floor, Arcadia Ichigaya Shigaku Kaikan (This is a different floor from last year)

**3. Meeting Agenda:**

- Matters to be reported:**
1. Report on the Business Report, the Consolidated Financial Statements, and the results of the audit of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the 62nd fiscal year (from April 1, 2022 to March 31, 2023)
  2. Report on the Non-consolidated Financial Statements for the 62nd fiscal year (from April 1, 2022 to March 31, 2023)

**Matters to be resolved:**

- Proposal No. 1:** Partial amendment to the Articles of Incorporation
- Proposal No. 2:** Election of six Directors
- Proposal No. 3:** Election of two Corporate Auditors

**4. Matters to be determined when convening the General Meeting of Shareholders**

- (1) If you do not indicate your vote for or against the proposals on the Voting Right Exercise Form when you exercise your voting rights in writing (by postal mail), you will be deemed to have voted for the proposals.
- (2) If you exercise your voting rights on the Internet more than once, the last vote you cast will be treated as the valid one.
- (3) If you exercise your voting rights both on the Internet and in writing (by postal mail), the vote you cast on the Internet will be treated as the valid one, regardless of the date and time of arrival.
- (4) If you wish to exercise your voting rights by proxy, you may appoint another shareholder who has voting rights as your proxy to attend the meeting. Please note however that the presentation of documentary evidence of the power of attorney will be required.

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- ⊙ When attending the meeting, please submit the Voting Rights Exercise Form at the reception desk.
  
  - ⊙ If any revision is made to the Materials Electronically Provided for the General Meeting of Shareholders, the fact that the revision has been made as well as the unrevised and revised matters will be published on each of the above websites.
  
  - ⊙ The Materials Electronically Provided for the General Meeting of Shareholders will also be sent to all shareholders in written format, regardless of whether a request has been made for such provision of written materials or not. The following information is not included in the Materials pursuant to the provisions of applicable laws and regulations and Article 16 of the Company's Articles of Incorporation.
    - Systems for Ensuring the Propriety of Business Activities and Summary of the Implementation Status of the Systems for Ensuring the Propriety of Business Activities in the business report
    - Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements, which form part of the consolidated financial statements
    - Non-Consolidated Statement of Changes in Net Assets and Notes to Non-Consolidated Financial Statements, which form part of the financial statements

Therefore, the business report, consolidated financial statements, and financial statements provided in the Materials are part of the documents audited by the accounting auditor and the corporate auditors when they prepare their respective audit reports.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Partial amendment to the Articles of Incorporation

#### 1. Reason for the amendment

The Company proposes to expand the business purpose of the Company prescribed in Article 2 of the current Articles of Incorporation in order to prepare for the future business diversification of the Company.

#### 2. Specific amendments to the Articles of Incorporation

The current Articles of Incorporation and proposed amendments to them are as follows:

(Proposed amendments are underlined.)

Current Articles of Incorporation	Proposed amendments
(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses: 1. through 8. (Omitted) (New provision) <u>9.</u> Any and all activities related to the items listed in the preceding paragraphs.	(Purpose) Article 2 The purpose of the Company shall be to engage in the following businesses: 1. through 8. (Not changed) <u>9. Design, execution, undertaking and supervision of construction and civil engineering works;</u> <u>10.</u> Any and all activities related to the items listed in the preceding paragraphs.

**Proposal No. 2: Election of six Directors**

As the terms of office of all five incumbent Directors will expire at the close of this General Meeting of Shareholders, we request that shareholders approve the election of six Directors, including one new candidate.

The candidates for Directors are as follows.

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
1	Hirokazu Gonda (born February 15, 1957)	<p>April 1980      Joined Saitama Bank, Ltd.            May 1984      Joined Naigai TEC Corporation            May 1995      Director            June 1996      Managing Director            June 1997      Representative and Senior Managing Director            June 1999      President and Representative Director            April 2017     Chairman and Representative Director (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt;            Director, Naigai Electronics Inc.            Director, Naigaikizai Trading Shanghai Co., Ltd.</p> <p>&lt;Reasons for nomination as a candidate&gt;            Since the assumption of office as President and Representative Director of the Company in June 1999, Hirokazu Gonda has accumulated extensive experience and knowledge as a senior management executive. Since April 2017, he has demonstrated leadership as the Chairman and Representative Director of the Company to lead the Group in its efforts to increase corporate value. As a Director, he has also played an adequate role in making important management decisions and supervising business execution. For these reasons, we have determined that he is a suitable candidate for Director to realize sustainable growth of the Group.</p>	433,843
2	Katsuro Iwaida (born April 13, 1958)	<p>April 1982      Joined SMC Corporation            November 2012    Joined Naigai TEC Corporation, General Manager of Sales Division            June 2014      Director            June 2015      Senior Managing Director            April 2017      President and Representative Director            June 2018      President and Representative Director, President and Executive Officer (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt;            Representative Director, Naigaikizai Trading Shanghai Co., Ltd.</p> <p>&lt;Reasons for nomination as a candidate&gt;            Katsuro Iwaida has many years of experience in the semiconductor industry and abundant knowledge of the industry. After supervising the sales function as Senior Managing Director and General Manager of the Sales Division, he has demonstrated management skills as President and Representative Director since April 2017. As a Director, he has also played an adequate role in making important management decisions and supervising business execution. For these reasons, we have determined that he is a suitable candidate for Director to realize sustainable growth of the Group.</p>	14,567

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
3	Masahiko Sasaki (born February 25, 1959)	<p>April 1981      Joined The Tokyo Tomin Bank, Ltd.  April 2011      Seconded to Naigai TEC Corporation, General Manager of Corporate Planning Office  March 2014      Joined Naigai TEC Corporation, General Manager of Corporate Planning Office  June 2014      Director  June 2018      Director, Executive Officer  June 2022      Managing Director, Managing Director and Executive Director (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt;  Auditor, Naigaikizai Trading Shanghai Co., Ltd.</p> <p>&lt;Reasons for nomination as a candidate&gt;  Masahiko Sasaki is demonstrating his ability in broad areas of administrative function, including corporate planning, general affairs, personnel affairs, and accounting, leveraging his deep experience and knowledge developed through many years of experience in financial services. As a Director, he has also played an adequate role in making important management decisions and supervising business execution. For these reasons, we have determined that he is a suitable candidate for Director to realize sustainable growth of the Group.</p>	9,766
4	<New candidate> Kazuya Yamasaki (born November 25, 1973)	<p>July 1995      Joined Naigai TEC Corporation  April 2008      General Manager of Kyoto Office  April 2014      General Manager of Kinki Region  August 2016      General Manager of Sales Division  April 2018      General Manager of Sales Management Division  June 2018      Executive Officer, General Manager of Sales Management Division (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt;  None.</p> <p>&lt;Reasons for nomination as a candidate&gt;  Kazuya Yamasaki has demonstrated his ability in broad areas of manufacturing technology and business strategy, leveraging his deep experience and knowledge developed through many years of experience in sales activities. As an Executive Officer, he has also played an adequate role in supervising business execution. For these reasons, we have determined that he is a suitable candidate for Director to realize sustainable growth of the Group.</p>	437

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
5	Outside Director Kenji Murayama (born October 21, 1954)	<p>April 1977      Joined Tokyo West Sony Sales Co., Ltd.</p> <p>November 1982      Worked for Tokyo Accounting Vocational School</p> <p>October 1984      Joined Chuo Audit Corporation</p> <p>March 1988      Registered as certified public accountant</p> <p>July 2003      Representative Partner, ChuoAoyama Audit Corporation</p> <p>August 2007      Senior Partner Ernst &amp; Young ShinNihon LLC</p> <p>July 2017      Established Murayama Certified Public Accountants Office (current position)</p> <p>June 2018      Director, Naigai TEC Corporation (current position)</p> <p>June 2019      Outside Corporate Auditor, J-WAVE, Inc. (current position)</p> <p>March 2021      Outside Director, Miyoshi Oil &amp; Fat Co., Ltd. (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt; Representative, Murayama Certified Public Accountants Office Outside Corporate Auditor, J-WAVE, Inc. Outside Director, Miyoshi Oil &amp; Fat Co., Ltd.</p> <p>&lt;Reason for nomination as a candidate for Outside Director and outline of expected roles&gt; Kenji Murayama has technical expertise as a certified public accountant and extensive experience in business accounting. As he is expected to provide advice and recommendations based on his knowledge and experience from an unbiased and objective perspective, it is expected that external perspectives from an independent standpoint will be incorporated into management and the Board of Directors can further strengthen its supervisory function on business execution. As a Director, he has also played an adequate role in making important management decisions and supervising business execution, although he has not been involved in the management of companies in the past in a manner other than serving as an outside officer. For these reasons, we have determined that he is a suitable candidate for Outside Director to realize sustainable growth of the Group.</p>	0

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
6	Outside Director Shigeaki Arai (born September 20, 1955)	<p>April 1978      Joined Junken Co., Ltd.  March 1983      Joined Advantest Corporation  June 2006      General Manager of Production  Division, Advantest Manufacturing, Inc.  July 2010      Deputy Director, Advantest Corporation  June 2020      Director, Naigai TEC Corporation  (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt;  None.</p> <p>&lt;Reason for nomination as a candidate for Outside  Director and outline of expected roles&gt;  Shigeaki Arai has taken part in product development and  production control for semiconductor manufacturing  equipment for many years and has plentiful knowledge  and experience in the semiconductor industry. As he is  expected to provide advice and recommendations based  on his knowledge and experience, it is expected the Board  of Directors can further strengthen its supervisory  function on business execution helped by the independent  standpoint and the external perspectives brought by him.  For these reasons we have determined that he is a suitable  candidate for Outside Director to realize sustainable  growth of the Group.</p>	300

- Notes:
1. No special interest to be noted exists between the Company and any of the above candidates for Director.
  2. Mr. Kenji Murayama and Mr. Shigeaki Arai are candidates for Outside Directors of the Company. Both of them are incumbent Outside Directors of the Company. The incumbency of Mr. Kenji Murayama and Mr. Shigeaki Arai will be five years and three years, respectively, at the close of this General Meeting of Shareholders.
  3. The Company has notified Tokyo Stock Exchange, Inc. of the designation of Mr. Kenji Murayama and Mr. Shigeaki Arai as independent officers prescribed by the Exchange.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Mr. Kenji Murayama and Mr. Shigeaki Arai to limit their liability for damages arising under Article 423, paragraph (1) of the same Act. The maximum amount of liability pursuant to the agreement is the lowest amount permitted by laws and regulations. If the re-election of them as Directors is approved by shareholders, the Company will continue these agreements with them.
  5. Pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act, the Company has entered into an officers' liability insurance contract with an insurance company to compensate insured persons including Directors of the Company for any damage that they may incur when a claim for damages is made against them. When each of the candidates listed above is elected and has assumed office, they will become insured persons under this insurance contract. The Company plans to renew the contract under the same terms and conditions on the next renewal date.
  6. The nomination of candidates for Directors has been determined by the Board of Directors based on the advice and recommendations of the Corporate Governance Committee. The Committee is chaired by an Outside Director, and the majority of its members consists of Outside Directors and Corporate Auditors who are independent officers.

**Proposal No. 3: Election of two Corporate Auditors**

As the terms of office of the incumbent Corporate Auditors Kenichi Asano and Hikari Komine will expire at the close of this General Meeting of Shareholders, we request that shareholders approve the election of the two Corporate Auditors.

Approval for this proposal has been obtained from the Board of Corporate Auditors.

The candidates for Corporate Auditors are as follows.

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
1	Outside Corporate Auditor Kenichi Asano (born December 11, 1967)	April 1996 Registered as a lawyer with the Dai-Ichi Tokyo Bar Association Joined Ueno Takayama Law Firm February 2001 Corporate Auditor, Naigai TEC Corporation (current position) June 2004 Corporate Auditor, Shibaura Electronics Co., Ltd. October 2004 Representative, Ueno Asano Law Firm (current position) November 2004 Director, Credit Guarantee Servicer Inc. (current position) June 2011 Audit and Supervisory Board Member, PIOLAX, INC. June 2016 Director and Audit and Supervisory Committee Member, PIOLAX, INC. (current position)  <Significant concurrent positions outside the Company> Representative, Ueno Asano Law Firm Director, Credit Guarantee Servicer Inc. Director and Audit and Supervisory Committee Member, PIOLAX, INC.  <Reason for nomination as a candidate for Outside Corporate Auditor> Kenichi Asano has properly performed audits for the Company as a lawyer with professional expertise and abundant experience in corporate legal affairs. Therefore, we have determined that he is a suitable candidate for Outside Corporate Auditor as we expect him to continue to apply his expertise to the Company's audits.	0

Candidate no.	Name (Date of birth)	Career history, positions, and responsibilities (Significant concurrent positions)	Number of the Company's shares held
2	Outside Corporate Auditor Hikari Komine (born October 27, 1971)	<p>October 1999 Joined Chuo Audit Corporation</p> <p>April 2004 Registered as certified public accountant</p> <p>October 2009 Joined Arata Audit Corporation</p> <p>September 2018 Established Komine Certified Public Accountants Office (current position)</p> <p>June 2019 Corporate Auditor, Naigai TEC Corporation (current position)</p> <p>June 2022 Outside Director, Meiwa Industry Co., Ltd. (current position)</p> <p>November 2022 Representative Director, Kabushiki Gaisha Lux Kokusai Kaikei (current position)</p> <p>January 2023 Corporate Auditor, Olive Union Inc. (current position)</p> <p>&lt;Significant concurrent positions outside the Company&gt; Representative, Komine Certified Public Accountants Office Outside Director, Meiwa Industry Co., Ltd. Representative Director, Kabushiki Gaisha Lux Kokusai Kaikei Corporate Auditor, Olive Union Inc.</p> <p>&lt;Reason for nomination as a candidate for Outside Corporate Auditor&gt; Hikari Komine has properly performed audits for the Company as a certified public accountant with abundant experience, achievements and a wide range of knowledge and expertise. Therefore, we have determined that she is a suitable candidate for Outside Corporate Auditor as we expect her to continue to apply her expertise to the Company's audits.</p>	0

- Notes:
1. No special interest to be noted exists between the Company and any of the above candidates for Corporate Auditor.
  2. Mr. Kenichi Asano and Ms. Hikari Komine are candidates for Outside Corporate Auditors. Both of them are incumbent Outside Corporate Auditors of the Company. The incumbency of Mr. Kenichi Asano and Ms. Hikari Komine will be 22 years and four years, respectively, at the close of this General Meeting of Shareholders.
  3. The Company has notified Tokyo Stock Exchange, Inc. of the designation of Mr. Kenichi Asano and Ms. Hikari Komine as independent officers prescribed by the Exchange.
  4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Mr. Kenichi Asano and Ms. Hikari Komine to limit their liability for damages arising under Article 423, paragraph (1) of the same Act. The maximum amount of liability pursuant to the agreement is the lowest amount permitted by laws and regulations. If the re-election of them as Corporate Auditors is approved by shareholders, the Company will continue these agreements with them.
  5. Pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act, the Company has entered into an officers' liability insurance contract with an insurance company to compensate insured persons including Directors of the Company for any damage that they may incur when a claim for damages is made against them. When each of the candidates listed above is elected and has assumed office, they will become 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 Corporate Auditors

For the purpose of ensuring effective functioning of the Board of Directors, the Articles of Incorporation of the Company prescribe that the number of Directors shall not exceed 10. By using a skills matrix, the Company works to ensure that the Board of Directors as a whole consists of Directors with diverse technical knowledge, experience, skills, etc., by combining Inside Directors, who have a thorough knowledge of the Company's business, and Outside Directors, who have abundant external experience and knowledge as well as management experience in other companies, in a balanced manner.

	Name			Gender	Expected areas							
					Corporate management	Finance and accounting	Manufacturing, technology, R&D	Legal affairs, risk management	Business strategy, marketing	ESG, sustainability	Personnel and labor affairs, human resource development	DX, IT
Directors	Hirokazu Gonda	Reappointed		Male	●				●	●	●	●
	Katsuro Iwaida	Reappointed		Male	●		●		●			●
	Masahiko Sasaki	Reappointed		Male		●		●		●	●	
	Kazuya Yamasaki	Newly appointed		Male			●		●			
	Kenji Murayama	Reappointed	Outside Independent	Male		●					●	●
	Shigeaki Arai	Reappointed	Outside Independent	Male	●		●		●	●		●
Corporate Auditors	Hidenori Yonezawa			Male		●		●				
	Kenichi Asano	Reappointed	Outside Independent	Male				●				
	Hikari Komine	Reappointed	Outside Independent	Female		●		●				