

[Translation for Reference Purposes Only]

Please note that the following is an unofficial English translation of the Japanese original text of the Notice of Convocation of the Ordinary General Meeting of Shareholders of Nihon Dempa Kogyo Co., Ltd. (“NDK”). NDK provides this translation for reference purposes only and without any warranty as to its accuracy or otherwise. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

Securities Code: 6779

June 9, 2023

To Shareholders with Voting Rights

Nihon Dempa Kogyo Co., Ltd.
47-1, Sasazuka 1-chome, Shibuya-ku, Tokyo
Representative Director and Chairman of the Board
Toshiaki Takeuchi

**NOTICE OF CONVOCATION OF
THE 82nd ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Please be advised that the 82nd Ordinary General Meeting of Shareholders of Nihon Dempa Kogyo Co., Ltd. (“NDK” or “we”) will be held as set forth below.

Electronic provisioning measures are used to convene this General Meeting of Shareholders, and the matters subject to measures for electronic provision are posted on the following website on the Internet

The Company's website

<https://www.ndk.com/jp/>

In addition to the above, the information is also posted on the following websites on the Internet

Tokyo Stock Exchange website

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

Please access the Tokyo Stock Exchange website above, enter or search for our name or securities code, and select 'Basic Information' and 'Documents for Public Inspection/PR Information' in that order.

Please refer to the guidance below, and after reading the Reference Documents for the General Meeting of Shareholders contained herein, exercise your voting rights by 5:20 p.m. June 26, 2023 (Monday) (Japan Time).

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1. Date and Time 10:00 a.m., June 27, 2023 (Tuesday) (Reception will open at 9:30 a.m.)
2. Place MERKMAL KEIO SASAZUKA 6F, 47-1, Sasazuka 1-chome,
Shibuya-ku, Tokyo
(Conference Room of NDK's Head Office)
3. Matters to be Addressed
 - Matters to be Reported
 - (1) Report on the Business Report for the 82nd Fiscal Year (From April 1, 2022 to March 31, 2023), the Consolidated Financial Statements, and the Results of Audit of the Consolidated Financial Statements by the Independent Auditors and the Audit & Supervisory Board
 - (2) Report on the Financial Statements for the 82nd Fiscal Year (From April 1, 2022 to March 31, 2023)
 - Matters to be Resolved
 - Proposal No.1: Appropriation of Surplus
 - Proposal No.2: Amendment to the Articles of Incorporation
 - Proposal No.3: Appointment of nine (9) directors
 - Proposal No.4: Appointment of one (1) Audit and Supervisory Board member
 - Proposal No.5: Determination of the amount and content of the Performance-linked Share-based Compensation Plan, etc., for Directors, etc. of NDK
4. Guidance concerning Exercise of Voting Rights
 - (1) If you exercise the voting rights in writing, please indicate your agreement or disagreement on the enclosed Voting Rights Exercise Form and send it by mail to us so that it reaches us by later than 5:20p.m. June 26 (Monday), 2023. Please note that no indication of agreement or disagreement shall be deemed to be an indication of "agreement".
 - (2) If you exercise the voting rights via the Internet, etc., please refer to the "Guidance concerning Exercise of Voting Rights Via Internet, etc." on page 3 and exercise your voting rights by no later than 5:20p.m. June 26 (Monday), 2023.
 - (3) If we received your exercises of your voting rights in writing and via the Internet, etc., we will only accept the exercise of your voting rights via the Internet, etc. as effective. If you exercise your voting rights more than once via the Internet, etc. or by PC and Smart Phone, we will only accept the last one received by us as effective.
 - (4) In the case of exercise your voting rights by proxy, one of the shareholders holding voting rights may attend this general meeting of shareholders as a proxy. Please note that the proxy needs to submit the document certifying the authority of such proxy.

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1. Any corrections made to the matters subject to measures for electronic provision for the General Meeting of Shareholders, will be announced on the respective websites have been posted.
 2. When you attend the meeting in person, you are requested to present the enclosed Voting Rights Exercise Form at the reception desk and bring this "Notice of Convocation" to the meeting as the reference material.
 3. The documents sent to shareholders who requested the delivery of the paper- based documents do not include (i) the notes to the consolidated financial statements and (ii) the notes to the non-consolidated financial statements, in accordance with the laws and Article 19 of the Company's Articles of Association, but these documents are part of the documents audited by Audit and Supervisory Board members and Accounting Auditor when they prepared their audit report.
 4. Please note that any person not a shareholder including a proxy or a companion is not permitted to attend the General Meeting of Shareholders.
 5. Thank you for your understanding that we have ceased distribution of gifts to shareholders since last year.
 6. Please note that eating, drinking, smoking, photography, video recording and audio recording are prohibited.

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**REFERENCE DOCUMENTS
FOR THE GENERAL MEETING OF SHAREHOLDERS**

Proposals and Reference Matters

Proposal 1: Appropriation of Surplus

The appropriation of surplus is proposed as indicated below.

<The year-end dividend>

Taking into account the results for this fiscal year and the future business environment, the year-end dividend for FY 2022 is proposed as indicated below.

1. Type of dividend property

Cash

2. Matter concerning allotment of dividend property to shareholders and its total amount

¥10.00 per Common Share of Nihon Dempa Kogyo Co., Ltd.(NDK)

For a total of ¥231,280,130

3. Effective date of dividend of surplus

June 28, 2023 (Wednesday)

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Proposal 2: Amendment to the Articles of Incorporation

1. Reasons for amendment

(1) In view of large-scale disasters, including infectious diseases and natural disasters, and the progress of digitalisation of society as a whole, it is in the interests of shareholders to be able to choose to hold shareholders' meeting without a fixed location (so-called virtual-only shareholders' meeting), and paragraph 2 is to be added to Article 14 of the current Articles of Association.

(2) In order to ensure the flexible operation of the Board of Directors in line with the Company's management structure, the prescribed changes are to be made to Article 23 of the current Articles of Association, which stipulates who has the authority to convene and chair Board of Directors meetings.

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2. Contents of Amendments to the Articles of Incorporation

(Underlined portions are to be amended.)

Current Articles of Incorporation	Proposed amendment
Chapter I General Provisions	Chapter I General Provisions
Articles 1 to 5 <Omitted>	Articles 1 to 5 <As Present>
Chapter II Shares	Chapter II Shares
Article 6 to 13 <Omitted>	Article 6 to 13 <As Present>
Chapter III Meeting of Shareholders	Chapter III Meeting of Shareholders
Article 6 to 13 <Omitted>	Article 6 to 13 <As Present>
<p>Article14 (Convocation)</p> <p>The ordinary general meeting of shareholders of the Company shall be convened within three months after the end of each business year, and extraordinary general meetings of shareholders shall be convened whenever necessary.</p>	<p>Article14 (Convocation)</p> <p><u>1.</u> The ordinary general meeting of shareholders of the Company shall be convened within three months after the end of each business year, and extraordinary general meetings of shareholders shall be convened whenever necessary.</p> <p><u>2. The Company may hold a general meeting of shareholders without specifying a venue if the Board of Directors of the Company decides that, considering the interests of shareholders as well, it is not appropriate to hold the general meeting of shareholders with a specified venue in situations such as the spread of an infectious disease or the occurrence of a natural disaster.</u></p>
Article 15 to 19 <Omitted>	Article 15 to 19 <As Present>
Chapter IV Directors and Board of Directors	Chapter IV Directors and Board of Directors
Article 20 to 22 <Omitted>	Article 20 to 22 <As Present>
<p>Article 23 (Convener and Chairman)</p> <p>Meetings of the Board of Directors are convened and chaired by a <u>representative</u> director previously determined by resolution of the Board of Directors. If such <u>representative</u> director is unable to act, another director shall take his place in the order previously determined by the Board of Directors.</p>	<p>Article 23 (Convener and Chairman)</p> <p>Meetings of the Board of Directors are convened and chaired by a director previously determined by resolution of the Board of Directors. If such director is unable to act, another director shall take his place in the order previously determined by the Board of Directors.</p>
Article 24 to 48 <Omitted>	Article 24 to 48 <As Present>

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Proposal 3: Appointment of nine (9) directors

As the terms of office of all of the current directors are scheduled to expire at the closing of the Ordinary General Meeting of Shareholders. In order to further strengthen NDK's management system, we request the appointment of nine (9) directors, which includes three (3) outside directors.

The candidates for director are as shown below. We are proposing the appointment of these candidates based on a report from the independent advisory council, which consist of two (2) outside directors and one (1) inside director and is chaired by an independent outside director.

*The candidates for director

Candidate Number			Name	Current Status	Number of attendance/Number of Board of Directors Meeting
1	Reappointment	Man	Toshiaki Takeuchi	Representative Director and Chairman of the Board	15/17
2	Reappointment	Man	Hiromi Katoh	Representative Director and President	17/17
3	Reappointment	Man	Kenichi Ueki	Director and Senior Corporate Officer	17/17
4	Reappointment	Man	Hideyuki Oikawa	Director and Senior Corporate Officer	17/17
5	Reappointment	Man	Kenichi Sugawara	Director and Senior Corporate Officer	17/17
6	Reappointment	Man	Yuzuru Takeuchi	Director and Senior Corporate Officer	17/17
7	Reappointment Outside Director	Man	Yorihisa Suwa	Director	17/17
8	New Appointment Outside Director	Man	Kouki Anraku	Audit and Supervisory Board member	17/17
9	New Appointment Outside Director	Woman	Etsuko Kakehi	Adviser of DATALIVE CORPORATION	-

[Translation for Reference Purposes Only]

Candidate Number	Name (Date of Birth)	Brief Personal Record, Title and Assignment at NDK (Status of Major Concurrent Office)	Number of NDK's Shares Held
1	<p>Toshiaki Takeuchi (April 1, 1943)</p> <p>Reappointment</p> <p></p> <p>Man</p>	<p>April 1965 Joined IBM Japan, Ltd. May 1974 Director, NDK June 1977 Vice President and Director, NDK June 1988 Vice President and Representative Director, NDK July 1991 President and Representative Director, NDK April 2005 Chairman and Representative Director, NDK November 2014 Representative Director & Chairman of the Board, President and CEO, NDK April 2019 Representative Director and Chairman of the Board, NDK(current)</p> <p>Reason for selection as a candidate for director: Since Mr. Toshiaki Takeuchi has been involved in management of NDK for many years, and has been extensively familiar with the market trend, product and technology, management policy of Quartz crystal devices, we have determined that Mr. Takeuchi will appropriately perform his duties as a director of NDK.</p>	623,086 shares
2	<p>Hiromi Katoh (July 6, 1952)</p> <p>Reappointment</p> <p></p> <p>Man</p>	<p>April 1976 Joined NDK June 1981 Managing Director, Asian NDK Crystal Sdn. Bhd. September 1986 Managing Director, NDK Quartz (M) Sdn. Bhd. April 2001 General Manager of Corporate Planning Office, NDK June 2001 Director, General Manager of Corporate Planning Office, NDK June 2003 Director, General Manager of General Affairs and Personnel Departments, NDK October 2009 Director, General Manager of Administration Division, NDK June 2011 Senior Director, General Manager of Administration Division, NDK November 2014 Executive Vice President General Manager of Administration Division, NDK April 2019 Representative Director and President, NDK(current)</p> <p>Reason for selection as a candidate for director: Since Mr. Hiromi Katoh has been involved in management of NDK for many years, and has been extensively familiar with the market trend, foreign affairs, management policy of Quartz crystal devices, we have determined that Mr. Katoh will appropriately perform his duties as a director of NDK.</p>	26,100 shares

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Candidate Number	Name (Date of Birth)	Brief Personal Record, Title and Assignment at NDK (Status of Major Concurrent Office)	Number of NDK's Shares Held
3	<p style="text-align: center;">Kenichi Ueki (August 30, 1966)</p> <p style="text-align: center;">Reappointment</p> <p style="text-align: center;"> Man</p>	<p>April 1989 Joined NDK February 1995 Seconded to NDK Quartz (M) Sdn. Bhd. April 2005 Seconded to Asian NDK Crystal Sdn. Bhd. June 2006 Director, Asian NDK Crystal Sdn. Bhd. April 2012 General Manager of Engineering Department.1, Engineering Management Department.1, Engineering Division, NDK April 2018 Deputy General Manager of Crystal Units Engineering Division, General Manager of Engineering Department.1, Engineering Division, NDK July 2018 General Manager of Crystal Units Engineering Division, General Manager of Engineering Department.1, Engineering Division, NDK April 2019 Corporate Officer, General Manager of Engineering Division, General Manager of Crystal Units Engineering Division, NDK June 2021 Corporate Senior Officer, General Manager of Engineering Division, General Manager of Crystal Units Engineering Division, NDK April 2023 Senior Corporate Officer, General Manager of Engineering Division, NDK(current)</p> <p>Reason for selection as a candidate for director: Since Mr. Kenichi Ueki has been involved in technology of NDK for many years, had been Director of overseas subsidiaries of NDK, and has been extensively familiar with the market and technology trend, foreign affairs of Quartz crystal devices, so we have determined that Mr. Ueki will appropriately perform his duties as a director of NDK.</p>	4,300 shares
4	<p style="text-align: center;">Hideyuki Oikawa (May 4, 1970)</p> <p style="text-align: center;">Reappointment</p> <p style="text-align: center;"> Man</p>	<p>January 1995 Joined NDK January 2007 Seconded to Finland Branch, NDK Europe Ltd. July 2016 Deputy General Manager of Sales Department.5, Consumer Business Division, Sales & Customer Service Division, NDK April 2017 Managing Director, NDK Europe Ltd. April 2019 Corporate Officer, Deputy General Manager of Sales & Customer Service division, NDK July 2019 Director, NDK Europe Ltd. (current) April 2020 Corporate Officer, General Manager of Sales & Customer Service division, NDK June 2021 Senior Corporate Officer, General Manager of Sales & Customer Service division, NDK(current) October 2022 Director, NDK HOLDINGS USA, INC. (Current) Director, NDK AMERICA, INC. (Current)</p> <p>Reason for selection as a candidate for director: Since Mr. Hideyuki Oikawa has been involved in sales activities of NDK for many years, had been Managing Director of overseas subsidiaries of NDK, and has been extensively familiar with the market trend, foreign affairs, and sales company management of Quartz crystal devices, we have determined that Mr. Oikawa will appropriately perform his duties as a director of NDK.</p>	5,400 shares

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Candidate Number	Name (Date of Birth)	Brief Personal Record, Title and Assignment at NDK (Status of Major Concurrent Office)	Number of NDK's Shares Held
5	<p>Kenichi Sugawara (May 15, 1968)</p> <p>Reappointment Man</p> 	<p>April 1989 November 2009 April 2017 April 2018 April 2019 June 2019 November 2019 January 2020 March 2020 April 2020 July 2020 April 2021 June 2022</p> <p>Joined NDK Seconded to Asian NDK Crystal Sdn. Bhd. General Manager of Production Department.6, Third Production Management Division, Corporate Production Division, NDK General Manager of Third Production Management Division, General Manager of Production Department.6, Corporate Production Division, NDK General Manager of Sayama Production Management Division, General Manager of Production Department.6, Corporate Production Division, NDK General Manager of Sayama Production Management Division, Corporate Production Division, NDK General Manager of Sayama Production Management Division, General Manager of Production Department.4, Corporate Production Division, NDK Deputy General Manager of Corporate Production Division, General Manager of Production Department.4, General Manager of Sayama Production Management Division, NDK Director, Asian NDK Crystal Sdn. Bhd. Director, NDK Quartz Malaysia Sdn. Bhd. General Manager of Corporate Production Division, General Manager of Production Department 4, NDK Director, Furukawa NDK Co., Ltd. (current) Director, Hakodate NDK Co., Ltd. (current) Director, Niigata NDK Co., Ltd. (current) Corporate Officer, General Manager of Corporate Production Division, General Manager of Production Department 4, NDK Corporate Officer, General Manager of Corporate Production Division, NDK Managing Director, Asian NDK Crystal Sdn. Bhd. (current) Managing Director, NDK Quartz (M) Sdn. Bhd. (current) Senior Corporate Officer, General Manager of Corporate Production Division, NDK(current)</p>	4,300 shares
		<p>Status of Major Concurrent Office Managing Director, Asian NDK Crystal Sdn. Bhd. Managing Director, NDK Quartz (M) Sdn. Bhd.</p>	
		<p>Reason for selection as a candidate for director: Since Mr. Kenichi Sugawara has been involved in production operations of NDK for many years, had been Managing Director of overseas subsidiaries of NDK, and has been extensively familiar with the production operations and foreign affairs of Quartz crystal devices, we have determined that Mr. Sugawara will appropriately perform his duties as a director of NDK.</p>	


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Candidate Number	Name (Date of Birth)	Brief Personal Record, Title and Assignment at NDK (Status of Major Concurrent Office)	Number of NDK's Shares Held
6	<p>Yuzuru Takeuchi (June 2, 1981)</p> <p>Reappointment Man</p> 	<p>April 2006 Joined Recruit Co., Ltd March 2012 Joined NDK November 2013 Seconded to NDK America, Inc. July 2018 Deputy General Manager of Market & Strategy Office, NDK April 2019 General Manager of Market & Strategy Department, NDK April 2020 Deputy General Manager of Sales & Customer Service Division, General Manager of Market & Strategy Department, NDK July 2020 Corporate Officer, Deputy General Manager of Sales & Customer Service Division, General Manager of Market & Strategy Department, NDK June 2021 Senior Corporate Officer, General Manager of Administration Division, NDK</p> <p>Reason for selection as a candidate for director: Since Mr. Yuzuru Takeuchi has been General Manager of Market & Strategy Department NDK after experiencing production operations, overseas sales and chipset promotion, has been extensively familiar with the production operations, market trend and foreign affairs of Quartz crystal devices, and playing a leading role in the development of medium- and long-term management strategies of NDK, we have determined that Mr. Takeuchi will appropriately perform his duties as a director of NDK.</p>	70,546 shares
7	<p>Yorihisa Suwa (December 11, 1947)</p> <p>Reappointment Candidate for Outside Director Man</p> 	<p>April 1970 Joined Japan Radio Co., Ltd. April 2002 General Manager of Marine equipment, Japan Radio Co., Ltd. June 2004 Director in charge of Marine equipment and Special equipment business (technology), Japan Radio Co., Ltd. June 2005 President and Representative Director, Japan Radio Co., Ltd. June 2011 Chairman and Representative Director, Japan Radio Co., Ltd. Vice President and Director, Nisshinbo Holdings Inc. June 2012 Advisor, Japan Radio Co., Ltd. June 2015 Outside Audit & Supervisory Board Member, NDK June 2019 Outside Director, NDK(current)</p> <p>Reason for selection as a candidate for outside director and expected role: Since Mr. Yorihisa Suwa had been involved in the market of Electronics Industry, has abundant experience and wide-ranging expertise as a manager, and has been advised regarding the appointment, dismissal, and compensation of Directors and Corporate Officers of NDK, serving as a member of the Independent Advisory Council, we have determined that Mr. Suwa will appropriately perform his duties as an outside director of NDK.</p>	7,500 shares

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Candidate Number	Name (Date of Birth)	Brief Personal Record, Title and Assignment at NDK (Status of Major Concurrent Office)	Number of NDK's Shares Held
8	<p>Koki Anraku (October 10, 1956)</p> <p>New appointment Candidate for Outside Director</p> <p>Man</p> 	<p>April 1980 Joined the Tokyo Regional Taxation Bureau</p> <p>July 2005 Deputy District Director, Toyohashi Tax Office, Nagoya Regional Taxation Bureau</p> <p>July 2007 Tax Counselor, Commissioner's Secretariat, National Tax Agency of Japan</p> <p>July 2009 Special Examiner, First Large Enterprise Examination Department, Tokyo Regional Taxation Bureau</p> <p>July 2012 District Director, Shibata Tax Office, Kantoshinetsu Regional Taxation Bureau</p> <p>July 2013 Director, Corporate Taxation Division, Second Taxation Department, Tokyo Regional Taxation Bureau</p> <p>July 2016 Deputy Commissioner (Taxation), Second Taxation Department, Tokyo Regional Taxation Bureau</p> <p>September 2017 Started Koki Anraku Tax Accountant Office Corporate auditor, The Nippon Foundation Volunteer Support Center (current)</p> <p>January 2018 Corporate auditor, Machida Shuzo Co., Ltd. (current)</p> <p>February 2018 Corporate auditor, The Nippon Foundation Paralympic Support Center (current)</p> <p>December 2019 Corporate auditor, Tokyo Federation of Corporate Associations (current)</p> <p>July 2020 Audit and Supervisory Board member, NDK (current)</p>	900 shares
		<p>Status of Major Concurrent Office Koki Anraku Tax Accountant Office</p>	
		<p>Reason for selection as a candidate for outside director and expected role: Since Mr. Koki Anraku has expertise as a certified tax accountant and has extensive experience in tax affairs, we have determined that Mr. Anraku will appropriately perform his duties as an outside director.</p>	

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Candidate Number	Name (Date of Birth)	Brief Personal Record		Number of NDK's Shares Held
9	Etsuko Kakehi (February 5, 1957)	June 1982	Joined IBM Japan, Ltd.	0 shares
	New appointment Candidate for Outside Director Woman	January 2002	General Manager, Process & IT Planning, Service Division IBM Japan	
		December 2010	Director, IBM Japan Staff Operations Co.,Ltd.	
		April 2013	Director, CIO Services Japan IBM Japan, Ltd.	
		March 2018	Adviser, DATALIVE CORPORATION (current)	
		December 2018	Outside Director, ABIST Co.,Ltd.	
		Status of Major Concurrent Office Adviser of DATALIVE CORPORATION		
		Reason for selection as a candidate for outside director and expected role: Since Ms. Etsuko Kakehi had been involved in the market of IT Industry, has abundant experience and wide-ranging expertise of IT and DX, we have determined that Ms. Kakehi will appropriately perform her duties as an outside director of NDK.		

(Notes)

1. There is no special interest between Mr. Toshiaki Takeuchi, Mr. Hiromi Katoh, Mr. Kenichi Ueki, Mr. Hideyuki Oikawa, Mr. Kenichi Sugawara, Mr. Yuzuru Takeuchi, Mr. Yori-hisa Suwa, Mr. Koki Anraku, Ms. Etsuko Kakehi and NDK.
2. Mr. Yori-hisa Suwa Mr. Koki Anraku and Ms. Etsuko Kakehi are candidates for outside directors.
3. Mr. Yori-hisa Suwa would have served four (4) years as an outside director as of the closing of the Ordinary General Meeting of Shareholders. Furthermore, Mr. Yori-hisa Suwa had been an Outside Audit & Supervisory Board from June, 2015 to June, 2019.
4. Mr. Koki Anraku would have served two (2) years and eleven (11) months as an Audit and Supervisory Board member as of the closing of the Ordinary General Meeting of Shareholders. If the proposal are approved and adopted as proposed, Mr. Anraku will resign Audit and Supervisory Board member as of the closing of the Ordinary General Meeting of Shareholders.
5. Pursuant to Article 427, Paragraph 1 of the Companies Act, NDK has entered into agreements with Mr. Yori-hisa Suwa to limit his liability in accordance with Article 423, Paragraph 1 of the said Act. The maximum amount of liability under the agreement is either 7 million yen or an amount prescribed by laws and regulations, whichever is greater. If the proposal are approved and adopted as proposed, the agreement will be continued.
6. Pursuant to Article 427, Paragraph 1 of the Companies Act, NDK has entered into agreements with Mr. Koki Anraku to limit his liability in accordance with Article 423, Paragraph 1 of the said Act. The maximum amount of liability under the agreement is either 7 million yen or an amount prescribed by laws and regulations, whichever is greater. If the proposal are approved and adopted as proposed, we will enter into agreement with Mr. Anraku to limit his liability of Article 423, Paragraph 1 of the said Act either 7 million yen or an amount prescribed by laws and regulations, whichever is greater in accordance with Article 427, Paragraph 1 of the said Act.

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7. If the proposal are approved and adopted as proposed, we will enter into agreements with Ms. Etsuko Kakehi to limit her liability of Article 423, Paragraph 1 of the Companies Act either 7 million yen or an amount prescribed by laws and regulations, whichever is greater in accordance with Article 427, Paragraph 1 of the said Act.
8. NDK has entered into Directors' and Officers' Liability Insurance agreement which directors are insured person and this agreement is scheduled to be renewed. The overview of the agreement is described in "Business Report". If the proposal are approved and adopted as proposed, the candidates will be insured person.
9. NDK has notified the Tokyo Stock Exchange with respect to the current position of Mr. Yori-hisa Suwa and Mr. Kouki Anraku as an independent director or auditor of NDK in accordance with the rules of the Tokyo Stock Exchange, and NDK plan to have Mr. Yori-hisa Suwa and Mr. Kouki Anraku continue to serve as independent directors, if they are reappointed. And Ms. Etsuko Kakehi fulfils the requirements for independent director o as stipulated by the Tokyo Stock Exchange and, if the proposal are approved and approved as proposed, NDK will notify the Tokyo Stock Exchange of her as a new independent director as stipulated by the Tokyo Stock Exchange.

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Proposal 4: Appointment of one (1) Audit and Supervisory Board member

As Mr. Kouki Anraku will resign Audit and Supervisory Board member as of the closing of the Ordinary General Meeting of Shareholders, we request the appointment of one (1) Audit and Supervisory Board member.

The candidate is as shown below. The candidate, Ms. Minako Yoshida, will replace Mr. Anraku as Audit and Supervisory Board member, and her term of office will expire at the end of the term of office of Mr. Anraku as Supervisory Board member, as stipulated in the Company's Articles of Association. We are proposing the appointment of the candidate based on a resolution of Audit and Supervisory Board.

Name (Date of Birth)	Brief Personal Record	Number of NDK's Shares Held
<p>Minako Yoshida (November 4, 1966)</p> <p>New appointment Candidate for Outside Audit and Supervisory Board member</p> <p>Woman</p> 	<p>April 1989 Joined Nissan Motor Co., Ltd.</p> <p>October 2004 Admitted to the Bar, Japan (Deregistered in 2006, re-registered in 2010)</p> <p>October 2004 Joined Asuka Kyowa Law Firm</p> <p>May 2011 Joined Hayabusa Asuka Law Firm</p> <p>December 2011 Admitted to the California Bar, USA</p> <p>November 2018 Joined Mile Law Firm (current)</p> <hr/> <p>Status of Major Concurrent Office Partner of Mile Law Firm</p> <hr/> <p>Reason for selection as a candidate for outside Audit and Supervisory Board member and reason for perform its duty appropriately : Ms. Minako Yoshida is nominated as a candidate for the position of Audit and Supervisory Board member because of her professional expertise as a lawyer and her extensive experience in legal affairs and international transactions. She has not been involved in corporate management in the past, but for the reasons stated above, we believe that she will be able to carry out her duties as an outside Audit and Supervisory Board member appropriately.</p>	<p>0 shares</p>

[Translation for Reference Purposes Only]

(Notes)

1. There is no special interest between Ms. Minako Yoshida and NDK.
2. Ms. Minako Yoshida is a candidate for outside Audit and Supervisory Board member.
3. If the proposal are approved and adopted as proposed, we will enter into agreements with Ms. Minako Yoshida to limit her liability of Article 423, Paragraph 1 of the Companies Act either 7 million yen or an amount prescribed by laws and regulations, whichever is greater in accordance with Article 427, Paragraph 1 of the said Act.
4. NDK has entered into Directors' and Officers' Liability Insurance agreement which Audit and Supervisory Board members are insured person and this agreement is scheduled to be renewed. The overview of the agreement is described in "Business Report". If the proposal are approved and adopted as proposed, the candidate will be insured person.
5. Ms. Minako Yoshida fulfils the requirements for independent director or auditor as stipulated by the Tokyo Stock Exchange and, if the proposal are approved and approved as proposed, NDK will notify the Tokyo Stock Exchange of her as a new independent director or auditor as stipulated by the Tokyo Stock Exchange.

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Proposal 5: Determination of the amount and content of the Performance-linked Share-based Compensation Plan, etc., for Directors, etc. of the Company

1. Reasons for the proposal and reasons this compensation, etc., is deemed to be appropriate

This proposal seeks the approval of the introduction of a performance-linked share-based compensation plan (hereafter, the “Plan”) granting directors (excluding non-executive directors, outside directors, and individuals not resident in Japan) and corporate officers (excluding individuals not resident in Japan) of the Company (hereafter, jointly referred to as “Directors, etc.”) shares of the Company or an amount of money equivalent to the market value of the Company’s shares (hereafter, “Company’s Shares, etc.”) in accordance with their position and performance in terms of business results. Details of the Plan will be left to the discretion of the Company’s Board of Directors within the framework set out in 2. Below.

The purpose of the introduction of the Plan is to clarify the relationship between compensation for Directors, etc., and the Company’s business results and share price and to further raise motivation for Directors, etc. to contribute to improving medium- to long-term business results and enhancing corporate value by ensuring they share with shareholders not only the benefits of a rise in share price but also the risk of a fall in share price. In light of this purpose, we think it is appropriate to introduce the Plan in concordance with policy for the determination of the content of compensation, etc., for individual directors.

This proposal is for the granting of share-based compensation to Directors, etc., under a separate framework from the amount of compensation, etc. for directors approved at the 64th Ordinary General Meeting of Shareholders held on June 29, 2005 (no more than ¥600 million per year, not including employee wages of directors who also hold positions as Company employees).

The number of directors eligible for the Plan shall be 5, provided Proposal 3: Appointment of nine (9) directors is approved as proposed. (Additionally, the number of eligible Directors, etc., including corporate officers, shall be 9.)

2. Amount and content of compensation, etc., under the Plan

(1) Overview of the Plan

Under the Plan, the Company will provide compensation for Directors, etc., by contributing money to a trust fund (hereafter, the “Trust,” and the trust agreement concluded with Resona Bank, Limited for the establishment of the Trust shall be referred to as the “Trust Agreement”) for acquiring the Company’s shares. Directors, etc., shall be granted the Company’s shares, etc., by the Trust in accordance with the number of points awarded to each director, etc. based on regulations for the delivery of shares stipulated by the Board of Directors (hereafter, “Share Delivery Regulations”).

The timing of the delivery of the Company’s Shares, etc., to Directors, etc., shall, in principle, be upon retirement (see (8) below for details).

(2) Persons eligible for the Plan

Directors, etc. of the Company.

[Translation for Reference Purposes Only]

(3) Time period covered by the Plan

The time period covered by the Plan is, in principle, a period of three business years corresponding with each medium-term management plan issued by the Company (hereafter, “Plan Period”). However, the initial plan period (“Initial Plan Period”) will be two business years covering the remainder of the current medium-term management plan, from the fiscal year ending March 31, 2024 to the fiscal year ending March 31, 2025.

(4) Trust period

From August 2023 (planned) to the closing of the Trust. (A specific closure date has not been set, as the Trust will continue as long as the Plan continues.)

The termination of the Plan shall be due to reasons such as the delisting of the Company’s shares or the abolishment of Share Delivery Regulations.

(5) Upper limit of trust money to be contributed to the Trust for the acquisition of shares

Upon condition of the introduction of the Plan being approved at this ordinary general meeting of shareholders, during the Initial Plan Period, the Company shall contribute funds for the acquisition of the Company’s shares in order to grant the Company’s Shares, etc. to Directors, etc. based on the Plan with an upper limit to be set by multiplying ¥63 million per business year (of which, ¥46 million will be allotted for directors) by the number of business years included in the Plan Period (¥126 million for the two business years in the Initial Plan Period, of which, ¥92 million will be allotted for directors)*.

Additionally, within the Initial Plan Period, the Company may contribute additional funds for acquiring shares provided that the total of all funds provided, including the initial contribution, is within the scope outlined above.

Also, after the Initial Plan Period finishes, the Company may contribute additional funds until the termination of the Plan, with an upper limit for each Plan Period to be set by multiplying ¥63 million per business year (of which, ¥46 million will be allotted for directors) by the number of business years included in the Plan Period (¥189 million for the three business years of each Plan Period, of which, ¥138 million will be allotted for directors). However, each time additional contributions are made, if there are any of the Company’s shares (excluding shares that have been allotted to Directors, etc. in accordance with points earned during each of the previous Plan Periods, including the Initial Plan Period, but that have yet to be delivered) or money remaining in the Trust as of the final day of the Plan Period directly before the Plan Period in which the additional contribution is made (hereafter, jointly referred to as “remaining shares, etc.”), then the total of the value of the remaining shares, etc., and money from additional contributions must be within the scope of the above-stated upper limit.

*The amount of money actually contributed to the Trust by the Company will be the amount for acquiring the Company’s shares as stated above, combined with the forecast amount of necessary expenses, such as trust fees and trust administrator compensation.

[Translation for Reference Purposes Only]

(6) Method for calculating the number of the Company's shares to be vested to Directors, etc., and upper limit

The Company shall award points to Directors, etc. with the amount to be calculated during each Plan Period in accordance with their position and performance in terms of business results, based on the Share Delivery Regulations. The upper limit for points that can be awarded during the Initial Plan Period is to be set by multiplying 34,500 points per business year (of which, 25,500 points will be allotted for directors) by the number of business years included in the Plan Period (69,000 points for the two business years in the Initial Plan Period, of which, 51,000 points will be allotted for directors).

Also, after the Initial Plan Period finishes, the upper limit for each Plan Period shall be set by multiplying limited points per business year by the number of business years included in the Plan Period (103,500 shares for the three business years in the Plan Period, of which, 76,500 shares will be allotted for directors).

When the Company's shares are granted to Directors, etc., in exchange for points, one point shall be equivalent to one share of the Company (fractions of points shall be rounded down).

However, after the Plan has been approved at this ordinary general meeting of shareholders, if a stock split, allotment without contribution, or consolidation of shares involving the Company's shares is carried out, the ratio of exchange of points for shares shall be rationally adjusted in accordance with the relevant ratios, etc.

(7) Method of acquisition of the Company's shares by the Trust and upper limit

The Trust shall acquire shares from the stock market or receive shares through disposition of treasury stock within the scope of the upper limit on funds to be provided to the Trust stated in (5) above and the upper limit for the number of shares to be granted to Directors, etc. stated in (6) above. Details of methods for acquiring shares shall be redetermined and disclosed by the Company after this ordinary general meeting of shareholders.

Additionally, in the Initial Plan Period, shares shall be acquired without delay following the establishment of the Trust with an upper limit of 69,000 shares (of which, 51,000 shares will be allotted for directors). Also, after the Initial Plan Period finishes, shares shall be acquired in each Plan Period with an upper limit of 103,500 shares (of which, 76,500 shares will be allotted for directors).

(8) Vesting of the Company's Shares, etc. to Directors, etc.

In principle, if a Director, etc. retires or otherwise becomes ineligible for the Plan, if they satisfy the beneficiary requirements stipulated in the Share Delivery Regulations and carry out the beneficiary settlement procedure also stipulated in the Share Delivery Regulations, they shall be granted a number of the Company's shares in accordance with the number of points earned up to that point.

However, for a certain ratio of these shares, a sum of money equivalent to the market value of shares in the Company shall be granted in lieu of actual shares of the Company with a view to fulfilling tax obligations. In events including the death of a director, etc., or the determination that they have become a non-resident of Japan due to an overseas posting, etc., then a sum of money equivalent to the market value of the Company's shares shall be granted in lieu of all shares of the Company allotted to said individual. Additionally, the Trust may sell the Company's shares in order to grant said sum of money.

[Translation for Reference Purposes Only]

(9) Exercise of voting rights related to the Company's shares held in the Trust

Voting rights of the Company's shares held in the Trust (Company's shares before they are granted to Directors, etc. as stated in (8) above) shall not be exercised during the period they are owned by the Trust to ensure independence from management.

(10) Treatment of dividends pertaining to the Company's shares held in the Trust

Dividends pertaining to the Company's shares held in the Trust shall be received by the Trust and allocated as funds for acquiring the Company's shares or to cover trust fees, etc.

(11) Treatment of termination of the Trust period

In regard to assets remaining in the Trust after the termination of the trust period, all shares of the Company shall be acquired by the Company at no cost and canceled of through a resolution of the Board of Directors. Any money remaining in the Trust shall either be divided proportionally between Directors, etc., still in service in accordance with number of points accumulated or donated to a public service corporation in which no director, etc. has an interest.

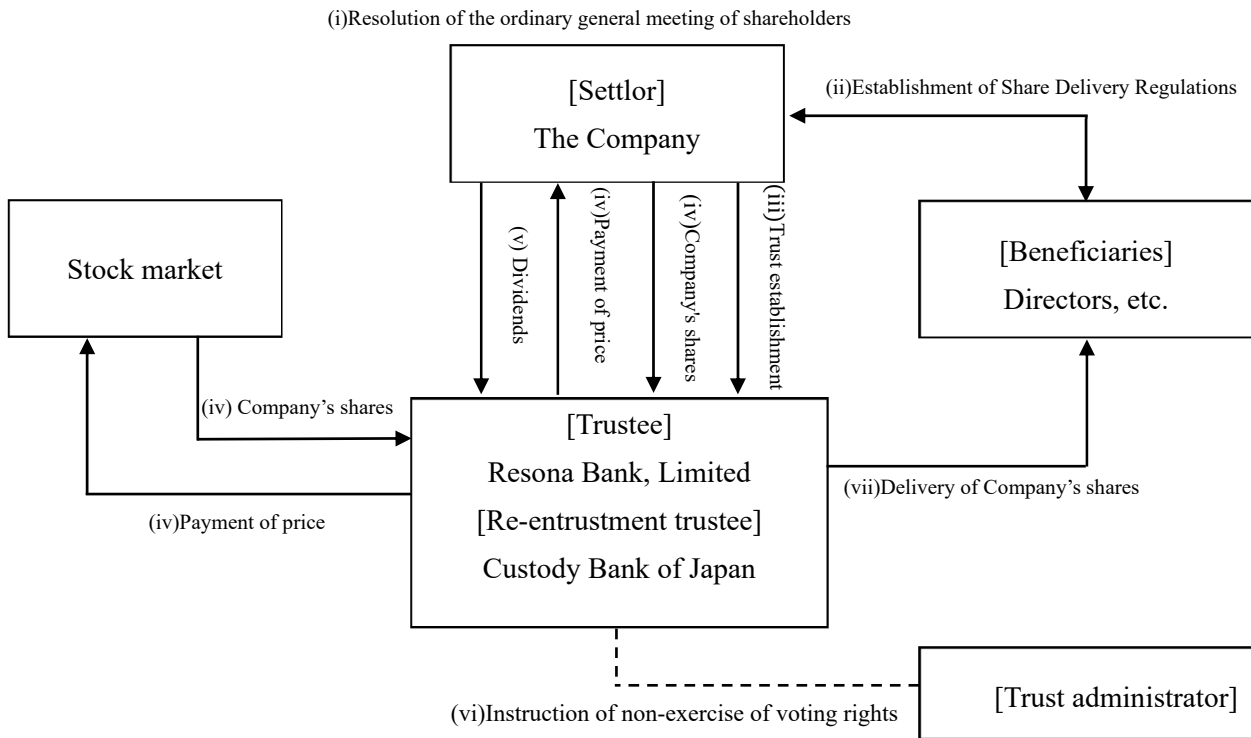
(12) Other matters concerning the Plan

Other matters concerning the Plan, including the establishment of the Trust, changes to the Trust Agreement, and additional contributions to the Trust, shall be settled at meetings of the Board of Directors.

End of Document

[Translation for Reference Purposes Only]

<Reference: Plan Structure>



- (i) The Company shall obtain a resolution approving compensation for Directors, etc., regarding the introduction of the Plan at its ordinary general meeting of shareholders.
- (ii) The Company’s Board of Directors shall formulate regulations for the delivery of shares granted to Directors, etc. based on the Plan.
- (iii) The Company shall contribute money within the scope approved by a resolution at an ordinary general meeting of shareholders as stated in (i) above and establish a trust (the “Trust”) to act as nominated beneficiary of the Plan. It may make additional contributions of money within the scope approved by a resolution at an ordinary general meeting of shareholders as stated in (i) above.
- (iv) Money contributed to the Trust as stated in (iii) above shall be used to acquire the Company’s shares from the Company (disposition of treasury shares) or the stock market.
- (v) Dividends will be paid for the Company’s shares held in the Trust as in the case of other Company’s shares.
- (vi) Voting rights of the Company’s shares held in the Trust shall not be exercised during the period they are owned by the Trust to ensure independence from management
- (vii) During the trust period, Directors, etc. will be awarded points in accordance with their position and performance in terms of business results, based on the Share Delivery Regulations as stated in (ii) above. At the time of retirement, etc., eligible individuals shall be granted a number of the Company’s shares in accordance with the number of points accumulated, provided they have satisfied the beneficiary requirements stipulated in the Share Delivery Regulations.

[Translation for Reference Purposes Only]

Skills Matrix.

Our management philosophy: “NDK provides high-quality service to customers while staying ahead of the marketplace.” “NDK is enhancing each individual's character through work." As stated in the company's founder's strong belief that "a product is a reflection of a person's character", the company's executives and employees are expected to pursue "quality first" in their products and services.

Based on this, the skills matrix of the candidates for the Board of Directors is as follows.

Skill	Toshiaki Takeuchi	Hiromi Katoh	Kenichi Ueki	Hideyuki Oikawa	Kenichi Sugawara	Yuzuru Takeuchi	Yorihisa Suwa	Kouki Anraku	Estuko Kakehi
Business management / strategy	○	○					○		
Gloval	○	○	○	○	○	○			○
Marketing / Sales	○			○		○			
R&D engineering /	○		○				○		
Production		○			○		○		
Financial accounting	○	○					○	○	
Investment, M&A / Risk management		○							
Human resources, Labour affairs / Human resources development		○							○
Telecommunications /DX						○			○
ESG/ Sustainability						○	○	○	
Legal Compliance /		○						○	