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Securities Code: 3565

April 8, 2022

To Our Shareholders:

Naohiro Sato, CEO
Ascentech K.K.
3 Kanda-Neribeicho, Chiyoda-ku, Tokyo

Notice of the 14th Annual General Meeting of Shareholders

We are pleased to announce the 14th Annual General Meeting of Shareholders of Ascentech K.K. (the “Company”), which will be held as indicated below.

If you are not able to attend on the day of the meeting, you may exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate whether you agree or disagree to the proposals on the enclosed voting form, and send it by postal mail to arrive at the Company no later than 6:00 p.m. on Monday, April 25, 2022 (JST).

- 1. Date and Time:** Tuesday, April 26, 2022 at 1:00 p.m. (JST)
- 2. Place:** EX Room 1, 7th Floor, FUJISOFT Akiba Plaza,
3 Kanda-Neribeicho, Chiyoda-ku, Tokyo

3. Purpose of the Meeting:

Matter to be reported:

Business report and Non-consolidated Financial Statements for the 14th fiscal year (from February 1, 2021 to January 31, 2022)

Matters to be resolved:

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|-----------------------|---|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendment to the Articles of Incorporation |
| Proposal No. 3 | Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 4 | Election of Three Directors Who Are Audit and Supervisory Committee Members |
| Proposal No. 5 | Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors) |

If you are attending on the day of the meeting, you are kindly requested to present the enclosed voting form to the receptionist.

Of the documents to be presented when announcing this convocation, Notes to Non-consolidated Financial Statements are not included in the documents attached to the convocation notice as they are posted on the Company’s website (<https://www.ascentech.co.jp/>) pursuant to the provisions of laws and regulations and Article 15 of the Articles of Incorporation. The said items are included in the Non-consolidated Financial Statements which were audited by the Audit and Supervisory Committee or the Financial Auditor when preparing the respective audit reports and financial audit reports.

In case of any changes in the Reference Documents for the General Meeting of Shareholders, Business Report, and Non-consolidated Financial Statements, the revised matters will be posted on the Company’s website (<https://www.ascentech.co.jp/>).

We will not hand out souvenirs to shareholders attending the meeting.
Your understanding would be appreciated.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company regards the return of profit to its shareholders together with the strengthening of financial structure, securing of business expansion and competitiveness as key management priorities. While recognizing the return of profit to shareholders as a key management priority, the Company's basic dividend policy is to distribute profit in line with operating results. It aims to do this simultaneously with balancing with internal reserves used for strategic investments and giving comprehensive consideration to matters such as financial position and capital requirements. The Company will utilize internal reserve funds in strategic business investments, R&D investments, etc., to achieve sustainable growth.

As a result of comprehensively considering matters including the business performance of the fiscal year and future business developments based on this policy, the Company proposes to pay a year-end dividend for the 14th fiscal term as follows:

- Year-end dividends
 - (i) Type of dividend property
To be paid in cash.
 - (ii) Allotment of dividend property and the aggregate amount thereof
The Company proposes to pay a dividend of ¥7.0 per common share of the Company.
In this event, the total dividends will be ¥93,774,996.
 - (iii) Effective date of dividends of surplus
April 27, 2022

Proposal No. 2 Amendment to the Articles of Incorporation

(1) Reasons for proposal

The revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022. Accordingly, the Company will newly establish provisions to take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format as well as provisions to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents. The Company will also delete provisions for internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc., and establish supplementary provisions regarding the effective date, etc.

(2) Details of amendments

Details of amendments are as follows:

(Underlined portions represent amendments.)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 15. (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or indicated in the reference documents of the general meeting of shareholders, business report, non-consolidated financial statements and/or consolidated financial statements through the internet in accordance with the provisions prescribed by the Ordinance of the Ministry of Justice, it may be deemed that the Company has provided this information to shareholders.</u></p> <p>(Newly established)</p>	<p>(Deleted)</p> <p><u>Article 15. (Measures for Providing Information in Electronic Format, Etc.)</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p> <p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed amendments
<p data-bbox="145 197 411 230">Supplementary Provisions</p> <p data-bbox="368 589 568 622">(Newly established)</p>	<p data-bbox="794 197 1059 230">Supplementary Provisions</p> <p data-bbox="794 230 1422 293"><u>(Transitional Measures for Providing Information in Electronic Format, Etc.)</u></p> <ol style="list-style-type: none"> <li data-bbox="815 293 1444 645">1. <u>The deletion of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the new establishment of the proposed revision of Article 15 (Measures for Providing Information in Electronic Format, Etc.) shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u> <li data-bbox="815 645 1444 801">2. <u>Notwithstanding the provision of the preceding paragraph, Article 15 of the current Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u> <li data-bbox="815 801 1444 969">3. <u>These Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u>

Proposal No. 3 Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of four Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply throughout this proposal) will expire at the conclusion of this meeting. Therefore, the Company proposes the election of four Directors.

This proposal was reviewed by the Audit and Supervisory Committee, but the committee did not find any matters requiring special mention.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company [Significant concurrent positions outside the Company]	Number of the Company's shares owned
1	Naohiro Sato (July 8, 1958)	Apr. 1981 Joined Texas Instruments Japan Limited Nov. 1988 Joined IBM Japan, Ltd. Aug. 2006 Joined MP Technologies Co., Ltd. (currently Intea Holdings, Inc.) Aug. 2006 Director of Guest-Tek Interactive Entertainment Ltd. (Canada) Oct. 2006 Director and President of MP Technologies Co., Ltd. (currently Intea Holdings, Inc.) Feb. 2009 CEO of the Company (current position) Feb. 2009 Representative Director and President of MP Holdings, Inc. (currently Intea Holdings, Inc.)	1,512,000
2	Takashi Matsuura (September 19, 1968)	Apr. 1991 Joined Nihon Unisys, Ltd. July 2001 Joined Citrix Systems Japan K.K. Feb. 2006 Joined MP Technologies Co., Ltd. (currently Intea Holdings, Inc.) General Manager of Solution Division Feb. 2009 Director and General Manager of Solution Division of the Company Oct. 2009 Director of MP Holdings, Inc. (currently Intea Holdings, Inc.) Apr. 2013 COO and General Manager of Solution Division of the Company Feb. 2020 COO and General Manager of Engineering No.1 Division (current position)	772,800

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company [Significant concurrent positions outside the Company]	Number of the Company's shares owned
3	Koichiro Banzai (February 19, 1974)	<p>Apr. 1998 Joined Merrill Lynch Securities Co., Ltd., Tokyo Branch</p> <p>Oct. 2001 Joined Deutsche Securities Inc., Tokyo Branch</p> <p>Mar. 2004 Joined Merrill Lynch Japan Securities Co., Ltd.</p> <p>Mar. 2007 Transferred to Mitsubishi UFJ Merrill Lynch PB Securities Co., Ltd.</p> <p>May 2007 Joined Deutsche Securities Inc.</p> <p>Jan. 2011 Joined SystemBIT Co., Ltd.</p> <p>Mar. 2011 Audit & Supervisory Board Member of the Company</p> <p>Aug. 2011 Director</p> <p>Aug. 2011 Director of Eishin Corporation (current position)</p> <p>Nov. 2011 Director of SystemBIT Co., Ltd.</p> <p>Dec. 2015 Representative Director and President of Life Sciences Computing Corporation</p> <p>Dec. 2015 Representative Director and President of SystemBIT Co., Ltd.</p> <p>Jan. 2018 Director of Axion Japan Co., Ltd.</p> <p>Apr. 2020 Outside Director of the Company (current position)</p> <p>Jan. 2021 Director and President of SystemBIT Co., Ltd.</p> <p>Aug. 2021 Representative Director and President of Aisatt Co., Ltd. (current position)</p> <p>Dec. 2021 Director of SystemBIT Co., Ltd. (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Director of Eishin Corporation</p> <p>Director of SystemBIT Co., Ltd.</p> <p>Representative Director and President of Aisatt Co., Ltd.</p>	49,000
4	Eiichi Takaya (May 4, 1948)	<p>Apr. 1971 Joined Sumitomo Corporation</p> <p>Apr. 1997 Representative Director and President of Sumisho Data Com Co., Ltd.</p> <p>Apr. 2001 President & CEO of Zuken NetWave Inc.</p> <p>July 2008 Representative Director and President of NewGras Co., Ltd. (current position)</p> <p>Aug. 2009 Joined Fortinet Japan K.K.</p> <p>June 2014 Director of CREATOR'S HEAD INC.</p> <p>Apr. 2017 Outside Director of the Company (current position)</p> <p>[Significant concurrent positions outside the Company]</p> <p>Representative Director and President of NewGras Co., Ltd.</p>	1,400

- (Notes)
- There is no special interest between any of the candidates and the Company.
 - Koichiro Banzai and Eiichi Takaya are candidates for outside Director.
 - Reasons for nomination as candidates for outside Director and overview of expected roles
 - Koichiro Banzai has broad insight and experience in the financial industry as well as abundant experience as a corporate manager. The Company believes he is capable of playing a significant role in the business judgement and the decision-making process in the Board of Directors through his experience, and therefore proposes his election as outside Director.
 - Eiichi Takaya has abundant experience as a corporate manager and deep knowledge cultivated through his experience. The Company believes he is capable of playing a significant role in making business judgements and the decision-making process in the Board of Directors, and therefore proposes his election as outside Director.
 - Koichiro Banzai is currently an outside Director of the Company, and his tenure as outside Director will have been two years at the conclusion of this meeting. Eiichi Takaya is currently an outside Director of the Company, and his tenure as an outside Director will have been five years at the conclusion of this meeting.
 - Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Koichiro Banzai and Eiichi Takaya to limit their liability for damages under Article 423, paragraph (1) of the same

Act. The maximum amount of liability for damages under the agreements is the minimum liability amount provided for under laws and regulations. If the reelection of Mr. Banzai and Mr. Takaya is approved, the Company plans to renew the agreements with them.

6. The Company has submitted notification to Tokyo Stock Exchange that Eiichi Takaya has been designated as an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his designation as an independent officer to continue.
7. The Company has entered into a directors and officers liability insurance policy with an insurance company, under which all of the Directors are the insureds. The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 4 Election of Three Directors Who Are Audit and Supervisory Committee Members

The terms of office of three Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting. Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members.

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

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

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Hidenori Matsuda (February 4, 1948)	Apr. 1970 Joined IBM Japan, Ltd. June 2001 Representative Director and President of COMTEC INC. Jan. 2003 Representative Director and President of SRL Technosystem, Inc. July 2007 Representative Director and President of Business Concierge Inc. July 2009 Representative Director and President of ISID Advanced Outsourcing, Ltd. July 2014 Representative Director and President of Business Concierge Inc. Apr. 2016 Outside Audit & Supervisory Board Member of the Company Apr. 2020 Outside Director who is an Audit and Supervisory Committee Member (current position)	-
2	Isao Yamamoto (August 20, 1948)	Apr. 1973 Joined Ikeno Tsuken Co., Ltd. Aug. 1981 Joined Japan Digital Equipment Corporation May 1996 Joined Apple Japan, Inc. Jan. 1997 Joined Autodesk Inc. Jan. 1998 Joined Barn Japan Co., Ltd. Sept. 1999 Joined Citrix Systems Japan K.K. July 2006 Executive Officer and General Manager of Operation Division Apr. 2007 Executive Officer and Vice President Apr. 2017 Outside Audit & Supervisory Board Member of the Company Apr. 2020 Outside Director who is an Audit and Supervisory Committee Member (current position)	-

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Kiyoshi Yoshii (October 18, 1947)	<p>Jan. 1983 Joined Nemic-Lambda Co., Ltd.</p> <p>July 1984 General Manager of Accounting Department</p> <p>Feb. 1987 General Manager of Administration Division and General Manager of Accounting Department</p> <p>May 1990 Director, General Manager of Administration Division, and General Manager of Accounting Department</p> <p>Aug. 1992 Audit & Supervisory Board Member</p> <p>Sept. 1992 Head of Yoshii Certified Public Accountant Office (current position)</p> <p>June 2000 Audit & Supervisory Board Member of COMTEC INC. (current position)</p> <p>Feb. 2011 Audit & Supervisory Board Member of Comnext Co., Ltd.</p> <p>Apr. 2020 Outside Director who is an Audit and Supervisory Committee Member of the Company (current position)</p> <p>[Significant concurrent positions outside the Company] Head of Yoshii Certified Public Accountant Office Audit & Supervisory Board Member of COMTEC INC.</p>	-

- (Notes)
1. Hidenori Matsuda, Isao Yamamoto, and Kiyoshi Yoshii are candidates for outside Director.
 2. There is no special interest between any of the candidates and the Company.
 3. Reasons for nomination as candidates for outside Director and overview of expected roles
 - (1) Hidenori Matsuda has abundant business experience in the IT industry and deep knowledge cultivated through his experience. The Company believes he is capable of playing a role as an outside Director with objectivity from a fair, neutral, and independent standpoint, and therefore proposes his election as outside Director.
 - (2) Isao Yamamoto has abundant business experience in the IT industry and deep knowledge cultivated through his experience. The Company believes he is capable of playing a role as an outside Director with objectivity from a fair, neutral, and independent standpoint, and therefore proposes his election as outside Director.
 - (3) Kiyoshi Yoshii has expertise in finance and accounting as a certified public accountant as well as abundant auditing experience. The Company believes he is capable of playing a role as an outside Director with objectivity from a fair, neutral, and independent standpoint, and therefore proposes his election as outside Director.
 4. Hidenori Matsuda, Isao Yamamoto and Kiyoshi Yoshii are currently outside Directors of the Company, and their tenure as outside Directors will have been two years at the conclusion of this meeting.
 5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Hidenori Matsuda, Isao Yamamoto and Kiyoshi Yoshii to limit their liability for damages under Article 423, paragraph (1) of the same Act. The maximum amount of liability for damages under the agreements is the minimum liability amount provided for under laws and regulations. If the reelection of Mr. Matsuda, Mr. Yamamoto and Mr. Yoshii is approved, the Company plans to renew the agreements with them.
 6. The Company has submitted notification to Tokyo Stock Exchange that Hidenori Matsuda, Isao Yamamoto and Kiyoshi Yoshii have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their designation as independent officers to continue.
 7. The Company has entered into a directors and officers liability insurance policy with an insurance company, under which all of the Directors are the insureds. The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties as a Director, or receipt of claims pertaining to the pursuit of such liability. If each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in the insurance policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 5 Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

The maximum amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) of the Company was resolved to be not more than ¥120 million per year (including the portion of outside Directors to be not more than ¥30 million per year) at the Annual General Meeting of Shareholders held on April 22, 2020.

The Company hereby proposes the introduction of the remuneration plan for granting restricted shares to Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and outside Directors; hereinafter, “Eligible Directors”), in order to provide the Company’s Directors with an incentive to increase the Company’s corporate value in a sustainable manner and to further promote shared values between the Directors and shareholders. The Company, therefore, proposes that the total amount of monetary remuneration to be paid to the Eligible Directors for the purpose of granting them restricted shares shall be not more than ¥20 million per year, which is considered to be appropriate based on the above objectives, separately from the current maximum amount of monetary remuneration for Directors, and that the total number of common shares of the Company issued or disposed of by the Company under the plan shall be not more than 30,000 shares per year. The specific allocation to each Eligible Director shall be determined by resolution of the Board of Directors.

The number of Eligible Directors is currently two. Subject to the approval and adoption of Proposal 3 as originally proposed, the number of Eligible Directors will be two.

Furthermore, the Eligible Directors shall pay all monetary remuneration claims to be provided under this proposal in the form of property contributed in kind, in accordance with the resolution of the Board of Directors of the Company, and shall, in return, receive common shares of the Company that shall be issued or disposed of by the Company. The total number of common shares of the Company to be issued or disposed of shall be not more than 30,000 shares per year (however, if, on or after the day on which this proposal is approved and adopted, the Company performs a share split (including allotment of shares without contribution) or a reverse share split of its common shares, or any other reason arises necessitating an adjustment to the total number of common shares of the Company to be issued or disposed of as restricted shares, the relevant total number shall be reasonably adjusted). The amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company’s common share on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price on the closest preceding trading day) within the extent that will not be particularly advantageous to the Eligible Directors. For the purpose of such issuance or disposal of common shares of the Company, a contract on the allotment of restricted shares (hereinafter, the “Allotment Agreement”) that includes the following provisions shall be concluded between the Company and Eligible Directors.

- (1) Eligible Directors shall, during a period from the date of delivery of restricted shares to the date that they lose their positions as Director of the Company or any other positions determined by the Board of Directors of the Company (hereinafter, the “Transfer Restriction Period”), be prohibited from transfers, creation of security interest on, or otherwise dispose of the common shares of the Company allotted according to the Allotment Agreement (hereinafter, the “Allotted Shares”) (hereinafter, the “Transfer Restrictions”).
- (2) If an Eligible Director loses any of the positions mentioned in (1) above before the expiration of the period separately specified by the Board of Directors of the Company (hereinafter, the “Service Period”), the Company shall automatically acquire the Allotted Shares without contribution unless there is any reason the Board of the Company deems justifiable.
- (3) The Company shall, on the condition that Eligible Directors continuously remain in the positions as Director of the Company or any other positions determined by the Board of Directors of the Company throughout the Service Period, lift the Transfer Restrictions of all of the Allotted Shares upon expiration of the Transfer Restriction Period. However, if the Eligible Director loses any of the positions mentioned in (1) above before the expiration of the Service Period due to the reason the Board of Directors the Company deems justifiable, which is designated in (2) above, the Company shall rationally adjust the number of the Allotted Shares on which the Transfer Restrictions are to be lifted, and the timing of lifting as needed.

- (4) The Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have not been lifted at the expiration of the Transfer Restriction Period in accordance with the provision of (3) above.
- (5) If, during the Transfer Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's general meeting of shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's general meeting of shareholders is not required in relation to the reorganization, etc.), the Company shall lift the Transfer Restrictions on the Allotted Shares with the number of shares that is reasonably determined prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company.
- (6) In cases specified in (5) above, the Company shall automatically acquire without contribution the Allotted Shares on which the Transfer Restrictions have still not been lifted as of the time immediately after the Transfer Restrictions were lifted in accordance with the provision of (5) above.
- (7) The method for expressing intentions and giving notifications in the Allotment Agreement, the method for amending the Allotment Agreement, and other matters to be determined by the Board of Directors shall be laid out in the Allotment Agreement.

The Company established a policy for determining the details of remuneration, etc. for Directors at the Board of Directors meeting held on March 22, 2022. The Company plans to change this policy so that it is aligned with this proposal, subject to the approval of this proposal. Additionally, as outlined above, the amount to be paid in for the Allotted Shares will be an amount within the extent that will not be particularly advantageous to the Eligible Directors, while the dilution rate is also insignificant, so granting the Allotted Shares has been determined to be appropriate.

(Reference)

Subject to gaining approval of this proposal, the Company intends to introduce a restricted share remuneration plan that is similar to this plan for the Company's employees.