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Securities Code: 6325

June 1, 2021

To our shareholders:

Mitsuo Matsumoto,
Representative Director and President
Takakita Co., Ltd.
2828 Natsumi, Nabari City, Mie Prefecture, JAPAN

Notice of the 77th Annual General Meeting of Shareholders

We are pleased to announce the 77th Annual General Meeting of Shareholders of Takakita Co., Ltd. (the “Company”), which will be held as indicated below.

From the perspective of preventing the spread of the novel coronavirus disease (COVID-19), we ask that you exercise your voting rights beforehand in writing or via the internet, and refrain from attending this meeting in person, regardless of your state of health on the day.

Please read the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights no later than 5:20 p.m. on Friday, June 18, 2021 (JST).

*Since last year, we have stopped distributing gifts to shareholders attending the General Meeting of Shareholders.

- 1. Date and Time:** Monday, June 21, 2021 at 9:30 a.m. (JST)
- 2. Venue:** Convention hall, 1st floor of Nabari Industry Promotion Center
822-2 Minamimachi, Nabari City, Mie Prefecture, JAPAN

3. Purpose of the Meeting

Matters to be reported:

The Business Report and the Non-consolidated Financial Statements for the 77th fiscal year (from April 1, 2020 to March 31, 2021)

Matters to be resolved:

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Election of Five Directors (Excluding Audit and Supervisory Committee Members)
- Proposal No. 3:** Election of Three Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 4:** Determination of Content of Share Remuneration-type Share Options to Directors

- When attending the meeting in person, please hand in the enclosed voting form at the reception desk at the meeting venue.
- Of the documents that the Company is required to provide with this notice, the items below are posted on the Company’s website pursuant to laws and regulations, as well as Article 17 of the Company’s Articles of Incorporation.
 - “Matters Related to Share Acquisition Rights, Etc. of the Company” of the Business Report
 - “System to Ensure the Properness of Operations and Operation Status of the System” of the Business Report
 - “Statement of Changes in Equity” of the Non-consolidated Financial Statements
 - “Notes to Non-consolidated Financial Statements”Note that items (i) and (ii) above are included in the Business Report audited by the Audit and Supervisory Committee in preparing the Audit Report. Additionally, items (iii) and (iv) are included in the Financial Statements audited by the Financial Auditor and Audit and Supervisory Committee in preparing the Audit Report.
- If revisions to the contents of the Business Report, the Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders are required, the Company shall publish a notification on the Company’s website.

Company’s website: <http://www.takakita-net.co.jp/>

Measures to Prevent the Spread of COVID-19

In order to prevent COVID-19 infections and the spread of the disease, we are holding this General Meeting of Shareholders based on the policy below, with the safety of shareholders as the top priority. We ask for your understanding and cooperation.

1. We recommend that you avoid exercising voting rights at the venue by exercising them in advance by post or through the internet.
2. Proceedings on the day of the General Meeting of Shareholders and an overview of the Business Report will be available to view as a video on the Company's website within a few days.
3. As a wide space needs to be secured between each shareholder's seat, it might not be possible to guarantee sufficient seating for all shareholders. We appreciate your understanding.
4. When attending the meeting, please wear a mask and use the hand sanitizer provided.
5. We request that all shareholders check their temperature on the day of the General Meeting of Shareholders and if your temperature is 37.5°C or above, or if you feel unwell, you may not be allowed to enter the venue. We ask for your understanding in this matter.
6. The Company's officers and staff members attending the General Meeting of Shareholders will be wearing masks and have their temperature and health checked.
7. With a view to reducing the risk of infection and ensuring the Company's business continuity, it is possible that on the day of the General Meeting of Shareholders, only a portion of the Company's officer will attend the meeting or that they will attend online, regardless of their health situation.
8. The matters to be reported (including the audit report) and detailed explanations of the proposals will be omitted at this General Meeting of Shareholders to shorten the meeting's duration, from the perspective of reducing the risk of spreading COVID-19. As the matters to be reported and detailed explanations of the proposals are included in the attached documents to this notice of convocation, we ask shareholders to look over this notice prior to the meeting.
9. In the event of any important changes to the General Meeting of Shareholders in response to the situation going forward, the Company will publish a notification on its website (<http://www.takakita-net.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1: Appropriation of Surplus

The Company regards return of profit to shareholders as an important managerial issue, and its basic policy is to issue continual and stable dividends of an appropriate level for many years into the future through focusing its efforts on strengthening the management foundation and enhancing shareholders' equity.

Accordingly, in consideration of the operating results for the fiscal year, future business development and other factors, the Company proposes the payment of year-end dividends for the fiscal year and other appropriation of surplus as follows.

1. Year-end dividends

The Company proposes to pay a year-end dividend for the fiscal year of ¥5 per share.

Accordingly, including the interim dividend of ¥5, the annual dividend will total ¥10 per share.

(i) Type of dividend property

Cash

(ii) Allotment of dividend property and their aggregate amount

¥5 per common share of the Company

In this event, the total dividends will be ¥57,743,975.

(iii) Effective date of dividends of surplus

June 22, 2021

2. Other appropriation of surplus

As for internal reserves, the Company proposes the following to strengthen the management foundation in preparation for the business development in the future.

(i) Item of surplus to be decreased and amount of decrease

Retained earnings brought forward: ¥200,000,000

(ii) Item of surplus to be increased and amount of increase

General reserve: ¥200,000,000

Proposal No. 2: Election of Five Directors (Excluding Audit and Supervisory Committee Members)

At the conclusion of this meeting, the terms of office of all five Directors (excluding Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire.

Therefore, the Company proposes the election of five Directors.

As for this proposal, the Audit and Supervisory Committee of the Company has judged that all the candidates for Directors are eligible.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Mitsuo Matsumoto (January 6, 1956)	Apr. 1978 Joined the Company Oct. 2004 General Manager, Sales Department June 2005 Director in charge of Trade Department, and General Manager, Sales Department June 2007 Director in charge of Technical Department and Trade Department, and General Manager, Sales Department June 2008 Managing Director in charge of Agricultural Machinery Department, and General Manager, Sales Department Apr. 2010 Managing Director in charge of Agricultural Machinery Department Apr. 2011 Representative Director and President (current position)	61,000 shares
<p>Reasons for nomination as candidate for Director The Company nominated Mitsuo Matsumoto as a candidate for Director in light of his leadership in management as Representative Director and President and his performance in his role to facilitate the Company's continuous improvement of its corporate value through, for example, making important management decisions and overseeing business execution, with the expectation that he will make further contributions in the future.</p>			
2	Atsuyoshi Oki (February 15, 1955)	Apr. 1977 Joined the Company Oct. 2004 General Manager, General Affairs Department June 2006 Director, General Manager, General Affairs Department June 2014 Director, Executive Officer, Division Manager, Corporate Administration Division June 2015 Director, Managing Executive Officer, and Division Manager, Corporate Administration Division June 2017 Director, Senior Managing Executive Officer, and Division Manager, Corporate Administration Division Apr. 2021 Senior Managing Director in charge of Corporate Administration Division (current position)	45,000 shares
<p>Reasons for nomination as candidate for Director The Company nominated Atsuyoshi Oki as a candidate for Director in light of his wealth of experience and broad insight in the Company's administration divisions of accounting, finance, human resources and general affairs, with the expectation that he will make further contributions in the future.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Ryo Masumitsu (June 12, 1958)	<p>Apr. 1981 Joined the Company</p> <p>July 2009 General Manager, Production Department</p> <p>June 2011 Director, and General Manager, Production Department</p> <p>July 2013 Director, Division Manager, Production Division, and General Manager, Production Department, Headquarters Plant</p> <p>June 2014 Director, Executive Officer, Division Manager, Production Division, and General Manager, Headquarters Plant</p> <p>Oct. 2016 Director, Shandong Wuzheng Takakita Stockbreeding Machinery Co., Ltd.</p> <p>June 2017 Director, Managing Executive Officer, and Division Manager, Production Division</p> <p>Apr. 2018 Director, Managing Executive Officer, and Division Manager, Production and Engineering Division (current position)</p> <p>Jan. 2021 Vice Chairman, Shandong Wuzheng Takakita Stockbreeding Machinery Co., Ltd. (current position)</p>	38,000 shares
<p>Reasons for nomination as candidate for Director</p> <p>The Company nominated Ryo Masumitsu as a candidate for Director in light of his wealth of experience and broad insight in the Company's production division, with the expectation that he will make further contributions in the future.</p>			
4	Hirokatsu Nashihara (June 22, 1963)	<p>Apr. 1986 Joined The Nanto Bank, Ltd.</p> <p>June 2008 General Manager of Yamadagawa Branch</p> <p>Mar. 2017 General Manager of Private Banking Department</p> <p>Apr. 2018 Director, Supervising General Manager of Nanto Lease Co., Ltd.</p> <p>Oct. 2018 Seconded to the Company Assistant General Manager, Corporate Planning Office</p> <p>June 2019 Executive Officer, General Manager, Internal Audit Office, General Manager, Quality Assurance Office, and Assistant General Manager, Corporate Planning Office</p> <p>Oct. 2019 Executive Officer, General Manager, Quality Assurance Office, and Assistant General Manager, Corporate Planning Office</p> <p>June 2020 Director, Executive Officer in charge of Bearing Department and Quality Assurance Office, and General Manager, Corporate Planning Office (current position)</p>	600 shares
<p>Reasons for nomination as candidate for Director</p> <p>The Company nominated Hirokatsu Nashihara as a candidate for Director in light of his insight in finance and accounting gained from many years of service at a financial institution, and broad experience in the Company's corporate planning division, etc., with the expectation that he will make further contributions in the future.</p>			
5	*Tatsuya Fujisawa (August 12, 1971)	<p>Apr. 1994 Joined the Company</p> <p>Apr. 2019 General Manager, Honshu Sales Department, Domestic Sales Division</p> <p>June 2019 Executive Officer, Division Manager, Domestic Sales Division, and General Manager, Honshu Sales Department, (current position)</p>	16,000 shares
<p>Reasons for nomination as candidate for Director</p> <p>The Company nominated Tatsuya Fujisawa as a candidate for Director in light of his wealth of experience and broad insight in the Company's sales divisions, with the expectation that he will make further contributions in the future.</p>			

- Notes:
1. The new candidate is indicated by an asterisk (*).
 2. There is no special interest between any of the candidates for Director and the Company.
 3. To enable candidates for Director to sufficiently fulfill the role expected of them when executing their duties and to attract competent human resources, the Company plans to enter into a directors and officers liability insurance (“D&O insurance”) policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, with all Directors as the insureds. Providing this proposal is approved in its original form, if each candidate is elected and assumes the office as Director, the Company plans to include every such Director as an insured in this insurance policy. The insurance 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 a person at a certain position, or receipt of claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion. For example, damage incurred by performance of an illegal act with full knowledge of its illegality is not covered.

Proposal No. 3: Election of Three Directors Who Are Audit and Supervisory Committee Members

At the conclusion of this meeting, the terms of office of three Directors who are Audit and Supervisory Committee Members will expire.

Therefore, the Company proposes the election of three Directors who are Audit and Supervisory Committee Members.

In addition, the 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, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Atsuki Matsumura (September 21, 1960)	Apr. 1984 Joined The Nanto Bank, Ltd. Oct. 2013 General Manager of Tawaramoto Branch Nov. 2014 Seconded to the Company Assistant General Manager, Internal Audit Office June 2015 Executive Officer, General Manager, Internal Audit Office July 2017 Executive Officer, General Manager, Internal Audit Office, and General Manager, Quality Assurance Office June 2019 Director (full-time Audit and Supervisory Committee Member) (current position)	2,000 shares
<p>Reasons for nomination as candidate for Director The Company nominated Atsuki Matsumura as a candidate for Director who is an Audit and Supervisory Committee Member in light of his insight in finance and accounting gained from many years of service at a financial institution and his wealth of experience in the Company's internal controls division, with the judgment that he will contribute to securing soundness and appropriateness and improving transparency in the Company's management decision making.</p>			
2	Tsunehiro Oki (November 11, 1952)	Nov. 1977 Joined Asahi & Co. (current KPMG AZSA LLC) Sept. 1981 Registered as a certified public accountant July 1992 Partner of Asahi Shinwa & Co. (current KPMG AZSA LLC) May 2001 Representative Partner of Asahi & Co. (current KPMG AZSA LLC) July 2010 Partner of KPMG AZSA LLC July 2015 Oki Certified Public Accountant & Tax Accountant Office (current position) June 2016 Outside Director of IWATSU ELECTRIC CO., LTD. (current position) June 2016 Outside Audit & Supervisory Board Member of Utoc Corporation (current position) June 2019 Outside Director (Audit and Supervisory Committee Member), the Company (current position)	– shares
<p>Reasons for nomination as candidate for outside Director and outline of the role expected to be filled Tsunehiro Oki possesses expert knowledge and wealth of experience as a certified public accountant with seasoned knowledge of finance and accounting and he uses this insight and many years of experience to provide the Company's management with various advice and opinions. The Company therefore requests his reelection as an outside Director again. If he is elected as an outside Director, the Company expects him to leverage his insight and many years of experience as a certified public accountant to provide auditing and supervision of the execution of duties and governance system from an objective standpoint independent from Company management and from the perspective of an expert, particularly in finance and accounting, and to contribute to securing soundness and appropriateness and improving transparency in the Company's management decision making.</p>			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	*Sadao Takashina (January 16, 1938)	<p>Apr. 1971 Registered as an attorney at law</p> <p>Apr. 1971 Attorney at law of Kitahama Chuo (former Tonomura, Fujiwara and Ikeo) Law Office</p> <p>Apr. 1977 Established Takashina Law Office (current Takashina & Partners Law Office) (current position)</p> <p>Apr. 1990 Vice President of Osaka Bar Association</p> <p>Apr. 2003 President of Osaka Bar Association</p> <p>Apr. 2003 Vice-President of Japan Federation of Bar Associations</p> <p>Apr. 2004 President of Kinki Federation of Bar Associations</p>	– shares
<p>Reasons for nomination as candidate for outside Director and outline of the role expected to be filled</p> <p>Sadao Takashina possesses expert knowledge and wealth of experience as an attorney at law with seasoned knowledge of corporate law.</p> <p>If he is elected as an outside Director, the Company expects him to leverage his insight and many years of experience as an attorney at law to provide auditing and supervision of the execution of duties and governance system by providing opinions from varied perspectives, including on the appropriateness of the Company's management decision making, from an objective standpoint independent from Company management and from the perspective of an expert, particularly in legal matters, and to contribute to securing soundness and appropriateness and improving transparency of management. The Company therefore requests his election as an outside Director.</p>			

- Notes:
1. The new candidate is indicated by an asterisk (*).
 2. There is no special interest between the candidates for Director who is an Audit and Supervisory Committee Member and the Company.
 3. Tsunehiro Oki and Sadao Takashina are candidates for outside Director.
 4. The Company has submitted notification to both Tokyo Stock Exchange, Inc. and Nagoya Stock Exchange, Inc. that Tsunehiro Oki has been designated as an independent officer as provided for by those exchanges, and if his reelection is approved, the Company plans for his designation as an independent officer to continue. Also, Sadao Takashina has fulfilled the requirements for an independent officer as provided for by those exchanges, and if his election is approved, the Company plans to designate him as an independent officer.
 5. Tsunehiro Oki is currently an outside Director who is an Audit and Supervisory Committee Member of the Company, and at the conclusion of this meeting, his tenure will have been two years.
 6. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Atsuki Matsumura and Tsunehiro Oki to limit their liability for damages under Article 423, paragraph (1) of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum liability amount provided for under laws and regulations, and if they are reelected, the Company plans to renew the agreements with them. If the election of Sadao Takashina is approved, the Company plans to enter into a limited liability agreement of the same content with him.
 7. To enable candidates for Director who is an Audit and Supervisory Committee Member to sufficiently fulfill the role expected of them when executing their duties and to attract competent human resources, the Company plans to enter into a directors and officers liability insurance ("D&O insurance") policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company, with all Directors who are Audit and Supervisory Committee Members as the insureds. Providing this proposal is approved in its original form, if each candidate is elected and assumes the office as Director who is an Audit and Supervisory Committee Member, the Company plans to include every such Director who is an Audit and Supervisory Committee Member as an insured in this insurance policy. The insurance 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 who is an audit and supervisory committee member or a person at a certain position, or receipt of claims pertaining to the pursuit of such liability. However, there are certain reasons for coverage exclusion. For example, damage incurred by performance of an illegal act with full knowledge of its illegality is not covered.

Proposal No. 4: Determination of Content of Share Remuneration-type Share Options to Directors

Reasons for the Proposal

The amount and content of remuneration in the form of share acquisition rights granted as share remuneration-type share options to Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members and outside Directors; applicable to the rest of this proposal) was approved at the 72nd Annual General Meeting of Shareholders held on June 29, 2016.

In accordance with recent revisions to the Companies Act, the Company proposes the addition of new content (underlined parts) to the reasons for granting share acquisition rights approved as remuneration to Directors and the details of these share acquisition rights. In the future, just as before, the Company plans to grant share acquisition rights as described below

At present there are five Directors and if Proposal No. 2 is approved and adopted in its original form, there will be five Directors. Also, allotment time of share acquisition rights to each Director and allocation etc. shall be left to the Board of Directors.

Additionally, the limit of remuneration as share options is no more than 16.5 million yen annually as approved at the 72nd Annual General Meeting of Shareholders and the amount of remuneration to be received shall be the fair value of one share acquisition right calculated based on the allotment date of the share acquisition rights multiplied by the number of share acquisition rights granted.

1. Reasons for granting share acquisition rights as remuneration for Directors

The Company is granting share acquisition rights with the aim of raising Directors' morale and motivations towards contribution to the enhancement of business performance and corporate value over medium- to long-term by sharing with shareholders not only the benefits from the rise in stock prices, but also risks due to the fall of stock prices through clear correlation between remuneration for Directors and business performance of the Company and stock prices.

2. Details of share acquisition rights

(1) Class and number of shares to be delivered upon exercise of share acquisition rights

The class of shares to be delivered upon exercise of share acquisition rights shall be the Company's common shares, and the number of shares to be delivered upon exercise of each share acquisition right (hereinafter the "number of shares granted") shall be 100 shares.

In the event of share split, allotment of shares without contribution, or Consolidation of Shares, the number of shares granted shall be adjusted as appropriate using the following formula. However, this adjustment shall be made only with respect to share acquisition rights not yet exercised at that time. In this calculation, any fractional shares less than one share shall be disregarded.

Number of shares granted after adjustment = Number of shares granted before adjustment × Ratio applicable to the share split, allotment of shares without contribution, or Consolidation of Shares

Furthermore, where the holders of share acquisition rights succeed to share acquisition rights in the case of absorption-type merger or consolidation-type merger, or when they succeed to share acquisition rights in a case where the Company becomes a wholly owned subsidiary through share exchange or share transfer, the Company may adjust the number of shares granted deemed necessary in accordance with the merger ratio, etc.

(2) Maximum number of share acquisition rights

The maximum number of share acquisition rights to be allotted within one year from the date of the General Meeting of Shareholders in each fiscal year shall be 330, and the Company plans to allot such equity warrants every year. However, if the number of shares stipulated in section (1) is adjusted on or after the date of the conclusion of this General Meeting of Shareholders, the maximum number of share acquisition rights shall be adjusted accordingly.

(3) Amount to be paid in for share acquisition rights

Amount to be paid for share acquisition rights shall be the fair value calculated based on the Black-Scholes Mode, etc. as of the allotment date of share acquisition rights. Such amount to be paid in shall be settled by offsetting it against a matching amount of monetary claims toward the Company.

- (4) Value of property to be contributed upon exercise of share acquisition rights
The value of property to be contributed upon the exercise of each share acquisition right shall be ¥1 per share to be delivered by exercising such share acquisition rights, multiplied by the number of shares granted.
- (5) Exercise period of share acquisition rights
The exercise period shall be set by the Board of Directors within the scope of 30 years from the date immediately following the allotment date of share acquisition rights.
- (6) Conditions for exercise of share acquisition rights
A holder of share acquisition rights may exercise their share acquisition rights only within 10 days from the day following the day they lose their position as Director of the Company.
Other conditions for exercise of share acquisition rights shall be set by the Board of Directors of the Company.
- (7) Restrictions on the transfer of share acquisition rights
Acquisition of share acquisition rights by transfer shall require approval of the Board of Directors of the Company.
- (8) Conditions for acquisition of share acquisition rights
If any of proposals (i), (ii), (iii), (iv), or (v) below are approved at the Company's General Meeting of Shareholders (or resolved by the Board of Directors in cases where a resolution of the General Meeting of Shareholders is not required), the Company may acquire the offered share acquisition rights without compensation on a date stipulated separately by the Board of Directors.
- (i) A proposal approving a merger agreement in which the Company is the disappearing company
- (ii) A proposal approving a split agreement or an incorporation-type company split plan in which the Company becomes a split company
- (iii) A proposal approving a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary
- (iv) A proposal approving changes to the Articles of Incorporation establishing a provision pertaining to all shares issued by the Company requiring approval by the Company for the acquisition by transfer of any such shares
- (v) A proposal approving changes to the Articles of Incorporation establishing a provision pertaining to all shares that are the subject of the offered share acquisition rights requiring approval by the Company for the acquisition by transfer of any such shares or a provision for the acquisition by the Company of all such types of shares through a resolution of the General Meeting of Shareholders.
- (9) Treatment of fractional shares less than one share upon exercise of share acquisition rights
Any fractional shares less than one share to be issued to the holders of share acquisition rights upon the exercise of share acquisition rights shall be disregarded.
- (10) Other matters regarding share acquisition rights
Details of (1) through (9) above and other matters regarding share acquisition rights shall be decided by the Board of Directors, who will decide the subscription requirements for share acquisition rights.