

Securities Code: 6156

September 6, 2022

To Shareholders with Voting Rights:

Tetsuya Hayashi, President

A-ONE SEIMITSU INC.

2-20-5 Bubaicho, Fuchu-shi, Tokyo, Japan

Notice of the 32nd Annual General Meeting of Shareholders

We are pleased to announce the 32nd Annual General Meeting of Shareholders of A-ONE SEIMITSU (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting, you may submit your votes by postal mail (in writing) or by using the Internet instead of attending this meeting. Please review the attached Reference Documents for General Meeting of Shareholders and submit your votes no later than 5:30 p.m., Thursday, September 22, 2022 (JST).

Meeting Details

- 1. Date and Time:** Saturday, September 24, 2022, at 1:00 p.m. (Reception starts at 0:40 p.m.)
- 2. Venue:** Main Hall, 3F, Musashi Fuchu Chamber of Commerce and Industry Hall
3-5-2, Midoricho, Fuchu-shi, Tokyo
- 3. Purpose of the Meeting**

Matters to be reported

The Business Report and the Non-consolidated Financial Statements for the 32nd Fiscal Year (from July 1, 2021 to June 30, 2022)

Matters to be resolved

- Proposal No. 1:** Appropriation of Surplus
- Proposal No. 2:** Partial Amendments to Articles of Incorporation
- Proposal No. 3:** Election of Three (3) Directors (excluding Directors who are Audit & Supervisory Committee members)
- Proposal No. 4:** Payment of Director Bonuses for the 32nd Fiscal Year
- Proposal No. 5:** Retirement Payment to a Director

Reference Documents for General Meeting of Shareholders

Proposals and References

Proposal No. 1: Appropriation of Surplus

The company proposes the appropriation of surplus as follows:

1. Appropriation of surplus

The following appropriation is proposed for the purposes of maintaining the stability of business operations, using capital more efficiently and increasing distributions to shareholders.

(1) Item and amount of decrease in surplus

General reserve: 300,000,000 yen

(2) Item and amount of increase in surplus

Retained earnings brought forward: 300,000,000 yen

2. Year-end dividend

The distribution of earnings to shareholders is one of the highest priorities of A-ONE SEIMITSU. The policy is to pay stable dividends by using the guideline of paying dividends equal to at least 3% of net assets. Due to the business climate in the fiscal year that ended in June 2022, the following dividend is proposed.

(1) Type of dividend property

Cash

(2) Allotment of dividend property and aggregate amount

100 yen per common stock of A-ONE SEIMITSU

Total dividends will be 501,154,000 yen.

(3) Effective date of dividend of surplus

September 27, 2022

Proposal No. 2: Partial Amendments to Articles of Incorporation

The following amendments to the Articles of Incorporation are proposed.

1. Reason for amendments

The amended provisions stipulated in the proviso of Article 1 in the supplementary provision of the Act Partially Amending the Companies Act (Act No. 70 of 2019) has been enacted on September 1, 2022. Accordingly, A-ONE SEIMITSU proposes to make the following amendments to the current Articles of Incorporation in order to prepare for the start of the electronic distribution of materials for the General Meeting of Shareholders.

- (1) The article is to include new provisions concerning the electronic distribution of information in reference documents for General Meetings of Shareholders and the right to limit information provided to shareholders who request paper shareholders meeting documents to the items prescribed by ordinances of the Ministry of Justice.
- (2) The provision concerning the Internet disclosure of reference documents for General Meetings of Shareholders is to be deleted because this disclosure will no longer be necessary following the start of the electronic distribution of this information.
- (3) A supplementary transitional provision is to be established concerning these changes.

2. Description of proposed changes

The proposed changes are as follows.

(Revised sections are underlined.)

Current	Proposed changes
<p data-bbox="178 999 804 1305"><u>Article 16 (Internet Disclosure of Reference Documents for the Shareholders Meeting)</u> <u>The Company may regard that the information concerning the matters to be stated or indicated in the reference documents for shareholders meeting, non-consolidated financial statements and business reports has been submitted to the shareholders, if the information is disclosed through internet in accordance with the provisions in the ordinance of Ministry of Justice.</u></p> <p data-bbox="178 1346 344 1379">(New addition)</p>	<p data-bbox="826 999 932 1032">(Deleted)</p> <p data-bbox="826 1346 1425 1720"><u>Article 16 (Electronic Distribution Measure, Etc.)</u> <u>The Company shall, when convening a shareholders meeting, use an electronic distribution measure for information included in the reference documents for shareholders meeting, etc.</u> <u>2. Among the matters subject to the electronic distribution measure, the Company may choose not to include all or part of the matters stipulated in the ordinance of Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>

Current	Proposed changes
(New addition)	<p data-bbox="831 232 1110 266"><u>Supplementary Provisions</u></p> <ol data-bbox="831 266 1423 645" style="list-style-type: none"> <li data-bbox="831 266 1423 506">1. <u>Irrespective of the provisions of the amended Article 16 (Electronic Distribution Measure, Etc.), the previous Article 16 (Internet Disclosure of Reference Documents for the Shareholders Meeting) will remain in effect for any shareholders meeting that is held on or before February 28, 2023.</u> <li data-bbox="831 506 1423 645">2. <u>These supplementary provisions will be deleted on the later of either March 1, 2023 or three (3) months after the day of the shareholders meeting set forth in the preceding paragraph.</u>

Proposal No. 3: Election of Three (3) Directors (excluding Directors who are Audit & Supervisory Committee members)

The terms of office of all four (4) Directors (excluding Directors who are Audit & Supervisory Committee members, same hereafter in this proposal) will expire at the conclusion of this meeting. Shareholders are asked to elect the following three (3) Director candidates, which will reduce the number of Directors by one in order to increase the efficiency of management.

Members of the Audit & Supervisory Committee have evaluated the oversight of business operations, results of operations and other aspects of the performance of these Director candidates and concluded that these individuals are suitable to serve as Directors of A-ONE SEIMITSU.

The candidates for Director are as follows:

No.	Name (Date of birth)	Brief career history, positions, responsibilities and significant concurrent positions	Number of the Company shares held
1	Tetsuya Hayashi (Jun. 10, 1965)	Apr. 1989 Joined the Nomura Securities Co., Ltd. Jan. 2004 Joined the Company Jul. 2005 General Manager of Western Japan Sales Office Sep. 2005 Director of the Company Oct. 2007 President of the Company (to present)	4,000 shares
2	Takeshi Murota (Dec. 25, 1963)	Mar. 1986 Joined A-ONE SEIMITSU INC (currently CHICHI INC.) Jul. 1990 Joined the Company Oct. 1997 Manager of Collet Chucks Division Sep. 2003 Director of the Company, in charge of Collet Chucks Division (to present) Oct. 2007 Managing Director of the Company Oct. 2011 Senior Managing Director of the Company (to present)	19,200 shares
3	Nobuyuki Kanemaru (Dec. 24, 1968)	May 1988 Joined A-ONE SEIMITSU INC (currently CHICHI INC.) Jul. 1990 Joined the Company Dec. 2000 Manager of Cutting Tools Division Sep. 2007 Director of the Company, in charge of Cutting Tools Division (to present) Oct. 2011 Managing Director of the Company (to present)	8,400 shares

Note: No material conflict of interest exists between the Company and the above candidates.

Proposal No. 4: Payment of Director Bonuses for the Fiscal Year Ended June 2022

Shareholders are asked to approve the aggregate payment of 10,700,000 yen to the four (4) Directors (excluding Directors who are Audit & Supervisory Committee members) as of the end of June 2022 for their contribution to results of operations in the fiscal year ended June 2022 and in consideration of the business climate.

The standard and procedure used to determine this payment are believed to be suitable because the payment is consistent with the Policy for Determining Remuneration, Etc. of Individual Directors, which was approved by the Board of Directors. The payment is linked to results of operations and based on the guideline of about 2.5% of fiscal year operating profit.

The bonus payment received by individual directors will be determined by the Board of Directors.

Proposal No. 5: Retirement Payment to a Director

Director Katsuhiko Umehara will leave the Board of Directors at the conclusion of his term of office, which is at the end of this General Meeting of Shareholders. Shareholders are asked to approve a payment of 11,250,000 yen to Mr. Umehara as a retirement payment in recognition of his contributions to business operations during his time as a Director. The payment is to be made at the end of the shareholders meeting. The amount of this payment is based on rules established by A-ONE SEIMITSU and is believed to be suitable because Mr. Umehara fulfilled his duties as a Director and Adviser for 15 years.

A brief history of Mr. Umehara is as follows.

Name	Brief history	
Katsuhiko Umehara	Sep. 2007	Director of the Company (to present)

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