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Securities code: 7420

August 3, 2021

To Shareholders with Voting Rights:

Hiroyuki Satori
Representative Director,
President & CEO
SATORI ELECTRIC CO., LTD.
14-10, Shiba 1-chome, Minato-ku,
Tokyo, Japan

**NOTICE OF
THE 79TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We would like to express our appreciation to all of the shareholders of SATORI ELECTRIC CO., LTD. (the “Company”) for their continued support.

We are pleased to announce that the 79th Annual General Meeting of Shareholders will be held as described below.

To prevent the COVID-19 pandemic from spreading, shareholders are requested to exercise their voting rights in writing or via the Internet, etc. and to refrain from attending the meeting in person. Please review the attached reference documents and exercise your voting rights by 5:00 p.m. on Wednesday, August 18, 2021, following the instructions on pages 5 and 6 (only available in Japanese).

- 1. Date and Time:** Thursday, August 19, 2021 at 10:00 a.m.
(Reception desk opens at 9:00 a.m.)
- 2. Venue:** TKP Garden City PREMIUM Tamachi
4th floor, Tamachi Station Tower S, msb Tamachi
1-21, Shibaura 3-chome, Minato-ku, Tokyo
*Please note that the venue is different from that of last year.
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company’s 79th Fiscal Year (June 1, 2020 – May 31, 2021) and results of audits by the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
 2. Non-Consolidated Financial Statements for the Company’s 79th Fiscal Year (June 1, 2020 – May 31, 2021)
- Proposal to be resolved:**
- | | |
|-----------------|--|
| Proposal | Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
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Items Disclosed on the Internet

- In accordance with laws and regulations and Article 14 of the Company's Articles of Incorporation, the items below are posted on the Company's website at the address below, so they are not attached to this Notice.
 - (1) "Status of Accounting Auditor" and "Systems for Ensuring Appropriate Business Operations and Implementation of These Systems" of the Business Report
 - (2) "Consolidated Statements of Changes in Net Assets" and "Notes to the Consolidated Financial Statements" of the Consolidated Financial Statements
 - (3) "Statement of Changes in Net Assets" and "Notes to the Non-Consolidated Financial Statements" of the Non-Consolidated Financial Statements

Accordingly, the documents attached to this Notice are part of the Business Report, which the Audit and Supervisory Committee audited to prepare its Audit Report, and part of the Consolidated Financial Statements and Non-Consolidated Financial Statements, which the Audit and Supervisory Committee and the Accounting Auditor audited.

- If any revisions are made to the Business Report, the Consolidated Financial Statements, the Non-Consolidated Financial Statements, or the Reference Documents for the General Meeting of Shareholders attached to this Notice, the amended documents will be posted on the Company's website at the following address.

The Company's website: <https://www.satori.co.jp/english/ir.html>

Other Information on the Meeting

- To prevent the COVID-19 pandemic from spreading, shareholders are asked to refrain from attending the meeting in person. We will not hold a business policy briefing or an exhibition of our products this year.
- We plan to post a video of the General Meeting of Shareholders on our website at a later date.
- No gifts will be provided to shareholders attending the meeting.

Reference Documents for the General Meeting of Shareholders

Proposal Election of Five Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

All five Directors (excluding Directors who are Audit and Supervisory Committee members; the same applies throughout this proposal) will complete their terms of office at the conclusion of this General Meeting of Shareholders. The Company therefore proposes the election of five Directors.

The candidates for Director are as below.

The Audit and Supervisory Committee has reviewed this proposal and reported that it has no objections to it.

No.	Name	Current positions and responsibilities at the Company	Attendance at Board of Directors meetings
1	Hiroyuki Satori [Reappointment]	Representative Director, President & CEO	13/13
2	Naoki Obara [Reappointment]	Director, Senior Managing Executive Officer Head of Sales In charge of Original Products Business Unit	13/13
3	Hiroshi Nakamaru [Reappointment]	Director, Managing Executive Officer In charge of Global Business Unit	11/11
4	Toshikage Miyazawa [New appointment]	Executive Officer In charge of Industrial Solutions Business	-/-
5	Koji Suwahara [New appointment]	Executive Officer In charge of Accounting, Finance and Business Administration	-/-

Note: The Company has concluded a directors and officers liability insurance contract with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act. A summary of the policy is provided on page 30 in “4. Status of Officers (6) Directors and Officers Liability Insurance Contract” (only available in Japanese). If this proposal is approved as originally proposed and the candidates become Directors, they will be insured under the insurance contract.

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
1	<p data-bbox="225 568 416 680">Hiroyuki Satori (July 13, 1966) 55 years old</p> <p data-bbox="225 719 416 752">[Reappointment]</p> <p data-bbox="217 790 424 857">Years in office as Director: 19 years</p>	<p data-bbox="475 277 1273 958"> September 1995 Joined the Company August 2002 Director in charge of Overseas Business August 2005 Director in charge of Greater China Business August 2007 Managing Director, Head of Asia Business August 2008 Director, Managing Executive Officer, Head of Overseas Business June 2009 Director, Managing Executive Officer, Head of Sales Promotion Business Unit in charge of Sales Promotion June 2011 Director, Senior Managing Executive Officer, Head of Sales in charge of Corporate Planning August 2011 Representative Director, Senior Managing Executive Officer, Head of Management in charge of Corporate Planning August 2012 Representative Director and Vice President in charge of Corporate Planning June 2013 Representative Director and President & COO June 2016 Representative Director and President & CEO August 2020 Representative Director, President & CEO (current position) </p> <p data-bbox="475 969 1273 1149"> [Significant concurrent positions] - Representative Director and Chairman, SATORI PINICS CO., LTD. - Director, STAR ELECTRONICS CO., LTD. - Representative Director and Chairman, SATORI SP TECHNOLOGY CO., LTD. </p>	297,048
<p data-bbox="193 1171 759 1193">[Reason for nomination as candidate for Director]</p> <p data-bbox="193 1205 1460 1384">Mr. Hiroyuki Satori has been involved in domestic and overseas business operations since he became a Director in 2002. He has extensive experience, including working experience at overseas business locations of the Company, and broad knowledge. Considering that he can help increase the Group's corporate value and strengthen the decision-making function of the Board of Directors, we renominate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
2	<p data-bbox="217 539 424 712">Naoki Obara (August 29, 1952) 68 years old [Reappointment]</p> <p data-bbox="217 752 424 819">Years in office as Director: 2 years</p>	<p data-bbox="475 327 1251 913"> April 1976 Joined the Company August 2005 Director in charge of Overseas Business August 2008 Managing Executive Officer in charge of Electronic Device System Sales Engineering and Sales Promotion June 2009 Director, Managing Executive Officer, STAR ELECTRONICS CO., LTD. January 2010 Managing Executive Officer in charge of Greater China Business, the Company August 2010 Director, Executive Officer, Head of Overseas Business in charge of Greater China Business August 2011 Director, Managing Executive Officer, Head of Overseas Business June 2013 Representative Director and President, STAR ELECTRONICS CO., LTD. August 2019 Director, Senior Managing Executive Officer, Head of Sales in charge of Original Products Business Unit, the Company (current position) </p> <p data-bbox="475 927 1275 1032"> [Significant concurrent position] - Representative Director and Chairman, STAR ELECTRONICS CO., LTD. </p>	29,440
<p data-bbox="197 1050 759 1077">[Reason for nomination as candidate for Director]</p> <p data-bbox="197 1093 1465 1191">Mr. Naoki Obara has extensive experience at overseas businesses and has been serving as Representative Director of a domestic subsidiary. Considering that he can help increase the Group's corporate value and strengthen the decision-making function of the Board of Directors, we renominate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company		Number of shares of the Company held
3	Hiroshi Nakamaru (April 18, 1960) 61 years old [Reappointment] Years in office as Director: 1 year	April 1983	Joined Hitachi, Ltd.	1,900
		April 2003	Joined Renesas Technology Corp. (currently Renesas Electronics Corporation)	
		October 2008	President, Renesas Electronics (Shanghai) Co., Ltd.	
		April 2010	Managing Director, Renesas Electronics Hong Kong Limited	
		February 2013	President, Renesas Electronics (Shanghai) Co., Ltd.	
			President, Renesas Electronics (China) Co., Ltd.	
		July 2018	Director, Renesas Electronics Hong Kong Limited	
		August 2018	Joined the Company	
		August 2018	Managing Executive Officer in charge of Global Business Unit	
		August 2020	Director, Managing Executive Officer in charge of Global Business Unit (current position)	
[Reason for nomination as candidate for Director]				
Mr. Hiroshi Nakamaru has extensive business experience as a corporate manager from his many years of involvement in overseas business management at a major semiconductor manufacturer. Since joining the Company, he has been involved in management of overseas businesses. Considering that he can help increase the Group's corporate value and strengthen the decision-making function of the Board of Directors, we renominate him as a candidate for Director.				
4	Toshikage Miyazawa (October 20, 1960) 60 years old [New appointment] Years in office as Director: –	April 1984	Joined Takahashi Electronics Ltd. (currently TDS Co., Ltd.)	1,300
		June 1990	Joined the Company	
		June 2007	Assigned to HONG KONG SATORI CO., LTD.	
		June 2013	Deputy General Manager, Automation Components Sales Division, the Company	
		June 2014	General Manager, Automation Components Sales Division	
		June 2016	General Manager, Industrial Sales Division	
		June 2018	Executive Officer in charge of Industrial Solutions Business; General Manager, Industrial Solutions Business Division	
		June 2019	Executive Officer in charge of Industrial Solutions Business (current position)	
[Reason for nomination as candidate for Director]				
Mr. Toshikage Miyazawa has extensive business experience at the industrial solutions business, which includes factory automation control equipment, and the device solutions business overseas. Considering that he can help increase the Group's corporate value and strengthen the decision-making function of the Board of Directors, we nominated him as a candidate for Director.				

No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company	Number of shares of the Company held
5	<p>Koji Suwahara (December 13, 1962) 58 years old</p> <p>[New appointment]</p> <p>Years in office as Director: –</p>	<p>April 1985 Joined NEC Corporation</p> <p>May 2014 General Manager, Corporate Finance Division</p> <p>June 2014 Outside Director, NEC Capital Solutions Limited</p> <p>November 2019 Joined the Company</p> <p>June 2020 Executive Officer in charge of Accounting, Finance and Business Administration (current position)</p> <p>[Significant concurrent positions]</p> <ul style="list-style-type: none"> - Director, STAR ELECTRONICS CO., LTD. - Corporate Auditor, SATORI SP TECHNOLOGY CO., LTD. 	200
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Koji Suwahara has extensive knowledge and deep insight, which he earned through his many years of involvement in financial affairs both in Japan and overseas at a major information and communications device manufacturer and his service as Outside Director of an affiliate of the manufacturer. Considering that he can help increase the Group's corporate value and strengthen the decision-making function of the Board of Directors, we nominated him as a candidate for Director.</p>			

Note: There are no special interest between the Company and any of the candidates.

Reference Documents for the General Meeting of Shareholders

■ Areas In Which Each Director Has Strengths

Based on the composition of the Board of Directors, subject to approval of the proposal as originally proposed at the Annual General Meeting of Shareholders, and the areas of expertise that each candidate has, the candidates are expected to bring the areas of expertise shown below to the Board of Directors.

Name	Audit and Supervisory Committee Member	Independent officer	Years in office as Director)	Areas of expertise					
				Corporate management and corporate planning	Sales and marketing	Global	Technology/development, product planning, manufacturing/production	Financial accounting	Legal affairs
Hiroyuki Satori			19	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
Naoki Obara			2	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		
Hiroshi Nakamaru			1	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>			
Toshikage Miyazawa			-	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		
Koji Suwahara			-	<input type="radio"/>		<input type="radio"/>		<input type="radio"/>	
Masaki Mogi	<input type="radio"/>		1			<input type="radio"/>		<input type="radio"/>	<input type="radio"/>
Toshimitsu Iwanami	<input type="radio"/>	<input type="radio"/>	3	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>		
Sadahiro Shimomura	<input type="radio"/>	<input type="radio"/>	6	<input type="radio"/>	<input type="radio"/>		<input type="radio"/>		
Hidetoshi Tawada	<input type="radio"/>	<input type="radio"/>	5					<input type="radio"/>	
Shinichi Sato	<input type="radio"/>	<input type="radio"/>	1						<input type="radio"/>

Notes: 1. The information in the table above does not cover all the expertise and experience of the candidates.

2. Mr. Masaki Mogi and Mr. Shinichi Sato have served as Corporate Auditor for one year and five years, respectively.

[Reference] Criteria for the Independence of Outside Officers

I. The Company considers that Independent Directors and candidates for Independent Director are independent if they satisfy none of the following conditions.

- (1) A business executive of the Company or subsidiaries or affiliates of the Company (hereinafter, the “Group”), or a person who used to be a business executive of the Group within the past 10 years.
- (2) A person for whom the Group is a main business partner, or if the person is a corporation, a business executive of that corporation, or its parent company or major subsidiary.
- (3) A main business partner of the Company, or if the main business partner is a corporation, a business executive of that corporation, or its parent company or major subsidiary.
- (4) A major shareholder of the Company (a shareholder with direct or indirect ownership of 10% or more of total voting rights in the Company), or if the main shareholder is a corporation, a business executive of that corporation, or its parent company or major subsidiary.
- (5) A person for whom the Group directly or indirectly owns 10% or more of total voting rights, or its business executive.
- (6) A major creditor the Group depends on for the financing to the extent that the creditor is indispensable and there is no alternative, or if the creditor is a corporation such as a financial institution, a business executive of that corporation, or its parent company or major subsidiary.
- (7) A person affiliated with the auditing firm that is the Accounting Auditor for the Group.
- (8) An individual such as an attorney, certified public accountant, tax accountant or consultant who receives a large monetary amount or other financial benefit other than officer remuneration from the Group.
- (9) A person affiliated with a corporation such as a law office, auditing firm, tax accountant, or consulting firm, or a group such as a union, which receives a large monetary amount or other financial benefit from the Group.
- (10) A person who receives donations or financial assistance in a large amount from the Group, or if the person is a corporation, or a group such as a union, a business executive of that corporation, union or other group.
- (11) A director, corporate auditor, executive or executive officer of a company where a director(s) comes from the Group, or its parent company or major subsidiary.
- (12) A person to whom any of (2) to (11) apply within the past three years.
- (13) The spouse, a relative within the second degree of kinship, or a relative sharing the same domicile of a person to whom any of (1) to (11) above apply (however, if the person is an employee, limited to an employee in an important position).

II. If the Company considers that a person is suitable as an independent officer of the Company in light of their character, discernment or other qualities and either of (2), (3), (8) and (9) of the above applies (and, in this case, including people to whom (12) or (13) applies), the Company may select that person as an independent officer of the Company, or as a candidate, if the person meets the requirements for outside directors stipulated in the Companies Act and the Company publicly explains the reasons why it considers the person to be suitable as an independent officer of the Company.

* The full text of the Company’s Criteria for the Independence of Outside Officers is posted on the Company’s website at the address below (only available in Japanese):

<https://www.satori.co.jp/ir/strategy/governance.html>