

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities code: 6390)

June 8, 2023

(Beginning date of measures for electronic provision of materials: June 6, 2023)

To Shareholders with Voting Rights

Kimiyasu Kato
President and Representative Director
KATO WORKS CO., LTD.
9-37, Higashi-ohi 1-chome,
Shinagawa-ku, Tokyo, Japan

Notice of the 124th Annual General Meeting of Shareholders

You are cordially notified that the 124th Annual General Meeting of Shareholders (the “Meeting”) of KATO WORKS CO., LTD. (the “Company”) will be held for the purposes as described below.

The Company has adopted measures for the electronic provision of materials with regard to the convocation of the Meeting. Accordingly, the matters subject to measures for electronic provision are posted on the internet website below.

[Website of the Company]

https://www.kato-works.co.jp/eng/ir/html/03_02stockordi.html

In addition to the above, the same information is also available on the website below.

[Website of the Tokyo Stock Exchange]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the “Listed Company Search” website of Tokyo Stock Exchange shown above and search the Company by entering its company name or securities code (6390), select “Basic information” and then “Documents for public inspection/PR information” to view the materials.

Shareholders who are not attending the Meeting in person may exercise their voting rights by either entering their votes online or returning the enclosed Voting Rights Exercise Form by mail. Please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision and exercise your voting rights by 5:30 p.m. Japan time on Wednesday, June 28, 2023.

- 1. Date and Time:** Thursday, June 29, 2023 at 10:00 a.m. Japan time
- 2. Place:** 10-30, Takanawa 4-chome, Minato-ku, Tokyo, Japan
32F, Aquamarine 32, Main Tower, Shinagawa Prince Hotel
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 124th Fiscal Year (April 1, 2022 – March 31, 2023), 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 124th Fiscal Year (April 1, 2022 – March 31, 2023)
- Proposals to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

- Other matters determined in conjunction with the convocation
 - Among the matters subject to measures for electronic provision, the following items are not included in the paper copy of the documents delivered to shareholders who have requested it, in accordance with provisions of laws and regulations as well as Article 14 of the Company's Articles of Incorporation.
 - (1) "System to Ensure Appropriate Operations (Internal Control System) and its Operating Status" and "Policy to Determine the Distribution of Surplus" in Business Report
 - (2) "Consolidated Statements of Changes in Net Assets and Notes" in Consolidated Financial Statements
 - (3) "Non-consolidated Statements of Changes in Net Assets and Notes" in Non-consolidated Financial StatementsTherefore, the documents delivered to shareholders who have requested its paper copy are part of the documents audited by the Corporate Auditors and the Accounting Auditor in preparing their audit reports.
 - Should you return a Voting Rights Exercise Form without indicating approval or disapproval of any of the proposals, such vote will be treated as an approval of the proposal.
 - If you choose to exercise your voting rights through a proxy, you must appoint a person who is a shareholder with voting rights. You are allowed to appoint only one proxy.
- Requests
 - If you are attending the Meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception.
 - Souvenirs will not be provided to shareholders attending the Meeting in person. We appreciate your understanding.
- Notes
 - Should there be any revisions to the matters subject to measures for electronic provision, the details of the revisions will be posted on each of the websites on which they are originally posted.

Our Measures to Prevent the Spread of the COVID-19 Infection

We would like to inform you of our measures to prevent the spread of COVID-19 infection on the day of the Meeting. Your understanding and cooperation would be much appreciated.

Following the recent change in the government's Basic Policies for Novel Coronavirus Disease Control, the wearing of masks is now up to individual judgement. However, we ask shareholders attending the Meeting to consider their own health conditions and prevention of the risk of infection and decide on whether to wear a mask by themselves.

[The Company's measures]

- Officers and administrative staff will check their own health conditions and take their body temperatures beforehand.
- Acrylic sneeze guards will be placed at the reception of the venue and the chairperson's seat.
- Alcohol-based disinfectant will be available at the entrance of the venue and other areas inside the venue.

[Requests to our shareholders]

- Please note that shareholders who display fever, coughing, or any other symptoms suggestive of ill health on the day of the Meeting will be refused entry to the venue. We appreciate your understanding in advance.
- Please use the alcohol-based disinfectant provided.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

As a basic principle, the Company makes decisions regarding dividends based on its belief that the returning of profits to shareholders is one of its most important management tasks, while comprehensively taking into account such factors as financial results for each term, dividend payout ratio, and internal reserves needed for future growth.

The full-year financial results for the fiscal year ended March 31, 2023 have shown a significant recovery from the previous fiscal year thanks to the progress in improving profitability, which has been one of the medium-term management plan goals. Therefore, based on the above policy, the Company proposes to revise (upward) the amount of year-end dividend from the previously announced forecast of 10 yen per share to 30 yen per share.

1. Matters relating to year-end dividend

- (1) Matters relating to allotment of dividend property and its total amount
30 yen per common share of the Company at a total of 351,512,370 yen
- (2) Effective date of the distribution of surplus
June 30, 2023

Proposal 2: Election of Six (6) Directors (Excluding Directors Serving as Audit and Supervisory Committee Members)

The terms of office of all Directors (excluding Directors serving as Audit and Supervisory Committee Members) will expire at the conclusion of the Meeting. Accordingly, the Company proposes to elect six (6) Directors (excluding Directors serving as Audit and Supervisory Committee Members).

The nomination of each of the candidates for Directors has been decided by the Board of Directors upon recommendation of the Nomination and Compensation Committee, an advisory body of the Board of Directors. The Audit and Supervisory Committee has commented that this Proposal is reasonable and there are no special matters to be noted at the Meeting.

The candidates for Directors (excluding Directors serving as Audit and Supervisory Committee Members) are as follows:

No.	Name	Current positions at the Company	
1	Kimiyasu Kato	President and Representative Director	Reappointment
2	Takao Watanabe	Director, Managing Executive Officer	Reappointment
3	Takatsugu Ishii	Director, Managing Executive Officer	Reappointment
4	Yasuhiro Kondo	Director, Executive Officer	Reappointment
5	Yoshiaki Ohkami	Director	Reappointment Outside Independent
6	Chie Kunihara		New Candidate Outside Independent

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of the Company's shares held
1	<p>Kimiyasu Kato (Aug. 25, 1968)</p> <p><u>Reappointment</u></p> <p>Attendance at the Board of Directors meetings: 12/12 (100%)</p>	<p>Apr. 1991 Jul. 1993 Aug. 1996 May 1997 Jun. 1997</p> <p>Jun. 2001</p> <p>Jun. 2004</p> <p>(Significant concurrent positions) Director, KATO WORKS (CHINA) LTD.</p>	<p>Joined the Company General Manager, Corporate Auditors' Office General Manager, Engineering Division General Manager, Materials Division Director, General Manager, Engineering Division and General Manager, Materials Division Director, Managing Executive Officer in charge of Corporate Planning President and Representative Director (to present)</p>	354,983
<p>Reason for nomination as candidate for Director Kimiyasu Kato has abundant management experience as the Company's President and Representative Director, and is demonstrating strong leadership as the chief operating officer. He is playing a sufficient part in important management decision-making and supervision of business execution by the Board of Directors. Therefore, in order to make use of his capabilities and experience in management, the Company proposes his re-election as a Director.</p>				
2	<p>Takao Watanabe (Dec. 25, 1961)</p> <p><u>Reappointment</u></p> <p>Attendance at the Board of Directors meetings: 12/12 (100%)</p>	<p>Apr. 1984 Apr. 2012 May 2015</p> <p>Jul. 2015</p> <p>Jun. 2018</p>	<p>Joined the Company General Manager, Nagoya Branch General Manager, Construction Machinery Marketing Department Executive Officer, General Manager, Marketing Department (in charge of Construction Machinery) Director, Managing Executive Officer, General Manager, Domestic Marketing Division, in charge of Product Support Department and Technical Training Center (to present)</p>	5,901
<p>Reason for nomination as candidate for Director Takao Watanabe has served for many years in a number of key positions in the Company's marketing operations covering its flagship domestic market. The Company believes that his abundant knowledge cultivated in the marketing segment is helping him play a sufficient part in important management decision-making and supervision of business execution by the Board of Directors. Therefore, in order to make use of his capabilities and experience in management, the Company proposes his re-election as a Director.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
3	<p>Takatsugu Ishii (Jan. 30, 1955)</p> <p><u>Reappointment</u></p> <p>Attendance at the Board of Directors meetings: 12/12 (100%)</p>	<p>Apr. 1977 Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (presently IHI Corporation)</p> <p>Jul. 2003 General Manager, Power Project Overseas Sales Division, Energy Operations</p> <p>Jul. 2007 General Manager, Kuala Lumpur Office</p> <p>Jun. 2012 Director, General Manager, Sales Control Division, IHI Construction Machinery Limited (renamed KATO HEAVY INDUSTRIES CONSTRUCTION MACHINERY CO., LTD. in November 2016)</p> <p>Jun. 2017 Director, General Manager, Sales Control Division, KATO HEAVY INDUSTRIES CONSTRUCTION MACHINERY CO., LTD. and General Manager, Overseas Marketing Control Department of the Company</p> <p>Mar. 2018 General Manager, Overseas Marketing Control Department and General Manager, Marketing Control Department, HICOM Business Department of the Company</p> <p>Jun. 2018 Director, Executive Officer, General Manager, Overseas Marketing Division</p> <p>Jun. 2020 Director, Executive Officer, General Manager, Overseas Business Control Division and General Manager, Overseas Marketing Division</p> <p>Jun. 2021 Director, Executive Officer, General Manager, Overseas Business Control Division, General Manager, Overseas Marketing Division, General Manager, China Business Control Division and in charge of Information System Department</p> <p>Apr. 2022 Director, Managing Executive Officer, General Manager, Overseas Business Control Division, General Manager, Corporate Planning Office, General Manager, Core System Project Office and in charge of Information System Department (to present)</p> <p>(Significant concurrent positions) Director, KATO WORKS (CHINA) LTD. Auditor, Kato SCE (Xiamen) Construction Machinery Co., Ltd. Director, KATO IMER S.p.A., President, KATO EUROPE B.V. President, ICOMAC, INC.</p>	5,901
<p>Reason for nomination as candidate for Director Takatsugu Ishii has served in many key positions at IHI Corporation and IHI Construction Machinery Limited and possesses a wealth of business experience earned both in and outside of Japan. Furthermore, as the General Manager of Corporate Planning Office of the Company, he is supervising the progress of the medium-term management plan (2022-2024) and leading the efforts toward achieving the plan's targets. He is supporting the Company's business in a wide range of fields including the supervision of overseas subsidiaries. Therefore, in order to continue making use of his capabilities and experience in management, the Company proposes his re-election as a Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions		Number of the Company's shares held
4	Yasuhiro Kondo (May 13, 1960) <u>Reappointment</u>	Apr. 1984 Jul. 2006 Jul. 2010	Joined the Company Manager, Section II, Design Department I General Manager, Design Department I and Manager, Section II	5,070
	Attendance at the Board of Directors meetings: 12/12 (100%)	Jun. 2019 Jun. 2020 Jun. 2021	Executive Officer, Deputy General Manager, Development Division and General Manager, Design Department I Executive Officer, General Manager, Development Division and General Manager, Design Department I Director, Executive Officer, General Manager, Development Division and in charge of ISO (to present)	
<p>Reason for nomination as candidate for Director Yasuhiro Kondo has long been engaged in the Company's key product design operations and served as a manager for the entire development segment since 2019. The Company believes that his abundant insight cultivated in the development segment is widely desired in new product development and to enhance the quality of products that are essential to strengthen our business foundation in the future, and therefore proposes his re-election as a Director.</p>				
5	Yoshiaki Ohkami (Jul. 26, 1939) <u>Reappointment</u> <u>Outside</u> <u>Independent</u>	Apr. 1968 Apr. 1991 Apr. 1999 Apr. 2000 Apr. 2000 Apr. 2008 Apr. 2011 Jun. 2014	Research Engineer, Space Research Group, National Aerospace Laboratory, Science and Technology Agency Professor, Department of Mechano-Aerospace Engineering, School of Engineering, Tokyo Institute of Technology Special Advisor and Executive Research Inspector, Technical Research and Development Department, National Space Development Agency Professor Emeritus, Tokyo Institute of Technology (to present) Professor, Department of System Design Engineering, Keio University Dean and Professor, Graduate School of System Design and Management, Keio University Executive Advisor, System Design and Management Research Institute, Keio University (to present, currently Honorary Advisor) Director of the Company (to present)	4,094
	Attendance at the Board of Directors meetings: 12/12 (100%)	(Significant concurrent positions) Professor Emeritus, Tokyo Institute of Technology Honorary Advisor, System Design and Management Research Institute, Keio University		
<p>Reason for nomination as candidate for Outside Director and expected roles Yoshiaki Ohkami has long been engaged in the aerospace engineering research and development and provided valuable advice mainly on our product development and design since assuming the position of Outside Director. In order to continue to advance its technological development and improve the corporate value of the Company, which is a machinery manufacturer, the Company proposes his re-election as an Outside Director. Although the candidate has not been directly involved in corporate management, the Company believes he may appropriately fulfill his duties as the Company's Outside Director, based on his profound insight gained by successively holding the positions of professor as well as through his experience working on joint research projects with many companies. The candidate's term of office as an Outside Director will be nine (9) years at the conclusion of the Meeting.</p>				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
6	Chie Kunihara (Aug. 8, 1973) New candidate Outside Independent Attendance at the Board of Directors meetings: -	Mar. 1997 OAKhome Co. Ltd. Jul. 2002 Director, social welfare corporation Kibo no Kai (to present) Apr. 2003 Director, social welfare corporation Kibo no Kai Kodama Nursery Center (to present) Apr. 2017 President, Nara City Childcare Association (to present) Apr. 2017 Member, Nara City Council for the Promotion of Gender Equality (to present) Jun. 2022 Member of the Board of Directors, National Association Identified KODOMOEN (to present) (Significant concurrent positions) Director, social welfare corporation Kibo no Kai Director, social welfare corporation Kibo no Kai Kodama Nursery Center	0
<p>Reason for nomination as candidate for Outside Director and expected roles</p> <p>Chie Kunihara has served in a range of key positions in organizations related to education and social welfare, as well as having been engaged in the management of corporations, and has a wealth of experience and proven track record in promoting women's participation and advancement in workplace, a long-standing challenge for the Company and the industry as a whole. Securing human resources is among the important issues facing the Company as it strives to promote sustainable management, for which the Company needs to advance its working style reform efforts including further improvement of workplace environments. The Company expects her to actively provide suggestions and advice on the above issues, and believes that with her rich insights she may appropriately fulfill her duties as the Company's Outside Director.</p>			

Notes:

1. There are no special interests between the candidates and the Company.
2. The Company has entered into a directors and officers liability insurance contract that insures all Directors with an insurance company. The insurance contract covers damages including compensation for damages and litigation costs to be borne by the insured Directors as a result of assuming liability for the execution of their duties apart from certain exceptions such as gross negligence or willful misconduct, and the insurance premiums for all of the insured are wholly paid by the Company. If the election of each candidate for Director is approved, the Company intends to renew the contract.
3. If Yoshiaki Ohkami's re-election is approved, the Company intends to continue the agreement with him to limit his liability as provided in Article 427, Paragraph 1 of the Companies Act. The limit of liability under the agreement is the amount stipulated by laws and regulations.
4. The Company has designated Yoshiaki Ohkami as an independent director stipulated by the provisions of the Tokyo Stock Exchange and has notified the said Exchange accordingly. If his re-election is approved at the Meeting, the Company intends to maintain his status as an independent director.
5. If Chie Kunihara's election is approved, the Company intends to enter into an agreement with her to limit her liability as provided in Article 427, Paragraph 1 of the Companies Act. The limit of liability under the agreement is the amount stipulated by laws and regulations.
6. The Company has designated Chie Kunihara as an independent director stipulated by the provisions of the Tokyo Stock Exchange and has notified the said Exchange accordingly. If her election is approved at the Meeting, the Company intends to set her status as an independent director.
7. The number of the Company's shares held by each candidate includes holdings in the officers' or employees' shareholding association.

**[Reference] Composition of the Board of Directors upon approval of Proposal 2
Skill Matrix of the Candidates for Directors as well as the Audit and Supervisory Committee Members**

If Proposal 2 is approved as originally proposed, the expertise and experience specifically possessed by each candidate for Director and each Audit and Supervisory Committee Member are as follows:

Name	Outside and Independent	Main expertise and experiences									
		Corporate management	Sales, marketing	Internationality	Finance, accounting	Development, manufacturing	Quality, after-sales service	Personnel, diversity	IT, digital	Legal affairs, risk	Sustainability, ESG
Kimiyasu Kato		○		○		○	○			○	○
Takao Watanabe			○				○				
Takatsugu Ishii			○	○	○				○		
Yasuhiro Kondo						○	○				○
Yoshiaki Ohkami	●					○					○
Chie Kuniyama	●							○			○
Toshiaki Kawakami								○		○	
Hiroki Imai	●									○	
Shinichiro Zama	●				○						

(Note) The above table does not represent all of the knowledge and experience possessed by each Director.

[Reference] Independence Criteria for Outside Directors

Persons who satisfy the independence requirements provided by the Tokyo Stock Exchange shall be deemed independent from the Company.

However, the independence of those who fall under the following shall be carefully determined according to actual circumstances.

1. Consultants, accounting or legal professionals who receive a large amount of compensation from the Company other than directors' compensation.
2. Persons who receive a large amount of donation, etc. from the Company, or in case the recipient is a corporation, etc., an executive thereof.
3. A major shareholder of the Company, or in case the entity is a corporation, etc., an executive thereof.
4. Close relatives of the following (excluding those who are irrelevant):
 - A. Persons who fall under 1 through 3 above.
 - B. Directors, Audit and Supervisory Board Members, Executive Officers and important employees, etc. of the Company and its subsidiaries.