

Notice of Convocation of the 95th Ordinary General Meeting of Shareholders

Dear Shareholders:

It is our pleasure to announce that the 95th Ordinary General Meeting of Shareholders of Sanden Holdings Corporation (hereinafter referred to as “Sanden” or “Company”) will be held as stated below.

In order to prevent the spread of infection of novel coronavirus (COVID-19), we recommend that shareholders refrain from attending the Ordinary General Meeting of Shareholders wherever possible, and request that you exercise your voting rights in advance by mail or via the Internet, etc.

Please review “The Reference Materials for the Ordinary General Meeting of Shareholders” attached here and exercise your voting rights no later than 5:30 p.m. on Thursday, June 24, 2021.

Sincerely,

Katsuya Nishi
Representative Director & President,
Sanden Holdings Corporation
20, Kotobuki-cho, Isesaki City,
Gunma Prefecture

Details of the Meeting

1. Date and time: Friday, June 25, 2021, 10:00 a.m. (The reception will start at 9:30 a.m.)
This year's Ordinary General Meeting of Shareholders will be held in June as is the case in normal years, though the last year's meeting was held in July due to influence of COVID-19.
2. Venue: Isesaki City Cultural Hall
3918 Showa-cho, Isesaki City, Gunma Prefecture
3. Meeting agenda:
Items to be reported
 - (1) Business Report and Consolidated Financial Statements for the 95th Fiscal Year (from April 1, 2020 to March 31, 2021) and Reports of the Accounting Auditor and the Audit & Supervisory Board on the Consolidated Financial Statements
 - (2) Non-Consolidated Financial Statements for the 95th Fiscal Year (from April 1, 2020 to March 31, 2021)

Agenda items to be resolved

Item 1: Election of Seven (7) Directors

Item 2: Election of Four (4) Audit & Supervisory Board Members

Item 3: Election of Eight (8) Directors

Item 4: Amendments to the Articles of Incorporation

4. About your vote
 - (1) If you vote both by mail and via the Internet etc., only the vote placed via the Internet etc. will be effective.
 - (2) If you submit your vote more than once via the Internet etc., only the last vote submitted will be effective.

**This English-language translation is an abridged version of the original notice in Japanese. In the event of any discrepancy, the Japanese version shall prevail.*

Disclosure via the Internet

- Among the matters appended to the notice of convocation for the Ordinary General Meeting of Shareholders, the following matters are, based on stipulations of the law and our articles of incorporation, published on our online website, so they are not recorded in these appended documents.
 - Basic Policy on Control of the Company of the Business Report
 - Consolidated Statements of Changes in Net Assets and Notes to Consolidated Financial Statements in the Consolidated Financial Statements
 - Non-Consolidated Statements of Changes in Net Assets and Notes to Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements

Furthermore, the business report, the consolidated financial statements and financial statements audited in the course of the Audit and Supervisory Committee creating the audit report and in the course of the accounting auditor creating the accounting audit report include those attached to this notice as well as the Basic Policy on Control of the Company, the Consolidated Statements of Changes in Net Assets, Notes to Consolidated Financial Statements, Non-Consolidated Statements of Changes in Net Assets, and Notes to Non-Consolidated Financial Statements.

- If revisions are made to the Reference Materials for the Ordinary General Meeting of Shareholders, the business report, the consolidated financial statements, the financial statements, or the audit report, these will be published on our online website below.

The Company's website: <https://www.sanden.co.jp/ir/event/meeting.html>

Information on the Exercise of Voting Rights

If You Will Attend the Ordinary General Meeting of Shareholders

Please bring the enclosed Voting Right Exercise Form and submit it at the reception desk at the place of the Meeting.

Date and Time: Friday, June 25, 2021, 10:00 a.m. (The reception desk is scheduled to open at 9:30 a.m.)

If You Will Not Attend the Ordinary General Meeting of Shareholders

[Vote by mail]

Please indicate your approval or disapproval of each agenda item on the Voting Rights Exercise Form and return it so that it will arrive by the exercise deadline.

Deadline to Exercise: Arrival by Thursday, June 24, 2021, 5:30 p.m.

[Vote by the Internet etc.]

Access from smartphone

Please access the Voting Rights Exercise website by scanning the QR Code® on the enclosed Voting Rights Exercise Form through your smartphone with its barcode reading function.

(QR code is a registered trademark of Denso Wave Inc.)

Deadline to Exercise: Thursday, June 24, 2021, 5:30 p.m.

*Voting right can be exercised using the above method only once.

Access from PC

Please access the Voting Rights Exercise website, enter the “Voting Rights Exercise Code” and “Password” noted on the enclosed Voting Rights Exercise Form, and input your approval or disapproval of each proposal following the on-screen instructions.

Voting Rights Exercise website: <https://www.web54.net>

Deadline to Exercise: Thursday, June 24, 2021, 5:30 p.m.

For any questions about the exercise of voting rights via the Internet, please contact the following support desk.

Sumitomo Mitsui Trust Bank, Ltd. Stock Transfer Agency Online Support Desk, the administrator of the shareholder register

Dedicated line: 0120-652-031 (Operating hours: 9:00 a.m. to 9:00 p.m.)

[Voting Rights Exercise platform for Institutional Investors]

Institutional investors may also vote by the ICJ platform, a voting platform provided by ICJ, Inc. subject to the application for subscription in advance.

Notes on Exercising Voting Rights

There are in total four (4) proposals for this Ordinary General Meeting of Shareholders. However, the proposal(s) which will be put to a vote at this Ordinary General Meeting of Shareholders differs depending on whether or not the payment for the capital increase through third-party allotment which was approved at the Extraordinary General Meeting of Shareholders held on May 27, 2021 (hereinafter referred to as the “Capital Increase through Third-Party Allotment”) is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders (inclusive; hereinafter the same shall apply).

Proposals which will be put to a vote in the case where the payment for the Capital Increase through Third-Party Allotment is completed.

Item 1: Election of Seven (7) Directors

Item 2: Election of Four (4) Audit & Supervisory Board Members

Item 4: Partial Amendments to Articles of Incorporation

***In this case, Item 3 will be withdrawn, and the proposal for such Item will not be put to a vote.**

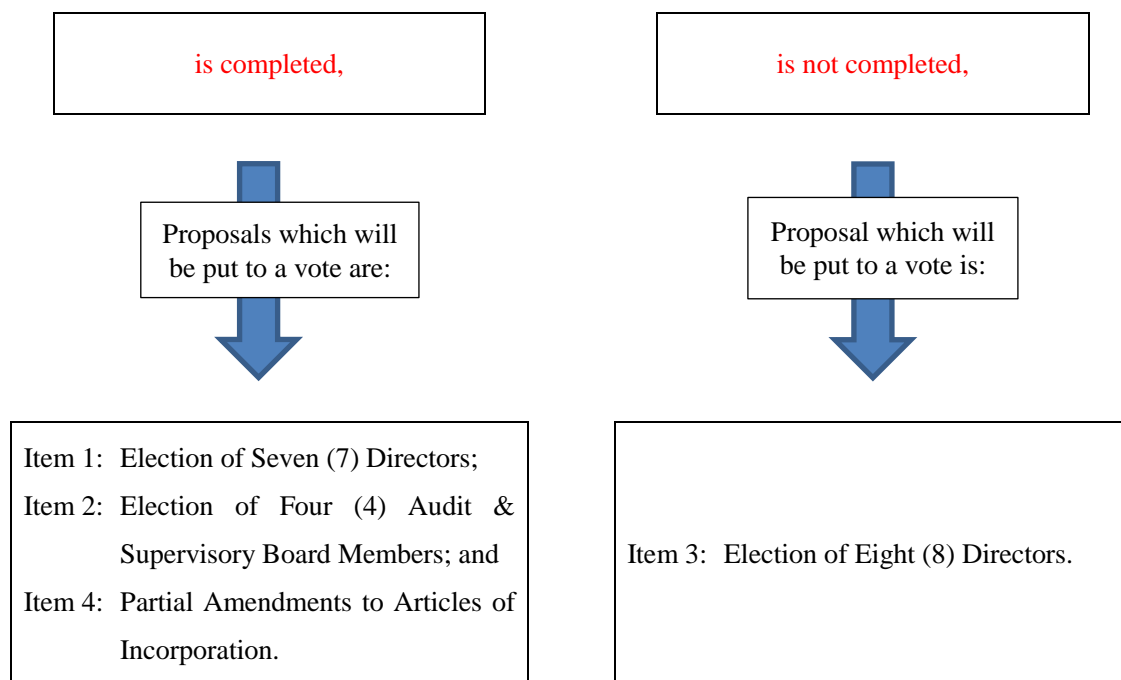
Proposal which will be put to a vote in the case where the payment for the Capital Increase through Third-Party Allotment is not completed.

Item 3: Election of Eight (8) Directors

***In this case, Item 1, Item 2 and Item 4 will be withdrawn, and the proposals for such Items will not be put to a vote.**

If you exercise your voting rights on all proposals by mail or via the Internet etc., in advance, even if any of the proposals on which you have exercised your voting rights is withdrawn, the exercise of your voting rights on any other proposals will not be affected. We would like to ask shareholders to exercise their voting rights on all proposals.

If, by the date immediately preceding the date of this Ordinary General Meeting of Shareholders, the payment for the Capital Increase through Third-Party Allotment



Item 1: Election of Seven (7) Directors

*This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

The term of office of all eight (8) directors shall expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we propose that the following seven (7) director nominees be elected.

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

The seven (7) director nominees are as follows:

Nominee No.	Name	Current Position and Responsibilities at the Company	Attendance at Board of Directors meetings
1	New nominee Yuebin Duan		—
2	New nominee Dan Zhu		—
3	New nominee Yeguo Tang		—
4	New nominee Hao Xiong		—
5	Re-election Hideyuki Kobayashi	Director & Executive Corporate Officer in charge of Corporate Strategy and Corporate Communications/SDGs, General Manager of Corporate Planning Office	100% 15/15
6	New nominee Fuquan Zhao	Outside Independent	—
7	New nominee Dongying Ju	Outside Independent	—

New nominee: Director nominee for new election Re-election: Director nominee for re-election
Outside: Outside Director nominee Independent: Independent Director nominee

(Reference) Expertise and Experience of the Director Nominees (Skill Matrix)

Nominee No.	Name	Expertise and Experience						
		Corporate Planning/ Management Strategy	Technology/ Manufacturing Quality	Finance/ Accounting	Sales/CS	Overseas Business	HR Development/Social Improvements	Internal Control/ Governance
1	Yuebin Duan	○	○	○	○	○	○	○
2	Dan Zhu	○		○	○	○	○	○
3	Yeguo Tang	○	○	○	○	○	○	○
4	Hao Xiong	○	○	○			○	○
5	Hideyuki Kobayashi	○	○			○	○	○
6	Fuquan Zhao	○	○			○	○	○
7	Dongying Ju	○	○			○	○	

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
1	<p>New nominee</p> <p>Yuebin Duan (Nov. 27, 1980) (40)</p>	<p>July 2003 Deputy Manager, Technical Department, Assistant General Manager, Engineering Department, General Manager, Quality Department, Assistant General Manager, Hisense (Beijing) Electric Co., Ltd.</p> <p>Oct. 2013 Assistant General Manager, Deputy General Manager, Hisense Ronshen (YangZhou) Refrigerator Co., Ltd.</p> <p>May 2014 Deputy General Manager, Hisense (Shandong) Refrigerator Co., Ltd.</p> <p>Jan. 2019 Vice President, Hisense Home Appliances Group Co., Ltd. General Manager, Hisense (Shandong) Refrigerator Co., Ltd.</p> <p>Feb. 2020 Vice President, Hisense Co., Ltd. President, Hisense Home Appliances Group Co., Ltd. (present) President, Hisense (Shandong) Refrigerator Co., Ltd. (present)</p> <p>Dec. 2020 Vice President, Hisense Group Holdings Co., Ltd. (present)</p>
		<p>(Major Concurrent Positions) Vice President, Hisense Group Holdings Co., Ltd. President, Hisense Home Appliances Group Co., Ltd. President, Hisense (Shandong) Refrigerator Co., Ltd.</p>
		<p>(Reasons for selection as nominee for Director) Mr. Duan Yuebin currently serves as President of Hisense Home Appliances Group Co., Ltd. and has a wealth of experience in the manufacture of home appliances and corporate management. He joined Hisense (Beijing) Electric Co., Ltd. in 2003 and has been involved in engineering and quality-related businesses and has a wealth of experience in production and manufacturing of home appliances products. In addition, he has been involved in corporate management for many years and has extensive experience in the field of corporate management and administration. He currently serves as Vice President of Hisense Group Holdings Co., Ltd., President of Hisense Home Appliances Group Co., Ltd., and President of Hisense (Shandong) Refrigerator Co., Ltd. In corporate management, he is able to accurately grasp management strategy of the group, respond swiftly, accurately supervise the management of the group as a whole, allocate resources and formulate plans in a timely and appropriate manner, and clarify goals and work strictly to achieve goals. He also has strong strategy-making and execution capabilities, and contributes to the development of the Company in an innovative philosophy and scientific strategic way.</p> <p>We have judged that he is a person who can fully utilize these outstanding abilities and experience, and ensure that the Business Revitalization Plans of the Company and its Group are implemented, and fulfill his supervision responsibilities as a Director, and select and train outstanding next generation for corporate growth. Accordingly, we propose his election as Director.</p>
	<p>[Period in office as Director (years)] -</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] -</p>	

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
2	<p>New nominee</p> <p>Dan Zhu (Nov.12, 1974) (46)</p> <p>[Period in office as Director (years)] -</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] -</p>	<p>June 2003 Manager posted in North Africa Office, Africa Sales Department, General Manager, Sales Manager, Africa Sales Department, Hisense International Co., Ltd</p> <p>Feb. 2010 General Manager, South Africa Development Enterprise Pty Ltd., Hisense International Co., Ltd</p> <p>Dec. 2010 General Manager, Middle-East and Africa Sales Department, General Manager, South Africa Development Enterprise Pty Ltd., Hisense International Co., Ltd</p> <p>Feb. 2012 Assistant General Manager, General Manager, Middle-East and Africa Sales Department, Hisense International Co., Ltd</p> <p>Jan. 2014 Deputy General Manager, General Manager in charge of Middle-East and Africa Region, Hisense International Co., Ltd</p> <p>Dec. 2017 Deputy General Manager, General Manager in charge of Middle-East and Africa Region, Russia Branch General Manager, General Manager in charge of the U.S. Region, Africa Local General Manager, Chief of the U.S. Research and Development (R&D) Center, General Manager in charge of the U.S., General Manager in charge of Argentine, Deputy General Manager, Hisense Electronics Hisense International Co., Ltd</p> <p>Feb. 2020 President (present), General Manager in charge of Europe Region (present) Europe Region Local General Manager, Hisense International Co., Ltd</p>	
		<p>(Major Concurrent Positions) President, General Manager in charge of Europe Region, Hisense International Co., Ltd</p>	
		<p>(Reasons for selection as nominee for Director) Mr. Zhu Dan currently serves as President of Hisense International Co, Ltd and has a wealth of overseas work experience. Since joining Hisense International Co., Ltd in 2003, he has made a significant contribution to the development of Hisense Group's overseas operations. Since 2003, he has been engaged in sales in Africa, the U.S. and Europe, and possesses extremely high operational capabilities and high operational knowledge. Since 2012, he served as Assistant President, Regional General Manager, etc. of Hisense International Co, Ltd, and currently serves as President, and General Manager in charge of Europe Region, of Hisense International Co, Ltd. He has a wealth of administrative experience in corporate management and is able to make correct judgments in conducting corporate management and decision-making and in executing such decisions. He is making a significant contribution to the globalization of Hisense Group, including the development of</p>	

		<p>international businesses and the expansion of overseas scale.</p> <p>We have judged that he is a person who can utilize these outstanding abilities and experience fully, and ensure that the Business Revitalization Plans of the Company and its Group are implemented, and fulfill his supervision responsibilities as a Director, and select and train outstanding next generation for corporate growth. Accordingly, we propose his election as Director.</p>
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No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
3	<p>New nominee</p> <p>Yeguo Tang (Oct. 25, 1963) (57)</p> <p>[Period in office as Director (years)] -</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] -</p>	<p>Oct. 1997 Deputy General Manager, Chief Accounting Officer, Hisense Visual Technology Co., Ltd.</p> <p>Oct. 1999 General Manager, Hisense Visual Technology Co., Ltd.</p> <p>Jan. 2004 Vice President, Hisense Co., Ltd. General Manager, Qingdao Hisense Air-conditioning Co., Ltd.</p> <p>Sept. 2005 Vice President, Hisense Co., Ltd. Representative Director, Hisense Kelon Electrical Holdings Company Limited</p> <p>Dec. 2020 Director (present), Chairman of the Board of Directors (present), Hisense Group Holdings Co., Ltd.</p>
		<p>(Major Concurrent Positions) Director, Chairman of the Board of Directors, Hisense Group Holdings Co., Ltd.</p>
		<p>(Reasons for selection as nominee for Director) Mr. Tang Yeguo currently serves as Director and Chairman of the Board of Directors of Hisense Group Holdings Co., Ltd., and has been primarily engaged in the administration of corporate management. In the administration of corporate management, he is dedicated to building the core competence with an emphasis on integrating management resources that will produce a competitive advantage. In corporate management, he emphasizes win-win relationship between scale and profitability focusing on product development, quality control, market sales management, and plan management. He has been committed to developing overseas markets and has devoted himself to launching a global sales network. He has also been awarded as a talent with superior expertise in Qingdao City, a working model for Qingdao City, a working model for Shandong Province, and an outstanding entrepreneur for Guangzhou Province.</p> <p>We have judged that he is a person who can utilize these outstanding abilities and experience fully, and ensure that the Business Revitalization Plans of the Company and its Group are implemented, and fulfill his supervision responsibilities as a Director, and select and train outstanding next generation for corporate growth. Accordingly, we propose his election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
4	<p data-bbox="331 837 453 860">New nominee</p> <p data-bbox="331 898 491 987">Hao Xiong (July 9, 1982) (38)</p> <p data-bbox="331 1025 612 1115">[Period in office as Director (years)] -</p> <p data-bbox="331 1153 612 1377">[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p data-bbox="331 1415 612 1505">[Attendance at the Board of Directors meeting] -</p>	<p data-bbox="639 300 1375 389">Aug. 2004 Quality Control, Production Control, Qingdao Hisense Hitachi Air-conditioning Systems Co., Ltd.</p> <p data-bbox="639 396 1375 524">Feb. 2008 Vice Section Manager, Section Manager, Manufacturing Division, Qingdao Hisense Hitachi Air-conditioning Systems Co., Ltd.</p> <p data-bbox="639 530 1375 620">Aug. 2014 General Manager, Manufacturing Department, Qingdao Hisense Hitachi Air-conditioning Systems Co., Ltd.</p> <p data-bbox="639 627 1375 815">July 2018 Deputy General Manager, Quality & Production Control, Hisense Home Appliances Group Co., Ltd. General Manager, Manufacturing Department, Hisense Hitachi Air-conditioning Systems Co., Ltd.</p> <p data-bbox="639 822 1375 1001">Feb. 2019 Assistant General Manager, General Manager, Manufacturing Center, General Manager, Production Control Department, General Manager, Chips Business Department, Hisense Broadband Multimedia Technologies. Ltd.</p> <p data-bbox="639 1008 1375 1196">Feb. 2020 Vice President (present), General Manager, Manufacturing Center, General Manager, Production Control Department, General Manager, Chips Business Department, Hisense Broadband Multimedia Technologies. Ltd.</p> <p data-bbox="639 1202 1375 1292">(Major Concurrent Positions) Vice President, Hisense Broadband Multimedia Technologies. Ltd.</p> <p data-bbox="639 1299 1375 2024">(Reasons for selection as nominee for Director) Mr. Xiong Hao has a wealth of knowledge and experience in production and manufacturing. Since 2004, he has been involved in production, quality control, manufacturing, and other businesses, and possesses strong management capability regarding manufacturing process. He currently serves as Vice President of Hisense Broadband Multimedia Technologies Ltd., where he is in charge of manufacturing and laser chips businesses. He has the ability to conduct business in a prudent and appropriate manner and is able to consider issues from a long-term perspective. Also, he has strong adaptability which enables him to respond promptly to changes in operation and duties. He performed bold business development and led the team with excellent leadership, turning the laser chips business to profit in 2020. We have judged that he is a person who can utilize these outstanding abilities and experience fully, and ensure that the Business Revitalization Plans of the Company and its Group are implemented, and fulfill his supervision responsibilities as a Director, and select and train outstanding next generation for corporate growth. Accordingly, we propose his election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
5	<p>Re-election</p> <p>Hideyuki Kobayashi (Apr. 26, 1967) (54)</p> <p>[Period in office as Director (years)] 2</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 15,124 (9,124)</p> <p>[Attendance at the Board of Directors meeting] 100% (15 out of 15)</p>	<p>Apr. 1991 Joined Sanden</p> <p>Sep. 2012 Plant Manager, Compressor Business Plant</p> <p>June 2013 Deputy Division General Manager, Compressor Division</p> <p>Apr. 2015 General Manager, Product Strategy Department, Business Division, Sanden Automotive Components Corporation</p> <p>Jan. 2016 General Manager, Business Strategy Department, Corporate Planning Office</p> <p>June 2017 Corporate Officer</p> <p>June 2019 General Manager, Corporate Planning Office</p> <p>June 2019 Director & Executive Corporate Officer, Division General Manager of Management Strategy Division in charge of Business Development</p> <p>Apr. 2020 Director & Executive Corporate Officer in charge of Corporate Strategy and Corporate Communications/SDGs, General Manager of Corporate Planning Office (present)</p> <p>(Reasons for selection as nominee for Director)</p> <p>Mr. Hideyuki Kobayashi led the initiatives in the fields of technical development and production management of compressors for automotive air conditioners, one of the Company's core products, for many years and has extensive knowledge and experience in those fields. He has contributed to expansion of global business by supporting manufacturing and technical development on a global scale as a Plant Manager in 2012 and being engaged in business management as a Deputy Division General Manager in 2013.</p> <p>As a Corporate Officer and General Manager of the Corporate Planning Office from 2017, and Director since 2019, he appropriately supervised management with an emphasis on strategic and technical perspectives, and played a central role in establishing and promoting the Medium-term Management Plan. We expect him, in the current drastically changing market environment, to drive the tangible promotion of the management strategy, especially with his experience and capabilities in the technical development field, as a person responsible for planning and implementing the Medium-term Management Plan based on the new concept of management. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
6	<p>New nominee Outside Independent</p> <p>Fuquan Zhao (Dec. 23, 1963) (57)</p> <p>[Period in office as Director (years)] -</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] -</p>	<p>Apr. 1992</p> <p>July 1993</p> <p>May 1994</p> <p>Sep. 1997</p> <p>Nov. 1998</p> <p>Sep. 1999</p> <p>June 2003</p> <p>Apr. 2004</p> <p>Nov. 2006</p> <p>May 2013</p>	<p>PhD in Mechanical Engineering, Hiroshima University, Japan</p> <p>Research Fellow, Imperial College of Science and Engineering, London</p> <p>Post Doctor and Assistant Professor of Mechanical Engineering Department, Wayne State University</p> <p>Product Engineer, Chrysler and DaimlerChrysler of USA</p> <p>Engineering Specialist, Chrysler and DaimlerChrysler of USA</p> <p>Senior Engineering Specialist, Chrysler and DaimlerChrysler of USA</p> <p>Research Executive of Technical Affairs, Chrysler and DaimlerChrysler of USA</p> <p>Vice President and R&D General Manager, Shenyang Brilliance Jinbei Automobile Co., Ltd., Assistant President, Brilliance Auto Group</p> <p>Vice President, Zhejiang Geely Holding Group</p> <p>Professor (present), Doctoral Advisor (present), School of Vehicle and Mobility, Tsinghua University, Director (present), Tsinghua Automotive Strategy Research Institute (TASRI)</p>
		(Major Concurrent Positions)	
		<p>Professor, Doctoral Advisor, School of Vehicle and Mobility, Tsinghua University</p> <p>Director, Tsinghua Automotive Strategy Research Institute (TASRI)</p>	
		(Reasons for selection as nominee for Outside Director and roles expected as Outside Director)	
		<p>Mr. Zhao Fuquan serves as Professor of School of Vehicle and Mobility at Tsinghua University and Director of Tsinghua Automotive Strategy Research Institute (TASRI) and is currently primarily engaged in strategic research in areas such as the development of the automotive industry, corporate operations and business management, and technological routes.</p> <p>He has worked in the automotive industries in the United States, Japan, and Europe for around 20 years. Since returning in 2004, he has served as Vice President for Shenyang Brilliance Jinbei Automobile Co., Ltd. and Zhejiang Geely Holding Group, Director of BMW Brilliance Automotive, Executive Director of GEELY Holdings (Hong Kong), Representative Director of Austlia DSI Holdings Pty. and Director of British Manganese Bronze Holdings Plc.</p> <p>He has participated in several international M&As as one of its core members, including Volvo, and led business consolidations thereafter. While studying and working overseas for nearly 20 years, he has many track records in academic and business fields in Japan, Europe and the United States.</p> <p>In nearly 30 years of career in connection with automobiles, he has been in charge of the development of approximately 20 types</p>	

		<p>of automobiles and more than 10 types of powertrain products, released eight (8) publications in Chinese, English and Japanese (two (2) English publications that were translated into Chinese) and more than 300 academic papers, and owns more than 200 patents.</p> <p>He has profound academic knowledge and technological expertise, as well as valuable business experience in the automotive industry, and has earned a strong reputation in the automotive industry as a high-profile international automotive expert with diversified knowledge, abilities and experience.</p> <p>We have judged that he is an appropriate person who can utilize his specialized technical abilities and experience, contribute to making the Group's management transparent, and supervise the management to improve, in a sustained manner, the corporate value. Accordingly, we propose his election as Outside Director.</p> <p>(Independence)</p> <p>There is no business relationship between the Company and Mr. Zhao Fuquan. He meets the Independence Criteria for Outside Directors established by the Company and is thus considered independent. If he is elected, the Company will notify the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange.</p>
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No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
7	<p>New nominee Outside Independent</p> <p>Dongying Ju (July 17, 1954) (66)</p> <p>[Period in office as Director (years)] -</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] -</p>	<p>Apr. 1992 Specific Researcher, Kyoto University</p> <p>Dec. 1992 Lecturer, Saitama Institute of Technology</p> <p>Dec. 1996 Associate Professor, Saitama Institute of Technology</p> <p>Apr. 2002 Professor, Saitama Institute of Technology</p> <p>Apr. 2011 Vice President, Saitama Institute of Technology</p> <p>Apr. 2014 Senior Researcher of High-tech Research center, Saitama Institute of Technology</p> <p>June 2017 Executive Director (present), Japan China Science, Technology and Culture Center</p> <p>Apr. 2020 Foreign member (present), The Engineering Academy of Japan</p>
		<p>(Major Concurrent Positions)</p> <p>Executive Director, Japan China Science, Technology and Culture Center</p> <p>Foreign member, The Engineering Academy of Japan</p>
		<p>(Reasons for selection as nominee for Outside Director)</p> <p>Mr. Ju Dongying graduated from Department of Engineering Mechanics, Tsinghua University in 1985, received a master's degree from Kyoto University in 1989, and received a doctor's degree from Kyoto University in 1992. After that, he became a specific researcher at Kyoto University and, has served as a lecturer, associate professor, professor, vice president, and senior researcher of High-tech Research center of Saitama Institute of Technology, and professor emeritus at Saitama Institute of Technology from 1993 to the present.</p> <p>In addition, he serves as Executive Director of Japan China Science, Technology and Culture Center, as a member of IMS Research Committee of Ministry of Economy (IMS), as Chairman of the Chinese Materials Scientist Research Group in Japan, as Director of The Japan Society for Heat Treatment, as a member of the editorial committee of "Journal of the Japan Society for Heat Treatment," as Vice President of the International Conference on Materials Calculation and Simulation (from the first to third meetings), as Vice President of the Materials Calculation and Simulation Committee of The Chinese Society for Metals, Materials Science Society, as an evaluator of The Japan Society for Heat Treatment and as a member of the International Exchange Committee. He also serves as a Doctoral Professor at Shanghai Jiao Tong University and University of Science and Technology Liaoning. He has applied his research results on fuel cells to the automotive field and has a high level of expertise in this field.</p> <p>We have judged that he is an appropriate person who can utilize his specialized technical abilities and experience, contribute to making the Group's management transparent, and supervise the management to improve, in a sustainable manner, the corporate value. Accordingly, we propose his election as Outside Director.</p>
		<p>(Independence)</p> <p>There is no business relationship between the Company and Mr. Ju Dongying. He meets the Independence Criteria for Outside Directors established by the Company and is thus considered independent. If he is elected, the Company will notify the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange.</p>

Notes:

- 1: There is no special interest between any of the director nominees and the Company.
- 2: The Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions” of Duan Yuebin, Zhu Dan, Tang Yeguo, and Xiong Hao include the positions and areas of responsibility as executive officers in each of the following companies of Hisense Group, whose ultimate parent company is Hisense Group Holdings Co, Ltd., to which Hisense Home Appliances Group Co., Ltd., which will become the parent company of the Company upon the completion of the payment for the Capital Increase through Third-Party Allotment, belongs.
Hisense Group Holdings Co., Ltd., Hisense (Beijing) Electric Co., Ltd., Hisense Ronshen (YangZhou) Refrigerator Co., Ltd., Hisense (Shandong) Refrigerator Co., Ltd., Hisense Home Appliances Group Co., Ltd., Hisense Co., Ltd., Hisense International Co., Ltd, Hisense Electronics, Hisense Visual Technology Co., Ltd., Qingdao Hisense Air-conditioning Systems Co., Ltd., Hisense Kelon Electrical Holdings Company Limited, Qingdao Hisense Hitachi Air-conditioning Systems Co., Ltd., Hisense Broadband Multimedia Technologies, Ltd.
- 3: If Zhao Fuquan and Ju Dongying are elected as proposed, the Company will enter into the “Liability Limitation Agreement” with them that limits the liability under Paragraph 1 of Article 423 of the Companies Act to the ceiling amount under laws and regulations.
- 4: The number of the Company’s shares held by Hideyuki Kobayashi among the above nominees, includes the number of shares scheduled to be delivered at his resignation as of this Ordinary General Meeting of Shareholders under the Performance-Linked Stock Compensation system. The relative number of shares is shown in the brackets under the total number of shares held by such nominee.
[Explanation about the number of shares to be delivered under the Performance-Linked Stock Compensation System]
From the 90th (2015) fiscal year, the Company introduced the Performance-Linked Stock Compensation System (the “System”) for directors and corporate officers and senior general managers with whom the Company has entered into an engagement agreement (excluding foreign residents, outside directors, and part-time directors; hereinafter “Directors, Etc.”).
The System is a stock compensation system where the Directors, Etc. will be awarded a certain number of points according to the attainment level of performance targets of each fiscal year and position on June 1 immediately after the end of the fiscal year. Upon retirement, the shares of the Company and money equivalent to the amount for the conversion to cash of the shares of the Company (“Company Shares, Etc.”) with five points as one share of the Company according to the accumulated points will be delivered or paid (“Delivery, Etc.”) to the Directors, Etc. who satisfy the beneficiary terms. The number of shares shown for each nominee above as the shares delivered under this system is the number equivalent to the accumulated points by June 1, 2021. No voting rights shall be exercised on the Company shares prior to their actual future delivery to the above nominees. The shares accounting for 10% of the shares to be delivered will be sold in the market and the proceeds will be delivered.
- 5: The Company has entered into a directors and officers liability insurance contract with an insurance company, as set forth in Paragraph 1 of Article 430-3 of the Companies Act. If, during the insurance period, a claim for damages is made against the insured due to an act conducted by the insured in connection with his/her duties as a director or an officer of the Company, the Company shall indemnify the insured from any legal damages and disputes and litigation expenses, provided, however, that the insurance company will be exempted from liability for certain damages arising from an act conducted by the insured while recognizing that such act is in violation of laws and regulations. In addition, the insured under such directors and officers liability insurance contract is a director, auditor, executive officer or management employee of the Company and its subsidiaries, and the Company shall bear all insurance premiums for all insureds.
The director nominees will be included in the insureds under such insurance contract. The Company plans to renew such insurance contract under the same terms at the next contract-renewal time.
- 6: The age of each director nominee described is as of this Ordinary General Meeting of Shareholders.
- 7: The attendance at the Board of Directors meetings of each director nominee described is for FY2020.

Item 2: Election of Four (4) Audit & Supervisory Board Members

*This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

All four (4) Audit & Supervisory Board Members shall retire from office due to resignation at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we propose that the following four (4) Audit & Supervisory Board Member nominees be elected. We have obtained the consent of the Audit & Supervisory Board in connection with this item.

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

The four (4) Audit & Supervisory Board Member nominees are as follows:

Nominee No.	Name	Current Position and Responsibilities at the Company	Attendance at Board of Directors meetings and the Audit & Supervisory Board meetings
1	New nominee Jiahui Sun		-
2	New nominee Shoichi Kaneko	General Manager of Audit Department, Corporate Management Division	-
3	New nominee Katsuhiko Kato	Outside Independent	-
4	New nominee Masahiko Imura	Outside Independent	-

New nominee: Audit & Supervisory Board Member nominee for new election

Outside: Outside Audit & Supervisory Board Member nominee

Independent: Independent Outside Audit & Supervisory Board Member nominee

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
1	New nominee	<p>Feb. 2012 Assistant Accountant, TMF GROUP</p> <p>Oct. 2012 Auditor, Tianzhi International Accounting Firm</p> <p>Sept. 2014 Auditor, Audit Department, Hisense Co., Ltd.</p> <p>Aug. 2017 Business Analysis, Management and Finance Administration Department, Hisense Co., Ltd.</p> <p>Jan. 2019 Deputy General Manager, Management and Finance Administration Department, Hisense Visual Technology Co., Ltd.</p> <p>June 2020 Deputy General Manager, Management and Finance Administration Department, Hisense Group Holdings Co., Ltd. (present)</p>
	Jiahui Sun (Sep. 11, 1988) (32)	<p>(Major Concurrent Positions)</p> <p>Deputy General Manager, Management and Finance Administration Department, Hisense Group Holdings Co., Ltd.</p>
	<p>[Period in office as Audit & Supervisory Board Member (years)]</p> <p>-</p> <p>[No. of Sanden shares held]</p> <p>0</p> <p>[Attendance at the Board of Directors meeting]</p> <p>-</p> <p>[Attendance at the Audit & Supervisory Board meeting]</p> <p>-</p>	<p>(Reasons for selection as nominee for Audit & Supervisory Board Member)</p> <p>Ms. Sun Jiahui has been engaged in the operation of auditing, finance and business analysis for many years and has extensive knowledge and experience in various areas. She joined Hisense Group in 2014, assumed office of Deputy General Manager, Management and Finance Administration Department, Hisense Visual Technology Co., Ltd. in 2019, and served as a position of Deputy General Manager, Management and Finance Administration Department, Hisense Group Holdings Co., Ltd. since 2020. She has contributed to the auditing and corporate management from the perspective of finance.</p> <p>We have judged that she is a person who can utilize her specialized abilities and experience and appropriately execute the duties of an Audit & Supervisory Board Member in order to make the corporate management transparent and to improve, in a sustained manner, the corporate value. Accordingly, we propose her election as Audit & Supervisory Board Member.</p> <p>(Note)</p> <p>The “Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions” column of Ms. Sun Jiahui includes the positions and areas of responsibility as a person performing an executive role in Hisense Co., Ltd., Hisense Visual Technology Co., Ltd. and Hisense Group Holdings Co., Ltd. of Hisense Group whose ultimate parent company is Hisense Group Holdings Co., Ltd. and to which Hisense Home Appliances Group, which will be a parent company, etc. of the Company upon completion of the payment for the Capital Increase through Third-Party Allotment, belongs.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
2	New nominee	Apr. 1988	Joined Sanden
	Shoichi Kaneko (May 17, 1963) (58)	Sept. 2003	General Manager, Sanden System Engineering Corporation
	[Period in office as Audit & Supervisory Board Member (years)] -	Mar. 2004	Supervisor, IT Division, Sanden
		Apr. 2008	Deputy General Manager, SANDEN INTERNATIONAL (EUROPE) Ltd.
	[No. of Sanden shares held] 800	Dec. 2013	General Manager, Corporate Management and Audit Department, Administration Division, Sanden
		June 2019	General Manager, Audit Department, Corporate Management Division, Sanden
	[Attendance at the Board of Directors meeting] -	(Reasons for selection as nominee for Audit & Supervisory Board Member)	
		Mr. Shoichi Kaneko has extensive experience in and insight into planning and management, etc. in the areas of IT and auditing, and is especially familiar with internal control, internal audit and business audit. In addition, as he has experience of working abroad, we expect that he will also make a significant contribution to international business.	
	[Attendance at the Audit & Supervisory Board meeting] -	We have judged that he is a person who can utilize his specialized abilities and experience and appropriately execute the duties of an Audit & Supervisory Board Member in order to make the corporate management transparent and to improve, in a sustained manner, the corporate value. Accordingly, we propose his election as Audit & Supervisory Board Member.	

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
3	<p>New nominee Outside Independent</p> <p>Katsuhiko Kato (Apr. 3, 1961) (60)</p> <p>[Period in office as Audit & Supervisory Board Member (years)] -</p> <p>[No. of Sanden shares held] 0</p> <p>[Attendance at the Board of Directors meeting] -</p> <p>[Attendance at the Audit & Supervisory Board meeting] -</p>	<p>Apr. 1984 Joined Mitsubishi Corporation</p> <p>Nov. 1991 First Head, South America Automotive Office established in Chile</p> <p>Dec. 1994 President, MMC Chile S.A.</p> <p>Nov. 1997 Manager, Automotive Business Division, Mitsubishi Corporation</p> <p>Aug. 1998 Vice President, Isuzu Philippines Corporation</p> <p>Nov. 2003 Team Leader, Isuzu Business Division, Mitsubishi Corporation</p> <p>May 2012 Internal Audit Dept., Mitsubishi Corporation</p> <p>May 2013 General Manager, International Division, Kansai Paint Co., Ltd.</p> <p>Apr. 2016 Executive Officer, Corporate Business Division, Kansai Paint Co., Ltd.</p> <p>Apr. 2020 Executive Board Member, assistant of person in charge of technology, Kansai Paint Co., Ltd.</p> <p>(Reasons for selection as nominee for Outside Audit & Supervisory Board Member) Mr. Katsuhiko Kato has been engaged in the business related to the automotive industry since 1984 and has high level of specialized abilities for the automotive industry. In addition, he has extensive experience in the automotive industry including experience of working at Mitsubishi Corporation and its affiliate companies. We have judged that he is a person who can utilize his specialized abilities and experience and appropriately execute the duties of an Outside Audit & Supervisory Board Member in order to make the corporate management transparent and to improve, in a sustained manner, the corporate value. Accordingly, we propose his election as Outside Audit & Supervisory Board Member.</p> <p>(Independence) There is no business relationship between the Company and Mr. Katsuhiko Kato. He meets the Independence Criteria for Outside Officers established by the Company and is thus considered independent. If he is elected, the Company will notify the Tokyo Stock Exchange of his appointment as an Independent Officer as provided for by the aforementioned exchange.</p>

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
4	New nominee Outside Independent	Apr. 1980	Joined Daiwa Securities Co. Ltd.
	Masahiko Imura (Mar. 27, 1957) (64)	Apr. 2000	General Manager, Business Corporation Department IV, Daiwa Securities SMBC
		Apr. 2001	Mito Branch Manager, Daiwa Securities Co. Ltd.
		Aug. 2004	General Manager, Nagoya Corporate Department I, Daiwa Securities SMBC
		Apr. 2007	Deputy Branch Manager and General Manager of Corporate Department I, Nagoya Branch, Daiwa Securities SMBC
		Apr. 2008	General Manager, Corporate Management Department, Daiwa Securities SMBC
		Apr. 2009	Director, Daiwa Investor Relations Co. Ltd.
		Apr. 2010	Managing Director, Daiwa Investor Relations Co. Ltd.
		Apr. 2014	Managing Director, Daiwa Office Services Co., Ltd.
	[Period in office as Audit & Supervisory Board Member (years)]	Apr. 2017	Executive Board Member, Hikari Business Form Inc.
-	(Reasons for selection as nominee for Outside Audit & Supervisory Board Member) Mr. Masahiko Imura has extensive work experience regarding securities gained through experience of working at Daiwa Securities for many years. He also has substantial experience of providing service to the Company and has a detailed knowledge of the business of the Company. We have judged that he is a person who can utilize his specialized abilities and experience and appropriately execute the duties of an Outside Audit & Supervisory Board Member in order to make the corporate management transparent and to improve, in a sustained manner, the corporate value. Accordingly, we propose his election as Outside Audit & Supervisory Board Member.		
[No. of Sanden shares held]			
0			
[Attendance at the Board of Directors meeting]			
-			
[Attendance at the Audit & Supervisory Board meeting]			
-	(Independence) There is no business relationship between the Company and Mr. Masahiko Imura. He meets the Independence Criteria for Outside Officers established by the Company and is thus considered independent. If he is elected, the Company will notify the Tokyo Stock Exchange of his appointment as an Independent Officer as provided for by the aforementioned exchange.		

Notes:

- 1: There is no special interest between any of the Audit & Supervisory Board Member nominees and the Company.
 - 2: If the Audit & Supervisory Board Member nominees are elected as proposed, the Company will enter into the “Liability Limitation Agreement” with them that limits the liability under Paragraph 1 of Article 423 of the Companies Act to the ceiling amount under laws and regulations.
 - 3: The Company has entered into a directors and officers liability insurance contract with an insurance company, as set forth in Paragraph 1 of Article 430-3 of the Companies Act. If, during the insurance period, a claim for damages is made against the insured due to an act conducted by the insured in connection with his/her duties as a director or an officer of the Company, the Company shall indemnify the insured from any legal damages and disputes and litigation expenses, provided, however, that the insurance company will be exempted from liability for certain damages arising from an act conducted by the insured while recognizing that such act is in violation of laws and regulations. In addition, the insured under such directors and officers liability insurance contract is a director, auditor, executive officer or management employee of the Company and its subsidiaries, and the Company shall bear all insurance premiums for all insureds.
- The Audit & Supervisory Board Member nominees will be included in the insureds under such insurance

contract. The Company plans to renew such insurance contract under the same terms at the next renewal time.

- 4: The age of each Audit & Supervisory Board Member nominee described is as of this Ordinary General Meeting of Shareholders.
- 5: Attendance at the Board of Directors meetings and the Audit & Supervisory Board meetings of each Audit & Supervisory Board Member nominee described are for FY2020.

Item 3: Election of Eight (8) Directors

*This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

The term of office of all eight (8) directors shall expire at the conclusion of this Ordinary General Meeting of Shareholders. Therefore, we propose that the following eight (8) director nominees be elected.

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

The eight (8) director nominees are as follows:

Nominee No.	Name (Age)	Current Position and Responsibilities at the Company	Attendance at Board of Directors meetings
1	Re-election Katsuya Nishi (56)	Representative Director & President, Member of Executive Nomination and Compensation Committee	100% 15/15
2	Re-election Tsuguo Ito (64)	Representative Director & Executive Vice President, Head of Compressor Business, Member of Executive Nomination and Compensation Committee	100% 15/15
3	Re-election Mark Ulfig (64)	Director & Executive Vice President in charge of Overseas Business and Global Compliance	100% 15/15
4	Re-election Hideyuki Kobayashi (54)	Director & Executive Corporate Officer in charge of Corporate Strategy and Corporate Communications/SDGs, General Manager of Corporate Planning Office	100% 15/15
5	Re-election Hiroshi Takahashi (63)	Director & Executive Corporate Officer in charge of Manufacturing and Human Resources/Administration, Division General Manager of Corporate Solutions Engineering Division	100% 15/15
6	Re-election Toru Akima (51)	Director & Corporate Officer, Division General Manager of Finance & Accounting Division	100% 15/15
7	Re-election Hideto Ozaki (75) Outside	Director, Chairperson of Executive Nomination and Compensation Committee	100% 15/15
8	Re-election Yuzo Ushiyama (71) Outside Independent	Director, Member of Executive Nomination and Compensation Committee	100% 15/15

Re-election: Director nominee for re-election
Independent: Independent Director nominee

Outside: Outside Director nominee

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
1	<p>Re-election</p> <p>Katsuya Nishi (Aug. 3, 1964) (56)</p> <p>[Period in office as Director (years)] 12</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 37,922 (20,822)</p> <p>[Attendance at the Board of Directors meeting] 100% (15 out of 15)</p>	<p>Apr. 1985 Joined Sanden</p> <p>July 2008 General Manager of Corporate Planning Office</p> <p>June 2009 Director Corporate Officer General Manager of Corporate Planning Office</p> <p>June 2012 Director & Executive Corporate Officer in charge of Corporate Planning, Finance, Accounting and Administration</p> <p>June 2013 Senior Director</p> <p>June 2015 Director & Executive Corporate Officer Division General Manager, Accounting Division Director & Executive Corporate Officer</p> <p>July 2015 Director & Executive Corporate Officer, Division General Manager of Accounting Division Representative Director & President, Sanden of America, Inc.</p> <p>June 2016 Director & Executive Vice President</p> <p>June 2017 Director & Executive Vice President in charge of Planning, Management Control, Finance, Accounting</p> <p>Apr. 2018 Representative Director & Executive Vice President in charge of Planning, Finance, Accounting, Management Control, R&D and Manufacturing strategy</p> <p>June 2019 Representative Director & President (present)</p> <p>June 2020 Outside Director, Gunma Television Co., Ltd. (present)</p>	<p>(Reasons for selection as nominee for Director) Mr. Katsuya Nishi has been in charge of the Company's corporate planning, finance, and accounting for many years and has extensive knowledge and experience in those fields. In 2008, he assumed office as General Manager of the Corporate Planning Office, and drove rebuilding management after the 2008 global financial crisis. In 2015, he drove the transition to a holding company structure and completed the transformation of the group structure. He assumed office as Representative Director in 2018, and, since 2019, has appropriately managed the Board of Directors in his role as Chairman of the Board of Directors. As Representative Director & President, he has driven the Medium-term Management Plan, and has proceeded with reform plans with the aim of implementing drastic structural reforms and realizing sustainable growth. We expect him to drive the promotion of the Group's medium- to long-term management strategy and improvement in corporate value in a drastically changing environment. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
2	Re-election Tsuguo Ito (Sep. 26, 1956) (64) [Period in office as Director (years)] 3 [No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 18,839 (10,439) [Attendance at the Board of Directors meeting] 100% (15 out of 15)	Apr. 1980 Joined Mitsubishi Motors Corporation July 1997 Executive Vice President, Mitsubishi Motor Sales of America, Inc. Aug. 2002 President, The US Business Initiatives, Inc. Aug. 2012 Executive Vice President, ITOCHU Automobile America Inc. Dec. 2014 Joined Sanden Jan. 2015 Division General Manager, Compressor Division Apr. 2015 Representative Director & President, Sanden Automotive Components Corporation (present) June 2017 Executive Corporate Officer, Head of Global Compressor Business June 2018 Director & Executive Corporate Officer, Head of Global Compressor Business June 2019 Representative Director & Executive Vice President, Head of Automobile Compressor Business Apr. 2020 Representative Director & Executive Vice President, Head of Compressor Business (present)	
		(Major Concurrent Positions) Representative Director & President, Sanden Automotive Components Corporation	
		(Reasons for selection as nominee for Director) Mr. Tsuguo Ito has a wealth of experience at overseas bases in Australia and the Americas in the automotive industry, and in 2015, he assumed office as a Representative Director of Sanden Automotive Components Corporation, a subsidiary of the Company, and has been contributing to the growth of overseas development. He assumed office as Director of the Company in 2018 and as Representative Director in 2019. As well as fully and adequately providing explanations to the Board of Directors with regard to important management matters and enhancing the decision-making functions of the Board of Directors, he has been formulating strategies for the automotive business on a global scale, while establishing structures to promote and implement the strategies and sharing them across group companies in a leadership role. We expect him, especially in the drastically changing automotive industry, to contribute to improvement in business competitiveness and further business growth with his ability and insight in a wide range of fields. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.	

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
3	<p>Re-election</p> <p>Mark Ulfig (Nov. 14, 1956) (64)</p> <p>[Period in office as Director (years)] 8</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 0 (-)</p> <p>[Attendance at the Board of Directors meeting] 100% (15 out of 15)</p>	<p>May 1978 Research Engineer, General Electric Co.</p> <p>Aug. 1985 Senior Management Consultant, KPMG Peat Marwick</p> <p>May 1988 Plant Manager, Sanden International (U.S.A.), Inc.</p> <p>Oct. 2009 President, Sanden International (U.S.A.), Inc.</p> <p>Oct. 2010 Corporate Officer President, Sanden International (U.S.A.), Inc. President, Sanden Mexicana S.A.DE C.V.</p> <p>June 2013 Director & Senior Executive Corporate Officer</p> <p>June 2015 Director & Senior Executive Corporate Officer</p> <p>June 2016 Director & Executive Vice President</p> <p>June 2017 Director & Executive Vice President in charge of Global Business</p> <p>Oct. 2017 Director & Executive Vice President in charge of Global Business Chairman, Sanden International (U.S.A.), Inc.</p> <p>Apr. 2018 Director & Executive Vice President in charge of Global Compliance Representative Director & President, Sanden International (U.S.A.), Inc. (present)</p> <p>June 2019 Director & Executive Vice President in charge of Overseas Business and Global Compliance (present)</p>	
		<p>(Major Concurrent Positions) Representative Director & President, Sanden International (U.S.A.), Inc.</p>	
		<p>(Reasons for selection as nominee for Director) Mr. Mark Ulfig is qualified as a lawyer in the U.S., and has a wealth of legal experience and knowledge. Since 2009, he has served as a representative of the U.S. subsidiary, the Group's core, and has been engaged in sales and manufacturing reforms in the U.S. Since 2013, as Director of the Company, in addition to appropriately supervising management mainly in overseas business management, he has promoted global activities, especially strengthening the management of overseas subsidiaries and building strong relationships with global customers, mainly in the automobile business. In 2018, he led the initiatives to strengthen compliance on a global scale, while also conducting rationalization and strengthening cost competitiveness with an emphasis on the Company's locations in North America and Central and South America. We expect him, especially in overseas businesses with drastic changes in the environment, to drive reconstruction of the medium-term earnings base, as well as further drive to strengthen compliance by leveraging his legal knowledge and experience. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>	

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
4	Re-election Hideyuki Kobayashi (Apr. 26, 1967) (54) [Period in office as Director (years)] 2 [No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 15,124 (9,124) [Attendance at the Board of Directors meeting] 100% (15 out of 15)	Apr. 1991 Joined Sanden Sep. 2012 Plant Manager, Compressor Business Plant June 2013 Deputy Division General Manager, Compressor Division Apr. 2015 General Manager, Product Strategy Department, Business Division, Sanden Automotive Components Corporation Jan. 2016 General Manager, Business Strategy Department, Corporate Planning Office June 2017 Corporate Officer June 2019 General Manager, Corporate Planning Office June 2019 Director & Executive Corporate Officer, Division General Manager of Management Strategy Division in charge of Business Development Apr. 2020 Director & Executive Corporate Officer in charge of Corporate Strategy and Corporate Communications/SDGs, General Manager of Corporate Planning Office (present)	
		(Reasons for selection as nominee for Director) Mr. Hideyuki Kobayashi led the initiatives in the fields of technical development and production management of compressors for automotive air conditioners, one of the Company's core products, for many years and has extensive knowledge and experience in those fields. He has contributed to expansion of global business by supporting manufacturing and technical development on a global scale as a Plant Manager in 2012 and being engaged in business management as a Deputy Division General Manager in 2013. As a Corporate Officer and General Manager of the Corporate Planning Office from 2017, and Director since 2019, he appropriately supervised management with an emphasis on strategic and technical perspectives, and played a central role in establishing and promoting the Medium-term Management Plan. We expect him, in the current drastically changing market environment, to drive the tangible promotion of the management strategy, especially with his experience and capabilities in the technical development field, as a person responsible for planning and implementing the Medium-term Management Plan based on the new concept of management. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.	

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
5	<p>Re-election</p> <p>Hiroshi Takahashi (Apr. 14, 1958) (63)</p> <p>[Period in office as Director (years)] 2</p> <p>[No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 13,772 (11,472)</p> <p>[Attendance at the Board of Directors meeting] 100% (15 out of 15)</p>	<p>Apr. 1979 Joined Sanden</p> <p>July 2002 General Manager, Production Management Department, A/C SystemPlant</p> <p>May 2007 Division General Manager, IT Division</p> <p>Apr. 2014 Corporate Officer Yattajima Plant Manager</p> <p>Apr. 2015 Corporate Officer Division General Manager, Production Management Division</p> <p>July 2017 Corporate Officer Akagi Plant Manager</p> <p>Nov. 2018 Corporate Officer in charge of Gunma, Manager, Manufacturing Process Standardization PJ</p> <p>June 2019 Director & Executive Corporate Officer, Division General Manager of Corporate Solutions Engineering Division in charge of Manufacturing</p> <p>Apr. 2020 Director & Executive Corporate Officer in charge of Manufacturing and Human Resources/Administration, Division General Manager of Corporate Solutions Engineering Division (present)</p> <p>(Reasons for selection as nominee for Director) Mr. Hiroshi Takahashi has been in charge of the manufacturing field including production technology and production management for many years and has extensive knowledge and experience in this field. In 2007, he assumed office as Division General Manager of the IT Division and led operational reforms of the Group by introducing information technology. Subsequently, he promoted craftsmanship reforms in the Company's mainstay Automotive Systems Business in addition to the Commercial Store Systems Business as a Plant Manager of a global mother business office. He has launched a company-wide project for further operational reforms and driven cost reductions on a global basis since 2018, and, as a Director since 2019, he has appropriately supervised management with an emphasis on a manufacturing perspective. We expect him to further promote manufacturing innovation with his experience in plant management and through the driving of efficiency using IT. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.</p>

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
6	Re-election Toru Akima (Dec. 1, 1969) (51) [Period in office as Director (years)] 2 [No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 9,121 (7,421) [Attendance at the Board of Directors meeting] 100% (15 out of 15)	Apr. 1992 Joined Sanden July 2008 General Manager, Corporate Planning Office June 2015 Director & Executive Vice President, Sanden International (U.S.A.), Inc. June 2017 General Manager, Accounting Division Apr. 2018 Corporate Officer Division General Manager, Accounting Division June 2019 Director & Corporate Officer, Division General Manager of Finance & Accounting Division (present)	
		(Reasons for selection as nominee for Director) Mr. Toru Akima has been in charge of the Company's finance and accounting for many years and has extensive knowledge and experience in those fields. In 2015, he contributed to improvement in the profitability and cash flow of a US subsidiary as Director & Executive Vice President of the subsidiary. In 2018, he assumed office as Corporate Officer and Division General Manager of the Accounting Division, and, as a Director since 2019, he has appropriately supervised management mainly from a financial perspective and has also driven the reform of the financial structure of the Group, which has business operations on a global scale. We expect him to further drive the reform of financial structure and cash flow management of the Group. We also have judged that as a Director, he is an appropriate person to provide the Group with appropriate decision-making and supervision. Accordingly, we propose his re-election as Director.	

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions	
7	Re-election Outside Independent Hideto Ozaki (Dec. 26, 1945) (75) [Period in office as Director (years)] 8 [No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 2,200 (-) [Attendance at the Board of Directors meeting] 100% (15 out of 15)	Apr. 1968	Joined Toyota Motor Sales Co., Ltd.
		June 1999	Director, Toyota Motor Corporation
		July 2000	Representative Director & President, Toyota Financial Services Corporation
		June 2008	Representative Director & Chairman, Aioi Insurance Company, Limited (currently Aioi Nissay Dowa Insurance Company, Limited)
		June 2011	Special Advisor, Aioi Nissay Dowa Insurance Company, Limited
		June 2013	Outside Director, Sanden (present)
		July 2014	Advisory Council, SVP Global Asia LLC
		June 2015	Outside Director, Mito Securities Co., Ltd.
		July 2018	Dean of the Lean Management Institute, Shanghai Jiaoda Education Group (present)
		Mar. 2020	External Corporate Auditor, Broadleaf Co., Ltd. (present)
June 2020	External Director, UCC HOLDINGS CO., LTD. (present)		
		(Major Concurrent Positions) External Corporate Auditor, Broadleaf Co., Ltd. External Director, UCC HOLDINGS CO., LTD.	
		(Reasons for selection as nominee for Outside Director and his roles expected as Outside Director) Mr. Hideto Ozaki has a high level insight and ability in management strategy and business administration from his experience in a wide range of corporate management at automobile companies, non-life insurance companies, and other companies, and appropriately supervises management as an Outside Director. He has provided a great deal of advice on management from a shareholder perspective and has also actively spoken to increase the transparency and fairness of management as Chairman of the Executive Nomination and Compensation Committee established in August 2017. We expect him to contribute to further assure the Group’s management transparency with his insight and wealth of experience in corporate management, and to supervise management with the aim of improving corporate value in a sustainable manner. Accordingly, we propose his re-election as Outside Director.	

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

No.	Name (Date of birth) (Age)	Resume, Positions and Areas of Responsibility in the Company and Major Concurrent Positions
8	Re-election Outside Independent Yuzo Ushiyama (June 10, 1950) (71) [Period in office as Director (years)] 2 [No. of Sanden shares held] (No. of shares delivered under the Stock Compensation system) 10,000 (-) [Attendance at the Board of Directors meeting] 100% (15 out of 15)	Apr. 1974 Joined Toyota Motor Sales Co., Ltd. July 2000 Senior Vice President, Toyota Motor Sales, U.S.A. Inc. June 2004 Managing Officer, Toyota Motor Corporation June 2009 Executive Vice President, TOKAI RIKI CO., LTD. June 2010 President, TOKAI RIKI CO., LTD. June 2015 Advisor, TOKAI RIKI CO., LTD. June 2019 Outside Director, Sanden (present)
		(Reasons for selection as nominee for Outside Director and his roles expected as Outside Director) Mr. Yuzo Ushiyama has experience in a wide range of corporate management in the automobile industry and also possesses a high level insight and ability in the fields of overseas strategic planning, overseas business, and production management. In 2010, he assumed office of President of TOKAI RIKI CO., LTD. and successfully rebuilt management and achieved business growth after the 2008 global financial crisis. Based on that experience and insight, he has been appropriately supervising management as an Outside Director of the Company since 2019. He has also actively spoken to increase the transparency and fairness of management as a Member of the Executive Nomination and Compensation Committee. We propose his re-election as Outside Director to drive structural reform of the Group's automobile business. (Independence) There is no business relationship between the Company and Mr. Yuzo Ushiyama. He meets the Independence Criteria for Outside Directors established by the Company and is thus considered independent. The Company notified the Tokyo Stock Exchange of his appointment as an Independent Director as provided for by the aforementioned exchange. If he is re-elected, he will continue serving as an Independent Director.

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is not completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

Notes:

- 1: There is no special interest between any of the director nominees and the Company.
- 2: Hideto Ozaki and Yuzo Ushiyama have entered into the “Liability Limitation Agreement” with the Company that limits the liability under Paragraph 1 of Article 423 of the Companies Act to the ceiling amount under laws and regulations. If they are re-elected as proposed, we will renew their agreement.
- 3: The number of the Company’s shares held by Katsuya Nishi, Tsuguo Ito, Hideyuki Kobayashi, Hiroshi Takahashi, and Toru Akima among the above nominees, includes the number of shares scheduled to be delivered at their resignation as of this Ordinary General Meeting of Shareholders under the Performance-Linked Stock Compensation system. The relative number of shares is shown in the brackets under the total number of shares held by each nominee. Please refer to Note 3 of Item 1 for an explanation concerning said system.
- 4: The Company has entered into a directors and officers liability insurance contract with an insurance company under Paragraph 1 of Article 430-3 of the Companies Act and each director nominee will become the insured under said insurance contract. In addition, the Company intends to renew the insurance policy with the same contents at the next renewal. Please refer to Note 4 of Item 1 for details of said insurance contract.
- 5: The age of each director nominee described is as of this Ordinary General Meeting of Shareholders.
- 6: The attendance at the Board of Directors meeting of each director nominee described is for FY2020.

Item 4: Partial Amendments to the Articles of Incorporation

*This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

1. Reason for the Amendments

Upon the completion of the payment for the Capital Increase through Third-Party Allotment, the Company will become an affiliate company of Hisense Group to which Hisense Home Appliances Group Co., Ltd. belongs and whose ultimate parent company is Hisense Group Holdings Co., Ltd. While the fiscal term of the Company is currently a one-year term commencing on April 1 of each year and ending on March 31 of the following year, the Company decided to change the fiscal period after the completion of the payment for the Capital Increase through Third-Party Allotment for the purpose of strengthening and streamlining its system for accounting and management by aligning its fiscal period with that of Hisense Group.

This proposal will be put to a vote only if the payment for the Capital Increase through Third-Party Allotment is completed by the date immediately preceding the date of this Ordinary General Meeting of Shareholders.

2. Details of the Amendments

The details of the amendments are as follows:

(Underlines indicate the portions that are to be amended.)

Current Articles of Incorporation	Proposed Amendments
(Record Date) Article 12 The Company shall deem those shareholders recorded on the register of shareholders as of the 31st of <u>March</u> every year to be shareholders who are entitled to exercise their voting rights at the ordinary meeting of shareholders.	(Record Date) Article 12 The Company shall deem those shareholders recorded on the register of shareholders as of the 31st of <u>December</u> every year to be shareholders who are entitled to exercise their voting rights at the ordinary meeting of shareholders.
(Convocation) Article 13 The ordinary general meeting of shareholders of the Company is convened in <u>June</u> each year.	(Convocation) Article 13 The ordinary general meeting of shareholders of the Company is convened in <u>March</u> each year.
(Business Term) Article 32 The business term of the Company shall be a one-year term commencing on <u>April</u> 1 of each year and ending on <u>March</u> 31 of <u>the following</u> year.	(Business Term) Article 32 The business term of the Company shall be a one-year term commencing on <u>January</u> 1 of each year and ending on <u>December</u> 31 of <u>each</u> year.
(Dividends of Retained Earnings) Article 33 The year-end dividends of the Company shall be paid, by a resolution of the General Meeting of Shareholders, to the shareholders or registered pledges recorded in the register of shareholders as of the accounts closing date. In addition to the preceding paragraph, the interim dividends of the Company shall be paid, by a resolution of the Board of Directors, to the shareholders or registered pledges recorded in the register of shareholders as of the end of <u>September</u> each year.	(Dividends of Retained Earnings) Article 33 The year-end dividends of the Company shall be paid, by a resolution of the General Meeting of Shareholders, to the shareholders or registered pledges recorded in the register of shareholders as of the accounts closing date. In addition to the preceding paragraph, the interim dividends of the Company shall be paid, by a resolution of the Board of Directors, to the shareholders or registered pledges recorded in the register of shareholders as of the end of <u>June</u> each year.
(Newly established)	<u>Supplementary Provisions</u> Article 1 Notwithstanding the provision of

	<p><u>Article 32 (Business Term), the 96th business term shall be a nine-month term commencing on April 1, 2021 and ending on December 31, 2021.</u></p>
(Newly established)	<p><u>Article 2 Notwithstanding the provision of Paragraph 2 of Article 33 (Dividends of Retained Earnings), the record date of interim dividend for the 96th business term shall be September 30, 2021.</u></p>
(Newly established)	<p><u>Article 3 The preceding two Articles and this Article shall be deleted upon the ending of the 96th business term.</u></p>

Consolidated Balance Sheet

(As of March 31, 2021)

(In millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets:	92,847	Current liabilities:	141,923
Cash and deposits	19,899	Notes and accounts payable – trade	33,030
Notes and accounts receivable – trade	44,979	Short-term loans payable	56,986
Merchandise and finished goods	12,762	Current portion of bonds	2,185
Work in process	5,579	Current portion of long-term loans payable	24,292
Raw materials	6,099	Accounts payable – other	9,072
Other inventories	2,386	Lease obligations	2,656
Accounts receivable – other	4,197	Income taxes payable	452
Consumption taxes receivable	4,225	Provision for bonuses	1,330
Other	9,420	Provision for sales rebates	166
Allowance for doubtful accounts	(16,702)	Provision for product warranties	2,757
		Other	8,993
Noncurrent assets:	62,234	Noncurrent liabilities:	30,114
Property, plant and equipment	43,423	Bonds	1,662
Buildings and structures	14,820	Long-term loans payable	15,719
Machinery, equipment and vehicles	10,223	Lease obligations	6,649
Tools, furniture and fixtures	2,342	Deferred tax liabilities	336
Land	10,094	Net defined benefit liability	2,569
Lease assets	1,816	Provision for environmental measures	505
Construction in progress	4,125	Reserve for compensation to be paid in stock	158
Intangible assets	815	Other	2,512
Other	815	Total Liabilities	172,037
Investments and other assets	17,995	[Net assets]	
Investment securities	15,196	Shareholders' equity	(17,204)
Net defined benefit asset	134	Capital stock	11,037
Deferred tax assets	1,380	Capital surplus	3,377
Other	4,640	Retained earnings	(30,944)
Allowance for doubtful accounts	(3,356)	Treasury stock	(674)
		Accumulated other comprehensive income	(1,241)
		Valuation difference on available-for-sale securities	1
		Deferred gains or losses on hedges	(28)
		Foreign currency translation adjustment	(873)
		Remeasurements of defined benefit plans	(341)
		Non-controlling interests	1,490
		Total net assets	(16,956)
Total assets	155,081	Total liabilities and net assets	155,081

Consolidated Statement of Income
(From April 1, 2020 to March 31, 2021)

(In millions of yen)

Item	Amount	
Net sales		137,477
Cost of sales		129,802
Gross profit		7,674
Selling, general and administrative expenses		26,131
Operating loss		18,456
Non-operating income		
Interest income	450	
Dividends income	8	
Foreign exchange gains	420	
Rental income	734	
Other	292	1,906
Non-operating expenses		
Interest expenses	1,711	
Share of loss of entities accounted for using equity method	676	
Advisory expenses	1,371	
Other	2,928	6,687
Ordinary loss		23,237
Extraordinary income		
Gain on sales of noncurrent assets	178	
Gain on sales of investment securities	0	
Other	80	259
Extraordinary loss		
Loss on disposal of noncurrent assets	148	
Shutdown expenses	957	
Impairment loss	19,272	
Other	1,213	21,592
Loss before income taxes and minority interests		44,571
Income taxes – current		790
Income taxes – deferred		291
Loss before minority interests		45,652
Net loss attributable to non-controlling shareholders		401
Net loss		45,251

Non-Consolidated Balance Sheet

(As of March 31, 2021)

(In millions of yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets:	39,751	Current liabilities:	75,711
Cash and deposits	6,169	Operating payables	782
Operating receivables	5,137	Short-term loans payable	51,407
Supplies	12	Current portion of long-term loans payable	20,966
Short-terms loan receivable from subsidiaries and affiliates	54,513	Current portion of bonds	2,185
Other	413	Lease obligations	24
Allowance for doubtful accounts	(26,494)	Accrued expenses	107
		Provision for bonuses	57
		Other	179
Noncurrent assets:	35,973	Noncurrent liabilities:	16,964
Property, plant and equipment	16,856	Bonds	1,662
Buildings	7,379	Long-term loans payable	10,852
Structures	866	Lease obligations	43
Machinery and equipment	24	Guarantee deposits received	24
Vehicles	0	Reserve for compensation to be paid in stock	158
Tools, furniture and fixtures	144	Provision for loss on business of subsidiaries and associates	4,220
Land	8,429	Deferred tax liabilities	3
Lease assets	6	Total liabilities	92,675
Construction in progress	5		
Intangible assets	0	[Net assets]	
Investments and other assets	19,117	Shareholders' equity	(16,957)
Investment securities	340	Capital stock	11,037
Stocks of subsidiaries and affiliates	1,807	Capital surplus	4,453
Investments in capital of subsidiaries and affiliates	14,836	Legal capital surplus	4,453
Long-term loans receivable from subsidiaries and associates	1,689	Retained earnings	(32,046)
Prepaid pension costs	134	Other retained earnings	(32,046)
Other	369	Retained earnings brought forward	(32,046)
Allowance for doubtful accounts	(59)	Treasury stock	(402)
		Valuation and translation adjustments	7
		Valuation difference on available-for-sale securities	7
		Total net assets	(16,950)
Total assets	75,725	Total liabilities and net assets	75,725

Non-Consolidated Statement of Income

(From April 1, 2020 to March 31, 2021)

(In millions of yen)

Item	Amount	
Operating income		
Income from Group operations	3,114	
Income from real estate rentals	1,194	
Income from dividends of associated companies	3,241	
Other operating income	432	7,984
Operating expenses		6,160
Operating profit		1,823
Non-operating income		
Interest income	684	
Dividends income	8	
Foreign exchange gains	1,809	
Rental income	762	
Miscellaneous income	26	3,290
Non-operating expenses		
Interest expenses	771	
Taxes and dues	160	
Provision of allowance for doubtful accounts	15,276	
Advisory expenses	1,371	
Miscellaneous loss	1,268	18,848
Ordinary loss		13,734
Extraordinary income		
Gain on sales of noncurrent assets	81	
Gain on sales of investment securities	0	
Others	37	119
Extraordinary loss		
Impairment loss	4,473	
Provision for loss on business of subsidiaries and associates	4,220	
Loss on valuation of shares of subsidiaries and associates	19,140	
Loss on valuation of investments in capital of subsidiaries and associates	496	
Other	22	28,353
Loss before income taxes		41,968
Income taxes – current		124
Income taxes – deferred		-
Net loss		42,093