

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.

Securities Code: 6235

March 6, 2020

To our shareholders:

Ihei Hayashi
Representative Director and President
Optorun Co., Ltd.
Registered head office:
10-1, Takeno, Kawagoe-shi, Saitama
Tokyo office (headquarters):
11th Floor, Metropolitan Plaza Building,
1-11-1, Nishi-Ikebukuro, Toshima-ku, Tokyo

Notice of the 21st Annual General Meeting of Shareholders

You are cordially invited to attend the 21st Annual General Meeting of Shareholders of Optorun Co., Ltd. (the “Company”), which will be held as indicated below.

If you are unable to attend the meeting, please take the time to exercise your voting rights by using either of the following methods.

[Exercising your voting rights in writing]

Please indicate your approval or disapproval of the proposals in the enclosed voting form, and then return the form to the Company by postal mail so that your vote is received by 5:30 p.m. on Tuesday, March 24, 2020 (JST).

[Exercising voting rights via the Internet, etc.]

Please review the “Guide to Exercising Voting Rights via the Internet, etc.” (available in Japanese only) on this notice, and enter your approval or disapproval of the proposals by 5:30 p.m. Tuesday, March 24, 2020 (JST).

[Gifts for Shareholders]

Please be aware that there will be no gifts for shareholders who attend the meeting.

- 1. Date and Time:** Wednesday, March 25, 2020, at 10:00 a.m. (JST)
(Reception is scheduled to open at 9:00 a.m.)
- 2. Venue:** Prince Hall, 3rd Floor, Kawagoe Prince Hotel,
1-22, Shintomi-cho, Kawagoe-shi, Saitama

3. Purpose of the Meeting

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 21st fiscal year (from January 1, 2019 to December 31, 2019), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Board of Auditors
2. The Non-consolidated Financial Statements for the 21st fiscal year (January 1, 2019 to December 31, 2019)

Matters to be resolved:

- | | |
|-----------------------|---------------------------|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Election of Six Directors |

Please submit the enclosed voting form to the venue reception when attending the meeting.

Among the documents to be provided with this notice, the items below are published online at the Company website (URL: <http://www.optorun.co.jp/en/>) pursuant to laws and regulations, as well as Article 16 of the Company's Articles of Incorporation.

(i) Notes to Consolidated Financial Statements

(ii) Notes to Non-consolidated Financial Statements

These items are included in the Consolidated Financial Statements, and Non-consolidated Financial Statements audited by the Financial Auditor or the Corporate Auditors in preparing their respective Audit Reports.

Please note that any revisions made to the Reference Documents for the General Meeting of Shareholders, Business Report, and Non-consolidated and Consolidated Financial Statements are published online at the aforementioned Company website.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company considers the return of profit to shareholders a top priority of management and operates under the basic policy to pay stable dividends while giving full consideration to matters including future business development. Accordingly, the Company proposes to pay year-end dividends for the 21st fiscal year as follows:

Year-end dividends

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥60 per common share of the Company.

In this event, the total dividends will be ¥2,544,436,140.

(3) Effective date of dividends of surplus

The effective date of dividends will be March 26, 2020.

Proposal No. 2 Election of Six Directors

The terms of office of all seven Directors will expire at the conclusion of this meeting. Therefore, the Company proposes the election of six Directors.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Ihei Hayashi (February 27, 1957)	Feb. 1981 Joined Shanghai Semiconductor Device Laboratory Apr. 1993 Joined Tokyo Electronic Metallurgy Laboratory (current TDY Inc.) Aug. 2000 Joined the Company May 2001 Executive Officer and General Manager of Production Technology Division and General Manager of Production Department June 2001 Director Nov. 2003 Managing Director, Senior Executive Officer, General Manager of Production and Technology Department, and General Manager of Component Preparation Office Mar. 2006 Director Apr. 2006 Director and Senior Executive Officer May 2006 President of OPTORUN (SHANGHAI) CO., LTD. Apr. 2013 Vice Chairman of OPTORUN (SHANGHAI) CO., LTD. Oct. 2013 Chairman of OPTORUN TAIWAN CO., LTD. (current position) Mar. 2014 Representative Director and President, and Executive Officer of the Company Aug. 2016 President of OPTORUN (SHANGHAI) TRADING CO., LTD. (current position) Apr. 2017 Representative Director and President, Executive Officer, and General Manager of Production Management Department of the Company Sept. 2018 Representative Director and President, and Executive Officer (current position) Mar. 2019 Chairman of OPTORUN (SHANGHAI) CO., LTD. (current position)	682,000 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Toshinori Takahashi (June 29, 1948)	<p>Apr. 1972 Joined The Nippon Credit Bank, Ltd. (current Aozora Bank, Ltd.)</p> <p>Apr. 1998 Director of Nippon Credit Bank Investment Management</p> <p>Apr. 1999 Managing Director of Nippon Credit Bank Investment Management</p> <p>June 1999 Joined Merrill Lynch Japan Securities Co., Ltd.</p> <p>Jan. 2001 Joined the Company Senior Executive Officer and CFO</p> <p>May 2001 Senior Executive Officer, General Manager of Management Division and General Manager of Corporate Planning Office</p> <p>June 2001 Director</p> <p>Oct. 2001 Director of OPTORUN (SHANGHAI) CO., LTD. (current position)</p> <p>Nov. 2003 Managing Director of the Company</p> <p>Mar. 2006 Director</p> <p>Apr. 2006 Director, Senior Executive Officer and General Manager of Management Department</p> <p>Oct. 2013 Director of OPTORUN TAIWAN CO., LTD. (current position)</p> <p>Aug. 2014 Director of Optorun USA, INC. (current position)</p> <p>Mar. 2017 Director, Managing Executive Officer, and General Manager of Management Department of the Company</p> <p>Mar. 2018 Director, Senior Managing Executive Officer, and General Manager of Management Department</p> <p>Apr. 2019 Director, Senior Managing Executive Officer, General Manager of Management Department, and General Manager of Corporate Planning Office (current position)</p> <p>Certificates: U.S. Certified Public Accountant and MBA (Finance)</p>	481,900 shares

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Bin Fan (November 21, 1972)	<p>Sept. 1994 Joined Shanghai Institute of Technical Physics, Chinese Academy of Sciences</p> <p>Feb. 2000 Joined the Company</p> <p>Apr. 2008 General Manager of Technical Development Department</p> <p>Apr. 2013 Executive Officer and General Manager of Technical Development Department</p> <p>Mar. 2014 Director, Executive Officer and General Manager of Technical Development Department</p> <p>Aug. 2014 Director and CEO of Oporun USA, INC. (current position)</p> <p>Mar. 2017 Managing Executive Officer and General Manager of Technical Development Department of the Company</p> <p>Sept. 2018 Managing Executive Officer and General Manager of Technical Development Division</p> <p>Mar. 2019 Director, Senior Managing Executive Officer and General Manager of Technical Development Division (current position)</p> <p>Mar. 2019 Director of OPTORUN TAIWAN CO., LTD. (current position)</p> <p>Certificates: Doctor of Engineering</p>	307,000 shares
4	Min Rin (December 7, 1961)	<p>Apr. 1984 Deputy Director of Zhejiang Crystal Factory</p> <p>Apr. 1993 President of Taizhou Wote Electronics Co., Ltd.</p> <p>Apr. 1997 Vice President of Zhejiang Crystal Electronics Group Co., Ltd.</p> <p>Aug. 2002 Chairman of Zhejiang Crystal-Optech Co., Ltd. (current position)</p> <p>Mar. 2018 Outside Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Chairman of Zhejiang Crystal-Optech Co., Ltd.</p>	-
5	Takeshi Higuchi (July 3, 1943)	<p>Apr. 1967 Joined Fuji Photo Optical Co., Ltd. (current Fujifilm Corporation)</p> <p>June 1998 Managing Director of Fuji Photo Optical Co., Ltd.</p> <p>June 2000 President and Representative Director of Fuji Photo Optical Co., Ltd.</p> <p>Dec. 2005 Executive Officer and General Manager of Optical Device Division of Fuji Photo Film Co., Ltd.</p> <p>Nov. 2008 Director, Senior Vice President, and General Manager of Optical Device Division of Fujifilm Corporation</p> <p>June 2010 Director of Fujifilm Holdings Corporation</p> <p>June 2010 Director and Senior Vice President of Fujifilm Corporation</p> <p>June 2015 Outside Director of The Musashino Bank, Ltd. (current position)</p> <p>Mar. 2016 Outside Director of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) Outside Director of The Musashino Bank, Ltd.</p>	-

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
6	Naoko Yamazaki (December 27, 1970)	<p>Apr. 1996 Joined the National Space Development Agency of Japan (current Japan Aerospace Exploration Agency (JAXA))</p> <p>Sept. 2001 Authorized as an astronaut to board the International Space Station</p> <p>Apr. 2010 Served as a mission specialist on the Space Shuttle Discovery, and engaged the mission of assembling the International Space Station (STS-131 (19A))</p> <p>Aug. 2011 Resigned from JAXA</p> <p>Sept. 2011 Honorary Chairman of the Japan Abacus Education Association (current position)</p> <p>Apr. 2012 Visiting Professor of Ritsumeikan University (current position)</p> <p>July 2012 Member of the Committee on National Space Policy under the Cabinet Office (current position)</p> <p>May 2013 Visiting Professor of Joshibi University of Art and Design (current position)</p> <p>July 2015 Director of the Japanese Rocket Society and Chairman of the "Sorajo" Board (current position)</p> <p>Dec. 2015 Member of the Executive Committee and the Advisory Board for the International Robot Competition (current position)</p> <p>Mar. 2016 Outside Director of Nabtesco Corporation (current position)</p> <p>Apr. 2016 Specially Appointed Associated Professor, Graduate School of Advanced Integrated Studies in Human Survivability of Kyoto University</p> <p>Sept. 2017 Outside Director of the Company (current position)</p> <p>June 2018 Outside Director of Topcon Corporation (current position)</p> <p>July 2018 Representative Director of Space Port Japan Association (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Member of the Committee on National Space Policy under the Cabinet Office</p> <p>Outside Director of Nabtesco Corporation</p> <p>Outside Director of Topcon Corporation</p>	-

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Min Rin, Takeshi Higuchi, and Naoko Yamazaki are candidates for outside Director.
 3. Matters regarding candidates for Director (excluding outside Directors)

Reasons for nomination as candidate for Director

Ihei Hayashi has led all facets of business at the Company as Representative Director and President, and Executive Officer, and he has driven the growth of business at the Company. The Company nominates Ihei Hayashi as a candidate for Director of the Company so that his extensive experience, performance and knowledge related to corporate management may contribute to the management of the Company.

Toshinori Takahashi has led the corporate management of the Company as Director, Senior Managing Executive Officer, General Manager of Management Department and General Manager of Corporate Planning Office. The Company nominates Toshinori Takahashi as a candidate for Director of the Company so that his extensive experience, performance, high-level of expertise in finance and accounting as well as his knowledge related to corporate management may contribute to the management of the Company.

Bin Fan has led the technical development of the whole Company as Director, Senior Managing Executive Officer, and General Manager of Technical Development Division. The Company nominates Bin Fan as a candidate for Director of the Company so that his extensive experience and performance may contribute to the management of the Company.

4. Matters regarding candidates for outside Director

Reasons for nomination as candidate for outside Director

Min Rin is Chairman of the Board of Zhejiang Crystal-Optech Co., Ltd., which is a shareholder of the Company, and he possesses extensive experience and a high-level of knowledge in corporate management. The Company nominates Min Rin as a candidate for outside Director of the Company so that it can utilize his precise advice related to the management of the Company. Min Rin is currently outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been two years.

Takeshi Higuchi possesses extensive experience and a high-level of knowledge related to global corporate management. The Company nominates Takeshi Higuchi as a candidate for outside Director of the Company so that it can utilize his precise advice related to the management of the Company. Takeshi Higuchi is currently outside Director of the Company, and at the conclusion of this meeting, his tenure as outside Director will have been four years.

Naoko Yamazaki possesses experience as an astronaut and broad knowledge and insight into aerospace engineering. The Company nominates Naoko Yamazaki as a candidate for outside Director of the Company so that it can utilize her perspectives on astronautics and corporate management in the corporate management of the Company. Naoko Yamazaki is currently outside Director of the Company, and at the conclusion of this meeting, her tenure as outside Director will have been two years and six months.

5. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into agreements with Min Rin, Takeshi Higuchi and Naoko Yamazaki to limit their liability for damages under Article 423, paragraph (1) of the Companies Act to the minimum liability amount provided for by Article 425, paragraph (1) of the same Act. If the reelection of Min Rin, Takeshi Higuchi and Naoko Yamazaki are approved, the Company plans to renew the aforementioned agreements with them.
6. The Company has submitted notification to Tokyo Stock Exchange that Takeshi Higuchi and Naoko Yamazaki have been appointed as independent officers as provided for by the aforementioned exchange. If the reelection of Takeshi Higuchi and Naoko Yamazaki is approved, the Company plans for their appointment as independent officers to continue.