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Securities code: 3447  
June 10, 2020

**To Shareholders with Voting Rights:**

Hiroshi Yamada  
President and Representative Director  
Shinwa Co., Ltd.  
30-7, Bushigawa, Hirata-cho, Kaizu-shi,  
Gifu

## **Notice of the 6th Annual General Meeting of Shareholders**

We are pleased to inform you that the 6th Annual General Meeting of Shareholders (“the meeting”) of Shinwa Co., Ltd. (the “Company,” together with its subsidiaries, the “Group”) will be held as stated below. If you are unable to attend, you can exercise your voting rights by taking one of the methods described in the following page (available only in Japanese version). Please review the Reference Documents for the General Meeting of Shareholders below, indicate your approval or disapproval of the proposal(s) on the enclosed voting rights exercise form, and send it back to us so that it is received by 5 p.m. Japan time, Thursday, June 25, 2020.

- 1. Date and Time:** 10 a.m. Japan time, Friday, June 26, 2020 (Reception begins at 9 a.m.)
- 2. Place:** Kyokko Banquet Room, 2nd floor, OGAKI FORUM HOTEL  
2-31, Mangoku, Ogaki, Gifu
- 3. Meeting Agenda:**
  - Matters to be reported:**
    1. The Business Report, Consolidated and Non-consolidated Financial Statements for the 6th fiscal year (April 1, 2019 to March 31, 2020)
    2. Results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
  - Proposal to be resolved:**
    - Proposal:** Election of four (4) Directors (excluding Directors serving as Audit and Supervisory Committee members)

#### **4. Decisions made upon convocation**

- (1) No indication of approval or disapproval for each proposal on the voting rights exercise form will be treated as votes of approval.
- (2) Duplicate voting
  - 1) For multiple voting via the Internet, etc., the last vote cast will be treated as valid.
  - 2) For dual voting both via the Internet, etc. and the voting rights exercise form, the vote via the Internet, etc. will be treated as valid.
- (3) You can exercise your voting rights via proxy on the day of the meeting by delegating rights to another shareholder with voting rights. In this case, your proxy needs to submit your voting rights exercise form and the document certifying the authority of proxy at the reception.

#### **5. Other matters concerning this notice**

Of the documents to be provided with this notice, “Structure for Securing Appropriate Operations and its Operation Status,” “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website below based on laws, regulations and Article 17 of the Articles of Incorporation, and therefore are not stated in the attachment to this notice. Accordingly, the attachment to this notice comprises a part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing their audit reports.

Any revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, Consolidated and Non-consolidated Financial Statements will be posted on the Company’s website (<http://www.shinwa-jp.com/english/relations/>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

**Proposal:** Election of four (4) Directors (excluding Directors serving as Audit and Supervisory Committee members)

As the terms of office of all the four (4) Directors (excluding Directors serving as Audit and Supervisory Committee members) will expire at the closing of the meeting, the Company proposes to elect four (4) Directors (excluding Directors serving as Audit and Supervisory Committee members).

If this proposal is approved as proposed, the composition of the total seven (7) Directors of the Company will be three (3) Inside Directors and four (4) Outside Directors (including three (3) independent officers), comprising six (6) male Directors and one (1) female Director.

The Company has established the following nomination procedures and criteria regarding the election of Directors, and the Nomination and Remuneration Committee has confirmed that all the candidates for Directors satisfy the qualification requirements. In addition, the Audit and Supervisory Committee has determined that each candidate is qualified as a Director of the Company based on its evaluation of factors such as the business execution and performance for the fiscal year under review.

## Criteria regarding the Election of Directors

### 1. Nomination procedures

The Company has set up the Nomination and Remuneration Committee, which is comprised of four (4) independent outside directors and one (1) representative director.

Based on the following election criteria and independence criteria, the Nomination and Remuneration Committee examines qualifications of each director candidate and elects directors at board meetings with consent from the Audit and Supervisory Committee.

### 2. Criteria regarding the Election of Inside Directors

- (1) A person who understands the Company's history, climate, and culture and possesses a superior business acumen and business judgment needed to keep Shinwa-ism alive
- (2) A person who possesses expert knowledge on the Group's business, as well as outstanding foresight, planning and decision-making abilities, unifying strength, and leadership
- (3) A person who possesses the humanity and moral values required of a director
- (4) A person who does not have any health concerns that would prevent him or her from performing the duties of an inside director

### 3. Criteria regarding the Election of Outside Directors

- (1) A person who possesses expert knowledge in such fields as management, accounting/financing, law, administration, and socio-cultural understanding and has made appropriate achievements in his or her respective field
- (2) A person who possesses the humanity and moral values required of a director
- (3) A person whose concurrent position(s), if any, are appropriate and do not interfere with the performance of the duties of an outside director
- (4) A person who does not have any health concerns that would prevent him or her from performing the duties of an outside director

#### **4. Criteria regarding the Independence of Outside Directors**

- (1) For outside directors of the Company to be considered as independent by the Board of Directors, they must be neutral and independent of the Company's management, with none of the following criteria applicable thereto. (Hereinafter, outside directors who are considered to be independent are referred to as "independent officers.")
  - 1) A person who is involved in the execution of the business of the Group
  - 2) A person who is an employee or an executing person of a firm for which the Group is a major client
  - 3) A person who is a major client of the Group or an executing person of a firm that is a major client of the Company
  - 4) A person who owns 10% or more of the Company's voting rights either directly or indirectly or an executing person of a firm to which such a person belongs
  - 5) A person of a firm 10% or more of whose voting rights the Group owns either directly or indirectly or an executing person of such a firm
  - 6) An accounting expert such as a consultant and certified public accountant or a legal expert such as an attorney who receives a large amount of money or other economic benefit(s) from the Group aside from the officer's remuneration
  - 7) A person who belongs to an audit firm that conducts a statutory audit of the Company
  - 8) A person who is an executing person of a firm for which an executing person of the Group acts as an outside officer currently or has acted as such within the past three years
  - 9) A person who is a close relative of the following:
    - (a) A person to whom any of the aforementioned criteria 1) - 8) applies
    - (b) A person who is an important executing person of the Group
    - (c) A person to whom the criteria (b) above was applicable within the past three years
- (2) Other than the criteria of the preceding section, independent officers must not be involved with circumstances that would cause them to be reasonably considered to be unable to fulfill the duties of an Independent Outside Director.
- (3) Independent officers shall strive to maintain independence as stipulated herein until they leave office and immediately notifies the Company when they cease to be independent as stipulated herein.

### Composition of the Board of Directors upon Election

No.	Name	Positions upon election	Attribute	Attendance at the board of directors meetings in the 6th fiscal year
1	Hiroshi Yamada	President and Representative Director	[Reappointment]	100% (20 out of 20 meetings)
2	Kurio Noritake	Executive Vice President and Director; Executive Officer; General Manager of Sales	[Reappointment]	100% (20 out of 20 meetings)
3	Shinichi Hirano	Director; Executive Officer; General Manager of Production	[Reappointment]	100% (20 out of 20 meetings)
4	Hiroshi Serizawa	Outside Director	[New appointment] [Outside]	-
	Saei Ito	Outside Director (Audit and Supervisory Committee member)	[Outside] [Independent]	100% (20 out of 20 meetings)
	Tetsuichi Taniguchi	Outside Director (Audit and Supervisory Committee member)	[Outside] [Independent]	100% (20 out of 20 meetings)
	Tomoko Achiwa	Outside Director (Audit and Supervisory Committee member)	[Outside] [Independent] [Female]	100% (16 out of 16 meetings )

- Notes:
- The positions of the candidates for Directors are as of the time of dispatch of this notice.
  - Ms. Tomoko Achiwa took office after being elected as a new Director at the 5th Annual General Meeting of Shareholders held on June 25, 2019. Her attendance at the board meetings states those after her appointment.
  - Outside: Candidate for Outside Director  
Independent: Candidate for independent officer to be reported to the Tokyo Stock Exchange

#### [Proportion of Outside Directors]

Four (4) Outside Directors                      57%  
Three (3) Inside Directors                      43%

#### [Proportion of Female Directors]

One (1) Female Director                      14%  
Six (6) Male Directors                      86%

Candidates for Directors (excluding Directors serving as Audit and Supervisory Committee members) are as follows:

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
1	Hiroshi Yamada (September 28, 1952)  [Reappointment]	August 1979      Joined the Company December 2003    President and Representative Director (present) August 2007      Director, Shinwa Service Co., Ltd. [Significant concurrent positions] Not applicable	124,700 (69,000)
	[Reason for nomination as candidate for Director] Mr. Hiroshi Yamada assumed office as President and Representative Director in December 2003 as stated in his career summary and has driven the business growth of the Group to globalize operations and expedite management reform. In addition, serving as a chair of the Board of Directors, he facilitates constructive discussions in an effort to strengthen the functions of the Board of Directors. Going forward, the Company has determined that he will continue to appropriately supervise the overall management of the Group as a Director of the Company, thereby contributing to the achievement of sustainable growth and higher corporate value. Therefore, he is nominated as a candidate for Director.		

- Notes:
1. There are no special interests between Mr. Hiroshi Yamada and the Company.
  2. Figure in parentheses under “Number of shares of the Company held” is the number of share acquisition rights.
  3. On October 1, 2019, the Company conducted an absorption-type merger with the Company as the surviving company and Shinwa Service Co., Ltd. as the disappearing company.

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
2	Kurio Noritake (October 20, 1967)  [Reappointment]	April 1990      Joined Wakita & Co., LTD. September 1993    Joined Koyo Unyu Co., Ltd. July 1997        Joined Marubeni Construction Machinery Sales Company July 2007        Joined the Company Deputy General Manager of Sales Department; concurrently, General Manager of Osaka Sales Office April 2010        Executive Officer; General Manager of Sales Division; concurrently General Manager of Osaka Branch January 2014      Director, Shinwa Service Co., Ltd. August 2017      Managing Director; Executive Officer; General Manager of Sales of the Company June 2019        Executive Vice President and Director; Executive Officer; General Manager of Sales (present) November 2019    Chairman, GUANGDONG NISSHIN-CHUANGFU ADVANCED CONSTRUCTION MATERIALS Co., Ltd. (present)  [Significant concurrent positions] Chairman, GUANGDONG NISSHIN-CHUANGFU ADVANCED CONSTRUCTION MATERIALS Co., Ltd.	63,000 (34,600)
	[Reason for nomination as candidate for Director] Mr. Kurio Noritake has directed sales on the frontlines of this industry for many years as stated in his career summary, and has a wealth of experience and achievements as manager of Sales. Going forward, the Company has determined that he will continue to appropriately supervise the overall management of the Group as a Director of the Company, thereby contributing to the achievement of sustainable growth and higher corporate value. Therefore, he is nominated as a candidate for Director.		

- Notes:
1. There are no special interests between Mr. Kurio Noritake and the Company.
  2. Figure in parentheses under “Number of shares of the Company held” is the number of share acquisition rights.
  3. On October 1, 2019, the Company conducted an absorption-type merger with the Company as the surviving company and Shinwa Service Co., Ltd. as the disappearing company.

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
3	Shinichi Hirano (September 4, 1963)  [Reappointment]	<p>April 1982      Joined Sharp Engineering Corporation (currently Sharp Business Solutions Corporation)</p> <p>September 1984      Joined Sony Mizunami Corporation (currently Sony Global Manufacturing &amp; Operations Corporation)</p> <p>April 2004      General Manager of Operations Service Department</p> <p>January 2010      General Manager of Manufacturing Department, Shanghai Suoguang Visual Products Co., Ltd.</p> <p>December 2013      Joined the Company Deputy General Manager of Production</p> <p>April 2015      Executive Officer; General Manager of Production</p> <p>June 2018      Director; Executive Officer; General Manager of Production (present)</p> <p>November 2019      Director, GUANGDONG NISSHIN-CHUANGFU ADVANCED CONSTRUCTION MATERIALS Co., Ltd. (present)</p> <p>[Significant concurrent positions] Director, GUANGDONG NISSHIN-CHUANGFU ADVANCED CONSTRUCTION MATERIALS Co., Ltd. (present)</p>	63,000 (34,600)
<p>[Reason for nomination as candidate for Director] Mr. Shinichi Hirano has a wealth of experience and achievements as manager of Production as stated in his career summary. Going forward, the Company has determined that he will continue to appropriately supervise the overall management of the Group as a Director of the Company, thereby contributing to the achievement of sustainable growth and higher corporate value. Therefore, he is nominated as a candidate for Director.</p>			

- Notes:
1. There are no special interests between Mr. Shinichi Hirano and the Company.
  2. Figure in parentheses under “Number of shares of the Company held” is the number of share acquisition rights.

No.	Name (Date of birth)	Career summary, positions and responsibilities	Number of shares of the Company held
4	Hiroshi Serizawa (December 26, 1951)  [New appointment] [Outside]	April 1975      Joined HANWA Co., Ltd. April 2000      General Manager of Steel Sheets Dept. June 2005        Director April 2010        Managing Director April 2012        Director and Senior Managing Executive Officer April 2015        Director and Executive Vice President April 2017        Representative Director and Executive Vice President June 2019        Advisor (present) April 2020        Advisor of the Company (present) [Significant concurrent positions] Advisor, HANWA Co., Ltd.	-
[Reason for nomination as candidate for Outside Director] Mr. Hiroshi Serizawa has a wealth of experience and broad expertise in this industry as stated in his career summary as well as business experience in such fields as overseas operations. The Company determined that, considering his personality and insight, he can contribute to further strengthening of the management base and improvement of corporate value, and therefore nominated him as a candidate for Director.			

- Notes:
1. There are no special interests between Mr. Hiroshi Serizawa and the Company.
  2. Mr. Hiroshi Serizawa is a candidate for Outside Director.
  3. If the election of Mr. Hiroshi Serizawa is approved, we plan to conclude an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum limit of liability under such agreement shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the same Act.