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(Stock Exchange Code 9065)

June 1, 2023

(Commencement date of measures for electronic provision: June 1, 2023)

To Shareholders with Voting Rights:

Kimihiro Nakamura
President (Representative Director)
Sankyu Inc.
6-7 Minatomachi, Moji-ku, Kitakyusyu-shi,
Fukuoka
Head Office: 5-23, Kachidoki, 6-chome,
Chuo-ku, Tokyo

NOTICE OF THE 114th ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 114th Annual General Meeting of Shareholders of Sankyu Inc. (the “Company”) will be held as described below.

The Company has, for convening this General Meeting of Shareholders, provided information contained in the reference documents for the general meeting of shareholders (Electronic Provision Measures Matters), etc. electronically. The information has been placed on the Company’s website. Please access the website to check it.

The Company’s website: <https://www.sankyu.co.jp/en/>
(Please see “NEWS” on the top page.)

In addition, the Electronic Provision Measures Matters have also been placed on the following website.

Tokyo Stock Exchange’s website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>
(Enter the Company name or securities code (9065) to search, and click on “Basic information,” “Documents for public inspection/PR information,” and “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” to review the matters.)

If you are unable to attend the meeting, you can exercise your voting rights by mailing the Voting Rights Exercise Form or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders included in the Electronic Provision Measures Matters, and exercise your voting rights by following the Instructions for the Exercise of Voting Rights, no later than 5:30 p.m. on Thursday, June 22, 2023, Japan time.

- 1. Date and Time:** Friday, June 23, 2023 at 10:00 a.m. Japan time (Reception starts at 9:00 a.m.)
- 2. Place:** Conference room at the Company located at 5-23, Kachidoki, 6-chome, Chuo-ku, Tokyo
(Please see the map of the venue for the General Meeting of Shareholders at the end of this document (Japanese version).)

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company's 114th Fiscal Year (April 1, 2022 - March 31, 2023) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company's 114th Fiscal Year (April 1, 2022 - March 31, 2023)

Proposals to be resolved:

- Proposal 1:** Distribution of Surplus
Proposal 2: Election of 5 Directors
Proposal 3: Election of 1 Corporate Auditor

4. Instructions for the Exercise of Voting Rights

(1) Method for exercising voting rights

You can exercise your voting rights through one of the following three means: by attending the meeting in person, mailing the Voting Rights Exercise Form, or via the Internet.

(2) Handling of duplicate voting

If you have exercised your voting rights both by mailing the Voting Rights Exercise Form and via the Internet, only the exercise of voting rights via the Internet shall be deemed effective. If you have exercised your voting rights more than once via the Internet, only the final execution shall be deemed effective.

If you attend the meeting after exercising your voting rights by mailing the Voting Rights Exercise Form or via the Internet, your voting rights shall be deemed to have been exercised at the meeting.

(3) Exercising of voting rights by a proxy

If you are unable to attend the meeting in person, another shareholder with voting rights can attend the meeting as a proxy. However, please note that it is necessary to submit the written proof of the right of proxy.

(4) Handling of case where neither approval nor disapproval of a proposal is indicated on the Voting Rights Exercise Form

If neither approval nor disapproval of a proposal is indicated on the Voting Rights Exercise Form, it shall be deemed a vote of approval for proposals.

- When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk.
- If there are any amendments to the Electronic Provision Measures Matters, the revised versions will be placed on each website on which the matters have been placed.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Distribution of Surplus

The Company recognizes stable return of profits to shareholders as one of its top management priorities and has a basic policy on profit distribution to distribute earnings based on business results while making strategic capital investments and enhancing its financial soundness for future business development.

Based on this policy, the year-end dividend for this fiscal year shall be as follows, taking into consideration business results for this fiscal year and future enhancement of business competitiveness and financial structure.

1. Items related to the year-end dividend

- (1) Items related to the allocation of dividend property to shareholders and its total amount
80 yen per common share of the Company
Total of 4,679,602,000 yen
- (2) Date the distribution of surplus comes into effect:
June 26, 2023

If this Proposal is approved as proposed, the annual dividend for this fiscal year will be 150 yen per share, including an interim dividend.

Proposal 2: Election of 5 Directors



The terms of office of 5 Directors Kimikazu Nakamura, Kimihiro Nakamura, Yasuto Ago, Katsuaki Morofuji, and Kejiro Hori will expire at the conclusion of this Annual General Meeting of Shareholders.



To strengthen the supervisory function, the Company's Board of Directors aims to build a system that allows opinions of External Directors independent from the executive management team to be reflected more effectively by promoting the separation of the business execution function from the Board of Directors.


Accordingly, the election of 5 Directors is proposed.

The candidates are as follows:

No.	Name	Current positions	Gender	Responsibilities	Attendance at the Board of Directors' meetings
1	Kimikazu Nakamura [Reappointment]	Chairman (Representative Director)	Male	CEO	100% (17 out of 17 meetings)
2	Kimihiro Nakamura [Reappointment]	President (Representative Director)	Male	COO	100% (17 out of 17 meetings)
3	Yasuto Ago [Reappointment]	Executive Vice President (Representative Director)	Male		100% (17 out of 17 meetings)
4	Katsuaki Morofuji [Reappointment]	Senior Executive Directors (Representative Director)	Male	CFO, Director in charge of Administration & ESG	100% (17 out of 17 meetings)
5	Akira Takada [New appointment] [External Director] [Independent Director]		Male		-

No.	Name (Date of birth) (Age)	Past experience, positions and responsibilities	Number of shares of the Company held
1	 Kimikazu Nakamura (September 30, 1949) (73) Male [Reappointment]	April 1973 Joined the Company June 1981 Director June 1984 Executive Director June 1985 Executive Vice President (Representative Director) March 1986 President (Representative Director) April 2016 Chairman & CEO (Representative Director) (to present) [Significant concurrent position] Not applicable	228,200
[Reason for nomination as candidate for Director] Mr. Kimikazu Nakamura has been leading business management of the Group for 30 years as President (Representative Director) since March 1986 and worked towards continuous improvement of corporate value and business development. Currently, while engaging in management of the Company as Chairman (Representative Director), he is also working for the benefit of business associations and industry groups. The Company nominated him as a candidate for Director because we expect that he will continue to fulfill a sufficient role of decision making on important matters for the Company and supervision of management execution as CEO by making use of extensive experiences and insights as a corporate executive in running the Group.			
2	 Kimihiro Nakamura (August 16, 1976) (46) Male [Reappointment]	April 2002 Joined the Company April 2009 General Manager, Chiba Branch May 2011 Deputy Head in charge of Corporate Planning and General Manager, Corporate Planning Dept. June 2011 Corporate Officer April 2012 Deputy Head in charge of Corporate Planning, General Manager, Corporate Planning Dept. and assistant to Member of the Board, Director, Business & Area April 2013 Supervising Area June 2013 Director & Corporate Officer April 2014 Senior Executive Director (Representative Director) Member of the Board, Director, Business & Area, and supervising Area April 2016 President & COO (Representative Director) (to present) [Significant concurrent position] Not applicable	31,300
[Reason for nomination as candidate for Director] Mr. Kimihiro Nakamura, through experience of being seconded to a securities company after joining the Company, held positions in Corporate Planning Dept. of the Company. After assuming office as Director in June 2013, he has been engaged in business execution supervising business operations and Area which is a regional business unit. Therefore, he possesses a wealth of experience in business management and corporate management of the Group. He also assumed office as President (Representative Director) in April 2016, and has worked towards continuous improvement of corporate value and business development, leading overall management. The Company nominated him as a candidate for Director because we expect that he will continue to fulfill a sufficient role of decision making on important matters for the Group and supervision of management execution by making use of these experiences.			

No.	Name (Date of birth) (Age)	Past experience, positions and responsibilities	Number of shares of the Company held
3	 Yasuto Ago (February 2, 1958) (65) Male [Reappointment]	April 1982 Joined NIPPON STEEL CORPORATION (currently NIPPON STEEL CORPORATION) April 2011 Executive Officer (appointed to Head of Oita Works) April 2013 Joined the Company, Executive Advisor June 2013 Director & Executive Managing Officer Assistant in charge of Corporate Planning July 2013 Assistant to Member of the Board, Director, Business & Area April 2014 Senior Executive Director (Representative Director) Member of the Board, Director, Administration and supervising Safety & Environment April 2015 Member of the Board, Director, Administration and Senior General Manager, Technical Development & Administration Division, CTO and supervising Safety & Environment April 2016 Executive Vice President (Representative Director) CTO and Senior General Manager, Technical Development & Administration Division April 2018 Executive Vice President (Representative Director) (to present) [Significant concurrent position] Not applicable	8,400
[Reason for nomination as candidate for Director] Mr. Yasuto Ago came from NIPPON STEEL CORPORATION (currently NIPPON STEEL CORPORATION), a major customer of the Company, and possesses a wealth of experiences and insights in the steel business, which is the Company's core business. Since taking office as Director in June 2013, he has been responsible for carrying out various tasks such as Member of the Board, Director, Administration; Safety & Environment operations; and Technical Development & Administration operations by making use of those experiences, and is currently serving as Executive Vice President (Representative Director). The Company nominated him as a candidate for Director because we expect that he will continue to fulfill a sufficient role of decision making on important matters for the Group and supervision of management execution by making use of these experiences.			
4	 Katsuaki Morofuji (April 10, 1960) (63) Male [Reappointment]	April 1983 Joined the Company April 2008 General Manager, Accounting Dept. May 2011 General Manager, Tokyo Branch April 2016 Corporate Officer for Kansai Area June 2016 Corporate Officer April 2019 Executive Managing Officer in charge of Finance, CFO June 2019 Director & Executive Managing Officer, in charge of Finance, CFO April 2022 Senior Executive Director (Representative Director) Member of the Board, Director in charge of Administration, CFO May 2023 Senior Executive Director (Representative Director) Member of the Board, Director in charge of Administration & ESG, CFO (to present) [Significant concurrent position] Not applicable	4,400
[Reason for nomination as candidate for Director] Mr. Katsuaki Morofuji has held positions in the business and financial divisions since he joined the Company, and assumed office as General Manager of Accounting Dept. in April 2008. In addition, he served as Corporate Officer For Kansai Area, which is the head of a regional management unit, after being a branch General Manager of a business division, and is currently serving as Senior Executive Director (Representative Director), Member of the Board, Director in charge of Administration & ESG, CFO. He consequently possesses a wealth of experiences in finance, business operations, and management of the Company. The Company nominated him as a candidate for Director because we expect that he will fulfill a sufficient role of decision making on important matters for the Group's financial and administrative divisions and supervision of management execution by making use of these experiences.			

No.	Name (Date of birth) (Age)	Past experience, positions and responsibilities	Number of shares of the Company held
5	 <p>Akira Takada (January 3, 1958) (65) Male</p> <p>[New appointment] [External Director] [Independent Director]</p>	<p>April 1981 Nomura Securities Co., Ltd. December 2001 General Manager, IB Consulting Office April 2012 Director, Nomura Investor Relations Co., Ltd. March 2018 Full-time Auditor, TRUSCO NAKAYAMA CORPORATION</p> <p>[Significant concurrent position] Not applicable</p>	0
<p>[Reason for nomination as candidate for External Director and expected role] Mr. Akira Takada, after joining Nomura Securities Co., Ltd., held positions of Director of the Nomura Securities' group companies. Therefore, he has a wealth of experiences and deep insights as a management executive, as well as extensive experience as a consultant with regard to establishment of relationships among an issuing company, capital markets, and investors. Accordingly, as External Director who sufficiently understands a standpoint of a shareholder, since he can be expected to provide objective advice and recommendations to the Board of Director, and contribute to further enhancement of supervisory functions from a more independent standpoint, the Company deems him appropriate as External Director.</p>			

(Notes)

1. The age of each candidate is the full age as of the conclusion of this Annual General Meeting of Shareholders.
2. There are no special interests between each candidate and the Company.
3. Matters regarding the candidates for External Director are as follows.
 - (1) The Company has entered into an agreement with non-executive Director to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. Upon approval of this proposal, the Company intends to newly conclude the said agreement with Mr. Akira Takada. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations if he has performed his duties in good faith and without gross negligence.
 - (2) If the election of Mr. Akira Takada is approved in this proposal, the Company will register him as Independent Director with Tokyo Stock Exchange and Fukuoka Stock Exchange.
4. The Company has entered into a directors and officers liability insurance contract (D&O insurance) with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Directors as the insured to allow the Company to secure superior human resources and to prevent the diminishment of execution of duties. The said insurance contract will be renewed in October 2023. Upon approval of this proposal, reappointed Directors will continuously, and newly appointed ones newly become the insured under the insurance contract.


Outline of D&O insurance contract

 - 1) Actual proportion of the premiums borne by the insured:
The insurance premium is borne by the Company.
 - 2) Outline of insurance incidents to be covered by the contract:
 - Where a claim for damages is submitted against a director or an officer by a third party alleging that he or she caused damage to the third party
 - Where a claim for damages is submitted against a director or an officer by the Company alleging he or she caused damage to the Company as a result of shareholder derivative actions
 - 3) Content of measures which are taken so that the properness of the duties of the individual director or officer will not be impaired by the contract:
The insurance premium is borne by the Company.

Proposal 3: Election of 1 Corporate Auditor

The term of office of Corporate Auditor Norihisa Ogawa will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the election of 1 Corporate Auditor is proposed. The Board of Corporate Auditors has given its approval to this proposal.

The candidate for Corporate Auditor is as follows:

No.	Name (Date of birth) (Age)	Past experience and positions	Number of shares of the Company held
1	 <p>Kunio Shimada (August 16, 1959) (63) Male</p> <p>[New appointment] [External Corporate Auditor] [Independent Auditor]</p>	<p>April 1986 Lawyer registration (Dai-Ichi Tokyo Bar Association) July 2010 Representative Partner, Shimada Hamba & Osajima (to present) June 2011 Director, TSUGAMI CORPORATION November 2013 Supervisory Officer, Hulic Reit, Inc.</p> <p>[Significant concurrent positions] Attorney-at-law Director who is Audit and Supervisory Committee Member, TSUGAMI CORPORATION Director, Tokyu Corporation</p>	0
<p>[Reason for nomination as candidate for External Corporate Auditor] Mr. Kunio Shimada is qualified as an attorney-at-law, and has abundant knowledge on corporate legal affairs and deep insights related to management. Since he falls under those who have knowledge on legal affairs required by Principle 4.11 of Corporate Governance Code, the Company deems him appropriate as External Corporate Auditor who audits execution of duties of the Company's Directors from an independent standpoint by using experience stated above.</p>			

(Notes)

1. The age of the candidate is the full age as of the conclusion of this Annual General Meeting of Shareholders.
2. There are no special interests between the candidate and the Company.
3. Matters regarding the candidate for External Corporate Auditor are as follows.
 - (1) The Group has no special business relationship, etc. with each corporation and business institution where Mr. Kunio Shimada has held concurrent positions.
 - (2) The Company has entered into an agreement with Corporate Auditor to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. Upon approval of this proposal, the Company intends to newly conclude the said agreement with Mr. Kunio Shimada. The maximum amount of liability pursuant to the agreement is the amount stipulated by laws and regulations if he has performed his duties in good faith and without gross negligence.
 - (3) If the election of Mr. Kunio Shimada is approved in this proposal, the Company will register him as Independent Auditor with Tokyo Stock Exchange and Fukuoka Stock Exchange.
4. The Company has entered into a directors and officers liability insurance contract (D&O insurance) with an insurance company as stipulated in Article 430-3, Paragraph 1 of the Companies Act, naming all Corporate Auditors as the insured to allow the Company to secure superior human resources and to prevent the diminishment of execution of the duties. The said insurance contract will be renewed in October 2023. If this proposal is approved, the newly appointed Corporate Auditor will newly become the insured.

Outline of D&O insurance contract

 - 1) Actual proportion of the premiums borne by the insured:
The insurance premium is borne by the Company.

- 2) Outline of insurance incidents to be covered by the contract:
 - Where a claim for damages is submitted against a director or an officer by a third party alleging that he or she caused damage to the third party
 - Where a claim for damages is submitted against a director or an officer by the Company alleging he or she caused damage to the Company as a result of shareholder derivative actions
- 3) Contents of measures which are taken so that the properness of the duties of the individual director or officer will not be impaired by the contract:

The insurance premium is borne by the Company.

Reference

The following table shows the composition of the Board of Directors and the Board of Corporate Auditors (skill matrix) in the event that the proposals for the election of Directors and Corporate Auditors are approved.

The Company's Board of Directors and Board of Corporate Auditors are comprised of Directors and Corporate Auditors who are rich in diversity with high sense of ethics, sense of fairness, and integrity, etc., in addition to expected expertise and experience (skills). To nominate a candidate for Director, the composition and necessary skills are discussed at a voluntary Nomination Committee.

Director	Independent Director	Expertise and Experience the Company expects Directors to have								
		Corporate management	Finance and accounting	Global	Technology /Development /Quality	IT /Digital	Personnel /Labor /Safety	Risk management /Compliance	Capital market	ESG
1) Kimikazu Nakamura		•			•		•			
2) Kimihiro Nakamura		•					•		•	•
3) Yasuto Ago		•			•	•	•			•
4) Katsuaki Morofuji		•	•				•			•
5) Masahiro Ohba		•		•			•			
6) Nobuyuki Aoki		•		•			•			
7) Terukazu Okahashi	•	•		•				•		
8) Makoto Ogawa	•						•	•		
9) Naoko Saiki	•			•			•	•		•
10) Akira Takada	•	•	•					•	•	

Corporate Auditor	Independent Corporate Auditor	Expertise and Experience the Company expects Corporate Auditors to have				
		Finance and accounting	Legal and attorney-at-law	Knowledge of financial industry	Knowledge of audit firm	Knowledge of the Company's business
1) Misao Nonaka		•				•
2) Yoshiteru Tsuji		•		•		
3) Ryuzo Shiraha	•	•			•	
4) Kunio Shimada	•		•			

* The names marked with color indicate newly appointed candidates.

* The above table does not represent all the expertise and experience possessed by the Directors and Corporate Auditors.