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Securities code: 6203

June 8, 2022

To Our Shareholders

Takahiro Tsukamoto, President, Managing Director
Howa Machinery, Ltd.
1900-1, Sukaguchi, Kiyosu-shi, Aichi, Japan

Notice of the 184th Annual General Meeting of Shareholders

You are cordially invited to attend the 184th Annual General Meeting of Shareholders of Howa Machinery, Ltd. (the “Company”), which will be held as indicated below.

As an alternative to attending the meeting in person, you may exercise your voting rights in one of the ways noted below. Please review the attached Reference Documents for the General Meeting of Shareholders before exercising your voting rights.

Exercising Voting Rights in Writing:

Use the enclosed Voting Rights Exercise Form to indicate “for” or “against” for each of the proposals and return the form to us so that it arrives no later than 5:00 p.m. on Monday, June 27, 2022 (JST).

Exercising Voting Rights Using Electromagnetic Method (via the Internet, etc.):

Access the voting website specified by the Company (<https://www.web54.net>) and follow the prompts on the screen. Enter your votes “for” or “against” each of the proposals no later than 5:00 p.m. on Monday, June 27, 2022 (JST). If exercising your voting rights via the internet, please see the “Instructions for exercising voting rights by electromagnetic method (via the Internet, etc.)” (in Japanese only).

- 1. Time and date** 10:00 a.m., Tuesday, June 28, 2022 (JST)
- 2. Venue** Conference Room #5, 3rd Floor, Nagoya Chamber of Commerce & Industry
2-10-19 Sakae, Naka-ku, Nagoya-shi, Aichi

3. Agenda of the Meeting

Matters to be Reported

1. The Business Report, Consolidated Financial Statements, and the audit reports of the Accounting Auditor and the Audit & Supervisory Committee regarding the Consolidated Financial Statements for the 184th fiscal year (April 1, 2021 – March 31, 2022)
2. The Non-Consolidated Financial Statements for the 184th fiscal year (April 1, 2021 – March 31, 2022)

Matters to be Resolved

- | | |
|-----------------------|--|
| Proposal No. 1 | Appropriation of Surplus |
| Proposal No. 2 | Amendments to the Articles of Incorporation |
| Proposal No. 3 | Election of Four Directors (excluding Directors Who Are Audit & Supervisory Committee Members) |

4. Other Matters Concerning the Meeting

If exercising your voting rights by proxy, you may appoint one Company shareholder with voting rights to attend the meeting as your proxy. Please note, however, that written proof of their right of proxy must be submitted.

- If attending the meeting in person, please present the enclosed Voting Rights Exercise Form at the venue’s reception desk. In order to conserve resources, please bring this copy of the convocation notice with you to the meeting.
- The reception desk is scheduled to open at 9:00 a.m. on the day of the meeting.
- On the day of the meeting, the dress code for Company staff will be business casual (no neckties). Shareholders are also requested to attend the meeting in business casual attire.
- No commemorative gifts will be provided to shareholders attending the meeting. Your understanding is appreciated.
- In accordance with the provisions of relevant laws and regulations and Article 17 of the Company’s Articles of Incorporation, among the documentation that should be provided in connection with this notice, the Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements are provided on the Company’s website (<https://www.howa.co.jp/>) and

therefore do not accompany this notice. The Consolidated Financial Statements and Non-consolidated Financial Statements included in the documentation accompanying this notice are part of the Consolidated Financial Statements and Non-consolidated Financial Statements that the Accounting Auditor and Audit & Supervisory Committee audited when they prepared the accounting audit report and audit report.

- If there are revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, or Non-Consolidated Financial Statements, such revisions will be posted on the Company's website (<https://www.howa.co.jp/>).

Notice About Preventing the Spread of COVID-19 on the Day of the Meeting

- Company executives and staff will be wearing masks.
- Shareholders who attend are requested to wear masks indoors and take a body temperature scan.
- Seats will be spaced a certain distance apart to prevent congestion and this will result in a decrease in available seats.
- We plan to cover the agenda of the meeting in a short amount of time.
- Any individuals who are suspected of having contracted COVID-19 will not be allowed to enter the venue.

Regardless of the above, we may implement measures to prevent infections considering factors such as the state of infections. Additionally, if any major changes to our hosting of the General Meeting of Shareholders are required due to future changes in the pandemic, we will post a notice on the Company website and ask that you check this ahead of time.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Appropriation of Surplus

The Company proposes the appropriation of surplus as follows:

Year-end dividends

The Company engages primarily in build-to-order manufacturing of machine tools and these orders are influenced by capital expenditures that fluctuate due to economic conditions inside and outside Japan. Our basic policy is to pay a dividend that is stable and continual, from a medium- to long-term perspective, given that Company performance can vary widely from year to year.

Dividends for the current fiscal year are as indicated below, based on a comprehensive consideration of fiscal-year performance, the economic environment surrounding the Group, retained earnings necessary for future business development, and the maintenance of a stable dividend.

- (1) Type of dividend property
Cash
- (2) Allotment of dividend property and its aggregate amount
¥20 per common share of the Company
Total dividends: ¥240,675,620
- (3) Effective date of dividends of surplus
June 29, 2022

Proposal No. 2 Amendments to the Articles of Incorporation

1. Reasons for amendments

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 17, paragraph (1) in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 17, paragraph (2) in “Proposed amendments” below will establish the provision to be able to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 17 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established.

2. Details of amendments

The details of the amendments are as follows.

(Underlined sections have been amended.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 17</u> <u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u> (Newly established)</p>	<p style="text-align: center;">(delete)</p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u> <u>Article 17</u> <u>(1) When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u> <u>(2) Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="145 199 794 286">Supplementary Provisions (Transitional Measures Concerning Exemption of Audit & Supervisory Board Members From Liability)</p> <p data-bbox="145 293 794 479">The Company may, by the resolution of the Board of Directors, exempt the liability for damage claim due to breach of duty of an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) before the transition to a company with Audit & Supervisory Committee to the extent provided by laws and regulations.</p> <p data-bbox="373 546 568 575">(Newly established)</p>	<p data-bbox="799 199 1444 286">Supplementary Provisions (Transitional Measures Concerning Exemption of Audit & Supervisory Board Members From Liability)</p> <p data-bbox="799 293 1444 539"><u>Article 1</u> The Company may, by the resolution of the Board of Directors, exempt the liability for damage claim due to breach of duty of an Audit & Supervisory Board Member (including a person who was an Audit & Supervisory Board Member) before the transition to a company with Audit & Supervisory Committee to the extent provided by laws and regulations.</p> <p data-bbox="799 546 1444 575"><u>(Transitional measures for electronic provision measure, etc.)</u></p> <p data-bbox="799 582 1444 611"><u>Article 2</u></p> <p data-bbox="820 618 1444 1021">(1) <u>The deletion of Article 17 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) in the pre-amended Articles of Incorporation and the establishment of the new Article 17 (Measures, etc. for Providing Information in Electronic Format) in the post-amended Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p data-bbox="820 1028 1444 1178">(2) <u>Notwithstanding the provision of the preceding paragraph, Article 17 of the pre-amended Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six months from the Date of Enforcement.</u></p> <p data-bbox="820 1184 1444 1339">(3) <u>Article 2 of these Supplementary Provisions shall be deleted on the date when six months have elapsed from the Date of Enforcement or three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal No. 3 Election of Four Directors (excluding Directors Who Are Audit & Supervisory Committee Members)

Since four Directors (excluding Directors who are Audit & Supervisory Committee Members) will reach the end of their terms at the conclusion of this meeting, the Company is requesting the appointment of four Directors (excluding Directors who are Audit & Supervisory Committee Members).

The Audit & Supervisory Committee has deemed that all of the candidates for Director (excluding Directors who are Audit & Supervisory Committee Members) in this proposal are suitable candidates.

The candidates for Director (excluding Director who is an Audit & Supervisory Committee Member) are as follows:

Candidate No.	Name	Current position & responsibility in the Company	Attendance at Board of Directors meetings in the current fiscal year	
1	Takahiro Tsukamoto	President, Managing Director Head of Business Division	100%	Reappointment
2	Hikomitsu Ishihara	Managing Director, Head of General Administration Division, and responsible for promoting the establishment of business critical system and appropriate time management	100%	Reappointment
3	Masahiro Yoshida	Director In charge of technical development of Business Division, General Manager of Windows & Doors Department, General Manager of Engineering Department, and responsible for increasing output and promoting environment and DX	100%	Reappointment
4	Kenji Watanabe	Director General Manager of Machinery Department and General Manager of Industrial Equipment Department Promotion Office	100%	Reappointment

Reappointment: a Director candidate being reappointed

Candidate No.	Name (Date of birth)	Career summary, position, and responsibility in the Company (Significant concurrent positions outside the Company)	Number of Company shares owned
1	<p>Takahiro Tsukamoto (July 27, 1954) Gender: male</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 9/9</p>	<p>Nov. 1978 Joined the Company</p> <p>June 2003 General Manager of Sales Group, Machinery Department</p> <p>Dec. 2003 President of Howa Machinery Singapore Pte. Ltd. (current position)</p> <p>May 2004 General Manager of Machine Tools Group, Machinery Department</p> <p>June 2005 Director, General Manager in charge of sales, Machine Tools Group, Machinery Department</p> <p>June 2007 Director, General Manager of Machinery Department</p> <p>June 2011 Managing Director, Head of Business Division, and General Manager of Machinery Department</p> <p>June 2015 Senior Managing Director and Head of Business Division</p> <p>June 2016 President, Managing Director, Head of Business Division</p> <p>Apr. 2017 President, Managing Director, Head of Business Division, and General Manager of Sweepers & Special Vehicles Department</p> <p>July 2018 President, Managing Director, Head of Business Division (current position)</p>	19,070
<p>Special interest with the Company There is no special interest between Mr. Tsukamoto and the Company.</p>			
<p>Reason for nomination as a candidate for Director Mr. Tsukamoto is judged to be qualified to continue his role as Director due to his involvement mainly in sales-related tasks for the Business Division since joining the Company, his service as President of Howa Machinery Singapore Pte. Ltd., and his possession of knowledge and abundant experience related to global business operations. Note: The Company currently has a Directors' and Officers' Liability Insurance Agreement with an insurance company, which is stipulated in Article 430-3, paragraph (1) of the Companies Act. An overview of the Insurance Agreement is given on page 23 of the Business Report (in Japanese only). If Mr. Tsukamoto is reappointed and takes office as Director, he will continue being an insured party under this Insurance Agreement. When this Insurance Agreement is next renewed, the Company plans to renew it with the same coverage.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, and responsibility in the Company (Significant concurrent positions outside the Company)	Number of Company shares owned
2	<p>Hikomitsu Ishihara (January 15, 1959) Gender: male</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 9/9</p>	<p>Apr. 1981 Joined the Company</p> <p>June 2003 General Manager of Human Resources Department</p> <p>June 2007 Director, General Manager of Human Resources Department</p> <p>Apr. 2008 Director, Head of General Administration Division and General Manager of Human Resources Department</p> <p>June 2008 Director, Head of General Administration Division and General Manager of General Administration Department and Human Resources Department</p> <p>June 2013 Managing Director, Head of General Administration Division, and General Manager of General Administration Department</p> <p>May 2017 Chairman, Howa (Tianjin) Machinery Co., Ltd. (current position)</p> <p>July 2017 Managing Director, Head of General Administration Division, General Manager of General Administration Department and Legal Department</p> <p>July 2018 Managing Director, Head of General Administration Division, and General Manager of Legal Department</p> <p>Jan. 2020 Managing Director, Head of General Administration Division, and General Manager of Legal Department and New Business Critical System Promotion Office</p> <p>July 2021 Managing Director, Head of General Administration Division, and responsible for promoting the establishment of business critical system and appropriate time management (current position)</p>	13,018
<p>Special interest with the Company There is no special interest between Mr. Ishihara and the Company.</p>			
<p>Reason for nomination as a candidate for Director Mr. Ishihara is judged to be qualified to continue his role as Director due to his involvement mainly in general administration, human resources, and legal-related tasks since joining the Company, and currently, as Head of the General Administration Division, is supervising administration and possesses abundant experience in this regard. Note: The Company currently has a Directors' and Officers' Liability Insurance Agreement with an insurance company, which is stipulated in Article 430-3, paragraph (1) of the Companies Act. An overview of the Insurance Agreement is given on page 23 of the Business report (in Japanese only). If Mr. Ishihara is reappointed and takes office as Director, he will continue being an insured party under this Insurance Agreement. When this Insurance Agreement is next renewed, the Company plans to renew it with the same coverage.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, and responsibility in the Company (Significant concurrent positions outside the Company)	Number of Company shares owned
3	<p>Masahiro Yoshida (March 12, 1959) Gender: male</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 9/9</p>	<p>Apr. 1981 Joined the Company</p> <p>July 2004 General Manager of Production Group, Machinery Department</p> <p>June 2007 Director, General Manager of Production Group, Machinery Department</p> <p>June 2009 Resigned as Director Executive Officer, General Manager of Production Group, Machinery Department</p> <p>May 2010 Executive Officer and Manager of SM Division and QC Division of Machinery Department</p> <p>June 2011 Director, Manager of CE Division, Machinery Department, and Supervisor of Engineering Department</p> <p>June 2015 Director, in charge of design in Business Division, and Supervisor of Technology Department</p> <p>July 2017 Director, General Manager of Windows & Doors Department and in charge of technological development of Business Division</p> <p>Nov. 2020 Director, General Manager of Windows & Doors Department, in charge of technological development of Business Division, and General Manager of Engineering Department</p> <p>July 2021 Director, in charge of technical development of Business Division, General Manager of Windows & Doors Department, General Manager of Engineering Department, and responsible for increasing output and promoting environment and DX (current position)</p>	11,344
<p>Special interest with the Company There is no special interest between Mr. Yoshida and the Company.</p>			
<p>Reason for nomination as a candidate for Director Mr. Yoshida is judged to be qualified to continue his role as Director due to his involvement mainly in design, production management, and quality control-related tasks since joining the Company, as well as his broad-based knowledge and abundant professional experience in overall manufacturing technology.</p> <p>Note: The Company currently has a Directors' and Officers' Liability Insurance Agreement with an insurance company, which is stipulated in Article 430-3, paragraph (1) of the Companies Act. An overview of the Insurance Agreement is given on page 23 of the Business Report (in Japanese only). If Mr. Yoshida is reappointed and takes office as Director, he will continue being an insured party under this Insurance Agreement.</p> <p>When this Insurance Agreement is next renewed, the Company plans to renew it with the same coverage.</p>			

Candidate No.	Name (Date of birth)	Career summary, position, and responsibility in the Company (Significant concurrent positions outside the Company)	Number of Company shares owned
4	<p>Kenji Watanabe (September 15, 1957) Gender: male</p> <p>Reappointment</p> <p>Attendance at Board of Directors meetings 9/9</p>	<p>Apr. 1981 Joined the Company</p> <p>June 2005 Manager of Machine Tools Group, Machinery Department</p> <p>June 2008 General Manager of Machine Tools Sales Group, Machinery Department</p> <p>June 2011 Executive Officer and Manager of CP Division of the Machinery Department</p> <p>June 2015 Director, General Manager of Machinery Department</p> <p>July 2019 Director, General Manager of Machinery Department and Industrial Equipment Department Preparation Office</p> <p>Apr. 2020 Director, General Manager of Machinery Department and Industrial Equipment Department Preparation Office, and Manager of Industrial Equipment Group</p> <p>July 2020 Director, General Manager of Machinery Department and General Manager of Industrial Equipment Department Preparation Office</p> <p>July 2021 Director, General Manager of Machinery Department and General Manager of Industrial Equipment Department Promotion Office (current position)</p>	10,444
<p>Special interest with the Company There is no special interest between Mr. Watanabe and the Company.</p>			
<p>Reason for nomination as a candidate for Director Mr. Watanabe is judged to be qualified to continue his role as Director due to his involvement in sales, planning, and production management-related tasks mainly in the machine tools division since joining the Company, as well as his advanced knowledge and abundant professional experience as an expert in the machine tools business.</p> <p>Note: The Company currently has a Directors' and Officers' Liability Insurance Agreement with an insurance company, which is stipulated in Article 430-3, paragraph (1) of the Companies Act. An overview of the Insurance Agreement is given on page 23 of the Business Report (in Japanese only). If Mr. Watanabe is reappointed and takes office as Director, he will continue being an insured party under this Insurance Agreement.</p> <p>When this Insurance Agreement is next renewed, the Company plans to renew it with the same coverage.</p>			

(Reference)

Skill Matrix of Directors

If Proposal No. 3 is passed as proposed, the main expertise and experience of the Company's Directors will be as follows.

Category	Name	Expertise and experience							
		Finance & accounting	Corporate management	Legal affairs, compliance, risk management	International business	Sales & marketing	R&D, ICT, DX	Human resources and labor Human resources development	ESG, sustainability, SDGs
Director	Takahiro Tsukamoto	●	●		●	●	●		
	Hiromitsu Ishihara	●	●	●				●	●
	Masahiro Yoshida		●			●	●		●
	Kenji Watanabe		●		●	●			
Director (Audit & Supervisory Committee Member)	Yasuji Makino	●							
	Ippei Watanabe			●					
	Senpo Kongo	●	●	●	●				
	Masako Tanaka		●	●				●	●

Policies and procedures for the appointment of Director candidates

- Method and procedures for the appointment of Directors (excluding Directors who are Audit & Supervisory Committee Members)

Fair and highly agreeable evaluations are carried out for Directors (excluding Directors who are Audit & Supervisory Committee Members), following the procedures below.

- Evaluation through regular interviews with the President, Managing Director
- Evaluation through interviews with the Directors who are Audit & Supervisory Committee Members
- Evaluation by Nomination and Compensation Advisory Committee, a majority of whose members are outside Directors

In appointing Directors (excluding Directors who are Audit & Supervisory Committee Members), President, Managing Director has proposed to the Board of Directors the group of subsequent Directors (excluding Directors who are Audit & Supervisory Committee members) after considering the advisability of the reappointment of each Director (excluding Directors who are Audit & Supervisory Committee Members) based on these evaluations and, in the case of appointing new Directors (excluding Directors who are Audit & Supervisory Committee Members), after considering candidates from the pool of senior executives, which includes executive officers.

- Method and procedure for the appointment of Directors who are Audit & Supervisory Committee Members

In appointing Directors who are Audit & Supervisory Committee Members, President, Managing Director proposes to the Board of Directors the group of subsequent Directors who are Audit & Supervisory Committee Members after considering candidates based on the evaluations of the Nomination and Compensation Advisory Committee.

The following are the required qualities so that management is properly audited and supervised.

Parties who possess high expertise in the field of corporate management, or finance, accounting, legal affairs, and similar fields