

This document has been translated from 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. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

Securities code: 1777

June 8, 2023

(Date of commencement of electronic provision measures: June 2, 2023)

To Shareholders with Voting Rights:

Katsushi Hiroe
President and Representative Director
Kawasaki Setsubi Kogyo Co., Ltd.
1-6-47 Osu, Naka-ku, Nagoya-shi

Notice of the 96th Annual General Meeting of Shareholders

Dear Shareholders:

We cordially announce that the 96th Annual General Meeting of Shareholders of Kawasaki Setsubi Kogyo Co., Ltd. (the “Company”) will be held as below.

In convening this annual general meeting of shareholders, the Company has taken measures for providing information in electronic format (the “electronic provision measures”) and has posted matters subject to the electronic provision measures on the following website as “Notice of the 96th Annual General Meeting of Shareholders.”

The Company website: <https://www.kawasaki-sk.co.jp/english/investor/>

In addition to the Company website, the Company also has posted this information on the website of the Nagoya Stock Exchange. Please access Nagoya Stock Exchange (Listed Companies) site shown below, enter and search for the issue name “Kawasaki Setsubi Kogyo” or our securities code “1777,” select “Timely disclosure information,” and view “Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting” for relevant information.

Nagoya Stock Exchange website (Listed Companies):

<https://www.nse.or.jp/listing/search/> (only in Japanese)

If you are unable to attend the meeting in person, please be advised that you can exercise your voting rights either via the Internet or in writing. The details of each proposal can be found in the Reference Documents for the General Meeting of Shareholders in the “Notice of the 96th Annual General Meeting of Shareholders,” posted on the Company website and the Nagoya Stock Exchange website. Please review the documents and exercise your voting rights in accordance with the Guide to the Exercise of Voting Rights shown below, by 5:30 p.m. on Wednesday, June 28, 2023, Japan time.

- 1. Date and Time:** Thursday, June 29, 2023, at 10 a.m. Japan time
(The reception desk opens at 9:00 a.m.)
- 2. Venue:** Fifth floor seminar room of the Company’s head office at:
1-6-47 Osu, Naka-ku, Nagoya-shi

3. Meeting Agenda:

Matters to be reported: Business Report and Non-consolidated Financial Statements for the Company's 96th Fiscal Year (from April 1, 2022 to March 31, 2023)

Proposals to be resolved:

Proposal 1: Appropriation of Surplus

Proposal 2: Election of Eight (8) Directors

Proposal 3: Election of One (1) Substitute Corporate Auditor

4. Guide to the Exercise of Voting Rights:

- (1) Matters omitted from the paper copy delivered to shareholders

Among the matters subject to the electronic provision measures, Notes to Non-consolidated Financial Statements will not be provided in the paper copy to shareholders who made a request for delivery of documents in accordance with the provisions of laws and regulations and Article 17 of the Articles of Incorporation of the Company. The paper copy to be delivered to shareholders who made a request for delivery of documents constitutes a part of documents audited by the Corporate Auditor and Accounting Auditor in preparation of the audit reports.

- (2) If you are exercising your voting rights via the Internet

If you are exercising your voting rights via the Internet, please refer to Guide to the Exercise of Voting Rights on page 3 and cast your vote by 5:30 p.m. on Wednesday, June 28, 2023, Japan time.

- (3) If you are exercising your voting rights by postal mail

Please indicate your vote for or against the proposals in the enclosed Voting Rights Exercise Form and return it by mail. The form must be received by the Company no later than 5:30 p.m. on Wednesday, June 28, 2023, Japan time. For any proposal that is not indicated with approval or disapproval, your vote shall be treated as a vote of approval for the Company proposal.

- (4) If you exercise your voting rights more than once

If you exercised your voting rights in duplicate via the Internet and in writing, your vote via the Internet shall be treated as valid. If you exercised your voting rights more than once via the Internet, the last exercise of voting rights shall be treated as valid.

-
1. When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk.
 2. If revisions are made to the matters subject to the electronic provision measures, details of the revision will be posted on the websites where the materials are posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

In light of the business results for the fiscal year under review, future business developments, internal reserves, and other factors, the Company proposes to pay a year-end ordinary dividend of ¥10 per share.

- (1) Type of property for dividends
Cash
- (2) Allotment of property for dividends and total amount thereof
¥10 per share of the Company's common stock
Total amount: ¥119,641,730
- (3) Effective date of distribution of surplus
June 30, 2023

Proposal 2: Election of Eight (8) Directors

The terms of office of all eight (8) Directors will expire at the conclusion of this General Meeting of Shareholders. In this regard, the Company proposes the election of eight (8) Directors.

The candidates for Directors are as follows.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
1	Katsushi Hiroe (August 6, 1960) Reappointed	Dec. 2007 Branch Manager, Osaka Branch, the Company	65,900
		Apr. 2010 Executive Officer and Branch Manager, Osaka Branch, the Company	
Jun. 2012 Managing Director and Division Manager, Sales Division, the Company			
Jun. 2014 Senior Managing Director and Division Manager, Sales Division, the Company			
Jun. 2016 President and Representative Director, the Company (to present)			
(Reasons for nomination as a candidate for Director) Since he assumed office as President and Representative Director of the Company, Mr. Katsushi Hiroe has fulfilled the responsibilities of a director by demonstrating strong leadership aiming at increasing corporate value. We judge that his abundant experience and insight will further contribute to the Company's management.			
2	Kiyohiko Ban (May 11, 1959) Reappointed	Apr. 2011 Executive Officer and Branch Manager, Toyota Branch, the Company	42,300
		Jul. 2012 Executive Officer and Branch Manager, Osaka Branch, the Company	
Jul. 2016 Senior Executive Officer and General Manager, West Japan Branch, the Company			
Jun. 2017 Director and General Manager, East Japan Branch, the Company			
Apr. 2021 Managing Director and General Manager, Central Japan Branch, the Company (to present)			
(Reasons for nomination as a candidate for Director) We judge that Mr. Kiyohiko Ban's experience and insight acquired as Director and General Manager of East Japan Branch and Managing Director and General Manager of Central Japan Branch, among others, will contribute to the Company's management.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
3	Tomoaki Matsuo (January 26, 1968) Newly appointed	Jul. 2012 Team Leader, Environmental Construction Team, Air Conditioning & Plumbing Department, Sales Division, Kandenko Co., Ltd.	0
		Jul. 2014 Deputy Department Manager, Air Conditioning & Plumbing Department, Sales Division, Kandenko Co., Ltd.	
Oct. 2014 Deputy Department Manager, Quality & Construction Management Department, Tokyo Sales Division; Team Leader, Environmental Construction Team and Air Conditioning & Plumbing Department, Sales Division, Kandenko Co., Ltd.			
Apr. 2016 Deputy Department Manager, Air Conditioning & Plumbing Department, Sales Division, Kandenko Co., Ltd.			
Oct. 2018 Department Manager, Air Conditioning & Plumbing Department, Construction Quality Unit, Sales Division, Kandenko Co., Ltd. (to present)			
<p>(Reasons for nomination as a candidate for Director)</p> <p>We judge that Mr. Tomoaki Matsuo's many years of experience and insight acquired working at Air Conditioning & Plumbing Department of Kandenko Co., Ltd. will contribute to the Company's management.</p>			
4	Hiroshi Yamazaki (February 11, 1966) Reappointed	Apr. 2017 Deputy Division Manager, Construction Management Division, the Company	12,900
		Jun. 2017 Division Manager, Construction Management Division, the Company	
Jul. 2018 Executive Officer and Division Manager, Construction Management Division, the Company			
Apr. 2021 Executive Officer and General Manager, East Japan Branch, the Company			
Jun. 2021 Director and General Manager, East Japan Branch, the Company (to present)			
<p>(Reasons for nomination as a candidate for Director)</p> <p>We judge that Mr. Hiroshi Yamazaki's experience and insight acquired as Executive Officer and Division Manager of Construction Management Division and Director and General Manager of East Japan Branch of the Company, among others, will contribute to the Company's management.</p>			
5	Takeshi Nakamura (March 7, 1963) Reappointed	Jul. 2017 Deputy Manager, Commercial Aircraft Business Department, Manufacturing Division, Aerospace Company, Kawasaki Heavy Industries, Ltd.	1,500
		Apr. 2021 Executive Officer, the Company	
Aug. 2021 Executive Officer and Division Manager, Corporate Planning Division, the Company			
Apr. 2022 Executive Officer and Division Manager, Sales Division, the Company			
		Jun. 2022 Director and Division Manager, Sales Division, the Company (to present)	
<p>(Reasons for nomination as a candidate for Director)</p> <p>We judge that Mr. Takeshi Nakamura's experience and insight acquired since he joined Kawasaki Heavy Industries, Ltd. and as an Executive Officer of the Company will contribute to the Company's management.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
6	Takashi Furukawa (March 1, 1957) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointed</div>	Apr. 2013 Division Manager, QM Promoting Division, Aerospace Company, Kawasaki Heavy Industries, Ltd. Jun. 2015 President and Representative Director, Kawaju Gifu Service Co., Ltd. (retired in June 2017) Jun. 2017 President and Representative Director, Kawaju Gifu Engineering Co., Ltd. Jun. 2018 Director, the Company (to present)	0
	(Reasons for nomination as a candidate for Outside Director and expected roles) Mr. Takashi Furukuawa has served as President and Representative Director of Kawaju Gifu Service Co., Ltd. and Kawaju Gifu Engineering Co., Ltd. Since he assumed office as Director of the Company, he has offered accurate advice and supervision for the Company's management, demonstrating his abundant experience and deep insight as corporate manager. We judge that his advice on corporate management from an objective perspective and appropriate supervision will continue to contribute in enhancing the corporate value of the Company. In addition, we will continue to appoint him as a member of the Nominating and Compensation Committee after his election.		
7	Hiroyasu Koyama (May 9, 1956) <div style="border: 1px solid black; padding: 2px; display: inline-block;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointed</div>	Jun. 2004 Manager, Plant Engineering Division, Toyota Motor Corporation May 2013 Senior Managing Director, Toyota T&S Construction Co., Ltd. Jun. 2014 Vice President and Representative Director, Toyota T&S Construction Co., Ltd. Jun. 2015 President and Representative Director, Toyota T&S Construction Co., Ltd. Jun. 2021 Technical Supervisor, Kondo Kogyo Co., Ltd. (to present) Jun. 2022 Director, the Company (to present)	0
	(Reasons for nomination as a candidate for Outside Director and expected roles) Mr. Hiroyasu Koyama has served as a manager at Toyota Motor Corporation and President and Representative Director of Toyota T&S Construction Co., Ltd. Since he assumed office as Outside Director of the Company, he has offered accurate advice and supervision for the Company's management, demonstrating his abundant experience and deep insight as corporate manager. We judge that his advice on corporate management from an objective perspective and appropriate supervision will continue to contribute in enhancing the corporate value of the Company. In addition, we will continue to appoint him as a member of the Nominating and Compensation Committee after his election.		

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of the Company's shares held
	Ryoko Kuroyanagi (July 5, 1987) <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Outside</div> <div style="border: 1px solid black; padding: 2px; display: inline-block; margin-bottom: 2px;">Independent</div> <div style="border: 1px solid black; padding: 2px; display: inline-block;">Reappointed</div>	Dec. 2015 Registered as a lawyer (Aichi Bar Association); joined Chukyo Law Firm (to present) Jun. 2019 Corporate Auditor, the Company Jun. 2020 Director, the Company (to present)	0
8	<p>(Reasons for nomination as a candidate for Outside Director and expected roles)</p> <p>Ms. Ryoko Kuroyanagi has offered accurate advice and supervision for the Company's management, demonstrating high expert knowledge on legal and compliance matter as a lawyer. We expect that her advice on corporate management from an objective perspective and appropriate supervision will continue to contribute in enhancing the corporate value of the Company. From these reasons, although she has never engaged in corporate management in the past, we judge that she can execute her duties appropriately as Outside Director of the Company. In addition, we will continue to appoint her as a member of the Nominating and Compensation Committee after her election.</p>		

- Notes:
1. There are no special interests between each candidate and the Company.
 2. Mr. Takashi Furukawa, Mr. Hiroyasu Koyama, and Ms. Ryoko Kuroyanagi are candidates for Outside Director.
 3. The years served as Outside Director of the Company for each Outside Director candidates
 - Mr. Takashi Furukawa's tenure in office as Outside Director will be five years at the conclusion of this General Meeting of Shareholders.
 - Mr. Hiroyasu Koyama's tenure in office as Outside Director will be one year at the conclusion of this General Meeting of Shareholders.
 - Ms. Ryoko Kuroyanagi's tenure in office as Outside Director will be three years at the conclusion of this General Meeting of Shareholders.
 4. The Company has designated Mr. Takashi Furukawa, Mr. Hiroyasu Koyama, and Ms. Ryoko Kuroyanagi as an independent director stipulated by the Nagoya Stock Exchange and registered them with the said organization accordingly. If this proposal is approved, they will continue to serve as independent directors.
 5. Mr. Takashi Furukawa has served as a business executor of Kawasaki Heavy Industries, Ltd. until June 2015. The said company is our major business partner, categorized as specified associated service provider defined in Article 2, Paragraph 3, Item 19 of Regulations for Enforcement of the Companies Act.
 6. Mr. Hiroyasu Koyama has served as a business executor of Toyota Motor Corporation until April 2013. The said company is our major business partner, categorized as specified associated service provider defined in Article 2, Paragraph 3, Item 19 of Regulations for Enforcement of the Companies Act.
 7. The Company has entered into an agreement with Mr. Takashi Furukawa, Mr. Hiroyasu Koyama, and Ms. Ryoko Kuroyanagi to limit the liability for damages set forth in Article 423, Paragraph 1 of the Company's Act. Under the agreement, the amount of liability for damages is limited to the amount stipulated under the laws and regulations. We will continue the limitation of liability agreement mentioned above if this proposal is approved.
 8. Directors and officers liability insurance agreement that insures candidates for Directors
The Company has entered into a directors and officers liability insurance agreement with an

insurance company, which covers legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to an act committed by the insured in his/her capacity as such. However, the above insurance policy does not cover damages arising from the insured's unlawful gain or benefit, criminal acts, fraudulent acts, or acts committed with the knowledge that they violate laws or regulations. The Company bears the entire premium for all the insured parties. If the candidates assume office as Directors, we will renew the insurance policy on July 1, 2023 to include them as insured persons.

Reference: Composition of Directors and Auditors upon approval of Proposal 2

For the Company's Board of Directors to appropriately exercise the decision-making and managerial supervisory functions for sustainable and profitable management, necessary skills and competences, including knowledge, experiences, and abilities, have been identified considering the direction of the Company's management and business strategies.

The table below summarizes the composition of the Board of Directors as well as skills and competencies that the Directors and Auditors are expected to possess in the case where Proposal 2 is approved as proposed at this Annual General Meeting of Shareholders.

Name		Tenure	Attendance at Board of Directors' meetings	Business management /strategy	Technology & Safety	Industry knowledge/ Sales strategy	ESG & Sustainability	Finance & Accounting	DX & IT	Legal affairs & Governance	International-ism / Diversity
Directors	Katsushi Hiroe	11 yrs	8/8 (100%)	●	●	●	●	●		●	
	Kiyohiko Ban	6 yrs	8/8 (100%)	●	●	●			●	●	
	Tomoaki Matsuo	–	–	●	●	●	●				
	Hiroshi Yamazaki	2 yrs	8/8 (100%)	●	●	●			●		
	Takeshi Nakamura	1 yr	6/6 (100%)	●		●	●				●
	Takashi Furukawa	5 yrs	8/8 (100%)	●		●				●	
	Hiroyasu Koyama	1 yr	6/6 (100%)	●	●	●		●			●
	Ryoko Kuroyanagi	3 yrs	8/8 (100%)				●			●	●
Auditors	Hiroyuki Fukumura	1 yr	6/6 (100%)	●		●		●		●	
	Yoshio Arai	3 yrs	8/8 (100%)	●		●				●	
	Tomonori Shiino	3 yrs	8/8 (100%)				●	●	●	●	

Proposal 3: Election of One (1) Substitute Corporate Auditor

To maintain the continuity of auditing activities in case where the number of Auditors falls below the number legally stipulated, the Company proposes the election of one (1) Substitute Corporate Auditor as a substitute for Mr. Hiroyuki Fukumura, Corporate Auditor.

The Board of Corporate Auditors has previously given its approval to this proposal.

The candidate for Substitute Corporate Auditor is as follows:

Name (Date of birth)	Past experience and significant concurrent positions	Number of the Company's shares held
Sachio Sasaki (April 7, 1965)	Oct. 2014 Manager and Team Leader of General Affairs of Gunma Office, Kitakanto & Hokushinetsu Sales Division, Kandenko Co., Ltd. Jul. 2016 Leader of Management Planning Department Related Business Group, Kandenko Co., Ltd. Jul. 2017 Department Manager of Group Operation Administration Department, Kandenko Co., Ltd. Oct. 2018 Department Manager of Management Planning Department, Management Planning Unit, Corporate Control Division, Kandenko Co., Ltd. Oct. 2021 Department Manager of Group Planning Department, Management Planning Unit, Corporate Control Division, Kandenko Co., Ltd. (to present)	0
(Reason for nomination as a candidate for Substitute Corporate Auditor) Mr. Sachio Sasaki has extensive knowledge gained through his experiences of long years of serving at business and planning departments of Kandenko Co., Ltd. We believe that his career will play a significant role in the Company's auditing activities.		

- Notes:
1. The candidate is nominated for Substitute Corporate Auditor.
 2. There are no special interests between the candidate and the Company.
 3. The Company has entered into a directors and officers liability insurance agreement with an insurance company, which covers legal damages and litigation expenses in the event that a claim for damages is made against the insured during the insurance period due to an act committed by the insured in his/her capacity as such. If Mr. Sachio Sasaki assumes office as a Corporate Auditor, he will be covered as an insured person.