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Securities Code: 9934
May 28, 2021

To our shareholders:

Seiichi Kita
President and Representative Director
Inaba Denki Sangyo Co., Ltd.
4-11-14, Itachibori, Nishi-ku, Osaka

Notice of the 73rd Annual General Meeting of Shareholders

We are pleased to announce the 73rd Annual General Meeting of Shareholders of Inaba Denki Sangyo Co., Ltd. (the "Company"), which will be held as described below.

From the standpoint of preventing the spread of a novel coronavirus disease (COVID-19), you are kindly requested to exercise your voting rights in writing or via the Internet, etc. in advance and refrain from attending this General Meeting of Shareholders in person.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders as stated hereafter.

[Exercise of voting rights in writing]

Please indicate your vote of approval or disapproval for each proposal on the enclosed voting form, and return it by mail so that it reaches us **by 5:15 p.m. on Thursday, June 17, 2021 (JST)**.

[Exercise of voting rights via the Internet]

Please access the Company's designated website for the exercise of voting rights (https://www.web54.net), and follow the guide on the screen to enter your vote of approval or disapproval for each proposal **by 5:15 p.m. on Thursday, June 17, 2021 (JST)**.

1. Date and Time: Friday, June 18, 2021, at 10:00 a.m. (JST)

2. Place: The Company's 11th Floor Conference Room
4-11-14, Itachibori, Nishi-ku, Osaka

3. Purpose of the Meeting

Matters to be reported

1. The Business Report and the Consolidated Financial Statements for the 73rd fiscal year (from April 1, 2020 to March 31, 2021), and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Audit and Supervisory Committee
2. The Non-consolidated Financial Statements for the 73rd fiscal year (from April 1, 2020 to March 31, 2021)

Matters to be resolved

Proposal No. 1 Appropriation of Surplus

Proposal No. 2 Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Proposal No. 3 Election of One Director Who Is an Audit and Supervisory Committee Member

Proposal No. 4 Determination of Amounts and Specific Details of Compensation, etc. Concerning Share Acquisition Rights as Stock Options for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

■ For those attending the meeting on the day, please submit the enclosed voting form at the reception desk.

■ The following items are not provided in the attached documents to this Notice because they are posted on the Company's website (https://www.inaba.co.jp) (Japanese Only), pursuant to the provisions of laws and regulations and Article 15 of the Articles of Incorporation.

1) Notes to Consolidated Financial Statements

2) Notes to Non-consolidated Financial Statements

Accordingly, the attached documents to this Notice constitute a part of the documents that were audited by Audit and Supervisory Committee and the Financial Auditor when preparing the audit report.

■ If you exercise your voting rights by proxy, you may designate one other shareholder holding voting rights of the Company to attend the meeting. Please note, however, that it is necessary to submit a document proving the authority of proxy.

■ In the event of revisions to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Non-consolidated Financial Statements or the Consolidated Financial Statements, the revised documents will be made available on the Company's website (https://www.inaba.co.jp) (Japanese Only).

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Appropriation of Surplus

The Company considers the return of profit to its shareholders as one of the priority issues of management and it follows a basic policy to maintain a medium-term total return ratio, which includes both dividends and purchases of treasury shares, at the 50% level. In addition to paying stable dividends twice a year (interim dividend and year-end dividend), the Company pays special dividends and implements purchases of treasury shares in a flexible manner, taking into consideration stock market trends.

Based on this policy, the Company proposes to pay a year-end dividend for the current fiscal year of ¥50 per share, which combined with the interim dividend already paid of ¥50 per share, adds up to an annual dividend for the current fiscal year of ¥100 per share.

Year-end dividends

1) **Type of dividend property**
   To be paid in cash.

2) **Allotment of dividend property and their aggregate amount**
   In accordance with the above policy, the Company proposes to pay a year-end dividend for the current fiscal year of ¥50 per share.

   In this event, the total dividends will be ¥2,782,276,550.

3) **Effective date of dividends of surplus**
   The effective date of dividends will be June 21, 2021.

Proposal No. 2 Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all seven Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, the same applies in this proposal) will expire at the conclusion of this meeting. In that regard, the Company proposes the election of three Directors, lowering the number of Directors by four for the purpose of improving the corporate governance and making decisions more flexibly.

As for this proposal, the Audit and Supervisory Committee of the Company has judged that all the candidates for Director are qualified.

The candidates for Director are as follows:

List of candidates

Candidate No.	Name	Position and Responsibilities in the Company
1	Reelection Yoshihiro Moriya	Chairman and Representative Director
2	Reelection Seiichi Kita	President and Representative Director and General Manager of Research & Development Division
3	Reelection Hiroaki Tashiro	Director and Manager of Electrical Construction Materials Company

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	Yoshihiro Moriya (September 20, 1951) Reelection	Mar. 1974	Joined the Company	102,773
		June 1998	Director and General Manager of Electrical Construction Materials Department	
		Apr. 2001	Director, General Manager of Electrical Construction Materials Division and Electrical Construction Materials Department	
		Oct. 2001	Director, General Manager of Electrical Construction Materials Division, Electrical Construction Materials Department and Kinki Region Electrical Construction Materials Department	
		Apr. 2002	Director and General Manager of Electrical Construction Materials Division	
		Apr. 2003	Managing Director and General Manager of Electrical Construction Materials Division	
		Apr. 2004	President and Representative Director and General Manager of Electrical Construction Materials Division	
		Apr. 2005	President and Representative Director	
		Apr. 2010	President and Representative Director and General Manager of Sales & Marketing Division	
		Apr. 2012	President and Representative Director	
		June 2019	Chairman and Representative Director (current position)	
		Reasons for nomination as candidate for Director Yoshihiro Moriya is currently the Chairman and Representative Director, and having led the management of the Company for many years, he has accomplished numerous achievements through his visionary leadership that have expanded the business and enhanced the corporate value. The Company requests his re-election, deeming that his broad knowledge founded on his wealth of experience and achievements equips him with the ability to fulfill his responsibilities and duties as a Director of the Company.		

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	Seiichi Kita (August 19, 1959) Reelection	Mar. 1982 Joined the Company June 2011 Director and General Manager of Electrical Wholesale West Japan Department Apr. 2014 Managing Director, supervising Electrical Wholesale West Japan Department and INABA DENKO Department Oct. 2014 Managing Director, General Manager of Manufacturing and Research & Development Division, supervising Electrical Wholesale West Japan Department and INABA DENKO Department Apr. 2015 Managing Director, General Manager of Manufacturing and Research & Development Division and supervising INABA DENKO Department Apr. 2016 Managing Director and General Manager of INABA DENKO Division Apr. 2019 Managing Director June 2019 President and Representative Director Apr. 2021 President and Representative Director and General Manager of Research & Development Division (current position)	39,760
		Reasons for nomination as candidate for Director Seiichi Kita is currently the President and Representative Director, and he has broadly contributed to business expansion and further enhancement of corporate value through his strong leadership and in-depth knowledge of the industry in general. The Company requests his re-election, deeming that his broad knowledge founded on his wealth of experience and achievements equips him with the ability to fulfill his responsibilities and duties as a Director of the Company.	

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	Hiroaki Tashiro (April 12, 1967) Reelection	June 1991 Joined the Company June 2017 Director and General Manager of Electrical Construction Materials West Japan Department Apr. 2019 Director and Manager of Electrical Construction Materials Company (current position)	11,716
		Reasons for nomination as candidate for Director Hiroaki Tashiro is currently the Director and Manager of Electrical Construction Materials Company, and the Company requests his re-election, deeming that his broad knowledge founded on his wealth of experience and achievements in the Company's Electrical Equipment & Materials business equips him with the ability to fulfill his responsibilities and duties as a Director of the Company.	

(Notes) 1. There is no special interest between any of the candidates and the Company.

2. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. If the election of each candidate for Director is approved, each of them will continue to be included as an insured in the policy. In addition, when the policy is renewed, the Company plans to also renew the policy with the same terms.

Proposal No. 3 Election of One Director Who Is an Audit and Supervisory Committee Member

Director who is an Audit and Supervisory Committee Member Akihiko Kitano will resign at the conclusion of this meeting. Therefore, the Company proposes the election of one Director who is an Audit and Supervisory Committee Member as his substitute.

In accordance with the Company's Articles of Incorporation, the term of office of the Director who is an Audit and Supervisory Committee Member that is elected as a substitute will continue until the expiration of the term of office of the resigning Director who is an Audit and Supervisory Committee Member.

In addition, the consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

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
Hiroyuki Iwakura (March 3, 1959) New election	Mar. 1983	Joined the Company	27,666
	June 2011	Director, General Manager of Electrical Construction Materials East Japan Department and International Marketing Department	
	Apr. 2012	Director and General Manager of Electrical Construction Materials East Japan Department	
	Apr. 2014	Director, General Manager of Electrical Construction Materials East Japan Department and supervising Electrical Wholesale East Japan Department	
	Apr. 2016	Director and General Manager of Electrical Wholesale Division	
	Apr. 2019	Director and General Manager of Manufacturing and Research & Development Division	
	Apr. 2021	Director (current position)	
	Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member Hiroyuki Iwakura is currently a Director, and the Company requests his new election, deeming that his broad knowledge founded on his wealth of experience and achievements in the Company's Electrical Equipment & Materials business equips him with the ability to provide objective opinions from a neutral standpoint and fulfill his responsibilities and duties as a Director who is an Audit and Supervisory Committee Member of the Company.		

(Notes) 1. There is no special interest between the candidate and the Company.

2. The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. If the election of Hiroyuki Iwakura is approved, he will continue to be included as an insured in the policy. In addition, when the policy is renewed, the Company plans to also renew the policy with the same terms.

Proposal No. 4 Determination of Amounts and Specific Details of Compensation, etc. Concerning Share Acquisition Rights as Stock Options for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

While the Company gained approval at the 72nd Annual General Meeting of Shareholders held on June 19, 2020 for the amount of compensation, etc. concerning share acquisition rights as stock options for Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter, the same applies in this proposal) being not more than ¥100 million per annum (not including the portion of employee salaries of Directors concurrently serving as employees) within the maximum limit established separately from compensation, etc. for Directors, with regard to the granting of share acquisition rights as compensation for Directors, the Act Partially Amending the Companies Act (Act No. 70 of 2019), which was enacted on March 1, 2021, requires entities to obtain approval for specific details of the granting at a general meeting of shareholders.

Therefore, in order to continue the current stock option system, the Company requests approval for the following specific details of share acquisition rights as stock options.

As for these stock options, mainly because the share acquisition rights are allotted with the aim of further increasing willingness to contribute to improvement of the Company's corporate value and morale among others, the Company believes that the specific details and calculation method are appropriate as compensation for its Directors.

Although the number of current Directors is seven, the number of Directors will be three, subject to the approval of Proposal No. 2 "Election of Three Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" in its original form.

Specific details of share acquisition rights as stock options

(1) Total number of share acquisition rights, and class and number of shares that are the subject of the rights

1) Total number of share acquisition rights

The maximum number of share acquisition rights to be issued on any date within one year from the Company's Annual General Meeting of Shareholders with respect to each fiscal year shall be 2,000 units.

2) Class and number of shares that are the subject of the share acquisition rights

The class of shares that are the subject of the share acquisition rights shall be shares of common share of the Company and the number of shares that are the subject of each share acquisition right (hereinafter referred to as "Number of Shares Granted") shall be 100 shares. However, when the Company implements a share split (including allotment of common shares of the Company without contribution. The same applies hereinafter in the description of share split) or consolidation of shares for common shares of the Company after the date of resolution on this proposal (hereinafter referred to as the "Resolution Date"), the Number of Shares Granted shall be adjusted by the following formula.

Number of Shares Granted after adjustment = Number of Shares Granted before adjustment × Share split/consolidation ratio

In addition, besides the above, if it is appropriate to adjust the Number of Shares Granted after the Resolution Date, the Company may adjust the Number of Shares Granted within a reasonable range. Fractional shares less than one share resulting from the above adjustment shall be rounded down.

The maximum number of shares that may be delivered by exercising share acquisition rights to be issued on any date within one year from the Company's Annual General Meeting of Shareholders with respect to each fiscal year shall be 200,000 shares of common shares of the Company. If the Number of Shares Granted is adjusted, the maximum of the total number of shares that are subject of the share acquisition rights shall be the number calculated by multiplying the Number of Shares Granted after adjustment by the above maximum number of share acquisition rights.

(2) Value of property to be contributed upon exercise of share acquisition rights

Value of property to be contributed upon exercise of each share acquisition right shall be the amount derived by multiplying the paid-in amount per share that may be delivered by exercising the share acquisition right (hereinafter referred to as the "Exercise Value") by the Number of Shares Granted. The Exercise Value shall be the average of closing price of common shares of the Company in regular trading at the Tokyo Stock Exchange on each day of 20 trading days before the day prior to the date when share acquisition rights are allotted (hereinafter referred to as the "Allotment Date") (excluding any day on which no transaction is made) (hereinafter referred to as the "Closing Price") (any fraction of a yen is rounded up to ¥1), or the Closing Price on the Allotment Date (if there is no Closing Price on this day, Closing Price on the trading day immediately before the day), whichever is higher.

After the Allotment Date, in cases where it is appropriate to adjust the Exercise Value, such as the case where the Company implements a share split or consolidation of shares for common shares of the Company, the case where it issues new shares or disposes of treasury shares at value falling below the market value (excluding cases due to sale of treasury shares based on the provisions of Article 194 of the Companies Act (demand for sale of shares less than one unit to a holder of shares less than one unit), conversion of securities that are converted or convertible to common shares of the Company, or exercise of share acquisition rights (including those attached to bonds with share acquisition rights) with which delivery of common shares of the Company may be demanded), or the case where allotment without contribution to common shareholders of shares in any other class is conducted or dividends are paid to common shareholders of any other company's shares, the Company may adjust the Exercise Value within a reasonable range, taking into account the terms and conditions and other factors.

(3) Exercise period of the share acquisition rights

The exercise period shall be a period specified by the Board of Directors of the Company within five years from the day when two years have passed since the date of resolution of the Board of Directors of the Company to determine offering terms.

(4) Restriction on acquisition of the share acquisition rights by transfer

The acquisition of share acquisition rights by transfer shall require the approval by resolution of the Board of Directors of the Company.

(5) Conditions for the exercise of share acquisition rights

If any holder of share acquisition rights forfeits share acquisition rights, these share acquisition rights shall not be exercised.

(6) Acquisition provisions for share acquisition rights

When any proposal in (i), (ii), (iii), (iv) or (v) is approved at the General Meeting of Shareholders of the Company (if resolution at the General Meeting of Shareholders is not required, when resolution of the Board of Directors of the Company is adopted), the Company may acquire share acquisition rights without contribution on a date specified by the Company's Board of Directors separately.

(i) Proposal for approval of a merger agreement in which the Company is the disappearing company

(ii) Proposal for approval of a corporate split agreement or a corporate split plan pursuant to which the Company will become a splitting company

(iii) Proposal for approval of a share exchange agreement or a share transfer plan pursuant to which the Company will become a wholly owned subsidiary

(iv) Proposal for approval of an amendment to the Articles of Incorporation of the Company to provide that the acquisition by transfer of all classes of shares issued by the Company is subject to the approval of the Company

(v) Proposal for approval of an amendment to the Articles of Incorporation of the Company to provide that, as the content of shares in the class that is the subject of share acquisition rights, the acquisition by transfer of such a class of shares is subject to the approval of the Company, or the Company acquires all shares in that class by resolution at the General Meeting of Shareholders