

Securities code: 5933

May 27, 2021

To our shareholders:

Nobuo Kobayashi
Representative Director and President
ALINCO INCORPORATED
1-1-1 Mishimae, Takatsuki City, Osaka Prefecture
(Osaka Head office: 4-4-9 Koraihashi, Chuo-ku, Osaka City)

Notice of the 51st Annual General Meeting of Shareholders

We are pleased to announce the 51st Annual General Meeting of Shareholders of ALINCO INCORPORATED (the “Company”), which will be held as described below.

The Company has decided to hold this General Meeting of Shareholders, taking appropriate measures beforehand to prevent the spread of novel coronavirus (COVID-19) infection.

You are strongly encouraged to exercise your voting rights prior to the meeting in writing or via the Internet and refrain from traveling to the venue on the day of the meeting, if at all possible, in order to secure safety and prevent the spread of infection.

Please review the attached Reference Documents for the General Meeting of Shareholders, and indicate your approval or disapproval of the proposals in the enclosed voting form and then return the form to the Company by postal mail or submit your votes via the Internet after referring to the “Guide to exercising voting rights via the Internet” (in Japanese only) so that your vote is received by 5:30 p.m. on Wednesday, June 16, 2021 (JST).

1. Date and Time: Thursday, June 17, 2021, at 10:00 a.m. (JST)

2. Venue: Murasaki Hall, Hotel new Hankyu Osaka
1-1-35 Shibata, Kita-ku, Osaka City

3. Purpose of the Meeting:

Matters to be reported:

1. The Business Report and the Consolidated Financial Statements for the 51st fiscal year (from March 21, 2020 to March 20, 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 51st fiscal year (from March 21, 2020 to March 20, 2021)

Proposals to be resolved:

Proposal No. 1 Partial Amendments to the Articles of Incorporation

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

- Of the documents that shall be provided with the Notice (the Japanese original), “Notes to the Consolidated Financial Statements” and “Notes to the Non-consolidated Financial Statements,” which are posted on the Company’s website (<https://www.alinco.co.jp/>) in accordance with and as provided for in the applicable laws and regulations and Article 14 of the Articles of Incorporation of the Company. Therefore, the attached documents to the Notice (the Japanese original) is a part of the documents that were audited by the Audit and Supervisory Committee in preparing the Audit Reports and by the Financial Auditor in preparing the Financial Audit Reports.
- In the event of the revision to any matters in the Reference Documents for the General Meeting of Shareholders (the Japanese original), the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements, it will be posted on the Company’s website stated above.
- If you exercise your voting rights both in writing and via the Internet, the voting via the Internet shall be deemed valid. If you exercise your voting rights more than once via the Internet, the latest voting shall be deemed valid.
- In attending the meeting in person, please submit the enclosed voting form at the reception of the meeting. In addition, you are kindly requested to bring this notice and the Notice (the Japanese original) to the meeting.

Requests to Shareholders Concerning the Prevention of the Spread of COVID-19 infection

- If any significant changes to the situation occur from this time forward regarding the operation of the General Meeting of Shareholders, we will post such updates on the Company’s website above.
- Please exercise your voting rights in writing or via the Internet, and refrain from traveling to the venue on the day of the meeting in order to prevent the spread of infection. We ask that senior citizens, individuals suffering from chronic illness, and pregnant women in particular fully consider the potential risks when deciding whether or not to attend the meeting.
- Shareholders attending this General Meeting of Shareholders in person are requested to check the status of infection on the day of the meeting and take note of your own health condition. Please take measures to prevent the spread of infection, such as wearing a face mask, when you attend.
- Those who appear to be unwell may be approached by the Company’s staff and asked to refrain from entering the venue.
- The Company’s staff at the venue will wear masks after checking their physical condition.
- We will be taking measures to prevent the spread of infection, and we ask for the understanding and cooperation of shareholders attending the General Meeting of Shareholders.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1 Partial Amendments to the Articles of Incorporation

The Company proposes to make partial amendments to the current Articles of Incorporation as follows.

- ### 1. Reason for the proposal

The Company proposes to make addition to the business purpose provided in Article 2 in order to prepare for the Company's future business development.

- ## 2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

| Current Articles of Incorporation | Proposed Amendments |
|---|--|
| <p>(Purpose)</p> <p>Article 2.</p> <p>The purpose of the Company shall be to engage in the following business activities:</p> <p>1) - 24) (Omitted)</p> <p>(New)</p> <p>(New)</p> <p>(New)</p> <p>25) (Omitted)</p> | <p>(Purpose)</p> <p>Article 2. (Unchanged)</p> <p>1) - 24) (Unchanged)</p> <p>25) <u>Telecommunications business.</u></p> <p>26) <u>Agency services for telecommunications carriers.</u></p> <p>27) <u>Development, production, sale, leasing, maintenance, management, and import/export of information and communications software and systems that utilize the Internet.</u></p> <p>28) (Unchanged)</p> |

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

The terms of office of all 11 Directors of the Company (excluding Directors who are Audit and Supervisory Committee Members) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of six Directors (excluding Directors who are Audit and Supervisory Committee Members).

Moreover, this proposal has been considered by the Audit and Supervisory Committee, but they have expressed no opinion.

The candidates for Directors (excluding Directors who are Audit and Supervisory Committee Members) are as follows:

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company) | Number of the Company's shares owned |
|--|-------------------------------------|--|--------------------------------------|
| 1 | Yusaku Inoue (December 20, 1943) | <div> <div>Apr. 1967</div> <div>Joined Inoue Tekkousyo Ltd.</div> </div> <div> <div>July 1970</div> <div>Established Inoue Tekkou Co., Ltd. (currently ALINCO INCORPORATED)</div> </div> <div> <div>Senior Managing Director</div> </div> <div> <div>June 1993</div> <div>Representative Director and President of the Company</div> </div> <div> <div>June 2009</div> <div>Representative Director and Chairperson</div> </div> <div> <div>June 2019</div> <div>Director and Chairperson</div> </div> <div> <div>Dec. 2019</div> <div>Representative Director and Chairperson (current position)</div> </div> | 601,347 shares |
| <p>(Reasons for nomination as candidate for Director)</p> <p>Yusaku Inoue has been serving as Director of the Company since its establishment. He has been involved in the management of the Company for many years, and has been performing his duties and responsibilities in an appropriate manner. He has abundant experience in the temporary construction material industry, and as vice chairperson of Scaffolding and Construction Equipment Association of Japan, he has been working to prevent industrial accidents by promoting the use of safe equipment at construction sites.</p> <p>As the Company has deemed him as an individual who can continue to contribute to the management of the Company by utilizing this experience and insight as a Director, it has nominated him as a candidate for Director.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company) | Number of the Company's shares owned |
|---|---------------------------------------|--|--------------------------------------|
| 2 | Nobuo Kobayashi (January 20, 1957) | <p>Apr. 1980 Joined Osaka Bank, Limited (currently Kansai Mirai Bank, Limited)</p> <p>Sept. 2008 Director and Executive Officer of the Kinki Osaka Bank, Ltd. (currently Kansai Mirai Bank, Limited)</p> <p>Apr. 2010 Joined the Company Corporate Officer; Manager of Finance Department</p> <p>Mar. 2011 Corporate Officer; Manager of Accounting Department, Manager of Finance Department</p> <p>June 2012 Director; Manager of Accounting Department, Manager of Finance Department</p> <p>Jan. 2014 Director; Manager of Accounting Department, in charge of Finance Department</p> <p>June 2018 Managing Director; General Manager of Administration Division</p> <p>Dec. 2019 Representative Director and President (current position)</p> <p>(Significant concurrent positions outside the Company) Representative Director and Chairperson of SOFUKUKOKI Co., Ltd.</p> | 28,749 shares |
| <p>(Reasons for nomination as candidate for Director)</p> <p>Nobuo Kobayashi has a high level of knowledge in the banking industry that was cultivated in a previous position, and a high level of insight in management overall as a Director. He has been involved in the management of the Company as a Director since June 2012. From June 2018, he became well versed in the overall business of the Company through his duties managing Administration Division as Managing Director and General Manager of the Administration Division. Since December 2019, he has been performing his duties and responsibilities in an appropriate manner as Representative Director and President.</p> <p>As the Company has deemed him as an individual who can continue to contribute to the management of the Company by utilizing this experience and insight as a Director, it has nominated him as a candidate for Director.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company) | | Number of the Company's shares owned |
|---|--|--|--|--------------------------------------|
| 3 | Masatoshi Okamoto (October 5, 1958) | Mar. 1982 | Joined the Company | 16,803 shares |
| | | Apr. 2010 | Manager of Kanto and Chubu Area, Manager of Tokyo Branch, Construction Materials Division | |
| | | June 2012 | Corporate Officer; Manager of Kanto and Chubu Area, Manager of Tokyo Branch, Construction Materials Division | |
| | | Jan. 2014 | Corporate Officer; Vice General Manager of Construction Materials Division, Manager of Sales Department, Manager of Business Operations Department | |
| | | June 2015 | Director; Vice General Manager of Construction Materials Division, Manager of Business Operations Department | |
| | | Mar. 2018 | Director; General Manager of Construction Materials Division (current position) | |
| <p>(Reasons for nomination as candidate for Director)</p> <p>Masatoshi Okamoto has abundant business experience in the Company's Construction Materials Division, and is well versed in temporary construction material-related business. Furthermore, he served as Corporate Officer from June 2012, has been serving as Director since June 2015, and has been performing his duties and responsibilities in an appropriate manner.</p> <p>As the Company has deemed him as an individual who can continue to contribute to the management of the Company by utilizing this experience and insight as a Director, it has nominated him as a candidate for Director.</p> | | | | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company) | Number of the Company's shares owned |
|--|-------------------------------------|---|--------------------------------------|
| 4 | Naoyuki Miura (January 24, 1957) | <p>May 1976 Joined Saikodo BAKING Co., Ltd.</p> <p>Jan. 1990 Joined the Company</p> <p>June 2007 General Manager of ALINCO SUZHOU Co., Ltd. (CHINA)</p> <p>June 2012 Manager of Sales Department, Home Appliances Division</p> <p>July 2012 Manager of Sales Department, Manager of International Affairs Department, Home Appliances Division</p> <p>June 2013 Corporate Officer; Manager of Sales Department, Manager of International Affairs Department, Home Appliances Division</p> <p>Jan. 2014 Corporate Officer; Vice General Manager of Home Appliances Division, Manager of Business Operations Department</p> <p>June 2016 Director; Vice General Manager of Home Appliances Division, Manager of Business Operations Department</p> <p>Feb. 2017 Director; Vice General Manager of Home Appliances Division, Manager of Sales Department, Manager of Business Operations Department</p> <p>Mar. 2018 Director; Vice General Manager of Home Appliances Division, Manager of Sales Department</p> <p>Oct. 2018 Director; Vice General Manager of Home Appliances Division (current position)</p> <p>(Significant concurrent positions outside the Company)</p> <p>Director and Chairperson of Showa Bridge Co., Ltd.</p> | 8,349 shares |
| <p>(Reasons for nomination as candidate for Director)</p> <p>Naoyuki Miura has abundant business experience in the Company's Home Appliances Division, and is well versed in housing equipment-related business. Furthermore, he served as Corporate Officer from June 2013, has been serving as Director since June 2016, and has been performing his duties and responsibilities, which includes the management of domestic and overseas subsidiaries, in an appropriate manner.</p> <p>As the Company has deemed him as an individual who can continue to contribute to the management of the Company by utilizing this experience and insight as a Director, it has nominated him as a candidate for Director.</p> | | | |

| Candidate No. | Name (Date of birth) | Career summary, position and responsibility in the Company (Significant concurrent positions outside the Company) | | Number of the Company's shares owned |
|--|--|--|--|--------------------------------------|
| 5 | Takashi Sakaguchi (September 5, 1961) | Mar. 1984 | Joined the Company | 17,649 shares |
| | | June 2012 | Manager of Accounting Department | |
| | | Jan. 2014 | Manager of Finance Department | |
| | | June 2014 | Corporate Officer; Manager of Finance Department | |
| | | June 2017 | Director; Manager of Finance Department | |
| | | Sept. 2017 | Director; General Manager of Overseas Scaffolding Rental Division, Manager of Finance Department | |
| | | Mar. 2020 | Director; General Manager of Overseas Scaffolding Rental Division, General Manager of Accounting Division (current position) | |
| (Reasons for nomination as candidate for Director) Takashi Sakaguchi has abundant business experience in the Company's Administration Division, and is well versed in accounting and finance-related business. He served as Corporate Officer from June 2014, and has been serving as Director since June 2017. Moreover, since September 2017, he has been performing his duties and responsibilities as the person in charge of the overseas construction materials rental business. As the Company has deemed him as an individual who can continue to contribute to the management of the Company by utilizing this experience and insight as a Director, it has nominated him as a candidate for Director. | | | | |
| 6 | Makoto Nashiwa (July 26, 1943) | Apr. 1966 | Joined Toyo Koatsu Industries (currently Mitsui Chemicals, Inc.) | 4,000 shares |
| | | Aug. 1988 | General Manager of Plant Engineering Department of Osaka Plant | |
| | | July 1995 | General Manager of Engineering Headquarters | |
| | | Oct. 1997 | General Manager of Engineering Department of Mitsui Chemicals, Inc. | |
| | | Oct. 1999 | Director and General Manager of Procurement Department of Mitsui Chemical Engineering Corporation (currently Mitsui Chemicals, Inc.) | |
| | | July 2000 | Director and General Manager of Ichihara Operation Base | |
| | | July 2003 | Representative Managing Director and General Manager of Domestic Business Headquarters | |
| | | June 2014 | Director of the Company (current position) | |
| (Reasons for nomination as candidate for outside Director and overview of expected roles) Makoto Nashiwa has a high level of insight in management overall, as well as technical insight, from his extensive experience as a corporate manager of another company. Furthermore, he has been serving as outside Director of the Company since June 2014, monitoring and supervising management from a broad perspective, and performing his duties and responsibilities in an appropriate manner. As the Company has deemed him as an individual who can continue to contribute to the management of the Company, it has nominated him as a candidate for outside Director. The Company expects him to provide advice in order to increase medium- to long-term corporate value by stimulating the Company's sustainable growth, and supervise management by making important decisions at meetings of the Board of Directors, such as the appointment and dismissal of the senior management, by utilizing this experience. | | | | |

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Makoto Nashiwa is a candidate for outside Director.
 3. At the conclusion of this meeting, Makoto Nashiwa's tenure as outside Director of the Company will have been seven years.
 4. Pursuant to the provisions of Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with Makoto Nashiwa limiting his liability for damages under Article 423, paragraph (1) of the Companies Act. The limit of the amount of liability for damages under the aforementioned agreement is the amount provided for under laws and regulations and, if his reelection is approved, the Company intends to renew the agreements with him.
 5. The Company has submitted notification to the Tokyo Stock Exchange that Makoto Nashiwa has been appointed as an independent officer as provided for by the aforementioned exchange. If his reelection is approved in this proposal, the Company plans for his appointment as an independent officer to continue.
 6. The Company has entered into a directors and officers liability insurance policy with an insurance company. The policy covers claims for damages and litigation expenses incurred (including in case of shareholder derivative lawsuit) due to actions carried out by insured persons based on their position. If his reelection is approved, candidates will be included

as insured persons in this policy. In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

(Reference)

Standard for independence of Outside Directors

The Company deems an outside Director or candidate for outside Director as having independence if they do not fall under any of the items listed below as a result of the Company having investigated his or her background to reasonable extent.

1. A business executive (*1) of the Company or the Company's subsidiaries (hereinafter, the "Group"), or person who has been a business executive of the Group at any time in the past 10 years (or for a period of 10 years before appointment to that post if the person has, at any time within the past 10 years, served as a non-executive Director (Directors who do not fall under executive Director), Auditor or Accounting Advisor of the Group);
2. Shareholders who hold 10% or more of the voting rights of the Company, or directors, etc. of such companies (*2);
3. Directors, etc. of companies in which the Company holds 10% or more of the voting rights;
4. A business executive of a business partner, with which the Group does business for an amount equivalent to 2% or more of the total consolidated net sales for either of the companies;
5. Directors, etc. of financial institutions, etc., from which the Group borrows an amount equivalent to 2% or more of its total consolidated assets;
6. A person who is currently a certified public accountant (or certified tax accountant) serving as a Financial Auditor or Accounting Advisor of the Group, or a person who is currently a member, partner, or employee of an audit firm (or tax accountancy corporation) serving as a Financial Auditor or Accounting Advisor of the Group;
7. An attorney at law, certified public accountant, certified tax accountant or any other consultant who received an average of ¥10 million or more per year over the past three years in the form of money or other financial benefits, other than remuneration as an executive of the Group;
8. A person whose spouse, relative within the second degree of kinship, or cohabiting relative falls under any of 1 to 7 above;
9. A person who has fallen under any item of 2 to 8 above in the past five years
10. A business executive of a company at which a business executive of the Group assumes the position of an officer;
11. A person who currently holds the position of independent Director of the Company and whose tenure, if reappointed, will exceed eight years;

*1 "Business executive" refers to an executive Director, Executive (or Corporate) Officer, manager or other employee.

*2 Directors, etc. refers to Directors, Auditors, Accounting Advisors, Executive Officers (Shikkoyaku), Administrative Officers, Executive (or Corporate) Officers, managers and other employees.