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Securities Code: 9052

June 2, 2023

To our shareholders:

Kazuhiro Uekado,
President and Representative Director
Sanyo Electric Railway Co., Ltd.
1-1 Oyashikidori 3-chome, Nagata-ku, Kobe

Notice of the 134th Annual General Meeting of Shareholders

It is my pleasure to inform you that the 134th Annual General Meeting of Shareholders of Sanyo Electric Railway Co., Ltd. (hereinafter the “Company”) will be held as described below.

When convening this general meeting, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (items subject to measures for electronic provision) in electronic format, and posts this information as “Notice of the 134th Annual General Meeting of Shareholders” on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

The Company’s website:

<https://www.sanyo-railway.co.jp/company/soukai.html> (in Japanese)

In addition to posting items subject to measures for electronic provision on the Company’s website above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, access the TSE website (Listed Company Search) by using the internet address shown below, enter “Sanyo Electric Railway” for the issue name (company name) or “9052” (half-width characters) for the securities code, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

If you are unable to attend the meeting on that day, you can exercise your voting rights in writing or through the Internet, etc. Please read the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Tuesday, June 27, 2023.

- 1. Date and Time:** Wednesday, June 28, 2023 at 10:00 a.m. (JST)
(Reception opens at 9:00 a.m.)
- 2. Venue:** Kobe Shimbun Matsukata Hall, 4F, Kobe Information Culture Building
5-7 Higashi-kawasaki-cho 1-chome, Chuo-ku, Kobe

3. Purpose of the Meeting

Matters to be reported

1. The Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements for the Company’s 134th Fiscal Year (April 1, 2022 to March 31, 2023)
2. The audit results of the Consolidated Financial Statements by the Financial Auditor and the Audit & Supervisory Board

Matters to be resolved

- Proposal No. 1:** Dividend of Surplus
Proposal No. 2: Election of Nine Directors

- © If attending the meeting, please submit the enclosed voting form to the reception desk at the venue upon your arrival.
- © If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the matters before and after the revisions will be posted on the Company's aforementioned website and the TSE website.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1: Dividend of Surplus

The Company proposes to pay a year-end dividend as follows based on comprehensive consideration of factors such as maintenance of stable dividend payments that are balanced with internal reserves, financial position, the level of profits and the dividend payout ratio.

Year-end dividend

- (1) Allotment of dividend property to shareholders and the aggregate amount of this allotment
¥15 per common share of the Company Total payment: ¥333,750,390
The annual dividend will be ¥30 per share, including the interim dividend of ¥15.
- (2) Effective date of dividend of surplus
June 29, 2023

Proposal No. 2: Election of Nine Directors

As the terms of office of all nine Directors Kazuhiro Uekado, Takashi Nakano, Shinichi Yoneda, Ryuji Masuda, Masahiro Ito, Fumiteru Kawakubo, Takaoki Fujiwara, Makoto Nagao, and Yoko Sato will expire at the conclusion of this General Meeting of Shareholders, the Company proposes the election of nine Directors.

The candidates are as follows:

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	Kazuhiro Uekado (March 22, 1958) Reappointed Male	Apr. 1980 Joined the Company June 2005 Director June 2008 Managing Director June 2009 President and Representative Director (current position) Significant concurrent positions outside the Company Director of Shinki Bus Co., Ltd.	16,500
		(Reasons for election and summary of expected roles) Mr. Uekado currently serves as President. He possesses abundant knowledge acquired through service in important positions in the railway and corporate planning divisions as well as broad experience concerning company management in general. The Company has once again nominated him as candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.	
2	Takashi Nakano (July 28, 1960) Reappointed Male	Apr. 1983 Joined the Company June 2005 Director June 2009 Managing Director June 2013 Senior Managing Director June 2019 Representative Director (current position) Apr. 2020 Senior Managing Executive Officer (current position) Responsibilities: General Manager of Corporate Management Division	13,200
		(Reasons for election and summary of expected roles) Mr. Nakano currently serves as a Senior Managing Executive Officer and General Manager of the Corporate Management Division. He possesses abundant knowledge acquired through service in important positions in the management division. The Company has once again nominated him as a candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.	
3	Shinichi Yoneda (July 25, 1961) Reappointed Male	Apr. 1984 Joined the Company June 2013 Director June 2019 Managing Director Apr. 2020 Director (current position) Managing Executive Officer (current position) Responsibilities: General Manager of Development Business Division Significant concurrent positions outside the Company Chairperson, Representative Director of Sanden Fudosan Co., Ltd.	9,100
		(Reasons for election and summary of expected roles) Mr. Yoneda currently serves as Managing Executive Officer and General Manager of the Development Business Division as well as Chairperson, Representative Director of a subsidiary. He possesses abundant knowledge acquired through service in important positions in the real estate division. The Company has once again nominated him as a candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.	

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	Ryuji Masuda (October 10, 1971) Reappointed Male	<p>Apr. 1994 Joined the Company</p> <p>July 2013 Manager of Railway Sales Department, Railway Business Division</p> <p>Apr. 2020 Executive Officer (current position) In charge of Railway Sales Department, Railway Business Division and Manager of Railway Sales Department</p> <p>June 2020 In charge of Safety Promotion and Planning Department and Technical Department, Railway Business Division, and Manager (Manager in charge of Safety) of Railway Sales Department</p> <p>June 2021 Director (current position) General Manager of Railway Business Division and Manager of Safety Promotion and Planning Department (current position)</p> <p>Responsibilities: General Manager of Railway Business Division and Manager of Safety Promotion and Planning Department Significant concurrent positions outside the Company Director of KOBE RAPID TRANSIT RAILWAY CO., LTD.</p>	3,600
<p>(Reasons for election and summary of expected roles)</p> <p>Mr. Masuda currently serves as Executive Officer and General Manager of the Railway Business Division. He possesses abundant knowledge acquired through service in important positions in the railway division. The Company has once again nominated him as a candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.</p>			
5	Masahiro Ito (January 2, 1964) Reappointed Male	<p>Apr. 1987 Joined the Company</p> <p>July 2007 Manager of Automotive Department, Automotive Sales Division</p> <p>Feb. 2011 President and Representative Director of Osaka Sanyo Taxi Co., Ltd.</p> <p>Feb. 2014 Senior Managing Director of Sanyo Bus Co., Ltd.</p> <p>July 2017 President and Representative Director of Sanyo Taxi Co., Ltd.</p> <p>Dec. 2021 Manager of Sustainability Promotion Department, Corporate Management Division, the Company</p> <p>June 2022 Director (current position) Executive Officer (current position) In charge of Sustainability Promotion and Group Operation and IT Promotion, and Manager of Sustainability Promotion Department, Corporate Management Division (current position)</p> <p>Responsibilities: In charge of Sustainability Promotion, and Group Operation and IT Promotion, and Manager of Sustainability Promotion Department, Corporate Management Division</p>	2,400
<p>(Reasons for election and summary of expected roles)</p> <p>Mr. Ito currently serves as Executive Officer and is in charge of Sustainability Promotion in the Corporate Management Division, as well as Group Operation and IT Promotion. He possesses abundant knowledge acquired through service as Director of subsidiaries, as well as in important positions in the Company's management division. The Company has once again nominated him as a candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
6	Fumiteru Kawakubo (December 31, 1970) Reappointed Male	<p>Apr. 1993 Joined the Company</p> <p>July 2009 Manager of Housing Business Department, Development Business Division</p> <p>Jan. 2014 Manager of Housing Business Department, Development Business Division</p> <p>July 2016 Manager of Development Business Division</p> <p>Apr. 2020 Executive Officer (current position) In charge of Sales Management, Site Management and Business Promotion Group, Development Business Division, and Manager of Development Business Division</p> <p>July 2020 In charge of Sales Management, Site Management and Business Promotion Group, Development Business Division and Manager of Development Business Division</p> <p>July 2021 In charge of Sales Management, Site Management and Business Promotion Group, Development Business Division and Manager of Business Promotion Department (current position)</p> <p>June 2022 Director (current position)</p> <p>Responsibilities: In charge of Sales Management, Site Management and Business Promotion Group, Development Business Division and Manager of Business Promotion Department</p> <p>Significant concurrent positions outside the Company President and Representative Director of Sanden Fudosan Co., Ltd.</p>	3,100
<p>(Reasons for election and summary of expected roles)</p> <p>Mr. Kawakubo currently serves as Executive Officer in charge of Sales Management, Site Management and Business Promotion Group, Development Business Division, and as President and Representative Director of a subsidiary. He possesses abundant knowledge acquired through service in important positions in the real estate division. The Company has nominated him once again as a candidate for Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.</p>			
7	Makoto Nagao (July 23, 1959) Reappointed Male Outside Independent Officer	<p>Apr. 1982 Joined Shinki Bus Co., Ltd.</p> <p>June 2013 President and Representative Director (current position)</p> <p>June 2017 Director of the Company (current position)</p> <p>Significant concurrent positions outside the Company President and Representative Director of Shinki Bus Co., Ltd.</p>	0
<p>(Reasons for election and summary of expected roles)</p> <p>Mr. Nagao currently serves as outside Director. He possesses broad experience related to corporate management as well as abundant knowledge acquired through the operation of transportation business, etc. In addition to delivering helpful remarks at the Company's Board of Directors meetings by utilizing this experience and knowledge, as a member of the Nominating and Remuneration Committee, he has served his role appropriately from an objective and neutral perspective when selecting candidates for the Company's executives and determining executive compensation, etc. The Company has nominated him once again as a candidate for outside Director because he can be expected to contribute to further enhancing the Group's corporate value going forward as well.</p>			

Candidate No.	Name (Date of birth)	Career summary, position and responsibility in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
8	Yoko Sato (July 23, 1960) Reappointed Female Outside Independent Officer	Sept. 1986 Joined Showa Ota & Co. (current Ernst & Young ShinNihon LLC)	0
		Mar. 1990 Registered as a certified public accountant May 2011 Senior partner at current Ernst & Young ShinNihon LLC June 2019 Left Ernst & Young ShinNihon LLC Sept. 2019 Representative of Yoko Sato Certified Public Accountant Office (current position) June 2021 Director of the Company (current position) Significant concurrent positions outside the Company Representative of Yoko Sato Certified Public Accountant Office Director of TOCALO Co., Ltd. Corporate Auditor of JAPAN CASH MACHINE CO., LTD.	
(Reasons for election and summary of expected roles) Ms. Sato currently serves as outside Director. She possesses abundant experience and knowledge as a certified public accountant. In addition to delivering helpful remarks at the Company's Board of Directors meetings by utilizing this experience and knowledge, as a member of the Nominating and Remuneration Committee, she serves her role appropriately from an objective and neutral perspective when selecting candidates for the Company's executives and determining executive compensation, etc. The Company has nominated her once again as a candidate for outside Director because she can be expected to contribute to further enhancing the Group's corporate value going forward as well.			
9	Masao Shin (May 22, 1957) New election Male Outside Independent Officer	Apr. 1981 Joined HANSHIN ELECTRIC RAILWAY CO., LTD. Apr. 2017 President and Representative Director June 2017 Executive Vice President and Representative Director of Hankyu Hanshin Holdings, Inc. (current position) Apr. 2023 Chairperson and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. (current position) Significant concurrent positions outside the Company Chairperson and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. Executive Vice President and Representative Director of Hankyu Hanshin Holdings, Inc. Director of Shinki Bus Co., Ltd.	0
		(Reasons for election and summary of expected roles) Mr. Shin possesses broad experience related to corporate management as well as abundant knowledge acquired through the operation of transportation business, etc. The Company has nominated him as a new candidate for outside Director because he can be expected to contribute to further enhancing the Group's corporate value by delivering helpful remarks at the Company's Board of Directors meetings by utilizing this experience and knowledge and, as a member of the Nominating and Remuneration Committee, serving his role appropriately from an objective and neutral perspective when selecting candidates for the Company's executives and determining executive compensation, etc.	

- Notes:
- Masao Shin is a new candidate for Director.
 - Special interests between the candidate for Director and the Company
 - Makoto Nagao, the candidate for Director, is the President and Representative Director of Shinki Bus Co., Ltd. which is in a competitive relationship with the Company in the real estate business, and has a conflict of interest in transactions related to real estate leases.
 - Masao Shin, the candidate for Director, is the Chairperson and Representative Director of HANSHIN ELECTRIC RAILWAY CO., LTD. which is in a competitive relationship with the Company in the real estate business.
 - There are no special interests between the other candidates for Director and the Company.
 - Makoto Nagao, Yoko Sato and Masao Shin are each candidates for outside Director.
 - At the conclusion of this General Meeting of Shareholders, the term of appointment for outside Director Makoto Nagao has been six years, and the term of appointment for outside Director Yoko Sato has been two years.
 - In accordance with Article 427, paragraph (1) of the Companies Act, the Company has entered into an agreement with both Makoto Nagao and Yoko Sato under which their liability for damages pursuant to Article 423, paragraph (1) of the same act is limited to the amount provided for by laws and regulations, and will continue to honor this contract if the reappointments of both Makoto Nagao and Yoko Sato are approved. Furthermore, if the election of Masao Shin is approved, the Company plans to enter into a similar limited liability agreement with Mr. Shin.

6. The Company has entered into a directors and officers liability insurance contract with an insurance company, as set forth in Article 430-3, paragraph (1) of the Companies Act. Insured parties under this contract include Directors, Audit & Supervisory Board Members, and Executive Officers of the Company, as well as Directors and Audit & Supervisory Board Members of all subsidiaries of the Company. The insurance premium associated with this contract is paid entirely by the Company. The contract covers losses that may arise from an insured party's assumption of liability incurred as a result of his or her performance of duties, or receipt of claims pertaining to the pursuit of such liability. The Company intends to renew the contract under the same terms after the present term of the insurance expires. The contract also contains certain exceptions, excluding from coverage liability arising from acts that deliberately contravene laws or regulations. Each candidate reelected or appointed will be an insured party under the contract.
7. The Company has designated both Mr. Nagao and Ms. Sato as independent officers as prescribed by the Tokyo Stock Exchange, and has registered this information with the exchange. Furthermore, Mr. Shin fulfills the criteria for an independent officer as prescribed by the Tokyo Stock Exchange, and the Company intends to register him as an independent officer with the exchange.
8. Masao Shin, the candidate for Director, intends to retire as Executive Vice President and Representative Director of Hankyu Hanshin Holdings, Inc. on June 16, 2023 and as Director of Shinki Bus Co., Ltd. on June 23, 2023.

(Reference) If Proposal No. 2 is approved and passed without alteration, the skill matrix of the Company's Directors and Audit & Supervisory Board Members will be as follows:

	Name	Corporate management	Finance and accounting	Legal, risk management and internal audit	Human resources, labor relations and organizational strategy	Sustainability	Transportation	Real estate	Distribution
Director	Kazuhiro Uekado	●		●	●	●	●		●
	Takashi Nakano	●	●	●	●				●
	Shinichi Yoneda	●						●	
	Ryuji Masuda						●		
	Masahiro Ito	●		●		●	●		
	Fumiteru Kawakubo	●						●	
	Makoto Nagao	●			●	●	●		
	Yoko Sato		●	●		●			
	Masao Shin	●		●	●	●			
	Audit & Supervisory Board Member	Takashi Imae	●		●			●	
Akihiko Kanatani		●		●			●		
Kazuhiko Nakao		●	●	●	●	●		●	
Jiroh Kagawa		●		●	●	●		●	

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