

June 4, 2021

**To Our Shareholders with Voting Rights**

Kimikazu Aida  
Representative Director,  
Chairman & President (CEO)  
AIDA ENGINEERING, LTD.  
2-10 Ohyama-cho, Midori-ku, Sagamihara,  
Kanagawa 252-5181, Japan

**Notice of the 86th Ordinary General Meeting of Shareholders**

Dear Shareholders:

We would like to take this opportunity to express our sincere appreciation for your support. Please be informed that the 86th Ordinary General Meeting of Shareholders of AIDA ENGINEERING, LTD. (hereinafter, the “Company”) to be held as described below.

As a result of careful consideration of the current coronavirus disease (COVID-19) situation, we will be holding the General Meeting of Shareholders upon conducting appropriate infection preventive measures.

**We would like to ask all our shareholders to exercise your voting rights in advance via the Internet or in writing, and refrain from attending the General Meeting of Shareholders as much as possible from the perspective of preventing the spread of the COVID-19, regardless of your physical conditions. As part of measures preventing the spread of infection, we will cancel social gathering for our shareholders, distribution of souvenirs, shuttle bus service and beverages at the waiting room.**

**Please review the Reference Documents for the General Meeting of Shareholders provided in the following pages and exercise your voting rights by no later than 6:00 p.m., Friday, June 25, 2021.**

1. Date: 10:30 a.m., Monday, June 28, 2021
2. Place: The conference room of the Company  
2-10 Ohyama-cho, Midori-ku, Sagamihara, Kanagawa, Japan

3. Objectives of the Meeting:

- Reports:
1. Report on the Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 86th Fiscal Year (from April 1, 2020 to March 31, 2021)
  2. Audit Reports of the Accounting Auditors and the Board of Statutory Auditors on the Consolidated Financial Statements for the 86th Fiscal Year (from April 1, 2020 to March 31, 2021)

Agenda:

- |            |                                       |
|------------|---------------------------------------|
| Proposal 1 | Appropriation of Retained Earnings    |
| Proposal 2 | Election of Seven (7) Directors       |
| Proposal 3 | Election of One (1) Statutory Auditor |

4. Other matters regarding this Notice

- (1) Among the documents to be provided in this Notice, Corporate Systems and Policies in the Business Report, the Consolidated Statements of Changes in Net Assets, the Notes to Consolidated Financial Statements, the Non-Consolidated Statements of Changes in Net Assets, and the Notes to Non-Consolidated Financial Statements are posted on the Company’s website (<https://www.aida.co.jp>) pursuant to applicable laws and regulations and Article 16 of the Articles of Incorporation of the Company. The attached documents in this Notice are therefore parts of the Business Report, the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Statutory Auditors in the preparation of Audit Report and the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Accounting Auditors in the preparation of Independent Auditor’s Report.

- (2) If circumstances occur that may require changes to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-Consolidated Financial Statements, such changes shall be posted on the Company's website (<https://www.aida.co.jp>) on the Internet.
- (3) You may exercise your voting rights by proxy by having another shareholder who holds voting rights attend the General Meeting of Shareholders on your behalf. Please note, however, that a document evidencing the authority of proxy must be submitted.
- (4) Notice of resolutions made by this General Meeting of Shareholders shall be posted on the Company's website, shown above, instead of by mail as in the past. Thank you for your understanding.

(Information)

- Proceedings on the day will be in Japanese. Please note that we will not provide an interpreter.

## Reference Documents for the General Meeting of Shareholders

Proposals and references

### Proposal 1-Appropriation of Retained Earnings

Our basic policy regarding shareholder return is to continue to provide stable returns to shareholders by aiming to maintain a consolidated dividend payout ratio of 40% while at the same time assuring a strong management and financial foundation, and investments for future growth. This is consistent with our management policy to “Achieve sustainable growth together with our stakeholders.”

For the fiscal year under review, despite a significant decrease in profit due to the COVID-19 pandemic, the Company will pay an ordinary dividend of ¥20 per share (90.6% of the consolidated dividend payout ratio) to maintain stable dividend payment.

Matters relating to year-end dividends

- (1) Category of dividend assets  
Cash
- (2) Matters relating to the allocation of dividend assets and the total amount of such allocation  
¥20 per share of the Company’s common stock  
Total payment: ¥1,263,183,260
- (3) Date on which the dividend of retained earnings shall take effect  
June 29, 2021

## Proposal 2-Election of Seven (7) Directors

The terms of office of all seven (7) Directors (of which, three (3) are Outside Directors) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to elect seven (7) Directors (of which, three (3) are Outside Directors).

If this Proposal is approved in its current form, the proportion of Independent Outside Directors in the Board of Directors will be greater than one third.

The candidates for Directors are listed below.

No.	Name	Current positions and duties at the Company	Candidate attribute
1	Kimikazu Aida	Representative Director, Chairman & President (CEO) Division Manager, Research & Development Headquarters	Candidate for re-election
2	Toshihiko Suzuki	Representative Director, Executive Vice President and Chief Operating Officer (COO) Division Manager, Production Headquarters Division Manager, Sales Headquarters	Candidate for re-election
3	Yap Teck Meng	Director, Managing Executive Officer	Candidate for re-election
4	Hirimitsu Ugawa	Director, Operating Officer Division Manager, General Administration Headquarters	Candidate for re-election
5	Hirofumi Gomi	Director	Candidate for re-election Outside Director Independent Director
6	Mikio Mochizuki		New candidate Outside Director Independent Director
7	Isao Iguchi		New candidate Outside Director Independent Director

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
1	Candidate for re-election	December 1976 Joined AIDA ENGINEERING, LTD. June 1982 Director September 1989 Representative Director (current position) April 1992 President (current position) April 2001 Chief Executive Officer (CEO) (current position) October 2011 Division Manager, Research & Development Headquarters (current position) June 2018 Chairman (current position) <Concurrent holding of important positions> Chairman, AIDA AMERICA CORP. Chairman, AIDA S.r.l.	1,447,097
	<p>&lt; Reasons for electing the candidate for Director&gt; Kimikazu Aida has led the Company's global strategies and development of new products for 31 years since he assumed office of Representative Director in 1989, and has been contributing to the Company's business expansion and development up to the present time. He has abundant experience, broad knowledge, and leadership as a manager and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.</p>		
2	Candidate for re-election	December 2011 Joined AIDA ENGINEERING, LTD. June 2014 Operating Officer May 2015 Division Manager, Engineering Headquarters June 2015 Director June 2017 Managing Executive Officer Division Manager, Sales Headquarters June 2018 Senior Managing Executive Officer October 2018 Division Manager, Sales & Customer Service Headquarters April 2020 Representative Director (current position) Executive Vice President (current position) Chief Operating Officer (COO) (current position) Division Manager, Sales Headquarters (current position) Division Manager, Production Headquarters (current position)	8,424
	<p>&lt;Concurrent holding of important positions&gt; Chairman, REJ Co., Ltd. Vice Chairman, AIDA AMERICA CORP.</p> <p>&lt; Reasons for electing the candidate for Director&gt; In addition to the engineering division, Toshihiko Suzuki has also engaged in sales, customer service and international operations. He is well versed in the entire business of the Company, and has abundant experience and broad knowledge. He is currently serving as Executive Vice President and Chief Operating Officer, assisting the supervision of the business management and controlling sales and engineering functions of the entire Group, and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.</p>		

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
3	Candidate for re-election  Yap Teck Meng (September 4, 1962)	<p>June 1996 Joined AIDA MANUFACTURING (MALAYSIA) SDN.BHD. (currently AIDA ENGINEERING (M) SDN. BHD.)</p> <p>November 2007 Operating Officer, AIDA ENGINEERING, LTD.</p> <p>June 2010 Managing Executive Officer</p> <p>June 2013 Director (current position) Executive Officer</p> <p>June 2014 Managing Executive Officer (current position)</p> <p>&lt;Concurrent holdings of important positions&gt; Chairman and Managing Director, AIDA GREATER ASIA PTE. LTD. Chairman, AIDA ENGINEERING (M) SDN. BHD. Chairman and Managing Director, AIDA ENGINEERING CHINA CO., LTD. Chairman, AIDA PRESS MACHINERY SYSTEMS CO., LTD.</p>	0
		<p>&lt; Reasons for electing the candidate for Director&gt; Yap Teck Meng has assumed management for many years as the top of Asian regional subsidiaries of the Group and has abundant experience and knowledge concerning operations in general and management of the Company. He currently supervises the service business of the entire Group as well as the supervising of the Group's businesses in South East Asia and China as Managing Executive Officer of the Company, and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.</p>	

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions	Number of the Company's shares held
4	Candidate for re-election  Hiromitsu Ugawa (December 13, 1961)	April 1984 Joined The Fuji Bank, Limited (currently Mizuho Bank, Ltd.) February 2012 General Manager, Agent Business Office, Investment Business Administration Department, Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) April 2014 Joined AIDA ENGINEERING, LTD. General Manager, Finance & Accounting Department, General Administration Headquarters March 2015 Deputy Division Manager, General Administration Headquarters June 2016 Operating Officer Division Manager, General Administration Headquarters (current position) June 2018 Managing Executive Officer June 2020 Director, Operating Officer (current position) <Concurrent holdings of important positions> Not applicable	7,980
< Reasons for electing the candidate for Director > In addition to finance and accounting, Hiromitsu Ugawa has participated in overall administrative work including IR, general affairs, human resources, cost management, system since joining the Company in 2014, and currently supervises the administration division as Operating Officer and Division Manager, General Administration Headquarters. In addition, he has extensive knowledge on finance and financial matters gained through his long years of service at financial institutions as well as abundant experience on overseas business, investment banking business, and risk management, and we judge that he is the right person for realization of sustainable improvement of corporate value. Based on the above, the Company requests his re-election as Director.			

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions			Number of the Company's shares held
5	Candidate for re-election Outside Director Independent Director  Hirofumi Gomi (May 13, 1949)  Board of Directors' meeting attendance during the fiscal year ended March 31, 2021 - 100% (all 11 meetings)	April	1972	Joined the Ministry of Finance	0
		July	1996	Director of the Research Division, Banking Bureau, Ministry of Finance	
		June	1998	Director-General, Inspection Department, Financial Supervisory Agency (currently Financial Services Agency)	
		July	2000	Secretary-General, Executive Bureau, Securities and Exchange Surveillance Commission, Financial Services Agency	
		July	2001	Director-General, Inspection Bureau, Financial Services Agency	
		July	2002	Director-General, Supervisory Bureau, Financial Services Agency	
		July	2004	Commissioner, Financial Services Agency	
		July	2007	Resigned Financial Services Agency	
		November	2009	Visiting Professor, Aoyama Gakuin University (current position)	
		June	2011	Auditor, MIROKU JYOHO SERVICE CO., LTD.	
		January	2014	Advisor, NISHIMURA & ASAHI	
		February	2015	Senior Advisor, THE BOSTON CONSULTING GROUP (current position)	
		June	2015	Director, AIDA ENGINEERING, LTD. (current position)	
		June	2016	Director, Infoteria Corporation (currently Asteria Corporation) (current position) Director, MIROKU JYOHO SERVICE CO., LTD. (current position)	
		June	2017	Director, SBI Holdings, Inc.	
June	2019	Director, ZUU Co., Ltd. (current position)			
June	2020	Director, THE FUKUSHIMA BANK, LTD. (Scheduled to resign on June 22, 2021)			
		<Concurrent holding of important positions> Not applicable			
	< Reasons for electing the candidate for Outside Director and the overview of expected roles> Hirofumi Gomi has abundant experience and advanced expertise acquired through his participation in the financial administration of the country as Commissioner of the Financial Services Agency, etc. and has been providing advice and suggestions useful for management of the Company. He has abundant experience in corporate management of other multiple companies as an outside director or outside auditor, which he has utilized for the Company's management, and has played appropriate managerial roles such as supervising management from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Director of the Company and requests his re-election as Outside Director. After his re-election, he is expected to play the above roles.				



No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions			Number of the Company's shares held
6	<p>New Candidate Outside Director Independent Director</p> <p>Mikio Mochizuki (July 8, 1954)</p>	April	1978	Joined Ishikawajima-Harima Heavy Industries Co., Ltd. (currently IHI Corporation)	0
		April	2011	Executive Officer, IHI Corporation President & CEO, IHI INC. (Regional Headquarter for the Americas)	
		April	2014	Managing Executive Officer, General Manager of Finance & Accounting Division, IHI Corporation	
		June	2016	Director, Managing Executive Officer, General Manager of Finance & Accounting Division, IHI Corporation	
		April	2017	Director, Managing Executive Officer, President of Industrial Systems and General-Purpose Machinery Business Area, IHI Corporation	
		April	2018	Director, IHI Corporation	
		June	2018	Adviser, IHI Corporation (Scheduled to resign on June 30, 2021)	
		<Concurrent holding of important positions> Not applicable			
<p>&lt; Reasons for electing the candidate for Outside Director and the overview of expected roles&gt;</p> <p>Mikio Mochizuki has acquired abundant experience and broad knowledge in the industrial machinery business including the press machine business as well as insights into corporate management, through his career at IHI Corporation as President &amp; CEO of Regional Headquarter for the Americas, Director, Managing Executive Officer, General Manager of Finance &amp; Accounting Division, and Director responsible for Industrial Systems and General-Purpose Machinery Business Area. We expect him to utilize them for the Company's management and supervise management from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Director of the Company and requests his new election as Outside Director.</p>					

No.	Name (Date of birth)	Brief personal history, position, duties and concurrent holding of important positions			Number of the Company's shares held
7	New Candidate Outside Director Independent Director	April 1977	1977	Joined Mitsubishi Electric Corporation	0
	Isao Iguchi (September 3, 1954)	April 2008	2008	Corporate Executive, General Manager, Industrial Products Marketing Division, Factory Automation Systems Group, Mitsubishi Electric Corporation	
		April 2010	2010	Corporate Executive, Senior General Manager, Chubu Branch Office, Mitsubishi Electric Corporation	
		April 2012	2012	Executive Officer, Vice President, Corporate Marketing Group, Mitsubishi Electric Corporation	
		April 2016	2016	Senior Vice President, Group President, Automotive Equipment Group, Deputy Senior General Manager, ITS Business Development Group, Mitsubishi Electric Corporation	
		April 2019	2019	Senior Corporate Adviser, Mitsubishi Electric Corporation (current position)	
		<Concurrent holding of important positions> Not applicable			
< Reasons for electing the candidate for Outside Director and the overview of expected roles> Isao Iguchi has acquired abundant experience and broad knowledge in the automatic machines and factory automation businesses, on which the Company focuses, as well as insights into corporate management, through his career at Mitsubishi Electric Corporation as Corporate Executive and General Manager of Industrial Products Marketing Division of Factory Automation Systems Group, Executive Officer and Vice President of Corporate Marketing Group, and Senior Vice President and Group President of Automotive Equipment Group. We expect him to utilize them for the Company's management and supervise management from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Director of the Company and requests his new election as Outside Director.					

- (Notes)
1. There is no special interest between the above candidates and the Company.
  2. The number of the Company's shares each candidate holds is shown including shares of stock in Officer's Shareholding Association.
  3. Hirofumi Gomi, Mikio Mochizuki and Isao Iguchi are candidates for Outside Directors as stipulated in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
  4. The Company designated Hirofumi Gomi as an Independent Director as defined by Tokyo Stock Exchange, Inc., and registered him with the Tokyo Stock Exchange as an Independent Director. If the re-election of Hirofumi Gomi is approved at this General Meeting of Shareholders, the Company will re-designate him as Independent Director. If the election of Mikio Mochizuki and Isao Iguchi is approved, the Company will designate them as Independent Directors and register them with the Tokyo Stock Exchange.
  5. The term of office of Hirofumi Gomi is six (6) years at the closing of this General Meeting of Shareholders.
  6. Pursuant to the Articles of Incorporation, the Company has entered into a contract with Hirofumi Gomi, which provides that the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be up to the minimum liability amount specified in each item of Article 425,

Paragraph 1 of the same law. If the re-election of Hirofumi Gomi is approved at this General Meeting of Shareholders, the Company will continue the aforementioned liability limitation contract with him. If the election of Mikio Mochizuki and Isao Iguchi is approved, the Company will enter into the same contracts with them.

7. The Company has concluded a directors and officers liability insurance agreement with an insurance company. The insurance policy covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the election of each candidate for Director is approved, he or she will be insured under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of the next renewal.

### Proposal 3-Election of One (1) Statutory Auditor

The term of office of one (1) Statutory Auditor Shigeru Makinouchi will expire at the conclusion of this General Meeting of Shareholders. Accordingly, it is proposed to elect one (1) Statutory Auditor.

The Company has already obtained the consent of the Board of Statutory Auditors with respect to the submission of this proposal.

The candidate for Statutory Auditor is shown below.

Name (Date of birth)	Brief personal history, position and concurrent holding of important positions			Number of the Company's shares held
<p>New Candidate Outside Auditor Independent Auditor</p> <p>Noriyuki Katayama (October 28, 1964)</p>	April	1990	Admitted to practice law in Japan Joined Nagashima & Ohno (currently Nagashima Ohno & Tsunematsu)	0
August	1996	Admitted to practice law in New York		
October	1996	Joined Tokyo City Law & Tax Partners		
February	2003	Partner, City-Yuwa Partners (current position)		
October	2004	Statutory Auditor, Deutsche Asset Management (Japan) Limited (currently DWS Investments (Japan) Limited) (current position)		
July	2005	Statutory Auditor, Deutsche Securities Junbi K.K. (currently Deutsche Securities Inc.)		
September	2006	Outside Director, Accordia Golf Co., Ltd.		
April	2009	Visiting Professor, Graduate School of Law, Toyo University		
June	2013	Supervisory Director, SIA REIT, Inc. (currently One REIT, Inc.)		
February	2014	a member of the Committee of Bar Examiners in charge of the commercial and corporate law portion of the National Preliminary Qualifying Bar Examination		
June	2014	Outside Statutory Auditor, Nissan Chemical Industries, Ltd. (currently Nissan Chemical Corporation) (current position)		
August	2017	Supervisory Director, HEIWA REAL ESTATE REIT, Inc. (current position)		
April	2018	Inspection Commissioner, Director, Nippon Denkai, Ltd. (current position)		
March	2019	Outside Statutory Auditor, Livesense Inc. (current position)		
<p>&lt;Concurrent holding of important positions&gt; Partner, City-Yuwa Partners</p>			<p>&lt;Reasons for electing the candidate for Outside Statutory Auditor&gt; Noriyuki Katayama has acquired abundant experience and advanced expertise in general business legal practices including international transactions, corporate acquisition, corporate legal practices, corporate governance, and financial legal practices through his long years of career as an attorney-at-law. He has abundant experience in corporate management of multiple companies as an outside director or outside auditor. We expect him to utilize them to oversee the execution of duties by Directors and executors of business from an independent and objective point of view. Based on the above, the Company judges that he is suitable as Outside Statutory Auditor and requests his new election as Outside Statutory Auditor.</p>	

- (Notes)
1. There is no special interest between the above candidate and the Company.
  2. Noriyuki Katayama is a candidate for Outside Statutory Auditor as stipulated in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.
  3. Noriyuki Katayama satisfies the requirement as an Independent Statutory Auditor as defined by Tokyo Stock Exchange. If the election of Noriyuki Katayama is approved, the Company will register him with the Tokyo Stock Exchange as an Independent Statutory Auditor.
  4. If the election of Noriyuki Katayama as a Statutory Auditor is approved, pursuant to the Articles of Incorporation, the Company will entered into a contract with Noriyuki Katayama, which provides that the liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act shall be up to the minimum liability amount specified in each item of Article 425, Paragraph 1 of the same law.
  5. The Company has concluded a directors and officers liability insurance agreement with an insurance company. The insurance policy covers damages that may arise when the insured assumes liability for the execution of his or her duties or receives a claim related to the pursuit of such liability. If the election of Noriyuki Katayama as a Statutory Auditor is approved, he will be insured under the insurance contract. The Company plans to renew the insurance contract with the same contents at the time of the next renewal.

(Reference) Independence Criteria for Outside Officers

The Company has stipulated the criteria for the independence of Outside Officers as follows for the determination of their independence.

In principle, a person who does not fall under any of the following items at present or within the past three years

- (1) A party whose major business partner is the Company, or an executor of business thereof if the party is a corporation, etc.
- (2) A major business partner of the Company, or an executor of business thereof if the party is a corporation, etc.
- (3) A consultant, accounting specialist or legal specialist who receives a significant amount of money or other property from the Company other than the compensation from the Company as an Outside Officer.
- (4) An employee, etc. of the consulting firm, accounting office or law firm, etc. whose major business partner is the Company
- (5) A party who receives a significant amount of donation, etc. from the Company, or an executor of business thereof if the party is a corporation, etc.
- (6) A major shareholder (a party who holds more than 10% of the total voting rights) of the Company, or an executor of business thereof if the party is a corporation, etc.
- (7) A close relative of the following (excluding insignificant person)
  - A. A person who falls under (1) to (6) described above
  - B. A Director, Statutory Auditor, Operating Officer or important employee of the Company or its subsidiary

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