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Securities Code: 7839  
November 30, 2020

To our shareholders:

Kenichiro Ishida  
President and Representative Director  
**SHOEI CO., LTD.**  
1-31-7, Taito, Taito-ku, Tokyo

## NOTICE OF CONVOCATION OF THE 64TH ANNUAL GENERAL SHAREHOLDERS MEETING

We are pleased to announce the 64th Annual General Shareholders Meeting of SHOEI CO., LTD. (the Company), which will be held as described hereunder.

In addition, although at the time of writing the novel coronavirus disease (COVID-19) crisis has not yet been resolved, there are no particular plans to restrict entry to the venue or to shorten the time allotted for the General Shareholders Meeting. The Company views the General Shareholders Meeting not simply as an event for voting on resolutions, but as a venue for valuable interactions between shareholders and the Company itself, and so we hope that many of our shareholders will attend.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or on the Internet. Please exercise your voting rights by the end of the business day (6:00 p.m. JST) on Wednesday, December 23, 2020, by either indicating your approval or disapproval of proposals on the enclosed form for the exercise of voting rights and returning it to us, or by accessing the website for exercising voting rights designated by the Company (<https://evote.tr.mufig.jp/>) and entering your approval or disapproval of proposals after reviewing the attached Reference Documents for General Shareholders Meeting.

- 1. Date and Time:** Thursday, December 24, 2020 at 10:00 a.m. (JST)  
(The reception will start at 9:20 a.m.)
- 2. Place:** First Conference Room, 8F, Japan Education Center Hitotsubashi Hall  
2-6-2, Hitotsubashi, Chiyoda-ku, Tokyo
- 3. Purpose of the Meeting:**

### Items to be reported:

1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Financial Auditor and the Board of Auditors for the 64th fiscal year (from October 1, 2019 to September 30, 2020)
2. The Non-consolidated Financial Statements for the 64th fiscal year (from October 1, 2019 to September 30, 2020)

### Items to be resolved:

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|-----------------------|--|
| <b>Proposal No. 1</b> | Appropriation of Surplus   |
| <b>Proposal No. 2</b> | Partial Amendments to the Articles of Incorporation  |
| <b>Proposal No. 3</b> | Election of Three (3) Directors  |
| <b>Proposal No. 4</b> | Payment of Retirement Benefits for a Retired Director  |
| <b>Proposal No. 5</b> | Final Payments of Retirement Benefits Arising from the Abolition of Retirement Benefit Plan for Officers |

**Proposal No. 6** Introduction of Restricted Share-based Remuneration Plan for Directors and Auditors

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When you attend the meeting in person, please hand in the enclosed form for the exercise of voting rights to the receptionist. In addition, please bring this notice with you in order to save resources.

Any corrections in the Reference Documents for General Shareholders Meeting, the Business Report, the Non-consolidated Financial Statements, or the Consolidated Financial Statements will be posted on the Company's website (<https://www.shoei.com/>; in Japanese only).

## Reference Documents for General Shareholders Meeting

### **Proposal No. 1**      Appropriation of Surplus

The Company's basic policy is to pay year-end dividends with a consolidated dividend payout ratio of 50% as the goal, while enhancing shareholders' equity to strengthen the Company's financial standing and business foundation.

In line with the aforementioned policy, the Company proposes to pay year-end dividends for the 64th fiscal year as shown below.

Also, the Company, from medium- and long-term perspectives, intends to apply internal reserves by allocating them to research & development for the development of new products and capital investment, and to preparations for future business expansion.

(1) Type of dividend property

To be paid in cash.

(2) Allotment of dividend property and their aggregate amount

The Company proposes to pay a dividend of ¥62 per common share of the Company.

In this event, the total dividends will be ¥1,664,262,528.

(3) Effective date of dividends of surplus

The effective date of dividends of surplus will be December 25, 2020.

**Proposal No. 2** Partial Amendments to the Articles of Incorporation

1. Reasons for the Proposal

In consideration of the spread of the Internet, and in order to improve the convenience of viewing public notices and rationalize public notices procedures, the Company has changed its public notice method from “The Nikkei” newspaper to electronic public notices, and will thus also provide for measures to be taken in case electronic public notices cannot be used due to unavoidable reasons.

2. Details of the Amendments

Details of the amendments are as follows.

(Underlined portions indicate amendments.)

Current Articles of Incorporation	Proposed Amendments
<p>(Method of Public Notice) Article 4 Public notices of the Company shall be made by publishing in “The Nikkei” newspaper.</p>	<p>(Method of Public Notice) Article 4 Public notices of the Company shall be made <u>in the form of electronic public notices.</u> <u>However, in case the Company is unable to make a public notice electronically due to an accident or other unavoidable reasons, it shall make the public notice by publishing it in “The Nikkei” newspaper.</u></p>

**Proposal No. 3** Election of Three (3) Directors

The terms of office of Directors Junji Tahira and Keiichiro Kobayashi will expire at the conclusion of this Annual General Shareholders Meeting. Therefore, the Company proposes the election of three Directors, one of whom is an outside Director.

The candidates for Director are as follows:

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	Masayuki Shida (April 5, 1963)	Mar. 1986      Joined the Company Oct. 2007      General Manager of Product Design Section, Product Planning Department Oct. 2010      Creative Director of Product Design Section, Product Planning Department Feb. 2015      General Manager of Product Design Department Oct. 2016      Senior General Manager and General Manager of Product Design Department, and General Manager of Product Design Section Oct. 2019      Operating Officer and General Manager of Product Development Division Dec. 2019      Operating Officer and General Manager of Product Development Headquarters (current position)	—
* 2	Takayuki Horimoto (June 17, 1964)	Apr. 1987      Joined the Company Oct. 2007      General Manager of Development Department Oct. 2016      Senior General Manager and General Manager of Development Department Oct. 2019      Operating Officer and General Manager of Production Engineering Division (current position)	24,000
3	Keiichiro Kobayashi (November 23, 1966)	Apr. 1991      Joined the Ministry of International Trade and Industry (currently the Ministry of Economy, Trade and Industry) Jun. 2007      Senior Fellow, Research Institute of Economy, Trade and Industry Aug. 2010      Professor, Institute of Economic Research, Hitotsubashi University Apr. 2013      Professor, Faculty of Economics, Keio University Apr. 2013      Faculty Fellow, Research Institute of Economy, Trade and Industry (current position) Dec. 2014      Outside Director of the Company (current position) Apr. 2019      Research Director, the Tokyo Foundation for Policy Research (current position)	—

New candidates for Director are indicated by an asterisk (\*).

- (Notes)
1. There is no special interest between any of the candidates and the Company.
  2. Keiichiro Kobayashi is a candidate for outside Director.
  3. The reasons for nominating Keiichiro Kobayashi as a candidate for outside Director are as follows:  
While Keiichiro Kobayashi has not been involved in the management of a company aside from his position as outside director or outside auditor, he possesses abundant overseas experience at central government offices and Research Institute of Economy, Trade and Industry and knowledge concerning economics. Because the Company, which is aiming to expand its global premium helmet business, expects to utilize his knowledge and experience in its company management, the Company requests his election as an outside Director.

4. Keiichiro Kobayashi is currently an outside Director of the Company, and at the conclusion of this Annual General Shareholders Meeting, his tenure will have been six years.
5. Pursuant to Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Keiichiro Kobayashi to limit his liability for damages under Article 423, paragraph 1 of the same Act. If his reelection is approved, the Company plans to renew this agreement with him.
6. The Company has submitted notification to Tokyo Stock Exchange, Inc., on which the Company is listed, that Keiichiro Kobayashi meets the criteria for an independent officer as provided for by the aforementioned exchange. If his reelection is approved, the Company plans for his appointment as an independent officer to continue.

**Proposal No. 4**      Payment of Retirement Benefits for a Retired Director

The term of office of Director Junji Tahira will expire at the conclusion of this Annual General Shareholders Meeting, resulting in his retirement. In that regard, in order to reward his service during his tenure, the Company proposes to pay retirement benefits within the scope of the criteria in the “Rules on Retirement Benefits to Directors” established by the Company, with the specific value, timing and method of payment being entrusted entirely to the Board of Directors.

The career summary of the retired Director is as follows:

Name	Career summary
Junji Tahira	Dec. 2016      Director of the Company (current position)

**Proposal No. 5** Final Payments of Retirement Benefits Arising from the Abolition of Retirement Benefit Plan for Officers

As part of a review of the Company's remuneration plan for officers, it was resolved at a meeting of the Board of Directors held on November 13, 2020, that the retirement benefit plan would be abolished at the conclusion of this General Shareholders Meeting.

Accordingly, in order to reward two Directors (excluding outside Directors) and one Auditor (excluding outside Auditors) for their service up to the conclusion of this General Shareholders Meeting, the Company proposes to make final payments of retirement benefits within reasonable limits, in accordance with certain internal criteria.

Furthermore, with regard to the timing of payments, they shall be made at the time of the retirement of the Directors and the Auditor, and such details as the specific value and method of payment shall be left to the discretion of the Board of Directors in the case of the Directors, and by deliberation among the Auditors in the case of the Auditor.

The career summaries of Directors and Auditors eligible for final payments are as follows.

Name	Career summary	
Kenichiro Ishida	Dec. 2013	Director of the Company
	Oct. 2016	President and Representative Director (current position)
Masayuki Tsurumi	Dec. 2009	Director of the Company
	Oct. 2016	Senior Managing Director (current position)
Akihito Hirano	Dec. 2008	Director of the Company
	Dec. 2016	Auditor (current position)

**Proposal No. 6** Introduction of Restricted Share-based Remuneration Plan for Directors and Auditors

In order to provide incentives for Directors (including outside Directors) and Auditors (excluding outside Auditors; hereinafter referred to collectively as “eligible officers”) to achieve sustainable improvements in the corporate value of the Company and to further align the interests of the eligible officers and shareholders, the Company proposes to introduce a remuneration plan (hereinafter, “the Plan”) that allots restricted shares to them, as follows.

The maximum remuneration for Directors of the Company was approved at the 58th Annual General Shareholders Meeting, held on December 19, 2014, at a maximum of ¥170 million annually (not including employee salaries for Directors who concurrently serve as employees), with further approval for a maximum of ¥21 million in annual remuneration of Auditors of the Company being obtained at the 63rd Annual General Shareholders Meeting, held on December 20, 2019. At this General Shareholders Meeting, the Company seeks the approval of shareholders for the introduction of the Plan under which, separately from the existing remuneration amount, a framework would be set up involving remuneration for Directors of the Company (including outside Directors) of no more than ¥66 million annually, and remuneration for Auditors (excluding outside Auditors) of no more than ¥4 million annually.

The allotment of restricted shares would be decided after taking into account various factors such as the degree of contribution by eligible officers to the Company, and the Company believes that the contents thereof are appropriate.

Currently the number of Directors is five (including two outside Directors). If Proposal No. 3 is approved as originally proposed, the number of Directors will be six (including two outside Directors) and the number of Auditors will be three (including two outside Auditors).

1. Allotment and payment of restricted shares

Under the Plan, eligible officers shall be paid monetary remuneration claims within the above-mentioned annual limits as remuneration in relation to restricted shares, and the eligible officers shall provide these monetary remuneration claims in their entirety to the Company in the form of property contributed in kind, in exchange for which they shall receive an allocation of restricted shares.

The amount to be paid in for restricted shares shall be determined by the Board of Directors of the Company based on the closing price of the Company’s common shares on the Tokyo Stock Exchange on the business day immediately before the date of the resolution by the Board of Directors (if there is no closing price on that date, the closing price on the closest preceding trading day), to the extent that the amount is not particularly advantageous to eligible officers who receive restricted shares under the Plan. In addition, the above-mentioned monetary remuneration claims are paid on condition that eligible officers agree to the aforementioned contribution of property in kind, and that they enter into an agreement for the allotment of restricted shares as prescribed in 3. below.

2. Total number of restricted shares

Under the Plan, with regard to the total number of common shares of the Company to be issued or disposed of, the total number of restricted shares to be allotted to Directors (including outside Directors) shall be 25,000 shares or less per fiscal year, and the total number of restricted shares to be allotted to Auditors (excluding outside Auditors) shall be 1,500 shares or less per fiscal year. (However, if matters arise that necessitate an adjustment to the total number of shares, such as a share split or a share consolidation of the common shares of the Company, the total number of shares to be issued or disposed of shall be adjusted within reasonable limits.)

### 3. Contents of the agreement on allotment of restricted shares

The agreement on allotment of restricted shares entered into between the Company and eligible officers receiving allotments of restricted shares shall include the following contents.

#### (1) Transfer restrictions

Eligible officers receiving allotments of restricted shares shall not, for the period from receiving the allotment to the date of their resignation (the "Restriction Period"), be able to freely transfer common shares of the Company allotted under the allotment agreement (hereinafter, "Allotted Shares") to a third party, use them in a pledge, create a security interest on them, make a gift inter vivos, bequeath, or in any other way dispose of them.

#### (2) Lifting of transfer restrictions

The Company shall lift the transfer restrictions on all of the Allotted Shares upon the expiration of the Restriction Period, on condition that the eligible officer receiving allotment of restricted shares has served continuously in the position of Director of the Company throughout the Restriction Period. However, if the eligible officer retires from the above-mentioned position of Director of the Company before the expiration of the Restriction Period for reasons the Board of Directors of the Company deems justifiable, the Company shall rationally adjust the number of the Allotted Shares on which the transfer restrictions are to be lifted, and the timing of lifting, as required.

#### (3) Acquisition of restricted shares without contribution

If an eligible officer in receipt of an allotment of restricted shares retires from any position of Director of the Company before the Restriction Period expires, the Company shall automatically acquire the Allotted Shares without contribution, except where the reason for retirement is deemed justifiable by the Company's Board of Directors. The Company shall automatically acquire without contribution any Allotted Shares on which the transfer restrictions have not been lifted at the expiration of the Restriction Period in (1) above, in accordance with the provisions for the lifting of transfer restrictions in (2) above.

#### (4) Treatment during reorganization, etc.

If, during the Restriction Period, matters relating to a merger agreement in which the Company is the disappearing company, a share exchange agreement or share transfer plan in which the Company becomes a wholly owned subsidiary, or other reorganization, etc. are approved at the Company's General Meeting of Shareholders (or at a meeting of its Board of Directors in cases where approval at the Company's General Shareholders Meeting is not required in relation to the reorganization, etc.), the Company shall lift the transfer restrictions on the Allotted Shares with the number of shares that is reasonably determined considering the period from the start date of the Restriction Period to the date of approval of the reorganization, etc. prior to the date on which the reorganization, etc. becomes effective, by resolution of the Board of Directors of the Company. In cases specified above, the Company shall automatically acquire without contribution the Allotted Shares on which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted.

#### (5) Other matters

The Company's Board of Directors shall make determinations concerning other matters regarding the allotment agreement.