

Securities Code: 2664

May 24, 2022

To Our Shareholders:

1293 Soshima, Oyama-shi, Tochigi, Japan

CAWACHI LIMITED

Shinji Kawachi

President & Representative Director

Notice of the 55th Ordinary General Meeting of Shareholders

The Company would hereby like to inform shareholders that the Company's 55th Ordinary General Meeting of Shareholders will be held as described below.

We kindly request you to read the following Reference Document for the Ordinary General Meeting of Shareholders and exercise your voting rights.

Sincerely yours,

- 1. Date:** 10:00 a.m., June 14 (Tuesday), 2022 (Reception starts at 9:00 a.m.)
- 2. Venue:** 2F, Oyama Grand Hotel
202 Hitotonoya, Oyama-shi, Tochigi, Japan
(Please see the map attached at the end of this document)
- 3. Objectives:**
 - Items to be reported:**
 1. The Business Report, the Consolidated Financial Statements and the report of the audit of the Consolidated Financial Statements by the Independent Auditor and the Audit & Supervisory Board for the 55th business period (March 16, 2021 to March 15, 2022)
 2. The Non-Consolidated Financial Statements for the 55th business period (March 16, 2021 to March 15, 2022)
 - Items to be resolved:**
 - Agenda No. 1:** Appropriation of Retained Earnings
 - Agenda No. 2:** Amendments to the Articles of Incorporation
 - Agenda No. 3:** Election of One (1) Director

When you attend the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue.

Of the documents that are required to be submitted with this notice of convocation, the Notes to the Consolidated Financial Statements and the Notes to the Non-Consolidated Financial Statements are disclosed to shareholders via the Company's website (<https://www.cawachi.co.jp/>) in accordance with the law and the Company's Articles of Incorporation. The documents submitted with this notice of convocation are part of the Consolidated Financial Statements and the Non-Consolidated Financial Statements audited by the Independent Auditor and the Audit & Supervisory Board to prepare their respective audit reports.

If there are any revisions to the Reference Document for the Ordinary General Meeting of Shareholders, the Business Report and/or the Consolidated and the Non-Consolidated Financial Statements, such revisions will be listed on the Company's website

(URL: <https://www.cawachi.co.jp/>).

Reference Document for the Ordinary General Meeting of Shareholders

Agenda No. 1: Appropriation of Retained Earnings

The Company would like to appropriate retained earnings as follows.

1. Year-end Dividend

The Company recognizes that returning profit to shareholders is a top-priority management issue. Our basic policy calls for continuous and stable dividend payments, taking into account the future business prospects as well as the enhancement of internal reserves to ensure the stable growth of the Company.

The Company proposes to pay a year-end ordinary dividend of 50 yen per share, an increase of 5 yen per share from the previous period, at the end of the 55th business period.

1) Type in which dividends are paid

Cash payment

2) Allocation of dividends and total amount of dividends

The Company proposes to disburse 50 yen per common share of the Company.

Total: 1,116,084,900 yen

3) Effective date on which dividends are disbursed from retained earnings

The Company proposes to disburse the dividend on June 15, 2022.

Agenda No. 2: Amendments to the Articles of Incorporation

1. Reasons for the Proposal

- 1) The Company proposes to amend Purpose to reflect the current status of its business.
- 2) Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.
 - (i) The proposed amendment to Article 14, Paragraph 1 will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents, etc. for general meetings of shareholders in electronic format.
 - (ii) The proposed amendment to Article 14, Paragraph 2 will establish provisions to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
 - (iii) Since the provisions for Article 14 of the current Articles of Incorporation (Disclosure of reference documents, etc. for general meetings of shareholders through the Internet and deemed information provision) will no longer be required, they will be deleted.
 - (iv) Accompanying the aforementioned new establishment and deletion, a supplementary provision regarding the effective date, etc. will be established.

2. Details of Proposed Amendments

Details of the proposed amendments are shown below:

(The underlined part represents proposed amendment.)

The Current Articles of Incorporation	The Proposed Amendment
(Purpose) Article 2. The purpose of the Company is to engage in the following businesses: 1 to 17 (Items omitted) 18 <u>Mediation of specific health checkup and specific health guidance to medical institutions and implementation thereof</u> 19 to 24 (Items omitted)	(Purpose) Article 2. The purpose of the Company is to engage in the following businesses: 1 to 17 (Unchanged) 18 <u>Operation regarding specific health checkup and specific health guidance</u>
<u>(Disclosure of reference documents, etc. for general meetings of shareholders through the Internet and deemed information provision)</u> <u>Article 14. The Company may be deemed to have provided shareholders with the information that should be written or indicated in the reference documents for general meetings of shareholders, business reports, non-consolidated financial statements and consolidated financial statements by disclosing said information through a method that uses the Internet in accordance with the ordinance of the Ministry of Justice when convening a general meeting of shareholders.</u>	(Deleted)

The Current Articles of Incorporation	The Proposed Amendment
(Newly established)	<p><u>(Measures for providing information in electronic format, etc.)</u></p> <p><u>Article 14.</u></p> <p><u>When the Company convenes a general meeting of shareholders, it shall take measures for providing information contained in reference documents, etc. for general meetings of shareholders, etc. in electronic format.</u></p> <p><u>(ii). Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>
(Newly established)	<p><u>(Supplementary Provisions)</u></p> <p><u>1. The deletion of Article 14 (Disclosure of reference documents, etc. for general meetings of shareholders through the Internet and deemed information provision) of the current Articles of Incorporation and the establishment of the proposed amendment of Article 14 (Measures for providing information in electronic format, etc.) shall be effective from September 1, 2022, the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p><u>2. Notwithstanding the provision of the preceding paragraph, Article 14 of the current Articles of Incorporation shall remain in force regarding any general meeting of shareholders held on a date within six (6) months from the Date of Enforcement.</u></p> <p><u>3. This Supplementary Provision shall be deleted on the date when six (6) months have elapsed from the Date of Enforcement or three (3) months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Agenda No. 3: Election of One (1) Director

Since Ms. Ikuko Akamatsu will resign her post as outside Director at the conclusion of the Ordinary General Meeting of Shareholders, the Company requests the election of one (1) outside Director. The terms of Director who will be elected will also expire at the expiration of terms of other incumbent Directors.

The candidate for Director is as follows.

Name (Date of birth)	Brief profile Position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
Miho Eto (July 24, 1972) Newly Appointed [Outside Director] [Independent Officer]	May 1995 Joined Microsoft Corporation November 2004 Representative Director of Quality Life Solutions Co., Ltd. January 2012 Joined Google Japan K.K. (Predecessor of Google Japan G.K.) Operations Lead August 2014 Social Media Division, OPT, Inc. October 2015 Chief of Snapmart Business Division, OPT Incubate Inc. August 2016 Representative Director of Snapmart Inc. April 2019 Director/ Manager of Marketing Strategy, Tochigi Soccer Club Co., Ltd. June 2021 Outside Director of Remixpoint, inc. (Audit & Supervisory Committee Member, current position) May 2022 Marketing Manager, Nankatsu SC Co., Ltd. (current position) [Significant concurrent positions] Outside Director of Remixpoint, inc. Marketing Manager, Nankatsu SC Co., Ltd.	–
	[Reasons for nominating the candidate and an outline of expected roles to fulfill] Ms. Miho Eto has considerable experience in the area of corporate management, etc. in the IT and marketing industries. Based on her experience and insights nurtured through the course of establishing a business, IT-driven monetization of business and improving work efficiency, the Company deems that she will provide appropriate advice for the Company's utilization of IT and DX promotion from a professional perspective. If she is elected as Outside Director, the Company plans to involve her in selecting candidates for board members of the Company, determining director remuneration and performing other tasks from an objective and neutral position, as a member of the Nomination Committee and the Compensation Committee.	

Notes:

1. There are no special conflicts of interest between the candidate and the Company.
2. Ms. Miho Eto is the candidate for Outside Director.
3. Ms. Eto satisfies the requirements for an independent officer as provided for by the Tokyo Stock Exchange, Inc. If her election is approved, the Company plans to submit notification to the aforementioned exchange concerning her designation as an independent officer.
4. If Ms. Eto's election is approved, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company plans to enter into an agreement with her to limit her liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages under this agreement is the minimum amount provided for under Article 425, Paragraph 1 of the Act.
5. The Company has concluded directors and officers liability insurance with an insurance company, as provided by the provisions of Article 430-3, Paragraph 1 of the Companies Act. The scope of the insured of the said insurance covers Director, Audit & Supervisory Board Member, Executive Officer, and officer

of a subsidiary of the Company, and the insured parties do not pay the premium. The insurance covers damage that may arise from execution of duties by the insured as directors and officers of the Company in the event that a claim for damage is filed during the insured period. However, claims for damage that may arise from the willful misconduct or gross negligence of the insured will not be covered in order to avoid compromising the appropriateness of execution of duties by the insured. In the event that appointment of the candidate is approved, the candidate will become the insured. The Company plans to renew this insurance to have the same terms and conditions when the current one expires.

[Reference]

Composition of the Board of Directors and the Audit and Supervisory Board After Conclusion of the General Meeting of Shareholders and Skill Matrix (Draft)

Basic Information				Skills and Experiences				
Name	Position at the Company	Gender	Independence	Management	Sales Marketing	Treasury Accounting Finance	IT System DX	Health Care
Shinji Kawachi	President & Representative Director	Male		✓	✓			✓
Katsuyuki Okubo	Director	Male			✓			
Rinji Watanabe	Outside Director	Male	✓	✓		✓		
Miho Eto	Outside Director	Female	✓	✓	✓		✓	
Yoshio Tamura	Full-time Audit & Supervisory Board Member	Male			✓			
Yoshihiko Hara	Outside Audit & Supervisory Board Member	Male	✓	✓		✓		
Yuji Sawada	Outside Audit & Supervisory Board Member	Male	✓	✓				