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Securities Code: 2664

(Shipping Date) May 30, 2023

(Date of Commencement of Measures for Providing Information in Electronic Format) May 24, 2023

To Our Shareholders:

1293 Soshima, Oyama-shi, Tochigi, Japan

CAWACHI LIMITED

Shinji Kawachi

President & Representative Director

Notice of the 56th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 56th Ordinary General Meeting of Shareholders of CAWACHI LIMITED (the “Company”). The meeting will be held for the purposes described below.

In convening this General Meeting of Shareholders, the Company has taken measures for providing information in electronic format regarding the information contained in the Reference Documents for the General Meeting of Shareholders, etc. (Matters Subject to Measures for Providing Information in Electronic Format) and has posted them on the Company’s website on the Internet. Please access the Company’s website as follows and check them.

[The Company’s website (in Japanese)]
<https://www.cawachi.co.jp/ir/ir-outline/>



*In addition to the Company’s website above, the following websites are also available.

[Website for posting the materials for the General Meeting of Shareholders
(in Japanese)]

<https://d.sokai.jp/2664/teiji/>



[Tokyo Stock Exchange Website (TSE Listed Company Information Service) (in
Japanese)]

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



(Please access the above TSE website, enter and search for “CAWACHI LIMITED” in the “Issue Name (Company Name)” or the Company’s securities code “2664” in “Code,” select “Basic Information” and “Documents for public inspection/PR information” in that order, and then check the “Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting” column under “Filed information available for public inspection.”)

Sincerely yours,

1. **Date:** 10:00 a.m., June 14 (Wednesday), 2023 (Reception starts at 9:00 a.m.)
2. **Venue:** 2F, Oyama Grand Hotel
202 Hitotonoya, Oyama-shi, Tochigi, Japan
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 56th business period (March 16, 2022 to March 15, 2023)
 2. The Non-Consolidated Financial Statements for the 56th business period (March 16, 2022 to March 15, 2023)
 - Items to be resolved:**
 - Agenda No. 1:** Appropriation of Retained Earnings
 - Agenda No. 2:** Election of Four (4) Directors
 - Agenda No. 3:** Election of one (1) Substitute Audit & Supervisory Board Member

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- ◎ When you attend the meeting, we kindly request that you submit the enclosed voting form to the receptionist at the venue.
- ◎ If any amendments are made to Matters Subject to Measures for Providing Information in Electronic Format, a notice to that effect, the matters before the amendments and the matters after the amendments will be posted on each of the above websites on the Internet.
- ◎ As a result of the amendments to the Companies Act, in principle, Matters Subject to Measures for Providing Information in Electronic Format should be accessed and confirmed on the above-mentioned websites, and only those shareholders who have requested written delivery by the record date will be sent a written notice. However, at this General Meeting of Shareholders, regardless of whether a written delivery request has been made, a written notice describing Matters Subject to Measures for Providing Information in Electronic Format will be sent uniformly.
- Of the matters subject to Matters Subject to Measures for Providing Information in Electronic Format, the following matters are not included in the documents sent pursuant to the provisions of laws and regulations and the Articles of Incorporation of the Company.
- (i) Notes to the Consolidated Financial Statements in the Consolidated Financial Statements
 - (ii) Notes to the Non-Consolidated Financial Statements in the Non-Consolidated Financial Statements
- Accordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements included in such documents are part of the subject documents audited by the Independent Auditor in preparing the accounting audit report and by the Audit & Supervisory Board in preparing the audit report.
- ◎ Any major changes in the operation of the General Meeting of Shareholders will be posted on the Company's website on the Internet (<https://www.cawachi.co.jp> (in Japanese)).

Reference Document for the Ordinary General Meeting of Shareholders

Agenda No. 1: Appropriation of Retained Earnings

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 for the current business period as follows.

- 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: 1,116,714,900 yen

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

The Company proposes to disburse the dividend on June 15, 2023.

Agenda No. 2: Election of Four (4) Directors

The terms of all four (4) Directors will expire at the conclusion of the Ordinary General Meeting of Shareholders. The Company requests the election of four (4) Directors.

The candidates for Directors are as follows.

Candidate No.	Name (Date of birth)	Brief profile Position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
1	Shinji Kawachi (March 31, 1957) Reappointed	<p>May 1991 Director of the Company</p> <p>October 1993 Director/ General Manager of Personnel Development Department</p> <p>June 1999 Senior Managing Director</p> <p>March 2000 Senior Managing Director/ Head of the Corporate Planning Office</p> <p>June 2002 President & Representative Director (current position)</p>	2,435,200 shares
		<p>[Reasons for nominating the candidate]</p> <p>Mr. Shinji Kawachi has engaged in large-store development and gained wide-ranging experience in various areas mainly at the Sales Department, Administration Department, and Corporate Planning Department, putting in an excellent performance. Since becoming President & Representative Director of the Company, he has striven to lead the Company and spur business expansion by demonstrating strong leadership. The reason for nominating Mr. Shinji Kawachi as candidate for Director is that the Company judges that he needs to continuously serve as director in order to enhance the Company's corporate value.</p>	
2	Katsuyuki Okubo (September 4, 1964) Reappointed	<p>April 2005 Senior Manager of Merchandise Department of the Company</p> <p>April 2011 Senior Manager of Store Operation Department</p> <p>September 2012 General Manager of Store Operation Department</p> <p>March 2013 Executive Officer/ General Manager of Store Operation Department</p> <p>June 2015 Director/ General Manager of Sales Management Department</p> <p>April 2019 Director/ General Manager of Store Development Department (current position)</p> <p>January 2022 President & Representative Director of Yokohama Pharmacy Co., Ltd. (current position)</p>	4,500 shares
		<p>[Reasons for nominating the candidate]</p> <p>Mr. Katsuyuki Okubo has gained wide-ranging experience at the Sales Department, putting in an excellent performance, led this Department by using his experience. He also currently serves as Representative Director of a subsidiary of the Company, striving for business development of the Company and the subsidiary. The reason for nominating Mr. Katsuyuki Okubo as candidate for Director is that the Company judges that he needs to continuously serve as director in order to enhance the Company's corporate value.</p>	

Candi- date No.	Name (Date of birth)	Brief profile Position and responsibility at the Company, and significant concurrent positions		Number of the Company's shares owned
3	Rinji Watanabe (November 18, 1966) Reappointed [Outside Director] [Independent Officer]	April 1990	Joined Nomura Research Institute, Ltd.	—
		November 1999	Joined Schroder Investment Management Japan (current Schroder Investment Management (Japan) Limited)	
		March 2009	President & Representative Director of Rinji Advise Co., Ltd. (current position)	
		August 2015	Outside Auditor of ASKUL Corporation	
		September 2015	Outside Director of JICHODO Co., Ltd. (current position)	
		June 2016	Outside Director of the Company (current position)	
		September 2020	Project Lecturer of Graduate School of Medicine, The University of Tokyo (current position)	
		[Significant concurrent positions]	President & Representative Director of Rinji Advise Co., Ltd.	
			Outside Director of JICHODO Co., Ltd.	
			Project Lecturer of Graduate School of Medicine, The University of Tokyo	
		[Reasons for nominating the candidate and an outline of expected roles to fulfill] Mr. Rinji Watanabe is a Ph.D. holder (Commerce) and practicing business manager who has wide experience as working at institutional investor, as well as expertise in management accounting for the retail business in particular. Based on his background described above, the Company judges that he will appropriately oversee the Company's management from an expert and objective viewpoint, and provide advice from the shareholders' perspective. If he is elected as Outside Director, the Company plans to involve him 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.		

Candidate No.	Name (Date of birth)	Brief profile Position and responsibility at the Company, and significant concurrent positions	Number of the Company's shares owned
4	Miho Eto (July 24, 1972) Reappointed [Outside Director] [Independent Officer]	<p>May 1995 November 2004 January 2012 August 2014 October 2015 August 2016 April 2019 June 2021 May 2022 June 2022 December 2022</p> <p>Joined Microsoft Corporation Representative Director of Quality Life Solutions Co., Ltd. Joined Google Japan K.K. (Predecessor of Google Japan G.K.) Operations Lead Social Media Division, OPT, Inc. Chief of Snapmart Business Division, OPT Incubate Inc. Representative Director of Snapmart Inc. Director/ Manager of Marketing Strategy, Tochigi Soccer Club Co., Ltd. Outside Director of Remixpoint, inc. (Audit & Supervisory Committee Member, current position) Marketing Manager, Nankatsu SC Co., Ltd. (current position) Outside Director of the Company (current position) Outside Director of Mynavi Corporation (current position)</p> <p>[Significant concurrent positions] Marketing Manager, Nankatsu SC Co., Ltd. Outside Director of Remixpoint, inc. Outside Director of Mynavi Corporation</p>	—
<p>[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.</p>			

Notes:

1. There are no special conflicts of interest between the candidates and the Company.
2. Mr. Katsuyuki Okubo is President & Representative Director of our subsidiary, Yokohama Pharmacy Co., Ltd.
3. Mr. Rinji Watanabe and Ms. Miho Eto are the candidates for Outside Directors.
4. The Company registered Mr. Rinji Watanabe and Ms. Miho Eto as independent officers with the Tokyo Stock Exchange (TSE). When their reappointment is approved, the Company will continue to register them as independent officers with the TSE.
5. Mr. Rinji Watanabe and Ms. Miho Eto are currently Outside Directors of the Company. Their terms of office as Outside Director at the conclusion of the Ordinary General Meeting of Shareholders will be

- seven years and one year, respectively.
6. Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Mr. Rinji Watanabe and Ms. Miho Eto to limit their liability for damages stipulated in Article 423, Paragraph 1 of the Companies Act. The maximum amount of their liability under the said agreements is the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act. If their reappointment is approved, the said agreements will be renewed.
 7. 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 each candidates 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

If Agenda No. 2 is approved and passed as proposed, the key skills, experience and expected areas of each Director and each Audit & Supervisory Board Member are as follows:

Basic Information				Skills and Experiences/Expected Areas				
Name	Position at the Company	Gender	Independence	Management	Sales Marketing	Treasury Accounting Finance	IT System DX	Legal Affairs Risk Management
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	✓	✓				✓

Agenda No. 3: Election of one (1) Substitute Audit & Supervisory Board Member

Since the election of Mr. Toshiyuki Okayasu, who was elected as a substitute Audit & Supervisory Board Member at the 52nd Ordinary General Meeting of Shareholders held on June 11, 2019, is effective until the commencement of this General Meeting of Shareholders, the election of one substitute Audit & Supervisory Board Member is requested again in case the number of Audit & Supervisory Board Members required by laws and regulations is insufficient.

The above appointment may be nullified by a resolution of the Board of Directors with the consent of the Audit & Supervisory Board only before the candidate assumes office as Audit & Supervisory Board Member.

The Audit & Supervisory Board has given its consent to this Agenda.

The candidate for substitute Audit & Supervisory Board Member is as follows.

Name (Date of birth)	Brief profile Position at the Company, and significant concurrent positions	Number of the Company's shares owned
Toshiyuki Okayasu (December 1, 1976)	May 2006 July 2006 May 2017 [Significant concurrent positions]	—
	Registered as Certified Tax Accountant Representative of Toshiyuki Okayasu Tax Office (current position) Auditor of Yokohama Pharmacy Co., Ltd. (current position) Representative of Toshiyuki Okayasu Tax Office	
[Reasons for nominating the candidate] The Company nominates Mr. Toshiyuki Okayasu as candidate for substitute Audit & Supervisory Board Member because, based on his expertise as a certified tax accountant, the Company expects that he will appropriately perform his duties as an Outside Audit & Supervisory Board Member.		

Notes:

1. There are no special conflicts of interest between the candidate and the Company.
2. Mr. Toshiyuki Okayasu is the candidate for substitute Outside Audit & Supervisory Board Member.
3. Mr. Toshiyuki Okayasu is an Auditor of our subsidiary, Yokohama Pharmacy Co., Ltd.
4. If Mr. Okayasu'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 him to limit his 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.