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Securities Code: 2695

January 7, 2022

To our shareholders:

Kunihiko Tanaka,
President and Representative Director
Kura Sushi, Inc.
1-2-2 Fukasaka, Naka-ku, Sakai-shi, Osaka

Notice of the 26th Annual General Meeting of Shareholders

We are pleased to announce the 26th Annual General Meeting of Shareholders of Kura Sushi, Inc. (the “Company”), which will be held as described below.

If you are unable to attend the meeting in person, you may exercise your voting rights in writing or via the internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 6:00 p.m. on Monday, January 24, 2022 (JST), following the instructions below.

We would like to advise our shareholders to exercise your voting rights beforehand in writing or via the internet, etc., if at all possible, for this General Meeting of Shareholders.

- 1. Date and Time:** Tuesday, January 25, 2022, at 10:00 a.m. (JST)
- 2. Venue:** Rikyu Hall, 3rd Floor, Hotel Agora Regency Osaka Sakai
4-45-1 Ebisujima-cho, Sakai-ku, Sakai-shi, Osaka

3. Purpose of the Meeting:

Matters to be reported:

1. Business Report and Consolidated Financial Statements for the 26th Fiscal Year (from November 1, 2020 to October 31, 2021), as well as the Audit Reports by the Auditor and the Audit and Supervisory Committee on the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the 26th Fiscal Year (from November 1, 2020 to October 31, 2021)

Matters to be resolved:

- Proposal No. 1** Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 2** Revision of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 3** Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

4. Instructions for Exercising Voting Rights

- (1) Exercise of voting rights in writing

Please indicate your approval or disapproval of each proposal in the enclosed voting form and return it so that it arrives no later than 6:00 p.m. on Monday, January 24, 2022 (JST).

- (2) Exercise of voting rights via the internet, etc.

If you wish to exercise your voting rights via the internet, etc., please refer to “Instruction for the Exercise of Voting Rights via the internet, etc.” (in Japanese only) and exercise your voting rights by 6:00 p.m. on Monday, January 24, 2022 (JST).

- (3) If you exercise your voting rights in duplicate both in writing and via the internet, etc., the Company will only deem your exercise via the internet, etc. valid. Also, if you exercise your voting right multiple times via the internet, etc. or redundantly with a personal computer or a smartphone, the Company will only deem the substance of your final exercise to be valid.

To prevent the spread of the novel coronavirus disease (COVID-19), you are asked to refrain from attending this General Meeting in person if at all possible and, instead, to exercise your voting rights in writing or via the internet, etc.

The number of seats at the venue for this General Meeting of Shareholders will be reduced to mitigate the infection risk.

We appreciate the understanding and cooperation of our shareholders on this matter.

Request

- * Please note that attendance will be determined by drawing lots and that all applications must arrive at the Company's address by 6:00 p.m. on Monday, January 17, 2022.
- * When you attend the meeting, you are kindly requested to submit the enclosed voting form and the attendance card for the General Meeting of Shareholders (postal card) at the reception.
- * If there are any amendments to Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements, such amendments will be announced on the Company's website (<https://www.kurasushi.co.jp/>).
- * Notes to Consolidated Financial Statements and Notes to Non-consolidated Financial Statements have been posted on the Company's website (<https://www.kurasushi.co.jp/>) in accordance with the provisions of relevant laws and regulations and Article 13 of the Company's Articles of Incorporation. As a consequence, the relevant documents are not included in the attached documents to this Notice of the Annual General Meeting of Shareholders. Accordingly, the documents attached to the Notice of the Annual General Meeting of Shareholders are one part of the Consolidated Financial Statements and Non-Consolidated Financial Statements that the Audit and Supervisory Committee and the Auditor audited in preparing the Audit Reports.

● To prevent the spread of the novel coronavirus disease (COVID-19)

- **Only those who are selected by drawing lots in advance will be able to attend the General Meeting of Shareholders.**
- **The Company has discontinued the practice of providing memento items (gifts) to the attending shareholders as of last year.**

Reference Documents for the General Meeting of Shareholders

Proposal and Reference Information

Proposal No. 1 Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

At the conclusion of this Annual General Meeting of Shareholders, the terms of office of currently serving seven Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire. Therefore, the Company proposes the election of seven Directors.

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	Kunihiko Tanaka (January 27, 1951)	Nov. 1995 Founded the Company President and Representative Director (current position)	640,000 shares
2	Makoto Tanaka (March 26, 1975)	Apr. 1998 Joined the Company Nov. 2008 Representative Director of Walnut Corporation (current position) Jan. 2014 Director, General Manager of West Japan Business Division, and General Manager of Human Resources Division of the Company Nov. 2014 Director and Vice President, General Manager of West Japan Business Division, General Manager of Human Resources Division, and General Manager of Management Strategy Division May 2015 Director and Vice President, General Manager of Business Division, General Manager of Human Resources Division, and General Manager of Management Strategy Division June 2018 Director and Vice President, General Manager of Business Division, General Manager of Human Resources Division, General Manager of Management Strategy Division, and General Manager of Legal Division Dec. 2019 Director and Vice President (current position) (Significant concurrent positions outside the Company) Representative Director of Walnut Corporation	4,000,000 shares

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
3	Hiroyuki Hisamune (February 15, 1971)	<p>Nov. 1995 Joined the Company</p> <p>Jan. 2007 Director, Senior Manager in charge of Kanto Area</p> <p>Nov. 2008 Director and General Manager of East Japan Business Division</p> <p>Jan. 2012 Director, General Manager of Manufacturing Division, and General Manager of Accounting Division</p> <p>Nov. 2014 Managing Director, General Manager of Manufacturing Division, and General Manager of Accounting Division</p> <p>Jan. 2015 Managing Director and General Manager of Manufacturing Division</p> <p>June 2018 Managing Director, General Manager of Manufacturing Division, and General Manager of Purchasing Division</p> <p>Dec. 2019 Managing Director and General Manager of Merchandise Division (current position)</p>	18,800 shares
4	Norihito Ito (September 11, 1971)	<p>Nov. 1995 Joined the Company</p> <p>Jan. 2011 Director and General Manager of East Japan Business Division</p> <p>May 2015 Director and General Manager of Store Construction Division</p> <p>Mar. 2017 Director, General Manager of Store Construction Division, and General Manager of Purchasing Division</p> <p>Dec. 2019 Director and General Manager of Store Construction Division (current position)</p>	28,800 shares
5	Setsuko Tanaka (March 31, 1949)	<p>Nov. 1995 Joined the Company</p> <p>Director and General Manager of Sales Planning Office</p> <p>Sept. 2001 Director, General Manager of President's Office, and General Manager of Environmental Measures Office</p> <p>Oct. 2003 Director and Senior Manager of Environmental Business Department</p> <p>Nov. 2008 Director and General Manager of Environmental Business Division (current position)</p>	480,000 shares

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
6	Kyoichi Tsuda (November 3, 1962)	Apr. 1986 Joined SK KAKEN Co., Ltd. Oct. 1999 Joined Amato Pharmaceutical Products, Ltd. Dec. 2004 Joined Dai-ichi Seiko Co., Ltd. Nov. 2007 Joined the Company Jan. 2009 Senior Manager of Accounting Department Jan. 2015 Director and General Manager of Accounting Division (current position)	400 shares
7	Hiroyuki Okamoto (February 22, 1962)	Apr. 1984 Joined SANYO Electric Co., Ltd. July 2012 Joined Ezaki Glico Co., Ltd. Dec. 2018 Joined the Company Dec. 2019 Executive Officer and General Manager of Public Relations, Advertising and IR Division Jan. 2021 Director and General Manager of Public Relations, Advertising and IR Division Nov. 2021 Director and General Manager of Public Relations and Marketing Division (current position)	– shares

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Number of the Company's shares owned is current as of October 31, 2021.
 3. The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to the provisions of Article 430-3, paragraph (1) of the Companies Act. A summary of the insurance policy has been presented in the Business Report (in Japanese only). Upon approval of the election of the candidates for Director, they will continue to be included as insured parties in the policy.
In addition, when the policy is renewed, the Company plans to renew the policy with the same terms.

Proposal No. 2 Revision of Remuneration Amount for Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved at not more than ¥360 million annually (however, not including the portion of employee salaries of Directors concurrently serving as employees) at the 23rd Annual General Meeting of Shareholders held on January 29, 2019. However, the Company proposes to set remuneration at not more than ¥500 million annually for Directors (excluding Directors who are Audit and Supervisory Committee Members) upon having taken into account subsequent changes in the economic situation and various other circumstances.

The amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) does not include the portion of employee salaries of Directors concurrently serving as employees, as before.

The current number of Directors (excluding Directors who are Audit and Supervisory Committee Members) is seven (of whom none is an outside Director). If Proposal No. 1 "Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" is approved and adopted as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be seven (of whom none is an outside Director).

In addition, whereas a summary of the Company's policy on making decisions regarding details of remuneration, etc. for its individual Directors is presented in the Business Report (in Japanese only), we deem that this proposal is appropriate in that it has been decided by the Board of Directors in alignment with this policy.

Proposal No. 3 Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit and Supervisory Committee Members and Outside Directors)

The amount of remuneration, etc. for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved at not more than ¥360 million annually (however, not including the portion of employee salaries of Directors concurrently serving as employees) at the 23rd Annual General Meeting of Shareholders held on January 29, 2019. If Proposal No. 2 "Revision of Remuneration Amount for Directors" is approved and adopted as originally proposed, the amount will be not more than ¥500 million annually (however, not including the portion of employee salaries of Directors concurrently serving as employees).

The Company aims to promote its Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors; the "Eligible Directors") to have further sharing of value with its shareholders while providing them with incentive to persistently increase the Company's corporate value as part of its revision of the officer remuneration system. To such ends, the Company hereby proposes that the Eligible Directors be furnished remuneration for the purpose of granting new restricted shares to its Directors, separately from the maximum amount of remuneration subject to approval under Proposal No. 2.

Remuneration furnished to the Eligible Directors for the purpose of granting restricted shares in accordance with this proposal is to be made in the form of monetary claims whose total value is not more than ¥300 million annually (however, not including the portion of employee salaries of Directors concurrently serving as employees). In addition, the Board of Directors shall make decisions on the specific timing for providing thereof and the allocation to each Eligible Director.

The current number of Directors (excluding Directors who are Audit and Supervisory Committee Members) is seven (of whom none is an outside Director). If Proposal No. 1 "Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)" is approved and adopted as originally proposed, the number of Directors (excluding Directors who are Audit and Supervisory Committee Members) will be seven (of whom none is an outside Director).

In addition, the Eligible Directors shall pay in as property contributed in kind all monetary claims furnished to them under this proposal in accordance with resolution of the Company's Board of Directors, and shall, in return, receive common shares of the Company that shall be issued or disposed of by the Company. Meanwhile, the total number of the Company's common shares accordingly issued or disposed of is to be not more than 80,000 shares annually (however, the total number of such shares is to be subject to adjustment within a reasonable range in the event of a stock split of the Company's common shares (including allotment of the Company's common shares without contribution), or in the event of a reverse stock split carried out on or after the date on which this proposal is approved and adopted, or otherwise in the event that there are any other grounds necessitating adjustment to the total number of the Company's common shares issued or disposed of as restricted shares).

The Board of Directors shall determine such amount to be paid in per share to the extent that the amount must not be an amount that is particularly advantageous to the Eligible Directors receiving such common shares, with such amount based on the closing price of the Company's common shares on the Tokyo Stock Exchange on the business day immediately before each date of resolution by the Board of Directors (if there is no closing price on such date, the closing price on the closest preceding trading day). In addition, issuance or disposition of the Company's common shares in such manner, and also matters of furnishing monetary claims as property contributed in kind, are to be conditional on the Company and the Eligible Director having entered into an agreement on allotment of shares with transfer restrictions (the "Allotment Agreement"), such that comprises the following content. Moreover, the Company deems as appropriate matters under this proposal such that include maximum amounts of remuneration, total numbers of the Company's common shares to be issued or disposed of, and other conditions for granting the restricted shares to the Eligible Directors under this proposal, given that the Company has made such decisions upon having taken into account the aforementioned objectives, the Company's business conditions, the Company's policy on making decisions regarding details of remuneration, etc. for its individual Directors (please refer to the Company's 26th Business Report (in Japanese only) for details on this policy), and various other circumstances.

[Outline of the Allotment Agreement]

(1) Restriction Period

For a period of three years from the date on which shares are allotted under the Allotment Agreement (the “Restriction Period”), the Eligible Directors shall not transfer, create a security interest on, or otherwise dispose of the Company’s common shares (the “Transfer Restrictions”), such that they have received per allotment under the Allotment Agreement (the “Allotted Shares”).

(2) Treatment on retirement from the position

The Company shall automatically acquire without contribution the Allotted Shares in the event that an Eligible Director retires from the position predetermined by the Company’s Board of Directors, from among the positions of officer and employee of the Company or its subsidiaries prior to expiration of the Restriction Period, except in cases where such retirement is attributable to expiration of term of office, death, or justifiable grounds otherwise.

(3) Lifting of transfer restrictions

Notwithstanding the provision of (1) above, the Company shall lift the transfer restrictions imposed on all of the Allotted Shares upon expiration of the Restriction Period, on the condition that the Eligible Director has remained in the position predetermined by the Company’s Board of Directors, from among the positions of officer and employee of the Company or its subsidiaries. However, the Company shall rationally make adjustments to the number of the Allotted Shares for which the transfer restrictions are to be lifted, and the timing the timing of lifting as needed, in the event that an Eligible Director retires from the position predetermined by the Company’s Board of Directors, from among the positions of officer and employee of the Company or its subsidiaries, prior to expiration of the Restriction Period, where such resignation is attributable to expiration of term of office, death, or justifiable grounds otherwise as specified under (2) above. In addition, the Company shall automatically acquire without contribution the Allotted Shares with respect to which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted in accordance with the aforementioned provision.

(4) Treatment during reorganization, etc.

Notwithstanding the provision of (1) above, during the Restriction Period, in the event that a merger agreement under which the Company is the disappearing company, a share exchange agreement or a share transfer plan under which the Company becomes a wholly owned subsidiary, or any other matter related to reorganization, etc. are approved at the Company’s General Meeting of Shareholders (or at a meeting of the Company’s Board of Directors otherwise in the event that such reorganization, etc. is not subject to approval of the General Meeting of Shareholders), then per resolution of the Company’s Board of Directors, 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. In addition, the Company shall automatically acquire without contribution the Allotted Shares with respect to which the transfer restrictions have not been lifted as of the time immediately after the transfer restrictions were lifted in accordance with the aforementioned provision.

(5) Other matters

Other matters regarding the Allotment Agreement shall be determined by the Board of Directors of the Company.