Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Stock Exchange Code 9367)
June 9, 2021

**To Shareholders with Voting Rights:**

Yoshisada Sone
President and Representative Director
DAITO KOUN CO., LTD.
4-6-8 Shibaura, Minato-ku, Tokyo, Japan

# NOTICE OF CONVOCATION OF THE 72nd ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

We would like to express our appreciation for your continued support and patronage.

You are cordially notified that the 72nd Annual General Meeting of Shareholders of DAITO KOUN CO., LTD. (the "Company") will be held for the purposes as described below.

**Giving the highest priority to shareholders' safety and reassurance, we kindly ask our shareholders to refrain from attending this year's General Meeting of Shareholders and exercise voting rights in writing in advance to prevent the spread of COVID-19.**

**Please review the attached Reference Documents for the General Meeting of Shareholders, exercise your voting rights for or against the proposals on the enclosed Voting Rights Exercise Form, and return it so that it arrives by 5:15 p.m. on Wednesday, June 23, 2021, Japan time.**

1. **Date and Time:** Thursday, June 24, 2021 at 10:00 a.m. Japan time

2. **Place:** Room 2 & 3, 1st floor, BELLESALLE Mita at Sumitomo Fudosan Mita Twin Bldg. West Wing located at 3-5-27 Mita, Minato-ku, Tokyo, Japan

3. **Meeting Agenda:**

**Matters to be reported:**

1. The Business Report, Consolidated Financial Statements for the Company's 72nd Fiscal Year (April 1, 2020 - March 31, 2021) and report on results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors.
2. Non-consolidated Financial Statements for the Company's 72nd Fiscal Year (April 1, 2020 - March 31, 2021)

**Proposals to be resolved:**

**Proposal 1:** Election of Seven Directors
**Proposal 2:** Election of Accounting Auditor

◎ When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk at the venue. Additionally, please bring this Notice with you in order to conserve resources.

◎ Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (http://www.daito-koun.co.jp/).

# Reference Documents for the General Meeting of Shareholders

**Proposals and References**

**Proposal 1:** Election of Seven Directors

The terms of office of all seven Directors in office will expire at the conclusion of this year's Annual General Meeting of Shareholders.

Accordingly, the election of seven Directors is proposed.

The candidates for Directors are as follows:

| No. | Name | Current positions at the Company | Attendance at the Board of Directors meetings |
|---|---|---|---|
| 1 | [Reappointment] Yoshisada Sone | President and Representative Director | 10 out of 11 meetings (91%) |
| 2 | [Reappointment] Tetsuji Ogino | Senior Managing Director | 11 out of 11 meetings (100%) |
| 3 | [Reappointment] Tadashi Kusakabe | Senior Managing Director | 11 out of 11 meetings (100%) |
| 4 | [Reappointment] Hisao Kitada | Managing Director | 11 out of 11 meetings (100%) |
| 5 | [Reappointment] Noboru Igushi | Director | 11 out of 11 meetings (100%) |
| 6 | [Reappointment] [Outside] Noriyoshi Arizono | Director | 9 out of 9 meetings (100%) |
| 7 | [New appointment] [Outside] [Independent] Atsuko Okajima | — | — (—%) |

| No. | Name<br>(Date of birth) | Past experience, positions, responsibilities,<br>and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 1 | <br>Yoshisada Sone<br>(October 4, 1959)<br><br>[Reappointment] | April 1982 Joined the Company<br>June 1994 Director<br>April 1997 Managing Director<br>June 1998 Vice President and Representative Director<br>June 1999 President and Representative Director<br>June 2009 President and Representative Director in charge of Internal Audit Office<br>December 2010 President and Representative Director in charge of Customs Clearance Administration & Management Office and Legal Audit Office<br>June 2012 President and Representative Director, Internal Audit Office, Legal Audit Office, and Customs Clearance Administration & Management Office<br>April 2013 President and Representative Director, Internal Audit Office and Customs Clearance Administration & Management Office<br>June 2015 President and Representative Director, Customs Clearance Administration & Management Office<br>To the present | 323,600 |
| | Reason for nomination as candidate for Director | Mr. Yoshisada Sone has served as the Company's President and Representative Director since 1999 and has a track record of leading the entire Group and abundant experience and insight as a corporate manager.<br>The Company proposes his continued election as Director representing the Group because we judged that he is qualified to promote the Group's management. | |
| 2 | <br>Tetsuji Ogino<br>(July 1, 1956)<br><br>[Reappointment] | April 1979 Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)<br>April 2009 Joined the Company as General Manager of President's Office<br>June 2009 Director in charge of Administration Department and General Manager of President's Office<br>July 2010 Director supervising Administration Division, Executive Officer in charge of Administration Department and Accounting Department, and General Manager of President's Office<br>June 2011 Managing Director, Administration Division<br>June 2014 Managing Director, Administration Division, Internal Audit Office, Customs Clearance Department I, Customs Clearance Department II, and Food Import Consulting Office<br>June 2015 Managing Director and Assistant to President, Internal Audit Office, Administration Division, and Customs Clearance Division<br>June 2018 Senior Managing Director and Assistant to President, Internal Audit Office, Administration Division, and Customs Clearance Division<br>To the present | 93,000 |
| | Reason for nomination as candidate for Director | While assisting the president, Mr. Tetsuji Ogino served as the person in charge of the Company's Administration Division and Customs Clearance Division, and has abundant experience, achievements and insights in business manageme<br>nt and accounting and finance, as well as being familiar with customs clearance, which is the company's main business. The Company proposes his continued election as Director because we judged that he is qualified to decide the important matters of the Group's management. | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 3 | <br>Tadashi Kusakabe<br>(December 5, 1956)<br><br>[Reappointment] | December 1975 Joined Daito Maritime Agency Co., Ltd.<br>November 1986 Transferred to the Company<br>April 2008 General Manager of Marketing Department II<br>July 2010 Executive Officer in charge of Marketing Department I and General Manager of Marketing Department II<br>June 2011 Executive Officer in charge of Marketing Department I, General Manager of Marketing Department II, and General Manager of Marketing Department III<br>July 2012 Executive Officer in charge of Marketing Department I, Marketing Department II, Marketing Department III, and Marketing Department IV, and General Manager of Marketing Department III<br>June 2013 Director, Marketing Department I, Marketing Department II, and Marketing Department III<br>June 2015 Director, Marketing Division<br>June 2016 Managing Director, Marketing Division<br>June 2020 Senior Managing Director, Marketing Division<br>To the present | 64,500 |
| | Reason for nomination as candidate for Director | Mr. Tadashi Kusakabe has a wealth of experience and insight in corporate management and the Marketing Division, and boasts strong leadership and a unifying force in leading the organization. The Company proposes his continued election as Director because we judged that he is qualified to strengthen the Company's sales capabilities. | |
| 4 | <br>Hisao Kitada<br>(January 7, 1956)<br><br>[Reappointment] | June 1990 Joined the Company<br>April 2003 General Manager of Port Transport Department<br>April 2006 General Manager in charge of Development Department<br>December 2006 General Manager of Marketing Department I<br>July 2010 Executive Officer in charge of Marketing Department VI and Marketing Department VII and General Manager of Marketing Department V<br>June 2013 Director, Marketing Department IV and Marketing Department V<br>June 2015 Director, Operations Division, Yokohama Branch, Kawasaki Branch, and Keiyo Branch<br>June 2018 Managing Director, Operations Division, Yokohama Branch, Kawasaki Branch, and Keiyo Branch<br>June 2019 Managing Director, Operations Division and Branch Division<br>To the present | 17,000 |
| | Reason for nomination as candidate for Director | Mr. Hisao Kitada has abundant experience and insight in the Operations Division and the Branch Division. The Company proposes his continued election as Director because we judged that he is qualified to maintain and improve container transportation arrangements, promoting safe work at the site, and managing and developing each branch while strengthening cooperation with partner companies. | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 5 | <br>Noboru Igushi<br>(October 30, 1967)<br><br>[Reappointment] | April 1988 Joined the Company<br>June 2012 General Manager of General Planning Department<br>July 2015 Executive Officer and General Manager of General Planning Department<br>July 2017 Senior Executive Officer in charge of Accounting Department and General Manager of General Planning Department<br>July 2018 Senior Executive Officer in charge of Distribution Marketing Department and Operations Department<br>June 2019 Director, Distribution Marketing Department, Operations Department, Customs Clearance Department I, and Customs Clearance Department II<br>To the present | 15,300 |
| | Reason for nomination as candidate for Director | Based on Mr. Noboru Igushi's many years of experience in the Administration Division, it was judged that he is suitable for opening dialogue with sites utilizing his knowledge of the core system and proposing and executing an efficient mechanism in response to the request, with a view to management through figures. Therefore, the Company proposes his continued election as Director. | |
| 6 | <br>Noriyoshi Arizono<br>(February 27, 1959)<br><br>[Reappointment]<br>[Outside] | April 1977 Joined Kobe Steel, Ltd.<br>January 2001 Chief staff of Production Control Section, Production Control Department, Kakogawa Works, Production Division, Iron & Steel Business of Kobe Steel, Ltd.<br>April 2010 Manager of Production Control Section, Production Control Department, Kakogawa Works, Iron & Steel Business of Kobe Steel, Ltd.<br>July 2013 General Manager in charge of Business Planning Department, Kakogawa Works, Iron & Steel Business of Kobe Steel, Ltd.<br>April 2017 General Manager of Business Planning Department, Kakogawa Works, Iron & Steel Business of Kobe Steel, Ltd.<br>April 2018 Executive Assistant of KOBELCO LOGISTICS, LTD.<br>June 2018 Director in charge of Kakogawa Products Shipping Department of Steel Products Division, Marine Transport Department, and Overland Transportation Department, and in charge of President's special assignment of KOBELCO LOGISTICS, LTD.<br>June 2019 Executive Managing Director and General Manager of Raw Materials & Transportation Division, in charge of Kakogawa Products Shipping Department of Steel Products Division, Marine Transport Department, and Overland Transportation Department, and Iron & Steel Operations Management Center of KOBELCO LOGISTICS, LTD.<br>June 2020 Executive Managing Director and General Manager of Steel Products Division of KOBELCO LOGISTICS, LTD.<br>June 2020 Director of the Company<br>To the present<br>[Significant concurrent positions]<br>Executive Managing Director of KOBELCO LOGISTICS, LTD. | — |
| | Reason for nomination as candidate for Outside Director and expected roles | Mr. Noriyoshi Arizono is a candidate for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act. Based on his abundant management experience and wide-ranging insight, he has played an important role in ensuring the validity and appropriateness of our management judgment and management supervision, etc., while providing useful and appropriate advice, suggestions, and supervision. In addition, based on his own knowledge, he has fulfilled important duties such as promoting the sustainable growth of the company and giving advice to improve corporate value over the medium to long term. Therefore, the Company proposes his continued election as Outside Director. | |

| No. | Name (Date of birth) | Past experience, positions, responsibilities, and significant concurrent positions | Number of shares of the Company held |
|---|---|---|---|
| 7 | <br>Atsuko Okajima<br>(October 15, 1954)<br><br>[New appointment]<br>[Outside]<br>[Independent] | April 1977 Joined the Ministry of Agriculture, Forestry and Fisheries<br>July 2003 Deputy Director-General of Ministry of Agriculture, Forestry and Fisheries (Food Safety and Consumer Affairs Bureau)<br>July 2004 Deputy Director-General of Ministry of Health, Labour and Welfare (Safety and Consumer Affairs Bureau)<br>July 2006 Vice Governor of Saitama prefecture<br>July 2009 Director-General of Gender Equality Bureau of Cabinet Office (until September 2012)<br>April 2013 Member of the Information Disclosure and Personal Information Protection Review Board of Cabinet Office (retired in March 2019)<br>June 2020 Outside Auditor of House Foods Group Inc.<br>July 2020 Part-time Adviser of KYOKUYO CO., LTD. To the present<br>[Significant concurrent positions]<br>Outside Auditor of House Foods Group Inc.<br>Part-time Adviser of KYOKUYO CO., LTD. | — |
| | Reason for nomination as candidate for Outside Director and expected roles | Ms. Atsuko Okajima is a candidate for Outside Director as stipulated in Article 2, Paragraph 3, Item 7 of the Regulation for Enforcement of the Companies Act.<br>She is expected to give appropriate advice and supervision regarding management decisions and risk management by utilizing her wealth of experience and knowledge about food as well as the wide range of experience and insight in policy management that she has cultivated through serving in the positions of the Ministry of Agriculture, Forestry and Fisheries; Ministry of Health, Labour and Welfare; Vice Governor of Saitama prefecture; Director-General of Gender Equality Bureau of Cabinet Office; and a member of the Information Disclosure and Personal Information Protection Review Board of Cabinet Office.<br>Additionally, the Company expects that she will serve as a Nomination Committee member (nominating directors, etc.), a voluntary committee, to play an important role such as supervising the management team. Therefore, the Company proposes her new election as Outside Director. | |

(Notes)

1. Ms. Atsuko Okajima is a new candidate for Director.
2. Mr. Noriyoshi Arizono and Ms. Atsuko Okajima are candidates for Outside Directors.
   If Ms. Atsuko Okajima assumes the office of Outside Director, she will be an Independent Director as defined by the Tokyo Stock Exchange.
3. The Company has entered into an agreement with Mr. Noriyoshi Arizono in accordance with the Company's Articles of Incorporation and Article 427, Paragraph 1 of the Companies Act to limit his liability for damages pursuant to Article 423, Paragraph 1 of the same Act. If his reelection is approved, the Company will continue said liability limitation agreement with him. Additionally, if election of Ms. Atsuko Okajima is approved, the Company will enter into the same liability limitation agreement with her.
4. The Company has concluded a directors and officers liability insurance contract that insures Directors, Corporate Auditors, Executive Officers, and managerial employees of the Company and its subsidiaries. The insurance premiums are fully borne by the companies. The insurance covers legal damages and litigation expenses in the event that a claim for damages is made against the insured due to an act committed by the insured in his or her capacity as such. The candidates 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.
5. A candidate for Director, Mr. Noriyoshi Arizono, is concurrently serving as Executive Managing Director of KOBELCO LOGISTICS, LTD.
   There is a business relationship between KOBELCO LOGISTICS, LTD. and the Company regarding revenue such as shipping charges, premises work fees, and payment of office rent.
6. The term of office of Mr. Noriyoshi Arizono as the Company's Outside Director will be one year as of the conclusion of this Annual General Meeting of Shareholders.
7. There are no special interests between other candidates for Directors and the Company.
   In addition to the above, there are no special matters to be stated in the proposal for the election of Directors as stipulated in Article 74 of the Regulation for Enforcement of the Companies Act.

(Reference) Expertise and experience of the candidates for the Company's Directors

| No. | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|---|
| Name | Yoshisada Sone | Tetsuji Ogino | Tadashi Kusakabe | Hisao Kitada | Noboru Igushi | Noriyoshi Arizono | Atsuko Okajima |
| Position at the Company | President and Representative Director | Senior Managing Director | Senior Managing Director | Managing Director | Director | Outside Director | — |
| Term of office | 27 | 12 | 8 | 8 | 2 | 1 | — |
| Corporate management | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| Marketing | ○ | | ○ | ○ | | | |
| Finance and accounting | | ○ | | | ○ | ○ | |
| Legal affairs and risk management | | ○ | | | ○ | ○ | ○ |
| Operation | | | | ○ | ○ | | |
| Knowledge of the industry | ○ | | | ○ | | ○ | ○ |
| Knowledge of overseas | | ○ | ○ | | | | |
| Public administration and gender | ○ | | | | | | ○ |
| Nomination Committee (voluntary) | ○ | ○ | ○ | | | | |
| Remuneration Committee (voluntary) | | ○ | ○ | ○ | | | |

**Proposal 2:** Election of Accounting Auditor

The term of office of Ernst & Young ShinNihon LLC, the Company's Accounting Auditor, will expire at the conclusion of this Annual General Meeting of Shareholders, and based on determination by the Board of Corporate Auditors, the Company requests approval to appoint Seiyo Audit Corporation as the Accounting Auditor.

Additionally, the reason that the Board of Corporate Auditors has selected Seiyo Audit Corporation as a candidate for Accounting Auditor is that it was deemed appropriate in comprehensive consideration of being able to expect audits from a new perspective, the independence of the audit corporation, the expertise required for accounting audits commensurate with the scale of our business, and the quality control system for audits.

The candidate for Accounting Auditor is as follows.

| | | |
|---|---|---|
| Name | Seiyo Audit Corporation | |
| Address of main office | 2F, Nishi-shinbashi Annex Building located at<br>1-22-10 Nishi-shinbashi, Minato-ku, Tokyo | |
| History | February 2011 | Established Seiyo Audit Corporation |
| | July 2016 | Merger with Kudan Audit Corporation |
| | December 2018 | Affiliated with Baker Tilly International which is headquartered in the UK |
| Summary (As of March 31, 2021) | Capital | 16.5 million yen |
| | Composition of personnel | Partners Representative Partners: 14 persons, Partners: 5 persons<br>Employees CPAs: 58 persons, other employees: 7 persons |
| | Number of engaged companies | 15 companies for audit pursuant to the Financial Instruments and Exchange Act and the Companies Act<br>24 companies for audit pursuant to the Companies Act<br>42 companies for other audit |