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Securities code: 2790
June 2, 2022

To Shareholders with Voting Rights:

Takumi Ishida
President and CEO
NAFCO Corporation
2-6-10, Uomachi, Kokura Kita-ku,
Kita Kyushu-shi, Fukuoka, Japan

**NOTICE OF
THE 53rd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 53rd Annual General Meeting of Shareholders of NAFCO Corporation (the “Company”) will be held as described below.

Instead of attending the meeting in person, you can exercise your voting rights in writing or via the Internet, etc. Please review the attached Reference Documents for the General Meeting of Shareholders and indicate your approval or disapproval of the proposals on the enclosed voting right exercise form to exercise those rights by no later than 6:15 p.m. JST on Wednesday, June 22, 2022.

- 1. Date and Time:** Thursday, June 23, 2022 at 10:00 a.m. JST
- 2. Place:** Royal Hall on the 4th floor of RIHGA Royal Hotel Kokura
2-14-2 Asano, Kokura Kita-ku, Kita Kyushu-shi, Fukuoka, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:** The Business Report and Financial Statements for the Company’s 53rd Fiscal Year (April 1, 2021 - March 31, 2022)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Partial Amendments to the Articles of Incorporation
 - Proposal 3:** Revision of Remuneration Amounts for Directors and Corporate Auditors

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- If you attend the meeting on the date of the meeting, you are kindly requested to present the enclosed voting rights exercise form at the reception desk at the meeting venue.
 - Any updates to the Reference Documents for the General Meeting of Shareholders, the Business Report, and Financial Statements will be published on the Company’s website. (<http://www.nafco.tv>)
 - We will dress in light clothing with no tie (“Cool Biz” style) on the date. You are kindly requested to come to the meeting wearing light clothing.

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

The introduction of the system for electronic provision of materials for general meetings of shareholders stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, the Articles of Incorporation of the Company shall be amended to provide that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically and to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.

The provisions of the current Articles of Incorporation related to the Internet disclosure of the reference documents for the general meeting of shareholders, etc. will become unnecessary and will therefore be deleted and supplementary provisions related to the effective date, etc. shall be established associated with these changes.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1. - Article 12. (Omitted) <u>(Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.)</u> Article 13 <u>The Company may, when convening a general meeting of shareholders, provide information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p>(Newly established)</p>	<p>Article 1. - Article 12. (Unchanged) <u>(Deleted)</u></p> <p><u>(Measures for Electronic Provision, Etc.)</u> Article 13 <u>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u> <u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p>

Current Articles of Incorporation	Proposed Amendments
Article 14. - Article 48. (Omitted) (Newly established)	Article 14. - Article 48. (Unchanged) <u>(Supplementary Provisions)</u> 1. <u>The deletion of Article 13 (Internet Disclosure of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the proposed Article 13 (Measures for Electronic Provision, Etc.) shall come into effect on September 1, 2022, which is the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019), (the “Effective Date”).</u> 2. <u>Notwithstanding the provisions of the preceding paragraph, Article 13 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u> 3. <u>These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u>

Proposal 3: Revision of Remuneration Amounts for Directors and Corporate Auditors

As resolved by the Extraordinary General Meeting of Shareholders held on March 8, 2003, the remuneration for Directors of the Company is 30 million yen or less per month (the number of Directors at the end of the Extraordinary General Meeting of Shareholders was 13) and the remuneration for Corporate Auditors is 2 million yen or less per month (the number of Corporate Auditors at the end of the Extraordinary General Meeting of Shareholders was 3). Taking into consideration the fact that the economic situation and business environment have changed significantly since the time of the resolution, and the increase in the number of Outside Directors, the Company proposes to revise the current monthly remuneration to an annual remuneration. The change is intended to create a remuneration system that enables improvements in flexibility and speedy operation of officer remuneration, such as payment of officer bonuses.

The Company therefore proposes to revise the remuneration for Directors to “400 million yen or less per year (of which 30 million yen or less per year for Outside Directors) and the remuneration for Corporate Auditors to “30 million yen or less per year.” In addition, the operation of bonus payments for officers shall be applicable from the bonuses for the current fiscal year (53rd term).

This proposal has been decided by comprehensively judging the scale of the Company’s business, the number of current officers, future trends, etc., and the Company judges that it is appropriate.

The remuneration of Directors will not include the amount of remuneration paid as salary to employees as in the past. At the end of the General Meeting of Shareholders, the number of Directors will be 15 (including 2 Outside Directors) and the number of Corporate Auditors will be 3.