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Securities Code: 8563

June 1, 2023

To our shareholders:

Takao Suzuki
Director and President
THE DAITO BANK, LTD.
19-1, Nakamachi, Koriyama City, Fukushima

NOTICE OF CONVOCATION OF THE 118TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 118th Annual General Meeting of Shareholders of THE DAITO BANK, LTD. (the “Bank”). The meeting will be held for the purposes as described below.

When convening this General Meeting of Shareholders, the Bank takes measures to provide the information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format. This information is posted on the following websites. Please access one of the websites to view the information.

Bank’s website (in Japanese): <https://www.daitobank.co.jp>

(After accessing the above website, please select “About Daito Bank,” “Shareholder/Investor Information,” “Materials for General Meeting of Shareholders,” then “118th Annual General Meeting of Shareholders.”)

In addition to the Bank’s website, matters subject to measures for electronic provision are also published on the Tokyo Stock Exchange (TSE) website, which can be accessed at the address below.

TSE website (Listed Company Search) (in Japanese):

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

(Access the TSE website by using the internet address shown above, enter “DAITO BANK” in “Issue name (company name)” or the Company’s securities code “8563” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

Following on from last year’s meeting, in order to prevent the spread of the novel coronavirus disease (COVID-19), we ask that you consider exercising your voting rights in writing or via the internet. The wearing of face masks when attending the General Meeting of Shareholders is at the discretion of each attendee. Furthermore, we may take necessary measures at our discretion, to ensure the safety of shareholders and prevent the spread of infection at the venue, depending on the situation on the day of the meeting. We appreciate your understanding and cooperation.

When exercising your voting rights in writing or via the internet, please exercise your voting rights in accordance with the “Instructions for Exercising Voting Rights” on pages 3 to 5 of the Japanese version (in Japanese only) by 5:00 p.m. Thursday, June 22, 2023 (JST).

- 1. Date and Time:** Friday, June 23, 2023, at 10:00 a.m. (JST)
2. Place: 6F, Main Conference Room, Head Office of the Bank
19-1, Nakamachi, Koriyama City, Fukushima

3. Meeting Agenda:

Matters to be reported:

1. The Business Report and Non-consolidated Financial Statements for the Bank's 118th Fiscal Year (from April 1, 2022 to March 31, 2023)
2. Consolidated Financial Statements for the Bank's 118th Fiscal Year (from April 1, 2022 to March 31, 2023) and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee

Proposals to be resolved:

- Proposal No. 1:** Appropriation of Surplus
Proposal No. 2: Election of Five (5) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
Proposal No. 3: Election of One (1) Director Who Is an Audit and Supervisory Committee Member

- When attending the meeting, please submit the Voting Rights Exercise Form to the reception desk. Reference materials for the general meeting of shareholders will not be provided at the meeting. We ask that you download and print them out.
- The Bank has adopted Smart Voting. Please refer to page 4 of the Japanese version (in Japanese only).
- Of the documents to be provided with this Convocation Notice, the following items are omitted in this Convocation Notice and the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents as they are posted on the Bank's website (<https://www.daitobank.co.jp/>) in accordance with laws and regulations and Article 16 of the Articles of Incorporation of the Bank.
 - 1) Non-consolidated Statement of Changes in Shareholders' Equity
 - 2) Notes to Non-consolidated Financial Statements
 - 3) Consolidated Statement of Changes in Shareholders' Equity
 - 4) Notes to Consolidated Financial Statements
- Any updates to the Reference Documents for the General Meeting of Shareholders will be posted on the Bank's website (at the URL stated above).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal No. 1 Appropriation of Surplus

The Bank proposes the appropriation of surplus as follows.

Matters concerning year-end dividends

With regard to the year-end dividends for the 118th fiscal year, comprehensively taking into account continuing to provide stable dividends and the business results of the Bank for the fiscal year under review, the Bank proposes as follows.

In addition, internal reserves will continue to be used efficiently for effective investments, etc., in order to enhance the Bank's operational foundations and strengthening the management structure.

1. Dividend asset type
Cash
2. Matters concerning the allotment of dividend property to shareholders and the total amount
30 yen per share of common stock, for a total of 379,842,750 yen
3. Effective date of distribution of surplus
June 26, 2023

Proposal No. 2 Election of Five (5) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all five (5) Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this Annual General Meeting of Shareholders. In that regard, the Bank proposes the election of five (5) Directors.

The Audit and Supervisory Committee has given its opinion that this proposal is in accordance with the policy for nominating candidates for Director of the Bank, the candidates for Director were appropriately selected following deliberations by the Nomination and Remuneration Committee and each candidate is qualified to serve as a Director of the Bank.

The candidates are as follows:

No.	Name		Positions and roles at the Bank
1	Takao Suzuki	Reelection Inside	Director and President (Representative Director), in charge of Audit Division
2	Kenichi Miura	Reelection Inside	Senior Managing Director (Representative Director), General Manager of Corporate Planning Division and General Manager of Operation and Banking systems Division, in charge of Corporate Planning Division and Operation and Banking systems Division
3	Yasuhiro Oka	Reelection Inside	Senior Managing Director (Representative Director), in charge of Human Resources and General Affairs Division, Credit Division and Securities and International Division
4	Mitsuo Furukawa	Reelection Inside	Managing Director, General Manager of Business Development Division, in charge of Business Development Division
5	Tasuku Suzuki	New election Inside	Executive Officer, General Manager of Human Resources and General Affairs Division

Reelection: Candidate for Director to be reelected

New election: Candidate for Director to be newly elected

Inside: Candidate for Inside Director

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of common shares of the Bank held
3	Yasuhiro Oka (November 30, 1955) Reelection Inside	<p>Apr. 1974 Joined the Bank</p> <p>Mar. 1999 General Manager of Ishikawa Branch</p> <p>Apr. 2001 General Manager of Kawamata Branch</p> <p>Mar. 2003 General Manager of Shirakawa Branch</p> <p>June 2004 General Manager of Credit Management Division</p> <p>July 2008 Executive Officer and General Manager of Credit Division</p> <p>June 2010 Director and General Manager of Credit Division</p> <p>June 2013 Managing Director (Representative Director)</p> <p>June 2022 Senior Managing Director (Representative Director)</p> <p>To the present</p> <p>Roles: Human Resources and General Affairs Division, Credit Division, and Securities and International Division</p>	9,105 shares
<p><Reasons for nomination as a candidate for Director></p> <p>Mr. Oka possesses a wealth of business knowledge and experience through his services as Branch General Manager and General Manager of Credit Management Division and Credit Division, and since becoming a Director in 2010, he has amassed abundant management experiences. Therefore, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus proposes his reelection as Director.</p>			
4	Mitsuo Furukawa (June 10, 1961) Reelection Inside	<p>Apr. 1984 Joined the Bank</p> <p>July 2002 General Manager of Tsurumidan Branch</p> <p>July 2005 Koriyama A Area Manager, General Manager of Hohaccho Branch, and General Manager of Koharada Branch</p> <p>July 2008 Iwaki Area Manager and General Manager of Taira Branch</p> <p>June 2012 Executive Officer, Northern Area Manager, and General Manager of Fukushima Branch</p> <p>July 2013 Executive Officer, General Manager of Credit Division, and General Manager of Credit Management Division</p> <p>July 2014 Executive Officer and General Manager of Head Office</p> <p>June 2016 Director and General Manager of Head Office</p> <p>July 2017 Director and General Manager of Business Promotion Division</p> <p>July 2020 Managing Executive Officer and General Manager of Business Development Division</p> <p>June 2022 Managing Director and General Manager of Business Development Division</p> <p>To the present</p> <p>Roles: Business Development Division</p>	7,104 shares
<p><Reasons for nomination as a candidate for Director></p> <p>Mr. Furukawa possesses a wealth of business knowledge and experience through his services as Branch General Manager, General Manager of Credit Division and Credit Management Division, General Manager of Head Office, and General Manager of Business Promotion Division, and he has been appropriately fulfilling his duties. Based on the experience and knowledge, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus proposes his reelection as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of common shares of the Bank held
5	Tasuku Suzuki (February 21, 1975) New election Inside	Apr. 1997 Joined the Bank July 2011 Deputy Manager of Corporate Planning Division Oct. 2013 Deputy Manager of Operation Division July 2014 Deputy Manager of Banking systems Division and Deputy Manager of Operation Division July 2016 Deputy General Manager of Corporate Planning Division July 2020 General Manager of Human Resources and General Affairs Division June 2022 Executive Officer, General Manager of Human Resources and General Affairs Division To the present	2,300 shares
<Reasons for nomination as a candidate for Director> Mr. Suzuki possesses a wealth of business knowledge and experience through his services as Deputy General Manager of Corporate Planning Division and General Manager of Human Resources and General Affairs Division and has been appropriately fulfilling his duties. Based on the experience and knowledge, the Bank believes that he is capable of conducting the Bank's business management in an accurate, fair, and efficient manner, and thus proposes his election as Director.			

(Note) There is no special interest between each candidate for Director and the Bank.

Proposal No. 3 Election of One (1) Director Who Is an Audit and Supervisory Committee Member

Chikashi Sato, a Director who is an Audit and Supervisory Committee Member, will resign at the conclusion of this Annual General Meeting of Shareholders. In that regard, the Bank proposes the election of one (1) Director who is an Audit and Supervisory Committee Member.

Furthermore, since the candidate for Director who is an Audit and Supervisory Committee Member, Toshinori Uryu, will be elected as the substitute for Chikashi Sato, a Director who is an Audit and Supervisory Committee Member, his term of office will be until the expiration date of the term of office of the resigning Director who is an Audit and Supervisory Committee Member, as provided for in the Bank's Articles of Incorporation.

The Audit and Supervisory Committee has previously given its approval to this proposal.

The candidate for Director who is an Audit and Supervisory Committee Member is as follows:

Name	Positions and roles at the Bank
Toshinori Uryu	New election Outside Independent

New election: Candidate for Director to be newly elected as Audit and Supervisory Committee Member

Outside: Candidate for Outside Director

Independent: Independent Officer (to be) registered with the stock exchanges

Name (Date of birth)	Past experience, positions, and roles at the Bank, and significant concurrent positions	Number of common shares of the Bank held
<p>Toshinori Uryu (July 22, 1958) New election Outside Independent</p>	<p>Apr. 1981 Joined F-COM Co., Ltd. May 1991 General Manager June 1992 Director June 1998 Managing Director June 2001 Managing Executive Officer June 2003 Managing Director June 2009 Senior Managing Director June 2015 Representative Director, President and COO June 2021 Representative Director and Vice Chairman Director and Vice President of F-COM Holdings Co., Ltd. Representative Director and President of MYCOM Co., Ltd. Representative Director and President of AIZU F-COM Co., Ltd. To the present</p> <p>Significant concurrent positions outside the Bank Representative Director and Vice Chairman of F-COM Co., Ltd. Director and Vice President of F-COM Holdings Co., Ltd. Representative Director and President of MYCOM Co., Ltd. Representative Director and President of AIZU F-COM Co., Ltd.</p>	<p>1,000 shares</p>

<Reasons for nomination as a candidate for Audit and Supervisory Committee Member and outline of expected role>
Mr. Uryu has served as Representative Director and President of F-COM Co., Ltd. for many years and also serves as Director and Vice President of F-COM Holdings Co., Ltd. He has extensive experience and diverse discernment as a corporate manager. Based on this track record, the Bank has judged that he is qualified to supervise the execution of the Bank's business, such as expressing his opinion objectively from an independent and neutral position, and thus proposes his election as an Outside Director who is an Audit and Supervisory Committee Member.

<Supplementary explanation regarding independence>
The Bank has transactions involving deposits and loans with F-COM Co., Ltd., where Mr. Uryu is a Representative Director; however, these account for a negligible percentage of F-COM Co., Ltd.'s total assets, and the Bank judges that there is no special interest. In addition, Mr. Uryu satisfies the standards for independence stipulated by the Tokyo Stock Exchange and criteria of independence for Outside Directors established by the Bank, the Bank has judged that he has high independence from management.

(Note) The Bank has stipulated in the Articles of Incorporation to allow for the conclusion of agreements with Outside Directors that limit their liability for damages to a certain range so that they can fully perform their expected roles. If the election of Toshinori Uryu is approved as proposed, the Bank plans to enter into the agreement that limits his liability for damages set forth in Article 423, paragraph (1) of the Companies Act pursuant to the provisions of Article 427, paragraph (1) of said act.

[Reference]

Criteria of independence for Outside Directors

Upon the election of the candidates for Outside Director of the Bank, candidates to whom none of the following apply either currently or in the recent past (Note 1) shall be deemed to be independent.

- 1 A person who executes business at the Bank or an associate of the Bank
- 2 A party who is a major trading partner (Note 2) of the Bank or an associate of the Bank, or otherwise if such party is a corporation or other such entity, a person who executes business thereof
- 3 A party whose major trading partner (Note 2) is the Bank or an associate of the Bank, or otherwise if such party is a corporation or other such entity, a person who executes business thereof
- 4 A consultant, an accounting expert or a legal professional who receives an average of 100 thousand yen or more per year in cash or other forms of asset over the past three years except an officer's remuneration from the Bank or an associate of the Bank
- 5 A party who receives an average of 100 thousand yen or more per year in donations, etc. from the Bank or an associate of the Bank over the past three years, or otherwise if such party is a corporation or other such entity, a person who executes business thereof
- 6 A party who is a major shareholder (who holds 10% or more of the total voting rights) of the Bank or an associate of the Bank, or otherwise if such party is a corporation or other such entity, a person who executes business thereof
- 7 A close relative (relative within the second degree of kinship) who falls under either 1 or 6 above

(Note 1) "recent past" means a situation that can substantially mean current where, for instance, it would apply in the event of approving the resolutions at the General Meeting of Shareholders where an Outside Director was appointed.

(Note 2) "major trading partner" means a trading partner recording 2% or more of the consolidated net sales (in the case of the Bank, consolidated ordinary income) of the most recent fiscal year.

[Reference] Skills Matrix for Directors after the conclusion of this Annual General Meeting of Shareholders (plan)

Name	Gender	Independence (Outside Directors only)	Particularly expected knowledge, experience and skills							
			Corporate management	Financial business	Sales/ Marketing	Legal affairs/ Compliance	Finance & Accounting	Human resources	IT/ Digital	Local economy
Takao Suzuki	Male		•	•	•	•	•			•
Kenichi Miura	Male		•	•		•	•		•	
Yasuhiro Oka	Male		•	•	•			•		•
Mitsuo Furukawa	Male			•	•		•			•
Tasuku Suzuki	Male			•	•			•	•	
Hirokatsu Watanabe	Male			•		•	•	•		
Norio Shimizu	Male	•	•	•			•	•		
Mika Matsumoto	Female	•	•			•		•		
Hiroyuki Kanno	Male	•						•		•
Toshinori Uryu	Male	•	•		•				•	•