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Securities Code: 8704

June 9, 2023

(Commencement date of electronic provision measures: June 2, 2023)

Dear Shareholders

(Location of Head Office)

1-10-14, Hamamatsucho, Minato-ku, Tokyo

(Headquarters)

28th Floor, Yebisu Garden Place Tower, 4-

20-3, Ebisu, Shibuya-ku, Tokyo

TRADERS HOLDINGS CO., LTD.

Representative Director, Chairman and President Takayuki Kanamaru

Notice of Convocation of the 24th Annual General Meeting of Shareholders

I would like to take this opportunity to thank all of you for your ongoing support.

We are pleased to inform you that the 24th Annual General Meeting of Shareholders will be held as outlined below.

In convening the Annual General Meeting of Shareholders, we have taken electronic provision measures for information contained in the reference and other documents for the Annual General Meeting of Shareholders (items subject to electronic provision measures), and they are posted on the following websites on the Internet. We ask you to access either of these websites and confirm.

[The Company's website (in Japanese)]

<https://www.tradershd.com/ir/soukai/>



In addition to the above website, the items subject to electronic provision measures are also posted on the website of Tokyo Stock Exchange, Inc. (TSE). Please access the TSE website (Listed Company Search) below, enter and search "Traders Holdings" for Issue name (company name) or "8704" for Code, select "Basic information" and then "Documents for public inspection/PR information," and check "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" under "Filed information available for public inspection."

[TSE website (Listed Company Search) (in Japanese)]

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



If you do not attend the meeting, you may exercise your voting rights by electronic means (via the Internet, etc.) or in writing. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:30 p.m. on Monday, June 26, 2023, (JST).

1. **Date and time:** 10 a.m. on Tuesday, June 27, 2023, (JST)
(Doors will open at 9:30 a.m.)
2. **Place:** SPACE 6 Conference Room, 4th Floor, Ebisu Garden Place Tower
4-20-3, Ebisu, Shibuya-ku, Tokyo
(Please you are in the right place as it is different from that in the previous Meeting of Shareholders.)
3. **Agenda for the Meeting:**

Matters to Be Reported:

 1. Report on the content of the business report and the consolidated financial statements and report on the results of the audits of the consolidated financial statements performed by the Accounting Auditor and the Audit & Supervisory Board for the 24th fiscal year (covering the period from April 1, 2022, to March 31, 2023).
 2. Report on the non-consolidated financial statements for the 24th fiscal year (covering the period from April 1, 2022, to March 31, 2023).

Matter to Be Resolved:

Proposal 1: Appropriation of surplus
Proposal 2: Partial Amendment to the Articles of Incorporation
Proposal 3: Election of Five (5) Directors
4. **Matters regarding the exercise of voting rights:**
 - (1) If neither “for” or “against” is marked on the submitted Voting Rights Exercise Form, it will be treated as consent for the relevant proposals.
 - (2) If you exercise your voting rights more than once via the Internet, etc., only your last vote will be treated as valid.
 - (3) If you exercise your voting rights both in writing using the voting form and via the Internet, etc., only the vote cast via the Internet, etc. will be treated as valid, regardless of the date and time that the votes are received.
 - ◎ If you plan to attend the Meeting in person, please submit the Voting Rights Exercise Form to the receptionist at the Meeting.
 - ◎ Should there be any amendments to the electronic provision measures, a notice to that effect and the matters before and after the amendments will be posted on the Company website and the TSE website on the Internet.
 - ◎ Any changes in the management of the Annual General Meeting of Shareholders will be announced on the Company website.
 - ◎ In accordance with laws and regulations and the provisions of Article 15 of the Articles of Incorporation of the Company, the following matters are not included in the documents including the electronic provision measures to be issued to shareholders who have requested the issuance of such documents.
 - (i) “Principal Offices,” “Employees,” “Accounting Auditors,” “Systems to Ensure Proper Operations,” and “Basic Policy on Control of the Company” in the Business Report;
 - (ii) Consolidated Statement of Changes in Net Assets and Notes to Consolidated Financial Statements; and
 - (iii) Statement of Changes in Net Assets and Notes to Non-consolidated Financial Statements

Accordingly, the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements contained in such documents are part of the documents audited by the Accounting Auditor in preparing their audit report and by the Corporate Auditors in preparing their audit report.

Guide to Exercising Voting Rights by Electronic Means

1. Exercising voting rights via the Internet

If you wish to exercise your voting rights via the Internet, please review the following points before exercising your voting rights. If you plan to attend the Meeting in person, you do not need to complete any procedures to exercise your voting rights by mail or via the Internet.

(i) Voting rights exercise website

- (1) You can exercise your voting rights via the Internet by accessing the voting rights exercise website designated by the Company (<https://evote.tr.mufg.jp/>) from your personal computer or smartphone. (Please note that you will not be able to access the above URL from 2 a.m. to 5 a.m. every day.)
- (2) You may not use the voting rights exercise website to exercise your voting rights using your personal computer or smartphone depending on your Internet usage environment, subscription services, or model.
- (3) You may exercise your voting rights via the Internet by 5:30 p.m. on Monday, June 26, 2023, (JST). We ask you to exercise your voting rights ahead of time and contact the Help Desk if you have any questions.

(ii) How to exercise your voting rights via the Internet

- (1) On the voting rights exercise website (<https://evote.tr.mufg.jp/>), use the “Login ID” and “Tentative Password” indicated on the Voting Rights Exercise Form, and follow the on-screen guidance to cast your vote.
- (2) Please note that if you wish to exercise your voting rights via the Internet, you will be asked to change your “Tentative Password” on the voting rights exercise website to prevent unauthorized access by third parties other than shareholders.

2. Platform for exercise of electronic voting rights

Nominal shareholders such as trust companies, including standing proxies, who have applied in advance for the use of the electronic voting rights exercise platform operated by ICJ, Inc., a joint venture company established by the Tokyo Stock Exchange, etc., may also use the platform as a method of exercising their voting rights by electronic means at the General Meeting of Shareholders of the Company in addition to the exercise of voting rights via the Internet as described in 1 above.

Consolidated financial statements

i. Consolidated balance sheets

(Millions of yen)

As of March 31, 2023

Assets	
Current assets	
Cash and deposits	5,235
Work in process	6
Segregated deposits	72,646
Segregated deposits for customers	72,634
Other segregated deposits	12
Trading products	543
Short-term guarantee deposits	7,119
Margin deposits for foreign exchanges	6,762
Margin deposits for crypto-assets	352
Margin deposits for other-assets	5
Other	779
Allowance for doubtful accounts	(10)
Total current assets	86,320
Non-current assets	
Property, plant and equipment	285
Buildings	213
Tools, furniture and fixtures	78
Intangible assets	638
Software	609
Other	29
Investments and other assets	1,072
Long-term advance paid	173
Long-term deposits	172
Deferred tax assets	543
Other	356
Allowance for doubtful accounts	(173)
Total non-current assets	1,997
Total assets	88,317

(Millions of yen)

As of March 31, 2023

Liabilities	
Current liabilities	
Trading products	208
Deposits received	20
Guarantee deposits received	73,083
Margin deposits received for foreign exchanges	72,949
Margin deposits received for crypto-assets	134
Short-term borrowings	860
Current portion of long-term borrowings	72
Current portion of bonds payable	100
Income taxes payable	288
Provision for bonuses	181
Other	411
Total current liabilities	75,226
Non-current liabilities	
Bonds payable	600
Long-term borrowings	463
Provision for retirement benefits for directors (and other officers)	16
Retirement benefit liability	36
Other	0
Total non-current liabilities	1,115
Total liabilities	76,342
Net assets	
Shareholders' equity	
Share capital	1,564
Capital surplus	901
Retained earnings	9,768
Treasury shares	(310)
Total shareholders' equity	11,922
Accumulated other comprehensive income	
Foreign currency translation adjustment	52
Total accumulated other comprehensive income	52
Total net assets	11,975
Total liabilities and net assets	88,317

ii. Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023
Operating revenue	
Commission received	86
Net trading income	8,757
Financial revenue	1
Other sales	343
Other	6
Total operating revenue	9,194
Financial expenses	53
Other costs	688
Net operating revenue	8,452
Selling, general and administrative expenses	4,710
Operating profit	3,742
Non-operating income	
Interest and dividend income	1
Subsidy income	7
Other	3
Total non-operating income	11
Non-operating expenses	
Interest expenses	13
Foreign exchange losses	5
Other	4
Total non-operating expenses	23
Ordinary profit	3,730
Extraordinary income	
Gain on sale of investment securities	27
Total extraordinary income	27
Extraordinary losses	
Loss on retirement of non-current assets	13
Loss on liquidation of business	61
Head office relocation expenses	52
Total extraordinary losses	127
Profit before income taxes	3,630
Income taxes - current	605
Income taxes - deferred	(193)
Total income taxes	412
Profit	3,217
Profit attributable to owners of parent	3,217

Non-consolidated financial statements

i. Non-consolidated balance sheets

(Millions of yen)

As of March 31, 2023	
Assets	
Current assets	
Cash and deposits	754
Accounts receivable - other	486
Accrued revenue	77
Other	89
Total current assets	1,406
Non-current assets	
Property, plant and equipment	
Buildings	73
Other	27
Total property, plant and equipment	101
Investments and other assets	
Shares of subsidiaries and associates	2,204
Guarantee deposits	203
Long-term prepaid expenses	117
Deferred tax assets	339
Total investments and other assets	2,865
Total non-current assets	2,966
Total assets	4,373
Liabilities	
Current liabilities	
Accrued expenses	87
Income taxes payable	3
Provision for bonuses	27
Other	75
Total current liabilities	192
Non-current liabilities	
Long-term borrowings	291
Long-term deposits received	124
Provision for retirement benefits	5
Provision for retirement benefits for directors (and other officers)	5
Total non-current liabilities	426
Total liabilities	619
Net assets	
Shareholders' equity	
Share capital	1,564
Capital surplus	
Legal capital surplus	558
Other capital surplus	343
Total capital surplus	902
Retained earnings	
Other retained earnings	1,598
Retained earnings brought forward	1,598
Total retained earnings	1,598
Treasury shares	(310)
Total shareholders' equity	3,754
Total net assets	3,754
Total liabilities and net assets	4,373

ii .Non-consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2023
Operating revenue	
Consulting fee income of subsidiaries and affiliates	804
Dividends from subsidiaries and associates	875
Other operating revenue	6
Total operating revenue	1,685
Net operating revenue	1,685
Selling, general and administrative expenses	850
Operating profit	835
Non-operating income	
Recoveries of written off receivables	0
Other	0
Total non-operating income	1
Non-operating expenses	
Interest expenses	9
Commission expenses	1
Other	0
Total non-operating expenses	10
Ordinary profit	826
Extraordinary losses	
Loss on retirement of non-current assets	4
Head office relocation expenses	19
Total extraordinary losses	23
Profit before income taxes	803
Income taxes - current	(251)
Income taxes - deferred	(138)
Total income taxes	(390)
Profit	1,193

Reference Materials for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

At the Company, our basic policy is to maintain a stable dividend payment twice a year with a target consolidated dividend on equity ratio (DOE) of 4%, taking into account the need to secure retained earnings to develop businesses and strengthen the management base toward the achievements of our targets. Based on the above policy, we propose to pay a year-end dividend for the fiscal year ended March 31, 2023, as follows.

- (1) Type of dividend asset
Cash
- (2) Allocation of dividend asset and total amount of allocation
17 yen per share of common stock; total amount: 488,295,811 yen
- (3) Effective date of distribution of the dividend
June 28, 2023

Proposal 2: Partial Amendment to the Articles of Incorporation

1. Reasons for amendment

The Company moved its head office from Minato-ku, Tokyo to Shibuya-ku, Tokyo in April 2023. The purposes of this move were to further accelerate growth in the Group; to secure talented personnel at an early stage; to increase floor space according to an increase in the number of employees; and to realize a location, functions of facilities supporting a business continuity plan (BCP), and an office environment that contribute to improving our brand image. In line with the relocation, we propose a change in the location of the head office as stipulated in Article 3 (Location of Head Office) of the current Articles of Incorporation.

2. Details of amendments

The details of the amendments are as follows:

(Proposed amendments underlined)

Current Articles of Incorporation	Proposed amendments
Article 3. (Location of Head Office) The head office of the Company shall be located in <u>Minato-ku</u> , Tokyo.	Article 3. (Location of Head Office) The head office of the Company shall be located in <u>Shibuya-ku</u> , Tokyo.

Proposal 3: Election of Five (5) Directors

As of the conclusion of this General Meeting, the term of office of all six directors will expire. Accordingly, we propose to elect five Directors.

Candidates for directors are as follows:

Candidate No.	Name (Date of birth)	Career summary, positions and areas of responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Takayuki Kanamaru (October 28,1928) Reelection	Oct. 1967 President and Representative Director of Daiwa Shohin Co., Ltd. Apr. 1991 Director of Daiwa Futures Co., Ltd. (currently Himawari Securities, Inc.) Apr. 2002 Director of the Company Jan. 2009 President and Representative Director July 2012 Adviser June 2020 Representative Director, Chairman and President (current position)	1,273,400
(Reasons for designation as a director nominee) Mr. Takayuki Kanamaru, as the Company's founder, has contributed to the expansion of the Company's business over many years and has played an important role in the sustainable growth and enhancement of corporate value of the Group. The Company nominates Mr. Kanamaru as a director because we believe that his extensive experience and broad knowledge have greatly contributed to the growth of the Group.			
2	Nasayuki Niizuma (November 8,1970) Reelection	Oct. 1995 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC) Jan. 2000 Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) Mar. 2000 Registered as a certified public accountant Sep. 2001 Joined Traders Securities Co., Ltd. (currently TRADERS HOLDINGS CO., LTD.) Apr. 2003 Director of the Company Nov. 2008 Opened Niizuma Certified Public Accountants Office, Director (current position) May 2009 Registered as a tax accountant June 2011 Director of the Company July 2017 Adviser June 2021 Director of the Company June 2022 Executive Managing Director (current position) June 2022 Director of Nextop.Asia Co., Ltd. (currently FleGrowth Co., Ltd.) (current position)	23,400
(Reasons for designation as a director nominee) Mr. Masayuki Niizuma has served as a Director at the Company for a long period of time and contributed to the establishment and strengthening of the business foundation since the early days of the Company. In addition, as a certified public accountant and tax accountant, he has deep knowledge of accounting, taxation and finance, and plays a role in appropriate and efficient planning and implementation of a wide range of business management and business strategies of the Group, including financial issues of the Group and support for the management of subsidiaries. The Company nominates Mr. Niizuma as a Director because it believes that he will contribute to the sustainable enhancement of corporate value of the Company.			
3	Takeshi Kanamaru (March 5,1991) Reelection	Apr. 2015 Joined DENTSU INC. Sep. 2021 Joined the Company, General Manager, Strategic Business Promotion Department June 2022 Director (present position) June 2022 Director of Nextop.Asia Co., Ltd. (currently FleGrowth Co., Ltd.) (current position)	16,700
(Reasons for designation as a director nominee) Mr. Takeshi Kanamaru has utilized his extensive sales and marketing experience cultivated in a leading advertising agency to establish a new corporate identity (CI) of the Group and to oversee initiatives that contribute to the enhancement of brand value by formulating "Mission Vision Values" for each group company, as well as to promote projects that create new added value in the Group's businesses, such as the establishment of Corporate Venture Capital (CVC). The Company nominates Mr. Kanamaru as a Director because it expects that he will contribute to the sustainable corporate growth of the Company by executing his duties on the management of subsidiaries through guidance on sales and marketing as well as advertising development throughout the Group.			

Candidate No.	Name (Date of birth)	Career summary, positions and areas of responsibilities (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Masashi Ichikawa (August 22,1969) Outside director Reelection	Oct. 1994 Joined Showa Ota & Co. (currently Ernst & Young ShinNihon LLC) Apr. 1998 Registered as a certified public accountant Jan. 2000 Opened Ichikawa Certified Public Accountants Office, Director (current position) Apr. 2010 Outside Director of People Co., Ltd. May 2016 Outside Corporate Auditor of ARC SYSTEM WORKS CO., LTD. (current position) June 2020 Director of the Company (present position)	17,300
(Reasons for designation as an outside director nominee and expected role) Although Mr. Masashi Ichikawa has never been involved in corporate management other than by serving as an outside officer, he has extensive experience as an outside officer in addition to his highly specialized knowledge as a certified public accountant and he has provided advice to the management of the Company based on his insights. The Company nominates Mr. Ichikawa as an outside director because it expects that he will continue to supervise the Group's management from an objective and fair standpoint as an outside director.			
5	Daisuke Kawabata (December 26,1972) Outside director Reelection	Apr. 2000 Registered as an attorney Apr. 2004 Partner of Hibiyamitsuke Law Office (current position) June 2017 Bar Examination Committee member Apr. 2020 Instructor, Legal Training and Research Institute of the Supreme Court June 2020 Director (present position)	0
(Reasons for designation as an outside director nominee and expected role) Although Mr. Daisuke Kawabata has never been involved in corporate management, he has made comments at meetings of the Board of Directors primarily from the perspective of a legal professional based on his extensive experience as a lawyer and has played a fair role in supervising the Company's management. The Company nominates Mr. Kawabata as an outside director because it expects that he will continue to appropriately perform his duties as an outside director.			

- Notes: 1. There is no special conflicts of interest between each candidate and the Company.
2. Mr. Masashi Ichikawa and Mr. Daisuke Kawabata are candidates for outside director.
3. Mr. Masashi Ichikawa and Mr. Daisuke Kawabata are currently outside directors of the Company, and their terms of office as outside directors will be three years at the conclusion of this General Meeting of Shareholders.
4. The Company has entered into agreements with Mr. Masashi Ichikawa and Mr. Daisuke Kawabata to limit their liabilities for damages under Paragraph 1 of Article 423 of the Companies Act pursuant to the provisions of Paragraph 1 of Article 427 of the same Act. The maximum amount of liability for damages under such agreement shall be the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If the reappointment of Mr. Masashi Ichikawa and Mr. Daisuke Kawabata is approved, the Company plans to continue the said agreements with each of them.
5. The Company has entered into directors and officers liability insurance contracts with insurance companies set forth in Paragraph 1, Article 430-3 of the Companies Act, under which directors of the Company are insured. Such insurance contracts cover their liability for the performance of their duties as director or officer of the Company and damage which may arise from a claim for loss or damage caused by such liability. Each director candidate will be included among the insured if elected as a director of the Company by this proposal. The Company plans to renew the said contracts with the same contents at the next renewal.
6. The Company has appointed Mr. Masashi Ichikawa and Mr. Daisuke Kawabata as independent officers as stipulated by Tokyo Stock Exchange, Inc. and submitted a notification to the Tokyo Stock Exchange. If they are elected as proposed at this Meeting, they will continue to be independent officers.

Board Skill Matrix (planned)

(Note) The following is the skill matrix of the Board of Directors if the candidates for this proposal are appointed as proposed.

Name	Takayuki Kanamaru	Masayuki Niizuma	Takeshi Kanamaru	Masashi Ichikawa	Daisuke Kawabata
Corporate management, business strategy	●	●			
Financial business experience	●	●			
Marketing, sales			●		
Global business			●		
Legal & Compliance		●			●
Finance, accounting, tax		●		●	
Risk management, governance, internal control				●	●