

[Important notice]

Measures to Prevent the Spread of the Novel Coronavirus Disease (COVID-19) at the 56th Ordinary General Meeting of Shareholders

The measures that the Company is taking to prevent the spread of the novel coronavirus disease (COVID-19) at the 56th Ordinary General Meeting of Shareholders are listed below. We ask for your understanding and cooperation.

- (1) Requests to Shareholders
 - In consideration of the health and safety of all our shareholders, we ask that, if possible, you refrain from attending the Ordinary General Meeting of Shareholders regardless of the condition of your personal health.
 - We especially ask shareholders who are elderly, who have an underlying medical condition or who are pregnant to refrain from attending the meeting.
 - You may exercise your voting rights in writing or via the Internet, so we ask that you consider using these methods.

* For details on how to exercise your voting rights, see “Instructions for Exercising Voting Rights” on page 2.
- (2) Request to our shareholders participating the meeting
 - At the entrance to the venue, thermography and other such methods shall be used to check the body temperature of attendees. Note that individuals who are deemed to be in poor physical health may be prevented from entering the venue.
 - We ask that all shareholders who attend the meeting cooperate with measures to prevent the spread of the disease such as by wearing masks and using alcohol-based sanitizer.
 - No parking shall be provided, so we ask that shareholders avoid driving to the venue.
- (3) Measures by the Company
 - In principle, officers of the Company and administrative staff shall wear masks at the meeting.
 - Alcohol-based sanitizer shall be provided at the reception desk and at various other locations inside the venue.
 - The Company intends to make the meeting’s proceedings shorter than usual.
 - Chairs shall be spaced within the venue to prevent crowding, so the number of chairs shall be less than in normal years. Note that limits may be set on the number of individuals permitted to enter the venue. (In addition, the venue for this General Meeting of Shareholders differs from the venue in the previous year.)
 - In consideration of factors such as prevention of the spread of the disease and fairness to all shareholders, the Company shall not give gifts to shareholders who attend the meeting.

If changes are made to the administration of the Ordinary General Meeting of Shareholders to adapt to future situations, notifications shall be posted on the Company’s website (<https://www.nichiiko.co.jp/>), so we ask that you check the website for future information.

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.

Securities code: 4541

June 3, 2020

To our shareholders:

Yuichi Tamura
President & CEO
Nichi-Iko Pharmaceutical Co., Ltd.
1-6-21 Sogawa, Toyama-shi

NOTICE OF THE 56TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce that the 56th Ordinary General Meeting of Shareholders of Nichi-Iko Pharmaceutical Co., Ltd. (the “Company”) will be held as described below.

In place of attending the meeting in person, you may exercise your voting rights by either of the following methods. Please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by no later than 5:40 p.m., Wednesday, June 17, 2020 (Japan Standard Time).

1. Date and Time: Thursday, June 18, 2020 at 10:00 a.m. (Japan Standard Time)

2. Venue: Tamura Building 1F
1-5-24 Sogawa, Toyama-shi, Toyama Prefecture

3. Purposes:

Items to be reported:

1. Business Report, Consolidated Financial Statements, and the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board, for the 56th Term (from April 1, 2019 to March 31, 2020)
2. Non-Consolidated Financial Statements for the 56th Term (from April 1, 2019 to March 31, 2020)

Items to be resolved:

- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Partial Amendments to the Articles of Incorporation
- Proposal 3:** Election of Nine (9) Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members)
- Proposal 4:** Election of Three (3) Board Members Who Are Audit and Supervisory Committee Members
- Proposal 5:** Election of One (1) Board Member Who Is a Substitute Audit and Supervisory Committee Member
- Proposal 6:** Determination of Remuneration, etc. of Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members)
- Proposal 7:** Determination of Remuneration, etc. of Board Members Who Are Audit and Supervisory Committee Members

4. Instructions for Exercising Voting Rights

- (1) Exercising voting rights in writing (by postal mail)
Please return the enclosed voting form indicating your vote for or against each proposal to us to arrive by 5:40 p.m., Wednesday, June 17, 2020 (Japan Standard Time).
- (2) Exercising voting rights via the Internet, etc.
If you exercise your voting rights via the Internet, etc., you are kindly requested to examine the “Instructions for Exercising Voting Rights via the Internet, etc.” and enter your vote for or against each proposal by 5:40 p.m., Wednesday, June 17, 2020 (Japan Standard Time).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

As a basic policy of distributing profits, the Company is working to improve and strengthen its financial condition while maintaining a sufficient level of retained earnings and continues to ensure proper return of profits to shareholders. Accordingly, the Company makes effective use of its internal reserves resulting in prioritized allocation to pharmaceutical development, expansion into new markets, capital investment aimed at ensuring stable supply, and profit distribution based on financial performance.

For appropriation of surplus, based on the above policy, the Company proposes as below:

Matters related to year-end dividends

- (1) Type of dividend property
Cash
- (2) Allocation of dividend property and total amount thereof
15 yen per common share of the Company
Total amount of dividends: 963,122,025 yen
Full-year dividends including the interim dividend for this fiscal year will be 30 yen per common share of the Company.
- (3) Effective date of distribution of dividends of surplus
June 19, 2020

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

- (1) In order to strengthen the supervisory function of the Board of Directors and to further enhance corporate governance through the further strengthening of the monitoring system, the Company has decided to make the transition from a company with an Audit & Supervisory Board to a company with an Audit and Supervisory Committee and add the Audit and Supervisory Committee Members who are responsible for auditing the execution of duties by the Board of Directors to its Board Members. The Company will establish new regulations regarding Board Members who are Audit and Supervisory Committee Members and the Audit and Supervisory Committee and delete regulations regarding Audit & Supervisory Board Members and the Audit & Supervisory Board as required for the transition to a company with Audit and Supervisory Committee.
- (2) In addition, other necessary changes, such as revisions to the number of articles and other wording, will be made as a result of the above amendments.

2. Details of the amendments

The details of the amendments are as follows.

The proposed amendments to the Articles of Incorporation will take effect at the conclusion of this General Meeting of Shareholders.

(The underlined portions indicate the amendments.)

Current Articles of Incorporation	Amendment proposal
Chapter 1 General Provisions	Chapter 1 General Provisions
Article 1 to Article 3 (text omitted) (Establishment of organizations)	Article 1 to Article 3 (as present) (Establishment of organizations)
Article 4 The Company shall have the following organizations in addition to the General Meeting of Shareholders and Board Members.	Article 4 The Company shall have the following organizations in addition to the General Meeting of Shareholders and Board Members.
(1) Board of Directors	(1) Board of Directors
(2) <u>Audit & Supervisory Board Member</u>	(2) <u>Audit and Supervisory Committee</u>
(3) <u>Audit & Supervisory Board</u>	(Deleted)
(4) <u>Accounting Auditor</u>	(3) <u>Accounting Auditor</u>
Article 5 (text omitted)	Article 5 (as present)
Chapter 2 Shares	Chapter 2 Shares
Article 6 to Article 12 (text omitted)	Article 6 to Article 12 (as present)
Chapter 3 General Meeting of Shareholders	Chapter 3 General Meeting of Shareholders
Article 13 to Article 18 (text omitted)	Article 13 to Article 18 (as present)
Chapter 4 Board Members and Board of Directors	Chapter 4 Board Members and Board of Directors
(Number of members)	(Number of members)
Article 19 The Company shall have up to nine Board Members.	Article 19 1. <u>The Company shall have up to nine Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members).</u>
(Newly established)	2. <u>The Company shall have up to three Board Members Who Are Audit and Supervisory Committee Members.</u>
(Election method)	(Election method)
Article 20	Article 20
1. Board Members shall be elected at the General Meeting of Shareholders.	1. Board Members shall be elected at the General Meeting of Shareholders, <u>while making a distinction between Board Members who are Audit and Supervisory Committee Members and other Board Members.</u>

Current Articles of Incorporation	Amendment proposal
<p>2. A resolution on the election of Board Members shall be adopted with a majority of the votes of the shareholders present at a meeting where shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights are present.</p> <p>3. The election of Board Members shall not be based on cumulative voting.</p>	<p>2. (As present)</p> <p>3. (As present)</p>
<p>(Term of office) Article 21</p>	<p>(Term of office) Article 21</p>
<p>1. The term of office of a Board Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year that ends within one year from the time of their election.</p> <p>2. The term of office of a Board Member elected as an addition or a substitute shall expire at the expiration of the term of office of the incumbent Board Member.</p>	<p>1. The term of office of a Board Member <u>(excluding a Board Member who is an Audit and Supervisory Committee Member)</u> shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year that ends within one year from the time of their election.</p> <p>2. The term of office of a Board Member <u>(excluding a Board Member who is an Audit and Supervisory Committee Member)</u> elected as an addition or a substitute shall expire at the expiration of the term of office of the incumbent Board Member <u>(excluding a Board Member who is an Audit and Supervisory Committee Member)</u>.</p>
<p>(Newly established)</p> <p>(Newly established)</p>	<p>3. <u>The term of office of a Board Member who is an Audit and Supervisory Committee Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year that ends within one year from the time of their election.</u></p>
<p>(Representative Board Member and Executive Directors) Article 22</p>	<p>4. <u>The term of office of a Board Member who is an Audit and Supervisory Committee Member elected as a substitute for a Board Member who is an Audit and Supervisory Committee Member who has resigned prior to the expiration of his or her term of office shall expire at the expiration of the term of office of the Board Member who is an Audit and Supervisory Committee Member who resigned.</u></p> <p>(Representative Board Member and Executive Directors) Article 22</p>
<p>1. The Representative Board Member shall be elected through a resolution of the Board of Directors.</p> <p>2. The Board of Directors may, by its resolution, appoint one Chairman of the Board, one President & CEO, and a few Board Member and Vice Presidents, <u>Executive Board Members</u>, and <u>Senior Board Members</u>.</p>	<p>1. (As present)</p> <p>2. The Board of Directors may, by its resolution, appoint one Chairman of the Board, one President & CEO, and a few Board Member and Deputy Presidents, Board Member and Executive Vice Presidents, and <u>Board of Executive Directors</u>.</p>
<p>Article 23 (text omitted) (Notice on convening a Meeting of the Board of Directors)</p>	<p>Article 23 (as present) (Notice on convening a Meeting of the Board of Directors)</p>
<p>Article 24</p> <p>1. Notice on convening a meeting of the Board of Directors shall be given to each Board Member <u>and each Audit & Supervisory Board Member</u> at least three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</p> <p>2. A meeting of the Board of Directors may be held without a notice procedures if all of the Board Members <u>and Audit & Supervisory Board Members</u> are in agreement.</p>	<p>Article 24</p> <p>1. Notice on convening a meeting of the Board of Directors shall be given to each Board Member at least three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</p> <p>2. A meeting of the Board of Directors may be held without a notice procedures if all of the Board Members are in agreement.</p>
<p>(Newly established)</p>	<p><u>(Delegation of decisions on the execution of important business)</u> <u>Article 25</u> <u>Pursuant to the provisions of Article 399-13, Paragraph 6 of the Companies Act, the Board of Directors may, by its resolution, delegate decisions on the execution of important business (excluding the matters listed in each item of Paragraph 5 of the same article) in full or part to Board Members.</u></p>

Current Articles of Incorporation	Amendment proposal
<p>Article 25 to Article 26 (text omitted) (Remuneration, etc.) Article 27 Remuneration, bonuses, and other financial benefits received from the Company as consideration for the execution of duties by the Board Members (<u>below, "remuneration, etc."</u>) shall be determined by a resolution of the General Meeting of Shareholders.</p>	<p>Article 26 to Article 27 (as present) (Remuneration, etc.) Article 28 Remuneration, bonuses, and other financial benefits received from the Company as consideration for the execution of duties by the Board Members shall be determined by a resolution of the General Meeting of Shareholders, <u>while making a distinction between Board Members who are Audit and Supervisory Committee Members and other Board Members.</u></p>
<p>Article 28 (text omitted) <u>Chapter 5</u> <u>Audit & Supervisory Board Members and Audit & Supervisory Board</u></p>	<p>Article 29 (as present) (Deleted)</p>
<p><u>(Number of members)</u> Article 29</p>	<p>(Deleted)</p>
<p><u>The Company shall have up to four Audit & Supervisory Board Members.</u></p>	<p>(Deleted)</p>
<p><u>(Election method)</u> Article 30</p>	<p>(Deleted)</p>
<p>1. <u>Audit & Supervisory Board Members shall be elected at a General Meeting of Shareholders.</u> 2. <u>A resolution on the election of Audit & Supervisory Board Members shall be adopted with a majority of the votes of the shareholders present at a meeting where shareholders holding one-third or more of the voting rights of the shareholders entitled to exercise their voting rights are present.</u></p>	<p>(Deleted)</p>
<p><u>(Term of office)</u> Article 31</p>	<p>(Deleted)</p>
<p>1. <u>The term of office of an Audit & Supervisory Board Member shall expire at the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year that ends within four years from the time of their election.</u> 2. <u>The term of office of an Audit & Supervisory Board Member elected as a substitute for an Audit & Supervisory Board Member who has resigned prior to the expiration of his or her term of office shall expire at the expiration of the term of office of the Audit & Supervisory Board Member who resigned.</u></p>	<p>(Deleted)</p>
<p><u>(Full-time Audit & Supervisory Board Members)</u> Article 32</p>	<p>(Deleted)</p>
<p><u>A Full-time Audit & Supervisory Board Member shall be elected through a resolution of the Audit & Supervisory Board.</u></p>	<p>(Deleted)</p>
<p><u>(Notice on convening a Meeting of the Audit & Supervisory Board)</u> Article 33</p>	<p>(Deleted)</p>
<p>1. <u>Notice on convening a meeting of the Audit & Supervisory Board shall be given to each Audit & Supervisory Board Member at least three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</u> 2. <u>A meeting of the Audit & Supervisory Board may be held without notice procedures if all of the Audit & Supervisory Board Members are in agreement.</u></p>	<p>(Deleted)</p>
<p><u>(Audit & Supervisory Board Regulations)</u> Article 34</p>	<p>(Deleted)</p>
<p><u>Matters relating to the Audit & Supervisory Board shall be in accordance with laws and regulations and these Articles of Incorporation, as well as the Audit & Supervisory Board Regulations.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Amendment proposal
<u>(Remuneration etc.)</u>	(Deleted)
<u>Article 35</u>	
<u>Remuneration etc. of Audit & Supervisory Board Members shall be determined by a resolution of the General Meeting of Shareholders.</u>	
<u>(Exemption from liability for Audit & Supervisory Board Members)</u>	(Deleted)
<u>Article 36</u>	
<p>1. <u>Pursuant to the provisions of Article 426, Paragraph 1 of the Companies Act, the Company may, to the extent permitted by law, exempt Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages due to negligence of their duties by a resolution of the Board of Directors.</u></p>	
<p>2. <u>Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an Outside Audit and Supervisory Board Member to limit his or her liability for damages due to negligence of his or her duties. However, the maximum amount of liability under such contract shall be the amount prescribed by law.</u></p>	
(Newly established)	
(Newly established)	<p style="text-align: center;"><u>Chapter 5</u> <u>Audit and Supervisory Committee</u> <u>(Full-time Audit and Supervisory Committee Members)</u></p>
(Newly established)	<u>Article 30</u>
	<u>A Full-time Audit and Supervisory Committee Member shall be elected through a resolution of the Audit and Supervisory Committee.</u>
(Newly established)	<u>(Notice on convening a Meeting of the Audit and Supervisory Committee)</u>
	<u>Article 31</u>
	<p>1. <u>Notice on convening a meeting of the Audit and Supervisory Committee shall be given to each Audit and Supervisory Committee Member at least three days prior to the date of the meeting. However, this period may be shortened if there is an urgent need.</u></p>
	<p>2. <u>A meeting of the Audit and Supervisory Committee may be held without notice procedures if all of the Audit and Supervisory Committee Members are in agreement.</u></p>
(Newly established)	<u>(Audit and Supervisory Committee Regulations)</u>
	<u>Article 32</u>
	<u>Matters relating to the Audit and Supervisory Committee shall be in accordance with laws and regulations and these Articles of Incorporation, as well as the Audit and Supervisory Committee Regulations.</u>
Chapter 6	Chapter 6
Calculations	Calculations
Article 37 to Article 39 (text omitted)	Article 33 to Article 35 (as present)
(Newly established)	<u>Supplementary Provisions</u>
(Newly established)	<u>(Transitional measures related to exemption from liability for Audit & Supervisory Board Members)</u>
	<u>Article 1</u>
	<u>The Company may, to the extent permitted by law, exempt by a resolution of the Board of Directors the Audit & Supervisory Board Members (including former Audit & Supervisory Board Members) from liability for damages as prescribed in Article 423, Paragraph 1 of the Companies Act for acts committed prior to the conclusion of the 56th Ordinary General Meeting of Shareholders.</u>

Proposal 3: Election of Nine (9) Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members)

Subject to the approval of Proposal No. 2 “Partial Amendments to the Articles of Incorporation” in its original form, the Company will become a company with audit and supervisory committee, and all nine (9) Audit & Supervisory Board Members will retire from office due to expiration of their terms of office when the amendments to the Articles of Incorporation take effect. Therefore, the Company proposes the election of nine (9) Board Members (excluding Board Members who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) after the transition to a company with audit and supervisory committee.

This proposal can only take effect when the amendments to the Articles of Incorporation in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for Board Member are as follows:

No.	Name		Position, etc., in the Company	Attendance rate at meetings of the Board of Directors
1	Yuichi Tamura	Reelection	President & CEO	100%
2	Takahiro Yoshikawa	Reelection	Executive Vice President, Representative Board Member	100%
3	Kenji Akane	Reelection	Deputy President, Board Member	100%
4	Noboru Inasaka	Reelection	Executive Vice President, Board Member	100%
5	Hiroshi Kawagishi	Reelection	Executive Vice President, Board Member	100%
6	Shigeo Takagi	Reelection	Board Member	Outside Independent 92.3%
7	Hideki Sakai	Reelection	Board Member	Outside Independent 100%
8	Hajime Imamura	Reelection	Board Member	Outside Independent 100%
9	Kyoko Tanebe	Reelection	Board Member	Outside Independent 92.3%

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned	
1	Yuichi Tamura (July 2, 1962) Reelection	Apr. 1989	Joined the Company	1,803,834
		Feb. 1990	Board Member, Director, Corporate Strategy and Planning Office of the Company	
Feb. 1992	Board Member, Responsible for Sales and Marketing Division and Director, Corporate Strategy and Planning Office and Tokyo Management Department of the Company			
Feb. 1994	Representative Board of Executive Director, Responsible for Sales and Marketing Division and Corporate Strategy and Planning Office of the Company			
Feb. 2000	President & CEO of the Company (present position)			
<p>(Reasons, etc. for nomination as candidate for Board Member)</p> <p>Dr. Yuichi Tamura has led the management of the entire Group as the Company's President & CEO since 2000. He has led the Group with a vision for the medium- to long-term, with strong leadership, and is continually contributing to the improvement of the Company's corporate value. The Company has nominated Dr. Tamura as a candidate for Board Member so that his wide-ranging knowledge, extensive experience, broad discernment, strong leadership, and other qualities related to the generic drug industry will continue to be utilized in the management of the Company.</p>				
2	Takahiro Yoshikawa (March 8, 1952) Reelection	Apr. 1975	Joined SUMITOMO CORPORATION	33,992
		Apr. 2005	Senior Officer, General Manager of the Life Science Division of SUMITOMO CORPORATION	
Oct. 2010	Joined the Company			
Oct. 2010	Operating Officer, Vice Head of the Distribution Stabilization Promotion Division of the Company			
Dec. 2010	Senior Operating Officer, Head of the Planning Division of the Company			
Feb. 2011	Senior Operating Officer, Head of the Planning Division of the Company			
Dec. 2011	Senior Operating Officer, Head of the Development and Planning Division of the Company			
June 2013	Board of Senior Director, Head of the Development and Planning Division of the Company			
Apr. 2016	Board of Senior Director, Head of the Procurement Division of the Company			
May 2019	Board Member, Responsible for Supply Chain & BS Management of the Company			
Apr. 2020	Representative Board Member, Executive Vice President Responsible for Supply Chain & BS Management of the Company (present position)			
<p>(Reasons, etc. for nomination as candidate for Board Member)</p> <p>Mr. Takahiro Yoshikawa had held key positions at overseas affiliates, etc., of general trading companies, and has wide-ranging knowledge and extensive expertise in medicine, as well as a high level of insight into management. Since joining the Company in 2010, Mr. Yoshikawa has been involved with the Distribution Stabilization Promotion Division, the Development and Planning Division, as well as the Procurement Division, and has been judged to be an appropriate person to pursue further improvement of corporate value of the Group; therefore the Company has nominated him as a candidate for Board Member.</p>				

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
3	Kenji Akane (August 5, 1953) Reelection	Apr. 1976 Joined The Hokuriku Bank, Ltd. June 2005 General Manager, Finance and Public Funds Department of The Hokuriku Bank Ltd. Sept. 2006 Joined the Company Dec. 2006 Operating Officer, Director, General Affairs Department of the Company Dec. 2008 Operating Officer, Head of the Administrative Division and Director, Finance Department of the Company Feb. 2009 Board Member, Head of the Administrative Division and Director, Finance Department of the Company Feb. 2011 Board of Senior Director, Head of the Administrative Division of the Company Dec. 2011 Board of Executive Director, Responsible for Overall Management and Internal Audit Group of the Company Apr. 2013 Board of Executive Director, Responsible for President Office and Internal Audit Group of the Company Apr. 2017 Board of Executive Director, Responsible for President Office and Compliance & Internal Auditors Office of the Company Apr. 2018 Vice President, Board of Director, Responsible for Compliance & Internal Auditors Office of the Company Apr. 2019 Vice President, Board of Director, Responsible for President Office of the Company May 2019 Deputy President, Board Member , Responsible for CSR, ESG & Business Creation of the Company (present position)	58,224
(Reasons, etc. for nomination as candidate for Board Member) Mr. Kenji Akane has extensive experience and specialist knowledge, as well as a high level of insight into corporate management, gained through his many years working at financial institutions. Since joining the Company in 2006, Mr. Akane has been involved with the Administrative Division, the President Office, and the Compliance & Internal Auditors Office, and has been judged to be an appropriate person to pursue further improvement of corporate value of the Group; therefore the Company has nominated him as a candidate for Board Member.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
4	<p style="text-align: center;">Noboru Inasaka (December 18, 1955)</p> <p style="text-align: center;">Reelection</p>	<p>Mar. 1978 Joined the Company</p> <p>Dec. 2001 Director, Operation Department of the Company</p> <p>Dec. 2005 Representative Board Member of Oriental Pharmaceutical Co., Ltd. (secondment)</p> <p>Jan. 2008 Operating Officer, Director, Operation Department of the Company</p> <p>Dec. 2008 Operating Officer, Vice Head of the Sales and Marketing Division and Director, Operation Department of the Company</p> <p>May 2009 Senior Operating Officer, Director, Purchasing Department of the Company</p> <p>Dec. 2009 Senior Operating Officer, Director, Finance Department of the Company</p> <p>Dec. 2011 Senior Operating Officer, Head of the Administrative Division of the Company</p> <p>June 2014 Board of Senior Director, Head of the Administrative Division of the Company</p> <p>Apr. 2018 Board of Executive Director, Head of the Administrative Division of the Company</p> <p>May 2019 Executive Vice President, Board Member, Responsible for Profit & Asset Management of the Company (present position)</p>	27,663
<p>(Reasons, etc. for nomination as candidate for Board Member)</p> <p>Mr. Noboru Inasaka has been involved with the Administrative Division, the Sales and Marketing Division, and the Production Division, and has wide-ranging knowledge and extensive experience in the generic drug industry, as well as a high level of insight into management. He has been judged to be an appropriate person to pursue further improvement of corporate value of the Group; therefore the Company has nominated him as a candidate for Board Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
5	<p style="text-align: center;">Hiroshi Kawagishi (November 12, 1958)</p> <p style="text-align: center;">Reelection</p>	<p>Apr. 1979 Joined the Company</p> <p>Dec. 2003 Director, Production Department 1, Namerikawa Plant of the Company</p> <p>Dec. 2005 Plant Manager, Director, Production Department 1, Namerikawa Plant of the Company</p> <p>Dec. 2010 Operating Officer of the Production Division Plant Manager and Director, Production Department 1, Namerikawa Plant of the Company</p> <p>Feb. 2013 Operating Officer, Vice Head of the Production Division Plant Manager, Toyama Plant of the Company</p> <p>June 2014 Operating Officer, Director of the Production Management Office Nichi-Iko Pharma Tech Co., Ltd. (secondment)</p> <p>Apr. 2015 Senior Operating Officer, Head of the Production Division of the Company</p> <p>May 2019 Senior Operating Officer, Responsible for Premium Quality & Stable Supply of the Company</p> <p>June 2019 Executive Vice President, Board Member, Responsible for Premium Quality & Stable Supply of the Company (present position)</p>	13,372
<p>(Reasons, etc. for nomination as candidate for Board Member)</p> <p>Mr. Hiroshi Kawagishi has been involved with the Production Division, and has wide-ranging knowledge and extensive experience in the generic drug industry. He has been judged to be an appropriate person to pursue further improvement of corporate value of the Group; therefore the Company has nominated him as a candidate for Board Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
6	<p>Shigeo Takagi (April 2, 1948)</p> <p>Reelection Outside Independent</p>	<p>Apr. 1971 Joined The Hokuriku Bank, Ltd.</p> <p>June 1998 Board Member of The Hokuriku Bank, Ltd.</p> <p>June 2002 Representative Executive and President of The Hokuriku Bank, Ltd.</p> <p>Sept. 2003 Representative Executive and President of Hokugin Financial Group, Inc. (present Hokuhoku Financial Group, Inc.)</p> <p>Feb. 2011 Outside Board Member of the Company (present position)</p> <p>June 2013 Special Advisor of The Hokuriku Bank, Ltd.</p> <p>Nov. 2013 President of the Toyama Chamber of Commerce and Industry (present position)</p> <p>July 2016 Supreme Advisor of The Hokuriku Bank, Ltd. (present position)</p> <p>[Significant concurrent positions] President, Toyama Chamber of Commerce and Industry Supreme Advisor, The Hokuriku Bank, Ltd. Outside Director, Hokuriku Electric Power Company Outside Auditor, Seiren Co., Ltd. Outside Auditor, Kawada Technologies, Inc.</p>	15,898
<p>(Reasons, etc. for nomination as candidate for Outside Board Member)</p> <p>Mr. Shigeo Takagi has held key positions at financial institutions for many years, and has served as President of the Toyama Chamber of Commerce and Industry since 2013; he is devoted to the development of the local economy and companies from a public perspective. Mr. Takagi has wide-ranging knowledge and experience relating to management gained as a corporate manager, and is deemed appropriate as an Outside Board Member who provides guidance for management in general from his insight as the President of the Chamber of Commerce and Industry, as well as from a public and objective perspective; the Company therefore has nominated him as a candidate for Outside Board Member.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
7	<p style="text-align: center;">Hideki Sakai (September 19, 1962)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1992 Research Fellowship for young scientists of Japan Society for the Promotion of Science</p> <p>Aug. 1992 Assistant of Toyama Medical and Pharmaceutical University</p> <p>Sept. 1996 Long-term Staff Researcher of Ministry of Education</p> <p>May 1998 Assistant Professor of Toyama Medical and Pharmaceutical University</p> <p>Feb. 2005 Professor, Pharmaceutical Department of Toyama Medical and Pharmaceutical University</p> <p>Apr. 2006 Professor, Graduate School of Medicine and Pharmaceutical Sciences, University of Toyama</p> <p>Oct. 2013 Deputy Dean, Faculty of Pharmacy and Pharmaceutical Sciences, University of Toyama</p> <p>June 2014 Outside Board Member of the Company (present position)</p> <p>Apr. 2018 Dean, Graduate School of Medicine and Pharmaceutical Sciences for Research, University of Toyama</p> <p>Apr. 2018 Dean, Faculty of Pharmacy and Pharmaceutical Sciences of University of Toyama (present position)</p> <p>Oct. 2019 Professor, The Academic Assembly, Faculty of Pharmaceutical Sciences, University of Toyama (present position)</p> <p>Oct. 2019 Dean, The Academic Assembly, Faculty of Pharmaceutical Sciences, University of Toyama (present position)</p> <p>(Significant concurrent positions)</p> <p>Dean, Faculty of Pharmacy and Pharmaceutical Sciences of University of Toyama</p> <p>Professor, The Academic Assembly, Faculty of Pharmaceutical Sciences, University of Toyama</p> <p>Dean, The Academic Assembly, Faculty of Pharmaceutical Sciences, University of Toyama</p>	—
<p>(Reasons, etc. for nomination as candidate for Outside Board Member)</p> <p>The Company has nominated Prof. Hideki Sakai as a candidate for Outside Board Member so that his extensive specialist knowledge and discernment related to medicine accumulated as a university professor will be utilized in the management of the Company. He has never been directly involved in the management of a company except as an outside director. However, the Company judges he will faithfully fulfill his duties as an Outside Board Member based on the above reasons.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
8	<p style="text-align: center;">Hajime Imamura (November 19, 1955)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>Apr. 1984 Registered Toyama-ken Bar Association</p> <p>Feb. 1994 Outside Auditor of the Company (currently Outside Audit & Supervisory Board Member)</p> <p>Jan. 1998 Representative of Imamura Law Office (present position)</p> <p>June 2017 Outside Board Member of the Company (present position)</p> <p>[Significant concurrent positions] Representative of Imamura Law Office Attorney at law Outside Director, TANAKA SEIMITSU KOGYO CO., LTD.</p>	-
<p>(Reasons, etc. for nomination as candidate for Outside Board Member)</p> <p>During the term as an Outside Audit & Supervisory Board Member of the Company, Mr. Hajime Imamura has expressed opinions from an independent perspective as an attorney based on this extensive knowledge and experience regarding legal matters and has adequately fulfilled his duties. Mr. Imamura has also become very familiar with the details of the Company's operations by conducting audits, and the Company has nominated him as a candidate for Outside Board Member so that he can use his abundant knowledge and experience in the Company's management. He has never been directly involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Board Member based on the above reasons.</p>			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
9	<p style="text-align: center;">Kyoko Tanebe (October 14, 1964)</p> <p style="text-align: center;">Reelection Outside Independent</p>	<p>June 1990 Clinical Fellow, Toyama Medical and Pharmaceutical University Hospital</p> <p>Feb. 1991 Medical Doctor, Department of Obstetrics and Gynecology of Aiiku Hospital, Imperial Gift Foundation Boshi-Aiiku-Kai</p> <p>Feb. 1992 Medical Doctor, Department of Obstetrics and Gynecology of Itoigawa sogo Hospital</p> <p>Apr. 1992 Medical Doctor, Department of Obstetrics and Gynecology of Kurobe City Hospital</p> <p>Apr. 1998 Research Associate, Department of Obstetrics and Gynecology of Toyama Medical and Pharmaceutical University</p> <p>Apr. 2001 Chief Physician in Outpatient Department of Obstetrics and Gynecology Outpatient Clinic, Toyama Medical and Pharmaceutical University Hospital</p> <p>Apr. 2003 Chief Physician, Department of Obstetrics and Gynecology of Saiseikai Toyama Hospital</p> <p>July 2006 President, Ladies' Clinic We! Toyama, Touseikai Medical Corporation</p> <p>June 2018 Outside Board Member of the Company (present position)</p> <p>Jan. 2019 Representative of Ladies' Clinic We! Toyama, Touseikai Medical Corporation (present position)</p> <p>Apr. 2019 Toyama Prefectural Assembly Member (present position)</p> <p>[Significant concurrent positions]</p> <p>Committee Member of the expert panel of Priority Policy, Council of Gender Equality Bureau of the Cabinet Office</p> <p>Executive Director of Public Interest Incorporated Association Toyama Medical Association</p> <p>Board of Director of Public Interest Incorporated Association Japan Association of Obstetricians and Gynecologists</p> <p>Representative of Ladies' Clinic We! Toyama, Touseikai Medical Corporation</p> <p>Toyama Prefectural Assembly Member</p>	-
<p>(Reasons, etc. for nomination as candidate for Outside Board Member)</p> <p>The Company has nominated Dr. Kyoko Tanebe as a candidate for Outside Board Member so that her extensive specialist knowledge and discernment related to the medical industry accumulated as a doctor will be utilized in the management of the Company. She has never been directly involved in the management of a company except as an outside director. However, the Company judges she will appropriately fulfill her duties as an Outside Board Member based on the above reasons.</p>			

- (Notes)
1. Messrs. Shigeo Takagi, Hideki Sakai, Hajime Imamura, and Dr. Kyoko Tanebe are candidates for Outside Board Member.
 2. Mr. Shigeo Takagi resigned as Representative Executive and President and assumed the office of Special Advisor of The Hokuriku Bank, Ltd., which is a major lender and major shareholder of the Company (a business entity that has a special relationship with the Company) in June 2013. He then assumed the office of Supreme Advisor of The Hokuriku Bank Ltd. in July 2016. However, Mr. Takagi individually has no special interests directly with the Company. There are no special interests between the Company and other candidates for Board Members.
 3. Messrs. Shigeo Takagi, Hideki Sakai, Hajime Imamura, and Dr. Kyoko Tanebe are current Outside Board Members of the Company, and their terms of office as Outside Board Members are, nine (9) years and four (4) months for Mr. Takagi, six (6) years for Mr. Sakai, three (3) years for Mr. Imamura (his term of office as an Outside Audit & Supervisory Board Member was twenty-three (23) years and four (4) months to June, 2017), and two (2) year for Dr. Tanebe as of the conclusion of this Meeting. The Company has executed an agreement to limit liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, and the cap on liability for damages under the relevant agreement is the amount stipulated under the laws and regulations. If their reelection is approved, the Company plans to renew the aforementioned agreements with them.

4. The number of shares of the Company in the possession of the candidates for Board Member includes their own shares in the shareholding association of the Company.
5. The Company has submitted notification to the Tokyo Stock Exchange that Messrs. Shigeo Takagi, Hideki Sakai, Hajime Imamura, and Dr. Kyoko Tanebe have been designated as independent officers as provided for by the aforementioned exchange.

Proposal 4: Election of Three (3) Board Members Who Are Audit and Supervisory Committee Members

Subject to the approval of Proposal No. 2 “Partial Amendments to the Articles of Incorporation” in its original form, the Company will become a company with Audit and Supervisory Committee. Accordingly, the Company proposes to elect three (3) Board Members who are Audit and Supervisory Committee Members.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal can only take effect when the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for the role of a Board Member who is an Audit and Supervisory Committee Member are as follows.

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company’s shares owned
1	Toshinori Kongoji (November 7, 1951) New election	May 1971 Joined the Company Jan. 1998 Director, Finance Department of the Company Dec. 2001 Operating Officer, Director, Finance Department of the Company Feb. 2004 Board Member, Responsible for Finance and Director, Finance Department of the Company June 2007 Board Member, Head of Business Management Section of the Company Dec. 2008 Senior Board Member, Responsible for Group Management of the Company Oct. 2009 Senior Board Member, Responsible for Sales and Marketing Division of the Company June 2010 Executive Board Member, Head of the Sales and Marketing Division of the Company Feb. 2011 Board of Executive Director, Head of the Sales and Marketing Division of the Company June 2014 Representative Board of Executive Director, Responsible for Sales and Marketing Division and Head of Sales and Marketing Division of the Company May 2016 Representative Board of Executive Director, Responsible for Sales and Marketing Division of the Company Apr. 2017 Representative Board of Executive Director, Responsible for Sales and Marketing of the Company Apr. 2018 Board Member of the Company Apr. 2018 Director of ELMED EISAI Co., Ltd. (secondment) Apr. 2019 Board Member, Responsible for Compliance & Internal Auditors Office of the Company June 2019 Full-time Audit & Supervisory Board Member of the Company (present position)	64,798
(Reasons, etc. for nomination as candidate for Board Member who is an Audit and Supervisory Committee Member) The Company has nominated Mr. Toshinori Kongoji as a candidate for Board Member who is an Audit and Supervisory Committee Member since he has been involved with the Administrative Division and the Sales and Marketing Division, and has wide-ranging knowledge and extensive experience in the generic drug industry, and has been judged to be able to appropriately perform audit duties and supervisory function at the Company.			

No.	Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company's shares owned
2	Hitoshi Hori (July 27, 1953) New election Outside Independent	Aug. 1982 Registered as Certified Public Accountant Sept. 1985 Registered as Tax Accountant Aug. 2002 Representative of Hori Tax Accountant Corporation (present position) Feb. 2005 Outside Audit & Supervisory Board Member of the Company (present position) [Significant concurrent positions] Representative of Hori Tax Accountant Corporation Certified Public Accountant, Tax Accountant Outside Director (Audit and Supervisory Committee Member), Daito Pharmaceutical Co., Ltd.	4,500
	<p>(Reasons, etc. for nomination as candidate for Outside Board Member who is an Audit and Supervisory Committee Member)</p> <p>The Company has nominated Mr. Hitoshi Hori as a candidate for Outside Board Member who is an Audit and Supervisory Committee Member so that his extensive experience and advanced knowledge gained through practices as a certified public accountant and tax accountant will be utilized in the Company's audits and supervisory function. Mr. Hori has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Board Member who is an Audit and Supervisory Committee Member based on the above reasons.</p>		
3	Kou Sato (January 4, 1950) New election Outside Independent	Oct. 1975 Joined Fuso Audit Corporation Mar. 1979 Registered as Certified Public Accountant Aug. 1997 Representative Partner of Chuo Audit Corporation Aug. 2007 Representative Partner of KPMG AZSA LLC June 2012 Resigned from KPMG AZSA LLC July 2012 General Manager of Certified Public Accountant Sato Kou Office (present position) Sept. 2012 Registered as Tax Accountant June 2014 Outside Audit & Supervisory Board Member of the Company (present position) [Significant concurrent positions] General Manager of Certified Public Accountant Sato Kou Office Certified Public Accountant, Tax Accountant Outside Auditor, THE GIFU SHINKIN BANK Outside Director Chubu Steel Plate Co., Ltd.	—
	<p>(Reasons, etc. for nomination as candidate for Outside Board Member who is an Audit and Supervisory Committee Member)</p> <p>The Company has nominated Mr. Kou Sato as a candidate for Outside Board Member who is an Audit and Supervisory Committee Member so that his extensive experience and advanced knowledge gained through practices as a certified public accountant and tax accountant will be utilized in the Company's audits and supervisory function. Mr. Sato has never been involved in the management of a company except as an outside officer. However, the Company judges he will appropriately fulfill his duties as an Outside Board Member who is an Audit and Supervisory Committee Member based on the above reasons.</p>		

- (Notes)
1. There is no special interest between any of the candidates and the Company.
 2. Messrs. Hitoshi Hori and Kou Sato are candidates for Outside Board Member.
 3. Messrs. Hitoshi Hori and Kou Sato are current Outside Audit & Supervisory Board Members of the Company, and the term of office of Messrs. Hitoshi Hori and Kou Sato as Outside Audit & Supervisory Board Members will be fifteen (15) years and four (4) months and six (6) years, respectively, as of the conclusion of this meeting.
 4. If the elections of Messrs. Hitoshi Hori and Kou Sato are approved, the Company is planning to execute an agreement with them to limit liability for damages under Article 423, Paragraph 1, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. The Company has entered into similar agreements with Messrs. Hitoshi Hori and Kou Sato as Outside Audit & Supervisory Board Members.
 5. The Company has submitted notification to the Tokyo Stock Exchange that Messrs. Hitoshi Hori and Kou Sato have been designated as independent officers as provided for by the aforementioned exchange.

Proposal 5: Election of One (1) Board Member Who Is a Substitute Audit and Supervisory Committee Member

Subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation” in its original form, the Company will become a company with audit and supervisory committee.

Accordingly, the Company proposes to elect one (1) substitute Board Member who is an Audit & Supervisory Committee Member to be ready to fill a vacant position should the number of Board Members who are Audit & Supervisory Committee Members fall below the number in accordance with the laws and regulations.

In addition, the consent of the Audit & Supervisory Board has been obtained for this proposal.

This proposal can only take effect when the amendments to the Articles of Incorporation in Proposal 2 “Partial Amendments to the Articles of Incorporation” take effect.

The candidates for the role of a substitute Board Member who is an Audit and Supervisory Committee Member are as follows.

Name (Date of birth)	Career summary, position and responsibilities (significant concurrent positions)	Number of the Company’s shares owned
Hironori Hashimoto (November 14, 1953)	Apr. 1977 Joined The Bank of Toyama Feb. 2009 Director, Branch Manager of Toyama Branch, The Bank of Toyama, Ltd. June 2011 Board Member, Branch Manager of Toyama Branch, The Bank of Toyama, Ltd. June 2014 Board Member, Credit Manager of the Credit Division, The Bank of Toyama, Ltd. June 2017 President & CEO, Toyama Lease Co., Ltd. (present position) (Significant concurrent positions) President & CEO, Toyama Lease Co., Ltd.	—
(Reasons, etc. for nomination as candidate for substitute Outside Board Member who is an Audit and Supervisory Committee Member) The Company has nominated Mr. Hironori Hashimoto as a candidate for substitute Outside Board Member who is an Audit and Supervisory Committee Member so that his extensive experience and advanced knowledge gained as an executive of financial institutions and corporate manager will be utilized in the Company’s audits and supervisory function.		

- (Notes)
1. There is no special interest between Mr. Hironori Hashimoto and the Company.
 2. Mr. Hironori Hashimoto is a candidate for substitute Outside Board Member.
 3. When Mr. Hironori Hashimoto assumes the office of Board Member who is an Audit and Supervisory Committee Member, the Company is planning to execute an agreement with him to limit liability for damages under Article 423, Paragraph 1, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act.
 4. If the election of Mr. Hironori Hashimoto as Board Member who is an Audit and Supervisory Committee Member is approved, the Company plans to submit notification to the Tokyo Stock Exchange, Inc. concerning his designation as an independent officer as provided for by the aforementioned exchange.

Proposal 6: Determination of Remuneration, etc. of Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members)

At the 42nd Ordinary General Meeting of Shareholders held on February 27, 2007, the Company received approval for an annual limit of 300 million yen (not including wages as employees) for the remuneration, etc. of its Board Members, and subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation” in its original form, the Company will become a company with Audit and Supervisory Committee, and in light of the recent economic situation and other circumstances, we propose that the amount of remuneration, etc. for Board Members (excluding Board Members who are Audit and Supervisory Committee Members), after the transition to a company with Audit and Supervisory Committee, shall be no more than 300 million yen per year (including 30 million yen for Outside Board Members), and that the specific amount and timing of payment to each Board Member shall be determined through consultation among the Board of Directors.

The remuneration, etc. does not include the employee salaries of Board Members who also serve as employees.

There are currently nine (9) Board Members, and if Proposal No. 2 “Partial Amendments to the Articles of Incorporation” and Proposal No. 3 “Election of Nine (9) Board Members (Excluding Board Members Who Are Audit and Supervisory Committee Members)” are approved in their original form, the number of Board Members shall be nine (9) (including four (4) Outside Board Members).

This proposal can only take effect when the amendments to the Articles of Incorporation in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” take effect.

Proposal 7: Determination of Remuneration, etc. of Board Members Who Are Audit and Supervisory Committee Members

Subject to the approval of Proposal No. 2 “Partial Amendments to the Articles of Incorporation” in its original form, the Company will become a company with Audit and Supervisory Committee, and in light of the recent economic situation and other circumstances, we propose that the amount of remuneration, etc. for Board Members who are Audit and Supervisory Committee Members, after the transition to a company with Audit and Supervisory Committee, shall be no more than 60 million yen per year, and that the specific amount and timing of payment to each Board Member who is an Audit and Supervisory Committee Member shall be determined through consultation among Board Members who are Audit and Supervisory Committee Members.

Subject to the approval of Proposal 2 “Partial Amendments to the Articles of Incorporation” and Proposal 4 “Election of Three (3) Board Members Who Are Audit and Supervisory Committee Members” in their original form, there will be three (3) Board Members who are Audit and Supervisory Committee Members.

This proposal can only take effect when the amendments to the Articles of Incorporation in Proposal No. 2 “Partial Amendments to the Articles of Incorporation” take effect.