

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: 4553

June 9, 2020

To our shareholders:

Itsuro Yoshida
President and Representative Director
TOWA PHARMACEUTICAL CO., LTD.
2-11, Shinbashi-cho, Kadoma, Osaka, JAPAN

NOTICE OF THE 64TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 64th Ordinary General Meeting of Shareholders of TOWA PHARMACEUTICAL CO., LTD. (the “Company”), which will be held as described below.

Due to recent developments, such as the declaration of a state of emergency by the Japanese Government and related state of emergency measures, strongly emphasized official requests have been issued by the government and the prefectural governors to refrain from unnecessarily outings to prevent the spread of the novel coronavirus disease (COVID-19). In view of the current circumstances and after prudent consideration, the Company has decided to hold this General Meeting of Shareholders with appropriate measures put in place to prevent the spread of infection.

Taking into account the strongly emphasized official requests to refrain from unnecessary outings and from the standpoint of preventing the spread of infection, we would recommend that you refrain from attending the meeting and instead exercise your voting rights in advance in writing (by mail) or via the internet. When exercising your voting rights in advance, please review the appended Reference Documents for the General Meeting of Shareholders, and exercise your voting rights by 5:40 p.m. on Tuesday, June 23, 2020 (Japan Standard Time).

1. Date and Time: Wednesday, June 24, 2020 at 10:00 a.m. (Japan Standard Time)

2. Venue: Headquarters of the Company

Meeting room on the 2nd floor

2-11, Shinbashi-cho, Kadoma, Osaka, JAPAN

This year, the number of seats that can be provided will be less than typical years because of the need for providing appropriate distance between each chair to prevent the spread of infection. Therefore, even if you decided to attend on the day, you may be turned away. Thank you for your kind understanding.

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 64th Term (from April 1, 2019 to March 31, 2020), as well as the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee
2. Non-Consolidated Financial Statements for the 64th Term (from April 1, 2019 to March 31, 2020)

Items to be resolved:

Proposal 1: Appropriation of surplus

Proposal 2: Election of three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members)

Proposal 3: Election of one (1) Director who is an Audit and Supervisory Committee Member

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of surplus

The Company has a basic policy of paying dividends in accordance with earnings as we work to reinforce the foundations of our operations, and we consider it a major issue to continue to pay dividends in a stable manner to all shareholders.

Based on this policy, taking into consideration its earnings for the business year as well as the future development of the business, after a careful review, the Company proposes to pay year-end dividends for the current fiscal year as follows:

Matters related to year-end dividends

- (1) Type of dividend property
Cash

- (2) Allocation of dividend property and total amount thereof
22 yen per common share of the Company
Total amount of dividends: 1,082,712,554 yen
The Company paid an interim dividend of 22 yen per share, and thus the annual dividend for the fiscal year under review is 44 yen per share.

- (3) Effective date of distribution of dividends of surplus
June 25, 2020

Note: Effective April 1, 2019, the Company implemented a 1:3 share split of its common shares.

Proposal 2: Election of three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members)

The terms of office of all three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members; applicable to the rest of this proposal) will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three (3) Directors.

As for this proposal, the Audit and Supervisory Committee of the Company has judged that all the candidates for Director are eligible.

The candidates for Director are as follows:

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Itsuro Yoshida (April 27, 1951) Reelection	May 1979 Joined the Company Oct. 1983 General Manager of Finance & Accounting Department Dec. 1983 Director / General Manager of Finance & Accounting Department Aug. 1986 Director / General Manager of General Affairs Department Apr. 1990 Director / General Manager of President Office June 1990 Senior Managing Director / General Manager of President Office June 1991 Senior Managing Director / Division Manager, Production Division / General Manager of President Office Nov. 1991 Senior Managing Director / General Manager of President Office June 1996 President and Representative Director (to present) (significant concurrent positions outside the Company) Chairman and Representative Director, J-DOLPH PHARMACEUTICAL CO., LTD. Chairman and Representative Director, DAICHI KASEI CO., LTD.	1,455,309
[Reasons for nomination as candidate for Director] Itsuro Yoshida has been involved in businesses, management and administration across the entire Group. He has extensive experience and knowledge regarding business management, administration and operations, which the Company expects to strengthen the decision-making function of the Board of Directors, for which reason it has again nominated him as candidate for Director.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Kazuhiko Konno (October 8, 1954) Reelection	Apr. 1977 Joined Kanto Ishi Pharmaceutical Co., Ltd. Nov. 1998 Joined the Company / Deputy General Manager of Quality Assurance Department, Yamagata Plant, Production Division Apr. 2005 General Manager of Quality Assurance Department, Yamagata Plant, Production Division Apr. 2007 General Manager of Quality Assurance Department, Pharmacovigilance & Quality Assurance Division Oct. 2009 Plant Manager, Osaka Plant, Production Division June 2013 Director / Deputy Division Manager, Production Division Apr. 2014 Director / Division Manager, Production Division June 2017 Managing Director / Director in charge of Production Division, Research & Development Division, Pharmaceutical Research & Technology Division and API Business Division Apr. 2019 Managing Director / Director in charge of Pharmacovigilance & Quality Assurance Division, Production Division and Pharmaceutical Research & Technology Division (to present) (significant concurrent positions outside the Company) Chairman and Representative Director, Greencaps Pharmaceutical Co., Ltd.	9,156
[Reasons for nomination as candidate for Director] Within the Company, Kazuhiko Konno has been involved mostly in the production and quality assurance divisions. He has extensive experience and knowledge regarding business management, administration and operations, which the Company expects to strengthen the decision-making function of the Board of Directors, for which reason it has again nominated him as candidate for Director.			

Candidate No.	Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Masao Tanaka (July 4, 1954) Reelection	Apr. 1978 Joined SANTEN PHARMACEUTICAL CO., LTD. Apr. 2007 Manager of Internal Auditing Group, SANTEN PHARMACEUTICAL CO., LTD. Mar. 2009 Team Manager of Finance Section Team, Finance & Accounting Department, SANTEN PHARMACEUTICAL CO., LTD. Apr. 2009 Joined the Company / Deputy-General Manager, Internal Audit Office Apr. 2011 Manager of Internal Audit Office Oct. 2016 General Manager of Public Relations and Investor Relations Office / General Manager of Human Resources Department June 2017 Director / Division Manager, Administration Division Apr. 2019 Director / Director in charge of Administration Division (to present) (significant concurrent positions outside the Company) None	4,175
[Reasons for nomination as candidate for Director] Masao Tanaka has been involved in the administration divisions. He has extensive experience and knowledge regarding business management, administration and operations, which the Company expects to strengthen the decision-making function of the Board of Directors, for which reason it has again nominated him as candidate for Director.			

Note: There is no special interest between any of the candidates and the Company.

Proposal 3: Election of one (1) Director who is an Audit and Supervisory Committee Member

The Company would like to increase the number of Audit and Supervisory Committee Members by one (1) to strengthen the audit system, and it proposes the election of one (1) Director who is an Audit and Supervisory Committee Member.

This proposal has been agreed to by the Audit and Supervisory Committee.

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

Name (Date of birth)	Career summary, and position and responsibility in the Company (significant concurrent positions outside the Company)	Number of the Company's shares owned
<p style="text-align: center;">Kaori Oishi (April 21, 1977)</p> <p style="text-align: center;">Outside New election</p>	<p>Oct. 2001 Registered as an attorney at law</p> <p>Oct. 2001 Joined Kitahama Law Office (currently Kitahama Partners)</p> <p>Jan. 2013 Partner, Kitahama Partners (to present)</p> <p>June 2017 Outside Director, PALTAC CORPORATION (to present)</p> <p>(significant concurrent positions outside the Company)</p> <p>Partner, Kitahama Partners</p> <p>Outside Director, PALTAC CORPORATION</p>	—
<p>[Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member]</p> <p>Kaori Oishi has extensive experience and expert knowledge as an attorney at law, and leveraging that experience and knowledge, the Company expects that she will be able to provide advice and recommendations so as to ensure sound management and promote compliance-based management, for which reason it has nominated her as a candidate for Outside Director who is an Audit and Supervisory Committee Member. Kaori Oishi has never in the past been directly involved in the management of a company other than in the capacity of an outside director. However, the Company judges she will appropriately fulfill her duties as an Outside Director who is an Audit and Supervisory Committee Member because she is well-versed in corporate legal affairs as an attorney at law, and from her perspective and standpoint as a woman.</p>		

- Notes:
1. There is no special interest between Kaori Oishi and the Company.
 2. Kaori Oishi is a candidate for Outside Director.
 3. If the election of Kaori Oishi is approved, the Company plans to designate her as an independent officer as provided for by Tokyo Stock Exchange, Inc., and submit notification therein.
 4. If the election of Kaori Oishi is approved, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company will enter into an agreement with her to limit her liability for damages under Article 423, Paragraph 1 of the same Act to the minimum liability amount provided for by Article 425, Paragraph 1 of the same Act.