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Securities Code: 4553

June 6, 2022

To our shareholders:

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

NOTICE OF THE 66TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 66th Ordinary General Meeting of Shareholders of TOWA PHARMACEUTICAL CO., LTD. (the “Company”), which will be held as described below.

To prevent the spread of the novel coronavirus disease (COVID-19), we recommend that you exercise your voting rights in advance via the internet or in writing. If you attend the meeting in person, please give careful consideration to your state of health and physical condition, and do not compromise safety.

If you exercise your voting rights via the internet or in writing, please review the appended Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 5:40 p.m. on Thursday, June 23, 2022 (Japan Standard Time).

1. Date and Time: Friday, June 24, 2022 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
The number of seats normally available will be reduced to provide 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 66th Term (from April 1, 2021 to March 31, 2022), 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 66th Term (from April 1, 2021 to March 31, 2022)

Items to be resolved:

- Proposal 1:** Appropriation of surplus
- Proposal 2:** Partial amendments to the Articles of Incorporation
- Proposal 3:** Election of three (3) Directors (excluding Directors who are Audit and Supervisory Committee Members)
- Proposal 4:** 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
33 yen per common share of the Company
Total amount of dividends: 1,624,322,667 yen
The Company paid an interim dividend of 27 yen per share (including 3 yen of the 70th anniversary commemorative dividend), and thus the annual dividend for the fiscal year under review is 60 yen per share, which is 16 yen higher than for the previous fiscal year.

- (3) Effective date of distribution of dividends of surplus
June 27, 2022

Proposal 2: Partial amendments to the Articles of Incorporation

(1) Reasons for the proposal

Since the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (i) Article 15, Paragraph 1 in “Proposed Amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (ii) Article 15, Paragraph 2 in “Proposed Amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (iii) Since the provisions for Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc. (Article 15 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (iv) Accompanying the aforementioned establishment and deletion of provisions, supplementary provisions regarding the effective date, etc. will be established. These supplementary provisions shall be deleted after the specified date elapses.

(2) Details of the amendments

The details of the amendments are as follows.

(Amendments are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1. to Article 14. (Omitted)</p> <p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>Article 15.</u></p> <p><u>When the Company convenes a general meeting of shareholders, if it discloses information that is to be stated or presented in the reference documents for the general meeting of shareholders, business report, financial statements and consolidated financial statements through the internet in accordance with the provisions prescribed by the Ministry of Justice Order, it may be deemed that the Company has provided this information to shareholders.</u></p> <p><Newly established></p>	<p>Article 1. to Article 14. (Unchanged)</p> <p><Deleted></p> <p><u>(Measures, etc. for Providing Information in Electronic Format)</u></p> <p><u>Article 15.</u></p> <p><u>1. When the Company convenes a general meeting of shareholders, it shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 16. to Article 35. (Omitted)</p> <p>Supplementary Provisions Article 1. (Omitted)</p> <p><Newly established></p>	<p><u>2. Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p> <p>Article 16. to Article 35. (Unchanged)</p> <p>Supplementary Provisions Article 1. (Unchanged)</p> <p><u>(Transitional Measures for Providing Informational Materials for the General Meeting of Shareholders in Electronic Format)</u></p> <p><u>Article 2.</u></p> <p><u>1. The amendment of Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of Articles of Incorporation shall be effective from September 1, 2022, which is the date of enforcement of the revised provisions provided for in the proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (hereinafter referred to as the “Date of Enforcement”).</u></p> <p><u>2. Notwithstanding the provision of the preceding paragraph, Article 15 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of Articles of Incorporation shall remain effective regarding any general meeting of shareholders held on a date within six (6) months from the Date of Enforcement.</u></p> <p><u>3. Article 2 of these Supplementary Provisions shall be deleted on the date when six (6) months have elapsed from the Date of Enforcement or three (3) months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>

Proposal 3: 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	<p>Itsuro Yoshida (April 27, 1951)</p> <p>Reelection</p>	<p>May 1979 Joined the Company</p> <p>Oct. 1983 General Manager of Finance & Accounting Department</p> <p>Dec. 1983 Director / General Manager of Finance & Accounting Department</p> <p>Aug. 1986 Director / General Manager of General Affairs Department</p> <p>Apr. 1990 Director / General Manager of President Office</p> <p>June 1990 Senior Managing Director / General Manager of President Office</p> <p>June 1991 Senior Managing Director / Division Manager, Production Division / General Manager of President Office</p> <p>Nov. 1991 Senior Managing Director / General Manager of President Office</p> <p>June 1996 President and Representative Director (to present)</p> <p>(significant concurrent positions outside the Company) Chairman and Representative Director, J-DOLPH PHARMACEUTICAL CO., LTD.</p>	1,455,309
<p>[Reasons for nomination as candidate for Director]</p> <p>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.</p>			

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	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 June 2020 Senior Managing Director (to present) (significant concurrent positions outside the Company) Chairman and Representative Director, Greencaps Pharmaceutical Co., Ltd.	15,589
[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. 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 June 2020 Director (to present) (significant concurrent positions outside the Company) Chairman, President and Representative Director, Protozera Inc.	7,326
[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.			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. Each of the candidates will become an insured under the policy. When the policy is renewed, the Company plans to maintain the same terms and conditions.

Proposal 4: Election of one (1) Director who is an Audit and Supervisory Committee Member

The term of office of Director who is an Audit and Supervisory Committee Member Kaori Oishi will expire at the conclusion of this meeting.

Therefore, the Company 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
Kaori Oishi (April 21, 1977) Reelection	Oct. 2001 Registered as an attorney at law Oct. 2001 Joined Kitahama Law Office (currently Kitahama Partners) Jan. 2013 Partner, Kitahama Partners (to present) June 2017 Outside Director, PALTAC CORPORATION (to present) June 2020 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) (significant concurrent positions outside the Company) Partner, Kitahama Partners Outside Director, PALTAC CORPORATION	—

[Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected]

Kaori Oishi has extensive experience and expert knowledge as an attorney at law, and 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 again 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. In addition, if she is elected, the Company plans to request her objective and neutral involvement in the appointment of candidates for officer and the determination of officer's remuneration, etc., as a member of the Nominating and Compensation Committee.

- Notes:
1. There is no special interest between the candidate and the Company.
 2. Kaori Oishi is a candidate for Outside Director. The Company has submitted notification to the Tokyo Stock Exchange Inc. that Kaori Oishi has been designated as an independent officer as provided for by the aforementioned exchange. If her reelection is approved, the Company plans for her appointment as an independent officer to continue.
 3. Kaori Oishi is currently an Outside Director who is an Audit and Supervisory Committee Member of the Company. At the conclusion of this meeting, her tenure as an Outside Director will have been two (2) years.
 4. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Kaori Oishi 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. If her reelection is approved, the Company plans to continue the said agreement with her.
 5. The Company has entered into a directors and officers liability insurance policy with an insurance company pursuant to Article 430-3, Paragraph 1 of the Companies Act. The policy covers losses that may arise from the insured's assumption of liability incurred in the course of the performance of duties, or receipt of claims pertaining to the pursuit of such liability. The candidate will become an insured under the policy. When the policy is renewed, the Company plans to maintain the same terms and conditions.

[Reference] Skill matrix of Directors and members of Executive Strategy Meeting after conclusion of this meeting

If Proposal 3 and Proposal 4 are approved and adopted as proposed at this meeting, the composition of the Board of Directors and skills possessed by Directors, and Senior Operating Officers and Operating Officers who participate in the Executive Strategy Meeting will be as follows.

	Corporate management	Management strategy Business strategy	Finance/Accounting	Legal affairs/Risk management	Personnel	IT/Digital	Purchasing	R&D	Production	Quality control/Reliability guarantee	Sales/Marketing	Global
Inside Directors												
Itsuro Yoshida	●	●	●	●	●		●		●			
Kazuhiko Konno	●	●						●	●	●		
Masao Tanaka	●	●	●	●	●							
Toshio Shirakawa	●			●				●			●	●
Outside Directors												
Norikazu Eiki	●	●		●				●	●	●		●
Kaori Oishi				●								
Kenryo Goto	●	●	●	●								
Members of Executive Strategy Meeting												
Shigehiro Kubo	●	●										●
Yusuke Amano	●	●	●	●		●						
Yasushi Naito		●									●	
Osamu Uchikawa	●	●						●				●
Toshikazu Kokubun		●				●						

Note: This table does not represent all of the skills possessed by each Director and member of the Executive Strategy Meeting.