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Securities Code: 4553

June 7, 2023

Start date of measures for electronic provision: June 6, 2023

To our shareholders:

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

NOTICE OF THE 67TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

We are pleased to announce the 67th Ordinary General Meeting of Shareholders of TOWA PHARMACEUTICAL CO., LTD. (the “Company”), which will be held as described below.

When convening this General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on each of the following websites. Please access either of the websites to review the information.

The Company’s website:

<https://www.towayakuhin.co.jp/ir/stock/meeting.php> (in Japanese)



Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>



(Access the TSE website by using the internet address shown above, enter “TOWA PHARMACEUTICAL” in “Issue name (company name)” or the Company’s securities code “4553” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].”)

If you do not attend the meeting in-person, you may 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 Monday, June 26, 2023 (Japan Standard Time).

- 1. Date and Time:** Tuesday, June 27, 2023 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
(Please refer to the “Shareholders’ Meeting Venue Map” (in Japanese only) at the end of this document.)

3. Purposes:

Items to be reported:

1. Business Report and Consolidated Financial Statements for the 67th Term (from April 1, 2022 to March 31, 2023), 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 67th Term (from April 1, 2022 to March 31, 2023)

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 three (3) Directors who are Audit and Supervisory Committee Members

4. Matters to be decided at the time of convocation

- (1) In accordance with the amendment to the Companies Act, shareholders are, in principle, to access the websites on the previous page to confirm the matters subject to measures for electronic provision, and the Company will send paper-based documents containing the matters subject to measures for electronic provision only to shareholders who have made a request for delivery of such documents by the record date. However, for this General Meeting of Shareholders, the Company has decided to send paper-based documents containing the matters subject to measures for electronic provision to all shareholders regardless of whether they have made a request for delivery of such documents. Furthermore, in accordance with the provisions of laws and regulations and Article 15, Paragraph 2 of the Company’s Articles of Incorporation, the following matters subject to measures for electronic provision shall not be included in the paper-based documents sent to shareholders.
 - (i) “Consolidated Statement of Changes in Shareholders’ Equity” and “Notes to Consolidated Financial Statements” of Consolidated Financial Statements
 - (ii) “Statement of Changes in Shareholders’ Equity” and “Notes to Non-Consolidated Financial Statements” of Non-Consolidated Financial StatementsAccordingly, the Consolidated Financial Statements and Non-Consolidated Financial Statements described in the documents are part of the documents subject to auditing by the Accounting Auditor when preparing the accounting audit report and by the Audit and Supervisory Committee when preparing the audit report.
- (2) If there is a revision to the matters subject to measures for electronic provision, written notification stating the matters before and after the revision will be posted on the websites shown on the previous page.
- (3) If there is no indication of approval or disapproval of each proposal on the returned Voting Card, your exercise of voting rights will be deemed to be approval for the Company’s proposals.
- (4) If you exercise your voting rights in duplicate both via the internet and in writing, then only the vote cast via the internet shall be deemed valid.
- (5) If you exercise your voting rights via the internet multiple times, then only the last vote cast shall be deemed valid.

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
30 yen per common share of the Company
Total amount of dividends: 1,476,654,990 yen
The Company paid an interim dividend of 30 yen per share, and thus the annual dividend for the fiscal year under review is 60 yen per share.

- (3) Effective date of distribution of dividends of surplus
June 28, 2023

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 Company received from the Audit and Supervisory Committee of the Company the opinion that the standards and procedures for electing all of the candidates for Director are appropriate.

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 of 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	Masao Tanaka (July 4, 1954) Reelection	Apr. 2009 Joined the Company / Deputy-General Manager, Internal Audit Office Apr. 2011 General 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 of 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, Protosera Inc.	7,526
[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.			

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	Osamu Uchikawa (December 25, 1958) New election	Aug. 2017 Joined the Company / Senior Advisor, API Business Division Apr. 2018 Operating Officer / Division Manager of API Business Division Apr. 2019 Senior Operating Officer / Division Manager of API Business Division, and in charge of Product Strategy Division and Innovative Technology Research Division Apr. 2021 Senior Operating Officer / Division Manager of API Business Division, and in charge of Product Planning Division, Innovative Technology Research Division, Pharmaceutical Research and Technology Division, Pharmaceutical CDMO Management Division and Pharmaceutical Development Division Apr. 2022 Senior Operating Officer / Division Manager of API Business Division, and in charge of Pharmacovigilance and Quality Assurance Division, Product Planning Division, Innovative Technology Research Division, Pharmaceutical Research and Technology Division, Analytical Technology Center, Pharmaceutical CDMO Management Division and Pharmaceutical Development Division Apr. 2023 Senior Operating Officer in charge of R&D Division, Pharmacovigilance and Quality Assurance Division and Pharmaceutical CDMO Management Division (to present) (significant concurrent positions outside the Company) Chairman and Representative Director, DAICHI KASEI CO., LTD.	1,100
[Reasons for nomination as candidate for Director] Osamu Uchikawa has been involved in the research & development divisions. He has extensive experience and knowledge regarding business management and research & development, which the Company expects to strengthen the decision-making function of the Board of Directors, for which reason it has 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 3: Election of three (3) Directors who are Audit and Supervisory Committee Members

The terms of office of Directors who are Audit and Supervisory Committee Members Toshio Shirakawa, Norikazu Eiki and Kenryo Goto will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of three (3) Directors who are Audit and Supervisory Committee Members.

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

The candidates for Director who is an Audit and Supervisory Committee Member 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	Norikazu Inoue (February 28, 1959) New election	Oct. 2011 Joined the Company / Deputy-General Manager, General Affairs Department, Administration Division Apr. 2014 General Manager of General Affairs Department, Administration Division Apr. 2015 General Manager of General Affairs Department, General Affairs Division Oct. 2016 General Manager of General Affairs Department, Administration Division Apr. 2017 Operating Officer / General Manager of General Affairs Department, Administration Division Apr. 2019 Senior Operating Officer / Division Manager of Administration Division and General Manager of General Affairs Department Apr. 2020 Senior Operating Officer / Division Manager of Administration Division Apr. 2023 Senior Operating Officer in charge of Administration Division (to present) (significant concurrent positions outside the Company) None	1,200
[Reasons for nomination as candidate for Director who is an Audit and Supervisory Committee Member] Norikazu Inoue has been involved in the administration and operation divisions. He has extensive experience and knowledge regarding business management, administration and operations, which the Company expects to strengthen the supervisory function of the Board of Directors, for which reason it has nominated him as a candidate for Director who is an Audit and Supervisory Committee Member.			

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	Norikazu Eiki (April 17, 1948) Outside Reelection	Aug. 1979 Joined Ciba-Geigy Japan Limited Jan. 1994 Joined Bayer Yakuhin, Ltd. Mar. 1997 Director / Plant Manager of Shiga Plant, Bayer Yakuhin, Ltd. July 2002 President and Representative Director, Bayer Yakuhin, Ltd. Jan. 2007 Chairman and Representative Director, Bayer Yakuhin, Ltd. Apr. 2010 Chairman and Director, Bayer Yakuhin, Ltd. May 2014 Outside Director of AnGes MG, Inc. (currently AnGes, Inc.) (to present) Apr. 2015 Outside Director of FunPep Co., Ltd. (to present) June 2015 Outside Director of the Company Apr. 2016 Outside Director of Solasia Pharma K.K. (to present) June 2018 Outside Director of Gene Techno Science Co., Ltd. (currently, Kidswell Bio Corporation) (to present) June 2019 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) (significant concurrent positions outside the Company) Outside Director of AnGes, Inc. Outside Director of FunPep Co., Ltd. Outside Director of Solasia Pharma K.K. Outside Director of Kidswell Bio Corporation	—
<p>[Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected]</p> <p>Norikazu Eiki has wide-ranging insights and extensive experience at a global company, and the Company expects that his advice and opinions will promote sound, efficient and objective management, for which reason it has again nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member. In addition, if he is elected, the Company plans to request his 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.</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
3	Kenryo Goto (February 18, 1958) Outside Reelection	Sept. 1981 Joined Osaka Office of Asahi & Co. (currently KPMG AZSA LLC) Mar. 1984 Registered as a certified public accountant May 2005 Partner, KPMG AZSA & Co. (currently KPMG AZSA LLC) July 2010 Board member, Head of Division 3, Osaka Office, KPMG AZSA LLC July 2013 Senior Executive Board member, KPMG AZSA LLC July 2015 Osaka Office Managing Partner, KPMG AZSA LLC July 2020 Established Kenryo Goto Certified Public Accountant Office (to present) Apr. 2021 Auditor of Hyogo Medical University (to present) June 2021 Outside Director (Audit and Supervisory Committee Member) of the Company (to present) June 2022 Outside Director of West Japan Railway Company (to present) (significant concurrent positions outside the Company) Certified public accountant (Kenryo Goto Certified Public Accountant Office) Auditor of Hyogo Medical University Outside Director of West Japan Railway Company	—
<p>[Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and overview of the role expected]</p> <p>The Company expects Kenryo Goto to continue to utilize his professional knowledge in the field of finance, accounting, etc., as a certified public accountant, and extensive experience as a manager of audit firm to provide advice and opinions that will enhance the transparency and objectivity of management, for which reason it has again nominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member. In addition, if he is elected, the Company plans to request his 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.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. Norikazu Eiki and Kenryo Goto are candidates for Outside Director. The Company has submitted notification to the Tokyo Stock Exchange Inc. that they have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their appointment as independent officers to continue.
 3. Norikazu Eiki is currently an Outside Director who is an Audit and Supervisory Committee Member of the Company. At the conclusion of this meeting, his tenure as an Outside Director will have been eight (8) years (including four (4) years as an Audit and Supervisory Committee member).
 4. Kenryo Goto is currently an Outside Director who is an Audit and Supervisory Committee Member of the Company. At the conclusion of this meeting, his tenure as an Outside Director will have been two (2) years.
 5. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into agreements with Norikazu Eiki and Kenryo Goto to limit their 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 their reelection is approved, the Company plans to continue the said agreement with them.
 6. 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.

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

If Proposal 2 and Proposal 3 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	●	●	●	●	●		●		●			
Masao Tanaka	●	●	●	●	●							
Osamu Uchikawa	●	●						●				●
Norikazu Inoue				●	●							
Outside Directors												
Norikazu Eiki	●	●		●				●	●	●		●
Kaori Oishi				●								
Kenryo Goto	●	●	●	●								
Members of Executive Strategy Meeting												
Yusuke Amano	●	●	●	●		●						
Yasushi Naito		●									●	
Takayuki Kanno									●			
Keisuke Hirai								●				●
Shigehiro Kubo	●	●										●
Toshikazu Kokubun		●			●	●						

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