

[Translation]

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Securities code: 4539

May 30, 2024

Kazushiro Yamaguchi

President & CEO

Nippon Chemiphar Co., Ltd.

2-2-3, Iwamoto-cho, Chiyoda-ku, Tokyo

Dear Shareholders,

**Notice of the 92nd Ordinary General Meeting of Shareholders**

We would like to inform you that the 92nd Ordinary General Meeting of Shareholders (this “General Meeting of Shareholders”) of Nippon Chemiphar Co., Ltd. (the “Company”) will be held as set forth below.

**If you are unable to attend this General Meeting of Shareholders in person, you may exercise voting rights in writing (by post) or via the Internet, so you are kindly requested to review the Reference Materials for the General Meeting of Shareholders below and exercise your voting rights by 5:30 p.m., Thursday, June 20, 2024.**

## **Meeting Details**

- 1. Date and Time:** June 21, 2024 (Friday) at 10:00 a.m.
- 2. Place:** “Myoujin Kaikan,” Kanda Myoujin  
2-16-2, Sotokanda, Chiyoda-ku, Tokyo
- 3. Purpose of the Meeting:**

### **Matters to be Reported:**

1. Report on the Business Report, the Consolidated Financial Statements, and the Results of the Audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 92nd Fiscal Year (from April 1, 2023 to March 31, 2024)
2. Report on the Non-consolidated Financial Statements for the 92nd Fiscal Year (from April 1, 2023 to March 31, 2024)

### **Matters to be Resolved:**

**Proposal No. 1:** Appropriation of Surplus

**Proposal No. 2:** Election of Two (2) Audit & Supervisory Board Members

**Proposal No. 3:** Election of Two (2) Substitute Audit & Supervisory Board Members

## Measures for Electronic Provision of Materials

Upon the convocation of this General Meeting of Shareholders, the Company has adopted measures for electronic provision of the information that constitutes the content of the Reference Materials for the General Meeting of Shareholders, etc. (the matters subject to electronic provision measures). The contents of this Notice are posted on the following websites.

Company's website: [https://www.chemiphar.co.jp/ir/stocks\\_information/shareholder.html](https://www.chemiphar.co.jp/ir/stocks_information/shareholder.html)

TSE's website (JPX Listed Company Search):  
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

(Please access the website of the TSE stated above and enter "Nippon Chemiphar" in the "Issue name (company name)" field or "4539," the Company's securities code, in the "Code" field, click "Search," then "Basic information," and then "Documents for public inspection/PR information" to find the documents in the "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" section under "Filed information available for public inspection.")

End

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- If any modification is made to the matters subject to electronic provision measures, the Company will publish the modified information online on the Company's website and the TSE's website.
  - For this General Meeting of Shareholders, the Company will send a document that contains the matters subject to electronic provision measures to all shareholders, regardless of whether each of the shareholders has made a request for delivery of a written document. Please note that, among the matters subject to electronic provision measures, the following are not contained in this Notice because these matters are omitted from documents to be sent to shareholders who make a request for delivery of a written document in accordance with laws and ordinances and the provisions of the Company's Articles of Incorporation:
    - (i) "Matters regarding the Accounting Auditor," "Systems to Ensure the Appropriateness of Operations and Operating Status of the Systems" and "Basic Policy regarding the Company's Control" in the Business Report;
    - (ii) "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements; and
    - (iii) "Statements of Changes in Equity" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements.Audit & Supervisory Board Members and the Accounting Auditor audit documents subject to audit, including the information contained in above-mentioned (i) through (iii).
  - After the conclusion of this General Meeting of Shareholders, resolutions passed at this General Meeting of Shareholders will be published online on the Company's website in lieu of sending a written notice of resolutions. Thank you for your understanding.

## **Reference Materials for the General Meeting of Shareholders**

### **Proposals and Reference Matters**

#### **Proposal No. 1 Appropriation of Surplus**

The Company positions the return of profits to shareholders as one of the highest priorities in its management, and its basic policy is to distribute stable dividends while maintaining a balance between investment that contributes to its future growth and strengthening of its financial position by capital accumulation.

As a result of examination based on the above policy, the year-end dividends for the 92nd fiscal year will be paid in the following manner in light of factors such as business performance in the 92nd fiscal year, the business environment, and future business development.

#### **Matters regarding year-end dividends**

- (1) Type of dividend assets:  
Cash
- (2) Matters regarding allocation of dividend assets and total amount of dividends:  
Dividend per share of common stock of the Company: 50 yen  
Total amount of dividends: 182,586,350 yen
- (3) Effective date of distribution of surplus:  
June 24, 2024

**Proposal No. 2 Election of Two (2) Audit & Supervisory Board Members**

The term of office of Audit & Supervisory Board Members Mr. Sakaru Makino and Mr. Naoshige Shindou will expire at the conclusion of this General Meeting of Shareholders, and therefore the Company proposes that two (2) Audit & Supervisory Board Members be elected.

The consent of the Audit & Supervisory Board has been obtained with respect to the submission of this proposal.

The candidates for Audit & Supervisory Board Member are as follows.

<b>1</b>	<b>Sakaru Makino</b>	Date of birth: January 22, 1960 Gender: Male	Reelection
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Career summary, positions, and important concurrent positions	
April 1984	Joined the Johnan Shinkin Bank
September 1990	Joined Nagasakiya Co., Ltd.
April 2000	Joined the Company
April 2006	Manager of Accounts & Finance Department
April 2017	Internal Auditing Section of the President’s Office and Accounts & Finance Department
August 2019	Assistant to Audit & Supervisory Board Members, Internal Auditing Section of the President’s Office and Accounts & Finance Department
June 2020	Audit & Supervisory Board Member (current position)

Number of the Company’s shares owned: 2,759 shares
Number of years since assumption of office: 4 years
Attendance at Board of Directors meetings and Audit & Supervisory Board meetings (FY 2023) (percentage and number of times) Board of Directors meetings: 100% (14 of 14 meetings) Audit & Supervisory Board meetings: 100% (16 of 16 meetings)

**Reasons for nomination as a candidate for Audit & Supervisory Board Member:**

Mr. Sakaru Makino joined the Company after working in a financial institution and the accounting department of a business company. Since joining the Company, he has mainly been engaged in the finance, accounting, and internal audit departments, and has a wealth of business experience and knowledge cultivated through his work. Since his assumption of office as Audit & Supervisory Board Member in June 2020, he has utilized such experience and knowledge to fully exercise audit functions for the sound business development of the Company group. For these reasons, the Company has again nominated him as a candidate for Audit & Supervisory Board Member because the Company has determined that he is suitable for the position.

<b>2</b>	<b>Takeshi Shiba</b>	Date of birth: April 22, 1960 Gender: Male	New election Outside Independent officer
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Career summary, positions, and important concurrent positions	
August 1986	Joined Chuo Audit Corporation
March 1988	Registered as a certified public accountant
July 2005	Representative Partner of Chuo Aoyama Audit Corporation
September 2006	Representative Partner of PricewaterhouseCoopers Arata LLC
July 2013	Executive Board Member of The Japanese Institute of Certified Public Accountants
June 2016	Auditor of Kato Memorial Bioscience Foundation (current position)
July 2019	Member of the Expert and Practitioner Council for Certification, Etc., under the Next Generation Medical Infrastructure Act, the Cabinet Office
September 2020	Established Takeshi Shiba Accounting Office (to date)
June 2021	Outside Audit & Supervisory Board Member of Industrial Decisions, Inc. (currently Exponential Design, Inc.) (current position)
Important concurrent positions	
Certified public accountant	
Chairman of the Discipline Examination Committee of The Japanese Institute of Certified Public Accountants	
Auditor of Kato Memorial Bioscience Foundation	
Outside Audit & Supervisory Board Member of Exponential Design, Inc.	

Number of the Company's shares owned: None
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**Reasons for nomination as a candidate for Outside Audit & Supervisory Board Member:**

Mr. Takeshi Shiba has been nominated as a candidate for Outside Audit & Supervisory Board Member because he can be expected to audit the Company's management from an objective standpoint with his expertise and experience in financial and accounting matters cultivated through long years of practice as a certified public accountant, as well as his experience as an outside officer at other companies. Although he has never been involved in the management of a company other than serving as an outside officer, the Company has determined that he will be able to perform the duties of an Outside Audit & Supervisory Board Member appropriately based on the above reasons.

**Notes:**

1. Each of the candidates has no special interest in the Company.
2. Mr. Takeshi Shiba, a candidate for Outside Audit & Supervisory Board Member, satisfies the requirements for independent officers established by the TSE and the Criteria for Independence of Outside Officers established by the Company, and the Company plans to notify the TSE of the fact that he is an independent officer. The Criteria for Independence of Outside Officers established by the Company are described in page 11 to page 12.
3. In order to invite talented individuals as Outside Audit & Supervisory Board Members, it is stipulated in the Company's Articles of Incorporation that the Company may execute an agreement with each Outside Audit & Supervisory Board Member to limit that person's liability for damages to the Company to a certain extent, and if this proposal is approved as proposed, Mr. Takeshi Shiba will execute a liability limitation agreement with the Company to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act.  
An outline of the terms of the agreement is as follows.

- (i) If an Outside Audit & Supervisory Board Member assumes any liability for damages to the Company due to failing to perform his/her duties, he/she will be liable for such damages up to the sum of the amounts set out in the items of Article 425, Paragraph 1 of the Companies Act.
  - (ii) The above limitation of liability is only permitted if the Outside Audit & Supervisory Board Member has acted in good faith without gross negligence when performing the duties that caused the liability.
- 4. The Company has executed with an insurance company a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act, which is outlined below and under which each Audit & Supervisory Board Member is an insured. Each of the candidates for Audit & Supervisory Board Member will become an insured under the insurance agreement if that person is elected as Audit & Supervisory Board Member. The insurance agreement will be renewed in October 2024.
  - (i) Scope of insured persons  
Directors, audit & supervisory board members, and executive officers of the Company and its subsidiaries.
  - (ii) Insurance premiums substantially borne by each insured  
The insurance premiums are borne by the Company and each insured will not bear insurance premiums.
  - (iii) Outline of events covered by the insurance  
Any damage (legal damages and dispute costs) suffered by a claim for damages resulting from an insured's execution of business or performance of duties will be covered.
  - (iv) Measures taken to prevent appropriateness of the duties of directors and officers, etc., from being impaired.  
There is an exemption clause to the effect that liability arising from any willful act of violation of laws and ordinances, offering of illegal personal profits, or any criminal act, etc., by the insured will not be covered.
- 5. Each of the above numbers of shares indicates the number of shares held as of March 31, 2024 plus the relevant person's share in the officer stock ownership association as of April 30, 2024.

**Proposal No. 3 Election of Two (2) Substitute Audit & Supervisory Board Members**

In preparation for any cases where the number of Audit & Supervisory Board Members falls short of the number stipulated in the statutory provisions, the Company proposes that two substitute Audit & Supervisory Board Members be elected in advance. Among the candidates for substitute Audit & Supervisory Board Members, the Company proposes the election of Mr. Katsumasa Tomizawa as a substitute Audit & Supervisory Board Member for Audit & Supervisory Board Members other than Outside Audit & Supervisory Board Members, and Mr. Motohiro Suzuki as a substitute Outside Audit & Supervisory Board Member for Outside Audit & Supervisory Board Members.

The election by this proposal may be nullified by a resolution by the Board of Directors with the consent of the Audit & Supervisory Board only before the substitutes' assumption of office as Audit & Supervisory Board Members.

In addition, the consent of the Audit & Supervisory Board has been obtained with respect to the submission of this proposal.

The candidates for substitute Audit & Supervisory Board Members are as follows.

<b>1</b>	<b>Katsumasa Tomizawa</b>	Date of birth: September 10, 1965 Gender: Male	
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Career summary, positions, and important concurrent positions	
April 1989	Joined Japan Air System Co., Ltd.
October 2011	Joined Baroque Japan Limited
October 2012	Joined the Company
April 2013	General Manager of Public Relations Department (current position)

Number of the Company's shares owned: 840 shares
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**Reasons for nomination as a candidate for substitute Audit & Supervisory Board Member:**

Mr. Katsumasa Tomizawa has worked in departments such as accounting and finance at a business company, and after joining the Company, he has served as the General Manager of the Public Relations Department. He also possesses a wide range of knowledge regarding the Company's overall operations. The Company has nominated him as a candidate for substitute Audit & Supervisory Board Member because he can be expected to utilize his experience and knowledge to audit the Company if he assumes office as Audit & Supervisory Board Member.



<b>2</b>	<b>Motohiro Suzuki</b>	Date of birth: September 9, 1978 Gender: Male	Outside Independent officer
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Career summary, positions, and important concurrent positions	
October 2003	Registered as an attorney-at-law (Dai-ichi Tokyo Bar Association) Joined Nagashima Ohno & Tsunematsu
September 2009	Joined Kobayashi Law Firm
October 2009	Director of Suzuko Holdings Co., Ltd.
October 2009	Director of Suzuko Corporation Co., Ltd. (current position)
April 2013	Established Motohiro Suzuki Law Office (to date)
April 2015	Representative Director of Bellwood East Co., Ltd. (current position)
August 2017	Audit & Supervisory Board Member of TENDA Co., Ltd.
May 2018	Outside Audit & Supervisory Board Member of TENDA Co., Ltd. (current position)
August 2018	Audit & Supervisory Board Member of Suzuko Real Estate Co., Ltd. (current position)
Important concurrent positions	
Attorney-at-law	
Director of Suzuko Corporation Co., Ltd.	
Representative Director of Bellwood East Co., Ltd.	
Outside Audit & Supervisory Board Member of TENDA Co., Ltd.	
Audit & Supervisory Board Member of Suzuko Real Estate Co., Ltd.	

Number of the Company's shares owned: None
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**Reasons for nomination as a candidate for substitute Outside Audit & Supervisory Board Member:**

Mr. Motohiro Suzuki has sophisticated knowledge of corporate legal affairs as an attorney-at-law and also has experience serving as an outside officer and manager at other companies. The Company has nominated him as a candidate for substitute Outside Audit & Supervisory Board Member because he can be expected to utilize his specialized knowledge and abundant experience to audit the Company's management from an objective standpoint if he assumes office as Outside Audit & Supervisory Board Member.

Notes:

1. Each of the candidates has no special interest in the Company.
2. Mr. Motohiro Suzuki, a candidate for substitute Outside Audit & Supervisory Board Member, satisfies the requirements for independent officers established by the TSE and the Criteria for Independence of Outside Officers established by the Company, and if he assumes office as Audit & Supervisory Board Member, the Company will notify the TSE of the fact that he is an independent officer. The Criteria for Independence of Outside Officers established by the Company are described in page 11 to page 12.
3. In order to invite talented individuals as Outside Audit & Supervisory Board Members, it is stipulated in the Company's Articles of Incorporation that the Company may execute an agreement with each Outside Audit & Supervisory Board Member to limit that person's liability for damages to the Company to a certain extent, and if Mr. Motohiro Suzuki assumes office as Audit & Supervisory Board Member, he will execute a liability limitation agreement with the Company to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act.  
An outline of the terms of the agreement is as follows.
  - (i) If an Outside Audit & Supervisory Board Member assumes any liability for damages to the Company due to failing to perform his/her duties, he/she will be

- liable for such damages up to the sum of the amounts set out in the items of Article 425, Paragraph 1 of the Companies Act.
- (ii) The above limitation of liability is only permitted if the Outside Audit & Supervisory Board Member has acted in good faith without gross negligence when performing the duties that caused the liability.
4. The Company has executed with an insurance company a directors and officers liability insurance agreement provided for in Article 430-3, Paragraph 1 of the Companies Act, which is outlined below. Each of the candidates for substitute Audit & Supervisory Board Member will become an insured under the insurance agreement if that person assumes office as Audit & Supervisory Board Member. The insurance agreement will be renewed in October 2024.
- (i) Scope of insured persons  
Directors, audit & supervisory board members, and executive officers of the Company and its subsidiaries.
  - (ii) Insurance premiums substantially borne by each insured  
The insurance premiums are borne by the Company and each insured will not bear insurance premiums.
  - (iii) Outline of events covered by the insurance  
Any damage (legal damages and dispute costs) suffered by a claim for damages resulting from an insured's execution of business or performance of duties will be covered.
  - (iv) Measures taken to prevent appropriateness of the duties of directors and officers, etc., from being impaired.  
There is an exemption clause to the effect that liability arising from any willful act of violation of laws and ordinances, offering of illegal personal profits, or any criminal act, etc., by the insured will not be covered.
5. Each of the above numbers of shares indicates the number of shares held as of March 31, 2024 plus the relevant person's share in the stock ownership association as of April 30, 2024.

## Criteria for Independence of Outside Officers

The Company has established the criteria for independence of outside officers (Outside Directors and Outside Audit & Supervisory Board Members) as described below, and it will be determined that an outside officer is independent from the Company and that conflicts of interest are not likely to arise between the outside officer and general shareholders if the outside officer does not fall under any of the items below as a result of an investigation by the Company to a reasonable extent possible:

- (i) an executive<sup>1</sup> of the Company or any of its subsidiaries (collectively, the “Group”) or the person who has been an executive of the Group in the past ten years (or, if the person was a non-executive director, audit & supervisory board member, or accounting auditor of the Group at any time in the past ten years, then in the period of ten years prior to that person’s assumption of office);
- (ii) a person whose major business partner is the Group<sup>2</sup> or its executive;
- (iii) a major business partner of the Group<sup>3</sup> or its executive;
- (iv) a consultant, accounting expert, or legal expert who receives a large amount of money or other assets<sup>4</sup> other than officers’ compensation from the Group (if the person who receives such assets is a corporation, partnership, or similar organization, then a person who belongs to the organization);
- (v) a person who belongs to an audit corporation that conducts statutory audits of the Group
- (vi) a person who receives donations or contributions exceeding a certain amount<sup>5</sup> from the Group (if the person who receives such donations or contributions is a corporation, partnership, or similar organization, then its director or other executive);
- (vii) an executive of a major financial institution<sup>6</sup> from which the Group borrows money or its parent company or subsidiary;
- (viii) a major shareholder<sup>7</sup> of the Group, or if the major shareholder is a corporation, then its executive;
- (ix) an executive of a company whose major shareholder is the Group;
- (x) an executive of a company to which a director is seconded from the Group (whether full-time or part-time) or its parent company or subsidiary;
- (xi) a person who has fallen under any of items (ii) through (x) above in the past three years; or
- (xii) an immediate family member<sup>8</sup> of a person who falls under any of items (i) through (xi) above (limited to those in an important position<sup>9</sup>).

\*1 An “executive” means an “executive” provided for in Article 2, Paragraph 3, Item 6 of the Regulations for Enforcement of the Companies Act and includes not only executive directors but also employees.

\*2 A “person whose major business partner is the Group” means a business partner group (meaning a corporate group composed of a direct trading partner, its parent company and subsidiaries, and subsidiaries of the parent company; the same applies below) that supplies products or services to the Group with the amount of transactions for the immediately preceding fiscal year exceeding 2% of the annual consolidated sales of that business partner group.

\*3 A “major business partner of the Group” means a business partner group to which the Group supplies products or services with the amount of transactions for the immediately preceding fiscal year exceeding 2% of the annual consolidated sales of the Group.

\*4 A “large amount of money or other assets” means an amount of money or other financial benefits received by that person for the immediately preceding fiscal year exceeding a total of 10 million yen on an annual basis (or, if the person who receives such assets is a corporation, partnership, or similar organization, an amount of money or other financial benefits that exceeds the greater of either a total of 10 million yen on an annual basis or 2% of the gross income of that organization for the immediately preceding fiscal year).

\*5 “Donations or contributions exceeding a certain amount” means donations or contributions received in the immediately preceding fiscal year that exceed the greater of

either a total of 10 million yen on an annual basis or 2% of the gross income of that person for the immediately preceding fiscal year.

\*6 A “major financial institution” means a financial institution the total amount of borrowings from which as of the end of the immediately preceding fiscal year exceeds 2% of the consolidated total assets of the Company.

\*7 A “major shareholder” means a shareholder whose ratio of voting rights held (both directly and indirectly) is 10% or more of all voting rights.

\*8 An “immediate family member” means a spouse and a relative within the second degree of kinship.

\*9 A “person in an important position” means a director (excluding outside directors), statutory executive officer (*shikko-yaku*), executive officer, or employee who is in a senior-management position at least equivalent to a division general manager, person who belongs to an audit corporation or accounting firm as a certified accountant, person who belongs to a law firm as an attorney, and person who belongs to an incorporated foundation, incorporated association, incorporated educational institution, or other incorporation as an officer such as a trustee, director, or auditor, or other person who is objectively and reasonably deemed to be in a similarly important position.

End