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(Stock Code 4534)

June 5, 2024

(Start date for electronic provision measures: May 31, 2024)

To Shareholders with Voting Rights:

Naoyuki Mochida
Representative Director, President
Mochida Pharmaceutical Co., Ltd.
7, Yotsuya 1-chome, Shinjuku-ku, Tokyo

**NOTICE OF
THE 86th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We are pleased to announce the 86th Ordinary General Meeting of Shareholders of Mochida Pharmaceutical Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures and has posted matters to be provided electronically as “Notice of the 86th Ordinary General Meeting of Shareholders” on the following website.

Company website:

<https://www.mochida.co.jp/ir/shareholdersmeeting.html>

In addition to the above website, the information is also posted on the Tokyo Stock Exchange (“TSE”) website.

Please access the TSE website below, enter “Mochida Pharmaceutical” in the “Issue name (company name)” field or “4534” in the “Code” field, and click on “Search” to find search results. Then, click on “Basic information” and “Documents for public inspection/PR information” in this order to find “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting]” in the “Filed information available for public inspection” section.

TSE website:

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

Instead of attending the meeting, you may exercise your voting rights in writing (by filling and posting the Voting Rights Exercise Form attached to the Japanese original) or via the internet (<https://evote.tr.mufg.jp>). Please review the Reference Documents (Informational Materials) for the General Meeting of Shareholders, and exercise your voting rights, which result to be reached by no later than 5:40 p.m. on Wednesday, June 26, 2024, Japan standard time.

- 1. Date and Time:** Thursday, June 27, 2024 at 10:00 a.m. Japan standard time
- 2. Place:** TKP Ichigaya building 8F, located at
8 Ichigaya-Hachimancho, Shinjuku-ku, Tokyo
- 3. Meeting Agenda:**
- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 86th Fiscal Year (April 1, 2023 – March 31, 2024)
 2. Report of the results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
- Matters to be resolved:**
- Proposal 1:** Appropriation of Surplus
- Proposal 2:** Election of Eleven (11) Members of the Board
- Proposal 3:** Election of One (1) Audit & Supervisory Board Member
- ◎ When attending the meeting, please submit the Voting Rights Exercise Form attached to the Japanese original at the reception desk.
- ◎ Among the matters subject to electronic provision, the following matters are not included in the paper-based document delivered to shareholders who have requested such delivery in accordance with laws and regulations and Article 15, Paragraph 2 of the Company's Articles of Incorporation.
- (1) System to Ensure Appropriateness of Business Activities in the Business Report
 - (2) Summary of the Basic Policies Related to the Appropriateness of a Person to Control the Decisions on the Financial and Business Policies of the Company in the Business Report
 - (3) Summary of Special Efforts Contributing to the Realization of the Company's Basic Policies in the Business Report
 - (4) Summary of Efforts to Prevent the Decisions on the Financial and Business Policies of the Company from Being Controlled by an Inappropriate Person in Light of the Company's Basic Policies (Policy To Large-Scale Acquisitions of the Company's shares) in the Business Report
 - (5) The Judgment of the Board of Directors and Reasons Thereof Concerning That Efforts in the Above-noted (3) and (4) are Consistent with Basic Policies and the Common Interests of the Company's Shareholders, and do not Have an Objective for Maintaining the Position of the Members of the Board and the Audit & Supervisory Board, etc. of the Company in the Business Report
 - (6) Notes to Consolidated Financial Statements on the Consolidated Financial Statements
 - (7) Notes to Non-consolidated Financial Statements on the Non-Consolidated Financial Statements
- Note that matters listed above are included in the Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Accounting Auditor when creating the accounting auditor's report as well as the Business Report, Consolidated Financial Statements, and Non-Consolidated Financial Statements audited by Audit & Supervisory Board Members in creating their audit report.
- ◎ Should the matters subject to electronic provision require revisions, the revised versions will be posted on the Company's website (<https://www.mochida.co.jp/english/>).
- ◎ If a change of location or other major changes on the operation of the General Meeting of Shareholders occur due to a future situation, we will inform you on the Company's website (<https://www.mochida.co.jp/english/>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company decides the amount of dividends, based on the Company's basic policy to sustain stable dividend distribution while building adequate internal reserves for future business expansion, also recognizing the importance of return of profits according to revenue. As such, the Company proposes the year-end dividend for the Fiscal Year as follows:

Items concerning the Year-end Dividend

(1) Category of dividend

Cash

(2) Items concerning the allocation of dividend and its total amount

40 yen per common share

(The annual dividend per share will be a total of 80 yen including the interim dividend of 40 yen.)

The total amount of the year-end dividend will be 1,418,060,360 yen.

(3) Effective Date of the appropriation of surplus

June 28, 2024

Proposal 2: Election of Eleven (11) Members of the Board

At the conclusion of this General Meeting of Shareholders, the term of office of all eleven (11) Members of the Board will expire. Accordingly, the election of eleven (11) Members of the Board is proposed.

The candidates for Members of the Board are as follows:


No.	Name	Current positions and responsibilities at the Company
1	Naoyuki Mochida [Reappointment]	Representative Director, President
2	Chu Sakata [Reappointment]	Representative Director, Senior Executive Vice President, Assistant to the President, Operations in general
3	Keiichi Sagisaka [Reappointment]	Member of the Board, Senior Executive Managing Officer, Pharmaceutical Business and Mochida Healthcare
4	Junichi Sakaki [Reappointment]	Member of the Board, Senior Executive Managing Officer, Business Development, Supervisor for Business Promotion and Biomaterials Business
5	Yutaka Kawakami [Reappointment]	Member of the Board, Executive Managing Officer, RA, QA and PV, Head of RA, QA and PV Division
6	Motoi Mitsuishi [Reappointment]	Member of the Board, Executive Managing Officer, Planning & Administration, Head of Planning & Administration Division
7	Junichi Nezu [New appointment]	Executive Managing Officer, Research
8	Tomoo Kugisawa [Reappointment] [Outside] [Independent]	Member of the Board
9	Tomoaki Sonoda [Reappointment] [Outside] [Independent]	Member of the Board
10	Shigeaki Yoshikawa [Reappointment] [Outside] [Independent]	Member of the Board
11	Mami Kobayashi [New appointment] [Outside] [Independent]	



No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	 Naoyuki Mochida (August 6, 1958) [Reappointment]	April 1981 Joined the Company May 1986 Earned an MBA from Indiana University in the U.S. April 1988 Joined Ajinomoto Co., Inc. April 1991 Joined the Company June 1997 Member of the Board January 1998 Member of the Board, Senior Executive Managing Officer January 1999 Representative Director, President (to the present) April 2010 Vice-Chairman of Mochida Memorial Foundation for Medical and Pharmaceutical Research June 2016 Chairman of Mochida Memorial Foundation for Medical and Pharmaceutical Research (to the present)	1,098,900
<p>[Reason for nomination as candidate for Member of the Board]</p> <p>As Mr. Naoyuki Mochida has been in charge of management of the Company as Representative Director, he has profound insight and ability, as well as abundant experience and achievements. As such, we propose his reappointment as Member of the Board of the Company.</p>			
2	 Chu Sakata (December 28, 1959) [Reappointment]	April 1982 Joined the Mitsubishi Bank, Ltd. May 2007 General Manager of Syndicated Finance Division and the Global Head of Syndication at the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) February 2009 Regional Head for the Middle East at BTMU June 2011 Advisor of the Company June 2011 Member of the Board, Executive Officer and Assistant Officer, Planning & Administration June 2012 Member of the Board, Executive Officer, Planning & Administration, Head of Planning & Administration Division June 2013 Member of the Board, Executive Managing Officer June 2016 Representative Director, Senior Executive Managing Officer, Supervisor for Planning & Administration, Audits and Corporate Ethics June 2017 Assistant to the President, Operations in general (to the present) June 2021 Representative Director, Senior Executive Vice President (to the present)	14,800
<p>[Reason for nomination as candidate for Member of the Board]</p> <p>As well as abundant experience and achievements at financial institutions Mr. Chu Sakata has been in charge of management of the Company as Representative Director and he has profound insight and ability. As such, we propose his reappointment as Member of the Board of the Company.</p>			


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 Keiichi Sagisaka (July 26, 1957) [Reappointment]	April 1980 Joined the Company April 2003 Head of Metropolitan Branch Office April 2005 Head of Tokyo Branch Office June 2007 Executive Officer April 2008 Deputy Head of Pharmaceutical Business Division June 2009 Head of Pharmaceutical Business Division June 2010 Member of the Board, Executive Officer June 2013 Member of the Board, Executive Managing Officer, Pharmaceutical Business, Head of Pharmaceutical Business Division April 2015 Member of the Board, Executive Managing Officer, Pharmaceutical Business June 2016 Member of the Board, Senior Executive Managing Officer (to the present) June 2021 Pharmaceutical Business and Mochida Healthcare (to the present)	19,200
<p>[Reason for nomination as candidate for Member of the Board]</p> <p>As well as abundant experience and achievements in the Company's Pharmaceutical Business, Mr. Keiichi Sagisaka has been in charge of management of the Company as Member of the Board and he has profound insight and ability. As such, we propose his reappointment as Member of the Board of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	 <p data-bbox="209 815 429 960">Junichi Sakaki (October 23, 1960) [Reappointment]</p>	<p data-bbox="472 275 1246 1285"> March 1993 Joined Ciba-Geigy AG July 2005 General Manager, Research Strategy and Alliances at Novartis Pharma K.K. December 2006 Joined Banyu Pharmaceutical Co., Ltd. Director, Chemistry Department, Tsukuba Research Laboratories July 2009 Joined the Company General Manager, Head of Research Planning and Management Department April 2010 Head of Discovery Research June 2012 Executive Officer, Deputy Head of Business Development Division June 2014 Member of the Board, Executive Officer, Business Development June 2016 Member of the Board, Executive Managing Officer October 2018 Member of the Board, Executive Managing Officer, Business Development and Biomaterials Business June 2021 Member of the Board, Senior Executive Managing Officer (to the present) June 2022 Business Development, Supervisor for Biomaterials Business January 2023 Business Development and Business Promotion, Supervisor for Biomaterials Business June 2023 Business Development, Supervisor for Business Promotion and Biomaterials Business (to the present) </p>	10,400
<p data-bbox="193 1308 911 1339">[Reason for nomination as candidate for Member of the Board]</p> <p data-bbox="193 1346 1437 1480">As well as abundant experience and achievements in the Research Division of other pharmaceutical companies and the Company's Research Division and Business Development Division, Dr. Junichi Sakaki has been in charge of management of the Company as Member of the Board and he has profound insight and ability. As such, we propose his reappointment as Member of the Board of the Company.</p>			


No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 <p data-bbox="193 651 443 719">Yutaka Kawakami (September 30, 1959)</p> <p data-bbox="225 763 413 797">[Reappointment]</p>	<p data-bbox="472 275 938 309">April 1985 Joined Eisai Co., Ltd.</p> <p data-bbox="472 315 963 349">April 1998 Joined Pfizer Japan Inc.</p> <p data-bbox="472 356 1251 450">October 2003 Transferred to Office of Pharmaceutical Industry Research of Japan Pharmaceutical Manufacturers Association</p> <p data-bbox="472 456 1235 517">October 2005 Director of Clinical Submissions Department at Pfizer Japan Inc.</p> <p data-bbox="472 524 1126 618">December 2012 Joined the Company Deputy Head of Clinical Research and Development Division</p> <p data-bbox="472 629 895 663">June 2015 Executive Officer</p> <p data-bbox="472 669 1198 741">June 2017 Head of Clinical Research and Development Division</p> <p data-bbox="472 748 1078 781">April 2019 Head of RA, QA and PV Division</p> <p data-bbox="472 788 1150 822">June 2019 Member of the Board, Executive Officer</p> <p data-bbox="472 828 1171 900">June 2019 RA, QA and PV, Head of RA, QA and PV Division (to the present)</p> <p data-bbox="472 907 1182 978">June 2022 Member of the Board, Executive Managing Officer (to the present)</p>	5,900
<p data-bbox="193 983 906 1016">[Reason for nomination as candidate for Member of the Board]</p> <p data-bbox="193 1023 1449 1205">As well as abundant experience and achievements at the Reliability Assurance Division of other pharmaceutical companies and the Clinical Research and Development Division and RA, QA and PV Division of the Company, Dr. Yutaka Kawakami has been in charge of management of the Company as Member of the Board and he has profound insight and ability. As such, we propose his reappointment as Member of the Board of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	 Motoi Mitsuishi (September 23, 1963) [Reappointment]	April 1987 Joined the Mitsubishi Bank, Ltd. May 2012 Regional Head for Thailand, Bangkok Branch Manager at the Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) June 2013 Executive Officer, Regional Head for Thailand, Bangkok Branch Manager at BTMU July 2015 Executive Officer, Deputy Head of Asia & Oceania Group (in charge of special projects), General Manager of Asia & Oceania Sales Division, Singapore Branch Manager at BTMU May 2017 Managing Executive Officer, Head of Transaction Banking Group at BTMU June 2019 Representative Director, Deputy President at Mitsubishi UFJ Research and Consulting Co., Ltd. June 2020 Outside Corporate Auditor at the Nanto Bank, Ltd. May 2023 Advisor of the Company June 2023 Member of the Board, Executive Managing Officer (to the present) Planning & Administration and Technonet, Head of Planning & Administration Division April 2024 Planning & Administration, Head of Planning & Administration Division (to the present)	600
[Reason for nomination as candidate for Member of the Board] As well as abundant experience and achievements at financial institutions and his managerial experience as the Representative Director of a consulting company, Mr. Motoi Mitsuishi has been in charge of management of the Company as Member of the Board and has profound insight and ability. As such, we propose his reappointment as Member of the Board of the Company.			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	 Junichi Nezu (November 3, 1966) [New appointment]	April 1991 Joined Chugai Pharmaceutical Co., Ltd. July 2012 Research Head of Chugai Pharmabody Research (Singapore) April 2018 Associate Vice President, Head of Research Division, Head of Discovery Pharmacology Department at Chugai Pharmaceutical April 2020 Vice President, Head of Research Division at Chugai Pharmaceutical January 2021 Vice President, Head of Project & Lifecycle Management Unit R&D Portfolio Department at Chugai Pharmaceutical July 2023 Joined the Company Research Division, Research Supervisor August 2023 Executive Managing Officer, Research (to the present)	0
<p>[Reason for nomination as candidate for Member of the Board]</p> <p>Dr. Junichi Nezu has abundant experience and achievements in the research divisions of other pharmaceutical companies and the Company. Based on the expectation that he will be able to fulfill his duties appropriately as a Member of the Board of the Company by leveraging his profound insight, we propose his appointment.</p>			
8	 Tomoo Kugisawa (May 23, 1955) [Reappointment] [Outside] [Independent]	April 1987 Registered as an attorney-at-law (to the present) Joined Tokyo Fuji Law Office April 1995 Partner at Tokyo Fuji Law Office April 2005 Professor at Omiya Law School June 2006 Outside Corporate Auditor at OG Corporation June 2012 Outside Director of the Company (to the present) April 2019 Visiting Professor at Chuo University Law School (to the present) January 2023 Representative at Tokyo Fuji Law Office (to the present)	3,700
<p>[Reason for nomination as candidate for Outside Director and overview of expected roles]</p> <p>Mr. Tomoo Kugisawa is a registered attorney-at-law and well-versed in corporate legal affairs, reflecting his profound insight into corporate management in the Company's management. As such, we propose his reappointment as Outside Director of the Company. We expect him to utilize his profound insight to oversee management of the Company by making appropriate statements and suggestions at Board meetings and, as a member of the Nomination and Compensation Advisory Committee, a non-mandatory advisory body to the Representative Directors, to provide advice on proposals of nomination/dismissal of senior members of the Company's management team, nomination of candidates for Members of the Board and Audit & Supervisory Board Members, and remuneration for Members of the Board and senior members of the Company's management team, thus enhancing objectivity and accountability of such proposals.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	 Tomoaki Sonoda (July 1, 1961) [Reappointment] [Outside] [Independent]	April 2004 Certified public accountant (to the present) April 2006 Professor at Keio University Faculty of Business and Commerce (to the present) October 2009 Member of Contract Surveillance Committee, Ministry of Internal Affairs and Communications (to the present) April 2018 Visiting Professor at Musashino University (to the present) January 2020 Member of Third Bidding Surveillance Commission, Ministry of Finance (to the present) June 2022 Outside Director of the Company (to the present)	500
<p>[Reason for nomination as candidate for Outside Director and overview of expected roles]</p> <p>Dr. Tomoaki Sonoda has abundant expertise and experience as a university professor specializing in accounting, reflecting his profound insight into corporate management in the Company's management. As such, we propose his reappointment as Outside Director of the Company. We expect him to utilize his profound insight to oversee management of the Company by making appropriate statements and suggestions at the meetings of the Board of Directors, and, as a member of the Nomination and Compensation Advisory Committee, a non-mandatory advisory body to the Representative Directors, to provide advice on proposals of nomination/dismissal of senior members of the Company's management team, nomination of candidates for Members of the Board and Audit & Supervisory Board Members, and remuneration for Members of the Board and senior members of the Company's management team, for the purpose of strengthening the objectivity and accountability of such proposals.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
10	 <p>Shigeaki Yoshikawa (June 23, 1953)</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>April 1977 Joined Mitsubishi Corporation</p> <p>April 2008 Executive Officer, General Manager of Global Strategy & Coordination Department at Mitsubishi Corporation</p> <p>April 2010 Executive Officer, Chief Regional Officer for the Europe, Middle East and Africa CIS at Mitsubishi Corporation</p> <p>April 2013 Executive Vice President, Regional CEO, Middle East & Central Asia at Mitsubishi Corporation</p> <p>October 2016 Executive Vice President at Mitsubishi Research Institute, Inc.</p> <p>December 2016 Executive Vice President, Representative Director at Mitsubishi Research Institute, Inc.</p> <p>June 2017 Management Council Member at Fukushima Medical University (to the present)</p> <p>December 2020 Full-time Senior Corporate Advisor at Mitsubishi Research Institute, Inc.</p> <p>April 2021 Advisor to the Chancellor, Visiting Professor in Department of Business Design; Research Fellow at Institute of Current Business Studies, Showa Women's University</p> <p>January 2022 Senior Corporate Adviser at Mitsubishi Research Institute, Inc.</p> <p>June 2022 Outside Director at Azbil Corporation (to the present)</p> <p>April 2023 Visiting Professor in Department of Business Design; Research Fellow at Institute of Current Business Studies, Showa Women's University (to the present)</p> <p>June 2023 Chairman and Representative Director of The Japan Singapore Association (to the present) Outside Director of the Company (to the present)</p>	300
<p>[Reason for nomination as candidate for Outside Director and overview of expected roles]</p> <p>As well as abundant experience and achievements at a general trading company and managerial experience as Representative Director at a think tank/consulting company, Mr. Shigeaki Yoshikawa has reflected his profound insight into corporate management in the management of the Company. As such, we propose his reappointment as Outside Director of the Company. We expect him to utilize his profound insight to oversee management of the Company by making appropriate statements and suggestions at the meetings of the Board of Directors.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
11	 Mami Kobayashi (September 20, 1964) [New appointment] [Outside] [Independent]	April 1987 Joined Nikkeisha, Inc. September 1988 Joined The Asahi Shimbun Company October 1990 Joined McKinsey & Company December 1994 Joined United Technologies Corporation (US) October 2002 Cultural Affairs Department, Library Director at Mori Building Co., Ltd. April 2010 Cultural Affairs Department, Library Advisor at Mori Building (to the present)	0
[Reason for nomination as candidate for Outside Director and overview of expected roles] Ms. Mami Kobayashi has abundant experience and achievements in knowledge management at companies, including a corporate strategy consulting company and multinationals. Based on the expectation that she will be able to fulfill her duties appropriately as an Outside Director of the Company, we propose her appointment as Outside Director of the Company. We expect her to utilize her profound insight to oversee management of the Company by making appropriate statements and suggestions at the meetings of the Board of Directors.			

- Notes:
1. No special conflict of interests exists between the Company and any of the above candidates for Members of the Board.
 2. Mr. Tomoo Kugisawa, Dr. Tomoaki Sonoda and Mr. Shigeaki Yoshikawa are currently Outside Directors of the Company. At the conclusion of this General Meeting of Shareholders, Mr. Tomoo Kugisawa, Dr. Tomoaki Sonoda and Mr. Shigeaki Yoshikawa will have served for twelve (12) years, two (2) years and one (1) year, respectively, as Outside Directors of the Company.
 3. Mr. Tomoo Kugisawa, Dr. Tomoaki Sonoda, Mr. Shigeaki Yoshikawa and Ms. Mami Kobayashi are candidates for Outside Directors. The Company has designated Mr. Tomoo Kugisawa, Dr. Tomoaki Sonoda, and Mr. Shigeaki Yoshikawa as Independent Directors as prescribed in the regulations of TSE, and submitted to TSE accordingly. If their appointments (and reappointment) including Ms. Mami Kobayashi are approved as proposed and they are appointed to Outside Directors, the Company plans to appoint (or reappoint) them as such Independent Directors and submit to TSE accordingly.
 4. Although Mr. Tomoo Kugisawa has no prior involvement in corporate management other than as Outside Director or as Outside Audit & Supervisory Board Member, and Dr. Tomoaki Sonoda has no prior involvement in corporate management other than as Outside Director, the Company believes that Mr. Tomoo Kugisawa and Dr. Tomoaki Sonoda will be able to execute their duties as Outside Directors appropriately due to the "Reason for nomination as candidate for Outside Director and overview of expected roles" as shown above.
 5. The Company has, pursuant to the provisions of the Articles of Incorporation under the provisions of Article 427, Paragraph (1) of the Companies Act, concluded agreements with Outside Directors Mr. Tomoo Kugisawa, Dr. Tomoaki Sonoda and Mr. Shigeaki Yoshikawa, respectively, which limit their liabilities as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under those agreements is the minimum liability amount stipulated by laws and regulations. The Company plans to continue the said agreement if his/her reappointment is approved. If this proposal is approved as proposed and Ms. Mami Kobayashi is appointed to Outside Director, the Company plans to enter into an agreement with the same contents mentioned above with her.
 6. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act to cover legal damages (such as court-ordered payments or settlement money), litigation expenses, or other expenses incurred due to claim for damages made against any Members of the Board of the Company in the course of the execution of their respective duties.

For the purpose of avoiding the improper execution of duties by any Members of the Board of the Company, compensation for damages and litigation expenses related to litigation against them by the Company (excluding shareholders' representative lawsuits), and compensation for damages and litigation expenses claimed due to their criminal acts are not covered by such insurance. Insurance premiums for the special contract related to shareholders' representative lawsuits involving any Members of the Board of the Company (approx. 10% of the basic premium borne by the Company) are borne by any Members of the Board of the Company.

If this proposal is approved and each candidate assumes the position of Member of the Board, each candidate will be included as the insured under this insurance policy.


The Company plans to renew this insurance policy with the same contents during the term of office for each Member of the Board.

Proposal 3: Election of One (1) Audit & Supervisory Board Member

At the conclusion of this General Meeting of Shareholders, the term of office of Mr. Kyosuke Wagai as Audit & Supervisory Board Member will expire. Accordingly, the election of one (1) Audit & Supervisory Board Member is proposed.

The Audit & Supervisory Board has given its approval to this proposal.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
 Kyosuke Wagai (February 5, 1953) [Reappointment] [Outside] [Independent]	October 1977 Joined Tohmatsu Awoki & Co. (presently Deloitte Touche Tohmatsu LLC) September 1982 Registered as a certified public accountant (to the present) July 1991 Partner at Tohmatsu & Co. (presently Deloitte Touche Tohmatsu LLC) July 2010 Executive Board Member of The Japanese Institute of Certified Public Accountants May 2016 Resigned from Deloitte Touche Tohmatsu June 2016 Outside Audit & Supervisory Board Member of the Company (to the present) July 2016 Corporate Auditor of The Japanese Institute of Certified Public Accountants June 2017 Outside Audit & Supervisory Board Member at Tokyo Electron Ltd. (to the present) Representative Director and Chairman at XBRL Japan Inc. (to the present) June 2020 Outside Audit and Supervisory Board Member at Nissay Information Technology Co., Ltd. (to the present)	2,200
<p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member]</p> <p>Mr. Kyosuke Wagai has abundant expertise and experience with audits as a certified public accountant, reflecting his profound insight into corporate management and audits in the Company's audits. As such, we propose his reappointment as Outside Audit & Supervisory Board Member of the Company.</p>		

- Notes:
1. No special conflict of interests exists between the Company and Mr. Kyosuke Wagai.
 2. Mr. Kyosuke Wagai is a candidate for Outside Audit & Supervisory Board Member. The Company has designated Mr. Kyosuke Wagai as Independent Auditor as prescribed in the regulations of TSE, and submitted to TSE accordingly. If his reappointment is approved as proposed and he is appointed to Outside Audit & Supervisory Board Member, the Company plans to reappoint him as such an Independent Auditor and submit to TSE accordingly.
 3. Although Mr. Kyosuke Wagai has no prior involvement in corporate management other than as Outside Audit & Supervisory Board Member, the Company believes that Mr. Kyosuke Wagai will be able to execute his duties as Outside Audit & Supervisory Board Member appropriately due to the "Reason for nomination as candidate for Outside Audit & Supervisory Board Member" as shown above.
 4. Ms. Kyosuke Wagai is currently an Outside Audit & Supervisory Board Member of the Company. At the conclusion of this General Meeting of Shareholders, Mr. Kyosuke Wagai will have served for eight (8) years as Outside Audit & Supervisory Board Member.
 5. The Company has, pursuant to the provisions of the Articles of Incorporation under the provisions of Article 427, Paragraph (1) of the Companies Act, concluded an agreement with Audit &

Supervisory Board Member Mr. Kyosuke Wagai, which limits his liabilities as provided in Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability under the agreement is the minimum liability amount stipulated by laws and regulations. The Company plans to continue the said agreement if his reappointment is approved.

6. The Company has concluded a directors and officers liability insurance contract with an insurance company as stipulated in Article 430-3, Paragraph (1) of the Companies Act to cover legal damages (such as court-ordered payments or settlement money), litigation expenses, or other expenses incurred due to claim for damages made against Audit & Supervisory Board Members of the Company in the course of the execution of their respective duties. For the purpose of avoiding the improper execution of duties by Audit & Supervisory Board Member of the Company, each Audit & Supervisory Board Member shall bear compensation for damages and litigation expenses related to litigation against them by the Company (excluding shareholders' representative lawsuits), and compensation for damages and litigation expenses claimed for their criminal acts are not covered by such insurance. Insurance premiums for the special contract related to shareholders' representative lawsuits involving Audit & Supervisory Board Member of the Company (approx. 10% of the basic premium borne by the Company) are borne by Audit & Supervisory Board Member of the Company. If this proposal is approved and Mr. Kyosuke Wagai assumes the position of Audit & Supervisory Board Member, he will be included as the insured under this insurance policy. The Company plans to renew this insurance policy with the same contents during the term of office for Mr. Kyosuke Wagai.

[For Your Reference] Skill Matrix

The following shows the experience, knowledge, and capability, etc., of Members of the Board of the Company and Audit & Supervisory Board Members upon approval of the Proposals 2 and 3 above:

	Name	Corporate Management	Research and Development	Business Strategy, Marketing	International Experience	IT	Finance, Accounting	Legal Affairs, Compliance	Certification
Members of the Board	Naoyuki Mochida	○		○	○		○		
	Chu Sakata	○		○	○	○	○	○	
	Keiichi Sagisaka			○					Pharmacist
	Junichi Sakaki		○	○	○				Pharmacist
	Yutaka Kawakami		○						Pharmacist
	Motoi Mitsubishi	○		○	○	○	○	○	Attorney-at-law, NY, U.S.A.
	Junichi Nezu		○		○				Pharmacist
	Tomoo Kugisawa				○			○	Attorney-at-law, JPN
	Tomoaki Sonoda	○			○		○		Certified public accountant, JPN
	Shigeaki Yoshikawa	○		○	○			○	
Mami Kobayashi	○		○	○	○				
Audit & Supervisory Board Members	Yoshiharu Hashimoto			○	○	○	○	○	
	Masayoshi Takeda						○		
	Kyosuke Wagai					○	○		Certified public accountant, JPN
	Akiko Suzuki				○			○	Attorney-at-law, JPN
	Yoshifumi Miyata	○			○		○		

(Note) The list above does not cover all the experience, knowledge, and capability, etc., of each Member / candidate of the Board and the Audit & Supervisory Board of the Company.