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Stock Exchange Code 4530
May 2, 2022

To Shareholders with Voting Rights:

Kazuhide Nakatomi
President & CEO
Hisamitsu Pharmaceutical Co., Inc.
408 Tashiro Daikan-machi, Tosu, Saga

**NOTICE OF CONVOCATION OF
THE 120TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

We would like to express our appreciation for your continued support and patronage.

This is to notify you that the 120th Annual General Meeting of Shareholders of Hisamitsu Pharmaceutical Co., Inc. (the “Company”) will be held for the purposes as described below.

In lieu of attending the meeting, you may exercise your voting rights in writing or via electromagnetic means, including the Internet. In this case, please review the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights.

1. Date and Time: Thursday, May 26, 2022 at 10:00 a.m. Japan time
2. Place: Head office of the Company located at
408 Tashiro Daikan-machi, Tosu, Saga, Japan
3. Meeting Agenda:
Matters to be reported:
 1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company’s 120th Fiscal Year (March 1, 2021 - February 28, 2022)
 2. Results of audits by the Independent Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements for the Company’s 120th Fiscal Year
Proposals to be resolved:
 - Proposal 1: Appropriation of Surplus
 - Proposal 2: Partial Amendments to the Articles of Incorporation
 - Proposal 3: Election of 10 Directors

(The details of the meeting agenda and other matters are stated in the following pages.)

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

The Company regards the appropriate return of profits to shareholders as one of the most important management issues.

With respect to dividends of surplus at the end of the fiscal year under review, upon comprehensively examining factors such as the performance for the fiscal year, dividend payout ratios and various management measures for the future in addition to taking into account the stable distribution of dividends to shareholders, the Company proposes to pay a dividend of ¥42 per share as follows. Accordingly, the annual dividend including an interim dividend of ¥42 will be ¥84 per share, an increase from the annual dividend of ¥83.5 per share for the previous fiscal year.

In addition, the Company recognizes the need to strengthen its financial structure to provide for the stable return of profits to its shareholders and future business development, and therefore intends to allocate ¥1.0 billion to general reserve as follows.

1. Matters concerning dividends of surplus

- (1) Allotment of dividend properties to shareholders and the total amount thereof
¥42 per share of the Company's common stock Total payment of dividends: ¥3,350,192,790
- (2) Effective date of dividends of surplus
Friday, May 27, 2022

2. Matters concerning appropriation of surplus

- (1) Surplus item to be increased and the amount thereof
General reserve ¥1,000,000,000
- (2) Surplus item to be decreased and the amount thereof
Retained earnings brought forward ¥1,000,000,000

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for amendments

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 14, Paragraph 1 provides that information contained in the Reference Documents for the General Meeting of Shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 14, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) In line with the above establishment of the provisions, supplementary provisions related to the effective date, etc. shall be established.
- (4) In line with the above establishment of the provisions, articles shall be renumbered where necessary.

2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
Chapter 3 General Meetings of Shareholders (Newly established)	Chapter 3 General Meetings of Shareholders <u>Article 14 (Measures for Electronic Provision, Etc.)</u> <u>The Company shall, when convening a general meeting of shareholders, provide information contained in the reference materials for the general meeting of shareholders, etc. electronically.</u> <u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u>
Articles <u>14</u> - <u>47</u> (Omitted)	Articles <u>15</u> - <u>48</u> (Unchanged)
(Newly established)	<u>Supplementary Provisions</u> <u>1. The proposed Article 14 (Measures for Electronic Provision, Etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u> <u>2. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date.</u>

Proposal 3: Election of 10 Directors

The terms of office of all 10 Directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 10 Directors is proposed.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company	
1	Kazuhide Nakatomi (June 30, 1972) [Reappointment]	April 1999 February 2007 May 2007 May 2009 May 2011 May 2014 May 2015 May 2019	Joined the Company Head of Corporate Strategy Planning Director & Executive Officer Managing Director & Executive Officer Senior Managing Director & Executive Officer Vice President & Executive Officer President & COO President & CEO (to present)	240,242	None
		<p>[Reason for nomination as candidate] Mr. Kazuhide Nakatomi has extensive operational experience in the corporate strategy planning division, and took office as Director of the Company in 2007. He also has built track records as a corporate manager since he became Representative Director in 2015. We believe he is suitable for continuing to serve as a Director of the Company, and nominate him as a candidate for Director.</p>			
2	Kosuke Sugiyama (April 28, 1952) [Reappointment]	April 1977 May 1999 February 2010 July 2012 May 2014	Joined the Company Director Director & Executive Officer Managing Director & Executive Officer Senior Managing Director & Executive Officer [In charge of Human Resources and Research and Development] (to present)	13,000	None
		<p>[Reason for nomination as candidate] Mr. Kosuke Sugiyama has extensive operational experience in the human resources division, and has been managing and supervising management in general, including human resources, since he took office as Director of the Company in 1999. We believe he is suitable for continuing to serve as a Director of the Company, and nominate him as a candidate for Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company	
3	Kyu Saito (June 10, 1963) [Reappointment]	April 1987 April 2009 May 2013	Joined the Company Executive Officer Director & Executive Officer [Head of International Division, Chairman of Hisamitsu America, Inc., President of Hisamitsu Pharmaceutical Technology Consulting (Beijing) Co., Ltd., President of Hisamitsu Pharmaceutical (China) Co., Ltd., President of Hisamitsu Pharmaceutical (Hong Kong) Co., Ltd., Chairman of Hisamitsu Pharmaceutical Malaysia Sdn. Bhd., Chairman of Hisamitsu Italia S.r.l., and Director of P.T. Hisamitsu Pharma Indonesia] (to present)	5,700	None
		[Reason for nomination as candidate] Mr. Kyu Saito has extensive operational experience in the sales and corporate strategy planning divisions, and has been managing and supervising the overseas sales division since he took office as Director of the Company in 2013. We believe he is suitable for continuing to serve as a Director of the Company, and nominate him as a candidate for Director.			
4	Nobuo Tsutsumi (March 11, 1964) [Reappointment]	April 1988 March 2010 May 2014	Joined the Company Executive Officer Director & Executive Officer [General Manager of Legal, Management of Production, Quality Assurance & Pharmacovigilance, Compliance, Director of SAGA Hisamitsu Springs Co., Ltd. (part-time), and Director of Yutoku Pharmaceutical Ind. Co., Ltd. (part-time)] (to present)	4,200	None
		[Reason for nomination as candidate] Mr. Nobuo Tsutsumi has extensive operational experience in the legal division, and has been managing and supervising legal affairs and compliance based on his high expertise since he took office as Director of the Company in 2014. We believe he is suitable for continuing to serve as a Director of the Company, and nominate him as a candidate for Director.			
5	Shinichi Murayama (October 16, 1967) [Reappointment]	March 1991 March 2012 May 2014	Joined the Company Executive Officer Director & Executive Officer [Management of Internal Audit, Japan Subsidiaries, and Outside Corporate Auditor of SANOFI-HISAMITSU K.K. (part-time)] (to present)	5,000	None
		[Reason for nomination as candidate] Mr. Shinichi Murayama has extensive operational experience in the sales and corporate strategy planning divisions, and has been managing and supervising management in general, including as Executive Secretary of Chairman's Office, since he took office as Director of the Company in 2014. We believe he is suitable for continuing to serve as a Director of the Company, and nominate him as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company	
6	Koji Takiyama (October 31, 1971) [New Appointment]	April 1994 May 2017 May 2021	Joined the Company Executive Officer Senior Executive Officer [Executive Secretary of President's Office, and Management of Digital Transformation (DX)]	0	None
		[Reason for nomination as candidate] Mr. Koji Takiyama has extensive operational experience in the sales division, and has been involved in the management of Hisamitsu Pharmaceutical Group companies. We believe he is suitable for serving as a Director of the Company, and nominate him as a candidate for Director.			
7	Isao Ichikawa (January 10, 1928) [Reappointment] [Outside Director] [Independent Officer]	June 1986 June 1989 June 1993 October 2001 April 2004 May 2004 January 2008 May 2015	Senior Managing Officer and Representative Director of The Mitsubishi Bank, Ltd. Senior Executive Vice President and Representative Director of NIKON CORPORATION Vice Chairman of the Board and Representative Director of NIKON CORPORATION Financial Advisor to Keio University Director of the National University Corporation Tokyo Gakugei University Outside Corporate Auditor of the Company Member of the Tokyo Metropolitan Public Interest Corporation Council Outside Director of the Company (to present)	2,000	None
		[Reason for nomination as candidate and summary of expected roles] Mr. Isao Ichikawa has extensive experience and insight into overall management acquired as a representative director of a listed company, and we expect him to provide precise advice on the Company's management. Furthermore, there is no problem with his independence in relationship with the Company. We believe he is suitable for continuing to serve as an Outside Director of the Company, and nominate him as a candidate for Director.			
8	Teijiro Furukawa (September 11, 1934) [Reappointment] [Outside Director] [Independent Officer]	January 1960 June 1986 June 1989 June 1993 February 1995 September 2003 July 2005 April 2015 May 2015	Joined the Ministry of Health and Welfare Principal Counsellor of Cabinet Secretariat Director General of Children and Families Bureau, Ministry of Health and Welfare Vice-Minister of Health and Welfare Deputy Chief Cabinet Secretary Resigned from the position of Deputy Chief Cabinet Secretary Executive President of Imperial Gift Foundation Boshi- Aiiku-Kai Executive Chairman of Imperial Gift Foundation Boshi- Aiiku-Kai Outside Director of the Company (to present)	500	None
		[Reason for nomination as candidate and summary of expected roles] Mr. Teijiro Furukawa held key positions in the Ministry of Health and Welfare and has deep insight with regard to the Company's particular business, and we expect him to provide precise advice on the Company's management. Furthermore, there is no problem with his independence in relationship with the Company. We believe he is suitable for continuing to serve as an Outside Director of the Company, and nominate him as a candidate for Director.			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
9	Yuichiro Anzai (August 29, 1946) [Reappointment] [Outside Director] [Independent Officer]	<p>April 1988 Professor of Faculty of Science and Technology, Keio University</p> <p>Professor of Graduate School of Science and Technology, Keio University</p> <p>October 1993 Dean of Faculty of Science and Technology, Keio University</p> <p>Dean of Graduate School of Science and Technology, Keio University</p> <p>May 2001 President of Keio University (Chair of the Board of Trustees of Keio University and the university president of Keio University)</p> <p>May 2009 Advisor for Academic Affairs to Keio University (to present)</p> <p>April 2010 Director of the Nakatomi Foundation (to present)</p> <p>June 2011 Chairman of Japanese Association of University Physical Education and Sports (to present)</p> <p>October 2011 President of Japan Society for the Promotion of Science (JSPS)</p> <p>April 2012 Professor Emeritus of Keio University (to present)</p> <p>February 2018 President of Kojunsha Club (to present)</p> <p>April 2018 Senior Advisor to JSPS (to present)</p> <p>Director of Research Center for Science Systems, JSPS</p> <p>May 2020 Outside Director of the Company (to present)</p> <p>July 2020 Executive Director of The Tokyo Foundation for Policy Research</p> <p>December 2020 Executive Director and Chief Executive Officer of The Tokyo Foundation for Policy Research (to present)</p>	100	None
<p>[Reason for nomination as candidate and summary of expected roles]</p> <p>Mr. Yuichiro Anzai, who has long served as a manager of a university, has a wide range of knowledge and experience, and we expect him to provide precise advice on the Company's management. Furthermore, there is no problem with his independence in relationship with the Company. We believe he is suitable for continuing to serve as an Outside Director of the Company, and nominate him as a candidate for Director.</p>				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	Special interests in the Company
10	Tetsugo Matsuo (January 1, 1972) [Reappointment] [Outside Director] [Independent Officer]	April 2001 June 2005 June 2006 June 2010 June 2012 June 2013 May 2016 June 2019 May 2020	600	None
[Reason for nomination as candidate and summary of expected roles] Mr. Tetsugo Matsuo has extensive experience and insight into overall management acquired as a representative director of a construction company, and we expect him to provide precise advice on the Company's management. Furthermore, there is no problem with his independence in relationship with the Company. We believe he is suitable for continuing to serve as an Outside Director of the Company, and nominate him as a candidate for Director.				

(Notes)

- Messrs. Isao Ichikawa, Tejiro Furukawa, Yuichiro Anzai and Tetsugo Matsuo are candidates for Outside Directors.
- Messrs. Isao Ichikawa, Tejiro Furukawa, Yuichiro Anzai and Tetsugo Matsuo, candidates for Outside Directors, satisfy the requirements of independent officers stipulated by Tokyo Stock Exchange, Inc., Nagoya Stock Exchange, Inc. and Fukuoka Stock Exchange, respectively, and the Company has notified these stock exchanges of them as independent officers.
- At the conclusion of this General Meeting of Shareholders, Messrs. Isao Ichikawa and Tejiro Furukawa will have served for seven years, and Messrs. Yuichiro Anzai and Tetsugo Matsuo will have served for two years as Outside Directors of the Company.
- The Company has entered into agreements with Messrs. Isao Ichikawa, Tejiro Furukawa, Yuichiro Anzai and Tetsugo Matsuo in accordance with Article 427, Paragraph 1 of the Companies Act, to limit the liability for damages set forth in Article 423, Paragraph 1 of the same act to the amount stipulated by laws and regulations. If this proposal is approved, the Company plans to continue the said agreements with them.
- The Company has concluded a directors and officers liability insurance contract with an insurance company, and all candidates for this election proposal will be insured under the contract. The insurance contract covers damages that may arise from the insured directors and officers assuming liability for the execution of their duties or receiving claims related to the pursuit of such liability.

(Reference)

The Company elects multiple Outside Directors within the limits of the number specified in the Companies Act and the Company's Articles of Incorporation, so that its Board of Directors is both diverse and effective, with a good balance of members who possess the knowledge, experience, and skills needed to effectively perform their roles and responsibilities. If Proposal 3 is approved as originally proposed, the composition of the Company's Directors and Corporate Auditors, and experience and expertise of each Director and Corporate Auditor are as follows:

	Name	Corporate management	Sales / Marketing	Global / Business	Production / R&D	IT / Digital transformation (DX)	HR management / development	Sustainability / ESG	Medical administration
Directors	Kazuhide Nakatomi	●	●	●	●				
	Kosuke Sugiyama	●		●	●		●		
	Kyu Saito	●	●	●					
	Nobuo Tsutsumi				●			●	
	Shinichi Murayama	●		●					
	Koji Takiyama	●				●		●	
	Isao Ichikawa	●		●			●		
	Tejiro Furukawa						●		●
	Yuichiro Anzai	●			●	●	●		
	Tetsugo Matsuo	●	●						
Corporate Auditors	Nobuyuki Nakatomi	●							
	Munehiko Hirano				●				
	Keinosuke Ono	●			●		●	●	
	Tetsuo Tokunaga	●					●	●	