September 20, 2023

To whom it may concern:

Company name:	Shinnihonseiyaku Co., Ltd.
Representative name:	Takahiro Goto, President & Representative Director of the Board and Chief Executive Officer (Securities Code: 4931, TSE Prime)
Contact:	Tetsuya Ono, Corporate Officer, General Manager, Finance & Accounting Department (TEL) +81-92-720-5800

Notice Regarding Transition to a Company with Audit and Supervisory Committee

Shinnihonseiyaku Co., Ltd. (the Company) announces that at the Board of Directors' meeting held on September 20, 2023, we decided to shift to a company with an Audit and Supervisory Committee, subject to the approval of the 35th Annual General Meeting of Shareholders to be held in late December 2023.

1. Purposes of transition

(1) Improving management transparency

The Company will include Audit and Supervisory Committee members, which take on responsibilities such as auditing the performance of directors' duties, as members of the Board of Directors in order to strengthen the supervisory function of the Board of Directors and further enhance corporate governance. With the Audit and Supervisory Committee, which consists mostly of outside directors, taking on the responsibility of auditing and supervising the legality and adequacy of business execution of directors, we aim to achieve more transparent management and build a structure that can meet the expectations of stakeholders inside and outside Japan.

(2) Expediting management decision-making and business execution

The Board of Directors will delegate some decisions in important business execution to directors. This will expedite the decision-making and business execution of management, further improving the corporate value.

2. Timing of transition

The Company plan to shift to a company with an Audit and Supervisory Committee after obtaining approval for the amendments to the Articles of Incorporation required for the transition at the 35th Annual General Meeting of Shareholders to be held in late December 2023.

3. Other

Please allow us to inform you about the details of the amendments to the Articles of Incorporation and executive appointments associated with the transition as soon as they are decided.