November 16, 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)
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Notice of Partial Amendments to the Articles of Incorporation

Shinnihonseiyaku Co., Ltd. (the Company) announces that at the Board of Directors meeting, held on November 16, 2023, the Company resolved to submit a proposal for the "Partial Amendments to the Articles of Incorporation" to the 35th Annual General Meeting of Shareholders, scheduled for December 19, 2023. Details are as below.

1. Reasons for the amendments

(1) As disclosed separately in "Notice Regarding Transition to a Company with Audit and Supervisory Committee" dated September 20, 2023, the Company has decided to shift from a company with an Audit & Supervisory Board to a company with an Audit and Supervisory Committee, for the purpose of "improving management transparency" and "expediting management decision-making and business execution," subject to the approval by the 35th Annual General Meeting of Shareholders to be held on December 19, 2023. Accordingly, the Company will make the amendments required for the transition to a company with an Audit and Supervisory Committee, such as establishing new provisions concerning Directors of the Board who are Audit and Supervisory Committee members and the Audit and Supervisory Committee, and deleting the provisions concerning Audit & Supervisory Board Members and the Audit & Supervisory Board. In addition, the Company will revise the provisions for Directors with Management Positions considering the management structure after the transition to a company with an Audit and Supervisory Committee.

[Purpose of transition to a company with Audit and Supervisory Committee]

(i) 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.

(ii) 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) The provisions concerning the dismissal of Directors of the Board shall be deleted.

(3) The Company will also make required amendments such as lexical corrections in accordance with the amendments above.

2. Details of the amendments to the Articles of Incorporation
Amendments are detailed in the Appendix.

3. Schedule
Date of the Annual General Meeting of Shareholders for the amendments to the Articles of Incorporation: December 19, 2023
Effective date of the amendments to the Articles of Incorporation:
December 19, 2023

[Appendix] Details of the amendments to the Articles of Incorporation

(Underlined portions are to be amended.)

Current Articles of Incorporation	Proposed amendments
Chapter 1 General Provisions	Chapter 1 General Provisions
Articles 1 to 4 (Text omitted)	Articles 1 to 4 (Unchanged)
(Establishment of organs)	(Establishment of organs)
Article 5 In addition to the Ordinary General Meeting of Shareholders and Directors of the Board, the following organs shall be established: (1) Board of Directors (2) Audit & Supervisory Board Members (3) Audit & Supervisory Board (4) Accounting Auditor	Article 5 In addition to the Ordinary General Meeting of Shareholders and Directors of the Board, the following organs shall be established: (1) Board of Directors (2) Audit and Supervisory Committee (Deleted) (3) Accounting Auditor
Chapter 2 General Provisions	Chapter 2 General Provisions
Articles 6 to 11 (Text omitted)	Articles 6 to 11 (Unchanged)
Chapter 3 Ordinary General Meeting of Shareholders	Chapter 3 Ordinary General Meeting of Shareholders
Articles 12 to 18 (Text omitted)	Articles 12 to 18 (Unchanged)
Chapter 4 Directors of the Board and the Board of Directors	Chapter 4 Directors of the Board and the Board of Directors
(Number of Directors of the Board)	(Number of Directors of the Board)
Article 19 The number of Directors of the Board of the Company shall not be more than seven.	Article 19 The number of Directors of the Board (excluding Directors who are Audit and Supervisory Committee members) of the Company shall not be more than seven.
(Newly established)	2 The number of Directors of the Board who are Audit and Supervisory Committee members of the Company shall not be more than five.
(Method of appointment and dismissal of Directors of the Board)	(Method of appointing Directors of the Board)
Article 20 The appointment and dismissal of Directors of the Board shall be made at an Ordinary General Meeting of Shareholders attended by shareholders who account for at least one third of the voting rights held by shareholders who can exercise their voting rights, by a majority of the votes of the shareholders present at the meeting.	Article 20 The appointment of Directors of the Board shall be made, separately from Directors who are Audit and Supervisory Committee members and other Directors of the Board, at an Ordinary General Meeting of Shareholders attended by shareholders who account for at least one third of the voting rights held by shareholders who can exercise their voting rights, by a majority of the votes of the shareholders present at the meeting.
2 (Text omitted)	2 (Unchanged)
(Term of office of Directors of the Board)	(Term of office of Directors of the Board)
Article 21 The term of office of Directors of the Board shall be until the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within one year from the time of appointment.	Article 21 The term of office of Directors of the Board (excluding Directors who are Audit and Supervisory Committee members) shall be until the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within one year from the time of appointment.
(Newly established)	2 The term of office of Directors of the Board who are Audit and Supervisory Committee members shall be until the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within two years from the time of appointment.

Current Articles of Incorporation	Proposed amendments
(Newly established)	3 The term of office of a Director of the Board who is an Audit and Supervisory Committee member appointed as a substitute for a Director who was an Audit and Supervisory Committee member who retired before the expiration of their term of office shall be until the expiration of the term of office of the Director who was an Audit and Supervisory Committee member who retired.
(Representative Directors of the Board and Executive Directors of the Board) Article 22 The Company shall appoint one President and Director of the Board from among the Directors of the Board by resolution of the Board of Directors meeting. 2 The Company may appoint the Chairperson of the Board, Vice Chairperson of the Board, Vice Presidents and Directors of the Board, Senior Executive Directors of the Board and Executive Directors of the Board from among the Directors of the Board by resolution of the Board of Directors meeting. 3 The President and Director of the Board shall represent the Company. 4 The Company may appoint several Directors of the Board who represent the Company, in addition to the President and Director of the Board, by resolution of the Board of Directors meeting.	(Representative Directors of the Board and Executive Directors of the Board) Article 22 The Company shall appoint a Representative Director of the Board by resolution of the Board of Directors meeting. 2 The Company may appoint the Chairperson of the Board, President and Director of the Board, Senior Executive Directors of the Board and Executive Directors of the Board by resolution of the Board of Directors meeting. (Deleted) (Deleted)
(Convocation of the Board of Directors meeting) Article 23 (Text omitted) 2 The notice of convocation of a Board of Directors meeting shall be issued to each Director of the Board and each Audit & Supervisory Board Member no later than three days prior to the date of the meeting. However, in case of emergency, this period may be shortened. 3 A Board of Directors meeting may be held without the procedures for convocation if the consent of all Directors of the Board and Audit & Supervisory Board Members has been obtained.	(Convocation of the Board of Directors meeting) Article 23 (Unchanged) 2 The notice of convocation of a Board of Directors meeting shall be issued to each Director of the Board no later than three days prior to the date of the meeting. However, in case of emergency, this period may be shortened. 3 A Board of Directors meeting may be held without the procedures for convocation if the consent of all Directors of the Board has been obtained.
Article 24 (Text omitted)	Article 24 (Unchanged)
(Newly established)	(Decision on delegation of important business execution) Article 25 Pursuant to the provisions of Article 399-13, Paragraph (6) of the Companies Act, the Company may delegate all or part of decisions on important business execution (excluding the matters listed in the items of Paragraph (5) of the same Article) to Directors of the Board by resolution of the Board of Directors meeting.

Current Articles of Incorporation	Proposed amendments
(Omission of resolution of the Board of Directors meeting)	(Omission of resolution of the Board of Directors meeting)
Article 25 In the case where a Director of the Board makes a proposal on a matter that is the purpose of a resolution of the Board of Directors meeting, if all of the Directors of the Board (limited to those who may participate in the resolution on the said matter) have expressed their intention to consent to the proposal in writing or by electromagnetic records, the Company shall deem that the Board of Directors meeting has resolved to approve the said proposal. Provided, however, that this shall not apply when an Audit & Supervisory Board Member has raised an objection.	Article 26 In the case where a Director of the Board makes a proposal on a matter that is the purpose of a resolution of the Board of Directors meeting, if all of the Directors of the Board (limited to those who may participate in the resolution on the said matter) have expressed their intention to consent to the proposal in writing or by electromagnetic records, the Company shall deem that the Board of Directors meeting has resolved to approve the said proposal.
(Minutes of the Board of Directors meeting)	(Minutes of the Board of Directors meeting)
Article 26 For the deliberation at the Board of Directors meetings, minutes shall be prepared pursuant to the provisions of laws and regulations, and the Directors of the Board and Audit & Supervisory Board Members present at the meeting shall sign, affix their names and seals on, or electronically sign the minutes.	Article 27 For the deliberation at the Board of Directors meetings, minutes shall be prepared pursuant to the provisions of laws and regulations, and the Directors of the Board present at the meeting shall sign, affix their names and seals on, or electronically sign the minutes.
Article 27 (Text omitted)	Article 28 (Unchanged)
(Remuneration, etc. for Directors of the Board)	(Remuneration, etc. for Directors of the Board)
Article 28 The remuneration, bonuses and other financial benefits received from the Company as consideration for the execution of duties of Directors of the Board ("Remuneration, etc.") shall be determined by resolution of the Ordinary General Meeting of Shareholders.	Article 29 The remuneration, bonuses and other financial benefits received from the Company as consideration for the execution of duties of Directors of the Board shall be determined, separately from Directors who are Audit and Supervisory Committee members and other Directors of the Board, by resolution of the Ordinary General Meeting of Shareholders.
Article 29 (Text omitted)	Article 30 (Unchanged)
Chapter 5 Audit & Supervisory Board Members and Audit & Supervisory Board	(Deleted)
(Number of Audit & Supervisory Board Members)	
Article 30 The number of Audit & Supervisory Board Members of the Company shall not be more than five.	(Deleted)
(Method of appointment and dismissal of Audit & Supervisory Board Members)	
Article 31 The appointment of Audit & Supervisory Board Members shall be made at an Ordinary General Meeting of Shareholders attended by shareholders who account for at least one third of the voting rights held by shareholders who can exercise their voting rights, by a majority of the votes of the shareholders present at the meeting.	(Deleted)
2 The dismissal of Audit & Supervisory Board Members shall be made at an Ordinary General Meeting of Shareholders attended by shareholders who account for at least one third of the voting rights held by shareholders who can exercise their voting rights, by a	

Current Articles of Incorporation	Proposed amendments
majority of two thirds or more of the votes of the shareholders present at the meeting.	
(Term of office of Audit & Supervisory Board Members)	
Article 32 The term of office of Audit & Supervisory Board Members shall be until the conclusion of the Annual General Meeting of Shareholders for the last fiscal year ending within four years from the time of appointment.	(Deleted)
2 The term of office of an Audit & Supervisory Board Member appointed as a substitute shall be until the expiration of the term of office of the predecessor Audit & Supervisory Board Member.	
(Audit & Supervisory Board Members (full-time))	
Article 33 The Audit & Supervisory Board shall select, by its resolution, Audit & Supervisory Board Members (full-time) from among the Audit & Supervisory Board Members.	(Deleted)
(Convocation of the Audit & Supervisory Board meeting)	
Article 34 Audit & Supervisory Board meetings shall be convened by each Audit & Supervisory Board Member.	(Deleted)
2 The notice of convocation of an Audit & Supervisory Board meeting shall be issued to each Audit & Supervisory Board Member no later than one week prior to the date of the meeting. However, in case of emergency, this period may be shortened.	
3 An Audit & Supervisory Board meeting may be held without the procedures for convocation if the consent of all Audit & Supervisory Board Members has been obtained.	
(Method of resolution)	
Article 35 Unless otherwise provided for by laws and regulations, a resolution of the Audit & Supervisory Board meeting shall be adopted by a majority of the votes of Audit & Supervisory Board Members.	(Deleted)
(Minutes of the Audit & Supervisory Board meeting)	
Article 36 For the deliberation at the Audit & Supervisory Board meetings, minutes shall be prepared pursuant to the provisions of laws and regulations, and the Audit & Supervisory Board Members present at the meeting shall sign, affix their names and seals on, or electronically sign the minutes.	(Deleted)
(Rules of the Audit & Supervisory Board)	
Article 37 Matters concerning the Audit & Supervisory Board shall be governed by the Rules of the Audit & Supervisory Board established by the Audit & Supervisory Board in addition to those provided for by laws and regulations and these Articles of Incorporation.	(Deleted)

Current Articles of Incorporation	Proposed amendments
(Remuneration, etc. for Audit & Supervisory Board Members) Article 38 The remuneration, etc., for Audit & Supervisory Board Members shall be determined by resolution of the Ordinary General Meeting of Shareholders.	(Deleted)
(Exemption from liability of Audit & Supervisory Board Members) Article 39 Pursuant to the provisions of Article 426, Paragraph (1) of the Companies Act, the Company may exempt, by resolution of the Board of Directors meeting, Audit & Supervisory Board Members (including those who have been an Audit & Supervisory Board Member) from liability for damages due to their failure to perform their duties within the limits prescribed by laws and regulations. 2 Pursuant to the provisions of Article 427, Paragraph (1) of the Companies Act, the Company may enter into an agreement with Audit & Supervisory Board Members to limit their liability for damages for failure to perform their duties. Provided, however, that the maximum amount of liability under the said agreement shall be the amount prescribed by laws and regulations.	(Deleted)
(Newly established)	Chapter 5 Audit and Supervisory Committee (Audit & Supervisory Board Members (full-time))
(Newly established)	Article 31 The Audit and Supervisory Committee shall select, by its resolution, Audit and Supervisory Committee members (full-time) from among the Audit and Supervisory Committee members.
(Newly established)	(Convocation of the Audit and Supervisory Committee meeting) Article 32 The Audit and Supervisory Committee meeting shall be convened by each Audit and Supervisory Committee member. 2 The notice of convocation of an Audit and Supervisory Committee meeting shall be issued to each Audit and Supervisory Committee member no later than three days prior to the date of the meeting. However, in case of emergency, this period may be shortened. 3 An Audit and Supervisory Committee meeting may be held without the procedures for convocation if the consent of all Audit and Supervisory Committee members has been obtained.
(Newly established)	(Method of resolution) Article 33 A resolution of the Audit and Supervisory Committee meeting shall be adopted with the attendance of a majority of Audit and Supervisory Committee members who can participate in the resolution by a majority of the votes of the Audit and Supervisory Committee members present at the meeting.

Current Articles of Incorporation	Proposed amendments
	(Minutes of the Audit and Supervisory Committee meeting)
(Newly established)	Article 34 For the deliberation at the Audit and Supervisory Committee meetings, minutes shall be prepared pursuant to the provisions of laws and regulations, and the Audit and Supervisory Committee members present at the meeting shall sign, affix their names and seals on, or electronically sign the minutes.
	(Rules of the Audit and Supervisory Committee)
(Newly established)	Article 35 Matters concerning the Audit and Supervisory Committee shall be governed by the Rules of the Audit and Supervisory Committee established by the Audit and Supervisory Committee in addition to those provided for by laws and regulations and these Articles of Incorporation.
Chapter 6 Accounting Auditor	Chapter 6 Accounting Auditor
Articles 40 to 42 (Text omitted)	Articles 36 to 38 (Unchanged)
Chapter 7 Calculation	Chapter 7 Calculation
Articles 43 to 46 (Text omitted)	Articles 39 to 42 (Unchanged)
Chapter 8 Supplementary Provisions	Chapter 8 Supplementary Provisions
Article 47 (Text omitted)	Article 43 (Unchanged)
	(Transitional measures concerning exemption from liability of Audit & Supervisory Board Members)
(Newly established)	Article 44 The Company may exempt, by resolution of the Board of Directors meeting, Audit & Supervisory Board Members (including those who have been an Audit & Supervisory Board Member) from liability for damages due to their acts committed prior to the conclusion of the 35th Annual General Meeting of Shareholders as prescribed by the provisions of Article 423, Paragraph (1) of the Companies Act within the limits prescribed by laws and regulations.
	2 The provisions of this Article shall be deleted as of December 19, 2033.