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(Stock Exchange Code 4229)  
June 7, 2021

**To Shareholders with Voting Rights:**

Kiichiro Arita  
President & CEO & Representative  
Director  
Gun Ei Chemical Industry Co., Ltd.  
700 Shukuorui-machi, Takasaki-shi, Gunma,  
Japan

**NOTICE OF  
THE 104th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We would like to inform you of the 104th Annual General Meeting of Shareholders of Gun Ei Chemical Industry Co., Ltd. (the “Company”) to be held as below.

**Additionally, as COVID-19 has been spreading, we request that shareholders refrain from attendance and instead consider either of the following methods for the exercise of voting rights. If exercising voting rights via these methods, please review the attached Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 5:05 p.m. on Thursday, June 24, 2021, Japan time.**

**[Exercise of voting right in writing (by mail)]**

Please indicate your approval or disapproval of the agenda in the enclosed Voting Rights Exercise Form and return it so that it will be delivered to us by the above deadline.

**[Exercise of voting right by electronic means (the Internet)]**

Please check “Guidance for exercising voting rights by the Internet” (pages 4 through 5 of the Japanese version), and enter approval or disapproval of the agenda by the above deadline.

**1. Date and Time:** Friday, June 25, 2021 at 10:00 a.m. Japan time

**2. Place:** Large Conference Room at the Company located at  
700 Shukuorui-machi, Takasaki-shi, Gunma, Japan

**3. Meeting Agenda:**

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 104th Fiscal Year (April 1, 2020 - March 31, 2021) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
  2. Non-consolidated Financial Statements for the Company’s 104th Fiscal Year (April 1, 2020 - March 31, 2021)

**Proposals to be resolved:**

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Election of Five Directors  
**Proposal 3:** Election of One Substitute Audit & Supervisory Board Member

- ◎ When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. Additionally, please bring this Notice with you in order to conserve resources.
- ◎ Of the documents to be provided with this Notice, the Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements are posted on the Company's website (<https://www.gunei-chemical.co.jp>) in accordance with the provisions of laws and regulations as well as the Articles of Incorporation, and therefore are not provided in the Appendix. Accordingly, the Appendix of this Notice forms part of the documents audited by Audit & Supervisory Board Members and the Accounting Auditor.
- ◎ Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.gunei-chemical.co.jp>).

# Reference Documents for the General Meeting of Shareholders

## Proposals and References

### Proposal 1: Appropriation of Surplus

The Company views distribution of profits to all shareholders as a management priority. In line with our basic policy of pursuing business growth and sharing among all shareholders the fruits of our business performance, while strengthening our financial position, our Company is committed to improving dividend per share and maintaining dividend stability.

The Company proposes that the year-end dividend for the 104th fiscal year be as follows based on the above policy.

#### Items Related to the Year-end Dividend

(1) Type of dividend property

Cash

(2) Items related to the allocation of dividend property to shareholders and its total amount

40 yen per common share                      total of 265,145,840 yen

(Reference) Since the Company has already paid 40 yen per share as an interim dividend, the annual dividend for the fiscal year under review will be 80 yen per share.

(3) Date the distribution of surplus comes into effect:



June 28, 2021



Of note, the source of funding dividend payments is scheduled to be retained earnings.


**Proposal 2:** Election of Five Directors

The terms of office of Directors Yoshikazu Arita, Kiichiro Arita, Yoshiya Yuasa, Shigeru Iwabuchi, and Masaaki Tamura will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the election of five 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
1	 Yoshikazu Arita (February 23, 1943)  [Reappointment]	April 1967    Joined the Company December 1974    Director and General Manager of Construction Department, Shiga Plant November 1977    Managing Director July 1981    Vice President and Representative Director July 1988    President and Representative Director July 2012    President and Representative Director and Head of Research and Development Division June 2013    President and Representative Director and Head of Research and Development Division and Administration Division July 2015    President and Representative Director and Head of GCI Plaza June 2016    Chairman and Representative Director (current position)	108,735
[Reason for nomination as a candidate for Director and expected roles] Mr. Yoshikazu Arita has been nominated in the expectation that he will continue his overall supervision of business operations, based on his rich experience as a manager, the depth of his knowledge of the chemical industry, and the expertise that he has gained from various activities within the sector, as well as his decision-making and leadership track record.			
2	 Kiichiro Arita (March 11, 1971)  [Reappointment]	April 1998    Joined the Company June 2004    Director and Division Manager of Administration Division May 2006    Director and Deputy Head of Sales Department June 2008    Managing Director and Deputy Head of Sales Department July 2008    Managing Director and Head of West Japan Region April 2011    Managing Director and Head of Administration Division June 2011    Director and Vice President; Supervising Business Development Division, Production Division, and Administration Division; and Head of Administration Division July 2012    Director and Vice President, Assistant to President, and Head of Management Planning Office and Audit Office October 2013    Vice President and Representative Director, Assistant to President, and Head of Management Planning Office and Audit Office June 2016    President and Representative Director and Head of Administration Division, Management Planning Office, Audit Office and Quality Assurance Team April 2018    President and Representative Director and Head of Administration Division, Audit Office and Quality Assurance Team June 2018    President & CEO & Representative Director Head of Overall Management, Audit Office and Quality Assurance Team (current position)	72,391
[Reason for nomination as a candidate for Director and expected roles] Mr. Kiichiro Arita has been nominated in the expectation that he will continue to contribute to the sustainable growth of the Group, based on his rich experience as leader of a wide range of departments combined with his management insight, as well as his ability to address issues with swift and resolute decision-making.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	 Katsuhiro Maruyama (October 4, 1969)  [New appointment]	April 1992    Joined the Company April 2009    Chief of Electronic Materials Unit February 2015    Manager of Overseas Business Development Office Director and President of Thai GCI Resitop Company Limited July 2017        General Manager of Overseas Business Development Office Director and President of Thai GCI Resitop Company Limited June 2018        Executive Officer and General Manager of Production Division Director and President of Thai GCI Resitop Company Limited June 2021        Executive Officer and General Manager of Administration Division (current position)	435
[Reason for nomination as a candidate for Director and expected roles] Mr. Katsuhiro Maruyama has held key posts within the Group, and has a thorough understanding of the business of the Company in Japan and overseas, based on his experience such as managing the Technical Development Department and as Director and President of the Company's subsidiary (Thai GCI Resitop Company Limited). It is expected that he will contribute to management of the Company, bringing to bear his indispensable and ample insight in major decision-making at the Board of Directors and in the supervision of the performance of duties by other directors.			
4	 Yasuji Omura (February 14, 1954)  [New appointment] [Outside] [Independent]	April 1979    Joined Mitsui Petrochemical Industries, Ltd. (current Mitsui Chemicals, Inc.) June 2005        Executive Officer, Business Sector General Manager of Basic Chemicals Planning & Coordination Division, and Business Sector General Manager of Raw Materials Purchasing Division, Mitsui Chemicals, Inc. June 2009        Managing Director, General Manager of Corporate Planning Division, and Representative in China June 2011        Senior Managing Director, responsible for corporate planning/new business promotion/responsible care, and General Manager of Internal Control Division April 2013        Representative Director, Member of the Board, Executive Vice President Executive of Production & Technology Center and responsible for SCM/purchasing/internal control June 2016        Executive Vice President and Business Sector President of Basic Materials Business Sector April 2018        Special Assistant to the President and responsible for Basic Materials Business Sector and Vietnam Project April 2019        Special Counselor June 2020        Outside Director, OILES CORPORATION (current position)	1,000
[Reason for nomination as a candidate for Outside Director and expected roles] It is our judgment that, given his ample experience and wide-ranging insight as a manager in the chemical manufacturing industry, Mr. Yasuji Omura will appropriately carry out his duties as an Outside Director of the Company. Leveraging such experience and insight, we further expect him to exercise oversight over management of the Company from an objective and neutral standpoint, and to advise the Company on the full spectrum of management issues.			

No.	Name (Date of birth)	Past experience, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	 Yoichi Hirasawa (February 4, 1955)  [New appointment] [Outside] [Independent]	April 1978      Joined The Gunma Bank, Ltd. June 2011      Executive Officer and General Manager of Compliance Department June 2012      Executive Officer and General Manager of Tokyo Branch July 2013      Executive Officer and General Manager of Inspection & Audit Department June 2014      Director and General Manager of Credit Department June 2016      Managing Director June 2019      Advisor June 2019      President and Representative Director, Gunma Shinyo Hosyo Co., Ltd. (current position)	0
[Reason for nomination as a candidate for Outside Director and expected roles] It is our judgment that, given his extensive experience in the financial sector and his wide-ranging insight as a manager, Mr. Yoichi Hirasawa will appropriately carry out his duties as an Outside Director of the Company. Leveraging such experience and insight, we further expect him to exercise oversight over management of the Company from an objective and neutral standpoint, and to advise the Company on the full spectrum of management issues.			

(Notes)


1. The number of shares of the Company held includes the portion held by the Officers' Shareholding Association. (Fractional shares are rounded down.)
2. Company shares of Mr. Katsuhiro Maruyama, a candidate for Director, are held through the Gun Ei Chemical Industry's Employee Shareholding Association. Should Mr. Maruyama be appointed Director of the Company by approval of this resolution, based on the provisions of the Gun Ei Chemical Industry's Employee Shareholding Association, such shareholding shall be dealt with upon its withdrawal from the Association and other procedures in line with its rules.
3. There are no special interests between each of the candidates and the Company.
4. Mr. Yasuji Omura and Mr. Yoichi Hirasawa are candidates for Outside Directors.  
If this proposal is approved and resolved, the Company intends to register both candidates as Independent Directors as stipulated by the rules of the Tokyo Stock Exchange, Inc.
5. For the last 10 years, Mr. Yasuji Omura has served as a business executor of Mitsui Chemicals, Inc. (specified related business operator of the Company), but he has already retired from Mitsui Chemicals, Inc., so we judge that he is no longer in a position to be influenced by Mitsui Chemical's plans, and that these will have no impact on his independence.
6. Mr. Yoichi Hirasawa is schedule to retire as President and Representative Director of Gunma Shinyo Hosyo Co., Ltd. in June 2021.
7. If this proposal is approved and resolved, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company plans to enter into agreements with Mr. Yasuji Omura and Mr. Yoichi Hirasawa to limit their liability for damages stipulated in Article 423, Paragraph 1 of the same Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that they act in good faith and are not grossly negligent in performing their duties.
8. The Company has entered into a directors and officers liability insurance contract with an insurance company, and plans to continue and renew the contract. If this proposal is approved and resolved, each of the candidates will be insured under the contract. The outline of the contract is described in "3. Outline of the Directors and Officers Liability Insurance (D&O Insurance) Contract," "III. Matters Relating to Corporate Officers" of Business Report (page 20 of the Japanese version).

**Proposal 3:** Election of One Substitute Audit & Supervisory Board Member

In order to prepare for cases where a vacancy results in a shortfall in the number of Audit & Supervisory Board Members prescribed by laws and regulations, the election of one Substitute Audit & Supervisory Board Member is proposed.

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

The candidate for Substitute Audit & Supervisory Board Member, who is elected as a substitute for all of the Audit & Supervisory Board Members, is as follows:

Name (Date of birth)	Past experience, positions, and significant concurrent positions		Number of shares of the Company held
 <p>Takakazu Kotani (April 13, 1962)</p> <p>[Reappointment] [Outside] [Independent]</p>	<p>August 1989</p> <p>February 2006</p> <p>September 2010</p> <p>September 2010</p> <p>February 2017</p> <p>June 2017</p> <p>April 2018</p> <p>June 2018</p>	<p>Joined Tatsuma Kotani Certified Public Accountant and Tax Accountant Office</p> <p>Registered as tax accountant</p> <p>Established Takakazu Kotani Tax Accountant Office</p> <p>Director, Takakazu Kotani Tax Accountant Office (current position)</p> <p>Audit &amp; Supervisory Board Member, the Company</p> <p>Substitute Audit &amp; Supervisory Board Member</p> <p>Audit &amp; Supervisory Board Member</p> <p>Substitute Audit &amp; Supervisory Board Member (current position)</p>	<p>100</p>
<p>[Reason for nomination as a candidate for Substitute Outside Audit &amp; Supervisory Board Member and expected roles]</p> <p>It is our judgment that given Mr. Takakazu Kotani's rich experience as a tax accountant and his specialist knowledge, he will be able to appropriately perform his duties as an Outside Audit &amp; Supervisory Board Member of the Company.</p> <p>In the event that he is appointed as an Audit &amp; Supervisory Board Member, we expect that he will contribute to oversight of management from an objective and neutral standpoint.</p>			

(Notes)

1. There are no special interests between Mr. Takakazu Kotani and the Company.
2. Mr. Takakazu Kotani is a candidate for Substitute Outside Audit & Supervisory Board Member.  
If this proposal is approved and resolved and then Mr. Takakazu Kotani assumes the office of Audit & Supervisory Board Member, the Company intends to register him as an Independent Auditor as stipulated by the rules of the Tokyo Stock Exchange, Inc.
3. If this proposal is approved and resolved and then Mr. Takakazu Kotani assumes the office of Audit & Supervisory Board Member, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company plans to enter into an agreement with him to limit his liability for damages stipulated in Article 423, Paragraph 1 of the same Act to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act, on the condition that he acts in good faith and is not grossly negligent in performing his duties.
4. The Company has entered into a directors and officers liability insurance contract with an insurance company, and plans to continue and renew the contract. If this proposal is approved and resolved and then Mr. Takakazu Kotani assumes the office of Audit & Supervisory Board Member, he will be insured under the contract. The outline of the contract is described in "3. Outline of the Directors and Officers Liability Insurance (D&O Insurance) Contract," "III. Matters Relating to Corporate Officers" of Business Report (page 20 of the Japanese version).