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(Stock Exchange Code 4229)
June 6, 2022

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 105th 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 105th Annual General Meeting of Shareholders of Gun Ei Chemical Industry Co., Ltd. (the “Company”) to be held as below.

Additionally, we request that shareholders refrain from attendance and instead consider either of the following methods for the exercise of voting rights from the perspective of preventing the spread of the novel coronavirus disease (COVID-19) and securing your safety. 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 5:15 p.m. on Thursday, June 23, 2022, 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 24, 2022 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 105th Fiscal Year (April 1, 2021 - March 31, 2022) 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 105th Fiscal Year (April 1, 2021 - March 31, 2022)

Proposals to be resolved:

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Five Directors
Proposal 4: 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 105th 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 265,123,400 yen

(Reference) Since the Company has already paid 50 yen per share as an interim dividend (Includes 75th anniversary dividend of 10 yen), the annual dividend for the fiscal year under review will be 90 yen per share.

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

June 27, 2022

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

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reasons for the amendments

Since the revised provisions provided for in a proviso to Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are to be enforced on September 1, 2022, the Company proposes to make the following changes to its Articles of Incorporation in preparation for the introduction of the system for providing informational materials for the general meeting of shareholders in electronic format.

- (1) Article 16, paragraph (1) in “Proposed amendments” below will stipulate that the Company shall take measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. in electronic format.
- (2) Article 16, paragraph (2) in “Proposed amendments” below will establish the provision to limit the scope of the items to be stated in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents.
- (3) Since the provisions for Disclosure of Reference Documents for a General Meeting of Shareholders through the Internet (Article 16 of the current Articles of Incorporation) will no longer be required, they will be deleted.
- (4) Accompanying the aforementioned new establishment and deletion, a supplementary provision regarding the effective date, etc. will be established.

2. Details of the amendments

The amendments are as follows:

(Amended parts are underlined.)


Current Articles of Incorporation	Proposed amendments
<p><u>(Disclosure of Reference Documents for a General Meeting of Shareholders through the Internet)</u> <u>Article 16.</u> <u>When the Company shall disclose information on matters to be stated or indicated in reference documents for a general meeting of shareholders, business reports, financial statements, and consolidated financial statements through the internet in accordance with the provisions of the applicable Ministry of Justice Order, it is considered that it had been provided to the shareholders.</u> (Newly established)</p>	<p>(Deleted)</p> <p><u>(Measures for Providing Information in Electronic Format, Etc.)</u> <u>Article 16.</u> (1) <u>When the Company convenes a general meeting of shareholders, it shall take measures for provision in electronic format of the information contained in the reference documents, etc. for the general meeting of shareholders.</u> (2) <u>Among items for which the measures for providing information in electronic format will be taken, the Company may exclude all or some of those items designated by the Ministry of Justice Order from statements in the paper-based documents to be delivered to shareholders who requested the delivery of paper-based documents by the record date of voting rights.</u></p>


Current Articles of Incorporation	Proposed amendments
(Newly established)	<p data-bbox="836 241 1145 275"><u>Supplementary Provisions</u></p> <p data-bbox="852 275 1422 562">(1) <u>The deletion of Article 16 of Articles of Incorporation before amendment (Disclosure of Reference Documents for a General Meeting of Shareholders through the Internet) and the establishment of Article 16 of Articles of Incorporation after amendment (Measures for Providing Information in Electronic Format, Etc.) shall be effective as of September 1,2022.</u></p> <p data-bbox="852 562 1422 815">(2) <u>Notwithstanding the provision of the preceding paragraph, Article 16 of Articles of Incorporation before amendment (Disclosure of Reference Documents for a General Meeting of Shareholders through the Internet) shall remain effective regarding any general meeting of shareholders held by the end of February 2023.</u></p> <p data-bbox="852 815 1422 963">(3) <u>These Supplementary Provisions shall be deleted on March 1,2023 or the date when three months have elapsed from the date of the general meeting of shareholders in the preceding paragraph, whichever is later.</u></p>


Proposal 3: Election of Five Directors

The terms of office of Directors Yoshikazu Arita, Kiichiro Arita, Katsuhiko Maruyama, Yasuji Omura, and Yoichi Hirasawa 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)	110,329
[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)	74,067
[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) [Reappointment]	April 1992 Joined the Company April 2009 Chief of Electronic Materials Unit February 2015 Manager of Overseas 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 June 2021 Director Executive Officer and Division Manager of Administration Division July 2021 Director Executive Officer and Division Manager of Corporate Division (current position)	546
[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 continue to 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) [Reappointment] [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) June 2021 Director (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 continue 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) [Reappointment] [Outside] [Independent]	April 1978	Joined The Gunma Bank, Ltd.	146
		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.			
	June 2021	Director (current position)		
[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 continue 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)

- The number of shares of the Company held includes the portion held by the Officers' Shareholding Association. (Fractional shares are rounded down.)
- There are no special interests between each of the candidates and the Company.
- 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.
- The terms of office as Outside Director for Mr. Yasuji Omura and Mr. Yoichi Hirasawa will be one year at the conclusion of this General Meeting of Shareholders.
- 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.
- 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.
- The Company has entered into an agreement for directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company to provide coverage for damages that the insured persons may be incurred due to liability borne from the execution of their duties or claims related to the pursuit of such liability, and the premiums for the insured persons are borne by the Company, but the premiums for the shareholder lawsuit compensation special contract (7.8% of total insurance premiums) are borne by insured persons according to the remuneration etc. However, to ensure that the appropriateness of the execution of duties by the insured persons is not impaired, the insurance policy exempts coverage in cases of losses arising from claims for damages due to performance of an illegal act with full knowledge of its illegality. All candidates for Directors will be included as insured persons under this insurance policy. The Company also plans to renew the insurance policy, the premium will be fully borne by the Company from the renewal in July 2022.

(Reference) Knowledge, Experience, etc. possessed by the candidates for Directors (Skill Matrix)


		Management experience	Industry knowledge	Global	Manufacturing/ R&D	Finance/ Accounting	Risk/ Compliance
Yoshikazu Arita		●	●	●	●	●	●
Kiichiro Arita		●	●	●		●	●
Katsuhiro Maruyama		●	●	●	●		●
Yasuji Omura	Outside	●		●	●		●
Yoichi Hirasawa	Outside	●				●	●

Proposal 4: 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 Tatzuma 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 & Supervisory Board Member, the Company</p> <p>Substitute Audit & Supervisory Board Member</p> <p>Audit & Supervisory Board Member</p> <p>Substitute Audit & Supervisory Board Member (current position)</p>	<p>100</p>
<p>[Reason for nomination as a candidate for Substitute Outside Audit & 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 & Supervisory Board Member of the Company.</p> <p>In the event that he is appointed as an Audit & 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 an agreement for directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company to provide coverage for damages that the insured persons may be incurred due to liability borne from the execution of their duties or claims related to the pursuit of such liability, and the premiums for the insured persons are borne by the Company, but the premiums for the shareholder lawsuit compensation special contract (7.8% of total insurance premiums) are borne by insured persons according to the remuneration etc. However, to ensure that the appropriateness of the execution of duties by the insured persons is not impaired, the insurance policy exempts coverage in cases of losses arising from claims for damages due to performance of an illegal act with full knowledge of its illegality. The candidate for Substitute Audit & Supervisory Board Member is to be included as insured parties under the insurance agreement in the event he is appointed as Audit & Supervisory Board Member.