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Securities Code: 7820

June 3, 2022

To our shareholders:

Eiji Takahashi, Director and President
NIHON FLUSH CO., LTD.
5-26, Yokosu-cho, Komatsushima City, Tokushima
Prefecture

Notice of the 58th Ordinary General Meeting of Shareholders

We would like to express our heartfelt sympathy to all those who have suffered from the COVID-19 virus and to all those who have been affected by the spread of the disease, and we offer our best wishes for a speedy recovery.

We hereby give notice that the 58th Annual General Meeting of Shareholders of the Company will be held as follows:

In light of the recent situation concerning COVID-19, we would like to ask you to exercise your voting rights for this General Meeting of Shareholders in writing or via the Internet as much as possible. **In such case, please exercise your voting rights according to either of the following methods after reviewing the Reference Documents for the General Meeting of Shareholders below.**

(Exercise of voting rights in writing)

Please indicate your approval or disapproval of each proposal on the enclosed voting form and send it by postal mail to arrive at the Company no later than 5:30 p.m., Wednesday, June 22, 2022 (JST).

(Exercise of voting rights via the Internet, etc.)

Please access the website (<https://evote.tr.mufg.jp/>) designated by the Company and, following the onscreen guidance, entering your approval or disapproval for each proposal no later than 5:30 p.m. on Wednesday, June 22, 2022 (JST).

Furthermore, when exercising voting rights via the Internet, please review “Exercise of Voting Rights via the Internet, etc.” on page 5 (in Japanese only).

With regard to responses on the day of the General Meeting, please refer to “Measures for the Prevention of COVID-19 Infections” on page 3.

- 1. Date and Time:** Thursday, June 23, 2022 10:00 a.m. (JST)
- 2. Venue:** Clement Hall 4F, JR Hotel Clement Tokushima
1 Chome-61 Terashimahonchonishi, Tokushima

3. Purpose of the Meeting

Matters to be reported:

- Business Report and Consolidated Financial Statements, as well as the report on the results of audit of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the 58th Term (from April 1, 2021 to March 31, 2022).
- Non-consolidated Financial Statements for the 58th Term (April 1, 2021 to March 31, 2022)

Matters to be resolved:

- | | |
|-----------------------|--|
| Proposal No. 1 | Partial Amendment to the Articles of Incorporation |
| Proposal No. 2 | Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members) |
| Proposal No. 3 | Election of Four Directors Who Are Audit and Supervisory Committee Members |

For those attending the meeting on the day, please submit the enclosed voting form at the reception desk.

The following items are posted on the Company’s website on the Internet (address: <https://www.nfnf.co.jp/>) in accordance with laws and regulations and Article 15 of the Company’s Articles of Incorporation, and are not included in this Notice. Accordingly, the Consolidated Financial Statements and financial statements included in the document provided with this Notice are a part of the

consolidated financial statements and financial statements audited by the Accounting Auditor in preparing the Accounting Auditor's Report. They also form a part of the Consolidated Financial Statements and financial statements audited by the Audit and Supervisory Committee Members in the preparation of the Audit Report.

The following items in the financial statements:

(1) Consolidated Statement of Changes in Equity (2) Notes to Consolidated Financial Statements (3) Statement of Changes in Equity (4) Notes to Non-Consolidated Financial Statements

If there are any amendments to Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and/or Non-consolidated Financial Statements, such amendments will be announced on the Company's website (address: <https://www.nfnf.co.jp/>)

(Measures for the prevention of COVID-19 infections)

[Requests to Shareholders]

- Please be mindful of the prevalence of COVID-19 and please give careful consideration to the possibility of not attending the General Meeting of Shareholders this year, regardless of the condition of your health on the day of the meeting.
- For this General Meeting of Shareholders, we have decided to suspend the offering of souvenirs to shareholders who attend the meeting.
- We request that special attention be paid to persons who are elderly, have underlying medical conditions, are pregnant, or are not in good physical condition, as they are considered to be more susceptible to infection.
- There is also an option to exercise your voting rights for the General Meeting of Shareholders in writing or via the Internet in advance, so by all means, please consider using that option. Please be advised that the exercise deadline is 5:30 p.m. on Wednesday, June 22, 2022 (JST).

[Requests to Shareholders Who Will Attend the Meeting]

- For those shareholders who will be attending the meeting, we would like to ask for your cooperation in taking measures to prevent infection, such as the wearing of masks and the use of alcohol disinfectant.
- We ask for your understanding in advance that shareholders who appear to be in poor health may be contacted by the management staff and asked to refrain from entering the venue.
- We are planning to arrange the seating at the General Meeting of Shareholders in a more spaced out arrangement than in previous years.

[About the Company's Response]

- The Company's Meeting operation staff will be wearing masks.
- Alcohol disinfectant will be available throughout the venue to prevent infection, so please feel free to use it.
- The proceedings of the General Meeting of Shareholders will be conducted in such a way as to make the proceedings smoother and more efficient than in previous years, and the time will be reduced.

Although the Company will take all possible measures to prevent infection at the venue, we respectfully ask our shareholders to make a careful decision from the standpoint of both health and safety.

Moreover, if any major changes occur in the operation or venue of the General Meeting of Shareholders as a result of future circumstances, we will post an announcement on the Company's website on the Internet (<https://www.nfnf.co.jp/>), so please kindly check the website as appropriate.

We sincerely apologize for any inconvenience this may cause to our shareholders, and respectfully ask for your understanding and cooperation.

Reference Documents for the General Meeting of Shareholders

Proposals and Reference Information

Proposal No. 1 Partial Amendment to the Articles of Incorporation

(1) Reasons for the Proposals

The Company proposes amending its Articles of Incorporation as follows, since a system for providing general shareholder meeting materials in electronic format will be introduced, in line with the enforcement on September 1, 2022 of the amended provisions in the proviso of Article 1 of the Supplementary Provisions to the Act Partially Amending the Companies Act (Act No. 70 of 2019).

- (1) Under the foregoing Act, it will be obligatory to stipulate in the articles of incorporation that measures to provide information contained in the reference documents for general meetings of shareholders and related documents in electronic format shall be taken. Therefore, the Company proposes establishing a new paragraph 1 of Article 15 (Measures to Provide Information in Electronic Format) in the proposed amendments to the Articles of Incorporation.
- (2) Regarding information contained in the reference documents for general meetings of shareholders and related documents that is subject to the measures to provide information in electronic format, in order to enable the Company to limit the scope of matters to be stated in paper-based format delivered to shareholders who request delivery of materials in such format, to the scope stipulated by the applicable Ministry of Justice ordinance, the Company proposes establishing a new paragraph 2 of Article 15 (Measures to Provide Information in Electronic Format) in the proposed amendments to the Articles of Incorporation.
- (3) Upon the introduction of the system for providing general shareholder meeting materials in electronic format, the provisions of Article 15 (Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents) in the current Article of Incorporation will not be needed. Therefore, the Company proposes deleting those provisions.
- (4) The supplemental provisions regarding the effect of the above new and deleted provisions are hereby established. The Company proposes deleting these supplementary provisions after the offer date has elapsed.

(2) Contents of the amendment

Details of the changes are as follows.

(Underlined text indicates changes.)

Current Articles of Incorporation	Proposed Amendment
<p><u>(Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents)</u> <u>Article 15</u> <u>As for the convocation notice of the general meeting of shareholders, the Company is considered to have provided the information to be stated or indicated in the reference documents for the general meeting of shareholders, business reports, financial statements and consolidated financial statements to the shareholders by disclosing such information via the internet in accordance with the Ordinance of the Ministry of Justice.</u></p> <p style="text-align: center;">(Newly established)</p>	<p style="text-align: center;">(Deleted)</p> <p><u>(Measures to Provide Information in Electronic Format)</u> <u>Article 15</u> <u>(1) The Company will electronically provide information contained in reference documents and other documents for the general meeting of shareholders in convening the general meeting of shareholders.</u></p>

Current Articles of Incorporation	Proposed Amendment
<p>(Supplementary Provisions) (Transitional measures regarding exemption of Audit & Supervisory Board Members from liability) (Text omitted)</p> <p>(Newly established)</p>	<p><u>(2) Among information to be provided electronically, the Company may, but shall not be required to exclude, in whole or in part, any or all of the information set forth by the Ordinance of the Ministry of Justice in the documents to be delivered to shareholders who have requested delivery of hardcopies of documents by the record date for voting rights.</u></p> <p><u>(Supplementary Provisions)</u> (Transitional measures regarding exemption of Audit & Supervisory Board Members from liability) <u>Article 1 (As current)</u> <u>(Transitional measures regarding providing general shareholder meeting materials in electronic format)</u></p> <p><u>Article 2</u></p> <p><u>(1) The deletion of Article 15 (Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents) and the establishment of Article 15 (Measures to Provide Information in Electronic Format) of the Articles of Incorporation shall take effect as of September 1, 2022.</u></p> <p><u>(2) Notwithstanding the provisions of the preceding paragraph, Article 15 of the Articles of Incorporation (Disclosure on Internet and Deemed Provision of Reference Documents for General Meetings of Shareholders and Related Documents) shall remain in force with respect to general meetings of shareholders whose date is within six months from September 1, 2022.</u></p> <p><u>(3) These provisions of this Article shall be deleted after whichever comes later of the date on which six months have passed since September 1, 2022 or the date on which three months have passed since the date on which the General Meeting of Shareholders in the preceding paragraph is held.</u></p>

Proposal No. 2 Election of Four Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

Directors (excluding Directors who are Audit and Supervisory Committee Members. Hereinafter, the same shall apply in this proposal.) The terms of office of all six currently serving Directors will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of four Directors.

Moreover, regarding this proposal, as a result of the review by the Audit and Supervisory Committee members, there were no particular points raised by the Audit and Supervisory Committee.

The candidates for Director are as follows:

Candidate no.	Name (Date of birth)	Career summary and position/responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Eiji Takahashi (May 1, 1936) <u>Reelection</u>	<p>Apr. 1965 Joined the Company</p> <p>May 1965 Director of the Company</p> <p>May 1970 Managing Director of the Company</p> <p>May 1975 Senior Managing Director of the Company</p> <p>May 1985 Director and President of the Company (current position)</p> <p>Aug. 2002 Chairman of Kunshan Nihon Flush Co., Ltd. General Manager of Kunshan Nihon Flush Co., Ltd.</p> <p>Dec. 2006 Chairman of Nihon Flush (Qingdao) Co., Ltd. (current position)</p> <p>Oct. 2008 Chairman of Nihon Flush (Shanghai) Trade Co., Ltd. (current position)</p> <p>Nov. 2011 Chairman of Nihon Flush (Jiangxi) Co., Ltd. (current position)</p> <p>Oct. 2012 Director of Kunshan Nihon Flush Co., Ltd. (current position)</p> <p>June 2016 Director of Lucky House (Yan Tai) Integration Building Technology Co., Ltd. (current position)</p> <p>July 2016 Director of Lucky House (Qing Dao) Home Furnishing Co., Ltd. (current position)</p>	2,065,204 shares
<p>(Reason for appointment)</p> <p>As Director and President of the Company, he has been in charge of the management of the Group for many years, and his strong leadership record in leading the entire Group, as well as his abundant insight and experience in overall management. He has been nominated as a candidate for Director because he will contribute to further strengthening the functions of the Board of Directors.</p>			

Candidate no.	Name (Date of birth)	Career summary and position/responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
2	Songbiao, Yang (August 7, 1963) <u>Reelection</u>	<p>Sept. 2002 Joined Kunshan Nihon Flush Co., Ltd.</p> <p>June 2006 Director of the Company (current position)</p> <p>Dec. 2006 General Manager of Nihon Flush (Qingdao) Co., Ltd. (current position)</p> <p>Oct. 2008 General Manager of Nihon Flush (Shanghai) Trade Co., Ltd.</p> <p>May 2010 Director and General Manager of Kunshan Nihon Flush Co., Ltd.</p> <p>Sept. 2011 Director and General Manager of Nihon Flush (Shanghai) Trade Co., Ltd. (current position)</p> <p>Nov. 2011 Director and General Manager of Nihon Flush (Jiangxi) Co., Ltd. (current position)</p> <p>Oct. 2012 Chairman and General Manager of Kunshan Nihon Flush Co., Ltd. (current position)</p> <p>June 2016 Director of Lucky House (Yan Tai) Integration Building Technology Co., Ltd. (current position)</p> <p>July 2016 Chairman of Lucky House (Qing Dao) Home Furnishing Co., Ltd. (current position)</p>	43,922 shares
<p>(Reason for appointment)</p> <p>As the person in charge of the Company's overseas business and having a track record of overseeing business in China and a wealth of experience through working for Japanese companies (financial institutions, etc.), he has been nominated as a candidate for Director. He is expected to ensure the effectiveness of the Board of Directors and improve its functions by utilizing his experience and global knowledge in the Board of Directors.</p>			
3	Katsuhiko Okada (March 18, 1970) <u>Reelection</u>	<p>Oct. 1994 Joined the Company</p> <p>July 2007 General Manager of Hokkaido Business Department of the Company</p> <p>Apr. 2012 Group Leader of Production Purchasing Department of the Company</p> <p>Nov. 2018 Meister in charge of special directives</p> <p>Apr. 2019 General Manager of Production Department</p> <p>June 2020 Director and General Manager of Manufacturing Department (current position) of the Company</p>	11,734 shares
<p>(Reason for appointment)</p> <p>As the person in charge of the Company's manufacturing and having track record overseeing the Hokkaido Business Division and the Manufacturing Department, he has been nominated as a candidate for Director, based on his track record and extensive work experience, and because he is expected to ensure the effectiveness of the Board of Directors and improve its functions by utilizing his experience and knowledge in the Board of Directors.</p>			

Candidate no.	Name (Date of birth)	Career summary and position/responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
4	Kazunori Iida (February 1, 1968) <u>Reelection</u>	<p>Apr. 1990 Joined The Dai-Ichi Kangyo Bank, Limited (currently Mizuho Bank, Ltd.)</p> <p>July 2009 TAKE AND GIVE. NEEDS Co., Ltd. (Secondment)</p> <p>Jan. 2012 Branch Manager of Tokushima Branch, Mizuho Bank, Ltd.</p> <p>Oct. 2013 Counselor of Human Resources Department of Mizuho Financial Group, Inc.</p> <p>Apr. 2016 Branch Manager of Tanashi Branch, Mizuho Bank, Ltd.</p> <p>Apr. 2018 Branch Manager of Ogikubo Branch, Mizuho Bank, Ltd.</p> <p>June 2021 Director of the Company (current position)</p> <p>Feb. 2022 Manager of Tokyo Office of the Company (current position)</p>	6,460 shares
<p>(Reason for appointment)</p> <p>He has extensive experience and high level of insight gained through many years of service at financial institutions and business companies. Since he is expected to ensure the effectiveness and improve the functioning of the Board of Directors by applying his experience and knowledge to the Board of Directors, he has been nominated as a candidate for Director.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The number of shares of the Company held by each candidate includes his or her equity interest in the Nihon Flush Directors' Shareholding Association.
 3. The Company has entered into a directors and officers liability insurance policy with an insurance company for directors and corporate auditors as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy will cover losses incurred in cases where an insured receives a claim for damages arising from the performance of duties as an officer or from the receipt of claims related to the pursuit of such liabilities. If each candidate is elected and assumes office as a director, he or she will be the insured under the relevant insurance policy. In addition, at the next renewal, the Company plans to renew this insurance policy under the same conditions.

Proposal No. 3 Election of Four Directors Who Are Audit and Supervisory Committee Members

The terms of office of all four Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this meeting.

Therefore, the Company proposes the election of Four Directors who are Audit and Supervisory Committee Members

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

Candidates for Directors who are Audit and Supervisory Committee Members are as follows:

Candidate no.	Name (Date of birth)	Career summary and position/responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
1	Shinichi Kakiuchi (October 29, 1944) Reelection Outside Independent officer	Apr. 1967 Joined The Tokushima Mutual Bank, Ltd. (currently, Tokushima Taisho Bank, Ltd.) June 1991 Director of Tokushima Taisho Bank, Ltd. Mar. 1993 Managing Director of Executive Director of Tokushima Taisho Bank, Ltd. June 1997 Representative Director of Executive Director of Tokushima Taisho Bank, Ltd. June 2003 Representative Director and President of Tokushima Taisho Bank, Ltd. June 2011 Chairperson & Representative Director of Tokushima Taisho Bank, Ltd. June 2020 Director & Chairman of Tokushima Taisho Bank, Ltd. (current position) June 2020 Director (Audit and Supervisory Committee Member) of the Company (current position) (Significant concurrent positions outside the Company) • Director & Chairman of Tokushima Taisho Bank, Ltd.	—
(Reason for appointment and outline of expected roles) The Company expects Mr. Shinichi Kakiuchi to provide advice on management decisions based on his extensive experience and superior insight as a manager over many years. He has abundant experience and wide range of insight as a financial institution business manager, and the Company believes he will be able to appropriately perform his duties as an outside Director who is an Audit and Supervisory Committee Member of the Company.			
2	Masahiro Sasatani (July 30, 1950) Reelection Outside Independent officer	Apr. 1973 Joined Chuo Bussan Corporation Apr. 1986 Registered as an attorney at law June 1998 Audit & Supervisory Board Member of the Company June 2020 Outside Director (Audit and Supervisory Committee Member) of the Company (current position) (Significant concurrent positions outside the Company) • Attorney at law of Sasatani Masahiro Law Offices	8,681 shares
(Reason for appointment and outline of expected roles) Mr. Masahiro Sasatani has professional knowledge and broad experience in all aspects of law, including corporate legal affairs as an attorney-at-law, and the Company expects him to provide high-level legal advice in management decision-making. Although he has never been involved in the management of the Company other than as an outside officer, due to the aforementioned reasons, the Company believes that he can appropriately perform his duties as an outside Director who is an Audit and Supervisory Committee Member of the Company from an objective and impartial standpoint.			

Candidate no.	Name (Date of birth)	Career summary and position/responsibility in the Company (Significant concurrent positions outside the Company)	Number of the Company's shares owned
3	Toshiya Iwashima (January 5, 1946) Reelection Outside Independent officer	<p>June 1969 Joined Nichia Corporation</p> <p>Mar. 1995 Director of Nichia Corporation</p> <p>Mar. 2002 Managing Director of Nichia Corporation</p> <p>Apr. 2009 Managing Director of General Manager of General Division Administration Headquarters of Nichia Corporation</p> <p>Jan. 2011 Auditor of Nichia Shanghai Corporation</p> <p>Mar. 2017 Standing Audit & Supervisory Board Member of Nichia Corporation</p> <p>June 2018 Director of the Company</p> <p>June 2020 Outside Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>(Significant concurrent positions outside the Company) None</p>	–
<p>(Reason for appointment and outline of expected roles)</p> <p>The Company expects him to provide advice on improving the Group's corporate value by utilizing his extensive experience and superior insight as a manager in the development of domestic and overseas business over many years. Mr. Toshiya Iwashima has abundant experience and wide range of insight as a business manager over many years, which the Company believes will enable him to appropriately perform his duties as an outside Director who is an Audit and Supervisory Committee Member of the Company.</p>			
4	Kahori Iseki (November 26, 1966) New election Outside Independent officer	<p>Oct. 1990 Joined the Osaka Office of Chuo Shinko Audit Corporation</p> <p>Mar. 1994 Registered as certified public accountant</p> <p>Mar. 1998 Retired from the Osaka Office of Chuo Audit Corporation</p> <p>July 2001 Opened Iseki Accounting Office</p> <p>Oct. 2002 Registered as a tax accountant</p> <p>June 2005 Member of the Tokushima Prefecture Labor Committee</p> <p>Apr. 2016 Auditor of Naruto University of Education (current position)</p> <p>May 2016 Member of the Tokushima Prefecture Audit Committee</p> <p>(Significant concurrent positions outside the Company) · Auditor of Naruto University of Education</p>	–
<p>(Reason for appointment and outline of expected roles)</p> <p>Ms. Kahori Iseki has professional knowledge and broad experience as a certified public accountant, and the Company expects her to provide high-level financial advice in management decision-making. Although she has never been involved in the management of the Company other than as an outside officer, due to the aforementioned reasons, the Company believes that she can appropriately perform her duties as an outside Director who is an Audit and Supervisory Committee Member of the Company.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. All candidates are candidates for Outside Director.
 3. Mr. Shinichi Kakiuchi, Mr. Masahiro Sasatani and Mr. Toshiya Iwashima are current Outside Directors who are Audit and Supervisory Committee Members, and their two-year term of office will expire at the conclusion of this meeting. Mr. Masahiro Sasatani has previously served as a non-executive officer of the Company (Audit & Supervisory Board Member). Additionally, Mr. Toshiya Iwashima served as Outside Director for the two-year prior to his appointment as Director who is an Audit & Supervisory Committee Member.
 4. The Company has entered into an agreement with Mr. Shinichi Kakiuchi, Mr. Masahiro Sasatani and Mr. Toshiya Iwashima, pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, to limit his liability for damages under Article 423, Paragraph 1 of the same act. Based on the relevant agreement, the maximum amount of liability for damages is the amount stipulated in laws and regulations, and the Company plans to continue the relevant agreement with each if their appointment is approved.
If the election of Ms. Kahori Iseki is approved, the Company plans to enter into the same limited liability agreement with her.

5. The Company has entered into a directors and officers liability insurance policy with an insurance company for directors and corporate auditors as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The insurance company will cover losses incurred in cases where an insured receives a claim for damages arising from the performance of duties as an officer or from the receipt of claims related to the pursuit of such liabilities under the insurance policy. If the election of each candidate for Director is approved in this proposal, each candidate for Director will be included as an insured under the insurance policy. The term of the insurance policy is one year, and the Company plans to renew the policy upon resolution at a meeting of its Board of Directors prior to the expiration of the said term.
6. The Company has submitted notification to Tokyo Stock Exchange, Inc. that Mr. Shinichi Kakiuchi, Mr. Masahiro Sasatani and Mr. Toshiya Iwashima have been designated as an independent officer as provided for by the aforementioned exchange. If the election of each of these persons is approved, the Company plans for their designation as independent officers to continue.
If the election of Ms. Kahori Iseki is approved, the Company plans to submit notification to Tokyo Stock Exchange, Inc. concerning her designation as an independent officer as provided for by the aforementioned exchange.
7. The number of shares of the Company held by each candidate includes his or her equity interest in the Nihon Flush Directors' Shareholding Association.