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Code No: 9792
October 16, 2020

2-9 Kanda-Surugadai, Chiyoda-ku, Tokyo, Japan
Nichii Gakkan Co., Ltd.
Representative Director and President
Nobusuke Mori

Notice of Resolutions at the Extraordinary Shareholders Meeting

Dear Shareholders:

We hereby inform you that the following items were resolved at the Extraordinary Shareholders Meeting of Nichii Gakkan Co., Ltd. (the “Company”) held today.

Items resolved:

Proposal 1. Share Consolidation

This proposal was approved and adopted as originally proposed. The Company shall consolidate 16,303,849 shares of the Company into one share with an effective date of November 9, 2020.

Proposal 2. Partial Amendment of Articles of Incorporation

This proposal was approved and adopted as originally proposed. Details of the amendments are as follows:

If Proposal 1 for the share consolidation (the “Share Consolidation”) is approved and adopted as originally proposed and the Share Consolidation takes effect, in accordance with Article 182, paragraph (2) of the Companies Act, the Company’s total number of authorized shares will be reduced to 16 shares. To clarify this point, subject to the Share Consolidation taking effect, Article 6 (Total Number of Authorized Shares) of the Articles of Incorporation will be amended.

In addition, if the proposal for the Share Consolidation is approved and adopted as originally proposed and the Share Consolidation takes effect, the Company’s total number of outstanding shares will be 4 shares, and it will cease to be necessary to specify the number of shares in a share unit. Subject to the Share Consolidation taking effect, in order to abolish the provision that currently makes 100 shares the share unit for the Company’s shares, the entire text prior to the amendments of Article 8 (Number of Shares in Share Unit), Article 9 (Rights of Shareholders of Less Than One Share Unit), and Article 10 (Demand for Sale of Shares Less Than One Share Unit) of the Articles of Incorporation will be deleted, Article 12 (Share Handling Rules) will be amended, and in conjunction with the amendment the article numbers will be shifted up.

Proposal 3. Election of Two (2) Directors

This proposal was approved and adopted as originally proposed. Two (2) persons, namely, Ryuto Kobayashi and Shunsuke Nakahama were newly elected as Directors, and each assumed office. Both individuals are Outside Directors.

Proposal 4. Election of Two (2) Auditors

This proposal was approved and adopted as originally proposed. Two (2) persons, namely, Junichi Takami and Komi Kyu were newly elected as Auditors, and each assumed office. Both individuals are Outside Auditors.

Share Consolidation and change in the number of shares in share unit

At this Extraordinary Shareholders Meeting, it was resolved to consolidate 16,303,849 shares of the Company into one share with an effective date of November 9, 2020 and abolish the provision regarding the number of shares in share unit.

Shareholders do not have to carry out any special procedures related to the Share Consolidation and the abolition of the number of shares in share unit.

1. Processing when fractional shares less than one share arise

With respect to fractional shares less than one share arising from the Share Consolidation, shares equal to the total number (if the total number includes a fraction of less than one share, such fraction will be discarded) will be sold and the proceeds obtained through such sale will be delivered to shareholders in proportion to their fractional shares.

With respect to such sale, it is planned that the shares will be sold to the tender offeror with the permission of the court pursuant to the provisions of Article 234, paragraph (2) of the Companies Act applied *mutatis mutandis* under Article 235, paragraph (2) of the same Act, or purchased by the Company with the permission of the court pursuant to the provisions of Article 234, paragraph (4) of the Companies Act applied *mutatis mutandis* under Article 235, paragraph (2) of the same Act. The sale price in such case, if the above permission of the court is obtained as planned, is planned to be set at a price that makes it possible to deliver to each shareholder cash in the amount obtained by multiplying the number of shares held by the shareholder by JPY1,670, which is the same amount as the post-amendment of tender offer conditions etc. tender offer price. The Company plans to distribute the disposal proceeds equivalent to fractional shares in late January 2021.

2. Main schedule

November 4, 2020 (scheduled)	Last day of trading of the Company's shares
November 5, 2020 (scheduled)	Delisting date of the Company's shares
November 9, 2020 (scheduled)	Effective date of the Share Consolidation
Late January 2021 (scheduled)	Distribution of disposal proceeds equivalent to fractional shares