

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

(Securities Code 4093)
June 4, 2021

To Shareholders with Voting Rights:

Etsuya Ikeda
President and Representative Director
Toho Acetylene Co., Ltd.
2-3-32 Sakae, Tagajo City, Miyagi Prefecture
Japan

**NOTICE OF
THE 87TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are hereby notified that the 87th Annual General Meeting of Shareholders of Toho Acetylene Co., Ltd. (the “Company”) will be held as described below.

If you will not attend the meeting, you can exercise your voting rights in writing. Please review the attached Reference Documents for the General Meeting of Shareholders, indicate your approval or disapproval of each of the proposals on the enclosed Voting Rights Exercise Form and return it by postal mail so that it is received by 4:00 p.m., Friday, June 25, 2021 (Japan time).

- 1. Date and Time:** Monday, June 28, 2021
2:00 p.m. Japan time (Reception opens at 1:00 p.m.)
- 2. Place:** Room “Chiyo” (4th floor)
HOTEL METROPOLITAN SENDAI
1-1-1 Chuo, Aoba-ku, Sendai City, Miyagi Prefecture, Japan
(Note that the venue of the meeting is different from that of last year. Please see the “Map of the venue of the General Meeting of Shareholders” at the end of this notice and make sure to visit the correct venue.)
- 3. Meeting Agenda**
- Matters to be reported**
- 1.The Business Report, the Consolidated Financial Statements and the Audit Report on the Consolidated Financial Statements by the Accounting Auditor and the Board of Corporate Auditors for the Company’s 87th Fiscal Year (April 1, 2020 – March 31, 2021)
 - 2.The Non-consolidated Financial Statements for the Company’s 87th Fiscal Year (April 1, 2020 – March 31, 2021)
- Proposal to be resolved**
- Proposal 1:** Election of Six (6) Directors
- Proposal 2:** Election of One (1) Substitute Corporate Auditor

* Due to concerns over the spread of the novel coronavirus (COVID-19), we would appreciate it if you exercised your voting rights in advance via postal mail insofar as possible, in order to prevent infection. We request that the shareholders who intend to attend the meeting in person check the circumstances of the epidemic and their own physical condition on the date of the meeting, wear masks at the meeting, and take other necessary measures to prevent the spread of infection. Note also that we may take measures to prevent infection at the meeting venue on the meeting date, such as the wearing of masks by our operating staff and request to shareholders to use alcohol-based sanitizer spray. We would appreciate your cooperation.

* If you attend the meeting in person, please submit your Voting Rights Exercise Form at the reception desk.

Notes:

Of the documents that should be provided together with this notice, the following notes are made available on the Company's website, pursuant to the applicable laws and regulations and provisions under Article 15 of the Company's Articles of Incorporation. These notes are, therefore, not provided in this notice.

- (1) Notes to the Consolidated Financial Statements
- (2) Notes to the Non-consolidated Financial Statements

Documents contained in the Appendix are part of those audited by the Corporate Auditors and the Accounting Auditor for the preparation of the audit report.

Should the Company find it necessary by the day before the Annual General Meeting of Shareholders to amend the Business Report, the Consolidated Financial Statements, the Non-consolidated Financial Statements or the Reference Documents for the General Meeting of Shareholders, the Company will inform shareholders by sending the amended version via postal mail or posting it on the Company's website (<http://www.toho-ace.co.jp>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of Six (6) Directors

The terms of office of all seven (7) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Accordingly, the Company proposes the election of six (6) Directors.

The candidates for Director are as follows.

No.	Name	Current positions and responsibilities in the Company	Attendance at the Board of Directors meetings	Candidate attributes
1	Etsuya Ikeda	President and Representative Director Chief Executive Officer	11/11	Reappointment
2	Hideshi Fukuzawa	Representative Director Senior Managing Executive Officer	14/14	Reappointment
3	Masami Myobatake	Director Managing Executive Officer	14/14	Reappointment
		General Manager, Production and Technology Division; General Manager, Tagajo Plant; Supervising Environmental Safety and Quality Assurance Department		
4	Norihiro Kashiwazaki	Outside Director	14/14	Reappointment Outside Independent
5	Hideaki Imoto	Outside Director	11/11	Reappointment Outside
6	Yutaka Yamashita			New appointment Outside Independent

New appointment: Candidate to be newly appointed as a Director

Reappointment: Candidate to be reappointed as a Director

Outside: Outside Director

Independent: Independent director

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
1	Etsuya Ikeda (November 15, 1958) Reappointment Attendance at the Board of Directors meetings 11/11 (100%)	April 1981	Joined Toyo Soda Manufacturing Co., Ltd. (currently Tosoh Corporation)	3,342
		June 2002	General Manager, Public Relations Office	
		June 2009	General Manager, Sales & Marketing Department, Olefin Division	
		June 2010	Associate Director; Senior General Manager, Olefin Division; General Manager, Sales & Marketing Department, Olefin Division	
		June 2016	Senior Vice President; Deputy Senior General Manager, Nanyo Complex	
		June 2017	Director; Senior Vice President; President, Petrochemical Group	
		June 2018	Director; Senior Vice President; President, Petrochemical Group; Senior General Manager, Polymers Division	
		June 2019	Director; Executive Vice President; Senior General Manager, Polymers Division	
		June 2020	President and Representative Director; Chief Executive Officer, the Company (to present)	
(Reason for nomination as a candidate for Director) Mr. Etsuya Ikeda, who was involved in management at another company for many years, has a high level of knowledge about management and administration of companies in the chemical manufacturing industry. Considering that he can leverage his abundant business experience and proactive stance in management of the Company and the Group, the Company renominated him as a candidate for Director.				
2	Hideshi Fukuzawa (April 9, 1956) Reappointment Attendance at the Board of Directors meetings 14/14 (100%)	April 1980	Joined the Company	6,184
		October 2001	General Manager, Kanto Branch Office	
		June 2003	General Manager, Sakata Branch Office	
		June 2006	General Manager, Kanto Branch Office; General Manager, Niigata Sales Office	
		June 2010	Executive Officer; General Manager, Kanto Branch Office; General Manager, Niigata Sales Office	
		April 2012	Executive Officer; Seconded to Toho Transportation Co., Ltd., President and Director	
		March 2013	Executive Officer; Deputy General Manager, Administration Division	
		June 2013	Director; Executive Officer; Deputy General Manager, Administration Division; General Manager, Audit Office	
		June 2016	Director; Executive Officer; General Manager, Corporate Planning and Consolidated Management Department; Chairperson, Internal Control Committee; Chairperson, Compliance Committee	
		June 2017	Director; Managing Executive Officer; General Manager, Corporate Planning and Consolidated Management Department; General Manager, Administration Division	
June 2018	Representative Director; Managing Executive Officer; General Manager, Corporate Planning and Consolidated Management Department			
June 2019	Representative Director; Managing Executive Officer			
June 2020	Representative Director; Senior Managing Executive Officer (to present)			
(Reason for nomination as a candidate for Director) Mr. Hideshi Fukuzawa served as General Manager at branch offices and General Manager of the Corporate Planning and Consolidated Management Department. Considering that he has abundant business experience and a high level of knowledge about administration and operation of the Company, the Company renominated him as a candidate for Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
3	Masami Myobatake (January 26, 1959) Reappointment Attendance at the Board of Directors meetings 14/14 (100%)	April 1982	Joined NIPPON SANZO CORPORATION (currently TAIYO NIPPON SANZO CORPORATION)	2,209
		October 2005	General Manager, First Proposal Department, Solution Unit, Plant Engineering Center, On-site & Plant Division	
		July 2009	General Manager, Design Department, Plant Engineering Center, On-site & Plant Division	
		June 2011	General Manager, Creation Department, Plant Engineering Center, On-site & Plant Division	
		June 2012	Deputy Manager, Plant Engineering Center, Plant Department, On-site & Plant Division	
		June 2014	Executive Officer	
		May 2018	Advisor, the Company	
		June 2018	President and Representative Director, Hachinohe Ekisan Co., Ltd. (current)	
		June 2020	Director; Managing Executive Officer; General Manager, Production and Technology Division; General Manager, Tagajo Plant, the Company Director; Managing Executive Officer; General Manager, Production and Technology Division; General Manager, Tagajo Plant; Supervising Environmental Safety and Quality Assurance Department (to present)	
(Reason for nomination as a candidate for Director) Mr. Masami Myobatake, who was engaged in technology-related businesses at another company, has highly sophisticated knowledge about plant management and technology. Considering that he can leverage his abundant business experience in deciding important matters of the Group and supervising the business execution, the Company renominated him as a candidate for Director.				
4	Norihiro Kashiwazaki (June 21, 1955) Reappointment Outside Independent Attendance at the Board of Directors meetings 14/14 (100%)	November 1980	Joined Asahi & Co. (currently KPMG AZSA LLC)	1,100
		August 1995	Partner	
		July 2001	General Manager, Health Care Department	
		June 2006	Representative Partner	
		June 2013	Retired from KPMG AZSA LLC	
		July 2013	Established Kashiwazaki CPA & Tax Accountant Office (current)	
		June 2016	Outside Director, the Company (to present)	
(Reason for nomination as a candidate for Outside Director) Mr. Norihiro Kashiwazaki has been involved in financial affairs and accounting as a certified public accountant for many years. Considering that he can leverage his abundant experience in giving advice to management of the Company and supervising the business execution appropriately from a practical and diversified point of view, the Company renominated him as a candidate for Outside Director.				

No.	Name (Date of birth)	Career summary, positions, responsibilities and significant concurrent positions	Number of shares of the Company held	
5	Hideaki Imoto (March 4, 1968) Reappointment Outside Attendance at the Board of Directors meetings 11/11 (100%)	April 1990 February 1996 October 2003 August 2010 June 2013 June 2016 June 2020	Joined Tosoh Corporation Business Administration Office Planning & Development Office, Organic Chemicals Division Planning & Administration Office, Chlor-alkali Division Chief, Soda Sales & Marketing Department, Chlor- alkali Division General Manager, Soda Sales & Marketing Department, Chlor-alkali Division General Manager, Corporate Planning and Consolidated Management Department (current) Director, the Company (to present)	0
		(Reason for nomination as a candidate for Outside Director) Mr. Hideaki Imoto, who was involved in planning management and accumulated a wealth of sales experience in the business divisions of another company for many years, has extensive knowledge. Considering that he can give advice to management of the Company and supervise the business execution appropriately from an objective and professional point of view, the Company renominated him as a candidate for Outside Director.		
6	Yutaka Yamashita (September 29, 1954) New appointment Outside Independent	April 1977 April 2006 May 2009 April 2011 March 2013 September 2016 June 2017 June 2020	Joined Onoda Cement Co., Ltd. (currently TAIHEIYO CEMENT CORPORATION) General Manager, Accounting & Finance Department General Manager, Kansai Branch Executive Officer; General Manager, Tokyo Branch Executive Officer; Chairman, Ssangyong Cement Industrial Co., Ltd. Vice President and Director, TC TRADING Co., Ltd. President and Representative Director Chairman (to present)	0
		(Reason for nomination as a candidate for Outside Director) Mr. Yutaka Yamashita, who was involved in corporate management at another company, has extensive knowledge including abundant business experience in accounting and sales. Considering that he can give advice to the management of the Company and supervise the business execution appropriately from an objective and professional point of view, the Company nominated him as a candidate for Outside Director.		

- (Notes)
1. There are no special interests between each candidate and the Company.
 2. Messrs. Norihiro Kashiwazaki, Hideaki Imoto, and Yutaka Yamashita are candidates for Outside Director.
 3. The Company has judged that Messrs. Norihiro Kashiwazaki, Hideaki Imoto, and Yutaka Yamashita will be able to perform their duties appropriately, based on the Company's comprehensive consideration of their business experiences described above.
 4. Of the candidates for Director, the Company has notified the Tokyo Stock Exchange that Mr. Norihiro Kashiwazaki is an independent director as stipulated by the Exchange. If he is re-elected, the Company will designate him as an independent director again. The Company has notified the Tokyo Stock Exchange that Mr. Yutaka Yamashita, a candidate for Director, is an independent director, on the assumption that this proposal is approved as proposed.
 5. Mr. Norihiro Kashiwazaki will have served as an Outside Director of the Company for five (5) years at the conclusion of this Annual General Meeting of Shareholders. Mr. Hideaki Imoto will have served as an Outside Director of the Company for one (1) year at the conclusion of this Annual General Meeting of Shareholders.
 6. Mr. Hideaki Imoto, a candidate for Director, serves concurrently as General Manager of the Corporate Planning and Consolidated Management Department of Tosoh Corporation, which is a major shareholder of the Company and has business transactions with the Company regularly.
 7. Liability limitation agreements with Directors (excluding Executive Directors, etc.)
The Company has concluded agreements with Messrs. Norihiro Kashiwazaki and Hideaki Imoto to limit their liability for damages under the provisions of Article 423, Paragraph 1 of the Companies Act to the minimum amount set forth in Article 425, Paragraph 1 of the said Act, on the condition that they perform their duties in good faith without gross negligence. If they are re-elected as Directors, the Company will renew the agreements with them. If Mr. Yutaka Yamashita assumes the office of Outside Director, the Company will conclude the said agreement with him.

8. The Company has concluded a directors and officers liability insurance contract with an insurance company that insures all Directors, Corporate Auditors, and Executive Officers. The insurance contract covers liability for damages and litigation expenses incurred by the insured in the event that a claim for damages is made against the insured as the result of an act (including inaction) committed by the insured in his/her capacity as such. However, there are certain exceptions in which the insurance contract will not cover any damage incurred by directors and officers themselves as a result of acts of bribery, corruption, or other criminal offenses or intentional illegal acts. If Mr. Yutaka Yamashita, a candidate for Director, assumes the office of Director, he will be insured under the insurance contract.

Proposal 2: Election of One (1) Substitute Corporate Auditor

The effect of election of Mr. Takeshi Matsumura, who was elected as a Substitute Corporate Auditor at the 83rd Annual General Meeting of Shareholders held on June 26, 2017, will expire at the conclusion of this Annual General Meeting of Shareholders. In order to prepare for the contingency that the number of Corporate Auditors set forth by laws and regulations becomes insufficient, the Company once again proposes the election of one (1) Substitute Corporate Auditor pursuant to the provisions of Article 329, Paragraph 3 of the Companies Act.

The Company also proposes that the effect of his election may be revoked by a resolution of the Board of Directors with consent of the Board of Corporate Auditors; provided, however, that such revocation is made before the assumption of office.

The Board of Corporate Auditors has already approved this proposal.

The candidate for Corporate Auditor is as follows.

Name (Date of birth)	Career summary, positions, and significant concurrent positions		Number of shares of the Company held
Takeshi Matsumura (September 17, 1967)	April 1994	Joined The Legal Training and Research Institute of the Supreme Court of Japan	0
	April 1996	Registered as attorney-at-law (Tokyo Bar Association) Joined Yurakucho Law Offices	
Outside	July 2011	Opened JUNPU LAW OFFICE (to present)	
(Reason for nomination as a candidate for Substitute Outside Corporate Auditor) Mr. Takeshi Matsumura has accumulated expertise on corporate legal affairs and other legal affairs overall through his experience serving as an attorney-at-law for many years. Considering that he can audit the execution of duties by Directors from an objective and fair point of view, the Company nominated him as a candidate for Substitute Outside Corporate Auditor.			

- (Notes)
- There are no special interests between Mr. Takeshi Matsumura, a candidate, and the Company.
 - Mr. Takeshi Matsumura is a candidate for Substitute Outside Corporate Auditor.
 - The Articles of Incorporation of the Company stipulate that the Company may conclude agreements with Corporate Auditors to limit their liability for damages within a certain range pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act. If Mr. Takeshi Matsumura assumes the office of Outside Corporate Auditor, the Company will conclude a liability limitation agreement with him under the same conditions. The details of the agreement can be summarized as follows.
 - If a Corporate Auditor becomes liable to the Company for damages resulting from negligence in performing his/her duties, he/she shall be liable for damages up to the higher of an amount predetermined in the agreement or an amount set forth by laws and regulations.
 - The above liability limitation shall apply only in cases where the Corporate Auditor performs his/her duties that has caused the liability in good faith and without gross negligence.
 - The Company has concluded a directors and officers liability insurance contract with an insurance company that insures all Directors, Corporate Auditors, and Executive Officers. The insurance contract covers liability for damages and litigation expenses incurred by the insured in the event that a claim for damages is made against the insured as the result of an act (including inaction) committed by the insured in his/her capacity as such. However, there are certain exceptions in which the insurance contract will not cover any damage incurred by directors and officers themselves as a result of acts of bribery, corruption, or other criminal offenses or intentional illegal acts. If Mr. Takeshi Matsumura assumes the office of Corporate Auditor, he will be insured under the insurance contract.