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Securities Code: 3593

Date of sending by postal mail: May 30, 2024

Start date of measures for electronic provision: May 28, 2024

To our shareholders:

President and CEO Hideki Kawakubo
Hogy Medical Co., Ltd.
2-7-7 Akasaka, Minato-ku, Tokyo

Notice of the 63rd Annual General Meeting of Shareholders

You are cordially notified of the 63rd Annual General Meeting of Shareholders of Hogy Medical Co., Ltd. (the “Company”), which will be held as follows.

When convening this general meeting of shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information on the Company’s website. Please access the Company’s website by using the internet address shown below to review the information.

The Company’s website: <https://www.hogy.co.jp/english/ir/notice.html>

In addition to posting matters subject to measures for electronic provision on the Company’s website, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). To access this information from the latter website, access the TSE website (Listed Company Search) by using the internet address shown below, enter “Hogy Medical” in the “Issue name (company name)” field or the Company’s securities code “3593” in the “Code” field, and click “Search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

If you do not plan to attend the meeting, please refer to the subsequent Reference Documents for General Meeting of Shareholders and exercise your voting rights in advance by 5:15 p.m. (JST) on Wednesday, June 19, 2024, by either of the following methods.

[Voting in Writing (by Mail)]

Please indicate your approval or disapproval to the proposals on the voting form, and return it by post so that it reaches us by the above deadline.

[Voting via the Internet, etc.]

Please review the [Guidance for Exercising Voting Rights via the Internet, etc.] on page 4 (in Japanese only), and enter your approval or disapproval to the proposals according to the on-screen instructions by the above deadline.

1. Date and Time: Thursday, June 20, 2024, at 10:00 a.m. (JST) (Reception opens at 9:00 a.m.)

2. Venue: Conference Room, B1, Head Office of the Company
2-7-7 Akasaka, Minato-ku, Tokyo

3. Purpose of the Meeting

Matters to be reported:

1. Contents of Business Report, contents of Consolidated Financial Statements for the 63rd term (April 1, 2023 to March 31, 2024), and the audit results of the Consolidated Financial Statements by the Financial Auditor and the Board of Corporate Auditors
2. Contents of Non-consolidated Financial Statements for the 63rd term (April 1, 2023 to March 31, 2024)

Matters to be resolved:

- Proposal No. 1** Amendment to the Articles of Incorporation
- Proposal No. 2** Election of Four Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 3** Election of Three Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 4** Establishment of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)
- Proposal No. 5** Establishment of Remuneration Amount for Directors Who Are Audit & Supervisory Committee Members
- Proposal No. 6** Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

4. Guide for Exercise of Voting Rights, Etc.

Please refer to “Guide for Exercise of Voting Rights, Etc.” on page 3 (in Japanese only).

- Please bring the voting form for submission at the meeting reception when you attend on the day of the meeting. In addition, in order to conserve resources, please bring this Notice with you.
- According to the amendment to the Companies Act, in principle, shareholders are required to access one of the above websites to confirm the matters for which measures for providing information in electronic format are to be taken, and only those shareholders who have made a written request by the record date will be sent written documents. However, for this General Meeting of Shareholders, the Company will deliver documents stating the matters to be provided electronically to all shareholders regardless of whether or not they have made a request for delivery of the documents.
Please note that, among the matters for which measures for providing information in electronic format are to be taken, the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements are not included pursuant to laws and regulations and Article 14 of the Articles of Incorporation of the Company. These items are included in the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Corporate Auditors and the Consolidated Financial Statements and the Non-consolidated Financial Statements audited by the Financial Auditor.
- In the event of any modification to matters subject to measures for electronic provision, a notice of the modification, and the items before and after the modification will be posted on the Company’s website and on the TSE website.
- If there is no indication of approval or disapproval for any of the proposals on the voting rights exercise form, it will be treated as an indication of approval.

Reference Documents for General Meeting of Shareholders

Proposal No. 1 Amendment to the Articles of Incorporation

1. Reasons for the Proposal

- (1) The Company transitions to a company with an Audit & Supervisory Committee, in order to strengthen the supervisory function of the Board of Directors and further enhance our corporate governance structure with the aim of achieving sustainable growth and further increasing corporate value over the medium to long term, as well as to delegate important business execution decisions to executive directors to enable quicker decision-making and more flexible business execution.
Accordingly, provisions concerning the Audit & Supervisory Committee and Audit & Supervisory Committee Members shall be newly established while provisions concerning Corporate Auditors and the Board of Corporate Auditors shall be deleted, which are necessary for the transition to a company with an Audit & Supervisory Committee. Supplementary provisions shall also be established as a transitional measure for the deletion of the provisions on exemption of Corporate Auditors from liability.
In addition, new provisions shall be established, allowing the delegation of important business execution decisions to Directors with our aim for enabling quick decision-making and flexible business execution.
- (2) In order to enable the Company to invite useful and diverse human resources and to create an environment in which they can fully play their expected roles, new provisions shall be established, allowing the Company to enter into liability limitation agreements with Directors who are not executive directors, etc. The Company has obtained the consent of each Corporate Auditors for the establishment of the new provisions.
- (3) In addition, other necessary changes, such as changes in the number of articles, deletion of articles, reorganization of wording, and revision of words, shall be adopted.
- (4) The amendment to the Articles of Incorporation in this proposal shall become effective at the conclusion of this meeting.

2. Details of the Amendment

The details of the amendment are as follows:

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed amendments
<p>(Share Handling Regulations) Article 9</p> <p>1) The entry or recording in the shareholder register and the share acquisition right register of the Company, the purchase and additional purchase of shares less than one unit, other handling of shares or share acquisition rights, and procedures and fees for exercising shareholders' rights shall be in accordance with the Share Handling Regulations established by the Board of Directors, in addition to laws and regulations and the Articles of Incorporation.</p> <p>(Shareholder Register Administrator) Article 10 (Text omitted)</p> <p>2) The Company's shareholder register administrator and the location of business thereof shall be designated <u>by resolution of the Board of Directors</u>.</p> <p>3) (Text omitted)</p> <p>(Number of Directors) Article 18</p> <p>1) The Company shall have not more than <u>eight</u> Directors.</p> <p style="text-align: center;">(Newly established)</p>	<p>(Share Handling Regulations) Article 9</p> <p>1) The entry or recording in the shareholder register and the share acquisition right register of the Company, the purchase and additional purchase of shares less than one unit, other handling of shares or share acquisition rights, and procedures and fees for exercising shareholders' rights shall be in accordance with the Share Handling Regulations established by the Board of Directors <u>or Directors delegated by resolution of the Board of Directors</u>, in addition to laws and regulations and the Articles of Incorporation.</p> <p>(Shareholder Register Administrator) Article 10 (Unchanged)</p> <p>2) The Company's shareholder register administrator and the location of business thereof shall be designated by the Board of Directors <u>or Directors delegated by resolution of the Board of Directors</u>.</p> <p>3) (Unchanged)</p> <p>(Number of Directors) Article 18</p> <p>1) The Company shall have not more than <u>seven</u> Directors <u>(excluding Directors who are Audit & Supervisory Committee Members)</u>.</p> <p>2) <u>The Company shall have not more than four Directors who are Audit & Supervisory Committee Members.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>(Election of Directors) Article 19</p> <p>1) Resolutions on the election of Directors of the Company shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</p> <p>2) (Text omitted)</p> <p>(Term of Office of Directors) Article 20</p> <p>1) The term of office of a Director shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p> <p style="text-align: center;">(Newly established)</p>	<p>(Election of Directors) Article 19</p> <p>1) Resolutions on the election of Directors of the Company, <u>by distinguishing Audit & Supervisory Committee Members and other Directors</u>, shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</p> <p>2) (Unchanged)</p> <p>(Term of Office of Directors) Article 20</p> <p>1) The term of office of a Director (<u>excluding a Director who is an Audit & Supervisory Committee Member</u>) shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within one year after the election of the Director.</p> <p>2) <u>The term of office of a Director who is an Audit & Supervisory Committee Member shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after the election of the Director.</u></p> <p>3) <u>The term of office of a Director who is an Audit & Supervisory Committee Member elected as the substitute for a Director who is an Audit & Supervisory Committee Member retired from office before the expiration of the term of office shall continue until the time when the term of office of the retired Director who is an Audit & Supervisory Committee Member was set to expire.</u></p> <p>4) <u>The resolution of the election of substitute Directors who are Audit & Supervisory Committee Members pursuant to Article 329, paragraph 3 of the Companies Act shall remain in effect until the start of the annual general meeting of shareholders for the last business year out of the business years terminating within two years after the resolution.</u></p>
<p>(Representative Directors and Directors With Special Titles) Article 21</p> <p>1) The Board of Directors shall appoint Representative Director(s) by its resolution.</p> <p>2) The Board of Directors may appoint, by its resolution, one Director and Chair, one Director and President, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors.</p>	<p>(Representative Directors and Directors With Special Titles) Article 21</p> <p>1) The Board of Directors shall appoint Representative Director(s) <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u> by its resolution.</p> <p>2) The Board of Directors may appoint, by its resolution, one Director and Chair, one Director and President, one or a small number of Director and Vice Presidents, one or a small number of Senior Managing Directors, and one or a small number of Managing Directors, <u>from among Directors (excluding Directors who are Audit & Supervisory Committee Members)</u>.</p>
<p>(Convener and Chairperson of Board of Directors Meetings) Article 22</p> <p>1) Unless otherwise provided for by laws and regulations, the Director and Chair or the Director and President shall convene Board of Directors meetings and preside at the meetings.</p> <p>2) (Text omitted)</p>	<p>(Convener and Chairperson of Board of Directors Meetings) Article 22</p> <p>1) Unless otherwise provided for by laws and regulations, the Director and Chair or the Director and President shall convene Board of Directors meetings and preside at the meetings. (Change in Japanese only; English unchanged)</p> <p>2) (Unchanged)</p>

Current Articles of Incorporation	Proposed amendments
<p>(Convocation Notice of Board of Directors Meetings) Article 23</p> <p>1) The convocation notice of a Board of Directors meeting shall be dispatched to each Director <u>and each Corporate Auditor</u> at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p style="text-align: right;">(Newly established)</p> <p style="text-align: right;">(Newly established)</p>	<p>(Convocation Notice of Board of Directors Meetings) Article 23</p> <p>1) The convocation notice of a Board of Directors meeting shall be dispatched to each Director at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</p> <p>2) <u>With the consent of all Directors, a Board of Directors meeting may be held without following the convening procedures.</u></p>
<p>Article 24 (Text omitted) (Omission of Resolutions of the Board of Directors) Article 25</p> <p>With the consent of all Directors to resolutions of the Board of Directors in writing or electronic record, the Company shall deem that resolutions of the Board of Directors have been adopted to approve the matters to be resolved; <u>provided, however, that this shall not apply when Corporate Auditors state objections.</u></p>	<p><u>(Delegation of Determination on Important Business Execution)</u> Article 24</p> <p><u>Pursuant to the provisions of Article 399-13, paragraph 6 of the Companies Act, the Company may delegate all or part of determination on important business execution (excluding the matters listed in each item of paragraph 5 of the said Article) to Directors by resolution of the Board of Directors.</u></p>
<p>Article 26 (Text omitted) (Remuneration, Etc. to Directors) Article 27</p> <p>Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties, <u>(hereinafter the "Remuneration, Etc.")</u> to Directors shall be determined by resolution of a general meeting of shareholders.</p>	<p>Article 25 (Unchanged) (Omission of Resolutions of the Board of Directors) Article 26</p> <p>With the consent of all Directors to resolutions of the Board of Directors in writing or electronic record, the Company shall deem that resolutions of the Board of Directors have been adopted to approve the matters to be resolved.</p>
<p>(Exemption of Directors From Liability) Article 28</p> <p>1) (Text omitted)</p> <p style="text-align: right;">(Newly established)</p>	<p>Article 27 (Unchanged) (Remuneration, Etc. to Directors) Article 28</p> <p>Remuneration, bonuses, and other economic benefits given by the Company in consideration for the execution of duties to Directors, <u>by distinguishing Directors who are Audit & Supervisory Committee Members and other Directors,</u> shall be determined by resolution of a general meeting of shareholders.</p>
<p><u>Chapter 5</u> <u>Corporate Auditors and the Board of Corporate Auditors</u> (Corporate Auditors and the Board of Corporate Auditors) Article 29</p> <p><u>The Company shall have Corporate Auditors and the Board of Corporate Auditors.</u> (Number of Corporate Auditors) Article 30</p> <p><u>The Company shall have not more than four Corporate Auditors.</u></p>	<p>(Exemption of Directors From Liability <u>and Limited Liability Agreement With Directors</u>) Article 29</p> <p>1) (Unchanged)</p> <p>2) <u>Pursuant to the provisions of Article 427, paragraph 1 of the Companies Act, the Company may enter into an agreement with a Director (excluding a person who is an executive director, etc.), limiting liability for damages set forth in Article 423, paragraph 1 of the said Act; provided, however, that the maximum liability for damages under such agreement shall be an amount stipulated by laws and regulations.</u></p> <p style="text-align: right;">(Deleted)</p> <p style="text-align: right;">(Deleted)</p> <p style="text-align: right;">(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<u>(Election of Corporate Auditors)</u> <u>Article 31</u>	(Deleted)
<u>Resolutions on the election of Corporate Auditors of the Company shall be adopted by a majority of the votes of the shareholders present at the meeting where the shareholders holding at least one-third of the voting rights of the shareholders entitled to exercise their voting rights at such meeting are present.</u> <u>(Term of Office of Corporate Auditor)</u> <u>Article 32</u> 1) <u>The term of office of a Corporate Auditor shall expire at the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Corporate Auditor.</u> 2) <u>The term of office of a Corporate Auditor who is elected as the substitute for a Corporate Auditor who retired from office before the expiration of the term of office shall continue until the time when the term of the retired Corporate Auditor was set to expire.</u> 3) <u>The resolution of the election of substitute Corporate Auditors who are elected pursuant to Article 329, paragraph 3 of the Companies Act shall remain in effect until the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Corporate Auditors.</u> 4) <u>The term of office of the substitute Corporate Auditor under the preceding paragraph shall continue until the time when the term of the retired Corporate Auditor was set to expire; provided, however, that the term of office shall not exceed the time of the conclusion of the annual general meeting of shareholders for the last business year out of the business years terminating within four years after the election of the Corporate Auditors under the preceding paragraph.</u>	(Deleted)
<u>(Full-time Corporate Auditor)</u> <u>Article 33</u>	(Deleted)
<u>The Board of Corporate Auditors shall appoint full-time Corporate Auditors from Corporate Auditors.</u>	
<u>(Convocation Notice of Board of Corporate Auditors Meetings)</u> <u>Article 34</u>	(Deleted)
<u>The convocation notice of a Board of Corporate Auditors meeting shall be dispatched to each Corporate Auditor at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u>	
<u>(Method of Resolution of the Board of Corporate Auditors)</u> <u>Article 35</u>	(Deleted)
<u>Unless otherwise provided for by laws and regulations, resolutions of a Board of Corporate Auditors meeting shall be adopted by a majority of the votes of Corporate Auditors.</u>	
<u>(Regulations of the Board of Corporate Auditors)</u> <u>Article 36</u>	(Deleted)
<u>Items concerning the Board of Corporate Auditors shall be in accordance with the Regulations of the Board of Corporate Auditors established by the Board of Corporate Auditors, in addition to laws and regulations and the Articles of Incorporation.</u>	

Current Articles of Incorporation	Proposed amendments
<u>(Remuneration, Etc. to Corporate Auditors)</u>	
<u>Article 37</u>	(Deleted)
<u>The remuneration, etc. to Corporate Auditors shall be determined by resolution of a general meeting of shareholders.</u>	
<u>(Exemption of Corporate Auditors From Liability)</u>	
<u>Article 38</u>	(Deleted)
<p>1) <u>The Company may, by resolution of the Board of Directors, exempt a Corporate Auditor (including a person who was formerly a Corporate Auditor) from liability damages set forth in Article 423, paragraph 1 of the Companies Act up to the amount obtained by deducting the minimum amount stipulated by laws and regulations from the amount of liability for damages in case where the requirements stipulated by laws and regulations are satisfied.</u></p>	
<p>2) <u>The Company may enter into an agreement with an Outside Corporate Auditor, limiting liability for damages set forth in Article 423, paragraph 1 of the said Act in case where the requirements stipulated by laws and regulations are satisfied; provided, however, that the maximum liability for damages under such agreement shall be the minimum amount stipulated by laws and regulations.</u></p>	
(Newly established)	<p><u>Chapter 5</u> <u>Audit & Supervisory Committee</u></p>
(Newly established)	<u>(Establishment of Audit & Supervisory Committee</u>
(Newly established)	<u>Article 30</u> <u>The Company shall have the Audit & Supervisory Committee.</u>
(Newly established)	<u>(Full-time Audit & Supervisory Committee Members)</u>
(Newly established)	<u>Article 31</u> <u>The Audit & Supervisory Committee shall appoint full-time Audit & Supervisory Committee Member(s) by its resolution.</u>
(Newly established)	<u>(Convocation Notice of Audit & Supervisory Committee Meetings)</u>
(Newly established)	<u>Article 32</u> 1) <u>The convocation notice of an Audit & Supervisory Committee meeting shall be dispatched to each Audit & Supervisory Committee Member at least three days prior to the scheduled date of such meeting; provided, however, that this period may be reduced in case of urgency.</u>
(Newly established)	2) <u>With the consent of all Audit & Supervisory Committee Members, an Audit & Supervisory Committee meeting may be held without following the convening procedures.</u>
(Newly established)	<u>(Method of Resolution of Audit & Supervisory Committee Meetings)</u>
(Newly established)	<u>Article 33</u> <u>Resolutions of an Audit & Supervisory Committee meeting shall be adopted by a majority of the votes of the Audit & Supervisory Committee Members present at the meeting where a majority of the Audit & Supervisory Committee Members entitled to participate in the voting are present.</u>
(Newly established)	<u>(Regulations of the Audit & Supervisory Committee)</u>
(Newly established)	<u>Article 34</u> <u>Items concerning the Audit & Supervisory Committee shall be in accordance with the Regulations of the Audit & Supervisory Committee established by the Audit & Supervisory Committee, in addition to laws and regulations and the Articles of Incorporation.</u>
(Newly established)	
(Newly established)	
(Newly established)	
(Newly established)	
(Newly established)	
(Newly established)	
(Newly established)	
(Newly established)	
Article 39 - Article 41 (Text omitted)	Article 35 - Article 37 (Unchanged)

Current Articles of Incorporation	Proposed amendments
<p>(Remuneration, Etc. to Financial Auditor)</p> <p>Article <u>42</u> The remuneration, etc. to a Financial Auditor shall be determined by Representative Directors with the consent of <u>the Board of Corporate Auditors</u>.</p> <p>Article <u>43</u> (Text omitted) (Dividends of Surplus, Etc.)</p> <p>Article <u>44</u> 1) (Text omitted) 2) The Company shall distribute dividends of surplus in cash (hereinafter the “Dividends”) to shareholders or registered pledgees of shares described or recorded in the last shareholder register as of March 31, June 30, September 30, or December 31 of each year. 3) (Text omitted)</p> <p>Article <u>45</u> (Text Omitted) (Newly established)</p> <p>(Newly established)</p>	<p>(Remuneration, Etc. to Financial Auditor)</p> <p>Article <u>38</u> The remuneration, etc. to a Financial Auditor shall be determined by Representative Directors with the consent of <u>the Audit & Supervisory Committee</u>.</p> <p>Article <u>39</u> (Unchanged) (Dividends of Surplus, Etc.)</p> <p>Article <u>40</u> 1) (Unchanged) 2) The Company <u>may</u> distribute dividends of surplus in cash (hereinafter the “Dividends”) to shareholders or registered pledgees of shares described or recorded in the last shareholder register as of March 31, June 30, September 30, or December 31 of each year. 3) (Unchanged)</p> <p>Article <u>41</u> (Unchanged) Supplementary Provisions <u>(Transitional Measures Concerning Exemption of Corporate Auditors From Liability)</u></p> <p>Article <u>1</u> 1) <u>Pursuant to the provisions of Article 426, paragraph 1 of the Companies Act, the Company may, by resolution of the Board of Directors, exempt a Corporate Auditor (including a person who was formerly a Corporate Auditor) from liability for damages arising from neglecting assigned duties before the amendment to the Articles of Incorporation resolved at the 63rd Annual General Meeting of Shareholders takes effect to the extent permitted by laws and regulations.</u> 2) <u>An agreement limiting liability for damages set forth in Article 423, paragraph 1 of the Companies Act, concerning the acts of a Corporate Auditor (including a person who was formerly a Corporate Auditor) prior to the conclusion of the 63rd Annual General Meeting of Shareholders, shall still be in accordance with Article 38, paragraph 2 of the Articles of Incorporation before the amendment resolved at the said Annual General Meeting of Shareholders.</u></p>

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

The terms of office of all six Directors will expire at the conclusion of this meeting. If Proposal No. 1 “Amendment to the Articles of Incorporation” is approved and passed as originally proposed, the Company transitions to a company with an Audit & Supervisory Committee.

Therefore, the Company proposes the election of four Directors (excluding Directors who are Audit & Supervisory Committee Members; the same applies in this proposal). This proposal shall become effective, provided that the amendment to the Articles of Incorporation in Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

The Director candidates are as follows:

Candidate No.	Name	Current position and responsibilities	Attributes
1	Hideki Kawakubo	President and CEO	Reelection
2	Taisuke Fujita	Outside Director	Reelection
3	Kiyoshi Uesugi	Outside Director	Reelection Outside Independent
4	Yuta Kinose		New election Outside Independent

Reelection	Renominated Director candidate
New election	New Director candidate
Outside	Outside Director candidate
Independent	Independent officer in accordance with the provisions of the stock exchange, etc.

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
1	<p>Hideki Kawakubo (February 6, 1971) Male</p> <p>Reelection Attendance at meetings of the Board of Directors 18/18 (100%)</p>	<p>Apr. 1996 Joined Yamanouchi Pharmaceutical Co., Ltd. (currently Astellas Pharma Inc.)</p> <p>Oct. 2007 General Manager of Corporate Communications and IR Group of Astellas Pharma Inc.</p> <p>Oct. 2012 General Manager of Management Planning Dept. of Astellas Pharma Inc.</p> <p>Feb. 2015 Joined USJ Co., Ltd. as Deputy General Manager of HR and General Affairs Div.</p> <p>Apr. 2016 Joined Dexerials Corporation as General Manager of IR Dept. of General Affairs Planning Div.</p> <p>Apr. 2018 Joined the Company as General Manager of Management Planning Dept.</p> <p>July 2018 Executive Officer and General Manager of Management Planning Dept.</p> <p>Aug. 2018 Director, HOGY Medical Asia Pacific PTE. LTD. (present position)</p> <p>May 2019 Executive Officer, General Manager of Management Planning Dept., and General Manager of Sales Administration Dept.</p> <p>June 2020 Executive Officer, General Manager of Administration Div., General Manager of Management Planning Dept., General Manager of Sales Administration Dept., and General Manager of Administration Dept.</p> <p>June 2021 Director, General Manager of Administration Div., General Manager of Management Planning Dept., General Manager of Administration Dept., and General Manager of Sales Administration Dept.</p> <p>Sept. 2021 Director, General Manager of Administration Div., General Manager of Management Planning Dept., and General Manager of Administration Dept.</p> <p>Apr. 2024 President and CEO (present position) [Significant concurrent position(s) outside the Company] Director, HOGY Medical Asia Pacific PTE. LTD.</p>	5,962 shares
<p>(Reasons for nomination as Director candidate)</p> <p>Mr. Hideki Kawakubo has extensive operational experience in management planning and administration, proven track record and insights to contribute to the Group's ongoing profit growth and improvement in corporate value, and is familiar with the Group's business. The Company has determined that he will demonstrate his capacities required for appropriately managing the Group, and accordingly it proposes that he be reappointed.</p>			

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
2	Taisuke Fujita (July 11, 1970) Male Reelection Attendance at meetings of the Board of Directors 18/18 (100%)	<p>Oct. 1991 Joined Tohmatsu & Co. (currently Deloitte Touche Tohmatsu LLC)</p> <p>Nov. 2000 Joined Morgan Stanley Japan Securities (currently Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.)</p> <p>June 2002 Joined SPARX Asset Management Co., Ltd. as Group Manager of Value Creation Investment</p> <p>Mar. 2006 Joined Taiyo Pacific Partners LP as Group Director of Portfolio Management</p> <p>Feb. 2012 CEO of Unleash Capital Pte. Ltd.</p> <p>Dec. 2012 Joined Orbis Investments Management Ltd. as Japan Business Start-up Initiative Leader</p> <p>Sept. 2014 Asian Energy Investments, Pte. Ltd. COO</p> <p>May 2016 Joined Amundi Japan Ltd. as General Manager of Asset Management</p> <p>June 2020 Representative of Office Fujita</p> <p>July 2020 Outside Director of Konoike Transport Co., Ltd. (present position)</p> <p>June 2022 Outside Director of the Company (present position)</p> <p>Feb. 2023 Representative Partner of Fujitaya Hinpin LLC (present position)</p> <p>[Significant concurrent position(s) outside the Company] Representative Partner of Fujitaya Hinpin LLC Outside Director of Konoike Transport Co., Ltd.</p>	292 shares
(Reasons for nomination as Director candidate) Mr. Taisuke Fujita has extensive knowledge and experience in capital markets in Japan and overseas and corporate management. The Company expects that he can contribute to securing suitable and appropriate decision-making by the Board of Directors and to the Group's sustainable profit growth and improvement in corporate value, and accordingly it proposes that he be reappointed.			
3	Kiyoshi Uesugi (May 1, 1950) Male Reelection Outside Independent Attendance at meetings of the Board of Directors 18/18 (100%)	<p>Apr. 1968 Joined Nippon Shoji Kaisha, Ltd. (currently Alfresa Corporation)</p> <p>June 1980 Joined Terumo Corporation</p> <p>June 2002 Executive Officer and General Manager of Sales Policy Department</p> <p>July 2003 Executive Officer, General Manager of Kansai Block and Branch Manager of Osaka Branch</p> <p>Oct. 2006 Executive Officer and President of Medical Device Company</p> <p>Apr. 2010 Corporate Auditor of SEAOS, Inc. (resigned in December 2014)</p> <p>Mar. 2013 Director and Vice President of Medi-Banx Inc. (present position)</p> <p>June 2016 Outside Director of the Company (present position)</p> <p>[Significant concurrent position(s) outside the Company] Director and Vice President of Medi-Banx Inc.</p>	9,352 shares
(Reasons for nomination as Outside Director candidate and outline of expected roles) Mr. Kiyoshi Uesugi has extensive knowledge and business experience in the medical industry. The Company expects that he can contribute to securing suitable and appropriate decision-making by the Board of Directors and to the Group's sustainable profit growth and improvement in corporate value, and accordingly it proposes that he be reappointed.			

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
4	Yuta Kinose (October 14, 1980) Male New election Outside Independent Attendance at meetings of the Board of Directors -	Apr. 2005 Joined Nomura Research Institute, Ltd. Oct. 2006 Joined J-Will Partners Co., Ltd. Aug. 2011 Joined Kizuna Capital Partners Co., Ltd. May 2014 CEO of Kizuna Capital Partners Co., Ltd. May 2017 CEO of Continental Investment Group Co., Ltd. (present position) [Significant concurrent position(s) outside the Company] CEO of Continental Investment Group Co., Ltd.	- shares
(Reasons for nomination as Outside Director candidate and outline of expected roles) Mr. Yuta Kinose has extensive knowledge and business experience in investments. The Company expects that he can contribute to securing suitable and appropriate decision-making by the Board of Directors and to the Group's sustainable profit growth and improvement in corporate value, and accordingly it proposes that he be newly appointed.			

- Notes:
- Mr. Taisuke Fujita is an Outside Director of Konoike Transport Co., Ltd., and the Company has business transactions with the said company concerning transportation.
 - Mr. Kiyoshi Uesugi is a Director and Vice President of Medi-Banx Inc., and the Company has business transactions with the said company regarding sales support; however, the average amount of the transactions in the most recent fiscal year has been less than 1% of the net sales of the said company and the Company, and the Company has determined that it will not affect his independence.
 - There are no special interests between the other candidates and the Company.
 - The number of the Company's shares owned by each candidate includes the respective candidate's holdings in the Hogy Medical Officers' Shareholders Association.
 - Mr. Kiyoshi Uesugi and Mr. Yuta Kinose are Outside Director candidates. Mr. Kiyoshi Uesugi satisfies the requirements for independent officers as provided for by the Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning his appointment as independent officer. If his reelection is approved, the Company plans for his appointment as independent officer to continue. Mr. Yuta Kinose satisfies the requirements for independent officers as provided for by the Tokyo Stock Exchange, and if his election is approved, the Company plans to submit notification concerning his appointment as an independent officer. In addition, they both satisfy the Company's independence standards for outside officers (page 23).
 - Pursuant to the Company's Articles of Incorporation and the provisions of Article 427, paragraph 1 of the Companies Act, if Mr. Kiyoshi Uesugi and Mr. Yuta Kinose are elected as Outside Directors, the Company plans to enter into agreements with them to limit their liability for damages set forth in Article 423, paragraph 1 of the said Act, provided that Proposal No. 1 "Amendment to the Articles of Incorporation" is approved and passed as originally proposed. The summary of details of the limited liability agreement which the Company plans to enter into agreements with both of the candidates is as follows.
 - A Director excluding a person who is an executive director, etc. shall become liable to the Company for damages due to a failure to perform his or her duties up to the minimum amount stipulated by laws and regulations.
 - The above limitation of liability shall apply only when a Director excluding a person who is an executive director acted in good faith and without gross negligence in performing the duties giving rise to said liabilities.
 - Mr. Kiyoshi Uesugi is currently an Outside Director of the Company, and at the conclusion of this meeting, his tenure since assuming office will have been eight years.

Proposal No. 3 Election of Three Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 1 “Amendment to the Articles of Incorporation” is approved and passed as originally proposed, the Company transitions to a company with an Audit & Supervisory Committee.

Therefore, the Company proposes the election of three Directors who are Audit & Supervisory Committee Members.

In addition, the consent of the Board of Corporate Auditors has been obtained for this proposal.

This proposal shall become effective, provided that the amendment to the Articles of Incorporation in Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

The candidates for Directors who are Audit & Supervisory Committee Members are as follows:

Candidate No.	Name	Current position and responsibilities	Attributes
1	Yuji Takada	Outside Corporate Auditor	New election Outside Independent
2	Mime Egami		New election Outside Independent
3	Katsusuke Higuchi		New election Outside Independent

New election

New Director candidate

Outside

Outside Director candidate

Independent

Independent officer in accordance with the provisions of the stock exchange, etc.

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
1	<p style="text-align: center;">Yuji Takada (January 27, 1980) Male</p> <p style="text-align: center;">New election Outside Independent</p> <p>Attendance at meetings of the Board of Directors 13/13 (100%)</p> <p>Attendance at meetings of the Board of Corporate Auditors 12/12 (100%)</p>	<p>Oct. 2003 Registered as an attorney-at-law Joined MOMO-O, MATSUO & NAMBA</p> <p>Dec. 2004 Joined Nagashima Ohno & Tsunematsu</p> <p>Aug. 2013 Joined Shimada Hamba & Osajima</p> <p>Jan. 2015 Partner at Shimada Hamba & Osajima (present position)</p> <p>Dec. 2018 Outside Director (Audit & Supervisory Committee Member) of FreakOut Holdings, Inc. (present position)</p> <p>June 2023 Outside Corporate Auditor of the Company (present position)</p> <p>[Significant concurrent position(s) outside the Company]</p> <p>Partner at Shimada Hamba & Osajima</p> <p>Outside Director (Audit & Supervisory Committee Member) of FreakOut Holdings, Inc.</p>	- shares
<p>(Reasons for nomination as candidate for Outside Director who is an Audit & Supervisory Committee Member and outline of expected roles)</p> <p>The Company has determined that Mr. Yuji Takada, although he has no direct experience of being involved in corporate management except being an outside officer, is well versed in corporate legal affairs as an attorney at law, that he has ample insight related to the governance of corporate managements, and that he will be able to utilize the legal knowledge he has developed through his legal practice, and accordingly it proposes that he be appointed.</p>			

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
2	<p>Mime Egami (September 14, 1957) Female</p> <p>New election Outside Independent</p> <p>Attendance at meetings of the Board of Directors -</p> <p>Attendance at meetings of the Board of Corporate Auditors -</p>	<p>Apr. 1981 Joined The Mitsubishi Bank, Limited (currently MUFG Bank, Ltd.)</p> <p>Nov. 1984 Joined Citibank, N.A., Tokyo Branch, Capital Markets Division</p> <p>Apr. 1992 Joined CIBC Wood Gundy (currently CIBC Securities Inc.) Tokyo Branch, General Manager of Capital Markets Dept.</p> <p>Nov. 1998 Joined ABN AMRO Bank, Tokyo Branch, General Manager of Health Care Dept., Corporate Finance Div.</p> <p>Nov. 2005 Visiting Professor, School of Medicine, Tohoku University</p> <p>Aug. 2006 Visiting Professor, Institute of Advanced Biomedical Engineering and Science, Tokyo Women's Medical University</p> <p>Oct. 2015 Auditor, New Energy and Industrial Technology Development Organization</p> <p>Oct. 2015 Adjunct Professor, Pharmaceutics and Pharmaceutical Chemistry, University of Utah (present position)</p> <p>Mar. 2017 Established Organization of Cell Sheet Tissue Engineering Regenerative Medicine Initiative, Executive for Operations (present position)</p> <p>June 2023 Outside Director of OBIC Co., Ltd. (present position)</p> <p>[Significant concurrent position(s) outside the Company] Adjunct Professor, Pharmaceutics and Pharmaceutical Chemistry, University of Utah Executive for Operations, Organization of Cell Sheet Tissue Engineering Regenerative Medicine Initiative Outside Director of OBIC Co., Ltd.</p>	- shares
<p>(Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and outline of expected roles)</p> <p>The Company has determined that Ms. Mime Egami, although she has no direct experience of being involved in corporate management except being an outside officer, is well versed in international finance and advanced medical related technology, that she has ample insight related to the governance of corporate managements that she gained through her experience of being an auditor, and that she will be able to utilize the knowledge, and accordingly it proposes that she be appointed.</p>			

Candidate No.	Name and date of birth	Career summary, and position and responsibilities in the Company	Number of the Company's shares owned
3	Katsusuke Higuchi (January 20, 1981) Male New election Outside Independent Attendance at meetings of the Board of Directors - Attendance at meetings of the Board of Corporate Auditors -	Dec. 2005 Joined ChuoAoyama Audit Corporation Jul. 2006 Joined PricewaterhouseCoopers Aarata (currently PricewaterhouseCoopers Japan LLC) Jul. 2009 Registered as Certified Public Accountant Jul. 2010 Joined PricewaterhouseCoopers Co., Ltd. (currently PwC Consulting LLC) Jan. 2014 Representative of Higuchi Katsusuke CPA Firm (present position) June 2014 Registered as a tax accountant June 2016 Representative Director of Suji-wa Mikata Co., Ltd. (present position) [Significant concurrent position(s) outside the Company] Representative of Higuchi Katsusuke CPA Firm Representative Director of Suji-wa Mikata Co., Ltd.	- shares
(Reasons for nomination as candidate for Outside Director who is Audit & Supervisory Committee Member and outline of expected roles) The Company has determined that Mr. Katsusuke Higuchi is familiar with corporate accounting as a certified public accountant, that he has ample insight related to the governance of corporate managements, and that he can leverage his accounting knowledge, which has been fostered through his service as a certified public accountant, and accordingly it proposes that he be appointed.			

- Notes:
- Ms. Mime Egami is an Outside Director of OBIC Co., Ltd., and the Company has business transactions with the said company concerning system utilization; however, the average amount of the transactions in the most recent fiscal year has been less than 1% of the net sales of the said company and the Company, and the Company has determined that it will not affect her independence.
 - There are no special interests between the other candidates and the Company.
 - Mr. Yuji Takada, Ms. Mime Egami, and Mr. Katsusuke Higuchi are candidates for Outside Directors who are Audit & Supervisory Committee Members. Mr. Yuji Takada satisfies the requirements for independent officers as provided for by the Tokyo Stock Exchange, and the Company has submitted notification to the aforementioned exchange concerning his appointment as an independent officer. If his election is approved, the Company plans for his appointment as independent officer to continue. Ms. Mime Egami and Mr. Katsusuke Higuchi satisfy the requirements for independent officers as provided for by the Tokyo Stock Exchange, and if their election is approved, the Company plans to submit notification concerning their appointments as independent officers. In addition, each of them satisfies the Company's independence standards for outside officers (page 23).
 - Pursuant to the provisions of the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Yuji Takada to limit his liability for damages set forth in Article 423, paragraph 1 of the said Act to the amount stipulated by laws and regulations. If his election is approved, the Company plans to enter into a new agreement with equivalent content with him. If the election of Ms. Mime Egami and Mr. Katsusuke Higuchi is approved, the Company plans to enter into agreements with them pursuant to the provisions of the Company's Articles of Incorporation and Article 427, paragraph 1 of the Companies Act to limit their liability for damages set forth in Article 423, paragraph 1 of the said Act.
The summary of details of the limited liability agreement which the Company plans to enter into agreements with each of the candidate is as follows.
 - A Director excluding a person who is an executive director, etc. shall become liable to the Company for damages due to a failure to perform his or her duties up to the minimum amount stipulated by laws and regulations.
 - The above limitation of liability shall apply only when a Director excluding a person who is an executive director acted in good faith and without gross negligence in performing the duties giving rise to said liabilities.
 - Mr. Yuji Takada is currently an outside Corporate Auditor of the Company, and at the conclusion of this meeting, his tenure since assuming office will have been one year.

Proposal No. 4 Establishment of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)

If Proposal No. 1 “Amendment to the Articles of Incorporation” is approved and passed as originally proposed, the Company transitions to a company with an Audit & Supervisory Committee.

At the 62nd Annual General Meeting of Shareholders held on June 20, 2023, the Company received approval for the annual remuneration amount for the Company’s Directors, not exceeding 4.5% of profit attributable to owners of parent for the previous fiscal year for the base remuneration framework (however, if such amount is less than ¥120 million, not exceeding ¥120 million) (including not exceeding ¥50 million for Outside Directors), and not exceeding 2% of profit attributable to owners of parent for the previous fiscal year for the bonus framework. In accordance with the transition to a company with an Audit & Supervisory Committee, the Company shall abolish such remuneration and again determine the annual remuneration amount for Directors (excluding Directors who are Audit & Supervisory Committee Members), not exceeding 4% of profit attributable to owners of parent for the previous fiscal year for the base remuneration framework (however, if such amount is less than ¥110 million, not exceeding ¥110 million) (including not exceeding ¥50 million for Outside Directors), and not exceeding 2.5% of profit attributable to owners of parent for the previous fiscal year for the bonus framework.

However, remuneration for Outside Directors shall consist only of fixed base remuneration, considering that they are in a position to supervise and advise the management of the Company without executing business operations.

Furthermore, following the Company’s transition to a Company with an Audit and Supervisory Committee, according to the provisions of Article 361 (7) of the Companies Act, through a resolution by the Company’s Board of Directors, as provided on pages 23-24, the Company plans to determine the decision-making policy associated with the details of individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members). The details of this proposal align with the policy set to be determined. Moreover, following deliberation at the Remuneration Committee voluntarily established by the Company, the Board of Directors made its decision based on the details of the Remuneration Committee’s response, deeming those details to be valid. The Remuneration Committee is chaired by an Outside Director and composed of four members, three independent Outside Directors and one other Director.

The amount of remuneration shall not include salaries for employees of Directors concurrently serving as employees.

The specific timing and allocation of payments to each Eligible Director will be determined by the President and CEO at the mandate of the Board of Directors, following deliberation by the Compensation Committee, a voluntary committee whose principal members are outside directors.

There are currently six Directors (including three Outside Directors), and if Proposal No. 1 “Amendment to the Articles of Incorporation” and Proposal No. 2 “Election of Four Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)” are approved and passed as originally proposed, the number of Directors (excluding Directors who are Audit & Supervisory Committee Members) will be four (including two Outside Directors).

This proposal shall become effective, provided that the amendment to the Articles of Incorporation in Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

Proposal No. 5 Establishment of Remuneration Amount for Directors Who Are Audit & Supervisory Committee Members

If Proposal No. 1 “Amendment to the Articles of Incorporation” is approved and passed as originally proposed, the Company transitions to a company with an Audit & Supervisory Committee.

Therefore, the Company proposes that the annual remuneration amount for Directors who are Audit & Supervisory Committee Members shall not exceed ¥50 million.

The Company believes that this proposal is appropriate, given the responsibilities of Directors who are Audit & Supervisory Committee Members.

The specific timing and allocation of payments to each Director who is an Audit & Supervisory Committee Member will be determined, following deliberation by Directors who are Audit & Supervisory Committee Members. If Proposal No. 1 “Amendment to the Articles of Incorporation” and Proposal No. 3 “Election of Three Directors Who Are Audit & Supervisory Committee Members” are approved and passed as originally proposed, the number of Directors who are Audit & Supervisory Committee Members concerning this proposal will be three.

This proposal shall become effective, provided that the amendment to the Articles of Incorporation in Proposal No. 1 “Amendment to the Articles of Incorporation” takes effect.

Proposal No. 6 Determination of Remuneration for Granting Restricted Shares to Directors (Excluding Directors Who Are Audit & Supervisory Committee Members and Outside Directors)

At the 62nd Annual General Meeting of Shareholders held on June 20, 2023, the Company received approval to pay an annual amount of monetary remuneration claims for the grant of restricted shares not exceeding 1.5% of profit attributable to owners of parent for the previous fiscal year, in order to provide incentive to the Company's Directors (excluding Outside Directors) to continuously improve the Company's corporate value and to promote further sharing of value with shareholders. In accordance with the transition to a company with an Audit & Supervisory Committee, provided that Proposal No. 1 "Amendment to the Articles of Incorporation" is approved and passed as originally proposed, the Company shall abolish the payment of remuneration for granting restricted shares to the current Directors, and again propose the payment of an annual amount of monetary remuneration claims for the grant of restricted shares not exceeding 1.5% of profit attributable to owners of parent for the previous fiscal year to Directors (excluding Directors who are Audit & Supervisory Committee Members and Outside Directors; hereinafter, "Eligible Directors"), separate from Proposal No. 4 "Establishment of Remuneration Amount for Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)."

Following the Company's transition to a Company with an Audit and Supervisory Committee, according to the provisions of Article 361 (7) of the Companies Act, through a resolution by the Company's Board of Directors, as provided on pages 23-24, the Company plans to determine the decision-making policy associated with the details of individual remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members). The details of this proposal align with the policy set to be determined. Moreover, following deliberation at the Remuneration Committee voluntarily established by the Company, the Board of Directors made its decision based on the details of the Remuneration Committee's response, deeming those details to be valid. The Remuneration Committee is chaired by an Outside Director and composed of four members, three independent Outside Directors and one other Director.

The specific timing and allocation of payments to each Eligible Director will be determined by the President and CEO at the mandate of the Board of Directors, following deliberation by the Compensation Committee, a voluntary committee whose principal members are outside directors.

In addition, in accordance with the resolution of the Company's Board of Directors, the Eligible Directors will receive all of the monetary claims to be paid in accordance with this proposal as property contributed in kind, and the shares of common stock of the Company will be issued or disposed of. The total number of shares of common stock of the Company to be issued or disposed of in this manner shall not exceed 30,000 shares per year (However, in the event of a stock split, including allocation of shares of common stock without consideration, or reverse stock split of shares of common stock of the Company or any other event requiring adjustment of the total number of shares of common stock of the Company to be issued or disposed of as restricted shares after the date of approval of this proposal, the total number shall be adjusted within a reasonable limits.), and the amount to be paid in per share shall be determined by the Board of Directors based on the closing price of the Company's common stock on the Tokyo Stock Exchange on the business day immediately before the date of each resolution of the Board of Directors (If no transaction is executed on that date, the most recent trading day preceding that date), within a range that is not particularly favorable to the Eligible Directors who will receive the said common stock. The issuance or disposal of shares of common stock of the Company as well as the payment of monetary claims as property contributed in kind through such issuance or disposal shall be subject to the execution of an agreement on allotment of shares with transfer restrictions (hereinafter, the "Allotment Agreement") between the Company and the Eligible Directors, which shall include the following details.

The Company shall not pay remuneration for the grant of restricted shares to Directors who are Audit & Supervisory Committee Members and Outside Directors. There are currently six Directors (including three Eligible Directors), and if Proposal No. 1 "Amendment to the Articles of Incorporation" and Proposal No. 2 "Election of Four Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)" are approved and passed as originally proposed, the number of Eligible Directors will be two.

This proposal shall become effective, provided that the amendment to the Articles of Incorporation in Proposal No. 1 "Amendment to the Articles of Incorporation" takes effect.

[Summary of the Allotment Agreement]

(1) Transfer restriction period

The Director shall not transfer, create a security interest in, or otherwise dispose of Company shares allotted under this allotment agreement (the "Allotted Shares") during the period from the date of allotment to the time immediately following his or her retirement or resignation from their position as an officer or employee of the Company or its subsidiary, as previously determined by the Board of Directors of the Company (the "Restriction Period" and the "Restriction on Transfer of Shares"). However, if the point immediately following this retirement or resignation is within three months of the end of the fiscal year of the date in which the Allotted Shares are to be received, then the termination date of the Restriction Period may be adjusted to a reasonable extent.

(2) Acquisition of the Allotted Shares without consideration

If the Director resigns or retires from his or her position as an officer or employee of the Company or its subsidiary before the end of the period predetermined by the Board of Directors (the "Service Period"), in the absence of a justifiable reason such as the expiration of his or her term of office, death, or other reasons for such resignation or retirement, the Company shall naturally acquire all Allotted Shares without consideration.

(3) Lifting of Transfer Restriction(s)

The Company shall cancel the Restriction on Transfer of Shares of all of the Allotted Shares upon the expiration of the Restriction Period, provided that the Director has continuously held a position as an officer or employee of the Company or its subsidiary, as previously determined by the Board of Directors of the Company, during the Service Period.

However, in the event that the Director resigns or retires from his or her position as an officer or employee of the Company or its subsidiary, as predetermined by the Board of Directors, before the expiration of the Service Period due to the expiration of his or her term of office, death or other justifiable reasons, or in the event that the Director resigns or retires from his or her position as an officer or employee of the Company or its subsidiary, as predetermined by the Board of Directors, following the expiration of the Service Period for reasons other than justifiable reasons such as the expiration of his or her term of office or death, the number of Allotted Shares to be released from the Restriction on Transfer of Shares and the time at which the restriction on transfer is released shall be adjusted reasonably, as necessary. In addition, immediately following the expiry of the Restriction on Transfer of Shares in accordance with the above provisions, the Company shall naturally acquire without compensation Allotted Shares for which the Restriction has not expired.

(4) Treatment in organizational restructuring, etc.

Notwithstanding the provisions of (1) above, in the event that, during the Transfer Restriction Period, a merger agreement in which the Company is the disappearing company, a share exchange agreement under which the Company is to become a wholly owned subsidiary, a share transfer plan, or any other matter relating to organizational restructuring, etc. is approved at a General Meeting of Shareholders of the Company (or the Board of Directors meeting of the Company, if such organizational restructuring, etc. does not require approval at a General Meeting of Shareholders), the Company shall, by a resolution of the Board of Directors of the Company, lift the Transfer Restriction of the Allotted Shares in the number reasonably determined based on the period from the commencement date of the Transfer Restriction Period to the date of approval of such organizational restructuring, etc., prior to the effective date of such organizational restructuring, etc. In addition, in the case stipulated above, at the time immediately after the lifting of the Transfer Restriction, the Company shall acquire, by rights, the Allotted Shares for which the restrictions on transfer have not yet been lifted without consideration.

(5) Other matters

Other matters concerning the Allotment Agreement shall be determined by the Board of Directors of the Company.

Reference: Policy for Determining Directors' (Excluding Directors Who Are Audit & Supervisory Committee Members) Remuneration (Proposal)

Following the transition to a Company with an Audit and Supervisory Committee, the Company plans to change the decision-making policy for remuneration, etc. for Directors (excluding Directors who are Audit and Supervisory Committee Members) as follows.

1. Basic policy

Remuneration for the Company's Directors (excluding Directors who are Audit & Supervisory Committee Members; the same shall apply hereinafter) shall be based on a remuneration system linked to the interests of shareholders so that it functions sufficiently as an incentive to continuously improve corporate value, and to set the remuneration of individual Directors at an appropriate level based on their respective responsibilities.

2. Summary of the Details of the Policy for Determining Remuneration, etc. for Individual Directors

Remuneration for Directors shall be limited to the maximum amount previously resolved at the General Meeting of Shareholders, and shall consist of base remuneration (monthly remuneration) that takes into consideration each Director's position, responsibilities, and the Company's business performance, as well as bonuses and non-monetary remuneration in the form of restricted share awards that take into account the Company's business performance. However, remuneration for Outside Directors shall consist only of a fixed base remuneration, taking into consideration that they are in a position to supervise and advise the management of the Company without executing business operations.

(i) Base Remuneration

In order to raise awareness of the need to improve business performance each fiscal year, base remuneration shall be limited to the amount obtained by multiplying profit attributable to owners of parent for each fiscal year by a certain percentage, and shall be determined by the President and CEO, who is delegated by the Board of Directors based on the report of the Remuneration Committee, the majority of whose members are independent Outside Directors, taking into consideration the position, responsibilities, and business performance of the Company, to determine the specific amount and pay the same amount every month.

(ii) Bonus

In order to raise awareness of the need to improve business performance each fiscal year, bonuses shall be limited to the amount obtained by multiplying profit attributable to owners of parent for each fiscal year by a certain percentage, and shall be determined by the President and CEO, who is delegated by the Board of Directors based on the report of the Remuneration Committee, the majority of whose members are independent Outside Directors, taking into consideration the business performance of the Company, to determine the specific amount, and shall be paid at a certain time every year.

(iii) Restricted Shares Remuneration (non-monetary remuneration, etc.)

In order to raise awareness of the need to improve business performance over the medium- to long-term, the number of shares to be allotted and the amount of monetary claims as assets contributed in kind shall be determined at a certain time each year by the President and CEO, who is delegated by the Board of Directors, based on the report of the Remuneration Committee, a majority of whose members are independent Outside Directors, and within the scope previously resolved at the General Meeting of Shareholders, taking into consideration the Company's business performance and other factors (the total amount of monetary claims shall be limited to the amount obtained by multiplying profit attributable to owners of parent for each fiscal year by a certain percentage) and shall be paid at a certain time each year. In principle, Restriction on Transfer of Shares shall be lifted immediately after the Eligible Director retires or resigns from such position, on the condition that he or she has continuously held a position among officers or employees of the Company or its subsidiaries predetermined by the Board of Directors, for a period of time predetermined by the Board of Directors.

3. Policy for Determining the Ratio of Each Type of Remuneration, etc.

The ratio of base remuneration, bonuses, and restricted shares remuneration shall be determined based on base remuneration, and in order to function as a healthy incentive to contribute to business performance and increase corporate value over the medium- to long-term, the Remuneration Committee, the majority of whose members are independent Outside Directors, shall deliberate on the matter, and then the Board of Directors shall respect the report of the Remuneration Committee and determine the appropriate payment ratio.

4. Matters Concerning Determining the Content of Remuneration, etc. for Individual Directors

The amount of remuneration for each Individual Director shall be determined by the President and CEO, who is delegated by resolution of the Board of Directors, based on the report of the Remuneration Committee, the

majority of whose members are independent Outside Directors, and shall determine the amount of base remuneration, bonuses, and the number of shares to be allotted for restricted shares remuneration as nonmonetary remuneration, etc. as well as the amount of monetary claims as assets contributed in kind, for each Director. The President and CEO shall respect the report of the Remuneration Committee to the greatest extent possible.

<Reference>

Director Candidates' Skill Matrix

If Proposal No. 2 and Proposal No. 3 are approved and passed as originally proposed at this General Meeting of Shareholders, the matrix of the skills that are particularly expected of each Director will be as follows:

Name	Main position	Committees		Skills and areas of expertise that are particularly expected				
		Nominating committee	Compensation committee	Corporate management	Medical industry	Overseas business	Governance	Finance, accounting
Hideki Kawakubo	President and CEO CEO (Chief Executive Officer)			●	●		●	●
Taisuke Fujita	Director CFO (Chief Financial Officer)	●	●	●		●		●
Kiyoshi Uesugi	Outside Director	●	●		●	●		
Yuta Kinose	Outside Director	●	●	●		●		
Yuji Takada	Outside Director (Audit & Supervisory Committee Member)	●					●	
Mime Egami	Outside Director (Audit & Supervisory Committee Member)		●	●	●	●	●	
Katsusuke Higuchi	Outside Director (Audit & Supervisory Committee Member)						●	●

* The above table shows skills and areas of expertise that are particularly expected of each Director and does not represent all of the skills and areas of expertise of each Director.

Independence Standards for Outside Officers

1. Relationships with the Group
A party who is not an executive director or employee (hereinafter, “party who executes business”) of the Company or one of its subsidiaries (hereinafter, the “Group”).
2. Relationships with major shareholders
 - (1) A party who is not a current major shareholder in the Company (refers to a shareholder with a voting rights ownership ratio of 10% or more; the same applies below).
 - (2) If (1) above is a corporation, a party who is not a director, corporate auditor, accounting advisor, executive officer, trustee, manager, or other employee (hereinafter, “director, etc.”) of that corporation or that corporation’s parent company or significant subsidiary (hereinafter, “corporation, etc.”).
 - (3) A party who is not a director, etc. of a corporation, etc. of which the Company is currently a major shareholder.
3. Relationships with major business partners
 - (1) A party for whom the Group is not a major business partner or who executes business for such a major business partner.
 - (2) A party who is not a major business partner of the Group or who executes business for such a major business partner.
 - (3) A party who does not execute business for an organization that the Group has provided donations, etc., that exceed the larger of ¥10 million per year based on the average for the past three fiscal years or 30% of that organization’s average annual total expenses, whichever is higher.
4. Relationships with personnel exchange partners
A party who is not a director, corporate auditor, accounting advisor or executive officer of a corporation, etc., that accepts directors (full-time or part-time) from the Group.
5. Relationships with major lenders
A party who does not execute business for a financial institution that the Group borrows from if the loan balance accounts for over 2% of the Company’s consolidated total assets.
6. Relationships with advisors
 - (1) A party who is not a consultant, accounting expert, or legal expert that has received money or other assets other than officers’ compensation from the Group worth ¥10 million or more a year based on the average for the past three years in the case of an individual, or that has received money or other assets other than officers’ compensation from the Group worth 2% or more of its consolidated gross sales in the case of an organization (if the party receiving assets is an organization such as a corporation or association, this refers to parties that belong to such an organization).
 - (2) A party who is not a member, partner or employee of a certified public accountant, tax accountant, audit corporation or tax accountant corporation that currently serves as a financial auditor or accounting advisor for the Group.
 - (3) A party who is not a member, partner or employee of a certified public accountant, tax accountant, audit corporation or tax accountant corporation that has served as a financial auditor or accounting advisor for the Group in the past three years and that was actually responsible (excluding supplementary involvement) for audit operations at the Group (including parties that have currently resigned from that position or office).
7. Past relationships
 - (1) A party who has not fallen under 1. during the past ten years.
 - (2) A party who has not fallen under either 2. (1) or (2) during the past five years.
 - (3) A party who has not fallen under any item in 3. to 6. (1) during the past three years.
8. Close relative relationships
A close relative (refers to a spouse, a relative with a relation within the second degree, or a relative living in the same residence) who does not fall under either (i) or (ii) below (excluding parties who are not material).
 - (i) A party who falls under any item in 3. to 6.
 - (ii) A party who has been a party who executes business for the Group during the past three years.
9. Other relationships
A party who does not fall under any item in 1. to 8. above, and has no potential substantive conflict of interests with general shareholders due to other circumstances.