

May 30, 2025

(Date of commencement of the measures for electronic provision: May 29, 2025)

## NOTICE OF CONVOCATION OF THE 53rd ORDINARY GENERAL MEETING OF SHAREHOLDERS

To: Our Shareholders

We are pleased to inform you that the 53rd Ordinary General Meeting of Shareholders will be held as described below.

In convening this General Meeting of Shareholders, the Company has provided information electronically (the “measures for electronic provision”) and posted the matters to be provided electronically on the following website on the Internet:

The Company website: <https://www.jmdm.co.jp/en/ir/meeting/>

In addition to the website mentioned above, the matters to be provided electronically are also available on the following website on the Internet:

Tokyo Stock Exchange (TSE) website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the TSE website mentioned above, enter the Company’s name in the “Issue name (company name)” field or its securities code “7600” in the “Code” field, click the “Search” button, and select “Basic Information” then “Documents for public inspection/PR information.”

In lieu of attending the meeting, you may exercise your voting rights in writing or via the Internet. You are requested to study the Reference Documents for the General Meeting of Shareholders included in the matters to be provided electronically and exercise your voting rights by Friday, June 20, 2025 at 5:00 p.m.

Sincerely yours,

Toshiyuki Hironaka  
Representative Director and President

- 1. Date and time:** 10:00 a.m., Monday, June 23, 2025 (Reception starts at 9:00 a.m.)  
**2. Venue:** Hana Room, 4th Floor of the Main Tower, Keio Plaza Hotel 2-2-1 Nishi Shinjuku, Shinjuku-ku, Tokyo

### 3. Agenda

#### Matters to be reported

- (1) **Business Report, Consolidated Financial Statements, and results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Board of Statutory Auditors for the 53rd fiscal term (from April 1, 2024 to March 31, 2025)**
- (2) **Non-consolidated Financial Statements for the 53rd fiscal term (from April 1, 2024 to March 31, 2025)**

#### Matters to be resolved

- Proposal No.1: Appropriation of Surplus**  
**Proposal No.2: Election of Six (6) Directors**  
**Proposal No.3: Election of One (1) Statutory Auditor**  
**Proposal No.4: Election of One (1) Substitute Statutory Auditor**

## Notes

1. For those attending, please present the Voting Rights Exercise Form at the reception desk on arrival at the Meeting.
2. In accordance with laws and regulations and the Company's Articles of Incorporation, the following items are not included in the documents mailed to shareholders who have made a request for delivery of documents. In addition, the corporate auditors and the accounting auditor have audited the documents to be audited, including the following matters.
  - “(Reference) Corporate Governance of Japan MDM,” “Matters Regarding Accounting Auditors,” “Outline of Decision or Resolution Contents Regarding Establishment of a System to Ensure the Appropriateness of Business Activities,” and “Outline of the Operating Status of a System to Ensure the Appropriateness of Business Activities”
  - “Consolidated Statement of Changes in Net Assets” and “Notes to Consolidated Financial Statements”
  - “Non-consolidated Statement of Changes in Net Assets” and “Notes to Non-consolidated Financial Statements”
  - “Financial Audit Report on Consolidated Financial Statements,” “Financial Audit Report on Non-Consolidated Financial Statements” and “Audit Report of Audit & Supervisory Board”
3. Should the matters to be provided electrically require revisions, the revised versions will be posted on each of the websites where such matters are posted.

## CONSOLIDATED BALANCE SHEET

(As of March 31, 2025)

(Thousands of yen)

### ASSETS

<b>CURRENT ASSETS</b>	<b>23,866,617</b>
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Cash in hand and in banks	3,182,342
Trade receivables and contract assets	6,130,286
Merchandise and finished goods	9,934,088
Work in process	452,627
Raw materials and supplies	3,500,239
Other current assets	672,872
Allowance for bad debts	(5,840)

<b>FIXED ASSETS</b>	<b>9,800,580</b>
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<b>TANGIBLE:</b>	<b>7,947,625</b>
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Buildings and structures	810,323
Machinery, equipment and vehicles	330,793
Tools, furniture and fixtures	4,646,492
Land	1,959,993
Other fixed assets	200,022

<b>INTANGIBLE:</b>	<b>430,209</b>
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<b>INVESTMENTS AND OTHER ASSETS:</b>	<b>1,422,745</b>
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Investments in capital of subsidiaries and associates	128,736
Deferred tax assets	1,222,231
Other investments	71,777
Allowance for bad debts	(1)

<b>Total assets</b>	<b>33,667,198</b>
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# CONSOLIDATED BALANCE SHEET

(As of March 31, 2025)

(Thousands of yen)

## LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>	<b>7,258,313</b>
Accounts payable	1,330,964
Short-term bank loans	3,142,336
Lease obligations	32,560
Income taxes payable	159,873
Accrued expenses	625,195
Accounts payable, other	1,417,972
Provision for bonuses	270,256
Provision for directors' bonuses	24,224
Other current liabilities	254,932
 <b>LONG-TERM LIABILITIES</b>	 <b>1,667,390</b>
Long-term bank loans	109,964
Lease obligations	1,669
Net defined benefit liability	1,410,754
Provision for directors' stock payments	92,939
Asset retirement obligations	31,563
Long-term deposits received	20,500
<b>Total liabilities</b>	<b>8,925,704</b>

## NET ASSETS

<b>STOCKHOLDERS' EQUITY</b>	<b>21,179,319</b>
Common stock	3,001,929
Additional paid-in-capital	2,591,309
Retained earnings	15,751,719
Treasury stocks	(165,639)
Valuation And Translation Adjustments Abstract	3,499,941
Deferred gains or losses on hedges	80,013
Adjustments on foreign currency statement translation	3,496,551
Remeasurements of defined benefit plans	(76,623)
Non-controlling interests	62,233
<b>Total net assets</b>	<b>24,741,493</b>
<b>Total liabilities and net assets</b>	<b>33,667,198</b>

# CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2025)

(Thousands of yen)

<b>Net Sales</b>		<b>25,114,033</b>
<b>Cost of sales</b>		<b>9,467,401</b>
	<b>Gross profit</b>	<b>15,646,632</b>
<b>Selling, general and administrative expenses</b>		<b>14,090,698</b>
	<b>Operating income (loss)</b>	<b>1,555,934</b>
<b>Non operating income</b>		
Interest income	190	
Foreign exchange gains	63,776	
Others	13,326	77,292
<b>Non operating expenses</b>		
Interest expenses	75,348	
Share of loss of entities accounted for using equity method	56,321	
Others	12,928	144,598
	<b>Ordinary income (loss)</b>	<b>1,488,628</b>
<b>Extraordinary gains</b>		
Compensation income	-	-
<b>Extraordinary losses</b>		
Loss on disposal of fixed assets	52,620	
Loss on valuation of investment securities	0	
Impairment loss	121	
Settlement-related costs	1,555,500	
Loss on product sales suspension	222,786	1,831,028
	<b>Profit (loss) before income taxes</b>	<b>(342,399)</b>
Income taxes - current	268,726	
Income taxes - deferred	(142,070)	<b>126,656</b>
<b>Profit (loss)</b>		<b>(469,056)</b>
<b>Profit (loss) attributable to non-controlling interests</b>		<b>(7,257)</b>
<b>Profit (loss) attributable to owners of parent</b>		<b>(461,798)</b>

**CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS**  
(For the year ended March 31, 2025)

(Thousands of yen)

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury Stock	Total
Balance at April 1, 2024	3,001,929	2,587,237	16,583,962	(165,556)	22,007,572
Changes in the year ended March 31, 2025					
Cash dividend			(370,444)		(370,444)
Profit (loss) attributable to owners of parent for the year ended March 31, 2025			(461,798)		(461,798)
Purchase of treasury shares				(82)	(82)
Disposal of treasury shares					0
Change in ownership interest of parent due to transactions with non-controlling interests		4,072			4,072
Net change in items other than shareholders' equity during the year ended March 31, 2025					
Total (net)	–	4,072	(832,243)	(82)	(828,253)
Balance at March 31, 2025	3,001,929	2,591,309	15,751,719	(165,639)	21,179,319

(Thousands of yen)

	Valuation And Translation Adjustments Abstract				Non-controlling interests	Total net assets
	Deferred gains or losses on hedges	Adjustments on foreign currency statement translation	Remeasurements of defined benefit plans	Total		
Balance at April 1, 2024	47,015	3,614,304	(157,570)	3,503,749	92,480	25,603,802
Changes in the year ended March 31, 2025						
Cash dividend						(370,444)
Profit (loss) attributable to owners of parent for the year ended March 31, 2025						(461,798)
Purchase of treasury shares						(82)
Disposal of treasury shares						0
Change in ownership interest of parent due to transactions with non-controlling interests						4,072
Net change in items other than shareholders' equity during the year ended March 31, 2025	32,998	(117,753)	80,946	(3,808)	(30,246)	(34,055)
Total (net)	32,998	(117,753)	80,946	(3,808)	(30,246)	(862,308)
Balance at March 31, 2025	80,013	3,496,551	(76,623)	3,499,941	62,233	24,741,493

# NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2025)

(Thousands of yen)

## ASSETS

<b>CURRENT ASSETS</b>	<b>12,355,539</b>
Cash in hand and in banks	2,654,872
Notes receivable, trade	397,684
Electronically recorded monetary claims - operating	2,370,144
Accounts receivable, trade	2,116,881
Merchandise and finished goods	4,611,486
Work in process	963
Raw materials and supplies	20,495
Prepaid expenses	43,348
Short-term loans receivable	1,264
Accounts receivable, other	24,856
Other current assets	119,383
Allowance for bad debts	(5,842)

<b>FIXED ASSETS</b>	<b>8,253,825</b>
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<b>TANGIBLE:</b>	<b>4,641,025</b>
Buildings	337,930
Structures	2,775
Machinery and equipment	28,775
Vehicles	0
Tools, furniture and fixtures	2,349,082
Land	1,922,460

<b>INTANGIBLE:</b>	<b>72,988</b>
Software	63,818
Telephone rights	9,170

<b>INVESTMENTS AND OTHER ASSETS:</b>	<b>3,539,810</b>
Investments in subsidiaries	2,643,682
Long-term loans receivable	4,063
Deferred tax assets	824,351
Leasehold deposits	34,285
Long-term Prepaid expenses	6,515
Other investments	26,913
Allowance for bad debts	(1)

<b>Total assets</b>	<b>20,609,364</b>
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**NON-CONSOLIDATED BALANCE SHEET**

(As of March 31, 2025)

(Thousands of yen)

**LIABILITIES AND NET ASSETS****CURRENT LIABILITIES 2,232,481**

Accounts payable, trade	472,666
Short-term bank loans	749,856
Lease obligations	1,526
Accounts payable, other	191,826
Accrued expenses	107,319
Income taxes payable	159,873
Accrued consumption taxes	146,089
Provision for bonuses	270,256
Provision for directors' bonuses	24,224
Deposits received	19,544
Other current liabilities	89,298

**LONG-TERM LIABILITIES 1,554,746**

Long-term bank loans	109,964
Lease obligations	771
Accrued retirement benefits to employees	1,299,008
Provision for directors' stock payments	92,939
Long-term deposits received	20,500
Asset retirement obligations	31,563

**Total liabilities 3,787,227****NET ASSETS****STOCKHOLDERS' EQUITY 16,742,123**

<b>Common stock</b>	<b>3,001,929</b>
<b>Capital Surplus</b>	<b>2,587,029</b>
Additional paid-in-capital	2,587,029
<b>Retained earnings</b>	<b>11,318,804</b>
Legal reserve	197,500
Retained earnings, other	11,121,304
General reserve	4,913,000
Unappropriated retained earnings	6,208,304
<b>Treasury stocks</b>	<b>(165,639)</b>
<b>Valuation and translation adjustments</b>	<b>80,013</b>
Deferred gains or losses on hedges	80,013

**Total net assets 16,822,136****Total liabilities and net assets 20,609,364**



# NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2025)

(Thousands of yen)

<b>Net Sales</b>		<b>13,634,057</b>
<b>Cost of sales</b>		<b>6,845,235</b>
	<b>Gross profit</b>	<b>6,788,821</b>
<b>Selling, general and administrative expenses</b>		<b>5,994,272</b>
	<b>Operating income (loss)</b>	<b>794,549</b>
<b>Non operating income</b>		
Interest income	190	
Foreign exchange gains	0	
Insurance claim income	153	
Commission fee	4,518	
Compensation income	4,150	
Others	1,174	10,187
<b>Non operating expenses</b>		
Interest expenses	8,615	
Foreign exchange losses	1,046	
Syndicated loan commission	3,698	
Others	1,815	15,175
	<b>Ordinary income (loss)</b>	<b>789,560</b>
<b>Extraordinary gains</b>		
Compensation income	-	-
<b>Extraordinary losses</b>		
Loss on disposal of fixed assets	48,779	
Impairment loss	121	
Loss on product sales suspension	51,986	100,887
	<b>Profit (loss) before income taxes</b>	<b>688,673</b>
Income taxes - current	258,434	
Income taxes - deferred	(88,434)	170,000
<b>Profit (loss)</b>		<b>518,672</b>

# NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(For the year ended March 31, 2025)

(Thousands of yen)

	Stockholders' equity						
	Common stock	Capital surplus	Retained earnings			Treasury stock	Total
		Additional paid-in capital	Legal reserve	Others			
				General reserve	Unappropriated retained earnings		
Balance at April 1, 2024	3,001,929	2,587,029	197,500	4,913,000	6,060,075	(165,556)	16,593,977
Changes in the year ended March 31, 2025							
Cash dividend					(370,444)		(370,444)
Profit(loss) for the year ended March 31, 2025					518,672		518,672
Purchase of treasury shares						(82)	(82)
Disposal of treasury shares						0	0
Net change in items other than shareholders' equity during the year ended March 31, 2025							
Total (net)	0	0	0	0	148,228	(82)	148,145
Balance at March 31, 2025	3,001,929	2,587,029	197,500	4,913,000	6,208,304	(165,639)	16,742,123

(Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total	
Balance at April 1, 2024	47,015	47,015	16,640,993
Changes in the year ended March 31, 2025			
Cash dividend		0	(370,444)
Profit(loss) for the year ended March 31, 2025		0	518,672
Purchase of treasury shares		0	(82)
Disposal of treasury shares		0	0
Net change in items other than shareholders' equity during the year ended March 31, 2025	32,998	32,998	32,998
Total (net)	32,998	32,998	181,143
Balance at March 31, 2025	80,013	80,013	16,822,136

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Proposals and References

#### Proposal No.1: Appropriation of Surplus

We would like to make the following decision, taking into consideration the importance of returning stable profits to our shareholders, as well as business performance trends from next fiscal year onwards and future business development, etc., the Company proposes to pay the year-end dividend for the 53rd fiscal term as follows.

- (1) Dividend property classification  
Cash
- (2) Matters related to allotment of dividend property and its total amount  
¥15 per one (1) common stock share of the Company  
In this case, the total amount to be paid out in the form of dividends comes to ¥396,903,015.
- (3) Effective date of distribution of surplus  
June 24, 2025

## Proposal No.2: Election of Six (6) Directors

The term of office of six (6) Directors, Messrs. Toshiyuki Hironaka, Yasuaki Hidaka, Brent Allen Bartholomew, Tomoyuki Okamura, Hiroshi Ishikawa and Toshio Saburi will expire at the conclusion of this General Meeting of Shareholders. Therefore, for the purpose of enhancing the Company's sustainable growth and increasing its corporate value over the medium to long term, and in order to improve the diversity and the management oversight function of the Board of Directors, the Company proposes the election of six (6) Directors. If this proposal is approved as originally drafted, more than one-third of the Company's Directors will be Independent Outside Directors. The candidates for Directors are as follows:

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
1	<b>Toshiyuki Hironaka</b> (November 17, 1962) (Reappointment)  Attendance at the Board of Directors meetings: 100% (18 /18)	April 1986      Joined ITOCHU Corporation August 2001      General Manager of Business Sales Headquarters, Dell Computer Corporation (currently Dell Technologies Japan Inc.) December 2006      Managing Corporate Officer, Lenovo Japan Ltd. August 2009      Director, Assistant to President, in charge of sales, Japan Medical Dynamic Marketing, INC. August 2010      Director in charge of the Sales Division and ODEV June 2013      Director of Ortho Development Corporation (current position) April 2014      Director in charge of sales and corporate planning, Japan Medical Dynamic Marketing, INC. June 2016      Director in charge of sales, corporate planning and the Control Division May 2021      Director in charge of corporate planning June 2021      Director of Changzhou Waston Ortho Medical Appliance Co., Ltd. (current position) April 2022      Director in charge of the Control Division, the SCM Division and the Corporate Planning Division, Japan Medical Dynamic Marketing, INC. April 2023      Director, Senior Executive Officer, in charge of the Management Strategy Division April 2023      Representative Director and President (current position)	13,600 shares
	Reason for the nomination as a candidate for Director Mr. Toshiyuki Hironaka has led the Group's business management and mid-term management planning as well as worked on the expansion of the Group's business. Based on this wealth of experience and accomplishments, he exercises his leadership skills to make important management decisions and fully supervises the executive officers in the execution of their duties. He continues to be a candidate for the position of Director because of his ability to direct management as President and CEO, as well as his suitability for appropriate disclosure, reporting, and decision-making at Board of Directors meetings.		

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies		Number of Company shares held
2	<b>Yasuaki Hidaka</b> (September 11, 1970) (Reappointment)  Attendance at the Board of Directors meetings: 100% (18 /18)	December 1992    Joined Japan Medical Dynamic Marketing, INC. June 2008        General Manager of the Sales Department of the Sales Division August 2010     General Manager of the West Japan Sales Department of the Sales Division  April 2015       General Manager of the Trauma Product Department of the Marketing Group, the Business Promotion Division April 2017       General Manager of the Special Sales Department of the Sales Division  June 2020        Director, Deputy General Manager of the Sales Division April 2022       Senior Executive Officer, Deputy General Manager of the Sales Division  June 2023        Director, Deputy General Manager of the Sales Division April 2025       Director, Deputy General Manager of Trauma Division(current position)		3,900shares
Reason for the nomination as a candidate for Director Mr. Yasuaki Hidaka is familiar with trends in the orthopedic medical device industry in which the Group belongs to, and has a wealth of sales experience in the field. He has also engaged in product development by leveraging his network with health care professionals, has made efforts to plan and direct the implementation of the Company's sales strategy, and has also played a leading role in coping with changes in the trading environment. He has fulfilled his role as a director in the decision-making of important matters, the execution of business, and the supervision of the execution of business by executive officers. The Company has judged that making use of this candidate's wealth of knowledge and experience in order to further strengthen the Company's sales department and successfully cope with technological advances and new developments in the industry will be optimal for the Company, and continues to be nominated Mr. Yasuaki Hidaka as a candidate for Director.				

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies		Number of Company shares held
3	<b>Tomoyuki Okamura</b> (January 1, 1971) (Reappointment) (Outside)  Attendance at the Board of Directors meetings: 89% (16 /18)  Number of concurrent positions at other listed companies: 2*	April 1995 July 2003 October 2010 August 2013 May 2017 April 2019 April 2022 June 2022 June 2023	Joined Technical Research Institute, Mitsui Toatsu Chemicals, Inc. (currently Mitsui Chemicals, Inc.) Display Materials Team Leader, Interface Control Group, Material Science Laboratory, Mitsui Chemicals, Inc. Development Team Leader of Performance Film & Sheet Project, New Materials Development Center New Business Development Team Leader, Dental Materials Group, Health Care Materials Division In charge of Strategy & Alliances, Business Planning Group, Planning & Coordination Division, Healthcare Business Sector Business Planning Group Leader, Planning & Coordination Division, Healthcare Business Sector General Manager, Medical Business Development Division, Life & Healthcare Solutions Business Sector (current position)* Director of Japan Medical Dynamic Marketing, INC. (current position) DNA Chip Research Inc. (current position) *	– shares
Reason for the nomination as a candidate for Outside Director and overview of expected roles Mr. Tomoyuki Okamura has many years of experience in corporate R&D departments and is well versed in the development of new technologies and products. In the field of medical devices, he also has experience in the development of dental materials as well as experience as the person in charge of healthcare business. The Company has judged that making use of this candidate's wealth of experience and extensive knowledge on corporate governance will be optimal for the Company in order to supervise the management of the Company from the perspective of research and development, and so has nominated Mr. Tomoyuki Okamura as a candidate to continue serving as an Outside Director. In addition, we expect him to play a role in supervising the management team from the perspective of an outside director.				

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies		Number of Company shares held
4	<b>Toshio Saburi</b> (June 2, 1949) (Reappointment) (Outside) (Independent)  Attendance at the Board of Directors meetings: 100% (18 /18)  Number of concurrent positions at other listed companies: 1*	October 1982 March 1986 September 1993 January 1999 October 2002 June 2004 June 2005 October 2008  May 2010  June 2015 July 2019	Joined Chuo Accounting Audit Corporation Registered as a Certified Public Accountant Partner, Chuo Accounting Audit Corporation Joined Tempstaff Co., Ltd. Auditor, e-staffing Co., Ltd. Director, General Manager of Support Division, Tempstaff Co., Ltd. Executive Managing Director, Tempstaff Co., Ltd. Executive Managing Director and General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd. Executive Managing Director, General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd. and Director, Kelly Services, Inc. Outside Director, Japan Medical Dynamic Marketing, INC. (current position) Outside Director (Audit & Supervisory Committee Member), RAIZNEXT Corporation (current position)*	5,500shares
Reason for the nomination as a candidate for Outside Director and overview of expected roles Mr. Toshio Saburi has specialized knowledge and experience garnered as a certified public accountant, and also has expertise and experience being engaged in corporate management of listed companies and global business. Therefore, the Company has judged that the Company will be able to further strengthen the supervisory function of the Board of Directors with his advice to improve the transparency and fairness of the Company's management, and so has nominated Mr. Toshio Saburi as a candidate to continue serving as an Outside Director. Additionally, as the Chairman of the Nomination and Remuneration Advisory Committee, which holds consultations regarding nomination of directors of the Company and decisions on their remuneration, he is expected to play a role in supervising the management team, such as reflecting evaluation of the Company's performance in the appointments of officers of the Company and decisions on their remuneration from an objective standpoint.				

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
5	<b>Hideki Yokoyama</b> October 26,1959 (Reappointment) (Outside) (Independent)  Number of concurrent positions at other listed companies: 1*	April 1982    Joined ITOCHU Corporation April 1992    Head of the IPP Team, Electrical Plant Department1999 年 4 月 April 1999    Acting General Manager of the Business Function Integration Department April 2002    General Manager of the Healthcare Business Department and in charge of compliance of the Healthcare Business Department May 2007    General Manager of the Healthcare Business Department April 2012    Acting General Manager of the Automotive, Construction Equipment and Industrial Machinery Division Outside Director of our company (August 2008 - August 2010) January 2013    Joined IMI Inc. March 2013    Senior Managing Director of IMI Inc. January 2014    President and Representative Director of IMI Inc. June 2022    Chairman and Representative Director of IMI Inc. (current position) *	5,000 shares
Reason for the nomination as a candidate for Outside Director and overview of expected roles Mr. Hideki Yokoyama has a wealth of experience as a business manager, and we believe that his extensive management experience in the medical field will make a significant contribution to improving our corporate value. In addition, he served as an Outside Director of our company from August 2008 to August 2010, and we expect him to accurately grasp the growth opportunities and business issues of our company, and to provide objective and long-term advice and supervision on growth strategies and business execution from a specialist perspective. We have judged that he will be able to play an important role in supervising the management team, and he is a candidate for Outside Director.			



Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
6	<b>Hiromi Furushima</b> September 17,1970 (Reappointment) (Outside) (Independent)  Number of concurrent positions at other listed companies: 1*	April 1994    Joined the House of Representatives Legislation Bureau April 1997    Joined Koga Sogo Law Offices April 2000    Joined Nishimura Sogo Law Office (now Nishimura & Asahi (Gaikokuho Kyodo Jigyo))  January 2006    Joined Ito, Mitsumi Law Office (now Morrison & Foerster Law Office) April 2011    Joined Novartis Holding Japan K.K. July 2012    Joined Sandoz K.K. General Manager of Legal Compliance Office, in charge of legal and intellectual property compliance. July 2014    Joined Novartis Pharma K.K. General Manager, Pharmaceutical Legal Department, Legal & Intellectual Property Division June 2015    Executive Officer, General Counsel, Head of Legal & Intellectual Property, Country Legal Head April 2022    Joined Alnylam Japan K.K. (current position) General Manager, Legal Department, Asia Region April 2022    Joined as an Outside Director of PRISM BioLab Co.,Ltd. (current position) * December 2023    Joined as an Outside Statutory Auditor of Cellusion Co., Ltd. (current position)	– shares
Reason for the nomination as a candidate for Outside Director and overview of expected roles Ms. Hiromi Furushima has a wide range of knowledge and experience as a lawyer, and we believe that her extensive experience in legal matters, particularly in the medical industry, will contribute to strengthening our company's governance. She also has a track record in the area of sustainability, and we believe that we can expect them to provide appropriate advice to our company based on their experience. As a legal expert, she will provide advice to improve the transparency and fairness of our company's management, and we believe that she will be able to further strengthen the supervisory function of the Board of Directors, and so we have nominated her as an Outside Director.			

Notes: 1. No conflict of interest exists between the Company and the above candidates for Director.

2. Messrs. Tomoyuki Okamura, Toshio Saburi, Hideki Yokoyama and Hiromi Furushima are candidates for Outside Directors. When Mr. Toshio Saburi are re-elected as Outside Directors, they will continue to be Independent Directors in accordance with the listing regulations of the Tokyo Stock Exchange, Inc. In addition, when Mr. Hideki Yokoyama and Ms. Hiromi Furushima are elected as Outside Director, they will be appointed as an Independent Director in accordance with the listing regulations of the Tokyo Stock Exchange, Inc.
3. Special notes with regard to candidates for Outside Directors are as follows:
- (1) Independence of candidates for Outside Directors
- Messrs. Toshio Saburi and Hideki Yokoyama, Hiromi Furushima have not accepted any significant amount of money or other asset (excluding remuneration for Directors) from the Company or any parties specially related to the Company in the past two years, nor will they do so in the future. In addition, they are not spouses, relatives within the third degree of kinship, or any other equivalents of the executive officers or officers of the Company or of any parties specially related to the Company.
- (2) The terms of office since the candidates for Outside Directors are in office as Outside Directors
- Mr. Tomoyuki Okamura, currently an Outside Director of the Company, will have been in office for three (3) year at the conclusion of this General Meeting of Shareholders.
- Mr. Toshio Saburi, currently an Outside Director of the Company, will have been in office for ten (10) years at the conclusion of this General Meeting of Shareholders.
4. Liability limitation agreement with the candidates for Directors
- Messrs. Tomoyuki Okamura and Toshio Saburi have actually concluded a liability limitation agreement with the Company and are scheduled to conclude the same with the Company after their re-election. If the election of Mr. Hideki Yokoyama and Ms. Hiromi Furushima are approved, the Company will enter into the said liability limitation agreement with them.
- The contents of the agreement are outlined as follows:
- Liability for damages as stipulated in Article 423, Paragraph 1 of the Companies Act shall be covered to the extent stipulated by laws and regulations, if the Director performs his/her duties in good faith and without gross negligence.
5. The Company has concluded a directors and officers liability insurance contract under which all Directors are the insured. The contract will cover damage that may arise as a result of the insured Directors' assumption of liability for the execution of their duties or receiving claims for the pursuit of such liability. When each candidate assumes office as Director, he/she will be insured under the insurance contract, and the Company plans to renew the insurance contract during his/her terms of office.

**Proposal No.3: Election of One (1) Statutory Auditor**

Statutory Auditor, Mr. Itsuro Numata will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of the following one (1) Statutory Auditor.

Furthermore, the candidate for Statutory Auditor will be elected as a substitute for Statutory Auditor, Mr. Itsuro Numata, thus his term of office will be expire on the expiration of the term of office of the resigning Statutory Auditor according to the regulations of the Company’s Articles of Incorporation.

The Board of Statutory Auditors has previously given its approval for this proposal. The candidate for Statutory Auditor is as follows:

Name (Date of Birth)	Career summary, major concurrent titles at other companies, and position at the Company		Number of Company shares held
<b>Katsuhiko Seshita</b> (July 26, 1963) (New candidate)	December 1988 March 2001  July 2001 July 2003 June 2007 August 2007  April 2022 April 2025	Joined Japan Medical Dynamic Marketing, INC. General Manager of the Sales Department of the Sales Division and Head of the Tokyo Sales Office General Manager of the First Sales Department of the Sales Division Manager of the Sales Strategy Department of the Sales Division Divisional Manager of the Sales Division Director, Divisional Manager of the Sales Division and General Manager of the Sales Promotion Department Senior Executive Officer and General Manager of the Sales Division Senior Executive Officer, President's Special Mission (current position)	30,252 shares
Reason for the nomination as a candidate for Statutory Auditor Mr. Katsuhiko Seshita is well-versed in the orthopedic medical device industry, to which our group belongs, and has extensive sales experience. He has contributed to the expansion of our company's business performance for many years as the head of the sales department. Based on his track record, we have selected him as a candidate for the position of auditor, as we believe that his extensive knowledge and experience in sales can be put to good use in auditing. In addition, we believe that the knowledge of organizational management and deep understanding of risk management that he has cultivated as the head of the sales department will contribute to improving the effectiveness of our internal controls and supervisory functions. Furthermore, as a full-time auditor, he is deemed to be a suitable person to carry out appropriate audits while working with the management team on a daily basis, and to play a role in contributing to the strengthening of governance.			

Note: No conflict of interest exists between the Company and the above candidate for Statutory Auditor.

**Proposal No.4: Election of One (1) Substitute Statutory Auditor**

In preparation for the case of lacking the number of Statutory Auditors required by laws and regulations, the Company proposes the election of one (1) Substitute Statutory Auditor in advance. The Board of Statutory Auditors has previously given its approval for this proposal. The candidate for Substitute Statutory Auditor is as follows:

Name (Date of Birth)	Career summary and major concurrent titles at other companies		Number of Company shares held
<b>Motoshige Murakami</b> (August 26, 1978) (Outside) (Independent)  Number of concurrent positions at other listed companies: 0	April 2007 September 2008 September 2008 January 2014 October 2015  October 2019  June 2020 November 2020	Entered the Legal Training and Research Institute of Japan Registered as a lawyer (current position) Joined Ohhara Law Office Outside Director of Accea Co., Ltd. (current position) Representative Member of Management Concierge (legal professional corporation) (current Management Concierge Law Office) (current position) Representative Member of clarity (labor and social security attorney corporation) (current position) Representative Director of Naru Co., Ltd. (current position) Auditor of cheids (corporation engaging in specified non-profit activities) (current position)	– shares
Reason for the nomination as a candidate for Substitute Statutory Auditor Mr. Motoshige Murakami has specialized knowledge and experience garnered as an attorney, and has a wealth of experience as a corporate manager. He is also well versed in corporate governance. The Company has nominated Mr. Motoshige Murakami as a Substitute Statutory Auditor in order for him to make use of his specialized knowledge and experience in maintenance and enhancement of the Company’s auditing system.			

- Notes:
1. No conflict of interest exists between the Company and the above candidate for Substitute Statutory Auditor.
  2. The above candidate for Substitute Statutory Auditor is a candidate for Outside Statutory Auditor.  
When Mr. Motoshige Murakami is appointed as Outside Statutory Auditor, he will be Independent Auditor. appointed as Independent Auditors in accordance with the listing regulations of the Tokyo Stock Exchange, Inc.
  3. Special notes with regard to candidates for Substitute Outside Statutory Auditor are as follows:
    - (1) Independence of candidates for Substitute Statutory Auditors  
Mr. Motoshige Murakami has not accepted any significant amount of money or other asset (excluding remuneration for Statutory Auditor) from the Company or any parties specially related to the Company in the past two years, nor will he do so in the future. Furthermore, he is not a spouse, a relative within the third degree of kinship, or any other equivalent of the executive officers or officers of the Company or of any parties specially related to the Company.
    - (2) Liability limitation agreement with Outside Statutory Auditors  
If Mr. Motoshige Murakami assumes office as Outside Statutory Auditor, the Company will enter into the said liability limitation agreement with him.  
The contents of the agreement are outlined as follows:
      - Liability of Outside Statutory Auditor for damages as stipulated in Article 423, Paragraph 1 of the Companies Act shall be covered to the extent stipulated by laws and regulations, if the Outside Statutory Auditor performs his/her duties in good faith and without gross negligence.
  4. The Company has concluded a directors and officers liability insurance contract under which all Statutory Auditors are the insured. The contract will cover damage that may arise as a result of the insured Statutory Auditors’ assumption of liability for the execution of their duties or receiving claims for the pursuit of such liability. When the candidate assumes office as Statutory Auditor, he will be insured under the insurance contract, and the Company plans to renew the insurance contract during his term of office.

[Reference] Directors’ Skills Matrix (planned composition after the conclusion of this Ordinary General Meeting of Shareholders)

Position in the Company	Name	Expertise and Experience					
		Corporate Management	Governance	Global Business	Legal, Compliance & Risk Management	Sustainability	Financial Strategy & Accounting
Representative Director and President	Toshiyuki Hironaka	○	○	○		○	○
Director	Yasuaki Hidaka	○			○		
Outside Director	Tomoyuki Okamura		○	○			
Outside Director	Toshio Saburi	○	○	○			○
Outside Director	Hideki Yokoyama	○	○	○	○	○	
Outside Director	Hiromi Furushima		○		○	○	
Statutory Auditor	Katsuhiko Seshita		○				
Outside Statutory Auditor	Kazuko Hashimoto	○	○	○			○
Outside Statutory Auditor	Yoshiaki Jitto		○	○	○		

Skill	Definition
Corporate Management	Corporate Management involves possessing the skills and experience necessary to provide highly effective supervision of the management team (executive officers), who continuously run the business, from an independent and objective standpoint, by establishing management principles, etc., and presenting the broad direction of corporate strategy and the Company's ideal future state, with the aim of continuously increasing corporate value.
Governance	Governance involves possessing the skills and experience necessary to appropriately establish a system for sound corporate management through compliance, internal control over financial reporting, and proactive risk management, and to effectively supervise the operation of such a system to ensure that it is operating effectively.
Global Business	Global Business involves possessing the skills and experience necessary to demonstrate leadership while showing respect for diversity, with experience in overseas business and overseas subsidiary operations, and with the language skills to communicate appropriately in any situation.
Legal, Compliance & Risk Management	Legal, Compliance & Risk Management involves possessing the skills and experience necessary for an appropriate establishment of a proactive risk management system and effective control of whether the system is successfully operated with knowledge of laws, regulations, and guidelines applicable to the Company's business, including the Companies Act and the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices.
Sustainability	Sustainability involves possessing the skills and experience necessary to recognize sustainability-related issues, which encompass environmental problems like climate change, as well as considerations for human rights, employee health and working conditions, the fair and equitable treatment of employees, proper transactions with business partners, and risk management for natural disasters, and to be proactive in addressing these issues.
Financial Strategy & Accounting	Financial Strategy & Accounting involves possessing the skills and experience necessary to develop an accurate financial reporting system as well as internal controls over financial reporting, and to formulate appropriate financial strategies that comprehensively take into account the balance between the promotion of investment in growth to build a robust financial ground and increase sustainable corporate values and shareholder returns.