

May 31, 2024

(Date of commencement of the measures for electronic provision: May 30, 2024)

NOTICE OF CONVOCATION OF THE 52nd ORDINARY GENERAL MEETING OF SHAREHOLDERS

To: Our Shareholders

We are pleased to inform you that the 52nd 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 Thursday, June 20, 2024 at 5:00 p.m.

Sincerely yours,

Toshiyuki Hironaka
Representative Director and President

- 1. Date and time:** 10:00 a.m., Friday, June 21, 2024 (Reception starts at 9:00 a.m.)
2. Venue: Ohgi Room, 4th Floor of the South 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 52nd fiscal term (from April 1, 2023 to March 31, 2024)**
- (2) **Non-consolidated Financial Statements for the 52nd fiscal term (from April 1, 2023 to March 31, 2024)**

Matters to be resolved

- Proposal No.1: Appropriation of Surplus**
Proposal No.2: Election of Seven (7) Directors
Proposal No.3: 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, 2024)

(Thousands of yen)

ASSETS

CURRENT ASSETS	21,582,880
Cash in hand and in banks	2,321,552
Trade receivables and contract assets	5,915,467
Merchandise and finished goods	10,259,039
Work in process	919,068
Raw materials and supplies	1,914,371
Other current assets	257,347
Allowance for bad debts	(3,966)
FIXED ASSETS	9,902,978
TANGIBLE:	8,320,618
Buildings and structures	876,633
Machinery, equipment and vehicles	354,459
Tools, furniture and fixtures	4,935,249
Land	1,960,584
Other fixed assets	193,692
INTANGIBLE:	219,262
INVESTMENTS AND OTHER ASSETS:	1,363,097
Investments in capital of subsidiaries and associates	157,654
Deferred tax assets	1,136,171
Other investments	69,272
Allowance for bad debts	(1)
Total assets	31,485,859

CONSOLIDATED BALANCE SHEET

(As of March 31, 2024)

(Thousands of yen)

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	4,030,510
Accounts payable	1,403,276
Short-term bank loans	1,162,382
Lease obligations	37,600
Income taxes payable	192,482
Accrued expenses	551,182
Accounts payable, other	235,050
Provision for bonuses	237,310
Provision for directors' bonuses	27,252
Other current liabilities	183,973
LONG-TERM LIABILITIES	1,851,545
Long-term bank loans	259,820
Lease obligations	34,629
Net defined benefit liability	1,424,964
Provision for directors' stock payments	80,571
Asset retirement obligations	31,560
Long-term deposits received	20,000
Total liabilities	5,882,056
NET ASSETS	
STOCKHOLDERS' EQUITY	22,007,572
Common stock	3,001,929
Additional paid-in-capital	2,587,237
Retained earnings	16,583,962
Treasury stocks	(165,556)
Valuation And Translation Adjustments Abstract	3,503,749
Deferred gains or losses on hedges	47,015
Adjustments on foreign currency statement translation	3,614,304
Remeasurements of defined benefit plans	(157,570)
Non-controlling interests	92,480
Total net assets	25,603,802
Total liabilities and net assets	31,485,859

CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2024)

(Thousands of yen)

Net Sales		23,177,747
Cost of sales		<u>8,415,514</u>
	Gross profit	14,762,232
Selling, general and administrative expenses		<u>13,015,317</u>
	Operating income (loss)	1,746,914
Non operating income		
Interest income	106	
Foreign exchange gains	190,683	
Insurance claim income	2,121	
Others	20,121	213,033
		<u>215,931</u>
Non operating expenses		
Interest expenses	31,778	
Share of loss of entities accounted for using equity method	65,126	
Syndicated loan commission	9,559	
Others	10,492	116,957
		<u>126,955</u>
	Ordinary income (loss)	1,842,991
Extraordinary losses		
Loss on disposal of fixed assets	48,512	
Loss on valuation of investment securities	72,205	
Impairment loss	70	
Transfer to provision for litigation settlement	-	
Settlement-related costs	75,000	
Loss on product sales suspension	10,416	206,204
		<u>302,307</u>
	Profit (loss) before income taxes	1,636,787
Income taxes - current	739,109	
Income taxes - deferred	(407,812)	331,297
		<u>331,297</u>
Profit (loss)		1,305,490
Profit (loss) attributable to non-controlling interests		<u>33,807</u>
Profit (loss) attributable to owners of parent		<u><u>1,271,682</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
(For the year ended March 31, 2024)

(Thousands of yen)

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury Stock	Total
Balance at April 1, 2023	3,001,929	2,587,029	15,656,266	(202,730)	21,042,494
Changes in the year ended March 31, 2024					
Cash dividend			(343,986)		(343,986)
Profit (loss) attributable to owners of parent for the year ended March 31, 2024			1,271,682		1,271,682
Purchase of treasury shares				(152)	(152)
Disposal of treasury shares				37,326	37,326
Change in ownership interest of parent due to transactions with non-controlling interests		208			208
Net change in items other than shareholders' equity during the year ended March 31, 2024					
Total (net)	—	208	927,696	37,174	965,078
Balance at March 31, 2024	3,001,929	2,587,237	16,583,962	(165,556)	22,007,572

(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, 2023	30,294	2,163,161	(74,317)	2,119,138	130,462	23,292,095
Changes in the year ended March 31, 2024						
Cash dividend						(343,986)
Profit (loss) attributable to owners of parent for the year ended March 31, 2024						1,271,682
Purchase of treasury shares						(152)
Disposal of treasury shares						37,326
Change in ownership interest of parent due to transactions with non-controlling interests						208
Net change in items other than shareholders' equity during the year ended March 31, 2024	16,720	1,451,143	(83,252)	1,384,611	(37,982)	1,346,628
Total (net)	16,720	1,451,143	(83,252)	1,384,611	(37,982)	2,311,707
Balance at March 31, 2024	47,015	3,614,304	(157,570)	3,503,749	92,480	25,603,802

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2024)

(Thousands of yen)

ASSETS	
CURRENT ASSETS	12,025,339
Cash in hand and in banks	1,973,414
Notes receivable, trade	694,076
Electronically recorded monetary claims - operating	1,913,160
Accounts receivable, trade	1,960,261
Merchandise and finished goods	5,290,362
Work in process	6,547
Raw materials and supplies	40,703
Prepaid expenses	60,299
Short-term loans receivable	1,122
Accounts receivable, other	20,179
Other current assets	69,180
Allowance for bad debts	(3,970)
FIXED ASSETS	8,456,309
TANGIBLE:	4,875,270
Buildings	343,628
Structures	2,945
Machinery and equipment	32,618
Vehicles	100
Tools, furniture and fixtures	2,573,395
Land	1,922,582
INTANGIBLE:	117,604
Software	108,433
Telephone rights	9,170
INVESTMENTS AND OTHER ASSETS:	3,463,434
Investments in subsidiaries	2,643,682
Long-term loans receivable	3,860
Deferred tax assets	750,480
Leasehold deposits	34,340
Other investments	31,072
Allowance for bad debts	(1)
Total assets	<u>20,481,648</u>

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2024)

(Thousands of yen)

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	2,248,553
Accounts payable, trade	649,640
Short-term bank loans	685,472
Lease obligations	2,158
Accounts payable, other	235,050
Accrued expenses	99,326
Income taxes payable	128,369
Accrued consumption taxes	78,645
Provision for bonuses	237,310
Provision for directors' bonuses	27,252
Deposits received	15,605
Other current liabilities	89,721
LONG-TERM LIABILITIES	1,592,102
Long-term bank loans	259,820
Lease obligations	2,297
Accrued retirement benefits to employees	1,197,852
Provision for directors' stock payments	80,571
Long-term deposits received	20,000
Asset retirement obligations	31,560
Total liabilities	3,840,655

NET ASSETS

STOCKHOLDERS' EQUITY	16,593,977
Common stock	3,001,929
Capital Surplus	2,587,029
Additional paid-in-capital	2,587,029
Retained earnings	11,170,575
Legal reserve	197,500
Retained earnings, other	10,973,075
General reserve	4,913,000
Unappropriated retained earnings	6,060,075
Treasury stocks	(165,556)
Valuation and translation adjustments	47,015
Deferred gains or losses on hedges	47,015
Total net assets	16,640,993
Total liabilities and net assets	20,481,648

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2024)

(Thousands of yen)

Net Sales		13,004,313
Cost of sales		6,075,616
	Gross profit	6,928,696
Selling, general and administrative expenses		5,835,445
	Operating income (loss)	1,093,251
Non operating income		
Interest income	106	
Foreign exchange gains	7,997	
Contract services income	-	
Insurance claim income	2,347	
Commission fee	3,993	
Compensation income	9,019	
Others	44	23,508
Non operating expenses		
Interest expenses	5,687	
Syndicated loan commission	9,559	
Others	3,514	18,761
	Ordinary income (loss)	1,097,997
Extraordinary losses		
Loss on disposal of fixed assets	37,351	
Impairment loss	70	
Settlement-related costs	75,000	
Loss on product sales suspension	10,416	122,838
	Profit (loss) before income taxes	975,159
Income taxes - current	305,044	
Income taxes - deferred	(4,697)	300,347
Profit (loss)		674,812

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(For the year ended March 31, 2024)

(Thousands of yen)

	Stockholders' equity						Total	
	Common stock	Capital surplus	Retained earnings			Treasury stock		
			Additional paid-in capital	Legal reserve	Others			
					General reserve			Unappropriated retained earnings
Balance at April 1, 2023	3,001,929	2,587,029	197,500	4,913,000	5,729,249	(202,730)	16,225,977	
Changes in the year ended March 31, 2024								
Cash dividend					(343,986)		(343,986)	
Profit(loss) for the year ended March 31, 2024					674,812		674,812	
Purchase of treasury shares						(152)	(152)	
Disposal of treasury shares						37,326	37,326	
Net change in items other than shareholders' equity during the year ended March 31, 2024								
Total (net)	0	0	0	0	330,826	37,174	368,000	
Balance at March 31, 2024	3,001,929	2,587,029	197,500	4,913,000	6,060,075	(165,556)	16,593,977	

(Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total	
Balance at April 1, 2023	30,294	30,294	16,256,272
Changes in the year ended March 31, 2024			
Cash dividend			(343,986)
Profit(loss) for the year ended March 31, 2024			674,812
Purchase of treasury shares			(152)
Disposal of treasury shares			37,326
Net change in items other than shareholders' equity during the year ended March 31, 2024	16,720	16,720	16,720
Total (net)	16,720	16,720	384,720
Balance at March 31, 2024	47,015	47,015	16,640,993

REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

Proposals and References

Proposal No.1: Appropriation of Surplus

In view of the operating results for the fiscal term, future business development and other factors, the Company proposes to pay the year-end dividend for the 52nd fiscal term as follows.

(1) Dividend property classification

Cash

(2) Matters related to allotment of dividend property and its total amount

¥14 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 ¥370,444,494.

(3) Effective date of distribution of surplus

June 24, 2024

Proposal No.2: Election of Seven (7) Directors

The term of office of seven (7) Directors, Messrs. Toshiyuki Hironaka, Yasuaki Hidaka, Brent Allen Bartholomew, Tomoyuki Okamura, Hiroshi Ishikawa, Toshio Saburi and Tokiko Ide 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 seven (7) Directors, increasing the number of Independent Outside Directors by one (1). If this proposal is approved as proposed, more than one-third of the Company's Directors will be Independent 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	Toshiyuki Hironaka (November 17, 1962) (Reappointment) Attendance at the Board of Directors meetings: 100% (16 /16)	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)	10,800 shares
<p>Reason for the nomination as a candidate for Director</p> <p>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.</p> <p>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.</p> <p>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.</p>			

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
2	Yasuaki Hidaka (September 11, 1970) (Reappointment) Attendance at the Board of Directors meetings: 100% (13 /13)	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 (current position) June 2023 Director, Deputy General Manager of the Sales Division (current position)	3,100shares
<p>Reason for the nomination as a candidate for Director</p> <p>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.</p> <p>He has an experience as a Director of the Company, he will be able to fully play his role as a Director in deciding important matters, executing business, and supervising other Director's execution of business.</p> <p>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.</p>			

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
3	Brent Allen Bartholomew (January 29, 1970) (Reappointment) Attendance at the Board of Directors meetings: 100% (16 /16)	January 1996 Joined Deloitte Touche Tohmatsu Limited February 1999 Joined Ortho Development Corporation and appointed Director and Controller November 2000 CFO and Vice President of Finance February 2002 Director and CFO in charge of Finance & Administration June 2006 Executive Vice President September 2009 President (current position) March 2018 Legal Representative of Ortho Development Corporation-China (current position) May 2021 Director of Changzhou Waston Ortho Medical Appliance Co., Ltd. (current position) June 2021 Director of Japan Medical Dynamic Marketing, INC. (current position)	– shares
<p>Reason for the nomination as a candidate for Director</p> <p>Mr. Brent Allen Bartholomew has been involved in the management of ODEV for many years and has been a driving force behind the company's growth.</p> <p>He has based on his many years of experience and performance in the management of ODEV, has fulfilled his role as a director in making decisions on important matters and supervising the executive officers in the execution of their duties.</p> <p>In order to establish and strengthen the integrated business operation and management system integrating the Company and ODEV, he has been continues to be nominated as a candidate for the position of Director, based on the judgment that his extensive experience, knowledge and diverse values would best serve the management of the Company group.</p>			

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
4	Tomoyuki Okamura (January 1, 1971) (Reappointment) (Outside) Attendance at the Board of Directors meetings: 100% (16 /16) Number of concurrent positions at other listed companies: 2*	April 1995 Joined Technical Research Institute, Mitsui Toatsu Chemicals, Inc. (currently Mitsui Chemicals, Inc.) July 2003 Display Materials Team Leader, Interface Control Group, Material Science Laboratory, Mitsui Chemicals, Inc. October 2010 Development Team Leader of Performance Film & Sheet Project, New Materials Development Center August 2013 New Business Development Team Leader, Dental Materials Group, Health Care Materials Division May 2017 In charge of Strategy & Alliances, Business Planning Group, Planning & Coordination Division, Healthcare Business Sector April 2019 Business Planning Group Leader, Planning & Coordination Division, Healthcare Business Sector April 2022 General Manager, Medical Business Development Division, Life & Healthcare Solutions Business Sector (current position)* June 2022 Director of Japan Medical Dynamic Marketing, INC. (current position) June 2023 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.			

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
5	<p>Hiroshi Ishikawa (June 8, 1968) (Reappointment) (Outside) (Independent)</p> <p>Attendance at the Board of Directors meetings: 100% (16 /16)</p> <p>Number of concurrent positions at other listed companies: 1*</p>	<p>April 1999 Joined Ohhara Law Office, registered as a lawyer (current position)</p> <p>June 2013 Outside Director, Japan Medical Dynamic Marketing, INC. (current position)</p> <p>December 2013 Supervisory Director, Daiwa House Residential Investment Corporation (currently Daiwa House REIT Investment Corporation) (current position)*</p>	– shares
<p>Reason for the nomination as a candidate for Outside Director and overview of expected roles</p> <p>Mr. Hiroshi Ishikawa has extensive knowledge and experience as a lawyer and is familiar with corporate governance. The Company has judged that the Company will be able to further strengthen the supervisory function of the Board of Directors with his advice as a legal expert to improve the transparency and fairness of the Company’s management, and so has nominated Mr. Hiroshi Ishikawa as a candidate to continue serving as an Outside Director. Additionally, as a member 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.</p>			

Candidate Number	Name (Date of Birth)	Career summary, positions and responsibilities, and major concurrent titles at other companies	Number of Company shares held
6	Toshiro Saburi (June 2, 1949) (Reappointment) (Outside) (Independent) Attendance at the Board of Directors meetings: 100% (16 /16) Number of concurrent positions at other listed companies: 1*	October 1982 Joined Chuo Accounting Audit Corporation March 1986 Registered as a Certified Public Accountant September 1993 Partner, Chuo Accounting Audit Corporation January 1999 Joined Tempstaff Co., Ltd. October 2002 Auditor, e-staffing Co., Ltd. June 2004 Director, General Manager of Support Division, Tempstaff Co., Ltd. June 2005 Executive Managing Director, Tempstaff Co., Ltd. October 2008 Executive Managing Director and General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd. May 2010 Executive Managing Director, General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd. and Director, Kelly Services, Inc. June 2015 Outside Director, Japan Medical Dynamic Marketing, INC. (current position) July 2019 Outside Director (Audit & Supervisory Committee Member), RAIZNEXT Corporation (current position)*	4,600shares
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
7	Tokiko Ide (April 16, 1958) (Reappointment) (Outside) (Independent) Attendance at the Board of Directors meetings: 85% (11 /13)	April 1981 Joined Victor Company of Japan, Limited April 1988 Joined Japan Motorola, Inc. June 1998 Joined Dell Computer Corporation (currently Dell Technologies Japan Inc.) September 2005 Finance Vice President, Baxter Limited July 2012 CFO, Acyan Corporation April 2014 CFO, NEW Asurion Asia Pacific Japan G.K. (currently Asurion Japan Holdings G.K.) August 2016 CEO, Asurion Japan K.K. July 2017 Outside Director, ARUHI Corporation (currently SBI ARUHI Corporation) June 2018 Advisor, Asurion Japan Holdings G.K. June 2023 Outside Director, Japan Medical Dynamic Marketing, INC. (current position)	– shares
Reason for the nomination as a candidate for Outside Director and overview of expected roles Ms. Tokiko Ide has a wealth of experience and expertise as a corporate manager and a financial officer. The Company has judged that, mainly in the field of finance, she can grasp the Company's business issues accurately from a professional perspective and provide advice and supervision on the Company's business execution from an objective and long-term perspective, and continues to be nominated Ms. Tokiko Ide as a candidate for Outside Director. In addition, she is expected to leverage her experience as a corporate manager and her expertise as a financial officer to play a role in judging the resolution of the Board of Directors and supervising the management team from an independent and objective standpoint.			

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

2. Messrs. Tomoyuki Okamura, Hiroshi Ishikawa and Toshio Saburi and Ms. Tokiko Ide are candidates for Outside Directors. When Messrs. Messrs. Hiroshi Ishikawa, Toshio Saburi and Ms. Tokiko Ide 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.
3. Special notes with regard to candidates for Outside Directors are as follows:
 - (1) Independence of candidates for Outside Directors
Messrs. Hiroshi Ishikawa and Toshio Saburi and Ms. Tokiko Ide 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 one (2) year at the conclusion of this General Meeting of Shareholders.
Mr. Hiroshi Ishikawa, currently an Outside Director of the Company, will have been in office for ten (11) years 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 eight (9) years at the conclusion of this General Meeting of Shareholders.
Ms. Tokiko Ide, currently an Outside Director of the Company, will have been in office for eight (1) years at the conclusion of this General Meeting of Shareholders.
4. Liability limitation agreement with the candidates for Directors
Messrs. Tomoyuki Okamura, Hiroshi Ishikawa, Toshio Saburi and Ms. Tokiko Ide have actually concluded a liability limitation agreement with the Company and are scheduled to conclude the same with the Company after their re-election. 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) 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
Motoshige Murakami (August 26, 1978) (Outside) (Independent) Number of concurrent positions at other listed companies: 0	April 2007 Entered the Legal Training and Research Institute of Japan September 2008 Registered as a lawyer (current position) September 2008 Joined Ohhara Law Office January 2014 Outside Director of Aceca Co., Ltd. (current position) October 2015 Representative Member of Management Concierge (legal professional corporation) (current Management Concierge Law Office) (current position) October 2019 Representative Member of clarity (labor and social security attorney corporation) (current position) June 2020 Representative Director of Naru Co., Ltd. (current position) November 2020 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	○			○		
Director	Brent Allen Bartholomew	○	○	○	○		○
Outside Director	Tomoyuki Okamura		○	○			
Outside Director	Hiroshi Ishikawa		○		○	○	
Outside Director	Toshio Saburi	○	○	○			○
Outside Director	Tokiko Ide	○		○	○		○
Statutory Auditor	Itsuro Numata		○				
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.