

May 31, 2022

NOTICE OF CONVOCAATION OF THE 50th ORDINARY GENERAL MEETING OF SHAREHOLDERS

To: Our Shareholders

We are pleased to inform you that the 50th Ordinary General Meeting of Shareholders will be held as described below. In lieu of attending the meeting, you may exercise your voting rights in writing or via the Internet. You are requested to study the attached Reference Documents for the General Meeting of Shareholders and exercise your voting rights by Thursday, June 23, 2022 at 5:00 p.m.

Sincerely yours,

Masao Okawa
Representative Director and President

- 1. Date and time:** 10:00 a.m., Friday, June 24, 2022
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 50th fiscal term (from April 1, 2021 to March 31, 2022)**
- (2) **Non-consolidated Financial Statements for the 50th fiscal term (from April 1, 2021 to March 31, 2022)**

Matters to be resolved

- Proposal No.1: Appropriation of Surplus**
Proposal No.2: Partial Amendment to the Articles of Incorporation
Proposal No.3: Election of Six (6) Directors
Proposal No.4: Election of One (1) Statutory Auditor

The number of seats available at the venue will be substantially reduced for this Ordinary General Meeting of Shareholders in order to prevent the spread of COVID-19. Please consider refraining from attending the meeting in person, and exercise your voting rights in writing or via the Internet in advance whenever possible.

Notes:

1. If the Business Report, Consolidated Financial Statements, Non-consolidated Financial Statements and the Reference Documents for the General Meeting of Shareholders are amended, the amended matters will be presented on the website of the Company (<https://www.jmdm.co.jp/>).
2. For those attending, please present the enclosed Voting Rights Exercise Form at the reception desk on arrival at the Meeting.

CONSOLIDATED BALANCE SHEET

(As of March 31, 2022)

(Thousands of yen)

ASSETS

CURRENT ASSETS **18,046,638**

Cash in hand and in banks	2,590,849
Trade receivables and contract assets	5,212,555
Merchandise and finished goods	8,186,658
Work in process	497,823
Raw materials and supplies	1,410,927
Other current assets	149,211
Allowance for bad debts	(1,386)

FIXED ASSETS **9,296,083**

TANGIBLE: **7,772,687**

Buildings and structures	728,450
Machinery, equipment and vehicles	350,978
Tools, furniture and fixtures	4,691,605
Land	1,953,479
Other fixed assets	48,173

INTANGIBLE: **291,960**

INVESTMENTS AND OTHER ASSETS: **1,231,435**

Investments in capital of subsidiaries and associates	174,887
Deferred tax assets	971,990
Other investments	84,558

Total assets **27,342,722**

CONSOLIDATED BALANCE SHEET

(As of March 31, 2022)

(Thousands of yen)

LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	2,899,680
Accounts payable	785,671
Short-term bank loans	557,046
Lease obligations	33,163
Income taxes payable	266,440
Accrued expenses	512,569
Accounts payable, other	189,283
Provision for bonuses	194,015
Provision for directors' bonuses	65,200
Provision for loss on business	65,000
Other current liabilities	231,291
LONG-TERM LIABILITIES	2,951,919
Long-term bank loans	1,247,662
Lease obligations	10,875
Net defined benefit liability	1,023,546
Provision for directors' stock payments	88,322
Asset retirement obligations	29,201
Long-term deposits received	8,000
Deferred tax liabilities	544,310
Total liabilities	5,851,600
NET ASSETS	
STOCKHOLDERS' EQUITY	20,027,090
Common stock	3,001,929
Additional paid-in-capital	2,587,029
Retained earnings	14,550,073
Treasury stocks	(111,940)
Valuation And Translation Adjustments Abstract	1,359,352
Adjustments on foreign currency statement translation	1,351,922
Remeasurements of defined benefit plans	7,429
Non-controlling interests	104,678
Total net assets	21,491,121
Total liabilities and net assets	27,342,722

CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2022)

(Thousands of yen)

Net Sales		19,193,098
Cost of sales		6,204,233
	Gross profit	12,988,865
Selling, general and administrative expenses		10,327,335
	Operating income (loss)	2,661,529
Non operating income		
Interest income	121	
Commission fee	11,706	
Others	11,403	23,230
Non operating expenses		
Interest expenses	29,700	
Foreign exchange losses	35,530	
Share of loss of entities accounted for using equity method	12,704	
Syndicated loan commission	7,393	
Others	8,140	93,469
	Ordinary income (loss)	2,591,291
Extraordinary gains		
Gain on forgiveness of debts	310,826	310,826
Extraordinary losses		
Loss on disposal of fixed assets	87,151	
Impairment loss	162	
Provision for loss on business	65,000	152,313
	Profit (loss) before income taxes	2,749,804
Income taxes - current	497,268	
Income taxes - deferred	110,827	608,096
	Profit (loss)	2,141,708
	Profit (loss) attributable to non-controlling interests	6,014
	Profit (loss) attributable to owners of parent	2,135,693

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
(For the year ended March 31, 2022)

(Thousands of yen)

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury Stock	Total
Balance at April 1, 2021	3,001,929	2,587,029	12,705,447	(111,539)	18,182,866
Changes in the year ended March 31, 2022					
Cash dividend			(291,067)		(291,067)
Profit (loss) attributable to owners of parent for the year ended March 31, 2022			2,135,693		2,135,693
Purchase of treasury shares				(401)	(401)
Net change in items other than shareholders' equity during the year ended March 31, 2022					
Total (net)	—	—	1,844,626	(401)	1,844,224
Balance at March 31, 2022	3,001,929	2,587,029	14,550,073	(111,940)	20,027,090

(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, 2021	2,788	475,850	(32,737)	445,901	84,464	18,713,232
Changes in the year ended March 31, 2022						
Cash dividend						(291,067)
Profit (loss) attributable to owners of parent for the year ended March 31, 2022						2,135,693
Purchase of treasury shares						(401)
Net change in items other than shareholders' equity during the year ended March 31, 2022	(2,788)	876,071	40,167	913,450	20,214	933,665
Total (net)	(2,788)	876,071	40,167	913,450	20,214	2,777,889
Balance at March 31, 2022	—	1,351,922	7,429	1,359,352	104,678	21,491,121

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2022)

(Thousands of yen)

ASSETS

CURRENT ASSETS	11,628,047
Cash in hand and in banks	2,100,495
Notes receivable, trade	790,132
Electronically recorded monetary claims - operating	1,590,451
Accounts receivable, trade	2,060,079
Merchandise and finished goods	4,961,845
Work in process	14,500
Raw materials and supplies	32,133
Prepaid expenses	42,222
Short-term loans receivable	684
Accounts receivable, other	32,752
Other current assets	4,145
Allowance for bad debts	(1,397)
FIXED ASSETS	8,715,609
TANGIBLE:	5,107,934
Buildings	367,613
Structures	3,283
Machinery and equipment	40,304
Vehicles	900
Tools, furniture and fixtures	2,773,079
Land	1,922,754
INTANGIBLE:	190,000
Software	180,829
Telephone rights	9,170
INVESTMENTS AND OTHER ASSETS:	3,417,674
Investments in subsidiaries	2,643,682
Long-term loans receivable	2,291
Deferred tax assets	689,434
Leasehold deposits	43,377
Other investments	38,888
Total assets	<u><u>20,343,656</u></u>

NON-CONSOLIDATED BALANCE SHEET

(As of March 31, 2022)

(Thousands of yen)

LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES	2,366,383
Accounts payable, trade	862,005
Short-term bank loans	385,672
Lease obligations	33,163
Accounts payable, other	189,283
Accrued expenses	84,278
Income taxes payable	256,474
Accrued consumption taxes	125,187
Provision for bonuses	194,015
Provision for directors' bonuses	65,200
Provision for loss on business	65,000
Deposits received	14,840
Other current liabilities	91,263
LONG-TERM LIABILITIES	2,075,569
Long-term bank loans	904,914
Lease obligations	10,875
Accrued retirement benefits to employees	1,034,255
Provision for directors' stock payments	88,322
Long-term deposits received	8,000
Asset retirement obligations	29,201
Total liabilities	4,441,953
NET ASSETS	
STOCKHOLDERS' EQUITY	15,901,703
Common stock	3,001,929
Capital Surplus	2,587,029
Additional paid-in-capital	2,587,029
Retained earnings	10,424,686
Legal reserve	197,500
Retained earnings, other	10,227,186
General reserve	4,913,000
Unappropriated retained earnings	5,314,186
Treasury stocks	(111,940)
Total net assets	15,901,703
Total liabilities and net assets	20,343,656

NON-CONSOLIDATED PROFIT AND LOSS STATEMENT

(For the year ended March 31, 2022)

(Thousands of yen)

Net Sales		12,122,222
Cost of sales		5,037,836
	Gross profit	7,084,386
Selling, general and administrative expenses		5,239,596
	Operating income (loss)	1,844,790
Non operating income		
Interest income	121	
Contract services income	100,000	
Commission fee	11,706	
Others	11,403	123,230
Non operating expenses		
Interest expenses	7,640	
Foreign exchange losses	14,509	
Syndicated loan commission	7,393	
Others	2,217	31,759
	Ordinary income (loss)	1,936,260
Extraordinary losses		
Loss on disposal of fixed assets	83,993	
Impairment loss	162	
Provision for loss on business	65,000	149,155
	Profit (loss) before income taxes	1,787,105
Income taxes - current	338,857	
Income taxes - deferred	166,647	505,505
Profit (loss)		1,281,600

NON-CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(For the year ended March 31, 2022)

(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, 2021	3,001,929	2,587,029	197,500	4,913,000	4,323,653	(111,539)	14,911,572	
Changes in the year ended March 31, 2022								
Cash dividend					(291,067)		(291,067)	
Profit(loss) for the year ended March 31, 2021					1,281,600		1,281,600	
Purchase of treasury shares						(401)	(401)	
Net change in items other than shareholders' equity during the year ended March 31, 2022								
Total (net)	0	0	0	0	990,532	(401)	990,130	
Balance at March 31, 2022	3,001,929	2,587,029	197,500	4,913,000	5,314,186	(111,940)	15,901,703	

(Thousands of yen)

	Valuation and translation adjustments		Total net assets
	Deferred gains or losses on hedges	Total	
Balance at April 1, 2021	2,788	2,788	14,914,361
Changes in the year ended March 31, 2022			
Cash dividend			(291,067)
Profit(loss) for the year ended March 31, 2021			1,281,600
Purchase of treasury shares			(401)
Net change in items other than shareholders' equity during the year ended March 31, 2022	(2,788)	(2,788)	(2,788)
Total (net)	(2,788)	(2,788)	987,342
Balance at March 31, 2022	0	0	15,901,703

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 50th fiscal term as follows.

- (1) Dividend property classification
Cash
- (2) Matters related to allotment of dividend property and its total amount
¥12 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 ¥317,526,336.
- (3) Effective date of distribution of surplus
June 27, 2022

Proposal No.2: Partial Amendment to the Articles of Incorporation

1. Reasons for the proposal

The amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for electronic provision of materials for general meetings of shareholders, the Articles of Incorporation of the Company shall be amended as follows:

- (1) The proposed amendments of Article 18, Paragraph 1 stipulate that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed amendments of Article 18, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the Internet disclosure and deemed provision of the reference documents for the general meeting of shareholders, etc. (Article 18 of the current Articles of Incorporation) will become unnecessary, and therefore, will be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions concerning the effective date, etc. shall be established.

2. Details of the amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
<p><u>Article 18 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u></p> <p><u>The Company may, when convening a general meeting of shareholders, deem that it has provided its shareholders with information pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the Internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p>(Newly Established)</p> <p>(Newly Established)</p>	<p>(Deleted)</p> <p><u>Article 18 (Measures for Electronic Provision, Etc.)</u></p> <p><u>1. The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></p> <p><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p><u>Supplementary Provisions</u></p> <p><u>1. The amendment of Article 18 in the Articles of Incorporation shall come into effect on September 1, 2022, the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 18 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p><u>3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Proposal No.3: Election of Six (6) Directors

The term of office of eight (8) Directors, Messrs. Masao Okawa, Katsuhiko Seshita, Koichi Kondo, Toshiyuki Hironaka, Yasuaki Hidaka, Brent Allen Bartholomew, 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 strengthen the management oversight function and to constitute a Board of Directors with independence and neutrality that enables highly effective governance, the Company proposes the election of six (6) Directors to further utilize outside expertise and experience by increasing the ratio of Outside Directors. If this proposal is approved as proposed, one-third of the Company's directors will be independent directors. Effective from the fiscal year under review, the Company has been promoting separation of management and execution and has constituted an Executive Committee to accelerate decision-making.

The candidates for Directors are as follows:

Candidate Number	Name (Date of Birth)	Career summary, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
1	Masao Okawa (September 8, 1956) (Reappointment)	October 1982 Joined Chuo Accounting Audit Corporation August 2001 Joined Japan Medical Dynamic Marketing, INC. and appointed Director, Divisional General Manager of the Control Division September 2001 Director of Ortho Development Corporation (current position) October 2002 Director in charge of overseas affairs (stationed in the United States), Japan Medical Dynamic Marketing, INC. March 2003 Representative Director and President of Ortho Development Corporation August 2003 Managing Director in charge of overseas affairs, Japan Medical Dynamic Marketing, INC. August 2009 Representative Director and President (current position)	43,230 shares
Reason for the nomination as a candidate for Director Mr. Masao Okawa has been involved in management as the Representative Director, and has led the Company and its Group companies (hereinafter "the Group") in working to enhance its functions as a manufacturer and expand its business in North America. He has steadily advanced the medium-term management plan, bringing expansion of the Group's business performance to a situation in which it can be fully evaluated. In the Board of Directors as well, he has demonstrated his leadership abilities to make critical management decisions, and fully supervise the execution of business by the Executive Officers. The Company has judged that his skills of management direction as President and CEO as well as skills in global business, financial strategy and accounting, etc. are necessary, and that he is suitable for appropriate disclosure, reporting and decision making at the Board of Directors meetings, in order to promote the medium-term management plan which is currently underway by the Company and achieve sustainable growth, and so has nominated Mr. Masao Okawa as a candidate to continue serving as a Director.			

Candidate Number	Name (Date of Birth)	Career summary, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
2	Toshiyuki Hironaka (November 17, 1962) (Reappointment)	April 1986 Joined ITOCHU Corporation August 2001 General Manager of Business Sales Headquarters, Dell Japan Inc. August 2003 General Manager of Enterprise Sales Headquarters 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 Director of Ortho Development Corporation August 2011 Retired from Director of Japan Medical Dynamic Marketing, INC. Retired from Director of Ortho Development Corporation April 2013 Director of Ortho Development Corporation (current position) June 2013 Director in charge of sales and corporate planning, Japan Medical Dynamic Marketing, INC. April 2014 Director in charge of sales, corporate planning and the Control Division May 2016 Resigned as Director General Manager of the Corporate Planning Division June 2016 Director in charge of corporate planning June 2021 Director in charge of the Control Division, the SCM Division and the Corporate Planning Division, Japan Medical Dynamic Marketing, INC. April 2022 Director, Senior Executive Officer, in charge of the Management Strategy Division (current position)	7,300 shares
<p>Reason for the nomination as a candidate for Director</p> <p>Mr. Toshiyuki Hironaka has been involved in management of the Group as the person responsible for corporate planning and overseas business. He has led planning of the medium-term management plan while striving to expand the business of our United States subsidiary. Based on his wealth of experience and achievements, he has fully played his role as a Director in deciding important matters and supervising the execution of business by Executive Officers. The Company has nominated Mr. Toshiyuki Hironaka as a candidate to continue serving as a Director in order to further enhance business administration, as well as planning and execution of the Company's management strategy, and to disclose and report its progress to the Board of Directors as appropriate. Also, the Company has judged that making use of this candidate's wealth of experience and extensive knowledge on corporate governance, global business and sustainability will be optimal for the Company.</p>			

Candidate Number	Name (Date of Birth)	Career summary, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
3	Brent Allen Bartholomew (January 29, 1970) (Reappointment)	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) 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 management of Ortho Development Corporation (hereinafter “ODEV”) for many years, and has led its growth. In recent years, the role of ODEV in the Group has been increasing, in light of the Group’s medium-term management strategies that aim for sustainable growth with a focus on the cooperative development structure between Japan and the United States. From the perspectives of quality control and logistics control, it is necessary to promote a tight-knit cooperative business structure with ODEV, and the Company believes there is an increasing need for accurate and timely understanding of internal management information and operational status of internal control systems.</p> <p>Based on his experience and achievements in managing ODEV for many years, he has fully played his role as a Director in deciding important matters and supervising the execution of business by Executive Officers. The Company has judged that making use of this candidate’s wealth of experience, extensive knowledge on corporate management, corporate governance, global business, financial strategy and accounting and diverse values in the Group’s management will be optimal for the Company in order to establish and strengthen the unified business operation and administrative structure that integrate the Company and ODEV, and so has nominated Mr. Brent Allen Bartholomew as a candidate to continue serving as a Director.</p>			

Candidate Number	Name (Date of Birth)	Career summary, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
4	Tomoyuki Okamura (January 1, 1971) (New Candidate) (Outside Director)	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)	– shares
<p>Reason for the nomination as a candidate for Outside Director and overview of expected roles</p> <p>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 for Outside Director.</p>			

Candidate Number	Name (Date of Birth)	Career summary, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
5	Hiroshi Ishikawa (June 8, 1968) (Reappointment) (Outside Director) (Independent Director)	<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, major concurrent titles at other companies, and positions and responsibilities at the Company	Number of Company shares held
6	Toshio Saburi (June 2, 1949) (Reappointment) (Outside Director) (Independent Director)	<p>October 1982 Joined Chuo Accounting Audit Corporation</p> <p>March 1986 Registered as a Certified Public Accountant</p> <p>September 1993 Partner, Chuo Audit Corporation</p> <p>January 1999 Joined Tempstaff Co., Ltd.</p> <p>October 2002 Auditor, e-staffing Co., Ltd.</p> <p>June 2004 Director, General Manager of Support Division, Tempstaff Co., Ltd.</p> <p>June 2005 Executive Managing Director, Tempstaff Co., Ltd.</p> <p>October 2008 Executive Managing Director and General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd.</p> <p>May 2010 Executive Managing Director, General Manager of Group Corporate Planning Division, Temp Holdings Co., Ltd. and Director, Kelly Services, Inc.</p> <p>June 2015 Outside Director, Japan Medical Dynamic Marketing, INC. (current position)</p> <p>July 2019 Outside Director (Audit & Supervisory Committee Member), RAIZNEXT Corporation (current position)</p>	3,500 shares
<p>Reason for the nomination as a candidate for Outside Director and overview of expected roles</p> <p>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.</p>			

- 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 are candidates for Outside Director.
When Messrs. Hiroshi Ishikawa and 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.
 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 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. Hiroshi Ishikawa, currently an Outside Director of the Company, will have been in office for nine (9) 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 seven (7) years at the conclusion of this General Meeting of Shareholders.
 4. Liability limitation agreement with the candidates for Directors
Messrs. Hiroshi Ishikawa 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. Tomoyuki Okamura is approved, the Company will enter into the said liability limitation agreement with him. 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 the candidates assume office as Directors, they will be insured under the insurance contract, and the Company plans to renew the insurance contract during their terms of office.

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

In order to strengthen the auditing system, the Company is desirous of increasing the number of Statutory Auditors by one (1), and proposes the election of one (1) Statutory Auditor. The Board of Statutory Auditors has 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 positions at the Company		Number of Company shares held
Takeaki Tsuchiya (June 26, 1970) (New Candidate) (Outside Statutory Auditor)	April 1993	Joined Mitsui Petrochemical Industries (currently Mitsui Chemicals, Inc.)	– shares
	June 2007	Finance & Accounting Division and Corporate Planning Division, Mitsui Chemicals, Inc.	
	August 2013	Vice President in charge of Corporate Development, Kulzer GmbH, and Managing Director, MC DentalHoldings Europe GmbH	
	November 2018	Business Support Group Leader of Planning & Coordination Division, Healthcare Business Sector, Mitsui Chemicals, Inc.	
	April 2020	Deputy General Manager and Business Support Group Leader of Planning & Coordination Division, Healthcare Business Sector	
	April 2022	Deputy General Manager and Business Planning Group Leader, Planning & Coordination Division, Life & Healthcare Solutions Business Sector (current position)	
<p>Reason for the nomination as a candidate for Outside Statutory Auditor</p> <p>Mr. Takeaki Tsuchiya has many years of experience in accounting and corporate planning divisions and has specialized knowledge in accounting and management accounting, etc. garnered through management experience in overseas companies. The Company has judged that making use of this candidate's wealth of experience and extensive knowledge on corporate governance, global business, financial strategy & accounting, etc. in order to maintain and strengthen the Company's auditing system will be optimal for the Company, and so has nominated Mr. Takeaki Tsuchiya as a candidate for Auditor.</p>			

Notes: 1. No conflict of interest exists between the Company and the above candidate for Statutory Auditor.

2. Liability limitation agreement with Outside Statutory Auditors

Mr. Takeaki Tsuchiya is scheduled to conclude a liability limitation agreement with the Company after his assumption of office.

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.

3. 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	Masao Okawa	○	○	○	○		○
Director	Toshiyuki Hironaka	○	○	○		○	○
Director	Brent Allen Bartholomew	○	○	○	○		○
Outside Director	Tomoyuki Okamura		○				
Outside Director	Hiroshi Ishikawa		○		○		
Outside Director	Toshio Saburi	○	○	○			○

MEMO