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Securities code: 4880

January 5, 2024

(Commencement of Measures for Electronic Provision: December 16, 2023)

To Shareholders with Voting Rights:

Masato Tsumamoto
Chief Executive Officer (CEO) &
Representative Director
CellSource Co., Ltd.
1-23-21 Shibuya, Shibuya-ku,
Tokyo, Japan

**NOTICE OF
THE 8th ORDINARY GENERAL MEETING OF SHAREHOLDERS**

We hereby inform you that the 8th Ordinary General Meeting of Shareholders of CellSource Co., Ltd. (the “Company”) will be held as described below.

In convening the Meeting, the Company has adopted measures for the electronic provision of information and posted the matters to be provided electronically on the websites shown below as “Notice of Convocation Annual General Meeting 2024.”

The Company’s website:

<https://www.cellsource.co.jp/ir/news/>

In addition to the above website, the matters to be provided electronically are also posted on the website of Tokyo Stock Exchange, Inc. Please access the website indicated below, enter “CellSource” in the “Issue name (company name)” field or the Company’s securities code “4880” in the “Code” field and click “Search.” Select “Basic information” and then “Documents for public inspection/PR information” to review the materials.

Tokyo Stock Exchange website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

We have introduced a hybrid participatory virtual General Meeting of Shareholders this time. This enables shareholders to watch the meeting in real time without visiting the meeting venue in person. Shareholders are requested to review the Guide to Virtual Participation in the General Meeting of Shareholders (in Japanese only) and give it their consideration.

This virtual General Meeting of Shareholders will be conducted in a participatory manner. Shareholders who participate via the Internet will not be able to exercise their voting rights on the day of the meeting. If you would like to exercise your voting rights in advance, please review the Reference Documents for the General Meeting of Shareholders as described in the matters to be provided electronically and indicate your approval or disapproval of the proposals in writing or via the Internet, etc., so that your vote will arrive no later than 5:00 p.m. Japan time on Wednesday, January 24, 2024.

1. Date and Time: Thursday, January 25, 2024 at 11:00 a.m. Japan time
(Reception starts at 10:30 a.m.)

2. Place: 4A, Shibuya Solasta Conference, 4th floor, Shibuya Solasta
1-21-1 Dogenzaka, Shibuya-ku, Tokyo, Japan

3. Meeting Agenda:

Matters to be reported: The Business Report and Financial Statements for the Company's 8th
Fiscal Year (November 1, 2022 - October 31, 2023)

Proposals to be resolved:

Proposal 1: Election of Four (4) Directors (excluding Directors who are Audit &
Supervisory Committee Members)

Proposal 2: Issuance of Share Acquisition Rights to Outside Partners of the Company

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- If you plan to attend the meeting in person, please submit the enclosed Voting Rights Exercise Form.
 - The documents delivered to shareholders also serve as the documents that contain matters to be provided electronically to be delivered upon a request for the delivery of a printed copy. However, this excludes the following matters, based on laws and regulations and the provisions of Article 16 of the Company's Articles of Incorporation. Therefore, those documents are a part of the documents audited by the Audit & Supervisory Committee Members and the Accounting Auditor in preparing the audit reports.
 - Notes to the Non-Consolidated Financial Statements
 - If any revisions are made to the matters to be provided electronically, they will be posted on the websites on which the information is posted.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Election of Four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members)

The terms of office of all four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this General Meeting. Accordingly, the Company proposes the election of four (4) Directors (excluding Directors who are Audit & Supervisory Committee Members).

This proposal was deliberated on in the Audit & Supervisory Committee, but no opinions were expressed. The candidates for Directors are as follows.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Takashi Sawada (July 12, 1957)	<p>April 1981 Joined ITOCHU Corporation</p> <p>November 1998 Vice President, Fast Retailing Co., Ltd.</p> <p>February 2003 Founded Kiacon Corporation Representative Director and CEO, Kiacon Corporation</p> <p>October 2005 Founded Revamp Corporation Representative Director and President, Revamp Corporation</p> <p>April 2016 Representative Director and Chairman, Revamp Corporation</p> <p>May 2016 Director, Senior Managing Executive Officer and Assistant to President, FamilyMart UNY Holdings Co., Ltd. (currently FamilyMart Co., Ltd.)</p> <p>September 2016 Representative Director and President, FamilyMart Co., Ltd.</p> <p>March 2021 Representative Director and Vice Chairman, FamilyMart Co., Ltd.</p> <p>January 2022 External Director, the Company (Incumbent)</p> <p>March 2022 Representative Director and President, Lotte Ventures Japan Co., Ltd. (Incumbent)</p> <p>[Significant concurrent positions] - Representative Director and President, Lotte Ventures Japan Co., Ltd.</p>	—
<p>[Reason for nomination as candidate for Director] We expect Mr. Takashi Sawada to be capable of executing business operations, making management decisions and supervising management for further business development and overall management of the Company, given his involvement in the management of multiple companies and experience in serving as a representative director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	Masato Tsumamoto (October 21, 1982)	April 2005 Joined Sumitomo Corporation November 2015 Founded the Company Representative Director, the Company (Incumbent)	1,356,000
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masato Tsumamoto has abundant experience and achievements in leading the Company as a Representative Director since its founding, as well as a high level of insight into management. We believe that he is capable of executing business operations, making management decisions, and supervising management going forward.</p>		
3	Masayuki Yamakawa (July 3, 1964)	October 1993 Founded Seishin Plastic and Aesthetic Surgery Clinic Co., Ltd. April 2007 Founded THE CLINIC Tokyo January 2015 Founded SerialIncubate Co., Ltd. Representative Director, SerialIncubate Co., Ltd. (Incumbent) November 2015 Founded the Company Representative Director, the Company March 2016 Founded Tokyo Knee Osteoarthritis Clinic December 2019 Founded Synergion inc. Representative Director, Synergion inc. (Incumbent) January 2022 Director, the Company (Incumbent) August 2022 Founded Forestreat inc. Representative Director, Forestreat inc. (Incumbent) [Significant concurrent positions] - Representative Director, SerialIncubate Co., Ltd. - Representative Director, Synergion inc. - Representative Director, Forestreat inc.	7,173,900
	<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Masayuki Yamakawa participated in the establishment of the Company as a Representative Director, and has abundant experience and insight as a physician, as well as a high degree of insight into management. We believe that he is capable of providing advice and recommendations regarding further business development and overall management of the Company.</p>		

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Norio Murakami (March 31, 1947)	<p>April 1970 Joined Hitachi Denshi, Ltd. (currently known as Hitachi Kokusai Electric Inc.)</p> <p>September 1994 Representative Director & President, Informix K.K. and Deputy President, Informix Corporation in the U.S.</p> <p>August 1999 Representative Director & President, Nortel Networks Corporation in Canada</p> <p>November 2001 Representative Director & President, Docent Japan, Inc.</p> <p>April 2003 President & Representative Director, Google Japan Inc. (currently known as Google Japan G.K.) Vice-President, Google Inc. (currently known as Google LLC) in the U.S.</p> <p>January 2009 Honorary Chairman, Google Japan Inc.</p> <p>January 2011 Founded Norio Murakami Office Co., Ltd. Representative Director, Norio Murakami Office Co., Ltd. (Incumbent)</p> <p>March 2012 Outside Director, V-cube, Inc. (Incumbent)</p> <p>August 2013 External Director, Weathernews Inc.</p> <p>December 2014 President and Representative Director, ENERES Co., Ltd.</p> <p>October 2017 External Director, the Company (Incumbent)</p> <p>September 2021 Outside Director, Mercari, Inc.</p> <p>[Significant concurrent positions] - Representative Director, Norio Murakami Office Co., Ltd. - Outside Director, V-cube, Inc.</p>	—
<p>[Reason for nomination as candidate for External Director and outline of expected roles] We expect Mr. Norio Murakami to be capable of providing advice and recommendations regarding further business development and overall management of the Company, given his abundant experience as a corporate manager.</p>			

- Notes:
1. There is no special interest between any of the candidates and the Company.
 2. The number of shares of the Company held by each candidate is the number of shares as of October 31, 2023.
 3. Mr. Norio Murakami is a candidate for External Director. The Company has registered Mr. Norio Murakami as an independent officer as stipulated by the Tokyo Stock Exchange.
 4. Mr. Norio Murakami is currently an External Director of the Company. The Company has entered into a liability limitation agreement with Mr. Murakami, which limits his liability to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. If his reelection is approved, the Company plans to continue the aforementioned liability limitation agreement with him.
 5. The Company has entered into a directors and officers liability insurance policy with an insurance company to cover legal damages and litigation expenses in the event of a claim for damages arising out of acts committed by the insured in their role as an officer, etc. of the Company. Each candidate will be included as an insured under said policy. The Company also plans to renew this policy with the same content at the time of the next renewal.
 6. The number of shares of the Company held by Mr. Masayuki Yamakawa is in his own name, and the percentage of voting rights held by his asset manager and close relatives is 9.84% as of October 31, 2023.
 7. Mr. Norio Murakami is currently an External Director of the Company, and his term of office will be six (6) years and three (3) months at the conclusion of this General Meeting of Shareholders.

Proposal 2: Issuance of Share Acquisition Rights to Outside Partners of the Company

The Company hereby proposes that the determination of the terms and conditions of offers for the issuance of share acquisition rights to outside partners of the Company (hereinafter referred to as “the Share Acquisition Rights”), pursuant to Articles 236, 238 and 239 of the Companies Act, be delegated to the Board of Directors of the Company.

- I. The reason for the need to offer share acquisition rights on particularly favorable conditions
The Company intends to issue the Share Acquisition Rights to outside partners of the Company without compensation for the purpose of further enhancing their motivation and morale toward the improvement of the Company’s business performance.
- II. Parties eligible for allotment of share acquisition rights
Outside partners of the Company
- III. Matters regarding details, maximum number of, and payment for share acquisition rights for which the terms and conditions of offer can be determined based on the decision made by this Ordinary General Meeting of Shareholders

1. Maximum number of share acquisition rights to be issued

Up to 200 units

The total number of shares that may be delivered upon the exercise of the Share Acquisition Rights shall be 20,000 ordinary shares of the Company. However, if the number of shares to be granted upon the exercise of the Share Acquisition Rights is adjusted in accordance with 3. (1) below, it shall be the number obtained by multiplying the number of shares to be granted after adjustment by the number of the Share Acquisition Rights.

2. Money to be paid in exchange for share acquisition rights

No money is required to be paid in exchange for the Share Acquisition Rights.

3. Details of share acquisition rights

- (1) Class and number of shares to be issued upon exercise of share acquisition rights

The Number of shares to be granted upon the exercise of one (1) unit of the Share Acquisition Rights (hereinafter referred to as the “Number of Shares to be Granted”) shall be 100 ordinary shares of the Company.

If, subsequent to the allotment date of the Share Acquisition Rights, the Company conducts a stock split (including allotment of ordinary shares of the Company without compensation; the same shall apply hereinafter) or stock consolidation, the Number of Shares to be Granted shall be adjusted according to the following formula. However, such adjustment shall be made only to those shares subject to the Share Acquisition Rights that remain unexercised at the time of such adjustment. Further, if any fraction less than one share arises as a result of such adjustment, such fraction shall be discarded.

Number of shares after adjustment = Number of shares before adjustment × Split/consolidation ratio

Furthermore, if, subsequent to the allotment date of the Share Acquisition Rights, the Company conducts a merger, company split, or a capital decrease, or any other event occurs necessitating adjustment of the Number of Shares to be Granted, the Number of Shares to be Granted shall be reasonably adjusted.

(2) Value of assets to be contributed upon exercise of share acquisition rights or method for calculating that value

The value of assets to be contributed upon the exercise of the Share Acquisition Rights shall be the amount obtained by multiplying the amount paid per share that will be determined by the following (hereinafter referred to as “Exercise Price”) by the Number of Shares to be Granted.

The Exercise Price shall be the same as the closing price in regular trading of ordinary shares of the Company on the Tokyo Stock Exchange on the allotment date (if there is no closing price on that day, then the closing price on the immediately preceding trading day).

If, subsequent to the allotment date of the Share Acquisition Rights, the Company conducts a stock split or stock consolidation, the Exercise Price shall be adjusted using the following formula, and any resultant fraction of less than one yen will be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{1}{\text{Split (or consolidation) ratio}}$$

If, subsequent to the allotment date of the Share Acquisition Rights, the Company issues new shares or disposes of treasury shares at a price lower than market price for ordinary shares of the Company (excluding cases of issuance of new shares and disposition of treasury shares based on exercise of share acquisition rights and transfer of treasury shares through share exchange), the Exercise Price shall be adjusted using the following formula, and any resultant fraction of less than one yen will be rounded up.

$$\text{Exercise Price after adjustment} = \text{Exercise Price before adjustment} \times \frac{\text{Number of already issued shares} + \frac{\text{Number of newly issued shares} \times \text{Amount paid per share}}{\text{Share Price before new issuance}}}{\text{Number of already issued shares} + \text{Number of newly issued shares}}$$

“Number of already issued shares” in the above formula means the total number of issued shares of ordinary shares of the Company less the number of treasury shares of the ordinary shares of the Company; if treasury shares of the ordinary shares of the Company are disposed of, the term “Number of newly issued shares” shall be replaced by “Number of treasury shares to be disposed of.”

Furthermore, if, subsequent to the allotment date of the Share Acquisition Rights, the Company conducts a merger with another company or a company split, or if any other event occurs necessitating adjustment of the Exercise Price, the Company may adjust the Exercise Price appropriately to a reasonable extent.

(3) Exercise period for share acquisition rights

The period during which the Share Acquisition Rights may be exercised (hereinafter referred to as the “Exercise Period”) shall be from the day on which 2 years have elapsed from the allotment date until January 24, 2034.

(4) Matters related to the increase in share capital and legal capital surplus

- (i) The amount of increase in share capital when shares are issued through the exercise of the Share Acquisition Rights shall be one half of the maximum amount of increase in share capital calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting. Any fraction less than one yen resulting from the calculation will be rounded up.
- (ii) The amount of increase in legal capital surplus when shares are issued through the exercise

of the Share Acquisition Rights shall be the maximum amount of increase in share capital as described in (i) above less the amount of increase in share capital set out therein.

(5) Restriction on the acquisition of share acquisition rights by transfer

Any acquisition of the Share Acquisition Rights by transfer shall require the approval of the Board of Directors of the Company by its resolution.

(6) Conditions for exercise of share acquisition rights

(i) Parties who have received an allotment of share acquisition rights (hereinafter referred to as “Holder(s) of Share Acquisition Rights”) must remain outside partners of the Company at the time of exercising such rights. However, this will not apply if the Board of Directors recognizes that there are justifiable grounds.

(ii) In the event of the death of a Holder of Share Acquisition Rights, inheritance of the share acquisition rights pertaining to the holder in question shall be permitted. In the event of the death of the successor who inherited the share acquisition rights, the successor’s heir may not exercise the share acquisition rights.

(iii) If the exercise of the Share Acquisition Rights were to result in the total number of issued shares of the Company exceeding the total number of authorized shares at that time, such Share Acquisition Rights may not be exercised.

(iv) Share Acquisition Rights of less than one (1) unit may not be exercised.

4. Matters concerning acquisition of share acquisition rights

(1) In the event that a proposal for a merger agreement under which the Company will become the disappearing company, a company split agreement or a company split plan under which the Company will become the splitting company, or any share exchange agreement or share transfer plan under which the Company will become a wholly owned subsidiary of another company is approved at a General Meeting of Shareholders of the Company (or, by a resolution of the Board of Directors if approval of the General Meeting of Shareholders is not required), the Company may acquire all of the Share Acquisition Rights without compensation upon the arrival of a date separately determined by the Board of Directors of the Company.

(2) In the event that a Holder of Share Acquisition Rights becomes unable to exercise the Share Acquisition Rights pursuant to the provisions of 3. (6) above before exercising the share acquisition rights, the Company may acquire such share acquisition rights without compensation.

5. Treatment of share acquisition rights in case of organizational restructuring of the Company

In the event the Company conducts a merger (limited to cases where the Company will become the disappearing company), absorption-type company split or incorporation-type company split, or share exchange or a share transfer (hereinafter collectively referred to as “Organizational Restructuring”), the share acquisition rights of a corporation described in Article 236, Paragraph 1, Items 8(a) through 8(e) of the Companies Act (hereinafter referred to as “Restructured Company”) shall be delivered under the following conditions to Holders of Share Acquisition Rights on the date when Organizational Restructuring takes effect. However, the foregoing shall apply only to cases in which the delivery of share acquisition rights of the Restructured Company according to the following conditions is stipulated in the absorption-type merger agreement, the consolidation-type merger agreement, the absorption-type company split agreement, the incorporation-type company split plan, the share exchange agreement, or the share transfer plan.

(1) Number of share acquisition rights of the Restructured Company to be delivered

The number of share acquisition rights that is equal to the number of share acquisition rights held by the Holders of Share Acquisition Rights shall be delivered to the respective holders.

(2) Class of shares of the Restructured Company to be issued upon the exercise of share acquisition rights

Ordinary shares of the Restructured Company

- (3) Number of shares of the Restructured Company to be issued upon the exercise of share acquisition rights
To be determined in accordance with 3. (1) above, taking into account the conditions of the Organizational Restructuring.
 - (4) Value of the assets to be contributed upon the exercise of share acquisition rights
The value of the assets to be contributed upon the exercise of each share acquisition right shall be the amount obtained by multiplying the Exercise Price after restructuring obtained through adjustment of the Exercise Price as stipulated in 3. (2) above by the number of shares of the Restructured Company to be issued upon the exercise of share acquisition rights as stipulated in 5. (3) above, after taking into consideration the conditions, etc. of the Organizational Restructuring.
 - (5) Exercise period of share acquisition rights
Starting from the later of the first day of the Exercise Period stipulated in 3. (3) above or the date on which the Organizational Restructuring becomes effective and ending on last day of the Exercise Period stipulated in 3. (3) above.
 - (6) Matters concerning increases in share capital and legal capital surplus by the issuing of shares upon the exercise of share acquisition rights
To be determined in accordance with 3. (4) above.
 - (7) Restriction on acquisition of share acquisition rights by transfer
Acquisition of share acquisition rights by transfer shall be subject to the approval of the Board of Directors of the Restructured Company.
 - (8) Other conditions for exercise of share acquisition rights
To be determined in accordance with 3. (6) above.
 - (9) Reasons and conditions for the acquisition of share acquisition rights
To be determined in accordance with 4. above.
 - (10) Other conditions shall be determined in accordance with the conditions of the Restructured Company.
6. Issuance of certificates representing the share acquisition rights
The Company shall not issue certificates representing the Share Acquisition Rights.
 7. Other matters concerning share acquisition rights
Other matters concerning Share Acquisition Rights shall be decided at the meeting of the Board of Directors of the Company.