



26 February, 2026

To whom it may concern:

Company Name: Innovacell Inc.  
Representative: Representative Director Co-CEO  
Colin Novick  
Representative: Representative Director Co-CEO  
Jason Sieger  
(Code No.: 504A, Growth Market of the Tokyo Stock Exchange)  
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**Notice of Change in Amount of Compensation for Directors and Introduction of Restricted  
Stock Compensation Plan**

The Company has passed a resolution at the Board of Directors meeting held today to revise the executive compensation plan and introduce a restricted stock compensation plan (the “**Plan**”), and has therefore decided to submit a proposal on the Plan to the 5th Annual General Meeting of Shareholders (the “**Shareholders Meeting**”) to be held on March 26, 2026. Accordingly, the Company hereby gives notice as follows:

**1. Purpose of Introducing Plan**

The purpose of the Plan is to incentivize the Company’s directors (excluding outside directors; the “**Eligible Directors**”) in order to continuously enhance the Company’s corporate value, as well as to advance further sharing of value with the Company’s shareholders.

Upon introducing the Plan, monetary claims will be paid to the Eligible Directors as compensation, which will then be contributed in exchange for the grant of restricted shares. Accordingly, the Plan will only be introduced on the condition that the payment of such compensation is approved by the Company’s shareholders at the Shareholders Meeting. Although approval has already been granted at the Extraordinary General Meeting of Shareholders held on June 25, 2021, that the amount of compensation for the Company’s directors shall be capped at JPY 150 million per year (which was revised to JPY 500 million at the 4<sup>th</sup> Annual General Meeting of Shareholders held on March 27, 2025), the Company is planning to ask its shareholders at the Shareholders Meeting to approve of introducing the Plan and setting the compensation framework for the Eligible Directors under the Plan at a compensation framework separate from the one mentioned above.

**2. Overview of Plan**

The total amount of monetary claims to be paid to the Eligible Directors based on the Plan shall be capped at JPY 100 million per year (excluding employee salaries for employees concurrently serving as a director), and the total number of ordinary shares to be newly issued or disposed of by the Company shall be 100,000 shares per year (provided, however, that if a stock split, including an allotment of the Company’s ordinary shares without contribution, or consolidation of

the Company's ordinary shares is carried out with the effective date thereof being a date on or after the date of resolution of the Shareholders Meeting, such total number shall be adjusted on or after such effective date as necessary and to a reasonable extent in accordance with the split/consolidation ratio, etc.) The maximum number of shares issued or disposed of to the Eligible Directors within one year represents 0.23% or less of the total number of issued shares and the dilution rate is minimal.

The Eligible Directors are to pay in all monetary claims they have been paid by the Company based on the Plan as property contributed in kind, and are to thereby receive the issuance or disposal of the Company's ordinary shares. The amount to be paid in for each such share will be determined by the Board of Directors based on the closing price of the Company's ordinary shares on the Tokyo Stock Exchange as of the business day preceding the date on which the relevant resolution had been passed by the Board of Directors (or, if no transaction is closed on that day, based on the closing price as of the most recent trading day preceding such day), and to the extent that such amount will not be particularly advantageous for the Eligible Director subscribing for such ordinary shares. The specific timing of the payment and the details of the allocation of such monetary claims to each Eligible Director shall be determined by the Board of Directors.

Further, the issuance or disposal of the Company's ordinary shares (the "**Shares**") based on the Plan shall only be carried out on the condition that an Agreement for Allotment of Restricted Shares is entered into by and between the Company and the Eligible Directors, which includes provisions such as those providing that: (i) the Eligible Directors shall be prohibited from transferring, establishing security interests on or otherwise disposing of the Shares to or for any third party for a certain period of time (the "**Transfer Restriction Period**"); and that (ii) the Company may acquire the Shares without consideration in the situation where certain events occur. During the Transfer Restriction Period, the Shares are to be managed in a dedicated account to be opened by the Eligible Directors with Nomura Securities, Co., Ltd., so that the Eligible Directors cannot transfer, establish security interests on or otherwise dispose of the Shares during the Transfer Restriction Period.

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