



April 23, 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 Issuance of New Shares as Restricted Stock

The Company hereby gives notice as follows that it has passed a resolution at the Board of Directors meeting held on April 23, 2026 (the “**Allotment Resolution Date**”) to issue new shares (the “**Issuance of New Shares**” or “**Issuance**”):

1. Overview of Issuance

(1) Payment Due Date	May 22, 2026
(2) Class and Number of Shares to be Issued	Company’s ordinary shares: 53,400 shares
(3) Issue Price	JPY 685 per share
(4) Total Issue Price	JPY 36,579,000
(5) Eligible Persons for Allotment of Shares; Number of Such Persons; and Number of Shares to be Allotted Thereto	Three (3) directors of the Company (excluding outside directors): 53,400 shares

2. Purpose and Reason for Issuance

The Company has passed a resolution at the Board of Directors meeting held on February 26, 2026, to introduce a restricted stock compensation plan (the “**Plan**”) as a new compensation plan for the Company’s directors (excluding outside directors; the “**Eligible Directors**”) for the purpose of incentivizing the Eligible Directors in order to continuously enhance the Company’s corporate value, and advancing further sharing of value with the Company’s shareholders. Approval has been granted at the 5th Annual General Meeting of Shareholders held on March 26, 2026, that: (i) monetary claims of up to JPY 100 million per year shall be paid to the Eligible Directors as compensation, which will then be paid in as property contributed in kind in exchange for the acquisition of restricted shares based on the Plan (the “**Restricted Stock**”); (ii) up to 100,000 ordinary shares of the Company shall be issued or disposed of per year; and (iii) the transfer restriction period for restricted shares shall be

from the date on which the relevant Eligible Director receives allotment of the Company's ordinary shares under an Agreement for Allotment of Restricted Shares entered into by and between the Company and the Eligible Directors until the time immediately after such Eligible Director resigns or retires from all of his/her officer or employee positions at the Company or any of its subsidiaries as predetermined by the Company's Board of Directors.

The overview of the Plan is as follows:

[Overview of Plan]

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.

Further, upon issuing or disposing of the Company's ordinary shares based on the Plan, an Agreement for Allotment of Restricted Shares shall be 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 Company's ordinary shares allotted thereto under such agreement to or for any third party for a certain period of time; and that (ii) the Company may acquire such ordinary shares without consideration in the situation where certain events occur.

In the present case, the Company has decided, taking into account the purpose of the Plan, the Company's business conditions, the scope of each Eligible Director's responsibility and other miscellaneous circumstances, that monetary claims of JPY 36,579,000 in total (the "**Monetary Claims**") shall be paid and 53,400 ordinary shares shall be granted to the Eligible Directors for the purpose of further raising each Eligible Director's motivation.

In order to receive the Issuance of New Shares, the proposed allottees (i.e., three (3) Eligible Directors) are to pay in all of the Monetary Claims against the Company as property contributed in kind and then receive the issuance of the Company's ordinary shares (the "**Allotted Shares**"), based on the Plan. The overview of the Agreement for Allotment of Restricted Shares (the "**Allotment Agreement**") entered into by and between the Company and the Eligible Directors in carrying out the Issuance of New Shares is as set forth in 3 below:

3. Overview of Allotment Agreement

(1) Transfer restriction period:

From May 22, 2026, until the time immediately after the relevant Eligible Director resigns or retires from all of his/her positions as a director, executive officer, operating officer not concurrently serving as a director, corporate auditor, advisor, consultant or employee of the Company or any of its subsidiaries, or any other positions equivalent to the foregoing.

(2) Conditions for lifting the transfer restriction:

The transfer restriction will be lifted for all of the Allotted Shares upon the expiration of the transfer restriction period on the condition that the relevant Eligible Director has continuously held a position as a director, executive officer, operating officer not concurrently serving as a director, corporate auditor, advisor, consultant or employee of the Company or any of its subsidiaries during the period starting from the date of commencement of the execution of his/her duties until the time immediately preceding the conclusion of the first Annual General Meeting of Shareholders after such date of commencement (the “**Service Period**”).

(3) Handling in the event that an Eligible Director resigns or retires from his/her position due to the expiration of his/her term of office or for any other reasonable cause during the Service Period:

(i) Timing for lifting the transfer restriction:

In the case where an Eligible Director resigns or retires from all of his/her positions as a director, executive officer, operating officer not concurrently serving as a director, corporate auditor, advisor, consultant or employee of the Company or any of its subsidiaries or any other positions equivalent to the foregoing due to the expiration of his/her term of office or for any other reasonable cause (including retirement or resignation due to death), the transfer restriction will be lifted as of the time immediately after his/her retirement or resignation.

(ii) Number of shares for which the transfer restriction shall be lifted:

The number of shares obtained by multiplying the number of Allotted Shares held by the relevant Eligible Director as of the time of his/her retirement or resignation as set forth in (i) above by the number obtained by dividing the number of months from the month including the Allotment Resolution Date until the month including the date of his/her retirement or resignation by the number of months within the Service Period (i.e., twelve (12)) (if the number obtained through such division exceeds one (1), the number shall be rounded down to one (1)), with any fraction less than one (1) share unit resulting from such calculation being rounded off.

(4) Acquisition by the Company without consideration:

In the event that an Eligible Director acts in violation of the laws and regulations or other certain events occur thereto as set forth in the Allotment Agreement during the transfer restriction period, the Company will automatically acquire all of the Allotted Shares held by such Eligible Director at such time, without consideration. In addition, at the time immediately after the time of expiration of the transfer restriction period or at the time the transfer restriction is lifted in accordance with (3) above, the Company will automatically acquire the Allotted Shares for which the transfer restriction has not been lifted as of such time, without consideration.

(5) Handling in organizational restructuring, etc.

If, during the transfer restriction period, any matter related to: (i) a merger agreement under which the Company becomes a company disappearing in such merger; (ii) a share exchange agreement or share transfer plan through which the Company becomes a wholly-owned subsidiary; or (iii) any other organizational restructuring, etc., is approved at the Company's General Meeting of Shareholders (or by the Company's Board of Directors, if approval at the

Company's General Meeting of Shareholders is not required for such organizational restructuring, etc.), the Company will, by a resolution of the Company's Board of Directors, lift the transfer restriction for the number of shares obtained by multiplying the number of Allotted Shares held by the relevant Eligible Directors as of that time by the number obtained by dividing the number of months from the month including the Allotment Resolution Date to the month including the date of approval of such organizational restructuring, etc. by the number of months within the Service Period (i.e., twelve (12)) (if the number obtained through such division exceeds one (1), the number shall be rounded down to one (1)), with any fraction less than one (1) share unit resulting from such calculation being rounded off, as of the time immediately prior to the business day preceding the effective date of the organizational restructuring, etc. In addition, at the time immediately after the transfer restriction has been lifted, the Company will automatically acquire all of the Allotted Shares for which the transfer restriction has not been lifted as of such time, without consideration.

(6) Management of Shares

During the transfer restriction period, the Allotted 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 Allotted Shares during the transfer restriction period. The Company has entered into an agreement with Nomura Securities, Co., Ltd. in relation to the management of the accounts pertaining to the Allotted Shares held by each of the Eligible Directors, in order to ensure the effectiveness of the transfer restriction, etc. for such Allotted Shares. In addition, the Eligible Directors shall provide consent regarding the details of how such accounts will be managed.

4. Basis of Calculation and Specific Details of Amount to Be Paid in

The Issuance of New Shares to the proposed allottees will be carried out in exchange for such allottees paying in the monetary claims they have been paid as restricted stock for the Company's 6th fiscal year as property contributed in kind, based on the Plan. In order to eliminate the arbitrariness of the issue price, such price has been set at JPY 685, which was the closing price of the Company's ordinary shares on the Growth Market of the Tokyo Stock Exchange as of April 22, 2026 (the business day preceding the date on which the relevant resolution was passed by the Board of Directors). This price is the market price of the Allotted Shares as of the time immediately prior to the date of resolution of the Board of Directors, and the Company considers it to be reasonable and to not constitute a price that is particularly advantageous for the allottee.

(For your reference)

For a non-resident director, instead of the allocation of Restricted Stock under the Plan, a share-based monetary reward (phantom stock) with terms consistent with the Plan will be provided.

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