

(Appendix)

### 1. Definitions

Unless otherwise clearly defined in this Appendix, the terms used in this Appendix shall have the same meanings as defined in the Innovative Research and Development Promotion Fund Subsidy Guidelines (hereinafter referred to as the “**Subsidy Guidelines**”).

### 2. Change to Subsidized Project Plan due to Stage Gate Go Decision

- (1) AMED shall, if it reasonably determines that the Business Operator satisfies the requirements for passing a stage gate (meaning the stage gate set in phases in the Subsidized Project Plan to confirm the development progress status and capital requirement in the Subsidized Project implemented by the Business Operator; the same shall apply hereinafter), approve the Business Operator’s passing of the stage gate, and in this case, the Business Operator shall, each time its passing of a stage gate is approved, submit to AMED an application form for Change of the Subsidized Project Plan in the form separately set forth by AMED, and receive the approval for change of the Subsidized Project Plan. The matters to be changed under this (1) shall be including but not limited to (i)Subsidized Project period as well as (ii)the amount of Expenses Covered by Subsidy (the amount of increase of Expenses Covered by Subsidy by the approval of change to such Subsidized Project Plan shall be hereinafter referred to as “Increased Amount of Expenses Covered by Subsidy”).
- (2) The amount of Expenses Covered by Subsidy after change under the preceding paragraph shall not exceed the Estimated Amount of Expenses Covered by Subsidy (meaning the amount determined by AMED in advance as the maximum amount of Expenses Covered by Subsidy upon Grant Decision).
- (3) AMED shall, if an application form for Change of the Subsidized Project Plan is submitted under the provisions referred to in (1), review the contents of such Application. If AMED determines that Subsidized Project Plan and Grant Decision are to be changed as a result of such review, AMED shall approve the change of the Subsidized Project Plan, and after changing Grant Decision, send a Notification form of Approval for Change of Plan and Grant Decision (hereinafter referred to as “Grant Decision Notification, etc.” together with Subsidy Grant Decision Notification set forth in Article 6, Paragraph 1 of the Subsidy Guidelines) in the form separately set forth by AMED to the Business Operator.
- (4) The standard period normally required until change of the Subsidized Project Plan is approved after the arrival of the Application form for Change of the Subsidized Project Plan referred to in (1) shall be 30 days.
- (5) AMED may, if necessary in approving change of the Subsidized Project Plan, request a Business Operator to submit additional materials.
- (6) In approving the change of the Subsidized Project Plan, AMED may impose conditions AMED deems necessary.

### 3. Payment of Subsidy

- (1) If AMED makes Grant Decision or approval for change of the Subsidized Project Plan and change to Grant Decision set forth in 2.(3) (hereinafter collectively referred to as “Grant Decision, etc.”), the Business Operator may claim the payment of Subsidy set forth in (2) from AMED, by submitting a written request for payment based on estimation (or after settlement) to AMED under Article 29, Paragraph 2 of Subsidy Guidelines.
- (2) AMED shall, when receiving a written request for payment based on estimation (or after settlement) from a Business Operator under (1), pay to the Business Operator the Subsidy in the amount set forth by AMED up to the amount obtained by deducting the amount of the Subsidy granted under this paragraph up to such time from the amount equivalent to 2/3 of the total amount of the Expenses Covered by Subsidy, as payment based on estimation set forth in the provision of Article 29, Paragraph 1 of Subsidy Guidelines, subject to the condition that a venture capital (hereinafter referred to as “Registered VC”) registered by AMED in “Strengthening Program for Pharmaceutical Startup Ecosystem” has made qualified investment (meaning investment made by receiving shares (including class shares), share options, bonds with share options and other securities enabling the request for delivery or acquisition of shares or the rights similar thereto from, and by making the payment of the

consideration therefor to, the Business Operator) of the amount equivalent to the amount of 1/3 or more of the Increased Amount of Expenses Covered by Subsidy by such Grant Decision, etc. to the Business Operator (Provided, however, that with regards to the initial grant of the Subsidy, the amount of initial Expenses Covered by Subsidy) within 30 days (provided, however, that if AMED has determined any different period, such period; hereinafter referred to as “Qualified Investment Period”) from the day on which Grant Decision, etc. is made. The payment of the Subsidy under this paragraph may be, at AMED’s discretion, made over more than one government’s fiscal years, and by dividing into more than one time within one (1) fiscal year.

- (3) A Business Operator shall submit to AMED (i) Investment Report stating the contents of such investment in the form separately set forth by AMED when receiving investment from a Registered VC during Qualified Investment Period, or (ii) Investment Report stating the contents of such event in the form separately set forth by AMED when not being able to receive investment from a Registered VC during Qualified Investment Period, within 30 days from the date of Grant Decision Notification, etc.

#### 4. Matters, etc. to be Consented in Advance

- (1) Unless approved by AMED in writing in advance, a Business Operator shall not conduct any of the following items:

- (i) Dividends of surplus and acquisition of treasury shares;
- (ii) use of AMED’s trademark, trade name, logo, etc.;
- (iii) merger, company split, share exchange, share transfer and other reorganization;
- (iv) assignment, abolishment or receipt of the whole or a significant part of business;
- (v) dissolution or liquidation;
- (vi) petition for commencement of bankruptcy procedures, commencement of civil rehabilitation procedures, commencement of corporate reorganization procedures, or special liquidation.

- (2) A Business Operator shall notify AMED in advance if the holder of the shares, etc. of the Business Operator immediately before such assignment or transfer no longer holds the majority of the shares, etc. or its voting rights pertaining to the Business Operator immediately after such assignment or transfer due to assignment or transfer of shares, etc. of the Business Operator.

#### 5. Approval, etc. of Change to Subsidized Project Plan

In addition to Article 12 of the Subsidy Guidelines, a Business Operator shall, if it intends to add, withdraw or change a Registered VC which is designated as a Registered VC supporting the Business Operator in Subsidy Grant Application under Article 5 of the Subsidy Guidelines, submit to AMED an application form for Change of the Subsidized Project Plan in the form separately set forth by AMED and obtain AMED’s approval. Provided, however, that it is not permitted to change Lead Registered VC (meaning, in relationship to a Business Operator, the Registered VC stated as a Lead Registered VC in the Subsidy Grant Application submitted by such Business Operator under Article 5 of the Subsidy Guidelines; the same shall apply hereinafter).

#### 6. Contracts, etc.

A Business Operator shall not, if executing a contract for sale, service contract, or other contract to implement a Subsidized Project, execute a contract with any business operator who is subjected to suspension of grant payments or suspension of nomination by the Ministry of Economy, Trade and Industry.

#### 7. Cause of abolition of Subsidized Project

Notwithstanding the provisions of Article 13, Paragraph 1 of the Subsidy Guidelines, AMED may cause the Business Operator to abolish the whole of the Subsidized Project implemented by the Business Operator in any of the following cases:

- (i) If AMED has decided not to approve passing of the Business Operator’s stage gate under 2.(1);
- (ii) Even if the Grant Decision, etc. is made, if the qualified investment set forth in 3(2) was not exercised within Qualified Investment Period;

- (iii) if the registration of the Lead Registered VC of the Business Operator has been rescinded;
- (iv) if the shares of the Business Operator get listed on a financial instruments exchange as specified in Article 2, Paragraph 16 of the Financial Instruments and Exchange Act (Act No. 25 of 1948; including its subsequent revisions.) or one similar thereto which is located in a foreign state;
- (v) if there has been any material change in the capital relationship of the Business Operator.