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To Those Shareholders with Voting Rights

Jun Tsuruha  
President & Representative Director  
TSURUHA HOLDINGS INC.  
20-1-21 Kita 24 Jo Higashi, Higashi-  
ku, Sapporo, Hokkaido

## **NOTICE OF THE 64<sup>th</sup> ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

We hereby notify you that the 64<sup>th</sup> Ordinary General Meeting of Shareholders of the Company will be held as described below.

When convening the General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of reference documents for the general meeting of shareholders in electronic format (Matters Concerning Electronic Provision Measure), and posts this information on the Company's website. Please access the following website for your confirmation.

The Company's website:

<https://www.tsuruha-hd.co.jp/ir/gms/> (in Japanese)

(Please confirm through the menu on the above website.)

In addition to the Company website, the Matters Concerning Electronic Provision Measure will also be available on the Tokyo Stock Exchange (TSE) website for your confirmation.

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese)

(Please access the TSE website above, enter/search "Tsuruha Holdings" in "Issue name (company name)" or the Company's securities code "3391" in "Code," and click "Search." Select "Basic information," then "Documents for public inspection/PR information," and confirm "Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting" under the "Documents for public inspection.")

As described in the Guidance on Exercise of your Voting Rights, in lieu of attendance at the meeting, you can exercise your voting rights either by indicating your votes for or against each of the proposals on the Voting Rights Exercise Form and returning it by mail, or by accessing the voting website printed on the Voting Rights Exercise Form and indicating your votes for or against each of the proposals via electromagnetic means (e.g., via the Internet). Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6:00 p.m., Thursday, May 21, 2026.

- 1. Date and Time:** Friday, May 22, 2026, at 10:00 a.m. (Reception starts at 9:00 a.m.)
- 2. Place:** 1-1-1, Kita-2-joishi, Chuo-ku, Sapporo-shi, Hokkaido  
Tsuru Room, New Otani Inn Sapporo, 2nd Floor  
\*Please be aware that the venue has been changed from the previous year.

**3. Agenda of the Meeting:**

- Matters to be reported:**
1. Business Report, Consolidated Financial Statements for the 64<sup>th</sup> Fiscal Term (from March 1, 2025, to February 28, 2026) and the Audit Report of the Accounting Auditor and the Audit and Supervisory Committee of the Consolidated Financial Statements
  2. Non-Consolidated Financial Statements for the 64<sup>th</sup> Fiscal Term (from March 1, 2025, to February 28, 2026)

**Proposals to be resolved:**

- Proposal No. 1:** Partial Amendments to the Articles of Incorporation
- Proposal No. 2:** Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)
- Proposal No. 3:** Election of Two Directors Who Are Audit and Supervisory Committee Members
- Proposal No. 4:** Transfer of Legal Capital Surplus to Other Capital Surplus

#### **4. Arrangements in Convening the Meeting (Guidance on Exercise of your Voting Rights)**

- If you exercise your voting rights via the Internet or by other means multiple times, the vote exercised last will be treated as valid.
- If you exercise your voting rights both via the Internet and in writing (by mail), the vote cast via the Internet will be treated as valid, regardless of the date and time of their receipt.
- If you exercise your voting rights by proxy, one other shareholder with voting rights may attend the General Meeting of Shareholders as your proxy. In this case, in addition to the Voting Form of the proxy himself/herself, the Company requires the submission of 1) documentation verifying proxy rights (letter of proxy), 2) the Voting Form of the shareholder, documentation verifying the other shareholder's identity such as a copy of the seal registration certificate for the seal used on the letter of proxy, a passport, a driver's license, or a health insurance identification card. Furthermore, no one other than shareholders, such as proxies who are not shareholders or other associates, may attend the General Meeting of Shareholders.
- For those shareholders attending the venue on the day, please submit the Voting Form to the reception desk at the meeting.
- Any revision to the Matters Concerning Electronic Provision Measure shall be posted on the Company's website above and the TSE website, with the details before and after the revision.
- For shareholders who have requested delivery of paper-based documents, the paper-based documents stating the Matters Concerning Electronic Provision Measure will be sent together with the voting form, but these documents exclude the following matters in accordance with the provisions of laws and regulations as well as Article 14 of the Company's Articles of Incorporation.
  - (i) Matters connected with "Trends in Assets and Income," "Issues to Be Addressed," "Principal Business," "Principal Offices," "Employees," "Major Lenders," "Other Important Information Concerning the Company Group," "Matters Concerning Subscription Rights to Shares, etc.," "Status of Accounting Auditor," "System to Ensure Proper Business Execution and its Operational Status" and "Policy for Determining Dividends of Surplus, etc." referred to in the Business Report
  - (ii) Matters connected with "Consolidated Balance Sheet," "Consolidated Statements of Income," "Consolidated Statement of Changes in Equity" and "Notes to the Consolidated Financial Statements" referred to in the Consolidated Financial Statements
  - (iii) Matters connected with "Non-Consolidated Balance Sheets," "Non-Consolidated Statements of Income," "Non-Consolidated Statement of Changes in Equity" and "Notes to the Non-Consolidated Financial Statements" referred to in the Non-Consolidated Financial Statements
  - (iv) Matters connected with "Accounting Auditor's Audit Report on the Consolidated Financial Statements," "Accounting Auditor's Audit Report on the Non-Consolidated Financial Statements," and "The Audit and Supervisory Committee's Audit Report" referred to in the Audit Reports

The Audit and Supervisory Committee and the Accounting Auditor have audited the documents subject to audit, including the above matters.

## Summary of proposals to be resolved

The overview of the proposals is as follows. For details, please check the reference documents on the Company's website or the Tokyo Stock Exchange website.

### Proposal No. 1: Partial Amendments to the Articles of Incorporation

The Company is to make necessary amendments to the provisions of Article 2 (Purpose) of the current Articles of Incorporation in order to more appropriately control and manage the business activities of the Group as a whole in its capacity as a holding company, and to accommodate the diversification of its business operations and the expansion of its business domains going forward.

### Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The Company proposes for the election of the following seven Directors (excluding Directors who are Audit and Supervisory Committee Members).

No.		Name
1	Reelection	Jun Tsuruha
2	Reelection	Hideaki Kirisawa
3	Reelection	Kazuto Toyama
4	Reelection	Outside Independent Wakana Tanaka
5	Reelection	Outside Independent Hiroshi Okuno
6	New election	Yoshihiro Kobashi
7	New election	Akio Yoshida

### Proposal No. 3: Election of Two Directors Who Are Audit and Supervisory Committee Members

The Company proposes for the election of the following two Directors who are Audit and Supervisory Committee Members.

No.		Name
1	Reelection	Outside Independent Tatsuichi Asada
2	New election	Outside Independent Toshiko Tamaki

### Proposal No. 4: Transfer of Legal Capital Surplus to Other Capital Surplus

Shareholders are asked to approve, pursuant to Article 448, Paragraph 1 of the Companies Act, the reduction of the amount of the legal capital surplus and the transfer of the entire amount to other capital surplus, in order to improve capital efficiency and enable the flexible execution of capital policies in response to changes in the business environment.

## Reference Documents for the General Meeting of Shareholders

### Proposal No. 1: Partial Amendments to the Articles of Incorporation

#### 1. Reasons for the amendment

The Company is to make necessary amendments to the provisions of Article 2 (Purpose) of the current Articles of Incorporation in order to more appropriately control and manage the business activities of the Group as a whole in its capacity as a holding company, and to accommodate the diversification of its business operations and the expansion of its business domains going forward.

In making these amendments, the Company will, based on the substance of its current business purposes, streamline overlapping provisions and review the wording thereof, while also seeking to clarify its business activities.

In addition, in order to accommodate the expansion of its business development in the fields of nursing care and welfare-related services, as well as health management and lifestyle support services and related services, the Company will make necessary additions to and reorganize its business purposes.

These amendments are consistent with the actual state of the Group's business operations and its future business development, and will not have any adverse effect on the interests of shareholders.

#### 2. Details of the amendment

The details of the amendment are as follows:

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
Chapter I GENERAL PROVISIONS	Chapter I GENERAL PROVISIONS
Article 2 (Purpose)	Article 2 (Purpose)
The purpose of the Company is to engage in the following businesses.	The purpose of the Company is to engage in the following businesses.
1. To engage in the businesses set forth below and to control and manage the business activities of companies engaging in the businesses set forth below through the ownership of shares in such companies.	1. (Change in Japanese only; English unchanged)
<u>(1) Sale of pharmaceuticals, poisonous substances, and deleterious substances, and the handling of narcotics for use in medical institutions</u>	(Deleted)
<u>(2) Dispensing and sale of pharmaceuticals pursuant to prescriptions</u>	
<u>(3) Sale of medical equipment and instruments, sanitary supplies, and weights and measures</u>	
<u>(4) Sale of cosmetics, detergents, and misc. daily necessities</u>	
<u>(5) Sale of seasonings, milk, dairy products, rice, and food products</u>	
<u>(6) Sale of books, magazines, office supplies, stationery, and toys</u>	
<u>(7) Sale of textile products for clothing, interior furnishings, and household electrical appliances</u>	
<u>(8) Sale of watches, precious metals, and personal ornaments</u>	
<u>(9) Sale of seeds and seedlings, flowers, and nursery trees</u>	
<u>(10) Sale of fertilizers, agricultural chemicals, hardware, pet supplies, pet food, and automotive supplies</u>	
<u>(11) Sale of records, video tapes, CDs, musical instruments, cameras, photographic supplies, and eyeglasses</u>	

Current Articles of Incorporation	Proposed amendments
<p><u>(12) Sale of alcoholic beverages, salt, tobacco, revenue stamps, postage stamps, telephone cards, and secondhand goods</u></p> <p><u>(13) Agency services for laundry and dry-cleaning, agency services for the repair and maintenance of machinery and equipment set forth in the preceding items, and agency services for the maintenance and repair of buildings</u></p> <p><u>(14) Operation of drugstores, convenience stores, and restaurants under a franchise chain system, and the provision of management guidance to franchisees and the undertaking of accounting services for them</u></p> <p><u>(15) Leasing and rental of goods</u></p> <p><u>(16) Sale and purchase, leasing, brokerage, and management of real estate</u></p> <p><u>(17) Agency services relating to advertising and promotion</u></p> <p><u>(18) Provision of professional guidance to drugstores</u></p> <p><u>(19) Provision of pharmaceutical information to drugstores and medical institutions</u></p> <p><u>(20) Research on in-store sales trends at drugstores and similar retail outlets, market response to new products, and various surveys, as well as joint research with manufacturers, wholesalers, and research institutions</u></p> <p><u>(21) Provision of information, consultation, and guidance to general consumers regarding pharmaceuticals, medical equipment and instruments, sanitary supplies, childcare products, food products, cosmetics, and toiletry products</u></p> <p><u>(22) Provision of preparatory courses for qualification examinations for pharmacists, registered sales clerks, and similar professionals</u></p> <p><u>(23) Organization and holding of various seminars, events, and lectures</u></p> <p><u>(24) Provision of designated in-home services and designated in-home long-term care support under the Long-Term Care Insurance Act</u></p> <p><u>(25) Sale of specified welfare equipment, rental of specified welfare equipment, sale of specified preventive welfare equipment, and rental of specified preventive welfare equipment under the Long-Term Care Insurance Act</u></p> <p><u>(26) Provision of in-home welfare services for the elderly, persons with disabilities, and others</u></p> <p><u>(27) Sale and rental of nursing care equipment and supplies</u></p> <p><u>(28) Manufacture, sale, and home delivery of catering meals, boxed meals, and similar food products</u></p> <p><u>(29) Establishment and operation of nursery schools</u></p> <p><u>(30) Non-life insurance agency services</u></p> <p><u>(31) Life insurance solicitation services</u></p> <p><u>(32) Mail-order sales through information and communication systems such as the Internet</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed amendments
<p><u>(33) Sale of meat, fresh fish, prepared foods, and fresh produce</u></p> <p><u>(34) Operation of coffee shops and restaurants, and sale of catered boxed meals</u></p> <p><u>(35) Operation of hair salons, barber shops, esthetic salons, nail salons, makeup salons, beauty salons, and aromatherapy salons</u></p> <p><u>(36) Operation of treatment clinics for massage, acupuncture, moxibustion, and similar therapies</u></p> <p><u>(37) Operation of pharmacies, hospitals, nursing homes, medical, nursing care and welfare facilities, and supermarkets, the outsourcing of operations thereof, and consulting services relating to such operations</u></p> <p><u>(38) Financial services</u></p> <p><u>(39) Operation of fitness clubs and sports facilities</u></p> <p><u>(40) Planning and formulation of corporate business plans, financial management, labor management, and information systems, and related consulting services</u></p> <p><u>(41) Management and investment of securities</u></p> <p><u>(42) Computer-based information processing and corporate management consulting services</u></p> <p><u>(43) Operation of coin-operated laundries</u></p> <p><u>(44) Information processing services and information provision services</u></p> <p><u>(45) Manufacture, processing, wholesale, and import and export of private-brand products</u></p> <p><u>(46) Design, development, operation, and maintenance of systems for the purchase and sale of products via networks such as the Internet</u></p> <p><u>(47) Manufacture and sale of confectionery</u></p> <p><u>(48) Investment in and financing of the businesses set forth in the preceding items</u></p> <p><u>(49) All businesses that are incidental to those set forth in the preceding items</u></p>	<p>(Deleted)</p>
<p>2. Sale of pharmaceuticals, poisonous substances, and deleterious substances, and the handling of narcotics for use in medical institutions</p> <p>3. Dispensing and sale of pharmaceuticals pursuant to prescriptions</p> <p>4. Sale of medical equipment and instruments, sanitary supplies, <u>and weights and measures</u></p> <p>5. Sale of cosmetics, detergents, and misc. daily necessities</p> <p>6. <u>Sale of seasonings, milk, dairy products, rice, and food products</u></p> <p>7. Sale of books, magazines, office supplies, stationery, and toys</p> <p>8. Sale of textile products for clothing, interior furnishings, and household electrical appliances</p> <p>9. Sale of watches, precious metals, and personal ornaments</p> <p>10. Sale of seeds and seedlings, flowers, and nursery trees</p>	<p>2. (Change in Japanese only; English unchanged)</p> <p>3. Dispensing and sale of pharmaceuticals pursuant to prescriptions</p> <p>4. Sale of medical equipment and instruments, <u>and</u> sanitary supplies</p> <p>5. (Change in Japanese only; English unchanged)</p> <p>6. <u>Manufacture and sale of food products (including seasonings, milk, dairy products, rice, and other food items)</u></p> <p>7. (Change in Japanese only; English unchanged)</p> <p>8. (Change in Japanese only; English unchanged)</p> <p>9. (Change in Japanese only; English unchanged)</p> <p>10. (Change in Japanese only; English unchanged)</p>

Current Articles of Incorporation	Proposed amendments
11. Sale of fertilizers, agricultural chemicals, hardware, pet supplies, pet food, and automotive supplies	11. Sale of fertilizers, agricultural chemicals, hardware, <u>pets</u> , pet supplies, pet food, and automotive supplies
12. Sale of <u>records, video tapes, CDs, musical instruments, cameras, photographic supplies, and eyeglasses</u>	12. Sale of <u>music and video software, musical instruments, cameras, photographic supplies, and eyeglasses</u>
13. Sale of alcoholic beverages, salt, tobacco, revenue stamps, postage stamps, <u>telephone cards, and secondhand goods</u>	13. Sale of alcoholic beverages, salt, tobacco, revenue stamps, postage stamps, <u>and secondhand goods</u>
14. Agency services for laundry and dry-cleaning, <u>agency services for the repair and maintenance of machinery and equipment set forth in the preceding items, and agency services for the maintenance and repair of buildings</u>	14. Agency services for laundry and dry-cleaning, <u>agency services for the repair of machinery and equipment, and agency services for the maintenance of buildings</u>
15–24 (Text omitted)	15–24 (Unchanged)
<u>25. Provision of designated in-home services and designated in-home long-term care support under the Long-Term Care Insurance Act</u>	(Deleted)
26. <u>Sale of specified welfare equipment, rental of specified welfare equipment, sale of specified preventive welfare equipment, and rental of specified preventive welfare equipment under the Long-Term Care Insurance Act</u>	
<u>27. Provision of in-home welfare services for the elderly, persons with disabilities, and others</u>	
28. <u>Sale and rental of nursing care equipment and supplies</u>  (Newly established)	
	<u>25. Provision of various in-home services under the Long-Term Care Insurance Act</u>
	<u>26. Provision of home care support under the Long-Term Care Insurance Act</u>
	<u>27. Provision of facility services under the Long-Term Care Insurance Act</u>
	<u>28. Provision of community-based services under the Long-Term Care Insurance Act</u>
	<u>29. Provision of preventive long-term care services under the Long-Term Care Insurance Act</u>
	<u>30. Provision of community-based preventive long-term care services under the Long-Term Care Insurance Act</u>
	<u>31. Provision of preventive long-term care support under the Long-Term Care Insurance Act</u>
	<u>32. Provision of home modification under the Long-Term Care Insurance Act</u>
	<u>33. Provision of welfare services for persons with disabilities under the Act for the Comprehensive Support of Persons with Disabilities</u>
	<u>34. Provision of in-home welfare services and household assistance services</u>
	<u>35. Undertaking the operation of Community General Support Centers</u>
	<u>36. Operation, management, and entrusted administration of elderly care and welfare facilities</u>
	<u>37. Manufacture, sale, and rental of nursing care supplies, welfare equipment, and medical devices.</u>
	<u>38. Provision of services related to disease prevention, health management, and health guidance</u>
	<u>39. Provision of transportation services for patients, elderly persons, and others, and welfare transport services</u>

Current Articles of Incorporation	Proposed amendments
<p>(Newly established)</p> <p><u>29.</u> Manufacture, sale, and home delivery of catering meals, boxed meals, and similar food products</p> <p><u>30.</u> Establishment and operation of nursery schools</p> <p><u>31.</u> Non-life insurance agency services</p> <p><u>32.</u> Life insurance solicitation services</p> <p><u>33.</u> Planning and formulation of corporate business plans, financial management, labor management, and information systems, and related consulting services</p> <p><u>34.</u> Management and investment of securities</p> <p><u>35.</u> Computer-based information processing and corporate management consulting services</p> <p><u>36.</u> Mail-order sales through information and communication systems such as the Internet</p> <p><u>37.</u> Sale of meat, fresh fish, prepared foods, and fresh produce</p> <p><u>38.</u> Operation of coffee shops and restaurants, and sale of catered boxed meals</p> <p><u>39.</u> Operation of hair salons, barber shops, esthetic salons, nail salons, makeup salons, beauty salons, and aromatherapy salons</p> <p><u>40.</u> Operation of treatment clinics for massage, acupuncture, moxibustion, and similar therapies</p> <p><u>41.</u> Operation of pharmacies, hospitals, nursing homes, medical, nursing care and welfare facilities, and supermarkets, the outsourcing of operations thereof, and consulting services relating to such operations</p> <p><u>42.</u> Financial services</p> <p><u>43.</u> Operation of fitness clubs and sports facilities</p> <p><u>44.</u> Operation of coin-operated laundries</p> <p><u>45.</u> Information processing services and information provision services</p> <p><u>46.</u> Manufacture, processing, wholesale, and import and export of private-brand products</p> <p><u>47.</u> Design, development, operation, and maintenance of systems for the purchase and sale of products via networks such as the Internet</p> <p><u>48.</u> Manufacture and sale of confectionery</p> <p><u>49.</u> Investment in and financing of the businesses set forth in the preceding items</p> <p><u>50.</u> All businesses that are incidental to those set forth in the preceding items</p>	<p><u>40.</u> <del>Design, construction, and supervision of building works</del></p> <p><u>41.</u> <del>Design, construction, and contracting of interior and equipment works</del></p> <p><u>42.</u> <del>Design of stores and sale of fixtures and equipment</del></p> <p><u>43.</u> <del>Sale of vending machines</del></p> <p><u>44.</u> Manufacture, sale, and home delivery of catering meals, boxed meals, and similar food products</p> <p><u>45.</u> Establishment and operation of nursery schools</p> <p><u>46.</u> Non-life insurance agency services</p> <p><u>47.</u> Life insurance solicitation services</p> <p><u>48.</u> Planning and formulation of corporate business plans, financial management, labor management, and information systems, and related consulting services</p> <p><u>49.</u> Management and investment of securities</p> <p><u>50.</u> Computer-based information processing and corporate management consulting services</p> <p><u>51.</u> Mail-order sales through information and communication systems such as the Internet</p> <p><u>52.</u> Sale of meat, fresh fish, prepared foods, and fresh produce</p> <p><u>53.</u> Operation of coffee shops and restaurants, and sale of catered boxed meals</p> <p><u>54.</u> Operation of hair salons, barber shops, esthetic salons, nail salons, makeup salons, beauty salons, and aromatherapy salons</p> <p><u>55.</u> Operation of treatment clinics for massage, acupuncture, moxibustion, and similar therapies</p> <p><u>56.</u> Operation of pharmacies, hospitals, nursing homes, medical, nursing care and welfare facilities, and supermarkets, the outsourcing of operations thereof, and consulting services relating to such operations</p> <p><u>57.</u> Financial services</p> <p><u>58.</u> Operation of fitness clubs and sports facilities</p> <p><u>59.</u> Operation of coin-operated laundries</p> <p><u>60.</u> Information processing services and information provision services</p> <p><u>61.</u> Manufacture, processing, wholesale, and import and export of private-brand products</p> <p><u>62.</u> Design, development, operation, and maintenance of systems for the purchase and sale of products via networks such as the Internet</p> <p><u>63.</u> Manufacture and sale of confectionery</p> <p><u>64.</u> Investment in and financing of the businesses set forth in the preceding items</p> <p><u>65.</u> All businesses that are incidental to those set forth in the preceding items</p>

**Proposal No. 2: Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)**

The terms of office of all (seven) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same applies in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Therefore, considering the report by the Nomination and Remuneration Committee, the Company proposes to appoint seven Directors.

With respect to this proposal, the Company's Audit and Supervisory Committee has judged that all candidates for Directors are suitable.

The candidates for Directors are as follows.

No.		Name	Current positions and assignments at the Company	Attendance at meetings of the Board of Directors
1	Reelection	Jun Tsuruha	President & Representative Director	14/14 (100%)
2	Reelection	Hideaki Kirisawa	Director and Executive Officer Responsible for Group Sales and Product Management, and Supervisor of WELCIA HOLDINGS CO., LTD.	3/3 (100%)
3	Reelection	Kazuto Toyama	Director and Executive Officer Responsible for Group Store Development Division	14/14 (100%)
4	Reelection Outside	Wakana Tanaka	Outside Director	14/14 (100%)
5	Reelection Outside	Hiroshi Okuno	Outside Director	14/14 (100%)
6	New election	Yoshihiro Kobashi	Executive Officer Responsible for Group Management Strategy Division and Responsible for Group Information Systems Division	—
7	New election	Akio Yoshida		—

Note: The attendance of Mr. Hideaki Kirisawa is attendance after he assumed the post of Director.

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
1	<p data-bbox="245 1077 432 1137">Jun Tsuruha (May 21, 1974)</p> <p data-bbox="277 1171 400 1205"><b>Reelection</b></p>	<p data-bbox="485 277 1230 1106"> April 1998      Joined TSURUHA CO., LTD.  May 2011      Director, Executive Officer and General  Manager of Hokkaido Store Operation of  TSURUHA CO., LTD.  Executive Officer of the Company  August 2014      Director and Senior Managing Executive  Officer of the Company responsible for Group  Store Operation  President &amp; Representative Director of  TSURUHA CO., LTD.  President &amp; Chief Executive Officer of  TSURUHA CO., LTD.  August 2018      Senior Managing Director &amp; Representative  Director, Senior Managing Executive Officer,  and Head of Sales Operations of the Company  responsible for Group Store Operation  June 2020      President &amp; Representative Director of the  Company (current position)  President &amp; Chief Executive Officer of the  Company  August 2020      Vice Chairman &amp; Representative Director of  TSURUHA CO., LTD.  August 2024      Director and Chair of TSURUHA CO., LTD.  (current position)  December 2025      Director of WELCIA HOLDINGS CO., LTD.  (current position) </p> <p data-bbox="485 1144 1007 1234"> (Significant concurrent position)  Director and Chair of TSURUHA CO., LTD.  Director of WELCIA HOLDINGS CO., LTD. </p> <p data-bbox="485 1272 1241 2002"> (Reasons for nomination as a candidate for Director and summary  of expected roles)  Mr. Jun Tsuruha, as President &amp; Representative Director, has  demonstrated appropriate decision-making on important  management matters and has greatly contributed to successfully  expanding the business scope of operating companies within the  Group and enhancing overall corporate value through his  leadership skills and ability to take action, which he has cultivated  through his experiences. In addition, in light of the intensifying  competition and ongoing industry restructuring in the drugstore  sector, he plays an important role in collaborating with other  companies and optimizing management resources, and, through  the business integration with WELCIA HOLDINGS CO., LTD.,  has expertise in creating synergies and enhancing management  efficiency by leveraging economies of scale.  Based on these achievements and his ability to respond to industry  restructuring, we expect that, going forward, he will achieve  sustainable growth and enhance medium- to long-term corporate  value by strengthening collaboration within and outside the Group,  optimizing the allocation of management resources, and  maximizing the benefits of integration, as well as contribute to  further enhancing corporate governance. Accordingly, we have  nominated him as a candidate for Director. </p>	636,000

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
2	Hideaki Kirisawa (January 8, 1974)  <b>Reelection</b>	<p>April 1998      Joined Kusurino Sunroad Co. Ltd.</p> <p>September 2005      Joined Nakaya Co., Ltd. (currently WELCIA YAKKYOKU Co., Ltd.)</p> <p>September 2014      General Manager of Merchandise Division of WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2015      Executive Officer and General Manager of Merchandise Division of WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2016      Deputy General Manager of Merchandise Headquarters and General Manager of Merchandise Division of WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2018      Director; Deputy General Manager of Merchandise Headquarters and General Manager of Merchandise Division of WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2019      Director and General Manager of Merchandise Headquarters of WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2020      Director and General Manager of Central Japan Branch Office of WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2022      Vice President and Director in charge of West Japan and General Manager of Central Japan Branch Office of WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2023      Vice President and Representative Director, and General Manager of Merchandise Headquarters of WELCIA YAKKYOKU Co., Ltd. In charge of Merchandise, WELCIA HOLDINGS CO., LTD.</p> <p>May 2023      Executive Officer in charge of Merchandise and Logistics of WELCIA HOLDINGS CO., LTD.</p> <p>March 2024      Vice President and Representative Director in charge of Merchandise and Logistics of WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2024      Representative Director, President of WELCIA HOLDINGS CO., LTD. (current position)</p> <p>December 2025      Director and Executive Officer responsible for Group Sales and Product Management of the Company, and Supervisor of WELCIA HOLDINGS CO., LTD. (current position)</p> <p>(Significant concurrent position) Representative Director, President of WELCIA HOLDINGS CO., LTD.</p>	18,975

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
		<p>(Reasons for nomination as candidate for Director and summary of expected roles)</p> <p>Mr. Hideaki Kirisawa has abundant experience and achievements, primarily in the merchandising and logistics fields within the drugstore sector, and has held a number of senior positions at WELCIA YAKKYOKU Co., Ltd. and WELCIA HOLDINGS CO., LTD. He currently serves as Representative Director, President and Chief Operating Officer of WELCIA HOLDINGS CO., LTD., overseeing its management. In particular, he has achieved remarkable results in business growth through the enhancement of product strategy and the supply chain. He plays a central role in the business integration with the Group and has contributed to strengthening the Group's overall sales and product capabilities, as well as creating synergies through the optimization of logistics functions. We expect that, leveraging his abundant management experience and expertise, he will contribute to the sustainable growth of the Group and the further enhancement of corporate value. Accordingly, we have renominated him as a candidate for Director.</p>	
3	<p>Kazuto Toyama (March 6, 1964)</p> <p><b>Reelection</b></p>	<p>March 1982      Joined TSURUHA CO., LTD.</p> <p>March 1998      General Manager of Store Development Department I of Store Development Division of TSURUHA CO., LTD.</p> <p>August 2008     Executive Officer, and General Manager of Store Development Division and Store Development Department I of TSURUHA CO., LTD.</p> <p>August 2014     Executive Officer responsible for Group Store Development Division of the Company</p> <p>May 2020        Executive Officer and General Manager of Store Development Division of TSURUHA CO., LTD.</p> <p>August 2023     Director, Managing Executive Officer and General Manager of Store Development Division of TSURUHA CO., LTD. (current position)</p> <p>August 2024     Director and Executive Officer responsible for Group Store Development Division of the Company (current position)</p> <p>(Significant concurrent position) Director of TSURUHA CO., LTD.</p> <p>(Reasons for nomination as a candidate for Director and summary of expected roles)</p>	24,000

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
		<p>Mr. Kazuto Toyama has been involved in store development of the Group over many years and has contributed to the expansion of the store network through the planning and execution of store opening strategies. He currently serves as the head of the Group's Store Development Division, overseeing store opening strategies, including organic growth and M&amp;A, and plays a key role in driving these initiatives forward.</p> <p>Going forward, in light of the business integration with WELCIA HOLDINGS CO., LTD., the Group's number of stores is expected to further grow from approximately 5,600 at present to around 10,000 in the future, and we recognize that the importance of store opening strategies, both domestically and internationally, will further increase. In such a business environment, the strategic promotion of store development, based on his abundant experience and high level of expertise, is essential for the sustainable growth of the Group and the enhancement of corporate value.</p> <p>For these reasons, we have renominated him as a candidate for Director.</p>	

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
4	<p>Wakana Tanaka (January 7, 1975)</p> <p><b>Reelection</b> <b>Outside</b></p>	<p>July 1997 Arthur D. Little (Japan) Co., Ltd.  July 2003 NIHON L'ORÉAL K.K.  May 2011 Unilever Japan Services K.K.  March 2012 National Diet of Japan Fukushima Nuclear  Accident Independent Investigation  Commission  November 2012 Corporate Strategy Department, Office of the  President of GlaxoSmithKline Japan K.K.  May 2013 Head of Transformation Promotion Office,  Corporate Strategy Department, Office of the  President of GlaxoSmithKline Japan K.K.  November 2014 Google Japan G.K.  October 2021 Director (Executive Officer) of Google Japan  G.K.  March 2023 Representative of LinkedIn Japan Co., Ltd  (current position)  August 2023 Outside Director of the Company (current  position)</p> <p>(Reasons for nomination as candidate for Outside Director and  summary of expected roles)  Ms. Wakana Tanaka has abundant experience and a high level of  expertise in management strategy, brand marketing, and  organizational transformation, cultivated at pharmaceutical and  global IT companies. In addition, through participation in special  government-related projects, she has developed a broad  perspective on social issues as well as strong execution  capabilities.  She has a proven track record of demonstrating leadership in  promoting diversity and advancing women's empowerment from  both operational and management perspectives. From the  standpoint of positioning diversity and inclusion at the core of  management strategy, we strongly expect that she will provide our  company with substantive and highly effective advice and  oversight. In particular, we believe that she will play a leading role  in enhancing our human capital strategy, which is directly linked  to our sustainable growth, including the proactive appointment of  female talent, the acceleration of leadership development, and  ensuring diversity at the decision-making level.  We have determined that she is capable of contributing to the  enhancement of our medium- to long-term corporate value and the  further strengthening of our governance by leveraging such  expertise and experience to promote our DX, further advance our  global expansion, and strengthen our human capital management,  including the promotion of women's empowerment. Accordingly,  we have renominated her as a candidate for Outside Director.</p>	-

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
5	Hiroshi Okuno (March 6, 1963)  <b>Reelection</b> <u>Outside</u>	<p>January 1989 Japan Trader, Equity Portfolio Trading and Portfolio Engineering of Nomura Rosenberg Asset Management</p> <p>April 1993 Vice President in charge of Japan International Yen Equity Sales of Smith Barney Co., Ltd.</p> <p>October 1997 Vice President in charge of International Yen Equity Derivative Sales of Salomon Smith Barney Co., Ltd.</p> <p>April 1998 Vice President in charge of Japan Global Equity Sales of Robertson Stephens Co., Ltd.</p> <p>September 1998 Director in charge of Global Tech Specialist, Yen Equity Sales of Merrill Lynch Japan Securities Co., Ltd.</p> <p>September 2003 Hong Kong Director in charge of Pacific Rim Tech Specialist Sales, Pan Asian Equity Sales of Merrill Lynch Asia Pacific Limited</p> <p>September 2005 Director in charge of International Multi Product and Yen Equity Sales of Bank Of America Merrill Lynch</p> <p>June 2011 Managing Director of Jefferies Japan Limited, Jefferies Group, Inc.</p> <p>October 2022 Founder and Managing Partner of KTSS Ltd. (current position)</p> <p>August 2023 Outside Director of the Company (current position)</p> <p>(Reasons for nomination as candidate for Outside Director and summary of expected roles)            Mr. Hiroshi Okuno has held a number of senior positions over many years at global financial institutions and has a high level of expertise in finance/financing, together with abundant international experience. In addition, he has an extensive network of financial stakeholders, including overseas investors, and possesses the knowledge and track record necessary to contribute to the enhancement of our corporate value.            Since assuming the position of Outside Director of the Company, he has appropriately fulfilled the supervisory function of management from an independent standpoint, while also actively engaging in dialogue with investors and contributing to the enhancement of the Company's credibility in the capital markets and the strengthening of its information disclosure.            In order to achieve the sustainable growth of the Group and enhance its corporate value, it is essential to further enhance our financial strategy with a focus on capital efficiency and to further strengthen constructive dialogue with investors both in Japan and overseas. We have determined that his professional expertise and international perspective are indispensable to these initiatives. Accordingly, we have renominated him as a candidate for Outside Director.</p>	-

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
6	Yoshihiro Kobashi (July 25, 1967)  <div style="border: 1px solid black; padding: 2px; display: inline-block;">New election</div>	<p>January 2005    Joined TSURUHA CO., LTD.            April 2006    Joined the Company            July 2014    General Affairs Group Leader, General Affairs                              Department of the Company            May 2015    Senior Managing Director of Kusurino                              FUKUTARO Co., LTD.            May 2016    Representative Director and Senior Managing                              Director of Kusurino FUKUTARO Co., LTD.            December 2016    Head of Group Management Strategy Division of                              the Company            May 2020    Director of Drug Eleven Co., Ltd.            March 2021    Head of Group Management Strategy Division,                              Head of Group Information Systems Division and                              Head of Business Promotion Department of the                              Company            August 2021    Executive Officer responsible for Group                              Management Strategy and Group Information                              Systems of the Company (current position)</p> <p>(Reasons for nomination as candidate for Director and summary of expected roles)            Mr. Yoshihiro Kobashi has contributed to developing a foundation for the growth of the Company, such as by being in charge of legal affairs and risk management in the Company's General Affairs Department and subsequently being involved in the promotion of M&amp;A and foundation building for overseas expansion in the Group Management Strategy Division. Additionally, he has played a central role in the Group's management as the head of the information systems field.            He has steadily built a track record, in particular, as Head of Group Management Strategy Division, he has been involved in the formulation and execution of the Group's growth strategies, while as Head of Group Information Systems Division, he has led initiatives to promote DX and enhance the operational basis. Furthermore, he has played an important central role in the business integration with Welcia Group.            Based on the above track record and his previous experience, we have nominated him as a candidate for Director.            We expect that he will leverage his expertise and experience in the fields of management strategy and information systems, developed over the course of his career, to contribute to the creation of Group synergies following the business integration and the promotion of our medium- to long-term growth strategies. We also expect that he will contribute to enhancing the corporate value of the Group through the promotion of DX and the enhancement of our management basis, as well as play a role in strengthening the decision-making function of the Board of Directors.</p>	23,500
7	Akio Yoshida (May 26, 1960)  <div style="border: 1px solid black; padding: 2px; display: inline-block;">New election</div>	<p>April 1983    Joined Jusco Co., Ltd. (currently AEON CO.,                              LTD.)            March 2011    General Manager, China Development                              Management Department, China Division of                              AEON MALL Co., Ltd.            May 2014    Managing Director, General Manager, Sales                              Division and Chief China Business Officer of                              AEON MALL Co., Ltd.            February 2015    President and CEO of AEON MALL Co., Ltd.</p>	—

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
		<p>March 2016 Executive Officer, Shopping Center Development Business of AEON CO., LTD.</p> <p>March 2019 Executive Vice President and Representative Executive Officer, Shopping Center Development Business and Digital Business of AEON CO., LTD.</p> <p>March 2020 Representative Director and President of AEON CO., LTD.</p> <p>May 2020 Director, President and Representative Executive Officer of AEON CO., LTD. (current position)</p> <p>February 2022 Director of CAN DO CO., LTD. (current position)</p> <p>(Significant concurrent position) Director, President and Representative Executive Officer of AEON CO., LTD. Director of CAN DO CO., LTD.</p> <p>(Reasons for nomination as candidate for Director and summary of expected roles) Mr. Akio Yoshida has abundant experience and achievements in store development, sales strategy, and organizational management both in Japan and overseas, having been engaged over many years in the retail and developer businesses at AEON CO., LTD., including serving as the head of development for its China business and as President and CEO of AEON MALL Co., Ltd. In addition, he currently serves as President and Representative Executive Officer of AEON CO., LTD., overseeing the management of the entire Group and working to enhance corporate value, including the promotion of digital strategies, and has deep management insight and execution capabilities. In order for the Group to achieve medium- to long-term growth, we have determined that his high level of expertise in the retail industry, experience in business development both in Japan and overseas, and proven track record in managing large-scale enterprises will contribute to strengthening our management structure and enhancing our corporate value. Accordingly, we have nominated him as a candidate for Director.</p>	

- Notes:
1. No special interest exists between the Company and each candidate.
  2. Ms. Wakana Tanaka and Mr. Hiroshi Okuno are candidates for Outside Director.
  3. Mr. Akio Yoshida is engaged in the execution of business of AEON CO., LTD., which is the parent company of the Company. His position and responsibilities at AEON CO., LTD. are as described in “Career summary, positions, assignments, and significant concurrent positions.”
  4. In accordance with the Articles of Incorporation of the Company, the Company has entered into liability limitation contracts with Ms. Wakana Tanaka and Mr. Hiroshi Okuno to limit their liability for damages to the amount stipulated by laws and regulations. If their election is approved, the Company will extend said contracts with them.
  5. The Company has entered into a directors and officers liability insurance contract with an insurance company, and each candidate will be included in insured persons under said insurance contract. Please refer to “Company Officers” for brief details of said insurance policy. At the time of next renewal, the Company plans to renew the contract with the same contents.
  6. The Company has registered Ms. Wakana Tanaka and Mr. Hiroshi Okuno with Tokyo Stock Exchange, Inc. as Independent Directors as set forth in the regulations of Tokyo Stock Exchange, Inc.

7. Both Ms. Wakana Tanaka and Mr. Hiroshi Okuno have held the posts of Outside Directors for two years and nine months.

**Proposal No. 3: Election of Two Directors Who Are Audit and Supervisory Committee Members**

The term of office of Director Mr. Tatsuichi Asada, who is an Audit and Supervisory Committee Member, will expire at the conclusion of this General Meeting of Shareholders, and Director Ms. Harumi Sato, who is also an Audit and Supervisory Committee Member, will resign due to personal reasons. Accordingly, election of two Directors who are Audit and Supervisory Committee Members is proposed.

The Audit and Supervisory Committee has given its consent to this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

No.	Name	Current positions and assignments at the Company	Attendance at meetings of the Board of Directors	Attendance at meetings of the Audit and Supervisory Committee
1	<b>Reelection</b> Outside Tatsuichi Asada	Outside Director (Independent)	14/14 (100%)	13/13 (100%)
2	<b>New election</b> Outside Toshiko Tamaki	—	—	—

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
1	<p>Tatsuichi Asada (May 17, 1960)</p> <p><b>Reelection</b> <b>Outside</b></p>	<p>April 1983      Joined Isetan Corporation</p> <p>April 2013      Executive Officer and General Manager of Goods Supervising Department of Regional Store Business Department of Isetan Mitsukoshi Ltd.</p> <p>April 2015      Executive Officer of Isetan Mitsukoshi Holdings Ltd. Representative Director and President of Niigata Isetan Mitsukoshi Corporation</p> <p>April 2019      Managing Executive Officer of Isetan Mitsukoshi Holdings Ltd.</p> <p>June 2019      Representative Director and President of West Japan Railway Isetan Company</p> <p>July 2023      Adviser of ITOI LSR Co., Ltd. (current position)</p> <p>February 2024      Adviser of TOP CULTURE Co., Ltd. (current position)</p> <p>August 2024      Outside Director (Audit and Supervisory Committee Member) of the Company (current position)</p> <p>November 2025      Corporate Auditor of KUROFUNE INC. (current position)</p> <p>(Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and summary of expected roles)</p> <p>Mr. Tatsuichi Asada has been active on the front lines of the retail industry over many years and has high-level professional expertise in the industry. He has also held a number of senior positions, including representative director and president, etc. at multiple companies, and has an outstanding track record of driving corporate value enhancement. We consider that his deep insight into corporate management and corporate governance, cultivated through these experiences, will be highly beneficial to the Company.</p> <p>In addition, since last year, he has served as a chair of the Audit and Supervisory Committee, demonstrating strong leadership and making a significant contribution to enhancing the effectiveness and transparency of the Committee. His sound judgment and leadership have played an indispensable role in strengthening the Company's audit system.</p> <p>Going forward, we strongly expect that he will further strengthen the supervisory function of the Board of Directors from an independent and objective standpoint, lead the Company's audit system as chair of the Audit and Supervisory Committee, and play a central role in further enhancing corporate governance and promoting human capital management. Accordingly, we have renominated him as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>	—

No.	Name (Date of birth)	Career summary, positions, assignments, and significant concurrent positions	Number of shares of the Company held
2	Toshiko Tamaki (August 23, 1963)  New election Outside	<p>October 1989      Joined Showa Ota &amp; Co. (currently Ernst &amp; Young ShinNihon LLC)</p> <p>April 2009        Seconded to Osaka Prefecture on a fixed-term basis</p> <p>April 2010        Returned to Ernst &amp; Young ShinNihon LLC</p> <p>April 2011        Comprehensive external auditor of Nara City</p> <p>April 2015        Comprehensive external auditor of Toyonaka City</p> <p>April 2019        Comprehensive external auditor of Neyagawa City</p> <p>July 2023         Corporate Auditor, Osaka City Bus Corporation (current position)</p> <p>June 2024        Corporate Auditor, Nippon Zoki Pharmaceutical Co., Ltd. (current position)</p> <p>(Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and summary of expected roles)</p> <p>Ms. Toshiko Tamaki has never been directly involved in the management of a company. However, she has been engaged in auditing over many years as a certified public accountant and has a high level of expertise in finance and accounting, as well as abundant practical experience. In addition, she has served as a comprehensive external auditor for local governments and has developed deep insight into audit and supervisory functions from an independent standpoint. Furthermore, she has served as a corporate auditor at multiple companies and has practical experience in corporate governance.</p> <p>We expect that she will leverage these experience and insights to provide appropriate audit and oversight of the Company's management from an independent standpoint, and in particular contribute to ensuring the reliability of financial reporting, strengthening internal controls, and further enhancing corporate governance. In addition, we expect that she will actively provide opinions and recommendations from a professional perspective to enhance the effectiveness of the Audit and Supervisory Committee.</p> <p>We have determined that she will contribute to ensuring diversity in decision-making at the Board of Directors and enhancing its supervisory functions. Accordingly, we have nominated her as a candidate for Outside Director who is an Audit and Supervisory Committee Member.</p>	—

- Notes: 1. Mr. Tatsuichi Asada is a candidate for Outside Director, and Ms. Toshiko Tamaki is a new candidate for Outside Director.
2. There are no special interests between the Company and Mr. Tatsuichi Asada or Ms. Toshiko Tamaki. In addition, there are no transaction relationships between the Company and ITOI LSR Co., Ltd., TOP CULTURE Co., Ltd., KUROFUNE INC., Osaka City Bus Corporation, or Nippon Zoki Pharmaceutical Co., Ltd.
3. The Company has registered Mr. Tatsuichi Asada with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulations of Tokyo Stock Exchange, Inc., and will register Ms. Toshiko Tamaki as an Independent Director as well.
4. In accordance with the Articles of Incorporation of the Company, the Company has entered into a liability limitation contract with Mr. Tatsuichi Asada, to limit his liability for damages to the amount stipulated by laws and regulations, and will extend said contract with him after his reelection. The Company also plans to enter into a similar liability limitation contract with Ms. Toshiko Tamaki, who is to be newly elected.

5. The Company has entered into a directors and officers liability insurance contract with an insurance company, and candidates will be included in insured persons under said insurance contract. Please refer to “Company Officers” for brief details of said insurance policy. At the time of next renewal, the Company plans to renew the contract with the same contents.
6. Mr. Tatsuichi Asada has held the post of Outside Director for two years.

#### **Proposal No. 4: Transfer of Legal Capital Surplus to Other Capital Surplus**

Shareholders are asked to approve, pursuant to Article 448, Paragraph 1 of the Companies Act, the reduction of the amount of the legal capital surplus and the transfer of the entire amount to other capital surplus, in order to improve capital efficiency and enable the flexible execution of capital policies in response to changes in the business environment.

Matters concerning the reduction of legal capital surplus

1. Reduction of legal capital surplus

Of the legal capital surplus of ¥615,164,756,184, ¥612,103,756,184 will be reduced and the same amount will be transferred to other capital surplus.

2. Effective date of the reduction of legal capital surplus

July 31, 2026 (scheduled)

[Reference] The Composition of the Board of Directors and Skills Matrix subject to approval of Proposal No. 2 and Proposal No. 3

If Proposal No. 2 “Election of Seven Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)” and Proposal No. 3 “Election of Two Directors Who Are Audit and Supervisory Committee Members” are approved and resolved as originally proposed, the composition of the Board of Directors and skills matrix will be as below.

Category	Name	Outside, Independent	Item						
			Corporate Management	Business Strategy	Finance, Accounting, M&A	Human Capital, Personnel Development	Legal Affairs, Risk Management	DX, IT	Global
Directors	Jun Tsuruha		○	○		○	○		○
	Hideaki Kirisawa		○	○				○	
	Kazuto Toyama			○					
	Yoshihiro Kobashi			○	○		○	○	○
	Akio Yoshida		○	○		○	○		○
	Wakana Tanaka	○	○	○		○		○	○
	Hiroshi Okuno	○				○			○
Directors Who Are Audit and Supervisory Committee Members	Tatsuichi Asada	○	○	○		○			
	Takuya Okazaki	○					○		
	Yasuo Nakayama	○	○	○	○				
	Toshiko Tamaki	○				○	○	○	

Notes: 1. Mr. Takuya Okazaki and Mr. Yasuo Nakayama have a remaining term, and their reappointment is not proposed at this ordinary general meeting of shareholders.

2. In the skills matrix above, major skills that Directors have are marked with ○ preferentially.

## Reference

Item	Definition of skill
Corporate Management	In working out a sustained growth strategy of the Group, the Company needs director members who have experience in managing a certain-scale business company as well as skills in and knowledge of control of corporate management performance such as results including business performance indices.
Business Strategy	As the Group needs to achieve growth targets by carrying on with various businesses, including the drugstore business, the Company needs director members who have skills in and knowledge of carrying on with business by working out a business strategy, setting specific targets, planning measures, and taking the measures.
Finance, Accounting, M&A	In making accurate financial reports, building the financial basis, carrying on with investment for growth, such as that in M&A, for a sustained increase in corporate value, and working out a financial strategy, including responses to shareholders, the Company needs members of the Board of Directors who have skills in and knowledge of finance, accounting, and M&A.
Human Capital, Personnel Development	In carrying on with human capital management, the Group needs director members who have skills in and knowledge of increasing the value of human resources which results from creating an environment in which each employee can show his/her ability to the maximum, in other words, working out comprehensive measures for personnel development from the three viewpoints of “growth, environments, and health maintenance.”
Legal Affairs, Risk Management	To carry out sustained management through compliance and by building, practicing, and verifying an appropriate management system for risk management and other elements, the Group needs director members who have certain skills and knowledge in the fields of governance building, risk management, and compliance.
DX, IT	For the sustained growth and expansion of the Group, the Group needs members of the Board of Directors who have skills and knowledge by which it can carry on with an increase in corporate value by building and operating the firm and stable management basis through IT, utilizing various data through DX and realizing efficient operations.
Global	As it is essential to actively carry on with overseas business in aiming at global development inside and outside Japan as a target of the Group, the Group needs director members who have skills in and knowledge of overseas business management in carrying on with overseas business development.

# Business Report

(March 1, 2025 – February 28, 2026)

## 1. Overview of the Company Group

### (1) Business Progress and Results

#### 1) Overview of business

Due to a change in the fiscal year-end, the previous fiscal year (May 16, 2024 to February 28, 2025) represents an irregular period of 9.5 months. Accordingly, no year-on-year comparison with the previous fiscal year has been made.

In the drugstore sector, the business environment continues to experience adversity with competition intensifying due to an increase in the number of stores, as well as changes in the environment around commercial areas. Furthermore, the quality of competition has increased due to reorganization inside and outside the industry and alliances across industries and business formats. Meanwhile, the market size continues to expand, as the scope of services provided by drugstores has been expanding through the capture of demand in the dispensing field as Japan's population continues to age and the expansion of products handled in the food field.

Under these circumstances, the Group has been working to increase its profitability and competitiveness through measures such as promoting drug stores that dispense prescriptions, expanding sales of private brand (PB) products, and appropriate control of selling, general and administrative expenses.

Furthermore, the Company will develop its organizational structure following the management integration with WELCIA HOLDINGS CO., LTD. and AEON CO., LTD. on December 1, 2025, and is strengthening coordination toward unifying its product policy (PB and national brands) and merchandising, as well as taking steps to generate synergies by establishing infrastructure for data utilization and coordinating store development functions.

In terms of store development, we have adopted a basic policy of establishing even more dominant positions in existing areas and developed stores with an emphasis on store quality. In addition, to boost the competitiveness of existing stores, we have been proactively conducting renovations and we are reviewing unprofitable stores. As a result, during the fiscal year under review, we have carried out 117 new store openings and closed 90 stores, while adding 2,991 stores through conversion to subsidiary, etc. This resulted in a total of 5,676 directly managed stores as of the end of the fiscal year under review.

Store openings and closures of the Group are as follows:

(Number of stores)

	Start of current fiscal year	Openings	Conversion to subsidiary, etc.	Closures	Net change	End of current fiscal year	Of which dispensing pharmacies
Hokkaido	437	16	8	8	16	453	152
Tohoku	593	25	201	22	204	797	299
Kanto	447	20	1,380	21	1,379	1,826	1,346
Chubu	274	9	585	12	582	854	628
Kinki	76	9	532	8	533	611	463
Chugoku	374	15	165	10	170	544	240
Shikoku	225	4	68	4	68	293	101
Kyushu, Okinawa	232	19	52	5	66	298	90
Total for Japan	2,658	117	2,991	90	3,018	5,676	3,319

(Others: 35 overseas stores)

As a result of the above, for the fiscal year under review, TSURUHA Holdings reported net sales of ¥1,450,585 million, operating income of ¥63,037 million, ordinary income of ¥63,086 million, and net income attributable to owners of the parent amounted to ¥42,670 million.

Status by product category is as follows.

#### Pharmaceuticals

Net sales were ¥144,457 million, declining on a full-year basis in reaction to an increase in demand for cold-related products in the previous fiscal year, although a temporary increase in demand for cold-related products was observed due to pollen dispersion and the spread of influenza.

#### Cosmetics

Net sales were ¥186,248 million, reflecting an increase in demand due to new products primarily in the skincare and seasonal product categories, and high-interest products on social media.

#### Misc. daily necessities

Net sales were ¥347,894 million, due to strong sales of haircare products centered on shampoos, laundry detergents, and oral care items.

#### Foods

Net sales were ¥393,616 million, reflecting favorable sales mainly of low-priced products such as PB products, as well as confectionery and perishable daily foods, amid the continued impact of price increases led by rice.

#### Other

Net sales were ¥136,114 million, reflecting a recovery in demand for health foods, offset by a continued decline in demand for masks.

#### Pharmacy

Net sales were ¥237,570 million due to an increase in the number of prescriptions filled, driven by the promotion of drug stores that dispense prescriptions.

## Results of net sales by products

Item	Year ended February 28, 2026 (March 1, 2025 - February 28, 2026)		
	Amount (Millions of yen)	Share (%)	Year-on-year (%)
Pharmaceuticals	144,457	10.0	–
Cosmetics	186,248	12.8	–
Misc. daily necessities	347,894	24.0	–
Foods	393,616	27.1	–
Other	136,114	9.4	–
Total product sales	1,208,331	83.3	–
Pharmacy sales	237,570	16.4	–
Product subtotal	1,445,901	99.7	–
Real estate rent	1,724	0.1	–
Commission income, etc.	2,958	0.2	–
Total	1,450,585	100.0	–

Notes: 1. The Group mainly engages in over-the-counter sales to general consumers and therefore does not engage in production and sales on orders.

2. The Company has changed its fiscal year-end (business year-end) from May 15 to the end of February, starting with the fiscal year ended February 28, 2025. Following this change, the fiscal year ended February 28, 2025 is a transitional period for the change in the fiscal year-end, and is a 9.5-month period. Accordingly, year-on-year comparisons are not provided.

### 2) Capital expenditure

The total amount of capital expenditure was ¥33,377 million for the fiscal year under review, mainly consisting of investment in store facilities such as guarantee deposits associated with opening of 117 new stores and renovations.

(New openings)

Number of opened stores by prefecture			
Hokkaido	16	Osaka	5
Iwate	4	Hyogo	4
Miyagi	9	Tottori	1
Akita	5	Shimane	6
Yamagata	3	Okayama	3
Fukushima	4	Hiroshima	3
Ibaraki	1	Yamaguchi	2
Tochigi	1	Kagawa	1
Saitama	1	Ehime	3
Chiba	7	Fukuoka	7
Tokyo	9	Nagasaki	2
Kanagawa	1	Kumamoto	1
Yamanashi	1	Oita	1
Shizuoka	4	Kagoshima	2
Aichi	2	Okinawa	6
Kyoto	2	Total	117

(Closures)

Number of closed stores by prefecture			
Hokkaido	8	Shizuoka	5
Aomori	2	Aichi	4
Iwate	2	Mie	2
Miyagi	4	Shiga	1
Akita	5	Osaka	4
Yamagata	5	Wakayama	1
Fukushima	4	Shimane	1
Ibaraki	2	Okayama	1
Tochigi	4	Hiroshima	5
Gunma	1	Yamaguchi	3
Chiba	1	Kagawa	1
Tokyo	7	Ehime	2
Kanagawa	6	Kochi	1
Niigata	1	Miyazaki	3
Yamanashi	1	Kagoshima	2
Toyama	1	Total	90

3) Financing

The details of the borrowings are stated in “Major Lenders.”

- 4) Transfer, absorption-type demerger, or incorporation-type demerger of business

Not applicable.

- 5) Transfer of the business of other companies

Not applicable.

- 6) Succession to rights and obligations concerning business of other corporations, etc. through absorption-type merger or absorption-type demerger

Not applicable.

- 7) Acquisition or disposal of shares or other equity or subscription rights to shares in other companies

The Company implemented a share exchange with WELCIA HOLDINGS CO., LTD. with an effective date of December 1, 2025, whereby the Company became the wholly owning parent company and WELCIA HOLDINGS CO., LTD. became its wholly owned subsidiary. As a result of this share exchange, the Company acquired all common shares of WELCIA HOLDINGS CO., LTD., thereby making WELCIA HOLDINGS CO., LTD. its wholly owned subsidiary.

## (2) Status of Significant Parent Companies and Subsidiaries

### 1) Status of significant parent companies

Company name	Capital	Investment percentage	Principal business
AEON CO., LTD.	¥220,007 million	50.3%	Managing the business activities of companies engaged in retail, development, finance, services, and related businesses through holding shares or equity in those companies

### 2) Matters relating to transactions with parent companies, etc.

In regard to the Company's transactions with AEON CO., LTD., it receives products from the AEON group's Topvalu and Hapycom private brands, and those products are sold to the Company at the same price as when sold to stores of the AEON group. Interest rates for loans obtained under loan agreements with AEON CO., LTD. are reasonably determined taking into account market interest rates.

As set out above, transactions with AEON CO., LTD. are based on appropriate conditions equivalent to those in arm's length transactions, and the Company's board of directors has determined that the details and conditions of those transactions are appropriate. The Company thereby ensures that such transactions do not disadvantage its non-controlling shareholders.

### 3) Summary of content of agreements, etc. with parent companies, etc. relating to significant financial and business policies

On April 11, 2025, the Company entered into a capital and business alliance agreement (the "Capital and Business Alliance Agreement") between the Company, AEON CO., LTD. ("AEON"), and WELCIA HOLDINGS CO., LTD. ("WELCIA HD"). The following describes the details of the business alliance (the "Business Alliance") agreed by the Company, AEON, and WELCIA HD in the Definitive Capital and Business Alliance Agreement.

- (i) Mutual cooperation on the development of stores and in-store dispensing pharmacies
- (ii) Mutual cooperation on the procurement of products and electricity and development
- (iii) Mutual cooperation in improving logistics efficiency
- (iv) Alignment in settlement, point systems, digital marketing, insurance, and others
- (v) Promotion of joint development and mutual supply of private-brand products
- (vi) Mutual cooperation on the promotion of digital transformation (DX) and e-commerce (EC)
- (vii) Exchange of management know-how
- (viii) Research and promotion of food and drug business model
- (ix) Exchange of human resources and personnel information

#### 4) Status of significant subsidiaries

As of the end of the business year, the Company has 10 significant subsidiaries engaged in the dispensing pharmacy and drugstore businesses in Japan, and two companies conducting guidance and management of those subsidiaries.

Company name	Capital	Investment percentage	Principal business
TSURUHA CO., LTD.	¥4,252 million	100.0%	Wholesale of pharmaceuticals, etc. based on pharmacies and store-based distributors and wholesale to franchise stores
Kusurino FUKUTARO Co., LTD.	¥98 million	100.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors in the Kanto region
Tsuruha Group Drug & Pharmacy Nishinohon Inc.	¥287 million	100.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors in the Chugoku and Kyushu regions
Lady Drug Store Co., Ltd.	¥598 million	100.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors in the Chugoku and Shikoku regions
Kyorindo Group Holdings Co., Ltd.	¥50 million	51.0%	Guidance and management of business of subsidiaries operating drug stores
Kyorindo Co., Ltd.	¥50 million	51.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors in Shizuoka Prefecture
Drug Eleven Co., Ltd.	¥100 million	100.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors mainly in the Kyushu and Okinawa regions
WELCIA HOLDINGS CO., LTD.	¥7,868 million	100.0%	Guidance and management of business of subsidiaries operating drug stores
WELCIA YAKKYOKU Co., Ltd.	¥100 million	100.0%	Wholesale of pharmaceuticals, etc. based on pharmacies and store-based distributors
Kokumin Co., Ltd.	¥91 million	100.0%	Wholesale of pharmaceuticals, etc. based on pharmacies and store-based distributors
Pupule Himawari Co., Ltd.	¥49 million	51.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors mainly in the Chugoku, Shikoku and Kinki regions
Welpark Co., Ltd.	¥100 million	100.0%	Sales of pharmaceuticals, etc. based on pharmacies and store-based distributors in the Kanto region

Notes: 1. Kyorindo Co., Ltd. is a wholly-owned subsidiary of Kyorindo Group Holdings Co., Ltd.

2. WELCIA YAKKYOKU Co., Ltd., Kokumin Co., Ltd., and Welpark Co., Ltd. are wholly-owned subsidiaries of WELCIA HOLDINGS CO., LTD., and Pupule Himawari Co., Ltd. is a subsidiary of WELCIA HOLDINGS CO., LTD.

3. WELCIA HOLDINGS CO., LTD. falls under a specified wholly-owned subsidiary as stipulated in Item 1 to Item 3 of Article 118 of the Ordinance for Enforcement of the Companies Act. The company's name, address, book value, etc. are as follows.

Name: WELCIA HOLDINGS CO., LTD.

Address: 2-2-15 Soto-kanda, Chiyoda-ku, Tokyo

Book value of shares of said specified wholly owned subsidiary at the end of the fiscal year under review: ¥659,857 million

Total assets of the Company at the end of the fiscal year under review: ¥848,513 million

## 2. Matters Concerning the Status of the Company

### (1) Status of Shares

- |   |                    |
|---|--------------------|
| 1) Total number of shares authorized to be issued | 760,000,000 shares |
| 2) Total number of shares issued and outstanding  | 454,308,990 shares |
| 3) Number of shareholders                         | 120,803            |
| 4) Major shareholders (top 10 shareholders)       |                    |

As of February 28, 2026

Shareholder name	Number of shares (Thousand shares)	Shareholding ratio
AEON CO., LTD.	228,632	50.32%
The Master Trust Bank of Japan, Ltd. (trust account)	40,074	8.82%
Custody Bank of Japan, Ltd. (trust account)	20,338	4.47%
Tatsuru Tsuruha	7,068	1.55%
JP MORGAN CHASE BANK 385864	5,050	1.11%
Welcia Holdings Employee Stock Ownership Association	5,044	1.11%
Akiko Tsuruha	4,516	0.99%
JPMorgan Securities Japan Co., Ltd.	4,219	0.92%
STATE STREET BANK AND TRUST COMPANY 505001	4,183	0.92%
JP MORGAN CHASE BANK 385781	3,840	0.84%

- Notes: 1. The shareholding ratio is calculated after excluding treasury shares (26,563 shares) held by the Company.  
2. The Company implemented a five-for-one stock split of its common shares on September 1, 2025.

- 5) Status of shares granted to officers of the Company in consideration of the execution of duties during the fiscal year under review

Details of stock remuneration granted during the fiscal year under review are as follows:

- Total number of shares granted to Directors by category

Category	Number of shares	Number of eligible officers
Directors (excluding Audit and Supervisory Committee Members and Outside Directors)	25,000	4
Outside Directors (excluding Audit and Supervisory Committee Members)	–	–
Directors (Audit and Supervisory Committee Members)	–	–
Other officers	43,500	14

## (2) Company Officers

### 1) Directors

#### a. Directors

As of February 28, 2026

Position	Name	Assignments and significant concurrent positions
President & Representative Director	Jun Tsuruha	Director and Chair of TSURUHA CO., LTD. Director of WELCIA HOLDINGS CO., LTD.
Director	Hideaki Kirisawa	Representative Director, President of WELCIA HOLDINGS CO., LTD.
Director	Shoichi Murakami	President & Representative Director of Tsuruha Group Drug & Pharmacy Nishinohon Inc.
Director	Masahiro Yahata	President & Representative Director of TSURUHA CO., LTD.
Director	Kazuto Toyama	Director of TSURUHA CO., LTD.
Director	Wakana Tanaka	Representative of LinkedIn Japan Co., Ltd
Director	Hiroshi Okuno	Managing Partner of KTSS Ltd.
Director (Audit and Supervisory Committee Member)	Tatsuichi Asada	Adviser of TOP CULTURE Co., Ltd. Adviser of ITOI LSR Co., Ltd. Corporate Auditor of KUROFUNE INC.
Director (Audit and Supervisory Committee Member)	Takuya Okazaki	Representative of Okazaki Takuya Law Offices Outside Audit & Supervisory Board Member of Hokuryo Co., Ltd. Outside Director and Audit and Supervisory Committee Member of Fulltech Co. Ltd. Director of General Incorporated Association Legal Bridge
Director (Audit and Supervisory Committee Member)	Harumi Sato	Director of Sapporo Branch, Anchor Licensed Tax Accountant Office
Director (Audit and Supervisory Committee Member)	Yasuo Nakayama	Special Advisor of SECOM Co., Ltd. Outside Director of IDEA Consultants, Inc. Chairman, Tokyo Metropolitan Public University Corporation

- Notes: 1. Directors Ms. Wakana Tanaka, Mr. Hiroshi Okuno, Mr. Tatsuichi Asada, Mr. Takuya Okazaki, Ms. Harumi Sato, and Mr. Yasuo Nakayama are Outside Directors, and the Company registered them with Tokyo Stock Exchange, Inc. as Independent Officers.
2. Audit and Supervisory Committee Member Ms. Harumi Sato has certification as a tax accountant and considerable knowledge about finance and accounting.
3. Mr. Masahiro Ofune retired as Director (Standing Audit and Supervisory Committee Member) on May 26, 2025.
4. While the Company has not elected any Directors who are Standing Audit and Supervisory Committee Members, it has elected employees to assist with the administrative duties of the Audit and Supervisory Committee. These employees work closely with the Internal Control Division and Accounting Auditor, and maintain a structure for collecting and sharing information.

## b. Executive Officers

As of February 28, 2026

Position	Name	Assignments
Executive Officer	*Hideaki Kirisawa	Responsible for Group Sales and Product Management, and Supervisor of WELCIA HOLDINGS CO., LTD.
Executive Officer	*Shoichi Murakami	Responsible for Tsuruha Group Drug & Pharmacy Nishinohon Inc.
Executive Officer	*Masahiro Yahata	Responsible for TSURUHA CO., LTD.
Executive Officer	*Kazuto Toyama	Responsible for Group Store Development Division
Executive Officer	Yoshihiro Kobashi	Responsible for Group Management Strategy and Group Information Systems
Executive Officer	Naotaka Kokawaji	Responsible for Kyorindo Co., Ltd.
Executive Officer	Tsuyoshi Hanzawa	Responsible for Drug Eleven Co., Ltd.
Executive Officer	Yasuyuki Arima	Responsible for Group Product Division
Executive Officer	Kazuhiko Nomura	Responsible for Group Dispensing Management Division
Executive Officer	Yasuyuki Haruta	Responsible for Kusurino FUKUTARO Co., LTD.
Executive Officer	Takaomi Kinone	Responsible for Group Human Resource Development Division
Executive Officer	Norihito Ojima	Responsible for Group Human Resources and General Affairs Division
Executive Officer	Ryutaro Miyake	Responsible for Group Finance and Accounting Division
Executive Officer	Kazuro Fujita	Responsible for Lady Drug Store Co., Ltd.
Executive Officer	Junichi Tanaka	Responsible for Drugstore Business of WELCIA HOLDINGS CO., LTD.
Executive Officer	Takamune Shibazaki	Responsible for Group Finance and Accounting Division, Responsible for Finance and Accounting of WELCIA HOLDINGS CO., LTD.
Executive Officer	Koji Takahashi	Responsible for Group Human Resources and General Affairs Division, Responsible for Human Resources and Administrative Departments of WELCIA HOLDINGS CO., LTD.

Note: Executive Officers marked with an asterisk (\*) are concurrently serving as Director of the Company.

## 2) Summary of the agreement on limitation of liability

In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into a contract with each non-executive Director, to limit his or her liability for damages under Article 423, Paragraph 1 of the Companies Act. The maximum amount of liability for damages pursuant to the agreement shall be the amount stipulated by laws and regulations.

## 3) Summary of the directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company with Directors, Corporate Auditors and Executive Officers of the Company and its consolidated subsidiaries as the insured persons, in accordance with Article 430-3, Paragraph 1 of the Companies Act. The contract shall cover any damages and litigation costs incurred by an insured person due to a claim for damages arising from an act (including an omission) committed by the insured person in his or her capacity as an officer of the Company, etc. However, damage, etc. arising from intent or gross negligence shall not be covered so as to ensure the appropriateness of the execution of duties by officers. The insurance premiums of the insurance contracts are all paid by the Company.

4) Remuneration, etc. for Directors for the fiscal year under review

a. Matters concerning the decision policy regarding the content of remuneration, etc. for each Director

The Company decides on matters regarding the content of remuneration, etc. for each Director at meetings of the Board of Directors.

1. Basic policies

The Company has designed a systematic remuneration system in consideration of each element of the following basic policies, as it regards remuneration for Directors to be important incentives for achieving the management policy.

- (i) It shall promote the corporate philosophy of “making life better for our customers.”
- (ii) The amount and design shall be at a level that can support participation and activities of talented management team.
- (iii) It shall raise awareness for contribution to mid- to long-term growth of the Company.
- (iv) It shall be linked to business results of the Company and have a mechanism that controls overemphasis on short-term performance.
- (v) It shall be designed to have transparency, fairness and reasonability and determined through an appropriate process to ensure such factors from a viewpoint of accountability to stakeholders including shareholders and employees.

Specifically, remuneration for Directors consists of fixed remuneration, performance-linked bonuses and restricted share remuneration. The level of remuneration for Directors is verified every year in reference to the levels of officers’ remuneration of companies in the same industry with a similar size (selected in terms of net sales, market capitalization, consolidated operating income and other factors) and other companies in different industries based on objective remuneration survey data by external bodies and other data for promptly responding to changes in external environments and market environments.

2. Details of Directors’ remuneration and composition, etc.

Remuneration for Directors consists of 1) “fixed remuneration” (monetary remuneration) as basic remuneration in accordance with their job title (position), 2) “bonuses” (monetary remuneration) based on business results for each fiscal year and their individual evaluation, etc. and 3) “stock remuneration” (restricted share remuneration) in accordance with their job title. Besides, the compositions of remuneration for Directors who are Audit and Supervisory Committee Members, Outside Directors, and other Directors are different from those of other Directors, because such Directors have responsibilities significantly different from other Directors.

Regarding the composition of remuneration for Directors, except Directors who are Audit and Supervisory Committee Members and Outside Directors, a ratio of basic remuneration, bonuses and stock remuneration is determined, so that it functions as important incentives to achieve the management policy.

Specifically, following ratio is applied.

Basic remuneration: Bonuses: Stock remuneration = 35%: 50%: 15%

In this regard, shares of the Company shall be granted as stock remuneration.

Outline of the composition of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors)

Type of remuneration	Payment criteria	Payment method	Composition of remuneration
Basic remuneration	Determined for each person based on the standard amount for each job title	Cash once a month	35%
Bonuses	The amount is calculated for each person as monetary remuneration reflecting business results of a single fiscal year, after determination of whether or not payment is made and the total amount if paid, based on consolidated business performance indicators, etc. of the previous fiscal year.	Cash once a year	50%
Stock remuneration	The number of shares to be granted to each Director is determined in comprehensive consideration of various factors including the degree of contribution by each eligible person to the Company and their responsibilities based on the share price and the standard for job title.	Stocks once a year	15%

(Bonuses)

The amount of bonuses as performance-linked remuneration is calculated for each person as monetary remuneration reflecting business results of a single fiscal year, after determination of whether or not payment is made and the total amount if paid, based on consolidated business performance indicators, etc. of the previous fiscal year. "Operating income and net income" of the consolidated results and the degree of achievement of each person's mission are used as indicators for calculating bonuses from the viewpoint of attaching importance to the degree of achievement in profit growth. The payment is made once a year after the conclusion of General Meeting of Shareholders, after internal approval is obtained.

(Stock remuneration) \*Restricted share remuneration

The number of shares to be granted for restricted share remuneration is determined in comprehensive consideration of various factors including each eligible person's responsibilities based on the number of shares to be granted to each Director set in accordance with the share price and the standard for job title.

Timing of allotment is determined by the Board of Directors at a meeting held in June after the conclusion of the General Meeting of Shareholders.

Restricted shares to be allotted to Directors of the Company are granted in advance.

Meanwhile, for Directors who are Audit and Supervisory Committee Members, and Outside Directors, only basic remuneration is provided taking into account their independence from business execution.

Outline of the composition of remuneration for Directors who are Audit and Supervisory Committee Members, and Outside Directors

Type of remuneration	Payment criteria	Payment method	Composition of remuneration	
			Directors who are Audit and Supervisory Committee Members	Outside Director
Basic remuneration	Determined for each person based on the standard amount for each job title	Cash once a month	100%	100%
Bonuses	The amount is calculated for each person as monetary remuneration reflecting business results of a single fiscal year, after determination of whether or not payment is made and the total amount if paid, based on consolidated business performance indicators, etc. of the previous fiscal year.	Cash once a year	0%	0%
Stock remuneration	The number of shares to be granted to each Director is determined in comprehensive consideration of various factors including the degree of contribution by each eligible person to the Company and their responsibilities based on the share price and the standard for job title.	Stocks once a year	0%	0%

### 3. Process for determining remuneration for Directors

Authority for determining the specifics of the remuneration amount for each Director who is not an Audit and Supervisory Committee Member is delegated to the President & Representative Director, based on a resolution of the Board of Directors within the limit of remuneration resolved in advance at the General Meeting of Shareholders. Such authority includes determination of the amount of basic remuneration for each Director and the amount of bonus distribution for each Director based on the payment criteria. For stock remuneration, the number of shares allotted to each Director is resolved at the meeting of the Board of Directors.

To ensure appropriateness of the level and amount of remuneration and the transparency of the determination process, the specific amount of remuneration to be paid is deliberated at the Nomination and Remuneration Committee which is a consulting body for remuneration of the officers involving external experts, in consideration of trends among companies in the same industry and companies with a similar scale and suggestions about necessity for corporate management. Then, the Personnel Division develops remuneration plans for each Director and the Officer responsible for Administration discusses it sufficiently with the President.

\* Matters to be deliberated at meetings of the Nomination and Remuneration Committee concerning remuneration are as follows:

- Draft proposals to be submitted to the General Meeting of Shareholders concerning remuneration for Directors
- Decision policies regarding remuneration, etc. for each Director (including Executive Officers and management team members of the Group companies)
- Draft proposals for remuneration, etc., for each Director (including Executive Officers and management team members of the Group companies)

The remuneration amount for each Director who is an Audit and Supervisory Committee Member is determined by discussion of Directors who are Audit and Supervisory Committee Members, based on a proposal of the Remuneration Committee, within the limit of remuneration which has been resolved at the General Meeting of Shareholders.

- b. Matters concerning resolutions on remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) and Directors who are Audit and Supervisory Committee Members at the General Meeting of Shareholders

The upper limit of monetary remuneration for Directors consisting of monthly remuneration and bonuses for Directors (excluding Directors who are Audit and Supervisory Committee Members) was approved to be within ¥500 million per year (including within ¥50 million for Outside Directors) at the 59th Ordinary General Meeting of Shareholders held on August 10, 2021. The number of Directors (excluding Directors who are Audit and Supervisory Committee Members) at the time of conclusion of said Ordinary General Meeting of Shareholders was six (including one Outside Director). Also, remuneration for subscription rights to shares allotted as stock option was approved to be within ¥30 million (including within ¥10 million for Outside Directors) per year at the 46th Ordinary General Meeting of Shareholders held on August 12, 2008. The number of Directors at the time of conclusion of said Ordinary General Meeting of Shareholders was eight (including two Outside Directors).

In addition, remuneration for monetary remuneration claims for granting restricted shares for Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) was approved to be within ¥150 million per year at the 59th Ordinary General Meeting of Shareholders held on August 10, 2021. The number of Directors (excluding Directors who are Audit and Supervisory Committee Members and Outside Directors) at the time of conclusion of said Ordinary General Meeting of Shareholders was five.

The upper limit of remuneration for Directors who are Audit and Supervisory Committee Members was approved to be within ¥100 million per year at the 59th Ordinary General Meeting of Shareholders held on August 10, 2021. The number of Directors who are Audit and Supervisory Committee Members at the time of the conclusion of said Ordinary General Meeting of Shareholders was three.

- c. Total amount of remuneration, etc. for Directors

Officer category	Total amount of remuneration, etc. (Millions of yen)	Total amount of remuneration, etc. by type (Millions of yen)			Number of eligible officers (Persons)
		Basic remuneration	Performance-linked remuneration, etc.	Restricted shares	
Directors (excluding Audit and Supervisory Committee Members) (of which, Outside Directors)	228 (21)	93 (21)	99 (-)	35 (-)	4 (2)
Directors (Audit and Supervisory Committee Members) (of which Outside Directors)	52 (38)	52 (38)	- (-)	- (-)	5 (4)

- Notes: 1. The above table includes one Director who was an Audit and Supervisory Committee Member (internal Director). The Director retired at the conclusion of the 63rd Ordinary General Meeting of Shareholders held on May 26, 2025.
2. Employee salary is not paid to Directors because there are no Directors concurrently serving as employee at the Company.
3. The amount of remuneration, etc. paid by three consolidated subsidiaries to three of the seven Directors (excluding Directors who are Audit and Supervisory Committee Members) was ¥186 million. No Outside Directors received such remuneration.
4. Indicators for the above performance-linked remuneration, etc. are “operating income and net income” of the consolidated results.
5. Regarding remuneration amounts for each person, President & Representative Director Jun Tsuruha, to whom authority has been delegated based on a resolution of the Board of Directors, determines the amount of basic remuneration for Directors and the amount of bonus distribution for each Director based on the payment criteria. The reason for delegation of such authority is that the Company believes that the Representative Director is suitable to evaluate divisions to which each Director was assigned while considering the Company’s results.
6. The particulars of remuneration, etc., for each person for the relevant fiscal year were deliberated at the Nomination and Remuneration Committee and fully discussed between the President, the Personnel Division, and the Executive Officer responsible for Group Human Resources and General Affairs Division. Therefore, the Board of Directors has respected their decision and judged that said decision complies with the decision policy.

## 5) Matters concerning Outside Officers

The following is a summary of relationships between companies where outside officers hold significant concurrent positions and the Company, their main activities for the fiscal year under review, and duties performed relating to their expected roles.

### a. Outside Director Wakana Tanaka

She is a Representative of LinkedIn Japan Co., Ltd. There are no special relationships between the Company and LinkedIn Japan Co., Ltd.

She attended all 14 Board of Directors meetings held during the fiscal year under review and actively provided opinions and advice based on her wide and high-level knowledge and experience. The Company has registered her with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulation of the stock exchange.

### b. Outside Director Hiroshi Okuno

He is Managing Partner of KTSS Ltd. There are no special relationships between the Company and KTSS Ltd.

He attended all 14 Board of Directors meetings held during the fiscal year under review and made remarks and gave advice using a wealth of working experience abroad from an international viewpoint.

The Company has registered him with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulation of the stock exchange.

### c. Outside Director (Audit and Supervisory Committee Member) Tatsuichi Asada

He is the Adviser of ITOI LSR Co., Ltd. and the Adviser of TOP CULTURE Co., Ltd. and Corporate Auditor of KUROFUNE INC. There are no special relationships between the Company and said three companies.

He attended all 14 Board of Directors meetings held during the fiscal year under review and provided various opinions and recommendations based on his many years of experience in corporate management as an executive in the retail industry and abundant knowledge. As a chair of the Audit and Supervisory Committee, he attended all 13 meetings of the Audit and Supervisory Committee, enhanced the effectiveness of the Committee, further strengthened its audit functions, and demonstrated his abilities in the oversight function of management. Moreover, as a member of the Nomination and Remuneration committee, he attended all 13 Nomination and Remuneration committee meetings held and offered valuable opinions and advice on implementation of the successor development plan and the nomination of officers.

The Company has registered him with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulation of the stock exchange.

### d. Outside Director (Audit and Supervisory Committee Member) Takuya Okazaki

He is the Representative of Okazaki Takuya Law Offices, an Outside Audit & Supervisory Board Member of Hokuryo Co., Ltd., an Outside Director and Audit and Supervisory Committee Member of Fulltech Co. Ltd., and Director of General Incorporated Association Legal Bridge. There are no special relationships between the Company and each of said companies and said office.

He attended all 14 Board of Directors meetings held during the fiscal year under review and provided useful opinions and advice on the Company's management based on his abundant business experience as a lawyer and expertise on corporate legal affairs. As an Audit and Supervisory Committee Member, he also attended all 13 meetings of the Audit and Supervisory Committee and contributed to the auditing of the Directors' performance of their duties.

Besides, as a chair of the Nomination and Remuneration Committee, he attended all 13 committee meetings held, made remarks in the processes of selecting candidates for the Company's officers and setting officers' compensation from an objective and neutral standpoint, and contributed to the operation of the Nomination and Remuneration Committee.

The Company has registered him with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulation of the stock exchange.

e. Outside Director (Audit and Supervisory Committee Member) Harumi Sato

She is the Director of the Sapporo Branch of Anchor Licensed Tax Accountant Office. There are no special relationships between the Company and the Office.

She attended all 14 Board of Directors meetings held during the fiscal year under review. With her considerable knowledge about finance and accounting, she provided useful opinions and advice on the Company's management from a professional viewpoint as a tax accountant. As an Audit and Supervisory Committee Member, she also attended all 13 meetings of the Audit and Supervisory Committee and contributed to the auditing of the Directors' performance of their duties.

Besides, as a member of the Nomination and Remuneration Committee, she attended all 14 committee meetings held and made remarks in the processes of selecting candidates for the Company's officers and setting officers' compensation from an objective and neutral standpoint.

The Company has registered her with Tokyo Stock Exchange, Inc. as an Independent Director as set forth in the regulation of the stock exchange.

f. Outside Director (Audit and Supervisory Committee Member) Yasuo Nakayama

He is the Special Advisor of SECOM Co., Ltd., the Outside Director of IDEA Consultants, Inc., and Chairman of Tokyo Metropolitan Public University Corporation. There are no special relationships between the Company and each of said companies and said public university corporation.

He attended all the three Board of Directors meetings held after his assumption and provided various opinions and recommendations on overall company management based on the knowledge and experience he has accumulated to date. He attended all the three meetings of the Audit and Supervisory Committee held after his assumption and made necessary remarks in the deliberations of agenda items.

No outside officers have received any amount of remuneration, etc. from any subsidiaries, etc. of the Company during the fiscal year under review.