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Securities Code: 3141

May 8, 2023

(Start date of measures for electronic provision: April 28, 2023)

To Shareholders with Voting Rights:

Tadahisa Matsumoto
President and Representative Director
WELCIA HOLDINGS CO., LTD.
2-2-15, Sotokanda, Chiyoda-ku, Tokyo

NOTICE OF THE 15TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 15th Annual General Meeting of Shareholders of WELCIA HOLDINGS CO., LTD. (the “Company”). The meeting will be held as described below.

When convening this General Meeting of Shareholders, the Company has taken measures to provide information electronically. The matters subject to the measures for electronic provision are posted as the “Notice of the 15th Annual General Meeting of Shareholders” on the following websites on the Internet.

The Company’s website:

<https://www.welcia.co.jp/en/index.html>

Tokyo Stock Exchange website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK020030Action.do>

(To access the information, enter the name or securities code of the Company to search for the Company and then select “Basic information” and then “Documents for public inspection/PR information.”)

When attending the meeting, please submit the enclosed Voting Rights Exercise Form at the reception desk. In addition to attending the meeting in person, you can exercise your voting rights either in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights by 6 p.m. (JST) on Wednesday, May 24, 2023 in accordance with the “Guidance for Exercising Voting Rights.”

Moreover, we will live stream the General Meeting of Shareholders via the Internet and will accept questions in advance. For further details, please refer to the “Guidance on Live Streaming and Advance Acceptance of Questions via the Internet.”

1. Date and Time: Thursday, May 25, 2023 at 10 a.m. (JST)

2. Place: 2-7-1, Nihonbashi, Chuo-ku, Tokyo
Belle Salle Tokyo Nihonbashi, Tokyo Nihonbashi Tower B2F

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements, and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements for the Company’s 15th Fiscal Year (March 1, 2022 - February 28, 2023)
 2. Non-consolidated Financial Statements for the Company’s 15th Fiscal Year (March 1, 2022 - February 28, 2023)

Proposal to be resolved:

Proposal 1 Election of Eleven (11) Directors

Proposal 2 Election of One (1) Corporate Auditor

Proposal 3 Continuation of Amounts and Content of Performance-linked Stock Remuneration, etc. for Directors, etc.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1 Election of Eleven (11) Directors

The terms of office of all eleven (11) Directors will expire at the conclusion of this General Meeting of Shareholders. The Company therefore proposes the appointment of eleven (11) Directors.

The candidates for Directors are as follows:

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
1	Takamitsu Ikeno (September 20, 1943)	<p>April 1966 Joined Zenyaku Kogyo Co., Ltd.</p> <p>June 1971 Established Ikeno Drug Co., Ltd.</p> <p>March 2002 Joined Greencross - Coa Co., Ltd. through merger</p> <p>November 2002 Vice President and Director; General Manager, Merchandise Headquarters, Greencross - Coa Co., Ltd.</p> <p>November 2004 Vice President and Director; General Manager, Sales Headquarters, Greencross - Coa Co., Ltd.</p> <p>September 2008 Director; General Manager, Group General Affairs Headquarters, the Company</p> <p>December 2008 Director, Welcia Kanto Co., Ltd.</p> <p>January 2009 President and Representative Director, Terashima Co., Ltd.</p> <p>November 2009 Director, the Company</p> <p>September 2010 President and Representative Director, Welcia Kanto Co., Ltd.</p> <p> Director, Terashima Co., Ltd.</p> <p>November 2010 Vice President and Director, the Company</p> <p>September 2011 Chairman and Representative Director, Terashima Co., Ltd.</p> <p>March 2013 Chairman and Representative Director, the Company (to present)</p> <p> Chairman and Representative Director, Welcia Kanto Co., Ltd.</p> <p>May 2014 Chairman and Representative Director, WELCIA KAIGO SERVICE Co., Ltd.</p> <p>September 2014 Chairman and Representative Director, WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2018 Chairman and Director, WELCIA YAKKYOKU Co., Ltd. Director, WELCIA KAIGO SERVICE Co., Ltd.</p> <p>March 2019 Director, WELCIA YAKKYOKU Co., Ltd.</p>	1,046,020
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Takamitsu Ikeno has held positions as Chairman and Representative Director and President and Representative Director of the Company and Group subsidiaries, and has a wealth of achievements and experience as a corporate manager. We nominate him as a candidate for Director because we believe that he is capable of realizing our corporate philosophy, strengthening corporate governance as well as supervising the execution of duties.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
2	Tadahisa Matsumoto (September 21, 1958)	<p>April 1983 Joined SUNDRUG CO., LTD.</p> <p>June 1991 Joined Iino Co., Ltd.</p> <p>December 2004 President and Representative Director, Iino Co., Ltd.</p> <p>March 2006 Vice President and Director; Deputy General Manager, Sales Headquarters, Welcia Kanto Co., Ltd. through merger</p> <p>September 2010 President and Representative Director, Terashima Co., Ltd.</p> <p>November 2011 Managing Director, the Company</p> <p>President and Director, Lianhua Merrylin Business (Shanghai) Co., Ltd. (currently Merrylin Business (Shanghai) Co., Ltd.)</p> <p>March 2013 Vice President and Director, the Company</p> <p>September 2014 Vice President, Director and Executive Officer; in charge of Overseas Business, the Company</p> <p>Vice President and Director; responsible for Sales and Merchandise Department and General Manager, Dispensing Pharmacy and Home-based Care Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>May 2015 Vice President and Director; General Manager, Dispensing Pharmacy and Home-based Care Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>Director, SHIMIZU YAKUHIN Co., Ltd.</p> <p>March 2016 Chairman, Merrylin Business (Shanghai) Co., Ltd.</p> <p>March 2017 Managing Director, Welcia-BHG (Singapore) Pte. Ltd.</p> <p>May 2018 Vice President and Representative Director; responsible for Sales Supervision Headquarters and Dispensing Pharmacy Administration Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2019 President, Representative Director, Executive Officer and Chief Operating Officer, the Company (to present)</p> <p>President and Representative Director, WELCIA YAKKYOKU Co., Ltd.</p> <p>Director, Welcia-BHG (Singapore) Pte. Ltd. (to present)</p> <p>March 2023 Chairman and Representative Director, WELCIA YAKKYOKU Co., Ltd. (to present)</p> <p>Executive Officer, Health & Wellness Business, AEON CO., LTD. (to present)</p>	43,360
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Tadahisa Matsumoto has extensive business experience and achievements related to sales, corporate planning, merchandise departments, and overseas operations (serving as President and Director of Lianhua Merrylin Business (Shanghai) Co., Ltd. from November 2011 to August 2014) of the Company, as well as considerable insight and achievements as a pharmacist at dispensing pharmacy departments. We nominate him as a candidate for Director because we believe that he is capable of further strengthening our competitiveness by refining the business model of the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
3	Juichi Nakamura (May 15, 1955)	<p>April 1980 Joined Nomura Securities Co., Ltd.</p> <p>August 2006 Senior Managing Director, JPBM Securities Co., Ltd.</p> <p>July 2008 Joined Welcia Kanto Co., Ltd.</p> <p>November 2009 Executive Officer; General Manager, IR/Public Relations Division, Group Corporate Planning Headquarters and General Manager, Internal Control Promotion Division, and in charge of Secretariat and Liaison Operations, the Company</p> <p>September 2014 Executive Officer; General Manager, IR/Planning Division and General Manager, General Affairs Division, the Company</p> <p>Director and Executive Officer; General Manager, Personnel & General Affairs Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>November 2014 Director and Executive Officer; General Manager, IR/Planning Division and General Manager, General Affairs Division, the Company</p> <p>December 2015 Director and Executive Officer; in charge of IR Division, Public Relations Division, Planning Division and General Affairs Division, the Company</p> <p>May 2016 Managing Director and Executive Officer; in charge of IR Division, Public Relations Division, Planning Division and General Affairs Division, the Company</p> <p>March 2017 Managing Director and Executive Officer; in charge of IR Division, Public Relations Division, Corporate Planning Division, General Affairs Division and Legal Division, the Company</p> <p>May 2017 Director, SHIMIZU YAKUHIN Co., Ltd.</p> <p>March 2018 Managing Director and Executive Officer; in charge of IR/Public Relations Division, Corporate Planning Division, General Affairs Division and Legal Division, the Company</p> <p>Managing Director; General Manager, Training Headquarters and Deputy General Manager, General Affairs Headquarters and Deputy General Manager, Personnel Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2019 Managing Director and Executive Officer; in charge of IR/Public Relations Division, Operations Division and Legal Division, the Company</p> <p>Managing Director; in charge of Administration and General Manager, Training Headquarters, WELCIA YAKKYOKU Co., Ltd.</p> <p>March 2020 Managing Director, WELCIA YAKKYOKU Co., Ltd.</p> <p>Managing Director and Executive Officer; in charge of IR Division, Public Relations Division, Operations Division and Legal Division, the Company</p> <p>May 2020 Director, WELCIA YAKKYOKU Co., Ltd. (to present)</p> <p>Vice President, Director, and Executive Officer; in charge of Corporate Affairs, the Company</p> <p>May 2022 Vice President, Director, and Executive Officer; in charge of Corporate Affairs and Affiliated Companies, the Company (to present)</p>	3,201
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Juichi Nakamura had been in charge of M&A, IR, corporate planning and general affairs departments at the Company and has a wealth of experience and achievements in the areas of internal control and corporate governance, including risk and compliance management. We nominate him as a candidate for Director because we believe that he is capable of strengthening corporate governance of the entire Group as well as supervising business departments.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
4	Takamune Shibazaki (August 24, 1971)	<p>October 1996 Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC)</p> <p>April 2003 Joined Global Dining System Inc.</p> <p>April 2004 Joined Takada Yakkyoku Co., Ltd. (currently WELCIA YAKKYOKU CO., LTD.)</p> <p>April 2005 General Manager, Corporate Planning Division, Takada Yakkyoku Co., Ltd.</p> <p>September 2006 Director; General Manager, Corporate Planning Division, Takada Yakkyoku Co., Ltd.</p> <p>November 2010 General Manager, Corporate Planning Division, the Company</p> <p>September 2014 General Manager, Budget Management Division, WELCIA YAKKYOKU CO., LTD.</p> <p>September 2017 General Manager, Corporate Planning Headquarters, WELCIA YAKKYOKU CO., LTD.</p> <p>March 2018 General Manager, Corporate Planning Division and IR/Public Relations Division, the Company</p> <p>May 2019 Director; General Manager, Corporate Planning Headquarters, General Manager, Corporate Planning Division, WELCIA YAKKYOKU CO., LTD.</p> <p>July 2019 General Manager, Corporate Planning Division, The Company</p> <p>March 2020 Director; General Manager, Corporate Planning Headquarters, WELCIA YAKKYOKU CO., LTD.</p> <p>May 2022 Director, WELCIA YAKKYOKU CO., LTD. (to present) Director, Executive Officer and Chief Financial Officer, the Company (to present)</p>	69,856
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Takamune Shibazaki has a wealth of experience and achievements in corporate planning and budget management departments and IR public relations at the Company, in addition to his expertise and insight in finance and accounting as a certified accountant. We nominate him as a candidate for Director because we believe that he is capable of promoting the establishment of a stable financial position that will act as a source of the Group's growth investment, as a person who will contribute to increasing the corporate value of the Company in finance and accounting field.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
5	Motoya Okada (June 17, 1951)	<p>March 1979 Joined JUSCO Co., Ltd. (currently AEON CO., LTD.)</p> <p>May 1990 Director, JUSCO Co., Ltd.</p> <p>February 1992 Managing Director, JUSCO Co., Ltd.</p> <p>May 1995 Senior Managing Director, JUSCO Co., Ltd.</p> <p>June 1997 President and Representative Director, JUSCO Co., Ltd.</p> <p>May 2002 Director and Advisor, AEON MALL Co., Ltd. (to present)</p> <p>May 2003 Director, President and Representative Executive Officer, AEON CO., LTD.</p> <p>November 2005 Outside Director and Advisor, TSURUHA HOLDINGS INC.</p> <p>March 2012 Director, President and Representative Executive Officer and Group CEO, AEON CO., LTD.</p> <p>August 2014 Outside Director, KUSURI NO AOKI CO., LTD.</p> <p>November 2014 Director, the Company (to present)</p> <p>March 2015 Director and Advisor, United Super Markets Holdings Inc. (to present)</p> <p>November 2016 Outside Director, KUSURI NO AOKI HOLDINGS CO., LTD. (to present)</p> <p>March 2020 Director, Chairman and Representative Executive Officer, AEON CO., LTD. (to present)</p>	-
<p>(Reasons for selecting the candidate for Director)</p> <p>Mr. Motoya Okada has been in charge of managing the entire AEON Group as Director, Chairman and Representative Executive Officer of AEON CO., LTD., the parent company of the Company, and has a wealth of experience and achievements. We nominate him as a candidate for Director because we believe that he is capable of increasing the competitiveness of the Company by capitalizing on the know-how and infrastructure of the AEON Group, as well as supervising the execution of duties.</p>			
6	Tomoko Nakai (November 17, 1972)	<p>April 1997 Joined the Legal Training and Research Institute of Japan</p> <p>April 1999 Completed training at the Legal Training and Research Institute of Japan</p> <p> Joined Kazuo Kitamura Law Office</p> <p>November 2002 Joined Makoto Nakamachi Law Office</p> <p> Member, the Management Lawyers Council (to present)</p> <p>January 2012 Partner, Makoto Nakamachi Law Office (to present)</p> <p>November 2014 Adjunct Teacher, Keio University Law School (to present)</p> <p>April 2016 Adjunct Associate Professor, School of Law, the University of Tokyo Graduate Schools of Law and Politics</p> <p>May 2019 Outside Director, the Company (to present)</p>	562
<p>(Reason for nomination as candidate for Outside Director and overview of the expected roles)</p> <p>Ms. Tomoko Nakai has expertise and insight as an attorney in the judicial world as well as a perspective of women invaluable for increasing the corporate value of the Company. She has served as Director of the Company since May 2019. We nominate her as a candidate for Outside Director because we believe that she will continue to enhance the effectiveness of the decision-making function and the supervisory function of the Board of Directors as an expert in law from an independent standpoint. Although she has never been involved in corporate management other than serving as an Outside Director or Outside Corporate Auditor, we believe that she is capable of appropriately performing duties as an Outside Director based on the aforementioned reasons.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
7	Kunio Ishizuka (September 11, 1949)	<p>May 1972 Joined Mitsukoshi, Ltd.</p> <p>February 2003 Executive Officer; General Manager, Operations Department, Mitsukoshi, Ltd.</p> <p>March 2004 Senior Executive Officer; General Manager, Corporate Planning Division, Mitsukoshi, Ltd.</p> <p>March 2005 Managing Executive Officer; General Manager, Business Planning Division, Mitsukoshi, Ltd.</p> <p>May 2005 President, Representative Director and Executive Officer, Mitsukoshi, Ltd.</p> <p>April 2008 President, Representative Director and Executive Officer, Isetan Mitsukoshi Holdings Ltd.</p> <p>February 2012 Chairman, Representative Director and Executive Officer, Isetan Mitsukoshi Holdings Ltd.</p> <p>June 2013 Outside Director, SEKISUI CHEMICAL CO., LTD.</p> <p>June 2017 Special Consultant, Isetan Mitsukoshi Holdings Ltd.</p> <p>July 2017 Member of Supervisory Board, National Federation of Agricultural Cooperative Associations (to present)</p> <p>May 2021 Outside Director, the Company (to present)</p> <p>June 2021 Outside Director, ITOCHU Corporation (to present)</p>	1,181
<p>(Reason for nomination as candidate for Outside Director and overview of the expected roles)</p> <p>Mr. Kunio Ishizuka has experience, as the head of the management team of Isetan Mitsukoshi Holdings Ltd. at the time of its establishment, in getting its business on track after the management integration by merging the corporate cultures of the relevant companies. In addition, he possesses a wealth of experience in and knowledge of corporate management accumulated through his career as a corporate manager in the retail service industry.</p> <p>We nominate him as a candidate for Outside Director because we believe that the function of the Board of Directors will be strengthened with his supervision of the execution of duties from an independent standpoint, on the basis of his experience and knowledge accumulated as he devoted himself to facilitating corporate governance and served as a corporate manager in the retail service industry over the years.</p>			
8	Tadashi Nagata (January 23, 1952)	<p>April 1974 Joined Keio Corporation</p> <p>June 2000 General Manager, Group Business Management Department, Keio Corporation</p> <p>June 2002 General Manager, Group Business Management Department, Corporate Planning Headquarters, Keio Corporation</p> <p>June 2003 General Manager, Personnel Department, Keio Corporation</p> <p>June 2004 Director; General Manager, Personnel Department, Keio Corporation</p> <p>June 2005 Director; General Manager, Management Planning Department, Corporate Planning Headquarters, Keio Corporation</p> <p>June 2007 Managing Director; Senior General Manager, Corporate Planning Headquarters, Keio Corporation</p> <p>June 2009 President and Representative Director, Keio Corporation</p> <p>June 2015 Chairman, President and Representative Director, Keio Corporation</p> <p>June 2016 Chairman and Representative Director, Keio Corporation</p> <p>May 2022 Outside Director, the Company (to present)</p> <p>June 2022 Senior Corporate Advisor, Keio Corporation (to present)</p> <p> Outside Director, UKAI CO., LTD. (to present)</p>	227
<p>(Reason for nomination as candidate for Outside Director and overview of the expected roles)</p> <p>Mr. Tadashi Nagata is the representative director of Keio Corporation, and has a wealth of business experience as a manager and insight into overall company management. We nominate him as a candidate for Outside Director because we believe that the function of the Board of Directors will be strengthened with his supervision of the execution of duties from an independent standpoint by utilizing his many years of experience and knowledge of corporate governance and top management.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
9	Katsunori Nozawa (August 13, 1958)	<p>April 1982 Joined The Fuji Bank, Ltd. (currently Mizuho Bank, Ltd.)</p> <p>April 2002 Joined Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.) Assistant Manager, Europe Sales Department No. 2</p> <p>November 2003 Credit Officer, Credit Department No.1, Mizuho Corporate Bank, Ltd.</p> <p>March 2006 Senior Credit Officer, Financial Products Credit Department, Mizuho Corporate Bank, Ltd.</p> <p>May 2007 Manager, Leveraged Finance Business Division, Mizuho Corporate Bank, Ltd.</p> <p>April 2010 Executive Officer; Joint Head of Global Coverage Group, Global Investment Banking Division, Mizuho Securities Co., Ltd.</p> <p>April 2011 Managing Executive Officer; in charge of Asia Division, Investment Banking Group, Investment Banking Division, Mizuho Securities Co., Ltd.</p> <p>April 2012 Managing Executive Officer; Officer in charge of Sales Division, Investment Banking Group, Mizuho Securities Co., Ltd.</p> <p>April 2017 Deputy President, Mizuho Capital Partners Co., Ltd (currently MCP Partners Co., Ltd.)</p> <p>December 2017 Representative Director & President, Mizuho Capital Partners Co., Ltd</p> <p>June 2021 Audit & Supervisory Board Member, Carlit Holdings Co., Ltd. (to present)</p> <p>May 2022 Outside Director, the Company (to present)</p>	683
<p>(Reason for nomination as candidate for Outside Director and overview of the expected roles)</p> <p>Mr. Katsunori Nozawa has abundant business knowledge and management experience in overseas business, in addition to experience in financial institutions as well as experience and a wide range of insights cultivated as a manager. We nominate him as a candidate for Outside Director because we believe that the function of the Board of Directors will be strengthened with his supervision of the execution of duties from an independent standpoint by utilizing his many years of experience and knowledge.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
10	Shigeo Horie (September 20, 1960)	<p>April 1986 Professor's assistant, Faculty of Medicine, The University of Tokyo</p> <p>July 1988 Research Fellow, Division of Nephrology, Department of Internal Medicine, University of Texas Southwestern Medical Center</p> <p>July 1990 Clinical Fellow, Parkland Memorial Hospital, University of Texas Southwestern Medical Center</p> <p>July 1995 Full-time medical doctor, Department of Urology, National Cancer Center Hospital</p> <p>April 1998 Chief research officer, National Institute of Infectious Diseases Aids Research Center</p> <p>July 1998 Instructor, Faculty of Medicine, The University of Tokyo</p> <p>April 2002 Assistant professor, Urology Department, Faculty of Medicine, Kyorin University</p> <p>April 2003 Senior Professor, Department of Urology, Teikyo University School of Medicine</p> <p>November 2012 Professor, Department of Urology, Graduate School of Medicine, Graduate Schools, Juntendo University (to present)</p> <p>May 2022 Outside Director, the Company (to present)</p>	227
<p>(Reason for nomination as candidate for Outside Director and overview of the expected roles)</p> <p>Mr. Shigeo Horie has many years of experience and extensive knowledge cultivated as a doctor, a Doctor of Medicine and a university professor, and experience in organizational management. We nominate him as a candidate for Outside Director because we believe that the function of the Board of Directors will be strengthened with his supervision of the execution of duties from an independent and professional standpoint in the fields of dispensing and healthcare, which are our business areas, as well as for the health management we promote, by utilizing his many years of experience and knowledge. Although he has never been involved in corporate management other than serving as an Outside Director or Outside Corporate Auditor, we believe that he is capable of appropriately performing duties as an Outside Director based on the aforementioned reasons.</p>			

No.	Name (Date of birth)	Career summary, positions, assignments and significant concurrent positions	Number of shares of the Company held
11 New candidate	Noriko Ishizaka (January 29, 1972)	September 1992 Joined Ishizaka Industry Co., Ltd. September 1997 General Manager, Sales Department, Ishizaka Industry Co., Ltd. April 2002 President and Director, Ishizaka Industry Co., Ltd. September 2013 Representative Director, Ishizaka Industry Co., Ltd. (to present) May 2016 Outside Director, HIDAY HIDAHA Corp.	-
(Reason for nomination as candidate for Outside Director and overview of the expected roles) Ms. Noriko Ishizaka has broad knowledge about corporate management, particularly a wealth of insight into the field of ESG management, as top management of Ishizaka Industry Co., Ltd. We nominate her as a candidate for Outside Director because we believe that the function of the Board of Directors will be strengthened with her supervision of the execution of duties from an independent standpoint by utilizing her experience and knowledge gained through the resolute implementation of corporate reforms and her leadership in the company.			

Notes:

1. There are no special interests between the candidates for Directors and the Company.
2. Ms. Tomoko Nakai, Messrs. Kunio Ishizuka, Tadashi Nagata, Katsunori Nozawa, and Shigeo Horie, and Ms. Noriko Ishizaka are candidates for Outside Directors.
3. The Company has designated Ms. Tomoko Nakai, Messrs. Kunio Ishizuka, Tadashi Nagata, Katsunori Nozawa, and Shigeo Horie, and Ms. Noriko Ishizaka as independent directors/auditors stipulated by the Tokyo Stock Exchange, and registered them as such with the Exchange.
4. The term of office of Ms. Tomoko Nakai as Outside Director of the Company will be four (4) years at the conclusion of this General Meeting of Shareholders.
5. The term of office of Mr. Kunio Ishizuka as Outside Director of the Company will be two (2) years at the conclusion of this General Meeting of Shareholders.
6. The terms of office of Messrs. Tadashi Nagata, Katsunori Nozawa, and Shigeo Horie as Outside Directors of the Company will be one (1) year at the conclusion of this General Meeting of Shareholders.
7. In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into a liability limitation agreement with Outside Directors to limit their liability for damages under Article 423, Paragraph 1 of the said Act. The limit of liability for damages under the above agreement is the minimum amount stipulated by laws and regulations. If the reappointments of Ms. Tomoko Nakai, Messrs. Kunio Ishizuka, Tadashi Nagata, Katsunori Nozawa, and Shigeo Horie are approved, the Company intends to renew the liability limitation agreement with them. If the appointment of Ms. Noriko Ishizaka is approved, the Company intends to enter into such liability limitation agreement with her.
8. The Company has concluded a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The said insurance contract will compensate for damages to be borne by the insured, including compensation for damages and legal expenses. Each candidate will be insured under the insurance contract. The Company intends to renew the insurance contract with the same conditions at the time of its next renewal.

Proposal 2 Election of One (1) Corporate Auditor

The term of office of Corporate Auditor, Ms. Atsuko Sugiyama will expire at the conclusion of this General Meeting of Shareholders. The Company therefore proposes the appointment of one (1) Corporate Auditor.

The consent of the Board of Corporate Auditors has been obtained with regard to the submission of this proposal to the General Meeting of Shareholders.

The candidate for Corporate Auditor is as follows.

Name (Date of birth)	Career summary, positions and significant concurrent positions		Number of shares of the Company held
Atsuko Sugiyama (Current surname: Matsumoto) (July 5, 1974)	October 1999 April 2003 September 2016 May 2017 June 2020 June 2022	Joined Asahi Shinwa & Co. (currently KPMG AZSA LLC) Registered as a certified public accountant Vice President, Masaaki Sugiyama CPA Office (to present) Vice President, Masaaki Sugiyama Tax Accountant Office (to present) Outside Corporate Auditor, the Company (to present) Outside Director, Audit and Supervisory Committee Member, FUJI KOSAN COMPANY, LTD. (to present) Outside Director, Audit and Supervisory Committee Member, YUSHIRO CHEMICAL INDUSTRY CO., LTD. (to present)	-
(Reasons for selecting the candidate for Outside Corporate Auditor) Ms. Atsuko Sugiyama has expertise and insight as a certified public accountant and tax accountant. We nominate her as a candidate for Outside Corporate Auditor because we believe that the function of the Board of Directors will be strengthened with her supervision of the execution of duties from an independent standpoint, and her opinions invaluable for promotion of diversity including promotion of women's active participation in the Company.			

Notes:

- The term of office of Ms. Atsuko Sugiyama as Outside Corporate Auditor of the Company will be six (6) years at the conclusion of this General Meeting of Shareholders.
- There are no special interests between the candidate for Corporate Auditor and the Company.
- Ms. Atsuko Sugiyama is a candidate for Outside Corporate Auditor.
- Ms. Atsuko Sugiyama is neither a spouse, a relative within the third degree of kinship of an executive or officer of the Company's parent company, etc., the Company, or a specified associated service provider of the Company, nor a person equivalent to any of the foregoing. The Company has designated her as an independent director/auditor as stipulated by the rules of the Tokyo Stock Exchange and registered her as such with the Exchange.
- The Company stipulates in its Articles of Incorporation (Article 37) that it may enter into an agreement with Corporate Auditors to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, if the applicable requirements set forth in laws and regulations are satisfied. The limit of liability under the above agreement is the amount stipulated by laws and regulations. If the reappointment of Ms. Atsuko Sugiyama is approved, the Company intends to continue such liability limitation agreement with her.
- The Company has concluded a directors and officers liability insurance contract, as stipulated in Article 430-3, Paragraph 1 of the Companies Act, with an insurance company. The said insurance contract will compensate for damages to be borne by the insured, including compensation for damages and legal expenses. The candidate will be insured under the insurance contract. The Company intends to renew the insurance contract with the same conditions at the time of its next renewal.

<Composition of the Board of Directors (scheduled to become effective on May 25, 2023)>

The areas of expertise expected to be demonstrated by each Director or Corporate Auditor are as shown in the table below.

Main areas of expertise expected to be demonstrated by each Director or Corporate Auditor are marked in the table.

	Name	Independence	Positions	Areas of expertise									
				Management	Sales	Merchandise	M&A	Law	Accounting	Internationality	ESG	IT	Labor
Directors	Takamitsu Ikeno		Chairman and Representative Director	●	●	●					●		
	Tadahisa Matsumoto		President and Representative Director	●	●	●				●			
	Juichi Nakamura		Vice President and Director				●	●					●
	Takamune Shibazaki		Director				●		●				
	Motoya Okada		Director	●						●	●		
	Tomoko Nakai	Independent Director/Auditor	Outside Director					●			●		●
	Kunio Ishizuka	Independent Director/Auditor	Outside Director	●	●	●							
	Tadashi Nagata	Independent Director/Auditor	Outside Director	●							●		
	Katsunori Nozawa	Independent Director/Auditor	Outside Director		●		●		●	●			
	Shigeo Horie	Independent Director/Auditor	Outside Director					●		●			
Noriko Ishizaka	Independent Director/Auditor	Outside Director	●							●			
Corporate Auditors	Toshio Miyamoto		Full-time Corporate Auditor					●			●		
	Hirohisa Kagami	Independent Director/Auditor	Outside Corporate Auditor					●			●		
	Atsuko Sugiyama	Independent Director/Auditor	Outside Corporate Auditor						●		●		
	Takashi Fujii	Independent Director/Auditor	Outside Corporate Auditor		●	●			●				

Management: Corporate management

Sales: Sales/marketing

Merchandise: Merchandise planning

M&A: New business/M&A

Law: Law/risk management

Accounting: Finance/accounting

IT: DX/ICT

Labor: Labor/HR/HR Development

The Company has introduced an Executive Officer system. The areas of expertise expected to be demonstrated by Executive Officers who are not concurrently serving as Directors scheduled to be appointed at the Board of Directors meeting held after the conclusion of this Annual General Meeting of Shareholders are as shown in the table below.

Name	Positions	Areas of expertise									
		Management	Sales	Merchandise	M&A	Law	Accounting	Internationality	ESG	IT	Labor
Junichi Tanaka	Executive Officer	●	●	●							
Shinji Ishida	Executive Officer	●	●	●							
Hideaki Kirisawa	Executive Officer		●	●							
Takashi Abe	Executive Officer		●							●	
Kazuhiko Hata	Executive Officer		●	●							
Masahiro Aoki	Executive Officer				●		●				
Koji Takahashi	Executive Officer					●					●

Management: Corporate management Sales: Sales/marketing Merchandise: Merchandise planning
M&A: New business/M&A Law: Law/risk management Accounting: Finance/accounting
IT: DX/ICT Labor: Labor/HR/HR Development

Proposal 3 Continuation of Amounts and Content of Performance-linked Stock Remuneration, etc. for Directors, etc.

1. Reasons for the proposal and rationale for the proposed remuneration

The Company's remuneration for Directors consists of "basic remuneration", "bonuses" (no more than 400 million yen per year, of which 60 million yen or less per year for Outside Directors), and "performance-linked stock remuneration" (no more than 500 million yen and no more than 100,000 points with one point equivalent to two (2) shares of the Company's stock due to the share split of September 1, 2020, over three (3) fiscal years), which is for the Company's Directors and Executive Officers (excluding Outside Directors, and Directors and Executive Officers who are non-residents of Japan; collectively referred to as the "Directors, etc." hereinafter).

The Company obtained approval from its shareholders for the adoption and continuation of the performance-linked stock remuneration plan for the Directors, etc. (the "Plan") at the 9th Annual General Meeting of Shareholders held on May 23, 2017 and the 12th Annual General Meeting of Shareholders held on May 21, 2020. Whereas the three (3) fiscal years covered by the Plan (from the fiscal year ended February 28, 2021 through the fiscal year ended February 28, 2023) have elapsed, the Company seeks approval to continue the Plan in the fiscal year ending February 29, 2024 and thereafter with the same standards and content as present.

The Plan is to be continued with the aims of improving medium- to long-term corporate performance and fueling motivation in terms of contributing to increasing corporate value by clearly stipulating links to the Group's performance and shareholder value, and the Company judges the continuation to be appropriate. The matter of continuing the Plan has undergone deliberation in the Compensation Advisory Committee, a majority of whose membership consists of Outside Directors.

If Proposal 1, "Election of Eleven (11) Directors" gains approval as proposed, then this will apply to eleven (11) Directors, etc. (four (4) Directors and seven (7) Executive Officers) eligible under the Plan.

2. The Plan's remuneration amounts and content, etc.

(1) Overview of the Plan

The Plan is a stock remuneration plan whereby a trust acquires Company shares using the amount of remuneration for the Directors, etc. contributed by the Company, and whereby the Company shares and monetary equivalent to the Company shares converted into cash (the "Company Shares, etc.") are delivered and paid ("Delivery, etc.") to Directors, etc. through the trust. (For further details, refer to (2) below and thereafter.)

Content of the Plan subsequent to its revision is as follows.

(i) Persons eligible for the Delivery, etc. of the Company Shares, etc. under this proposal	<ul style="list-style-type: none"> • Directors and Executive Officers of the Company (excluding Outside Directors, and Directors and Executive Officers who are non-residents of Japan)
(ii) Effect of the Company shares subject to this proposal on the total number of shares issued and outstanding	
Maximum amount of money to be contributed by the Company to acquire Company shares subject to Delivery, etc. to the Directors, etc. (as stated in (2) below)	<ul style="list-style-type: none"> • 500 million yen for the applicable period consisting of three (3) fiscal years
Method of acquiring Company shares (as stated in (2) below) and maximum number of Company Shares, etc. for Delivery, etc. to the Directors, etc. (as stated in (3) below)	<ul style="list-style-type: none"> • For the applicable period consisting of three (3) fiscal years, the maximum number of points granted to the Directors, etc. is 200,000 points • One (1) point equates to one (1) Company share, and the number of shares equivalent to the maximum number of points granted to the Directors, etc. during the applicable period consisting of three (3) fiscal years amounts to approximately 0.1% of the Company's total number of shares issued and outstanding (as of February 28, 2023; net of treasury stock) • The Trust will acquire Company shares from the stock market upon this continuation of the Plan
(iii) Content of conditions for achieving performance targets (as stated in (3) below)	<ul style="list-style-type: none"> • Consolidated net sales and ratio of consolidated ordinary income to net sales for respective fiscal years, and ROE of the final fiscal year of the period covered by the mid-term business plan, etc.
(iv) Timing of Delivery, etc. of the Company Shares, etc. to the Directors, etc. (as stated in (4) below)	<ul style="list-style-type: none"> • Upon resignation as Director and Executive Officer of the Company and all of its subsidiaries

(2) Maximum amount of money to be contributed by the Company

The Plan shall encompass three (3) consecutive fiscal years (encompassing the three (3) consecutive fiscal years beginning from the fiscal year ending on February 29, 2024, until the fiscal year ending on February 28, 2026; in the event that the trust period is extended, the respective three (3) fiscal years thereafter; referred to as the "Applicable Period" hereinafter), with the initial fiscal year constituting that containing the date on which the trust has been established (including extension of the trust period set forth below; the same applies hereinafter). The Company shall contribute money (a maximum of 500 million yen during each Applicable Period) as remuneration for its Directors, etc. and establish a trust (the "Trust") which has a trust period of three (3) years and whose beneficiaries are to consist of Directors, etc. who fulfill the beneficiary requirements thereto. The Trust is to acquire Company shares from the stock market or the Company (disposal of treasury stock) using the entrusted money in accordance with

instructions of the trust administrator (dilution of Company shares does not occur under the Plan because the Trust makes acquisitions from the stock market with respect to this continuation of the Plan). The Company is to grant points to the Directors, etc. during the trust period (as stated in (3) below), and the Trust is to make Delivery, etc. of the Company Shares, etc.

Upon expiration of its trust period, the Trust may be continued by modifying the trust agreement and entrusting additional funds in lieu of establishing a new trust. In such cases, the trust period of the Trust shall be extended to a period equal to the initial trust period, and accordingly the Applicable Period shall become the three (3) fiscal years subsequent to extension of the trust period. For respective trust periods extended, the Company shall contribute additional money (a maximum of 500 million yen during each Applicable Period) as remuneration for its Directors, etc. and continue granting points to the Directors, etc. during the extended trust period. The Trust shall continue Delivery, etc. of Company Shares, etc. during the extended trust period.

However, in cases where such additional contributions are to be made, when there are any shares of the Company's stock (excluding Company Shares, etc., equivalent to points granted to the Directors, etc., such that Delivery, etc. has not yet been executed) and money remaining in the trust property (the "Residual Shares, etc.") as of the last day of the trust period prior to the extension, the sum total of the Residual Shares, etc. and trust funds additionally contributed by the Company shall amount to no more than 500 million yen.

(3) Method of calculating the number of Company Shares, etc. for Delivery, etc. to Directors, etc., and maximum number thereof

On the last day of February every year during the trust period, persons serving as Directors, etc. of the Company shall be granted a prescribed number of points (the "Assigned Points") based on factors such as their positions and achievement of corporate performance targets during the fiscal year ending on that same day (the "Fiscal Year Subject to Evaluation"). Moreover, subsequent to the conclusion of the final fiscal year of the Applicable Period, in addition to Assigned Points granted based on factors such as achievement of corporate performance targets during a respective Fiscal Year Subject to Evaluation, the sum total number of points to be granted during the Applicable Period is to be increased or decreased based on factors such as achievement of corporate performance targets as set forth in the mid-term business plan. The number of Company shares for Delivery, etc. to Directors, etc. under the Plan is to be determined on the basis of one (1) point corresponding to one (1) share of Company stock, according to the accumulated value of the Assigned Points (the "Accumulated Points"). If the total number of Company shares increases or decreases due to a share split, an allotment of shares without contribution, a share consolidation, or other such development, the Company is to adjust the number of Company Shares, etc. for Delivery, etc. per one (1) point according to the proportion of such increase or decrease.

The total number of Assigned Points to be granted to the Company's Directors and Executive Officers shall amount to a maximum of 200,000 points (equivalent to 200,000 shares) for a respective Applicable Period of three (3) fiscal years. This maximum number of Assigned Points is to be established upon having referred to share price trends, taking into account the maximum amount of money to be contributed by the Company as described in (2) above.

(4) Timing of Delivery, etc. of shares to Directors, etc.

In principle, Directors, etc. who have fulfilled the beneficiary requirements (including persons who have been appointed as Director or Executive Officer of a Company subsidiary subsequent to their resignation as Directors, etc.; the same applies hereinafter in (4)) shall receive Delivery, etc. of Company Shares, etc. based on their Accumulated Points, subsequent to their having resigned as Director or Executive Officer of the Company and all of the Company's subsidiaries. At that time, such Directors, etc. shall receive delivery of Company shares corresponding to 70% of their Accumulated Points (fractional shares less than one trading unit will be rounded down). As for the remaining points, such Directors, etc. shall receive payment of money from the Trust equivalent to the converted value of such points upon their having been converted into cash under the Trust.

In the event of the death of a Director, etc. who is serving during the trust period, an heir of such Director, etc. shall receive payment from the Trust of a cash sum derived from the cash value of Company shares whose number reflects the Accumulated Points of the Director, etc. as of the time of his or her death. If a Director, etc. who fulfills the beneficiary requirements becomes a non-resident of Japan upon having been posted overseas during the trust period, the Director, etc. shall receive payment from the

Trust of a cash sum derived from the cash value of Company shares whose number reflects his or her Accumulated Points as of that date.

(5) Voting rights related to the Company's shares under the Trust

Voting rights related to the Company's shares under the Trust may not be exercised during the trust period in order to ensure neutrality of the Company's management.

(6) Handling of dividends of surplus pertaining to the Company's shares under the Trust

The dividends of surplus pertaining to Company shares under the Trust are to be received by the Trust and allocated to its trust fees and trust expenses. Any money remaining upon the ultimate termination of the Trust subsequent to allocation of trust fees and trust expenses is to be donated to organizations that are irrelevant to the Company and its Directors, etc.

(7) Other details of the Plan

Other details related to the Plan are to be determined by the Board of Directors on occasions of establishing the Trust, modifying the trust agreement, and making additional contributions to the Trust.

(Reference)

A stock remuneration plan similar to the Plan is to be adopted and continued for the Representative Director of WELCIA YAKKYOKU Co., Ltd., a Company subsidiary, as well as for the President and Representative Directors of SHIMIZU YAKUHIN Co., Ltd., Marudai Sakurai Pharmacy Co., Ltd., and Kokumin Co., Ltd., subject to approval at each company's general meeting of shareholders.

For further details regarding the Plan, please refer to the news release, "Notice Regarding Continuation of the Performance-linked Stock Remuneration Plan," dated April 18, 2023.