May 13, 2025

[Translation]

To whom it may concern

Corporate Name: H2O RETAILING CORPORATION
Representative: ARAKI Naoya
President and Representative Director
(Securities Code: 8242
Prime Market of the Tokyo Stock Exchange)
Inquiries: TANAKA Chikako
General Manager of Corporate Communication Group
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Matters Concerning Controlling Shareholders, Etc.

1. Trade names of the parent company, etc.

Name	Attribute	Ratio of voting rights held (%) (As of Mar. 31, 2025)			Financial instruments exchange, etc. on which the issued shares, etc. are listed
		Voting rights directly held	Voting rights subject to aggregation	Total	
Hankyu Hanshin Holdings, Inc.	Other affiliated companies	6.83	12.09	18.93	Prime Market of Tokyo Stock Exchange, Inc.

2. Positioning of the Company in the corporate group centering on the parent company, etc. and the relationships between other listed companies and the parent company, etc.

(i) Approach to business relationships with the parent company, etc., personal and capital relationships, and certain independence from the parent company, etc. and measures for this purpose

Hankyu Hanshin Holdings Inc., together with Toho Co., Ltd., is the core company of the Hankyu Hanshin Toho Group, and is a pure holding company with Hankyu Corporation, Hanshin Electric Railway Co., Ltd., and other core companies.

Although the Company does not have any direct business transactions with Hankyu Hanshin Holdings, Inc., the Company has real estate leases and other transactions with Hankyu Corporation, as well as between our subsidiaries Hankyu Hanshin Department Store Co., Ltd., and Hankyu Corporation, Hanshin Electric Railway Co., Ltd.

Following the business integration with Hanshin Department Store Co., Ltd. in Oct. 2007, Hankyu Hanshin Holdings, Inc. increased its shareholding ratio, including indirect ownership in us, and became an equity-method affiliate of Hankyu Hanshin Holding, Inc. Regarding this shareholding ratio, Hankyu Hanshin Holdings, Inc. sold a portion of its shares in the Company in 2024, resulting in a decrease in its shareholding ratio in the Company, but the Company believes that maintaining the current shareholding ratio is optimal for both strengthening the cohesiveness of the Group and the uniqueness of its management. The Company further strengthens the cooperation and unity of the Hankyu Hanshin Toho Group, at the same time maintaining a high degree of independence as before. The status of concurrent positions held by directors is as follows.

Title	Name	Positions at parent company, etc. or group corporate	Reason for assuming office
President and Representative Director	ARAKI Naoya	Non-Executive Director, Hankyu Hanshin Holdings, Inc.	Strengthening the cohesiveness of the Group

* Of the Company's 8 boards of directors (including 5 directors serving on the Audit and Supervisory Committee), 1 is concurrently serving as directors with the parent company, etc. There is no acceptance of seconded employees.

(ii) Business constraints, risks, and advantages of belonging to a corporate group such as the parent company, etc.

Impact on management and business activities arising from business relationships, human capital relationships, etc. with group companies.

The main customers of our group are general consumers, and there are no business constraints or risks because they belong to the Hankyu Hanshin Toho Group.

The Company believes that by strengthening the collaboration and cohesion of the Hankyu Hanshin Toho Group, the Company will be able to more efficiently and effectively pursue the Company's basic strategy of "expanding our market share in the Kansai Area."

3. Matters concerning transactions with controlling shareholders, etc.

There is no such transaction.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

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