Note: This document has been translated from a part of 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.

Securities Code: 9627
July 8, 2026
Start date of measures for electronic provision: July 2, 2026

To Our Shareholders

Kiichi Otani
President and Representative Director
AIN HOLDINGS INC.
5-2-4-30, Higashisapporo, Shiroishi-ku, Sapporo

Notice of Convocation of the 57th Ordinary General Meeting of Shareholders

You are cordially invited to attend the 57th Ordinary General Meeting of Shareholders of AIN HOLDINGS INC. (hereinafter the "Company") to be held as described below.
In convening this General Meeting of Shareholders, the Company has taken measures for providing information that constitutes the content of reference documents for the general meeting of shareholders, etc. (matters for which measures for providing information in electronic format are to be taken) in electronic format, and has posted the information on the Company's website. Please access the website below to view the information.

The Company's website:
https://www.ainj.co.jp/corporate/ir/library/
(The Company's website uses automated translation. If Japanese is displayed, please select "English" from the language bar on the upper right. (This also applies to other URLs on the Company's website.))
(Access the above website and view the documents listed under FY2026)

In addition to the Company's website, the matters subject to measures for electronic provision are also posted on each of the following websites.

Website for posted informational materials for the general meeting of shareholders:
https://d.sokai.jp/9627/teiji/ (in Japanese)

Tokyo Stock Exchange website (Listed Company Search):
https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show
(Access the TSE website by using the internet address shown above, enter "AIN HOLDINGS" in "Issue name (company name)" or the Company's securities code "9627" in "Code," and click "Search." Then, click "Basic information" and select "Documents for public inspection/PR information." Under "Filed information available for public inspection," click "Click here for access" under "[Notice of General Shareholders Meeting /Informational Materials for a General Shareholders Meeting].")

In the event that you do not attend the meeting, you may exercise your voting rights either via the Internet, etc. or in writing (by mail). Please review the Reference Documents for the General Meeting of Shareholders and refer to "Information on Exercise of Voting Rights" on pages 3 to 4 to exercise your voting rights.

1. **Date and Time:** 10:00 a.m., Thursday, July 30, 2026 (Reception will open at 9:00 a.m.)
2. **Location:** **Sapporo Grand Hotel, "Grand Hall" (2nd Floor)**
   Nishi 4, Kita 1, Chuo-ku, Sapporo
   (Please be aware that the venue is different from the one used last year and be sure to confirm the location of the venue prior to attending the meeting.)
3. **Agenda for the Meeting**

Matters to be Reported:

(1) The Business Report, the Consolidated Financial Statements, and the report on results of the audits by the Accounting Auditor and the Board of Corporate Auditors regarding the Consolidated Financial Statements for the 57th business term (from May 1, 2025 to April 30, 2026)

(2) The Non-Consolidated Financial Statements for the 57th business term (from May 1, 2025 to April 30, 2026)

Matters to be Resolved:

Proposal No. 1: Distribution of Surplus

Proposal No. 2: Election of Eleven (11) Directors

4. **Information on Exercise of Voting Rights**
   - If you exercise your voting rights more than once via the Internet, etc., only the voting rights you exercise last will be valid.
   - If you exercise your voting rights both via the Internet, etc. and in writing (by mail), only the voting rights you exercise via the Internet, etc. will be valid regardless of the date and time the written form was received by the Company.
   - If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form, it will be treated as an indication of your approval.
   - Please refer to "Information on Exercise of Voting Rights" below as well.

- If attending the meeting in person, please present the Voting Rights Exercise Form at the reception desk.
- If you will be exercising your voting rights by proxy, you may appoint one other shareholder with voting rights as proxy to attend the General Meeting of Shareholders.
- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's aforementioned website, the website for posted informational materials for the general meeting of shareholders and the TSE website.
- Paper-based documents stating matters subject to measures for electronic provision are sent to shareholders who have requested the delivery of paper-based documents, however those documents do not include the following matters in accordance with the provisions of laws and regulations and Article 16 of the Company's Articles of Incorporation.
  (i) "Progress and results of businesses," "Status of property, profit and loss for last three fiscal years," "Issues that should be addressed," "Main business activities," "Main offices," "Status of employees," "Status of main lenders," "Status of shares," "Summary of content of liability limitation contracts," "Summary of content of directors and officers liability insurance policy," "Mattes relating to outside officers," "Status of accounting auditor," "System for ensuring the appropriateness of business and the status of operation of said system," "Basic policy regarding control of the Company," and "Policy regarding decision of dividends of surplus, etc.," in the Business Report
  (ii) "Consolidated balance sheet," "Consolidated statement of income," "Consolidated statements of changes in shareholders' equity," and "Notes to consolidated financial statements" in the Consolidated Financial Statements
  (iii) "Balance sheet," "Statement of income," "Non-consolidated statements of changes in shareholders' equity," and "Notes to non-consolidated financial statements" in the Financial Statements
  (iv) "Accounting audit report on the consolidated financial statements," "Accounting audit report on the non-consolidated financial statements," and "Audit Report by Board of Corporate Auditors" in the Audit Report
  The Corporate Auditors and the Accounting Auditor have audited the documents subject to audit, including the above matters.
- In order to further deepen communication with shareholders, the Company has introduced "Smart Convocation," which enables shareholders to easily view key content and related information of Reference Documents for the General Meeting of Shareholders, etc., and exercise their voting rights via smartphones and other devices.

https://p.sokai.jp/9627/ (in Japanese)

Please be aware that the websites for Smart Vote and for the exercise of voting rights will be unavailable during system maintenance from 8:00 p.m. on Saturday, July 18, 2026 to 11:00 p.m. on Sunday, July 19, 2026 (JST).

Information on Exercise of Voting Rights

Exercise of voting rights at the Company's General Meeting of Shareholders is shareholders' important right.
Please review the Reference Documents for the General Meeting of Shareholders and exercise your voting rights.
You may exercise your voting rights by one of the following three methods.

If you are attending the meeting	Exercise of voting rights via the Internet, etc.,	Exercise of voting rights in writing (by mail)
Please submit the Voting Rights Exercise Form at the reception.	Please enter your approval or disapproval of the proposals by following the instructions on page 4.	Please indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form and return it to the Company.
Date and Time:	Deadline for exercise of voting rights via the Internet	Deadline for exercise of voting rights by mail
10:00 a.m., Thursday, July 30, 2026 (Reception will open at 9:00 a.m.)	All data entry to be completed no later than 6:00 p.m., Wednesday, July 29, 2026.	To be received no later than 6:00 p.m., Wednesday, July 29, 2026.

Guidance for the Filling in of the Voting Rights Exercise Form

Please indicate whether you approve or disapprove of each proposal:

Proposal No. 1:

- To indicate your approval >> Mark ○ in the approval box
- To indicate your disapproval >> Mark ○ in the disapproval box

Proposal No. 2:

- To indicate your approval for all candidates >> Mark ○ in the approval box
- To indicate your disapproval for all candidates >> Mark ○ in the disapproval box
- To indicate your disapproval for certain candidates >> Mark ○ in the approval box and write the candidate number for each candidate you disapprove.

・ If you exercise your voting rights both via the Internet, etc. and in writing (by mail), only the voting rights you exercise via the Internet, etc. will be valid, regardless of the date and time the written form was received by the Company. If you exercise your voting rights more than once via the Internet, etc., only the voting rights you exercise last will be valid.

・ If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the Voting Rights Exercise Form, it will be treated as an indication of your approval.

Guidance for the Exercise of Voting Rights via the Internet

Please be aware that the websites for Smart Vote and for the exercise of voting rights will be unavailable during system maintenance from 8:00 p.m. on Saturday, July 18, 2026 to 11:00 p.m. on Sunday, July 19, 2026 (JST).

Scanning the login QR Code

"Smart Vote"

You can simply log in to the voting website without entering your voting rights exercise code and password.

1 Please scan the QR Code printed on the lower right-hand side of the Voting Rights Exercise Form.
* "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.
2 Indicate your approval or disapproval by following the instructions on the screen.

Please note that exercising voting rights by using "Smart Vote®" method is available only once.
If you need to make a correction to the content of your vote after you have exercised your voting rights, please access the website for personal computer and log in by entering your voting rights exercise code and password printed on the Voting Rights Exercise Form, and exercise your voting rights again.
* You can access the website for personal computer by scanning the QR Code again.

Entering voting rights exercise code and password

Voting website: https://soukai.mizuho-tb.co.jp/ (in Japanese)

1 Please access the website for the exercise of voting rights.
2 Enter the voting rights exercise code printed on the Voting Rights Exercise Form.
3 Enter the password printed on the Voting Rights Exercise Form.
4 Indicate your approval or disapproval by following the instructions on the screen.

In case you need instructions for how to operate your personal computer or smartphone in order to exercise your voting rights via the Internet, please contact:

Mizuho Trust & Banking Co., Ltd. Stock Transfer Agency
Internet Help Dial
0120-768-524 (toll free only from Japan)
(9:00 a.m. – 9:00 p.m. except New Year holidays)

Institutional investors may make use of the Electronic Voting Platform for institutional investors operated by ICJ, Inc.

Reference Documents for the General Meeting of Shareholders

Proposal No. 1: Distribution of Surplus

As we consider returning profits to shareholders to be one of the most important management issues, and taking into consideration future business development while maintaining stable dividends, the Company proposes to pay a year-end dividend for the fiscal year as follows:

Type of dividend property

To be paid in cash.

Allotment of dividend property and their aggregate amount

¥100 per common share of the Company Total payment: ¥3,533,482,100

Effective date of dividends of surplus

July 31, 2026

Proposal No. 2: Election of Eleven (11) Directors

At the conclusion of this General Meeting of Shareholders, the terms of office of all 11 Directors will expire. Therefore, taking into account the findings of the Nomination and Remuneration Committee, the Company proposes the election of 11 Directors.
The candidates for Director are as follows:

Candi-date No.	Name	Gender	Current positions and responsibilities in the Company	Candidate attributes	Attendance at Board of Directors meetings for the fiscal year ended April 30, 2026
1	Kiichi Otani	Male	President and Representative Director	Reelection	12/12 (100%)
2	Shoichi Shudo	Male	Representative Senior Managing Director in charge of Store Development and Dispensing Pharmacy Operations Management	Reelection	12/12 (100%)
3	Toshihide Mizushima	Male	Representative Senior Managing Director in charge of Operational Support and Digital Transformation Strategy Division Manager of Retail Operations Management	Reelection	12/12 (100%)
4	Rieko Kimei	Female	Director Division Manager of Personnel	Reelection	12/12 (100%)
5	Nobuyuki Takakura	Male	Director Division Manager of Sustainability Management	Reelection	12/12 (100%)
6	Noriko Endo	Female	Outside Director	Reelection Outside Independent	12/12 (100%)
7	Hideki Kuriyama	Male	Outside Director	Reelection Outside Independent	12/12 (100%)
8	Mariko Watahiki	Female	Outside Director	Reelection Outside Independent	12/12 (100%)
9	Nobumichi Hattori	Male	Outside Director	Reelection Outside Independent	12/12 (100%)
10	Shigeki Kimura	Male	Outside Director	Reelection Outside Independent	12/12 (100%)
11	Tomiko Tawaragi	Female	–	New election Outside Independent	–

Reelection Candidate for Director to be reelected
New election Candidate for Director to be newly elected
Outside Candidate for outside Director
Independent Independent officer as stipulated by the Tokyo Stock Exchange

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
1	 Kiichi Otani (July 19, 1951) Reelection Number of years in office at the conclusion of this general meeting of shareholders: 46 years Attendance at Board of Directors meetings: 12/12 (100%)	July 1980 President and Representative Director of Otani Corporation (now AIN HOLDINGS INC.) Nov. 1981 Founder and Director of DAIICHI MEDICAL TESTING LABORATORIES INC. (Asahikawa, now AIN HOLDINGS INC.) July 1983 President and Representative Director May 1985 Managing Director of the Company May 1988 President and Representative Director (current post)	3,242,095 shares
	[Reasons for nomination] Mr. Otani has always demonstrated excellent leadership and decisiveness in leading the Company, and has grown the dispensing pharmacy business of the Group into one of the largest in Japan. His proactive approach to the expansion of the business has resulted in 26 consecutive years of revenue growth as of the fiscal year ended April 30, 2026. As chairperson of the Sustainability Committee he has also promoted sustainable management and made significant contributions to increases in corporate value. The Company proposes Mr. Otani as a candidate for Director because of his management experience and knowledge in financial affairs, the Dispensing Pharmacy Business and the Retail Business, and because the Company believes that he is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.		

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">2</td><td>
Shoichi Shudo
(November 16, 1959)
Reelection
Number of years in office at the conclusion of this general meeting of shareholders: 26 years
Attendance at Board of Directors meetings: 12/12 (100%)</td><td>Mar. 1982
May 1991
July 2000
May 2003
May 2004
May 2012
Nov. 2015

Nov. 2023

May 2024</td><td>Joined DAIICHI MEDICAL TESTING LABORATORIES INC. (Asahikawa, now AIN HOLDINGS INC.)
Division Manager of Corporate Planning of the Company
Director
Managing Director
Division Manager of Dispensing Pharmacy Business
Senior Managing Director
Representative Senior Managing Director (current post)
in charge of Store Development
President and Representative Director of AIN PHARMACIEZ INC. (current post)
In charge of Store Development and Dispensing Pharmacy Operations Management of the Company (current post)</td><td>11,102 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination]
Having previously served as the Division Manager of Corporate Planning of the Company, Mr. Shudo has taken responsibility for investment decisions as the head of the Dispensing Pharmacy Business and of store development, including M&A, and contributed significantly to the expansion of the Group’s business through his wide-ranging personal connections and his high-level coordination abilities. The Company proposes Mr. Shudo as a candidate for Director because of his management experience and knowledge in financial affairs and the Dispensing Pharmacy Business, and because the Company believes that he is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
3	 Toshihide Mizushima (March 10, 1960) Reelection Number of years in office at the conclusion of this general meeting of shareholders: 26 years Attendance at Board of Directors meetings: 12/12 (100%)	Apr. 1986 Joined Otani Corporation (now AIN HOLDINGS INC.) May 2000 Department Manager of Drug Store, Cosmetic and Drug Store Business of the Company July 2000 Director Feb. 2001 Division Manager of Cosmetic and Drug Store Business May 2003 Managing Director May 2012 Senior Managing Director and Division Manager of Administration Nov. 2012 President and Representative Director of WHOLESALE STARS Co., Ltd. (current post) Nov. 2015 Representative Senior Managing Director of the Company (current post) in charge of Operating Management and Operational Support July 2018 In charge of Operating Management, Operational Support and Information Technology Management Oct. 2024 In charge of Operational Support and Digital Promotion, Division Manager of Retail Operations Management (current post) May 2026 In charge of Operational Support and Digital Transformation Strategy (current post)	29,358 shares
	[Reasons for nomination] Utilizing his strong leadership and decisiveness in charge of the management of the Dispensing Pharmacy Business, the Retail Business, and Operational Support of the Company, Mr. Mizushima has appropriately promoted business process improvement projects and the digital field, and contributed significantly to the improvement of productivity in both businesses. The Company proposes Mr. Mizushima as a candidate for Director because of his management experience and knowledge in financial affairs, the Dispensing Pharmacy Business and the Retail Business, and because the Company believes that he is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.		

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
4	 Rieko Kimei (February 26, 1962) Reelection Number of years in office at the conclusion of this general meeting of shareholders: 12 years Attendance at Board of Directors meetings: 12/12 (100%)	Dec. 1995 Joined DAIICHI MEDICAL TESTING LABORATORIES INC. (Sapporo, now AIN HOLDINGS INC.) May 2003 Department Manager of Merchandise, Cosmetic and Drug Store Business of the Company May 2004 Department Manager of Personnel, Administration Division May 2009 Division Manager of Cosmetic and Drug Store Business and Department Manager of Merchandise July 2014 Director (current post) July 2016 President and Representative Director of AYURA LABORATORIES Inc. Feb. 2018 Director of AIN PHARMACIEZ INC. (current post) July 2018 In charge of Personnel of the Company May 2022 Division Manager of Personnel (current post)	7,154 shares
	[Reasons for nomination] Having previously served as the person in charge of the Retail Business, in her role as Division Manager of Personnel she has demonstrated outstanding planning abilities and leadership by building an organization for investing in human capital and improving employee engagement, and reforming the personnel system, making significant contributions to increases in corporate value. The Company proposes Ms. Kimei as a candidate for Director because of her management experience and knowledge in human capital management and the Retail Business, and because the Company believes that she is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.		

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
5	 Nobuyuki Takakura (January 14, 1957) Reelection Number of years in office at the conclusion of this general meeting of shareholders: 3 years Attendance at Board of Directors meetings: 12/12 (100%)	Apr. 1981	Joined Ministry of Health and Welfare (now Ministry of Health, Labour and Welfare)	1,900 shares
		Aug. 2002	Director, Economic Affairs Division of Health Policy Bureau, Ministry of Health, Labour and Welfare	
		July 2004	Director, Pension Division of Pension Bureau, Ministry of Health, Labour and Welfare	
		Aug. 2007	Director, General Affairs Division of Equal Employment, Children and Families Bureau, Ministry of Health, Labour and Welfare	
		July 2009	Deputy Assistant Minister for International Affairs, Minister's Secretariat, Ministry of Health, Labour and Welfare	
		July 2010	Deputy Director General, Minister's Secretariat, Ministry of Internal Affairs and Communications (In charge of Public Enterprise)	
		July 2011	Assistant Commissioner of the Fire and Disaster Management Agency, Ministry of Internal Affairs and Communications	
		Sept. 2012	Councilor for Pension Service, Minister's Secretariat, Ministry of Health, Labour and Welfare	
		July 2013	Retired from Ministry of Health, Labour and Welfare	
		Oct. 2013	Senior Adviser of TEIJIN LIMITED	
		Apr. 2014	Teijin Group Corporate Officer, Deputy Chief Social Responsibility Officer	
		Apr. 2016	Teijin Group Corporate Officer, Chief Social Responsibility Officer, in charge of corporate auditing department, and in charge of utilization of factory sites	
		Apr. 2017	Teijin Group Corporate Officer, Chief Social Responsibility Officer, and in charge of corporate auditing department	
		Apr. 2019	Senior Adviser (part-time)	
		Apr. 2020	Adviser of the Company	
		July 2020	Senior Managing Director of AIN PHARMACIEZ INC. (current post)	
		July 2023	Director (current post) in charge of Risk Management of the Company	
		May 2025	Division Manager of Sustainability Management (current post)	
	[Reasons for nomination] Helped by his abundant knowledge of CSR issues, Mr. Takakura has played a central role in the systematization of sustainability management, including identifying material issues (materiality) for the Company, and as the Division Manager of Sustainability Management, he is promoting the strengthening of risk management and compliance. Additionally, with his experience in promoting health and medical policies at the Ministry of Health, Labour and Welfare, he has made significant contributions to enhancing corporate value, including offering recommendations on business strategy for the Dispensing Pharmacy Business. The Company proposes Mr. Takakura as a candidate for Director because of his knowledge in legal and compliance, environment, and the Dispensing Pharmacy Business, and because the Company believes that he is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.			

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company's shares owned</th></tr>
<tr><td rowspan="3">6</td><td>
Noriko Endo
Name on family register: Noriko Tsujihiro
(May 6, 1968)
Reelection
Outside
Independent
Number of years in office at the conclusion of this general meeting of shareholders: 8 years
Attendance at Board of Directors meetings: 12/12 (100%)</td><td colspan="2">June 1994 Joined DIAMOND, Inc.
Mar. 2006 Deputy Editor of Diamond Weekly, DIAMOND, Inc.
Sept. 2013 Visiting Researcher at Policy Alternatives Research Institute, University of Tokyo
Apr. 2015 Project Professor, Graduate School of Media and Governance, Keio University
July 2018 Outside Director of the Company (current post)
June 2019 Outside Director of Hankyu Hanshin Holdings, Inc. (current post)
Apr. 2020 Specially Appointed Professor of Keio University Global Research Institute
June 2021 Outside Director of Japan Elevator Service Holdings Co., Ltd. (current post)
June 2022 Outside Member of the Board of NIPPON TELEGRAPH AND TELEPHONE CORPORATION (now NTT, Inc.) (current post)
Apr. 2024 Professor of Research Council, Waseda University (current post)</td><td>200 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination and overview of expected roles]
Ms. Endo has a wealth knowledge through her journalistic activities as the editor of an economic magazine. She is also well-versed in energy and environmental problems as a result of her research into public policy as it pertains to energy, in which area she possesses a wide range of insights. Additionally, she has gained knowledge from her involvement in reviews on social security and other such issues as a member of the government's council related to the fiscal system, and through her experience as an outside Director of other listed companies, she has also developed a deep knowledge of corporate management in the IT, telecommunications, railroad, real estate, and other businesses. Since being appointed outside Director of the Company, at meetings of the Board of Directors and at other times she has offered recommendations mainly on business strategy, compliance, DX strategy and the Dispensing Pharmacy Business.
During the 57th business term, she offered recommendations on the Company's business development policy following its DX investment, financial strategies based on global economic conditions and the Company's financial position, and other matters. Furthermore, through proactive statements and activities, such as recommendations on the succession plan and changes to the remuneration system aligned with the Company's management strategy in the Nomination and Remuneration Committee, she is contributing to strengthening corporate governance.
Although Ms. Endo was not previously involved in corporate management other than in the capacity of an outside Director, the Company proposes her as a candidate for outside Director because of her knowledge in financial affairs, legal and compliance, environment, and the Dispensing Pharmacy Business, and because the Company believes that she is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.</td></tr>
<tr><td colspan="4">Reason for concluding that the candidate is independent
The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence. Until May 2018, Ms. Endo had an advisory contract with the Company, but the advisory fees in question were less than ¥10 million per annum, and she fulfills the above requirements.</td></tr>
</table>

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
7	 Hideki Kuriyama (April 26, 1961) Reelection Outside Independent Number of years in office at the conclusion of this general meeting of shareholders: 4 years Attendance at Board of Directors meetings: 12/12 (100%)	Apr. 2004 Assistant Professor of Hakuoh University Apr. 2008 Professor (current post) Nov. 2011 Manager of Hokkaido Nipponham Fighters Nov. 2021 Manager of Japan National Baseball Team Jan. 2022 Professor of Hokkaido Nipponham Fighters Apr. 2022 Specially Appointed Professor of Hokkai-Gakuen University (current post) July 2022 Outside Director of the Company (current post) Jan. 2024 Chief Baseball Officer of Hokkaido Nipponham Fighters (current post)	225 shares
	[Reasons for nomination and overview of expected roles] Mr. Kuriyama has a wide range of knowledge and experience regarding governance and human resource development in organizations, having served as a manager of a professional baseball team and of the Japan national baseball team, and as a professor of faculty of business administration at a university, among other roles. Since being appointed outside Director of the Company, at meetings of the Board of Directors and at other times he has offered recommendations mainly from the perspective of human capital management. During the 57th business term, based on his experience in human resource development, he offered recommendations on the system design and developing next-generation leaders from the perspectives of motivation, performance and compensation design. Although Mr. Kuriyama was not previously involved in corporate management other than in the capacity of an outside Director, the Company proposes him as a candidate for outside Director because it believes that his knowledge in human capital management makes him qualified for the position of Director to continue to perform the function of supervising the decision making of the Company's management policies and corporate strategies and the execution of business.		
	Reason for concluding that the candidate is independent The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence.		

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company		Number of the Company's shares owned
8	 Mariko Watahiki (May 2, 1955) Reelection Outside Independent Number of years in office at the conclusion of this general meeting of shareholders: 2 years Attendance at Board of Directors meetings: 12/12 (100%)	Apr. 1980	Assistant Judge of the Tokyo District Court	127 shares
		Mar. 2009	Senior Judicial Research Official, the Supreme Court of Japan (civil affairs)	
		Mar. 2012	Chief Judge of the Utsunomiya District Court	
		July 2014	Chief Judge of the Yokohama Family Court	
		June 2015	Judge of the Tokyo High Court (Presiding Judge)	
		Apr. 2016	President of the Sapporo High Court	
		Sept. 2018	President of the Nagoya High Court	
		Aug. 2020	Registered as an attorney at law	
		Aug. 2020	Joined Okamura Law Office (current post)	
		June 2021	Outside Director, Member of Nomination Committee and Member of Governance Committee of LIXIL Corporation	
		June 2022	Outside Director, Member of Nomination Committee, Member of Governance Committee and Member of Compensation Committee	
		Oct. 2022	Chair of Expert Committee of Daiko Advertising Inc.	
		June 2023	Outside Director, Chairperson of Compensation Committee, Member of Nomination Committee and Member of Governance Committee of LIXIL Corporation	
		Aug. 2023	Chairperson of Third-party Investigation Committee of Nihon University	
		June 2024	Outside Director, Chairperson of Nomination Committee, Member of Compensation Committee and Member of Governance Committee of LIXIL Corporation (current post)	
		June 2024	President of Family Problems Information Center (current post)	
		July 2024	Outside Director of the Company (current post)	
	[Reasons for nomination and overview of expected roles] Ms. Watahiki has many years of experience as a judge, and in addition to having resolved numerous civil cases, including some related to corporate legal and labor issues, she has served as the president of multiple high courts. She has a long track record of involvement in organizational management in such areas as the thorough implementation of compliance and governance, personnel management, human resources development, and crisis management. Since being appointed outside Director of the Company, at meetings of the Board of Directors and at other times she has offered recommendations mainly on legal affairs, compliance, governance, and human resource development. During the 57th business term, she offered recommendations mainly on developing a risk management system and training based on practices at other companies, as well as developing internal regulations and fostering a corporate culture to ensure compliance with laws and regulations and adherence to professional ethics. Additionally, through proactive statements and activities, such as serving as the chair of the Nomination and Remuneration Committee, leading the management of the committee from an independent and objective standpoint, and offering recommendations on the succession plan and changes to the remuneration system, she contributes to strengthening corporate governance. Although Ms. Watahiki was not previously involved in corporate management other than in the capacity of an outside Director, the Company proposes her as a candidate for outside Director because of her knowledge in legal and compliance and human capital management, and because the Company believes that she is qualified for the position of Director to continue to make decisions on management policy and corporate strategy of the Company and to supervise the execution of business operations.			

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
	Reason for concluding that the candidate is independent The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence. The Company makes donations to the Family Problems Information Center, a public interest incorporated association where she serves as the president, but the donated amount is less than ¥10 million per annum, and therefore meets the above criteria.		

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company	Number of the Company's shares owned
9	 Nobumichi Hattori (December 25, 1957) Reelection Outside Independent Number of years in office at the conclusion of this general meeting of shareholders: 2 years Attendance at Board of Directors meetings: 12/12 (100%)	Apr. 1981 Joined Nissan Motor Co., Ltd. June 1989 Joined New York Headquarters of Goldman Sachs & Co. Nov. 1998 Managing Director of Goldman Sachs (Japan) Ltd. (now Goldman Sachs Japan Co., Ltd.) Oct. 2003 Visiting Associate Professor of School of International Corporate Strategy of Hitotsubashi University Nov. 2005 Outside Director of FAST RETAILING CO., LTD. Oct. 2006 Visiting Professor of School of International Corporate Strategy of Hitotsubashi University Apr. 2009 Visiting Professor of Graduate School of Finance, Accounting and Law (now Graduate School of Business and Finance) of Waseda University (current post) June 2015 Outside Director of Hakuhodo DY Holdings Inc. (current post) July 2016 Special Guest Professor of Graduate School of Business Administration of Keio University Apr. 2017 Guest Professor of Graduate School of Business Administration of Keio University (current post) July 2024 Outside Director of the Company (current post) Nov. 2025 Director of Yanai Tadashi Foundation (current post)	127 shares
	[Reasons for nomination and overview of expected roles] Having gained experience in the supervision of the M&A advisory business at a major U.S. investment bank, Mr. Hattori is currently engaged in teaching M&A, corporate valuation, and other concepts at a graduate institute of education, and is well-versed in corporate valuation in the capital markets. In addition, his experience as an outside Director at other listed companies has given him a deep knowledge of corporate management in the retail industry and other areas. Since being appointed outside Director of the Company, at meetings of the Board of Directors and at other times he has offered recommendations mainly on M&A and financial strategy. During the 57th business term, he offered recommendations mainly on financial strategies including the evaluation, review and financing of major M&A transactions, as well as identification of issues and response policies in the medium- and long-term vision. Although Mr. Hattori was not previously involved in corporate management other than in the capacity of an outside Director, the Company proposes him as a candidate for outside Director because it believes that his knowledge in financial affairs makes him qualified for the position of Director to continue to perform the function of supervising the decision making of the Company's management policies and corporate strategies and the execution of business.		
	Reason for concluding that the candidate is independent The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence.		

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="3">10</td><td>
Shigeki Kimura
(March 16, 1962)
Reelection
Outside
Independent
Number of years in office at the conclusion of this general meeting of shareholders: 2 years
Attendance at Board of Directors meetings: 12/12 (100%)</td><td>Mar. 1986
May 2013

Mar. 2014
May 2016

Dec. 2016

July 2017
Mar. 2019

May 2019
July 2019
Mar. 2020

Apr. 2020

Mar. 2024

July 2024
May 2025

</td><td>Joined Seven-Eleven Japan Co., Ltd.
Division Manager of Financial Accounting and Division Manager of Corporate Behavior Promotion Office
Executive Officer
Senior Officer of Secretary Office of Seven & i Holdings Co., Ltd.
Executive Officer and Senior Officer of Corporate Development Department
Outside Director of the Company
Division Manager of the Corporate Personnel Planning of Seven & i Holdings Co., Ltd.
Director of Seven-Eleven Japan Co., Ltd.
Director of Seven & i Holdings Co., Ltd.
Retired as outside Director of the Company
In charge of Affiliates Governance of Seven & i Holdings Co., Ltd.
Director, Senior Managing Executive Officer and Division Manager of Management of Seven-Eleven Japan Co., Ltd.
In charge of President Office and Group Liaison of Seven & i Holdings Co., Ltd.
Director, Executive Vice President and Division Manager of Management of Seven-Eleven Japan Co., Ltd.
Outside Director of the Company (current post)
Representative Director and Vice President of Seven & i Holdings Co., Ltd. (current post)
Director of Seven-Eleven Japan Co., Ltd. (current post)</td><td>512 shares</td></tr>
<tr><td colspan="4">[Reasons for nomination and overview of expected roles]
As a Representative Director of a major retailer, Mr. Kimura not only has abundant knowledge of management roles but also possesses wide-ranging insights and experience in such areas as management accounting, risk management, and human capital management. Since being appointed outside Director of the Company, at meetings of the Board of Directors and at other times he has offered recommendations on a wide range of areas, including business strategy, finance, compliance, governance, and human resource development. During the 57th business term, based on his management experience, he offered recommendations mainly on investment and business continuity criteria, the enhancement of internal governance and information security systems, the post-merger integration (PMI) for major M&A transactions, as well as identification of issues and response policies in the Retail Business strategy.
The Company proposes Mr. Kimura as a candidate for outside Director because of his management experience, knowledge in financial affairs, legal and compliance, human capital management and the Retail Business, and because the Company believes that he is qualified for the position of Director to continue to make decisions on management policy and corporate strategy and to supervise the execution of business operations.</td></tr>
<tr><td colspan="4">Reason for concluding that the candidate is independent
The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder’s decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence. The Company’s subsidiary has transactions such as real estate leasing with Seven & i Holdings Co., Ltd., where he serves as Representative Director, a subsidiary of the said company, and Seven-Eleven Japan Co., Ltd., where he is a Director. However, the amount of such transactions is less than 1% of the annual consolidated net sales of both companies, and therefore meets the above criteria.</td></tr>
</table>

<table>
<tr><th>Candidate No.</th><th>Name
(Date of birth)</th><th colspan="2">Career summary, positions and responsibilities in the Company, and significant concurrent positions outside the Company</th><th>Number of the Company’s shares owned</th></tr>
<tr><td rowspan="2">11</td><td>
Tomiko Tawaragi
(June 22, 1958)
New election
Outside
Independent
Number of years in office at the conclusion of this general meeting of shareholders: - years
Attendance at Board of Directors meetings: -/- (-%)</td><td>Apr. 1981
Sept. 2006
July 2009
July 2010
July 2013
July 2014
June 2016
July 2018
Nov. 2018
Mar. 2020
July 2025</td><td>Joined Ministry of Health and Welfare (now Ministry of Health, Labour and Welfare)
Director, Medical Device Evaluation and Licensing Division of Pharmaceutical and Food Safety Bureau, Ministry of Health, Labour and Welfare
Director, Standards and Evaluation Division, Department of Food Safety of Pharmaceutical and Food Safety Bureau, Ministry of Health, Labour and Welfare
Director, Safety Division of Pharmaceutical and Food Safety Bureau, Ministry of Health, Labour and Welfare
Senior Director (in charge of medical device evaluation) of Pharmaceuticals and Medical Devices Agency
Chief Safety Officer of Pharmaceuticals and Medical Devices Agency
Organizational Management Officer of Pharmaceuticals and Medical Devices Agency
Retired from Ministry of Health, Labour and Welfare
Chairperson of RAD-AR Council, Japan (current post)
Outside Director of Otsuka Medical Devices Co., Ltd. (current post)
Outside Corporate Auditor of AIN PHARMACIEZ INC. (current post)</td><td>– shares</td></tr>
<tr><td colspan="4">[Reasons for nomination and overview of expected roles]
As a technical official of the Ministry of Health, Labour and Welfare and a licensed pharmacist, Ms. Tawaragi has experience in addressing issues including the provision of drug information and the proper use of drugs. She currently serves as Chairperson of RAD-AR Council, Japan, where she is engaged in the provision of pharmaceutical information and related activities. She has a deep knowledge of pharmaceutical administration, the Pharmaceuticals and Medical Devices Act and the safe use of medicines.
Although Ms. Tawaragi was not previously involved in corporate management other than in the capacity of an outside Director or an outside Corporate Auditor, the Company proposes her as a candidate for outside Director because of her knowledge in legal and compliance and the Dispensing Pharmacy Business, and because the Company believes that she is qualified for the position of Director to make decisions on management policy and corporate strategy and to supervise the execution of business operations.</td></tr>
<tr><td></td><td colspan="4">Reason for concluding that the candidate is independent
The candidate fulfills the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder’s decision concerning the exercise of voting rights, and is thus deemed to have a high degree of independence. The Company’s subsidiary has transactions such as data utilization with RAD-AR Council, Japan, where she serves as Chairperson. However, the amount of such transactions is less than 1% of the annual consolidated net sales or revenue of both companies, and therefore meets the above criteria.</td></tr>
</table>

Notes: 1. Independent officer

Ms. Noriko Endo, Mr. Hideki Kuriyama, Ms. Mariko Watahiki, Mr. Nobumichi Hattori, Mr. Shigeki Kimura and Ms. Tomiko Tawaragi are candidates for outside Director. The Company has submitted notification to the Tokyo Stock Exchange that Ms. Noriko Endo, Mr. Hideki Kuriyama, Ms. Mariko Watahiki, Mr. Nobumichi Hattori and Mr. Shigeki Kimura have been designated as independent officers as provided for by the aforementioned exchange. If their reelection is approved, the Company plans for their designation as independent officers to continue. If Ms. Tomiko Tawaragi's election is approved, the Company also plans to register her as an independent officer with the Tokyo Stock Exchange. Ms. Noriko Endo, Mr. Hideki Kuriyama, Ms. Mariko Watahiki, Mr. Nobumichi Hattori, Mr. Shigeki Kimura and Ms. Tomiko Tawaragi fulfill the requirements for an independent officer as provided for by the Tokyo Stock Exchange, the independence criteria for outside Directors and outside Corporate Auditors set out by the Company, and also the immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights (see on page 20).

2. Liability Limitation Agreement

Pursuant to Article 427, paragraph (1) of the Companies Act and the Company's Articles of Incorporation, the Company has entered into liability limitation agreements with Ms. Noriko Endo, Mr. Hideki Kuriyama, Ms. Mariko Watahiki, Mr. Nobumichi Hattori and Mr. Shigeki Kimura that limit liability under Article 423, paragraph (1) of the same act for damages up to the amount stipulated by law, and if their reelection is approved, the above liability limitation agreements will be continued. If the election of Ms. Tomiko Tawaragi is approved, the Company plans to enter into similar liability limitation agreement with her.

3. Indemnification Agreement

The Company does not intend to enter into an indemnification agreement with each candidate regarding the expenses stipulated in Article 430-2, paragraph (1), item (i) of the Companies Act and the losses stipulated in item (ii) of the same paragraph.

4. Directors and Officers Liability Insurance Policy

The Company has entered into a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses such as amount of indemnification, settlement money and court costs incurred in cases where the insured receives claims for damages from unfair acts based on their position, during the period of insurance. If the election of each candidate is approved, each candidate will be included as an insured in the policy. Also, the Company plans to renew the insurance policy with the same contents at the next renewal date.

5. There is no special interest between any of the candidates for Director and the Company.

6. The number of the Company's shares owned by each candidate for Director includes their beneficial interest in the accumulated stock investment plan as of June 30, 2026.

7. Ms. Tomiko Tawaragi is scheduled to retire from her position as an Outside Corporate Auditor of AIN PHARMACIEZ INC. by resignation as of July 23, 2026.

8. The main skills of Directors and Corporate Auditors after this general meeting of shareholders when Proposals No. 2 is approved as originally proposed are as described on pages 21 to 23.

[Reference] Independence Criteria for Outside Directors and Outside Corporate Auditors

An outside Director and/or an outside Corporate Auditor of the Company (hereinafter referred to as the "outside officer") will be determined as sufficiently independent from the Company if the said outside officer satisfies the requirements set forth below:

1. Presently or at any time within the past ten years, the person has never been an executing person of the Company or a consolidated subsidiary (hereinafter referred to as the "the Group.")
2. Presently or at any time within the past five years, the person has not fallen under any of the following items of (1) to (9):
   (1) A person who directly or indirectly holds 10% or more of the total voting rights of the Company, or its executing person;
   (2) A person of a company of which the Group holds directly or indirectly 10% or more of the total voting rights, or its executing person;
   (3) A counterparty which has transactions principally with the Group (total amount of transactions with the Group exceeding 2% of annual consolidated net sales of the party), or its executing person;
   (4) A principal counterparty of the Group (total amount of transactions with the party exceeding 2% of annual consolidated net sales of the Group), or its executing person;
   (5) A consultant, accounting professional or legal professional who has been paid money exceeding the greater of 2% or ¥10 million of the annual consolidated net sales (the annual consolidated revenue) of the person or other assets in addition to the remuneration for officers by the Group. (where the entity that acquired the relevant assets is an organization, such as a corporation or a union, etc., refers to individuals who belong to the relevant organization);
   (6) A person/organization, or their business executors, who receives donations or subsidies from the Group exceeding the greater of 30% of the gross expense of the person/organization or ¥10 million;
   (7) A person who is a major lender of the Group (the amount of borrowings from the person exceeding 2% of total consolidated assets of the Group), or its executing person;
   (8) A person who belongs to auditing firm, which is an accounting auditor of the Group;
   (9) An executing person in other company of which the executing person of the Company is an outside officer of the other company
3. If an executing person of the Company or a person listed Clause 2 of this criteria corresponds to an important person (director except outside director, corporate auditor except outside corporate auditor, executive officer, department manager and higher management grades), a person is not a spouse of, relative within the second degree of relationship with said person.

[Reference] Immaterial criteria for the judgement that the relationship with the Company is unlikely to affect shareholder's decision concerning the exercise of voting rights

In the event that an outside director or an outside corporate auditor of the Company (hereinafter referred to as the "outside officer") satisfies the requirements set forth below, the Company judges that the attribute information of the outside officer is unlikely to affect shareholder's decision concerning the exercise of voting rights:

1. A counterparty with the total amount of transactions with the Group not exceeding 1% of the annual consolidated net sales of the Group nor the net sales of the party in the previous fiscal years, or its executing person.
2. A person that has received donations or subsidies not exceeding ¥10 million from the Group in the previous fiscal years, or its executing person.

[Reference] The skill sets and main skills of Directors and Corporate Auditors after this general meeting of shareholders

The Company has a business strategy of growth in both the Dispensing Pharmacy Business and the Retail Business, and after deliberations by the Nomination and Remuneration Committee regarding skills for providing supervisory functions that contribute to increases in corporate value over the medium to long term, the Board of Directors has been reviewing the required skills and has defined them as follows.

Required skill	Details of skill	Reason for selecting
Management experience	Has management experience in a listed company or core business company	Necessary for building appropriate management strategies for increasing corporate value over the medium to long term, and providing effective supervision of execution by management
Finance	Holds certified public accountant or tax accountant qualifications, or has operational experience in financial institutions or accounting departments, or has experience in financial strategy, such as investment decisions, including M&A	Necessary for achieving sound management and promoting financial strategy that is congruent with management strategy
Legal / Compliance	Holds attorney at law qualifications, or has experience as a corporate auditor, or has operational experience in legal affairs, risk management, internal audit, or compliance departments, or possesses specialist knowledge	Because a proper awareness and management of various risks associated with corporate activities and of compliance is necessary for appropriate execution by management
Human capital management	Has operational and management experience in human capital management, including human resource strategy and development, and promoting D&I (diversity & inclusion), or possesses specialist knowledge	The greatest source of business growth is people, and for the sustainable enhancement of corporate value, a human resource strategy linked to the management strategy is essential, which is why oversight of human capital management is necessary
Environment	Has operational and management experience in environmental matters, such as environmental protection, reducing environmental impact, and addressing climate change issues, or possesses specialist knowledge	Necessary for the promotion of environmental protection measures linked to management strategies to achieve sustainable growth of the business and increases in corporate value over the medium- to long-term
Dispensing Pharmacy Business	Knowledge and experience of the Dispensing Pharmacy Business, such as market development (store operation, development, implementation of new initiatives, etc.), or health and healthcare policy (formulation and execution of strategies aimed at revisions in laws and regulations, etc.)	As the importance of understanding various policy trends and responding to system reforms in the Dispensing Pharmacy Business is increasing, it is necessary to have a bird’s eye view of the business in general, including such issues as healthcare industry insurance systems and legal regulations, for effectively supervising the execution of business
Retail Business	Knowledge and experience of the Retail Business, including market and product development, or brand development	Necessary for achieving a bird’s eye view of the business in general, including market trends in the retail industry, and for effectively supervising execution of business

The main skills of Directors and Corporate Auditors after this general meeting of shareholders when Proposal No. 2 is approved and adopted as originally proposed are as follows:

Name	Indepen-dence (for outside officers only)	Management experience	Finance	Legal / Compliance	Human capital management	Environment	Dispensing Pharmacy Business	Retail Business
President and Representative Director Kiichi Otani	–	●	●				●	●
Representative Senior Managing Director Shoichi Shudo	–	●	●				●	
Representative Senior Managing Director Toshihide Mizushima	–	●	●				●	●
Director Rieko Kimei	–	●			●			●
Director Nobuyuki Takakura	–			●		●	●	
Outside Director Noriko Endo	●		●	●		●	●	
Outside Director Hideki Kuriyama	●				●			
Outside Director Mariko Watahiki	●			●	●			
Outside Director Nobumichi Hattori	●		●					
Outside Director Shigeki Kimura	●	●	●	●	●			●
Outside Director Tomiko Tawaragi	●			●			●	
Standing Corporate Auditor Mamoru Oki	–			●			●	●
Outside Corporate Auditor Ayako Sano	●		●	●				
Outside Corporate Auditor Minako Mizutani	●		●					

(Note) This is an indication of the skills expected by the Company and does not represent all the skills possessed.

Experience, etc. providing the basis for skills
Management experience: President and Representative Director of the Company / Finance: Promotes financial strategy as Representative Director / Dispensing Pharmacy Business: Pharmacist; founded and has driven the expansion of the business / Retail Business: Founded and has driven the expansion of the drugstore business
Management experience: Representative Director of the Company, President and Representative Director of AIN PHARMACIEZ INC. / Finance: In charge of Store Development for the Company / Dispensing Pharmacy Business: In charge of Dispensing Pharmacy Operations Management of the Company
Management experience: Representative Director of the Company / Finance: Promotes financial strategy as person in charge of Operational Support / Dispensing Pharmacy Business: In charge of Operating Management of the Company, President and Representative Director of WHOLESALE STARS Co., Ltd. / Retail Business: Division Manager of Retail Operations Management of the Company
Management experience: Director of the Company, President and Representative Director of AYURA LABORATORIES Inc. / Human capital management: as Division Manager of Personnel of the Company, leads initiatives for D&I (Diversity and Inclusion) and opportunities for women in the workplace / Retail Business: Division Manager of Cosmetic and Drug Store Business of the Company and President and Representative Director of AYURA LABORATORIES Inc.
Legal and compliance: Division Manager of Sustainability Management of the Company, experience in charge of Risk Management of the Company, Chief Social Responsibility Officer and person in charge of CSR at Teijin group, experience having led responses of said group's compliance and risk management efforts from a CSR perspective / Environment: Division Manager of Sustainability Management of the Company, Chief Social Responsibility Officer and person in charge of CSR at Teijin group / Dispensing Pharmacy Business: Experience in promoting health and medical policies at the Ministry of Health, Labour and Welfare
Finance: Knowledge of international finance, fiscal policy, macro economy, and other areas as the editor of an economics magazine / Legal and compliance: Research at university into risk and security governance / Environment: Knowledge of energy and environmental problems obtained through research into public policy as it pertains to energy / Dispensing Pharmacy Business: Knowledge gained from her involvement in reviews on social security and other such issues as a member of the government's council related to the fiscal system
Human capital management: Knowledge in organizational governance and human capital management, gained through efforts to develop human resources as a manager of a professional baseball team and of the Japan national baseball team
Legal and compliance: Attorney at law, experience as a judge / Human capital management: Possesses insights into human capital in organizational operations, gained from experience in personnel management and human resource development as President of a High Court and an instructor at the Legal Training and Research Institute of Japan.
Finance: Managing Director of Goldman Sachs (Japan) Ltd. (now Goldman Sachs Japan Co., Ltd.), Visiting Professor of School of International Corporate Strategy of Hitotsubashi University, Visiting Professor of Graduate School of Business and Finance of Waseda University, Guest Professor of Graduate School of Business Administration of Keio University
Management experience: Representative Director of Seven & i Holdings Co., Ltd., Director of Seven-Eleven Japan Co., Ltd. / Finance: Division Manager of Financial Accounting and Division Manager of Management of Seven-Eleven Japan Co., Ltd. / Legal and compliance: Division Manager of Management of Seven-Eleven Japan Co., Ltd. / Human capital management: Division Manager of the Corporate Personnel Planning of Seven & i Holdings Co., Ltd. / Retail Business: Representative Director of Seven & i Holdings Co., Ltd., Director of Seven-Eleven Japan Co., Ltd.
Legal and compliance: Experience as Director of Safety Division of Pharmaceutical and Food Safety Bureau, Ministry of Health, Labour and Welfare and Chief Safety Officer of Pharmaceuticals and Medical Devices Agency / Dispensing Pharmacy Business: Pharmacist, specialist knowledge in proper use of pharmaceuticals and medical devices
Legal and compliance: Experience as Division Manager of Internal Audit of the Company / Dispensing Pharmacy Business: Pharmacist, experience in store operations within the Dispensing Pharmacy Business / Retail Business: Experience in store operations within the Retail Business
Finance: Was employed by Goldman Sachs (Japan) Ltd. (now Goldman Sachs Japan Co., Ltd.) / Legal and compliance: Attorney at law, outside corporate auditor of another company, auditor of incorporated administrative agency
Finance: Tax accountant, outside corporate auditor of another listed company

Business Report

(From May 1, 2025 to April 30, 2026)

1. Current Status of Company Group

(1) Status of businesses in fiscal year under review

(i) Status of capital expenditure and financing

The total amount of capital expenditure in the consolidated fiscal year under review is ¥12,064 million, and mainly consists of the following.

A. Property, plant and equipment (Store facilities, etc.) ¥10,094 million

B. Leasehold and guarantee deposits ¥1,969 million

During the consolidated fiscal year under review, the Company took out borrowings of ¥150.9 billion from financial institutions as funds for M&A, etc.

(ii) Status of the acquisition of shares, etc. of other companies or other corporate realignment

The Company and two of its consolidated subsidiaries acquired the shares of 17 dispensing pharmacy business companies and three other companies to make them into subsidiaries during the fiscal year under review.

(2) Status of material subsidiaries

(i) Status of material subsidiaries

Company name	Share capital (Million yen)	Ratio of Company's voting rights (%)	Main business activities
AIN PHARMACIEZ INC.	100	100.0	Management of dispensing pharmacies, cosmetic stores and lifestyle stores
AIN HOKURIKU INC.	10	100.0	Management of dispensing pharmacies
AIN CHUO INC.	10	100.0	Management of dispensing pharmacies
PHARMACY Co. Ltd.	50	100.0	Management of dispensing pharmacies
A&M Co., Ltd.	10	100.0	Management of dispensing pharmacies
KRAFT Inc.	1	100.0	Management of dispensing pharmacies
Sakura Pharmacy Co., Ltd.	1	100.0	Management of dispensing pharmacies
WHOLESALE STARS Co., Ltd.	50	100.0	Sales of drugs, etc.
MEDIWEL Corp.	208	100.0	Healthcare consulting
Francfranc Corporation	100	100.0	Planning, development and sales of interior goods and sundries
AIN-AG1 Co., Ltd.	0	100.0	Holding and management of business companies

Notes:
1. The voting rights ratio of the Company is the direct ownership ratio.
2. On May 1, 2025, DAICHIKU Co., Ltd. changed its company name to AIN HOKURIKU INC.
3. On May 1, 2025, an absorption-type merger was conducted, with AIN CHUO INC. as the surviving company and AIN SHINSHU INC. as the dissolved company.
4. As the Company acquired all shares of NSSK-WW Co., Ltd. (now AIN-AG1 Co., Ltd.) on August 1, 2025, and made it a consolidated subsidiary, that company, Kraft Inc., Sakura Pharmacy Co., Ltd., and ten other companies have been included in the scope of consolidation.
5. The consolidated subsidiaries of the Company number 44 in total, including the above 11 material subsidiaries.

(ii) Status of specified wholly-owned subsidiaries upon the final day of the fiscal year under review

Company name	Address	Total carrying amount	Total assets of the company
		Million yen	Million yen
AIN PHARMACIEZ INC.	5-2-4-30, Higashisapporo, Shiroishi-ku, Sapporo	85,437	368,420

(iii) Other

Status of material business partnerships

Other party	Description of agreement
Seven & i Holdings Co., Ltd.	Partnership agreement for stores, sales and product development under dispensing pharmacy and retail business businesses

2. Current Status of Company

(1) Status of Company officers

(i) Status of Directors and Corporate Auditors (As of April 30, 2026)

Position	Name	Responsibilities in the Company, and significant concurrent positions outside the Company
President and Representative Director	Kiichi Otani	
Representative Senior Managing Director	Shoichi Shudo	In charge of Store Development and Dispensing Pharmacy Operations Management President and Representative Director of AIN PHARMACIEZ INC.
Representative Senior Managing Director	Toshihide Mizushima	In charge of Operational Support and Digital Promotion Division Manager of Retail Operations Management Division President and Representative Director of WHOLESALE STARS Co., Ltd.
Representative Senior Managing Director	Miya Oishi	In charge of External Affairs Director of AIN PHARMACIEZ INC.
Director	Rieko Kimei	Division Manager of Personnel Director of AIN PHARMACIEZ INC.
Director	Nobuyuki Takakura	Division Manager of Sustainability Management Senior Managing Director of AIN PHARMACIEZ INC.
Director	Noriko Endo	Outside Director of Hankyu Hanshin Holdings, Inc. Outside Director of Japan Elevator Service Holdings Co., Ltd. Outside Member of the Board of NTT, Inc. Professor of Research Council, Waseda University
Director	Hideki Kuriyama	Professor of Hakuoh University Specially Appointed Professor of Hokkai-Gakuen University Chief Baseball Officer of Hokkaido Nipponham Fighters
Director	Mariko Watahiki	Attorney at Law at Okamura Law Office Outside Director, Chairperson of Nomination Committee, Member of Compensation Committee and Member of Governance Committee of LIXIL Corporation President of Family Problems Information Center
Director	Nobumichi Hattori	Visiting Professor of Graduate School of Business and Finance, Waseda University Outside Director of Hakuhodo DY Holdings Inc. Guest Professor of Graduate School of Business Administration of Keio University Director of the Yanai Tadashi Foundation
Director	Shigeki Kimura	Representative Director and Vice President of Seven & i Holdings Co., Ltd. Director of Seven-Eleven Japan Co., Ltd.
Standing Corporate Auditor	Mamoru Oki	Corporate Auditor of AIN PHARMACIEZ INC.
Corporate Auditor	Ayako Sano	Representative of Aya Law Office Outside Director of SKYLARK HOLDINGS CO., LTD. Outside Director of Sodick Co., Ltd. Outside Corporate Auditor of CLAS Inc. Auditor, Research Institute of Economy, Trade and Industry
Corporate Auditor	Minako Mizutani	Representative Partner of Moore Shisei Tax Corporation Outside Corporate Auditor of The Yamanashi Chuo Bank, Ltd.

Notes:
1. Directors Noriko Endo, Hideki Kuriyama, Mariko Watahiki, Nobumichi Hattori and Shigeki Kimura are outside Directors.
2. Corporate Auditors Ayako Sano and Minako Mizutani are outside Corporate Auditors.
3. Corporate Auditor Minako Mizutani has considerable knowledge of finance and accounting as a result of her experience as a tax accountant.
4. The Company has submitted notification to the Tokyo Stock Exchange that Directors Noriko Endo, Hideki Kuriyama, Mariko Watahiki, Nobumichi Hattori, and Shigeki Kimura, as well as Corporate Auditors Ayako Sano and Minako Mizutani, have been designated as independent officers as provided for by the aforementioned exchange.
5. Director Nobumichi Hattori retired as External Director of FAST RETAILING CO., LTD. on November 27, 2025. Additionally, he assumed office as Director of the Yanai Tadashi Foundation on the same day.
6. Until May 27, 2025, Director Shigeki Kimura was Director, Executive Vice President and Division Manager of Management of Seven-Eleven Japan Co., Ltd.
7. Corporate Auditor Koichi Kawamura retired from his position due to resignation on July 30, 2025.

(ii) Remuneration of Directors and Corporate Auditors

A. Decision policy regarding the content of individual remuneration for Directors

The Company resolved its decision policy pertaining to the content of individual remuneration for Directors at the meeting of the Board of Directors that was held on June 26, 2025.

Additionally, with respect to individual remuneration for Directors for the fiscal year under review, the Board of Directors has verified that the decision method pertaining to the content of remuneration and the content of the remuneration decided upon is consistent with the decision policy resolved by the Board of Directors and that the report made by the voluntary Nomination and Remuneration Committee is respected, and has determined that they are in line with said decision policy.

The content of the decision policy regarding the content of individual remuneration for Directors is as follows.

a. Basic policy

Directors of the Company are required to work towards improved business performance and sustainable growth while sharing values with our stakeholders so that the Group can fulfill its social role and responsibility by contributing to local healthcare and providing beauty and happiness. The remuneration for Directors of the Company consists of a system comprising monthly fixed remuneration according to roles and responsibilities, bonuses which are performance-linked remuneration that enhance the transparency and objectivity of the remuneration decision process and provide performance incentives, and non-monetary remuneration for recognizing the same perspectives on sustainable growth as shareholders.

However, the remuneration of outside Directors shall consist of a system suitable for the roles and responsibilities of supervising the management of the Company from an independent and objective standpoint.

It should be noted that the Nomination and Remuneration Committee conducts its deliberations based on economic and social conditions, the Company's business performance, as well as objective indicators and advice that has been provided by external research organizations.

b. Policy regarding determination of amount of monetary remuneration and the calculation method thereof

Monetary remuneration (that which is neither performance-linked remuneration nor non-monetary remuneration) shall be "basic remuneration" as a fixed monthly amount and shall be decided upon following comprehensive consideration of position, responsibilities, years in office, balance with employee wages, remuneration levels at companies of a similar scale throughout all industries, and past payment history. In addition, when an outside Director serves as a chair or member of the Nomination and Remuneration Committee, an allowance (chairperson/member allowance) shall be paid for performing such duties.

c. Policy on determining the content of performance indicators for performance-linked remuneration and calculation methods for the number or amount thereof

Bonuses are paid once per year, with the payment rate determined based on the achievement rate of KPIs (Key Performance Indicators), using consolidated net sales, consolidated operating profit, and ROE for each fiscal year as financial indicators, and CO_2 emissions per net sales of ¥100 million and the ratio of female managers as sustainability indicators. Furthermore, the KPIs and the respective evaluation weights thereof shall be reviewed annually by the Nomination and Remuneration Committee, taking into comprehensive consideration factors such as incentives for achieving management targets for each fiscal year based on the assumption of enhancing corporate value over the medium to long term, as well as social trends and trends at other companies.

The KPIs and the respective evaluation weight in relation to bonuses are as shown in the table below.

KPI	Evaluation weight
Financial indicators	
Consolidated net sales compared to budget	20%
Consolidated operating profit compared to budget	25%
Consolidated operating profit year on year	25%
ROE	20%
Sustainability indicators	
CO_2 emissions per net sales of ¥100 million (Scope 1 and 2)	5%
Ratio of female managers	5%

The achievement rate is calculated by aggregating the results of "actual performance / target × evaluation weight" for each KPI.

The relationship between the achievement rate and the payment rate is as shown in the table below.

Achievement rate	Payment rate
Less than 50%	0%
50% or more, less than 150%	Same as the achievement rate
150% or more	150%

d. Policy on determining the content of non-monetary remuneration and calculation methods for the number or amount thereof

Non-monetary remuneration shall be paid by restricted stock (RS), and a standard amount of monetary remuneration claim determined by position and responsibility shall be granted each year up to a total of ¥50 million, with allocation of common stock through in-kind contribution of the monetary remuneration claims. The number of shares of the Company's common stock to be allocated as restricted stock remuneration shall be no more than 50,000 shares per year.

In the future, the Company will continue to keep a close eye on requests from its shareholders and other stakeholders, as well as on the remuneration structures of companies of a similar scale throughout all industries, and have the Nomination and Remuneration Committee appropriately examine the ideal form of incentives linked with short-term to medium/long-term performance.

e. Policy regarding decision of composition ratio for each type of remuneration

Taking into consideration the characteristics of the business, business environment, and trends of other companies, the composition ratio of remuneration for Directors other than outside Directors is designed so that the composition ratio of basic remuneration, bonuses (standard amount), and non-monetary remuneration is approximately 65:25:10. Only basic remuneration will be paid to outside Directors.

f. Decision method regarding the content of individual remuneration for Directors

Decision of the specific details for amounts of remuneration for each individual shall be commissioned to the Nomination and Remuneration Committee within the scope of determined parameters by resolution of the Board of Directors after the Nomination and Remuneration Committee prepares and deliberates on a draft of the range of monthly remuneration amount for each position, the content of evaluation based on the achievement of KPIs related to bonuses, as well as the amount of non-monetary remuneration for each position, and submits its reports to the Board of Directors.

g. Matters relating to delegation of decision-making on content of individual remuneration for Directors

The Board of Directors shall delegate to the Nomination and Remuneration Committee the authority to determine the specific amounts of basic remuneration, performance-linked remuneration, and non-monetary remuneration for each individual Director. The purpose of this delegation is to ensure fairness, transparency, and objectivity in the determination of Director remuneration by delegating authority to the Nomination and Remuneration Committee, which is composed of a majority of independent outside Directors and is chaired by an independent outside Director. The Nomination and Remuneration Committee makes decisions on the details delegated to it within the range of amounts resolved by the Board of Directors following the report of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee at the time of determining the content of individual remuneration for Directors in the fiscal year under review was composed of three members: independent outside Director Mariko Watahiki (Chairperson), independent outside Director Noriko Endo, and President and Representative Director Kiichi Otani.

B. Total amount of remuneration for the fiscal year under review

Officer category	Total amount of remuneration (Million yen)	Total amount of remuneration by type (Million yen)			Number of eligible officers (persons)
		Basic remuneration	Performance-linked remuneration	Non-monetary remuneration	
Directors (Of whom, outside Directors)	285 (56)	222 (56)	38 (–)	25 (–)	11 (5)
Corporate Auditors (Of whom, outside Corporate Auditors)	27 (17)	27 (17)	0 (–)	– (–)	4 (2)
Total (Of whom, outside officers)	312 (73)	249 (73)	38 (–)	25 (–)	15 (7)

Notes:
1. Salary amounts paid to Directors who also serve as employees for their duties as employees are not included in the amounts paid to Directors.
2. The amount of remuneration for Directors was resolved at the 56th Ordinary General Meeting of Shareholders held on July 30, 2025, as ¥500 million or less per year (of which ¥100 million or less per year was for outside Directors. Salaries for Directors who also serve as employees for their duties as employees were not included). The number of Directors as of the conclusion of the Ordinary General Meeting of Shareholders in question was 11 (five of whom were outside Directors).
   Furthermore, in addition to monetary remuneration, stock remuneration of ¥50 million or less per year and a maximum number of 50,000 shares per year (not granted to outside Directors) were resolved at the 53rd Ordinary General Meeting of Shareholders held on July 28, 2022. The number of Directors as of the conclusion of the Ordinary General Meeting of Shareholders in question (excluding outside Directors) was eight.
3. The amount of remuneration for Corporate Auditors was resolved at the 56th Ordinary General Meeting of Shareholders held on July 30, 2025, as ¥50 million or less per year. The number of Corporate Auditors as of the conclusion of the Ordinary General Meeting of Shareholders in question was three.
4. The total amount of performance-linked remuneration above includes an allowance for bonuses to directors of ¥15 million for the fiscal year under review (¥15 million for six Directors; does not apply to outside Directors or to Corporate Auditors). The bonuses included in the total amount of the performance-linked remuneration above use factors such as consolidated operating profit compared to budget, consolidated operating profit year on year, ROE, CO_2 emissions per net sales of ¥100 million (Scope 1 and 2), ratio of independent directors, and ratio of female managers for the fiscal year ended April 30, 2025, as indicators, and the actual results are a consolidated operating profit compared to budget of 87.1% (compared to revised budget), a consolidated operating profit year on year of 82.6%, an ROE of 6.7%, CO_2 emissions per net sales of ¥100 million (Scope 1 and 2) of 5.4 t-CO_2/¥100 million, a ratio of independent directors of 45.5%, and a ratio of female managers of 40.6%. Additionally, bonuses included in the total amount of performance-linked remuneration above were paid within the range of amounts reported by the Nomination and Remuneration Committee.
5. The number of Corporate Auditors as of the final day of the fiscal year under review was three (two of whom were outside Corporate Auditors). The reason for the disparity with the above number of Corporate Auditors is due to the inclusion of one Corporate Auditor (who was not an outside Corporate Auditor) who resigned as of the conclusion of the 56th Ordinary General Meeting of Shareholders held on July 30, 2025.

C. Decision policy regarding the content of individual remuneration for the Company's Directors for the 58th business term onward

At the meeting of the Board of Directors held on May 29, 2026, the Company resolved to revise the decision policy regarding the content of individual remuneration for Directors for the 58th business term onward, conditional on Proposal No. 2 of the 57th Ordinary General Meeting of Shareholders being approved and adopted.

The content of the decision policy regarding the content of individual remuneration for Directors for the 58th business term onward is as follows.

a. Basic policy

Directors of the Company are required to work towards improved business performance and sustainable growth while sharing values with our stakeholders so that the Group can fulfill its social role and responsibility by contributing to local healthcare and providing beauty and happiness. The remuneration for Directors of the Company consists of a system comprising monthly fixed remuneration according to roles and responsibilities, bonuses which are performance-linked remuneration that enhance the transparency and objectivity of the remuneration decision process and provide performance incentives, and non-monetary remuneration for recognizing the same perspectives on sustainable growth as shareholders.

However, the remuneration of outside Directors shall consist of a system suitable for the roles and responsibilities of supervising the management of the Company from an independent and objective standpoint.

It should be noted that the Nomination and Remuneration Committee conducts its deliberations based on economic and social conditions, the Company's business performance, as well as objective indicators and advice that has been provided by external research organizations.

b. Policy regarding determination of amount of monetary remuneration and the calculation method thereof

Monetary remuneration (that which is neither performance-linked remuneration nor non-monetary remuneration) shall be "basic remuneration" as a fixed monthly amount and shall be decided upon following comprehensive consideration of position, responsibilities, years in office, balance with employee wages, remuneration levels at companies of a similar scale throughout all industries, and past payment history. In addition, when an outside Director serves as a chair or member of the Nomination and Remuneration Committee, an allowance (chairperson/member allowance) shall be paid for performing such duties.

c. Policy on determining the content of performance indicators for performance-linked remuneration and calculation methods for the number or amount thereof

Bonuses are paid once per year, with the payment rate determined based on the achievement rate of KPIs (Key Performance Indicator), using consolidated net sales, consolidated operating profit, and ROE for each fiscal year as financial indicators, and CO_2 emissions per net sales of ¥100 million and employee engagement score (degree of achievement relative to the all-industry average surveyed by the company commissioned to conduct the survey) as sustainability indicators. Furthermore, the KPIs and the respective evaluation weights thereof shall be reviewed annually by the Nomination and Remuneration Committee, taking into comprehensive consideration factors such as incentives for achieving management targets for each fiscal year based on the assumption of

enhancing corporate value over the medium to long term, as well as social trends and trends at other companies.

The KPIs and the respective evaluation weight in relation to bonuses are as shown in the table below.

KPI	Evaluation weight
Financial indicators	
Consolidated net sales compared to budget	10%
Consolidated operating profit compared to budget	30%
Consolidated operating profit year on year	25%
ROE	25%
Sustainability indicators	
CO_2 emissions per net sales of ¥100 million (Scope 1 and 2)	5%
Employee engagement score (Degree of achievement relative to the all-industry average surveyed by the company commissioned to conduct the survey)	5%

The achievement rate is calculated by aggregating the results of "actual performance / target × evaluation weight" for each KPI.

The relationship between the achievement rate and the payment rate is as shown in the table below.

Achievement rate	Payment rate
Less than 50%	0%
50% or more, less than 150%	Same as the achievement rate
150% or more	150%

d. Policy on determining the content of non-monetary remuneration and calculation methods for the number or amount thereof

Non-monetary remuneration shall be paid by restricted stock (RS), and a standard amount of monetary remuneration claim determined by position and responsibility shall be granted each year up to a total of ¥50 million, with allocation of common stock through in-kind contribution of the monetary remuneration claims. The number of shares of the Company's common stock to be allocated as restricted stock remuneration shall be no more than 50,000 shares per year.

In the future, the Company will continue to keep a close eye on requests from its shareholders and other stakeholders, as well as on the remuneration structures of companies of a similar scale throughout all industries, and have the Nomination and Remuneration Committee appropriately examine the ideal form of incentives linked with short-term to medium/long-term performance.

e. Policy regarding decision of composition ratio for each type of remuneration

Taking into consideration the characteristics of the business, business environment, and trends of other companies, the composition ratio of remuneration for Directors other than outside Directors is designed so that the composition ratio of basic remuneration, bonuses (standard amount), and non-monetary remuneration is approximately 100:50:20. Only basic remuneration will be paid to outside Directors.

f. Decision method regarding the content of individual remuneration for Directors

Decision of the specific details for amounts of remuneration for each individual shall be commissioned to the Nomination and Remuneration Committee within the scope of determined parameters by resolution of the Board of Directors after the Nomination and Remuneration Committee prepares and deliberates on a draft of the range of monthly remuneration amount for each position, the content of evaluation based on the achievement of KPIs related to bonuses, as well as the amount of non-monetary remuneration for each position, and submits its reports to the Board of Directors.

g. Matters relating to delegation of decision-making on content of individual remuneration for Directors

The Board of Directors shall delegate to the Nomination and Remuneration Committee the authority to determine the specific amounts of basic remuneration, performance-linked remuneration, and non-monetary remuneration for each individual Director. The purpose of this delegation is to ensure fairness, transparency, and objectivity in the determination of Director remuneration by delegating authority to the Nomination and Remuneration Committee, which is composed of a majority of independent outside Directors and is chaired by

an independent outside Director. The Nomination and Remuneration Committee makes decisions on the details delegated to it within the range of amounts resolved by the Board of Directors following the report of the Nomination and Remuneration Committee.