

Securities Code: 3544

July 22, 2024

(The start date of the electronic provision measures: July 11, 2024)

To the shareholders

4-1-20, Kita 8-jo Higashi, Higashi-ku, Sapporo

SATUDORA HOLDINGS CO., LTD.

President and CEO Hiroki Tomiyama

Notice of the 8th Ordinary General Meeting of Shareholders

We would like to take this opportunity to express our sincere gratitude for your continued support.

The 8th General Meeting of Shareholders of SATUDORA HOLDINGS CO., LTD.(hereinafter referred to as “the Company”) will be held as follows.

In order to exercise your voting rights in advance in writing or via the Internet, etc., instead of attending the meeting in person, please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights by 6:00 p.m. on Wednesday, August 7, 2024 (JST), in accordance with the instructions below.

We are taking measures to electronically provide information regarding matters to be stored on the Internet, and can be found on the following website on the Internet.

<Company website>

<https://satudora-hd.co.jp/ir/stock/meeting/>

<Tokyo Stock Exchange (TSE) website>

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

The electronic provision measures are posted on the website of the Tokyo Stock Exchange. Enter the company name (SATUDORA HOLDINGS) or securities code (3544), search for "Basic Info", and select "Documents for public inspection / PR info" in order to view.

Meeting Details

1. Date and time	Thursday, August 8, 2024, at 10:00 a.m. (Reception opens at 9:00 a.m.)	
2. Place of the Meeting	3-1-1 Minami 10-jo Nishi, Chuo-ku, Sapporo Sapporo Park Hotel, 3F, Park Hall	
3. Purpose of the Meeting	Matters to be reported	<p>1. The 8th fiscal period (from May 16, 2023 to May 15, 2024) Business Report and Consolidated Financial Statements, and Reports of Audit of Consolidated Financial Statements by Accounting Auditor and Audit and Supervisory Committee</p> <p>2. The 8th fiscal period (from May 16, 2023 to May 15, 2024) Non-consolidated Financial Statements</p>
	Matters to be resolutions	<p>(The Company proposal)</p> <p>Proposal No. 1: Appropriation of Surplus</p> <p>Proposal No. 2: Election of Directors (excluding Directors who are Audit and Supervisory Committee Members) Election of seven (7) Directors</p> <p>Proposal No. 3: Election of Four (4) Directors who are Audit and Supervisory Committee Members</p> <p>(Shareholder Proposals)</p> <p>Proposal No. 4: Election of Two (2) Directors</p>

- When attending the meeting, please submit the enclosed Voting Rights Exercise Form to the receptionist at the meeting.
- The documents sent this year also serve as the documents stating the matters to be provided electronically based on the request for delivery of documents.
- In the case of attendance by a proxy, pursuant to the provisions of Article 17 of the Articles of Incorporation of the Company, the proxy shall present the voting rights exercise form of the other shareholder who has voting rights of the Company and a document certifying the power of proxy (letter of proxy). Please submit this to the reception desk at the venue.
- We will post a video of the General Meeting of Shareholders on the Internet at a later date.
- We do not have any "souvenirs" or "shareholders' get-together" for shareholders who attend the meeting.
- The seats in the venue will be arranged with plenty of space to keep the distance.
- If you feel unwell after entering, please do not hesitate to call our management staff nearby.
- Please note that we will be wearing light clothes (Cool Biz) on the day.

- The following matters among the matters to be handled through electronic distribution are not described in the documents to be delivered to shareholders who have requested the delivery of documents in accordance with the provisions of laws and regulations and the Articles of Incorporation.
 - The following matters in the business report
 - Among matters related to the current status of the corporate group, "Progress and results of business" "and" "Assets and Profit and Loss" ""
 - "Status of specified wholly owned subsidiaries at the end of the fiscal year," "Issues to be addressed," and "Major business activities"
 - "Major Business Offices and Stores," "Status of Employees," and "Status of Major Lenders"
 - "Other significant matters concerning the status of the corporate group"
 - Matters concerning the Company's shares
 - Matters concerning the Company's stock acquisition rights, etc.
 - Matters concerning the accounting auditor
 - System to ensure the appropriateness of business
 - Outline of the status of operation of the system to ensure the appropriateness of business
 - Consolidated Financial Statements
 - "Consolidated Balance Sheet" "Consolidated Statement of Income" "Consolidated Statement of Changes in Net Assets" "Consolidated Notes"
 - Financial Statements
 - "Balance Sheet," "Statement of Income and Loss," "Statement of Changes in Net Assets,"
 - Audit report
 - Audit report by the Accounting Auditor on the consolidated financial statements
 - Audit report by the Accounting Auditor on the non-consolidated financial statements
 - Audit report by the Audit and Supervisory Committee

Accordingly, this document is a part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor in preparing the audit report.
- If any amendment is made to the Electronic Provision Measures, the website on page 1 will include a notice to that effect, the matters before the amendment, and the matters after the amendment.
- If there are any major changes in the operation and venue of the General Meeting of Shareholders due to future circumstances, we will notify you on our website. (<https://satudora-hd.co.jp/ir/news/>)

Reference Documents for General Meeting

Proposals and Reference Matters

<Company Proposals (Proposal 1 to Proposal 3)>

Proposal No. 1: Appropriation of Surplus

We believe that the important management policy is to pay stable dividends in the future in response to the mandate of our shareholders.

In addition, the Company's policy is to utilize internally retained funds for investments to increase future corporate value, such as investments in new businesses, in order to respond to changes in the management environment expected in the future.

We would like to pay year-end dividends as follows:

Matters concerning year-end dividends

(1) Type of dividend property

It will be in cash.

(2) Matters concerning the allotment of dividend property to shareholders and the total amount thereof

Per common share of the Company	10 yen
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Total amount	138,453,870 yen
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(3) Effective date of dividends of surplus

Friday, August 9, 2024

Proposal 2: Election of Directors (excluding Directors who are Audit and Supervisory Committee Members) Election of seven (7) Directors

Directors (excluding directors who are Audit and Supervisory Committee Members) The terms of office of all five (5) directors will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of seven (7) Directors, increasing the number of Directors by two (2) to enhance and strengthen the management system. With respect to this proposal, the Audit and Supervisory Committee has expressed its opinion that all the candidates for Directors are qualified.

The candidates for Directors are as follows:

Candidate Number	Candidate Attributes	Name	Current position in the Company	Attendance at the Board of
1	Reappointment	Hiroki Tomiyama	President and CEO	17 / 17 (100%)
2	Reappointment	Satoru Yamatoya	Managing Director in charge of administration	17 / 17 (100%)
3	Reappointment	Hiroshi Takada	Managing Director CHO	17 / 17 (100%)
4	Newly appointed	Noriaki Konishi	Assistant to President and Corporate Strategy Officer	—/— (—%)
5	Reappointment	Maki Nakamura	Director CHRO	17 / 17 (100%)
6	Reappointment	Takaaki Houda	Outside Director	17 / 17 (100%)
	External			
	Independent			
7	Newly appointed	Kana Bougaki	-	—/— (—%)
	External			
	Independent			

Candidate
Number

1

Reappointment

Hiroki Tomiyama

Date of
birth

September 5, 1976

Term of
office as
Director

8 years

Number of
shares of
the
Company
owned

353,073 shares

Attendance
at the
Board of

17 / 17 (100%)

Career summary, position, responsibilities and significant concurrent positions

1999	4	Joined Daika Corporation (currently ARATA CORPORATION)
2007	10	Joined SAPPORODRUG STORE CO.,LTD.
2011	5	Director of SAPPORODRUG STORE CO.,LTD.
2012	5	Managing Director of SAPPORODRUG STORE CO.,LTD.
2012	5	Sapporo Drug Support Co., Ltd. (currently Creare Co., Ltd.) Director
2013	8	President and Representative Director, Regional Marketing Co.
2014	5	President and Representative Director, Creare
2015	5	President and Representative Director, SAPPORODRUG STORE CO.,LTD.
2016	2	Executive Vice President, Ezo-den Co.
2016	8	Established the Company, President and
2017	5	Chairman and Representative Director, GRIT WORKS Co., Ltd.
2017	7	Chairman and Representative Director of AI TOKYO LAB Co., Ltd. (currently AWL Co., Ltd.)
2018	12	Chairman and Representative Director, CoelaQanth,Inc.
2019	7	Chairman and CEO, Regional Marketing Co., Ltd. (current position)
2019	7	Member of the Board, CoelaQanth,Inc.
2019	7	Chairman of the Board, GRIT WORKS Inc. (current position)
2019	7	Director and CMO, AWL Co., Ltd.
2020	8	President and CEO (current position)
2020	8	President and CEO, SAPPORODRUG STORE CO.,LTD. (current position)
2020	11	Director, RxR Innovation Initiative, Inc. (current position)
2020	11	Outside Director, Demaekan Co., Ltd. (current position)
2020	11	Outside Director, Valence Holdings Co., Ltd. (current position)
2021	4	Outside Director, AWL Co.
2022	10	Director, S Ventures, Inc. (current position)
2023	10	Director (Part-time), AWL Co., Ltd. (current position)

Reasons for nomination as candidate for Director

Mr. Hiroki Tomiyama has abundant experience and deep insight in the industry and the business activities of the Group. As Representative Director, President and CEO of the Company, he has led the management of the entire Group companies, including the drugstore business, and performed his duties appropriately. The Company has judged him to be an appropriate person to enhance the Group's corporate value sustainably, and proposes his reappointment as Director.

Special interests between the candidate and the Company

Mr. Hiroki Tomiyama concurrently serves as Chairman and of Regional Marketing Co., Ltd., a subsidiary of the Company. There are transactions between the Company and Regional Marketing Co., Ltd., such as the Company providing a joint and several guarantee for the obligations of some WeChat Pay member stores. He also serves as Chairman of the Board of GRIT WORKS, INC., a subsidiary of the Company. The Company has entered into a loan agreement with GRIT WORKS, INC. within the limit of the amount of the loan.

Candidate
Number

2

Reappointment

Satoru
Yamatoya

Date of
birth

September 13, 1959

Number of
shares of
the
Company
owned

30,100 shares

Term of
office as
Director

8 years

Attendance
at the
Board of

17 / 17 (100%)

Career summary, position, responsibilities and significant concurrent positions

1987	3	Joined Matsuhira Co.
1995	4	General Manager of General Affairs of Matsuhira Co.
2002	9	Joined SAPPORODRUG STORE CO.,LTD.
2003	11	General Manager, Corporate Planning of SAPPORODRUG STORE CO.,LTD.
2005	6	Executive Officer of SAPPORODRUG STORE CO.,LTD.
2007	4	General Affairs Manager and Corporate Planning Office Manager of SAPPORODRUG STORE CO.,LTD.
2009	4	General Manager of Development Division of SAPPORODRUG STORE CO.,LTD.
2009	6	Director of SAPPORODRUG STORE CO.,LTD.
2012	5	Sapporo Drug Support Co., Ltd. (currently Creare Co., Ltd.) Director
2012	9	General Manager, Store Development Department, SAPPORODRUG STORE CO.,LTD.
2015	5	Managing Director of SAPPORODRUG STORE CO.,LTD. (current position)
2016	8	Managing Director of the Company
2017	9	VISIT MARKETING Co., Ltd. (currently Regional Marketing Co., Ltd.) Director
2020	5	Audit & Supervisory Board Member CoelaQanth,Inc.
2022	1	President and Representative Director of S Asset Co., Ltd. (current position)
2024	1	Managing Director in charge of Administration of the Company (current position)

Reasons for nomination as candidate for Director

Mr. Satoru Yamatoya has been engaged in the operations of the Group for many years and has abundant experience and advanced insight. Mr. Satoru Yamatoya has been engaged in corporate management as a member of the Board of Directors and the head of the development division of SAPPORODRUG STORE CO.,LTD. since June 2009, and as a Managing Director of the Company since August 2016, and has been performing his duties appropriately. The Company has judged him to be an appropriate person to enhance the Group's corporate value sustainably, and proposes his reappointment as Director.

Special interests between the candidate and the Company

There are no special interests between him and the Company.

Candidate
Number

3

Reappointment

Hiroshi
Takada

Date of
birth

January 20, 1964

Number of
shares of
the Company
owned

22,841 shares

Term of
office as
Director

8 years

Attendance
at the
Board of

17 / 17 (100%)

Career summary, position, responsibilities and significant concurrent positions

1986	4	Joined Kokmin Co.
1988	10	Joined SAPPORODRUG STORE CO.,LTD.
2007	6	Executive Officer, General Manager of Store Operations Department of SAPPORODRUG STORE CO.,LTD.
2011	5	Director of SAPPORODRUG STORE CO.,LTD.
2011	12	Deputy General Manager of Sales Division and General Manager of Store Operations Department of SAPPORODRUG STORE CO.,LTD.
2012	5	Sapporo Drug Support Co., Ltd. (currently Creare Co., Ltd.) Director (current position)
2014	2	Deputy General Manager of Sales Division and General Manager of Prescription Business Division, SAPPORODRUG STORE CO.,LTD.
2015	2	General Manager, Education Department of SAPPORODRUG STORE CO.,LTD.
2015	5	Managing Director, General Manager of Sales of SAPPORODRUG STORE CO.,LTD.
2016	8	Managing Director of SAPPORODRUG STORE CO.,LTD.
2017	8	Director of Sapporo Taiwan Pharmaceutical Co., Ltd. (current position)
2019	5	Senior Vice President, General Manager of Business Administration Division, Division Manager of Drug Store Division SAPPORODRUG STORE CO.,LTD.
2020	5	Managing Director, in charge of Drug Store Business Division, Wellness Business Division, and Global Business Division of SAPPORODRUG STORE CO.,LTD.
2020	8	Director, Executive Vice President and COO of SAPPORODRUG STORE CO.,LTD.
2021	8	Managing Director, CHO of the Company (current position)
2022	8	Executive Vice-President and COO, SAPPORODRUG STORE CO.,LTD. (current position)

Reasons for nomination as candidate for Director

Mr. Hiroshi Takada has been engaged in the business activities of the Group for many years and has abundant experience and advanced insight. Mr. Hiroshi Takada has been engaged in corporate management as a member of the Board of Directors and the Chief Sales Officer of SAPPORODRUG STORE CO.,LTD. since May 2011, and as a Managing Director of the Company since 2016, and has been performing his duties appropriately. The Company has judged him to be an appropriate person to enhance the Group's corporate value sustainably, and proposes his reappointment as Director.

Special interests between the candidate and the Company

There are no special interests between him and the Company.

Candidate
Number

4

New appointment

Noriaki
Konishi

Date of
birth

June 30, 1970

Number of
shares of
the
Company
owned

- shares

Term of
office as
Director

-Year

Attendance
at the
Board of

-/-(-%)

Career summary, position, responsibilities and significant concurrent positions

1998	10	Joined Ernst & Young LLP (New York, USA)
2002	10	Manager, International Department, Ernst & Young ShinNihon LLC
2004	9	Senior Manager, Midwest Japanese Business Division, Ernst & Young LLP (MI, USA)
2007	2	Senior Manager, Capital Markets Department, Ernst & Young ShinNihon LLC
2012	9	Finance Executive Officer, AIG Japan Holdings, Inc.
2014	9	Finance Vice President, Swiss Re Japan Branch
2018	4	Sapporo Site Lead, Transaction Risk & Compliance Department, Amazon Japan LLC
2019	4	Senior Operations Manager, Head of APAC Team, Risk & Compliance Department, Company of Amazon Japan LLC
2021	2	Senior Program Manager, Subscription Services Group, Retail Division of Amazon Japan LLC
2021	9	Bytedance Co., Ltd. Head of Advertiser Experience JP
2023	7	Head of Advertiser Experience APAC
2024	3	Joined the Company, Assistant to President
2024	5	Assistant to President and in charge of Management Strategy of the Company (current position)
2024	5	CFO, SAPPORODRUG STORE CO.,LTD. (current position)

Reasons for nomination as candidate for Director

Mr. Noriaki Konishi has been engaged in financial statement audits, financial advisory services, and finance services. He has experience in audits of listed companies, as well as fundraising due diligence, etc. He has not only provided management advice from a finance perspective, but also has experience in dealing with various management issues while cooperating with a wide range of departments such as sales, legal affairs, human resources, finance, and general affairs. He also has experience in supervising global operations and promoting a subscription program in the retail division at Amazon Japan GK. As the head of advertising review for Japan and APAC, he contributed to improving the quality of advertising and expanding revenue at Bytedance Co., Ltd. The Company has judged him to be an appropriate person for the sustainable enhancement of corporate value of the Group, and proposes his election as a new Director.

Special interests between the candidate and the Company

There are no special interests between him and the Company.

Candidate
Number

5

Reappointment

Maki
Nakamura

Date of
birth

July 21, 1964

Number of
shares of
the
Company
owned

1,832 shares

Term of
office as
Director

3 years

Attendance
at the
Board of

17 / 17 (100%)

Career summary, position, responsibilities and significant concurrent positions

1987	3	Joined Seiyu Co.
2000	4	Divisional Manager, Textile Division, Product Division, Carrefour Japan
2002	7	Manager, Residential Products Department, Seiyu Co., Ltd.
2003	1	Senior Director of Merchandise Department Reform of Seiyu Co., Ltd.
2004	10	Director of Household Goods Department, Household Goods Department 1, Merchandise Department of of Seiyu Co., Ltd.
2006	1	Senior Director, Consumer Electronics of Seiyu Co., Ltd.
2007	1	VP/GMM (General Merchandising Manager), Seiyu Co., Ltd.
2008	3	VP / General Merchandising Manager (GMM) Grocery consumables of Seiyu Co., Ltd.
2009	1	Executive Officer, SVP, Food Business Seiyu Co., Ltd.
2009	11	Executive Officer, SVP, Food Business Seiyu Co., Ltd.
2012	8	Executive Officer, SVP of Sumitomo Corporation, and President and Representative Director of Wak
2017	8	President and Chief Executive Officer, HAVI Supply Chain Solutions Japan LLC
2020	9	President and Representative Director, Manma Co., Ltd. (current position)
2021	8	Outside Director of the Company
2023	8	Director, CHRO of the Company (current position)
2024	3	External Director, Suntory Beverage & Food Limited (current position)

Reasons for nomination as candidate for Director

Maki Nakamura has engaged in various duties as an officer and manager of several companies including a retail business, and has insight into corporate management and knowledge of human resource development. Since assuming office as Outside Director of the Company in August 2021, he has appropriately fulfilled his role in supervising business execution from a fair and objective standpoint. Since assuming office as Director and CHRO in August 2023, he has been making efforts to formulate and implement the human resources strategy of the Group. The Company has judged him to be an appropriate person to enhance the Group's corporate value sustainably, and proposes his reappointment as Director.

Special interests between the candidate and the Company
There are no special interests between him and the Company.

Candidate
Number

6

Reappointment
Outside the company
Dokuritsu

Takaaki
Houda

Date of
birth

November 16,
1974

Term of
office as
Director

2 years

Number of
shares of
the
Company
owned

1,300 shares

Attendance
at the
Board of

17 / 17 (100%)

Career summary, position, responsibilities and significant concurrent positions

1998	4	Joined Lehman Brothers Japan Inc.
2002	6	Joined UBS Securities Japan Co.
2006	7	Outside Director, Mynet Inc.
2010	4	Associate Professor, Graduate School of Business and Commerce (MBA), Otaru University of Commerce
2014	4	Associate Professor, Faculty of Global Business Showa Women's University
2015	9	Associate Professor, Graduate School of Business Administration, Kobe University
2016	3	Outside Director (Audit and Supervisory Committee Member), Mynet Inc.
2020	1	Trust Bank Co., Ltd. Outside Director (current position)
2020	7	Outside Audit & Supervisory Board Member, Linkers, Inc.
2021	4	Professor, Graduate School of Business Administration, Kobe University
2022	4	Professor, Faculty of Policy Studies, Keio University (current position)
2022	6	Outside Audit & Supervisory Board Member, Tohoku University Venture Partners Co. (current position)
2022	8	Outside Director of the Company (current position)

Reasons for nomination as candidate for Outside Director and outline of expected roles

Takaaki Hota is a professor at the Faculty of Policy Studies, Keio University, and has knowledge as a specialist in the fields of financial strategies and corporate governance. Since assuming office as Outside Director of the Company in August 2022, he has played an important role by actively providing advice and suggestions on management, including investment strategy and financial strategy, from an independent and objective standpoint as a Member of the Nomination and Compensation Committee. The Company expects that he will contribute to strengthening the supervisory function of the Group's business execution and provide advice from a broad management perspective, and proposes his reappointment as Outside Director.

Special interests between the candidate and the Company

There are no special interests between him and the Company.

Matters pertaining to independence

The Company has notified the Tokyo Stock Exchange and the Sapporo Securities Exchange that he is an independent officer as provided for by the said exchanges. If he is elected, the Company plans to continue his appointment as an independent officer.

Candidate
Number

7

New appointment
Outside the company
Dokuritsu

Kana
Bougaki

Date of
birth

August 2, 1983

Number of
shares of
the
Company
owned

- shares

Term of
office as
Director

-year

Attendance
at the
Board of

-/-(-%)

Career summary, position, responsibilities and significant concurrent positions

2006	4	Joined CyberAgent, Inc.
2006	5	Cyber Buzz Inc. (Seconded)
2010	10	Director of the company
2012	4	Cygames Co., Ltd. (Seconded)
2012	6	Member of the Board, Cydesignation
2012	9	Director of Grange Co., Ltd.
2013	5	Director, Makuake Co., Ltd. (current position)
2019	7	Visiting Professor, Information Management Innovation Specialist College (current position)
2022	3	Outside Director, ENECHANGE Co., Ltd. (current position)

Reasons for nomination as candidate for Outside Director and outline of expected roles

After joining CyberAgent, Inc., Ms. Kana Bougaki has participated in the founding and management of three subsidiaries. She joined Makuake Co., Ltd. in 2013 as co-founder and Member of the Board. She has broad knowledge and abundant experience in the field of new business marketing, including the creation of an organization that is in line with the times with DEI in mind. He also works hard to revitalize local economies through lectures throughout Japan and through cooperation with financial institutions and local governments. The Company has nominated him as a candidate for Outside Director in the expectation that he will contribute to strengthening the supervisory function of the Group's business execution and provide advice from a broad management perspective.

Special interests between the candidate and the Company

There are no special interests between him and the Company.

Matters pertaining to independence

The Company plans to register him as an independent officer as stipulated by the Tokyo Stock Exchange and the Sapporo Securities Exchange, Inc., if he is elected.

- Notes:
1. Mr. Takaaki Houda and Ms. Kana Bougaki are candidates for Outside Directors.
 2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Mr. Takaaki Hota to limit his liability for damages for failure to perform his duties as Member of the Board to the amount stipulated by laws and ordinances. If he is elected, the Company plans to continue the same agreement with him.
 3. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, if Ms. Kana Bougaki is elected, the Company plans to enter into an agreement with her to limit her liability for damages for failure to perform her duties as a Member of the Board to the amount stipulated by law.
 4. The Company has concluded a D & O insurance contract with an insurance company to cover the amount of damages and litigation costs, etc., to be borne by the insured. Each candidate for Director will be included in the insured persons of the insurance contract. We are planning to update the same content at the next update. The outline of the content of the said contract is as stated in the business report "Outline of the content of the directors' and officers' liability insurance (D & O insurance) contract".

Proposal No. 3: Election of Four (4) Directors who are Audit and Supervisory

Committee Members

The terms of office of all three (3) Directors who are Audit and Supervisory Committee Members will expire at the conclusion of this General Meeting of Shareholders. Accordingly, the Company proposes the election of four (4) Directors who are Audit and Supervisory Committee Members, increasing the number of Directors by one (1) to strengthen the audit system.

With respect to this proposal, the Audit and Supervisory Committee has expressed its opinion that all candidates for Directors who are Audit and Supervisory Committee Members are qualified.

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

Candidate Number	Candidate Attributes	Name	Current position in the Company	Attendance at the Board of Attendance at Audit and Supervisory Committee meetings
1	Reappointment	Akihiko Yamamoto	Outside Director (Audit and Supervisory Committee Members)	17 / 17 (100%) 12 / 12 (100%)
	External			
	Independent			
2	Reappointment	Hiroko Kouno	Outside Director (Audit and Supervisory Committee Members)	17 / 17 (100%) 12 / 12 (100%)
	External			
	Independent			
3	Newly appointed	Masahiro Narita	-	Times / Times (%)
	External			
	Independent			
4	Newly appointed	Kazuhiro Yoshii	-	Times / Times (%)
	External			

Candidate
Number

1

Reappointment
Outside the company
Independent

Akihiko
Yamamoto

Date of birth	January 10, 1958	Attendance at the Board of	17 / 17 (100%)
Term of office as Director	4 years	Attendance at Audit and Supervisory Committee meetings	12 / 12 (100%)
Number of shares of the Company owned	5,900 shares		

Career summary, position, responsibilities and significant concurrent positions

1980	4	Joined The Hokkaido Bank, Ltd.
1999	8	General Manager of Asahigaoka Branch of The Hokkaido Bank, Ltd.
2000	9	CFO, Softfront Corporation
2005	8	Non-Executive Director of Softfront Corporation
2005	9	Representative, Yamamoto Consulting Office (current position)
2005	12	Outside Audit & Supervisory Board Member, Cheetah Digital Corporation
2006	12	Jigsaw Corporation (currently JIG-SAW INC.) Outside Corporate Auditor
2006	12	Outside Audit & Infoteria Corporation
2006	12	Outside Director, Bears Co., Ltd. (current position)
2012	5	Outside Director, Kitanotatsujin Corporation
2013	5	Outside Audit & SAPPORODRUG STORE CO.,LTD.
2016	3	Jigsaw Corporation (currently JIG-SAW INC.) Outside Director (Audit and Supervisory Committee Member) (current position)
2016	8	Outside Audit &
2017	5	Auditor, GRIT WORKS Co., Ltd.
2017	6	AI TOKYO LAB Co., Ltd. (currently AWL Co., Ltd.) Auditor
2017	6	Outside Audit & Supervisory Board Member, Iwasaki
2020	8	Outside Director (Audit and Supervisory Committee Member) (current position)
2023	8	Audit & Supervisory Board Member, SAPPORODRUG STORE CO.,LTD. (current position)
2024	5	Auditor, GRIT WORKS Co., Ltd. (current position)

Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles
Mr. Akihiko Yamamoto has sufficient insight into corporate management as a manager in the consulting industry, and has knowledge and experience gained through his career as an outside officer of a company. Since assuming office as an Outside Director who is an Audit and Supervisory Committee Member of the Company in August 2020, he has contributed to strengthening the decision-making function of management and the audit and supervisory function from an independent and objective standpoint. He has also played an important role in contributing to the effectiveness of governance as Chairman of the Nomination and Remuneration Committee. He is expected to contribute to the effective enhancement of the Company's audit function, decision-making function of management and supervisory function, and therefore the Company proposes his reappointment as an Outside Director who is an Audit and Supervisory Committee Member.

Special interests between the candidate and the Company
There are no special interests between him and the Company.

Matters pertaining to independence

The Company has notified the Tokyo Stock Exchange and the Sapporo Securities Exchange that he is an independent officer as provided for by the said exchanges. If he is elected, the Company plans to continue his appointment as an independent officer.

Candidate
Number

2

Reappointment
Outside the company
Independent

Hiroko
Kouno

Date of birth	May 8, 1965	Attendance at the Board of	17 / 17 (100%)
Term of office as Director	2 years	Attendance at Audit and Supervisory Committee meetings	12 / 12 (100%)
Number of shares of the Company owned	1,100 shares		

Career summary, position, responsibilities and significant concurrent positions

1989	4	Joined Mitsubishi Corporation
1992	7	Joined Capital International Research Tokyo Office
2001	1	Capital Group Companies, Los Angeles headquarters
2003	2	Capital International Research Washington Office
2008	7	Capital International Co., Ltd. Tokyo Office
2011	7	Councilor and Director of the International School of Asia Karuizawa Foundation
2013	11	Executive Director and Executive Director, International School of Asia Karuizawa
2016	3	Executive Director, United World College ISAK Japan
2018	11	Coach A Executive Coach Co., Ltd.
2021	5	External Director, LIFE CORPORATION (current position)
2022	3	Executive Coach, Professional Officer, Coach AY Corporation
2022	8	Outside Director of the Company (Audit and Supervisory Committee Member) (current position)
2023	6	Outside Director (Audit and Supervisory Committee Member), PayPay Co., Ltd. (current position)
2023	7	Senior Executive Coach, Coach & Air Inc. (current position)

Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles
Ms. Hiroko Kono has experience working at an investment company, has established and operated an educational corporation, and has engaged in human resource development at a coaching company. Her abundant experience and insight are highly regarded. Since assuming office as Outside Director who is an Audit and Supervisory Committee Member of the Company in August 2022, he has played an important role in contributing to the enhancement of the decision-making function of management and the audit and supervisory function from an independent and objective standpoint. He is expected to contribute to the effective enhancement of the Company's audit function, decision-making function of management and supervisory function, and therefore the Company proposes his reappointment as an Outside Director who is an Audit and Supervisory Committee Member.

Special interests between the candidate and the Company
There are no special interests between him and the Company.

Matters pertaining to independence

The Company has notified the Tokyo Stock Exchange and the Sapporo Securities Exchange that he is an independent officer as provided for by the said exchanges. If he is elected, the Company plans to continue his appointment as an independent officer.

Candidate
Number

3

New appointment
Outside the company
Independent

Masahiro
Narita

Date of birth	June 11, 1957	Attendance at the Board of	-/-(%)
Term of office as Director	-year	Attendance at Audit and Supervisory Committee meetings	-/-(%)
Number of shares of the Company owned	- shares		

Career summary, position, responsibilities and significant concurrent positions

1980	4	Joined Nakamichi Leasing Co., Ltd.
2008	1	General Manager of Vehicle Sales Department of Nakamichi Leasing Co., Ltd.
2008	10	General Manager, ISO Promotion Department, Internal Audit & ISO Promotion Office of Nakamichi Leasing Co., Ltd.
2011	1	General Manager, Sapporo Area Rolling Stock and Construction Machinery Sales Department of Nakamichi Leasing Co., Ltd.
2012	1	Director of Future Development Office of Nakamichi Leasing Co., Ltd.
2015	1	Director of Screening Office of Nakamichi Leasing Co., Ltd.
2017	8	Senior Staff of General Affairs of Nakamichi Leasing Co., Ltd.
2018	6	Full-time Audit & Supervisory Board Member of Goryo Chemical Co., Ltd.

Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles
Masahiro Narita has held key positions in the leasing industry in the sales division, new business development division, and credit evaluation division. In his previous position as a full-time Audit & Supervisory Board Member, he has contributed to the enhancement of the audit function and the establishment and optimization of the governance structure, and has abundant experience and insight. We expect that he will contribute to the effective enhancement of the Company's audit function, decision-making function of management, and supervisory function, and therefore we propose his election as a new Outside Director who is an Audit and Supervisory Committee Member.

Special interests between the candidate and the Company
There are no special interests between him and the Company

Matters pertaining to independence
The Company plans to register him as an independent officer as stipulated by the Tokyo Stock Exchange and the Sapporo Securities Exchange, Inc., if he is elected.

Candidate
Number

4

New appointment
Outside the company

**Kazuhiro
Yoshii**

Date of birth	April 26, 1973	Attendance at the Board of	- /-(%)
Term of office as Director	-year	Attendance at Audit and Supervisory Committee meetings	- /-(%)
Number of shares of the Company owned	-shares		

Career summary, position, responsibilities and significant concurrent positions

1999	4	Registered as an attorney, Tomotsune Kimura Mitomi Law Office (currently Anderson Mori & Tomotsune LPC) Admission
2006	10	New York State Bar Registered
2007	1	Partner, Anderson Mori & Tomotsune (currently Anderson Mori & Tomotsune LPC) (current position)
2009	7	Member of the Self-Regulatory Committee, Investment Trusts Association of Japan
2013	7	Vice Chairman of the Committee (current position)
2020	5	Outside Audit & SLD Entertainment Inc.
2022	5	Director of SLD Entertainment Inc. (Audit and Supervisory Committee Member) (current position)
2022	6	Outside Director, Tohoku University Venture Partners Co., Ltd. (current position)

Reasons for nomination as candidate for Outside Director who is an Audit and Supervisory Committee Member and outline of expected roles
Mr. Kazuhiro Yoshii is familiar with the overall corporate legal affairs, including support for start-up / venture companies, IPOs, M&A and corporate restructuring, as well as financial regulation laws and fintech related matters. He has a high level of expertise and high ethical standards as a lawyer, and his abundant experience and insight are highly regarded. We expect that he will contribute to the effective enhancement of the Company's audit function, decision-making function of management, and supervisory function, and therefore we propose his election as a new Outside Director who is an Audit and Supervisory Committee Member.

Special interests between the candidate and the Company
There are no special interests between him and the Company

- Notes: 1. Mr. Akihiko Yamamoto, Ms. Hiroko Kono, Mr. Masahiro Narita and Mr. Kazuhiro Yoshii are candidates for Outside Directors.
2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company has concluded liability limitation agreements with Mr. Akihiko Yamamoto and Ms. Hiroko Kono to limit their liability for damages for failure to perform their duties as Directors to the amount stipulated by laws and ordinances. If they are elected, the Company plans to continue the same agreements with them.
3. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, if Masahiro Narita and Kazuhiro Yoshii are elected, the Company plans to enter into liability limitation agreements with them to limit their liability for damages for failure to perform their duties as Directors to the amount stipulated by laws and regulations.
4. The Company has concluded a D & O insurance contract with an insurance company to cover the amount of damages and litigation costs, etc., to be borne by the insured. Each candidate for Director will be included in the insured persons of the insurance contract. We are planning to update the same content at the next update. The outline of the content of the said contract is as stated in the business report "Outline of the content of the directors' and officers' liability insurance (D & O insurance) contract".

[Reference] Skill Matrix

The candidates for Directors of the Company are engaged in management with a high level of knowledge and experience in various fields, both inside and outside the Company. For candidates for internal Directors, circles are added to indicate major fields in which the candidate has knowledge and experience. For candidates for Outside Directors and candidates for Audit and Supervisory Committee Members, circles are added to indicate major fields in which the candidate is expected to contribute to the management of the Company.

(If the Company's proposal is approved at the 8th Ordinary General Meeting of Shareholders)

Name	Attributes / Insights	Corporate management and strategy	Retail industry Knowledge	IT and DX	Finance and Accounting	Sales and marketing	Personnel and Organizational Structure	Legal Compliance	ESG
Hiroki Tomiyama	Director Reappointment	○	○	○		○			○
Satoru Yamatoya	Director Reappointment	○	○		○	○	○	○	
Hiroshi Takada	Director Reappointment	○	○			○	○		
Noriaki Konishi	Director Newly appointed	○	○	○	○			○	
Maki Nakamura	Director Reappointment	○	○			○	○		○
Takaaki Houda	Outside Director Reappointment / Independence	●			●			●	●
Kana Bougaki	Outside Director New appointment / independence	●		●		●	●		
Akihiko Yamamoto	Outside Director, Audit and Supervisory Reappointment / Independence			●	●		●	●	
Hiroko Kouno	Outside Director, Audit and Supervisory Reappointment / Independence		●		●		●	●	
Masahiro Narita	Outside Director, Audit and Supervisory New appointment independence				●			●	●

Kazuhiro Yoshii	Outside Director, Audit and Supervisory Newly appointed							●	●
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Proposal 4 is a proposal by shareholders.

Please refer to the original text for the summary of the proposal submitted by the shareholders and the reasons for the proposal.

Opinion of the Board of Directors of the Company on the Shareholder Proposal

"The Board of Directors of the Company is" "against" "Proposal 4."

Please refer to the following for the opinions of the Board of Directors of the Company on Proposal 4.

(1) We are realizing steady growth under the guidance of our current management structure.

In June 2021, we formulated a medium-term management plan with the theme of "Evolution into a comprehensive community life group." In this plan, we have set three growth strategies: a strategy to integrate stores into daily life, a strategy to build regional platforms, and a strategy to collaborate. By expanding our business domain from retailing, which is limited to selling goods, to lifestyle services, which provide goods and services, we aim to grow the entire Group while differentiating ourselves from competitors. In our strategy to integrate our stores into daily life, we are working to expand our revenue base by expanding our product categories by strengthening our pharmacy network and handling fresh food, and by implementing services that support the lives of local residents at our stores that have become dominant in Hokkaido, in addition to promoting digital marketing using official apps and pursuing low-cost operations through ESLP (everyday same low price). As for regional platform strategies, we will strengthen the EZO Card Association by increasing the number of members and affiliated stores of the EZO Card Association, and we will work to create new value by utilizing the big data accumulated in the process. In the collaboration strategy, we are working to create successful models that solve local social issues through business by organically connecting with players such as local governments and companies. Although the business environment is difficult due to rising prices and intensifying competition, we recorded an improvement in sales, with net sales of ¥ 95.52 billion (109.2% of the previous fiscal year), operating income of ¥ 1.384 billion (462.2% of the previous fiscal year), and an operating income margin of 1.4% (+ 1.1% of the previous fiscal year).

Directors (excluding Directors who are Audit and Supervisory Committee Members) The following proposals will be submitted: Election of seven (7) Directors (excluding Outside Directors) and four (4) Directors who are Audit and Supervisory Committee Members. From this fiscal year onward, we will continue to make the most of the Group's management resources and strive to improve corporate value under the Board of Directors, including the newly appointed directors proposed by the Company.

(2) There is no influence on governance by the holding of the Company's shares by Hiroki Tomiyama, the founder of the Company, and his associates

In terms of the composition of the Company's shareholders, Hiroki Tomiyama, the founder of the Company, and his associates hold 33.18% of the Company's shares. However, the Directors who constitute the current Board of Directors are appointed in accordance with a process designed to ensure their independence, and the influence of major shareholders is excluded from the execution of business. In addition, the current Board of Directors respects the rights of shareholders and ensures fairness and transparency in management, and sufficiently functions fiduciary responsibility and accountability to shareholders. We have judged that there are no governance issues in view of minority shareholder protection.

The Company's Board of Directors currently consists of eight members, four of whom are Outside Directors (at the General Meeting of Shareholders, the Company will propose eleven (11) candidates for Directors, including six (6) Outside Directors.). Candidates for Directors are nominated by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee and submitted to the General Meeting of Shareholders. The Nomination and Remuneration Committee of the Company is composed of three or more members elected by resolution of the Board of Directors. At present, two of the three members, which are a majority of the members, are Independent Outside Directors, thereby ensuring neutrality. The chairperson of the Nomination and Remuneration Committee is appointed from among the members who are independent outside directors by resolution of the Board of Directors. In this way, the Nomination and Remuneration Committee ensures transparency and objectivity in the nomination and remuneration of Directors by providing reports to the Board of Directors, including from the perspective of gender diversity and skills, when considering particularly important matters such as the nomination and remuneration of Director candidates. Furthermore, the Company made the transition to a company with an Audit and Supervisory Committee on August 12, 2020, from the perspective of enhancing corporate governance by strengthening the supervisory function of the Board of Directors. The maximum number of Directors who are Audit and Supervisory Committee Members is five. In accordance with Article 331, Paragraph 6 of the Companies Act, the Audit and Supervisory Committee currently has three members, of whom three, or a majority, are all Outside Directors.). In addition, the Audit and Supervisory Committee works with the Internal Audit Department and the Accounting Auditor to enhance audits of overall business operations so that the three audits are effective.

In this way, the Company's Board of Directors is operated in a manner that ensures fairness and transparency based on strictly established standards and processes, and that does not cause governance problems attributable to major shareholders such as the founding family of the Company.

(3) The Company has maintained an appropriate process for appointing directors and an optimal composition of the Board of Directors.

The board of directors of the Company shall be composed of directors (excluding directors who are Audit and Supervisory Committee members) as stipulated in the Articles of Incorporation. The basic policy is to have a sufficient number of directors within the range of 10 directors (excluding directors who are outside directors) and 5 directors who are audit and supervisory committee members, and to have a sufficient number of directors in consideration of the balance of knowledge, experience, and skills required for each business, based on the characteristics and scale of each business. The appointment of internal directors is based on a comprehensive evaluation and judgment of their experience, knowledge, expertise, etc., in accordance with the Company's management philosophy and management strategies. In addition to the requirements for outside directors under the Companies Act, the Company appoints outside directors based on the criteria that they satisfy the qualifications of independent officers as prescribed by the Tokyo Stock Exchange and are judged to have no risk of conflict of interest with general shareholders. In addition, the Company has established the Nomination and Remuneration Committee to ensure transparency and objectivity in the process of appointing directors, and deliberates and reports to the Board of Directors upon its request.

At the General Meeting of Shareholders, the Company will elect two new Directors (excluding Directors who are Audit and Supervisory Committee Members) through the aforementioned election process in order to form a Board of Directors that will contribute to further enhancing the corporate value of the Company. I will put forward the candidate. Mr. Noriaki Konishi has been engaged in financial statement audits, financial advisory services, and finance services for many years. He has experience in audits of listed companies, as well as fundraising due diligence, etc. He has not only provided management advice from a finance perspective, but also has experience in dealing with various management issues while cooperating with a wide range of departments such as sales, legal affairs, human resources, finance, and general affairs. He also has experience in supervising global operations in the retail industry and promoting the business of subscription programs. The Company has judged him to be an appropriate person for the sustainable enhancement of corporate value of the Group, and proposes his election as a new Director. Kana Bougaki has experience in starting up multiple companies, and has broad insight and abundant experience in the field of new business marketing and in the creation of organizations that are in line with the times with an awareness of DEI. He also works hard to revitalize local economies through lectures throughout Japan and through cooperation with financial institutions and local governments. The Company has nominated him as a candidate for Outside Director in the expectation that he will contribute to strengthening the supervisory function of the Group's business execution and provide advice from a broad management perspective.

The directors who are to be reappointed at this General Meeting of Shareholders have been widely

trusted by shareholders, as all directors were approved with an approval rate of 80% or more at the General Meeting of Shareholders held in the previous fiscal year. "The knowledge, experience, etc. of each Director in the event that the proposal for election of Directors is approved at the General Meeting of Shareholders are as described in" "Skill Matrix" "on page 18. The Company believes that the composition of the Board of Directors proposed by the Company is optimal."

<Shareholder proposals>

Proposal No. 4: Election of Two (2) Directors

(1) Outline of the proposal

Seiji Hirooka and Maki Yonehara shall be elected as Directors.

(2) Reasons for the Proposal

The business performance of the Company has been stagnant compared with other companies in the same industry for many years (Note). The proposing shareholders, Seiji Hirooka and Maki Yonehara have held numerous dialogues with the Company since December 2022. However, no concrete measures for improving business performance have been presented in these dialogues, and the Company believes that it will be difficult to achieve the medium-term management plan ending in May 2026 with the current management structure of the Company.

Note: For example, according to the research of the proposing shareholders, the operating profit margin (the profit margin in the latest full-year financial results) of the six major listed companies engaged in similar businesses to the Company is about 3.6% to 7.4%, while the operating profit margin of the Company is about 0.3% for the fiscal year ending May 2023 (about 1.4% in the consolidated earnings forecast for the fiscal year ending May 2024).

We believe that this is due to the fact that the Company's management discipline is not working sufficiently for at least the following two reasons. One is that Mr. Hiroki Tomiyama, the founder of the Company, and his associates own about 36% of the Company's shares. The voting rate of the Company at the 7th Ordinary General Meeting of Shareholders for the fiscal year ended August 2023 is understood to be about 71%. Given this, the Company has a high degree of influence, and I believe that the shareholder composition of the Company makes it difficult for governance to function properly so that corporate management is in line with the interests of other minority shareholders. Second, there are no outside directors with experience in running a drugstore, and considering the fact that our business performance is sluggish compared to other companies in the same industry, we believe that the personnel structure of outside directors of listed companies is insufficient. Under these circumstances, Toshiya Yoshida, then Executive Vice-President and COO, resigned on December 31, 2023, and it was expected that the management structure of the Company would further deteriorate. Therefore, the Proposing Shareholders, who were the major shareholders of the Company, made a proposal to the Company in December 2023 regarding the appointment of Seiji Hirooka and Maki Yonehara, who had a long history in the retail industry, including the drugstore industry. In response to this proposal, the Board of Directors of the Company did not provide a clear explanation, and the proposal was rejected with the single word that it was accepted as a valuable opinion from the shareholders.

In order to request the shareholders of the Company to make a decision on the election of the above

Directors, the Proposing Shareholders hereby submit this proposal to the Company by exercising their rights under the Companies Act. The reasons for nominating both candidates for directors are as follows.

Evergreen Co., Ltd., is a supermarket and drugstore retailer with annual sales of about 88 billion yen. Mr. Seiji Hirooka has strong leadership, abundant experience and a broad range of achievements as the Chairman of the Board of Directors of Evergreen Hirooka Co., Inc. (hereafter referred to as “Evergreen Group”) The total number of employees of the Evergreen Group is about 4,000. As the chief executive officer of the Group, he has not only made decisions on overall management but also engaged in the operation of stores, shelving allocation, and sales promotion, which are the basics of the small retail business, with an emphasis on the field. He has experience in expanding the drug store business and improving profitability.

Maki Yonehara has extensive experience and extensive experience in the management of the supermarket and drugstore businesses as the President and Representative Director of the Evergreen Group, as Mr. Hirooka does. He has also experience in making management proposals that meet the needs of women. He is considered to be able to provide appropriate advice and objective and strategic advice on overall management at the Board of Directors of the Company from the perspective of diversity and his professional insight at Drugstore, which has many female customers.

(3) Career summary of the candidate

Candidate Number 1

Name	Seiji Hirooka
Date of birth	February 15, 1951
Number of shares of the Company owned	621,600 shares
■ Career summary, position, responsibilities and significant concurrent positions	
April 1989	President and Representative Director, Hirooka Evergreen Hirojin Co., Ltd.
April 2000	President and Representative Director, San-Genshoku
February 2021	Chairman and Representative Director, Hirooka Co., Ltd. (current position) Chairman and Representative Director, Evergreen Hirojin Co., Ltd. (current position)

Candidate Number 2

Name	Maki Yonehara
Date of birth	February 4, 1982
Number of shares of the Company owned	311,300 shares
■ Career summary, position, responsibilities and significant concurrent positions	
April 2012	President and Representative Director, San-Genshoku Corporation (current position)
February 2015	Managing Director, Evergreen Hirojin Co., Ltd.
February 2021	President, Evergreen Hirojin Co., Ltd. (current position)