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(Stock Exchange Code 3034)
June 10, 2019

To Shareholders with Voting Rights:

Takashi Nakamura
President and Representative Director
Qol Holdings Co., Ltd.
Head Office:
37F, Shiroyama Trust Tower,
4-3-1, Toranomon, Minato-ku, Tokyo

**NOTICE OF
THE 27TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

You are cordially invited to attend the 27th Annual General Meeting of Shareholders of Qol Holdings Co., Ltd. (the “Company”). The meeting will be held for the purposes as described below.

If you are unable to attend the meeting, you may exercise your voting rights by means of paper ballot, or the Internet. Please exercise your voting rights either by indicating your approval or disapproval for the agenda items shown on the enclosed Voting Rights Exercise Form and return the form, or enter your approval or disapproval for the agenda items in the website designated by the Company (<https://evote.tr.mufg.jp/>), after reviewing the attached Reference Documents for the General Meeting of Shareholders so that it reaches us no later than 6:00 p.m. Japan time on Tuesday, June 25, 2019.

Date and Time: Wednesday, June 26, 2019 at 10:00 a.m. Japan time (the venue will opened at 9:00 a.m.)

Place: Conference room at Qol Holdings Co., Ltd. located at
10F, Front Place Nihonbashi, 2-14-1, Nihonbashi, Chuo-ku, Tokyo

Meeting Agenda:

- Matters to be reported:**
1. The Business Report, Consolidated Financial Statements for the Company’s 27th Fiscal Year (April 1, 2018 - March 31, 2019) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 27th Fiscal Year (April 1, 2018 - March 31, 2019)

Proposals to be resolved:

- Proposal 1:** Election of 8 Directors
Proposal 2: Election of 3 Audit & Supervisory Board Members
Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

Please note that souvenirs are available but only one souvenir is given to each shareholder attending the meeting regardless of the number of Voting Rights Exercise Forms brought by each shareholder.

The Status of the Accounting Auditor, System for Ensuring Appropriate Operation and Outline of the Status of Implementation of the System for Ensuring Appropriate Operation in the Business Report, Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements, Statement of Changes in Equity and Notes to Non-consolidated Financial Statements are provided to shareholders by posting them on the Company's website (<https://www.qolhd.co.jp/eng/>), pursuant to the laws and regulations and the Articles of Incorporation of the Company.

The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements provided in this notice of convocation are excerpts of the Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Accounting Auditors and Audit & Supervisory Board Members upon preparation of the Audit Report.

Should the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements require revisions, the revised versions will be posted on the Company's website (<https://www.qolhd.co.jp/eng/>).

Reference Documents for the General Meeting of Shareholders

Proposal 1: Election of 8 Directors

The terms of office of all of 8 Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, the election of 8 Directors is proposed.

The candidates are as follows:

| No. | Name | Positions and responsibilities at the Company | Term of office served as Director | Attendance at Board of Directors meetings |
|-----|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------|-------------------------------------------|
| 1 | <u>Reappointment</u> Masaru Nakamura | Chairman and Representative Director | 26 years and 8 months | 100% (13/13 meetings) |
| 2 | <u>Reappointment</u> Takashi Nakamura | President and Representative Director | 16 years | 100% (13/13 meetings) |
| 3 | <u>Reappointment</u> Shoji Okamura | Senior Executive Director, General Manager of Pharmacy Business Management | 14 years | 100% (13/13 meetings) |
| 4 | <u>Reappointment</u> Kiyonobu Fukumitsu | Executive Director, General Manager of Business Management | 10 years | 100% (13/13 meetings) |
| 5 | <u>Reappointment</u> Takayoshi Ishii | Executive Director, Chief of President Office | 2 years | 100% (13/13 meetings) |
| 6 | <u>Reappointment</u> Yukari Onchi <u>Female</u> | Director | 5 years | 100% (13/13 meetings) |
| 7 | <u>Reappointment</u> Toshiko Kuboki <u>Outside</u> <u>Independent</u> <u>Female</u> | Director | 4 years | 100% (13/13 meetings) |
| 8 | <u>New appointment</u> Yukiharu Yamamoto <u>Outside</u> <u>Independent</u> | - | - | - |

Note: Term of office served as Director is as of the conclusion of this year's Annual General Meeting of Shareholders.

| No. | Name (Date of birth) | Career summary, positions and responsibilities at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 1 | Masaru Nakamura (October 4, 1942) 76 years old <u>Reappointment</u> Term of office served as Director: 26 years and 8 months | <p>April 1961 Joined Nakagawayasu Co., Ltd. (current Alfresa Corporation)</p> <p>October 1992 Established the Company and assumed the post of President and Representative Director</p> <p>May 2012 Assumed the post of Chairman, Nippon Pharmacy Association</p> <p>April 2013 Assumed the post of Professor, the Institute for Social Medicine at Tokyo University of Pharmacy and Life Sciences (part-time) (to present)</p> <p>May 2015 Assumed the post of Visiting Professor, Yokohama University of Pharmacy</p> <p>June 2016 Assumed the post of Chairman and Representative Director of the Company (to present)</p> | 614,500 |
| | | <p>[Reason for election]</p> <p>The Company proposes Mr. Masaru Nakamura as a candidate for Director based on its judgment that, with his track record in establishing a business platform and expanding performance and scope of business as Representative Director, and thorough knowledge of business overall, since the Company's establishment, he is expected to continue utilizing his wealth of experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |
| 2 | Takashi Nakamura (January 19, 1970) 49 years old <u>Reappointment</u> Term of office served as Director: 16 years | <p>April 1992 Joined Daiichi Pharmaceutical Co., Ltd. (current DAIICHI SANKYO COMPANY, LIMITED)</p> <p>October 2001 Joined the Company</p> <p>June 2003 Assumed the post of Director Chief of President's Office</p> <p>October 2004 Chief of Development Headquarters</p> <p>June 2005 Assumed the post of Executive Director</p> <p>June 2007 Assumed the post of Executive Vice President and Representative Director</p> <p>June 2016 Assumed the post of President and Representative Director of the Company (to present)</p> <p>Assumed the post of President and Representative Director, Qol SD Holdings Co., Ltd.</p> <p>Assumed the post of Chairman and Representative Director, APO PLUS STATION CO., LTD.</p> | 1,631,000 |
| | | <p>[Reason for election]</p> <p>The Company proposes Mr. Takashi Nakamura as a candidate for Director based on its judgment that, with his wealth of experience and track record in overseeing overall management as Representative Director, and his thorough knowledge of business management, he is expected to continue utilizing his wealth of experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |

| No. | Name (Date of birth) | Career summary, positions and responsibilities at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|---------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 3 | Shoji Okamura (June 17, 1958) 61 years old <u>Reappointment</u> Term of office served as Director: 14 years | <p>April 1981 Joined Matsumotokiyoshi Co., Ltd.</p> <p>May 1981 Registered on list of pharmacists</p> <p>November 1982 Joined NIHONDO Co., Ltd.</p> <p>December 1998 Joined the Company</p> <p>April 2004 Assumed the post of Corporate Officer</p> <p>June 2005 Assumed the post of Director</p> <p>November 2006 Assumed the post of President and Representative Director, Fukuju Co., Ltd.</p> <p>June 2007 Assumed the post of Executive Director of the Company</p> <p>April 2009 Chief of Pharmacy Business Headquarters</p> <p>June 2011 Assumed the post of Senior Executive Director (to present)</p> <p>October 2018 General Manager of Pharmacy Business Management (to present)</p> | 28,300 |
| | | <p>[Reason for election]</p> <p>The Company proposes Mr. Shoji Okamura as a candidate for Director based on its judgment that, with his thorough knowledge of management of dispensing pharmacies which constitute the Company's business platform as Director, and his high level of expertise as a pharmacist, he is expected to continue utilizing his professional experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |
| | | | |
| 4 | Kiyonobu Fukumitsu (May 16, 1968) 51 years old <u>Reappointment</u> Term of office served as Director: 10 years | <p>April 1991 Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)</p> <p>September 2002 Joined the Company</p> <p>April 2005 Assumed the post of Corporate Officer</p> <p>April 2008 Assumed the post of Senior Corporate Officer Chief of Management Headquarters</p> <p>June 2009 Assumed the post of Director</p> <p>April 2013 Chief of Corporate Strategy Headquarters and General Manager of Business Strategy</p> <p>April 2014 Chief of Corporate Strategy Headquarters</p> <p>June 2014 Assumed the post of Executive Director (to present)</p> <p>October 2018 General Manager of Business Management (to present)</p> | 58,500 |
| | | <p>[Reason for election]</p> <p>The Company proposes Mr. Kiyonobu Fukumitsu as a candidate for Director based on its judgment that, with his wealth of experience and track record in the Company's management and administration as Director, he is expected to continue utilizing his professional experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |
| | | | |
| 5 | Takayoshi Ishii (October 26, 1961) 57 years old <u>Reappointment</u> Term of office served as Director: 2 years | <p>April 1985 Joined Shionogi & Co., Ltd.</p> <p>June 2014 Joined the Company Deputy Chief of Corporate Strategy Headquarters</p> <p>October 2014 General Manager of Corporate Planning Department</p> <p>April 2015 Assumed the post of Corporate Officer Chief of Corporate Strategy Headquarters</p> <p>April 2016 Chief of Corporate Planning Headquarters</p> <p>October 2016 Assumed the post of Senior Corporate Officer</p> <p>June 2017 Assumed the post of Director of the Company</p> <p>October 2018 Chief of President Office (to present)</p> <p>April 2019 Assumed the post of Executive Director (to present)</p> | 1,427 |
| | | <p>[Reason for election]</p> <p>The Company proposes Mr. Takayoshi Ishii as a candidate for Director based on its judgment that, with his wealth of experience and track record in the Company's overall management strategies as Director, he is expected to continue utilizing his professional experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |
| | | | |

| No. | Name (Date of birth) | Career summary, positions and responsibilities at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| 6 | <p>Yukari Onchi (July 26, 1962) 56 years old Reappointment Female</p> <p>Term of office served as Director: 5 years</p> | <p>June 1987 Registered on list of pharmacists</p> <p>January 1988 Joined Tokyo Ekisaikai Hospital</p> <p>March 1993 Joined the Company</p> <p>April 2004 Assumed the post of Corporate Officer General manager of Internal Audit Office</p> <p>April 2008 Assumed the post of Senior Corporate Officer</p> <p>October 2009 Assumed the post of President and Representative Director, Fukuju Co., Ltd.</p> <p>April 2011 Assumed the post of President and Representative Director, Iryo Sogo Kenkyujo Co., Ltd.</p> <p>April 2012 Chief of Pharmacy Support Headquarters of the Company</p> <p>April 2013 Assumed the post of President and Representative Director, Qol Academy, Co., Ltd.</p> <p>April 2014 Chief of Pharmacy Second Support Headquarters and General Manager of Education and Training Department and General Manager of CS Promotion Department</p> <p>June 2014 Assumed the post of Director (to present)</p> <p>October 2014 Chief of Pharmacy Second Support Headquarters and General Manager of Qol Academy</p> <p>April 2015 Chief of Pharmacy Support Headquarters and General Manager of Qol Academy, Education and Training Department</p> <p>October 2015 General Manager of Self-medication Promotion Department</p> <p>April 2019 Specially appointed professor, School of Pharmacy, Aichi Gakuin University (to present)</p> | 32,600 |
| | | <p>[Reason for election]</p> <p>The Company proposes Ms. Yukari Onchi as a candidate for Director based on its judgment that, with her wealth of experience and track record as Director in the management of dispensing pharmacies which constitute the Company's business platform, she is expected to continue utilizing her professional experience and knowledge in the Company's management.</p> | Attendance at Board of Directors meetings: 100% (13/13 meetings) |

| No. | Name (Date of birth) | Career summary, positions and responsibilities at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 7 | Toshiko Kuboki (February 26, 1960) 59 years old <u>Reappointment</u> <u>Outside</u> <u>Independent</u> <u>Female</u> Term of office served as Director: 4 years | <p>April 1987 Registered as Lawyer Joined Yamasaki & Partners</p> <p>April 1993 Established Ono and Kuboki Law Office</p> <p>February 2002 Examiner, Tokyo Family Court (to present)</p> <p>August 2003 Established Kuboki Law Office and assumed the post of Head (to present)</p> <p>April 2009 Commissioner, Retirement Allowance Committee, Board of Audit of Japan (to present)</p> <p>April 2012 Assumed the post of Visiting Professor, Graduate School of Law, Chuo University (to present)</p> <p>June 2015 Assumed the post of Director of the Company (to present)</p> <p>June 2016 Assumed the post of Outside Audit & Supervisory Board Member, Citizen Holdings Co., Ltd. (current Citizen Watch Co., Ltd.) (to present)</p> <p>[Reason for election] The Company proposes Ms. Toshiko Kuboki as a candidate for Outside Director based on its judgment that she is expected to continue reflecting her high level of expertise as a lawyer in the Company's management.</p> | <p>800</p> <p>Attendance at Board of Directors meetings: 100% (13/13 meetings)</p> |
| | | <p>June 1996 Registered as Certified Tax Accountant</p> <p>October 2000 Established Yamamoto Certified Tax Accountant Office Assumed the post of Head, Yamamoto Certified Tax Accountant Office (to present)</p> <p>June 2001 Assumed the post of Auditor of the Company</p> <p>June 2004 Resigned from the post of Auditor of the Company</p> <p>April 2007 Established United Co., Ltd. Assumed the post of Representative Director, United Co., Ltd (to present)</p> <p>[Reason for election] The Company proposes Mr. Yukiharu Yamamoto as a candidate for Outside Director based on its judgment that he is expected to reflect his high level of expertise as a certified tax accountant in the Company's management.</p> | <p>4,800</p> <p>Attendance at Board of Directors meetings: -</p> |
| 8 | Yukiharu Yamamoto (January 21, 1968) 51 years old <u>New appointment</u> <u>Outside</u> <u>Independent</u> Term of office served as Director: - | | |
| | | | |

(Notes)

1. There is no special interest between either of the candidates referred above and the Company.
2. Ms. Toshiko Kuboki and Mr. Yukiharu Yamamoto are candidates for Outside Directors.
3. The Company has registered Ms. Toshiko Kuboki with the Tokyo Stock Exchange as Independent Director pursuant to the rules of that Stock Exchange. Although the Company used to have an advisory contract with Kuboki Law Office headed by Ms. Toshiko Kuboki, the Company terminated it on March 31, 2019. Moreover, the remuneration paid by the Company to the said office in the preceding fiscal year accounts for less than 0.01% of the consolidated net sales of the Company. The Company has, therefore, judged that there is no problem with the independence of Ms. Kuboki.
4. The Company plans to register Mr. Yukiharu Yamamoto with the Tokyo Stock Exchange as Independent Director pursuant to the rules of that Stock Exchange. Although the Company consigns financial research work to United Co., Ltd where Mr. Yukiharu Yamamoto serves as Representative Director, the remuneration paid by the Company to the said company in the preceding fiscal year accounts for less than 0.01% of the consolidated net sales of the Company. The Company has, therefore, judged that there is no problem with the independence of Mr. Yamamoto.
5. The Company has concluded an agreement with Ms. Toshiko Kuboki to limit her liability for damages under Article 423, Paragraph 1 of the Companies Act, based on provisions of Article 427, Paragraph 1 of the said Act and Article 29 of the Articles of Incorporation of the Company. If reelection of Ms. Kuboki is approved, the Company will continue such agreement with her. The maximum amount of her liability pursuant to the agreement is the amount stipulated by laws and regulations.
6. If the election of Mr. Yukiharu Yamamoto is approved, the Company will conclude an agreement with him to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on provisions of Article 427, Paragraph 1 of the said Act and Article 29 of the Articles of Incorporation of the Company. The maximum amount of his liability pursuant to the agreement is the amount stipulated by laws and regulations.

Proposal 2: Election of 3 Audit & Supervisory Board Members

The terms of office of 3 Audit & Supervisory Board Members will expire at the conclusion of this year's Annual General Meeting of Shareholders.

Accordingly, the election of 3 Audit & Supervisory Board Members is proposed.

The Audit & Supervisory Board has given its consent to this Proposal.

The candidates are as follows:

| No. | Name | Term of office served as Audit & Supervisory Board Member | Attendance at Board of Directors meetings | Attendance at Audit & Supervisory Board meetings |
|-----|---------------------------------------------------------------------|-----------------------------------------------------------|-------------------------------------------|--------------------------------------------------|
| 1 | <u>Reappointment</u> Mikio Tsukihara <u>Outside Independent</u> | 12 years | 100% (13/13 meetings) | 100% (9/9 meetings) |
| 2 | <u>New appointment</u> Mitsuru Bushimata <u>Outside Independent</u> | - | - | - |
| 3 | <u>New appointment</u> Motoyuki Miyazaki <u>Outside Independent</u> | - | - | - |

Note: Term of office served as Audit & Supervisory Board Member is as of the conclusion of this year's Annual General Meeting of Shareholders.

| No. | Name (Date of birth) | Career summary and positions at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Mikio Tsukihara (August 7, 1949) 69 years old <u>Reappointment</u> <u>Outside Independent</u> | <div> <div>April 1972</div> <div>Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)</div> </div> <div> <div>April 2001</div> <div>Transferred to The Dai-Ichi Kangyo Research Institute Ltd. (current Mizuho Research Institute Ltd.) as Senior Chief Consultant</div> </div> <div> <div>June 2007</div> <div>Assumed the post of Audit & Supervisory Board Member of the Company (to present)</div> </div> <div> <div>July 2007</div> <div>Chief Consultant, Mizuho Research Institute Ltd.</div> </div> <div> <div>June 2008</div> <div>Resigned from Mizuho Research Institute Ltd.</div> </div> | 5,300 |
| | | <div>Term of office served as Audit & Supervisory Board Member: 12 years</div> <div>[Reason for election]</div> <div>The Company proposes Mr. Mikio Tsukihara as a candidate for Outside Audit & Supervisory Board Member based on its judgment that he is expected to reflect his experience in financial services accumulated at a bank, and knowledge and experience of business improvement from various perspectives he gained as a management consultant in the Company's audit services.</div> | <div>Attendance at Board of Directors meetings: 100% (13/13 meetings)</div> <div>Attendance at Audit & Supervisory Board meetings: 100% (9/9 meetings)</div> |

| No. | Name (Date of birth) | Career summary and positions at the Company, and significant concurrent positions | Number of shares of the Company held |
|-----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|
| 2 | Mitsuru Bushimata (May 10, 1960) 59 years old <u>New appointment</u> <u>Outside</u> <u>Independent</u> Term of office served as Audit & Supervisory Board Member: - | <p>April 1984 Joined Nomura Securities Co., Ltd.</p> <p>April 2002 Manager, Investment Development Department, Nomura Principal Finance Co., Ltd.</p> <p>September 2006 Chief Financial Officer, KBMJ Inc. (current Appirits Inc.)</p> <p>July 2009 Executive Director, Public Acceptance Department, Nomura Securities Co., Ltd.</p> <p>July 2013 Executive Director, International Investment Department, NOMURA BABCOCK & BROWN CO., LTD.</p> | - |
| | | <p>[Reason for election] The Company proposes Mr. Mitsuru Bushimata as a candidate for Outside Audit & Supervisory Board Member based on its judgment that he is expected to reflect his abundant expertise based on his years of work experience in the financial and other industries in the Company's audit services.</p> | <p>Attendance at Board of Directors meetings: -</p> <p>Attendance at Audit & Supervisory Board meetings: -</p> |
| 3 | Motoyuki Miyazaki (October 17, 1956) 62 years old <u>New appointment</u> <u>Outside</u> <u>Independent</u> Term of office served as Audit & Supervisory Board Member: - | <p>April 1981 Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)</p> <p>February 1994 Seconded to The CIT Group, Inc.</p> <p>March 2001 Registered as a certified public accountant</p> <p>April 2001 Joined Chuo Aoyama Audit Corporation</p> <p>July 2007 Assumed the post of Auditor, Association of Asset Based Lending of Japan (to present)</p> <p>July 2007 Assumed the post of Partner, Tohmatsu Audit Corporation (current Deloitte Touche Tohmatsu LLC)</p> <p>August 2017 Resigned from Deloitte Touche Tohmatsu LLC</p> <p>October 2017 Executive Officer, TRUVA Group Holdings, Inc. Assumed the post of President and Representative Director, TRUVA Agri Corporation (to present)</p> <p>January 2018 Assumed the post of Executive Deputy President, TRUVA Group Holdings, Inc. (to present)</p> <p>April 2018 Assumed the post of President and Representative Director, TRUVA Farm Oita Corporation (to present)</p> | - |
| | | <p>[Reason for election] The Company proposes Mr. Motoyuki Miyazaki as a candidate for Outside Audit & Supervisory Board Member based on its judgment that he is expected to reflect his high level of expertise as a certified public accountant, as well as his broad knowledge based on his work experience as Representative Director at other companies in the Company's audit services.</p> | <p>Attendance at Board of Directors meetings: -</p> <p>Attendance at Audit & Supervisory Board meetings: -</p> |

(Notes)

1. There is no special interest between either of the candidates and the Company.
2. Mr. Mikio Tsukihara, Mr. Mitsuru Bushimata and Mr. Motoyuki Miyazaki are candidates for Outside Audit & Supervisory Board Member.
3. The Company has registered Mr. Mikio Tsukihara with the Tokyo Stock Exchange as Independent Auditor pursuant to the rules of that Stock Exchange. The Company plans to register Mr. Mitsuru Bushimata and Mr. Motoyuki Miyazaki with the Tokyo Stock Exchange as Independent Auditors pursuant to the rules of that Stock Exchange.
4. The Company has concluded an agreement with Mr. Mikio Tsukihara to limit his liability for damages under Article 423, Paragraph 1 of the Companies Act, based on provisions of Article 427, Paragraph 1 of the said Act and Article 39 of the Articles of Incorporation of the Company. If reelection of Mr. Tsukihara is approved, the Company will continue such agreement with him. The maximum amount of his liability pursuant to the agreement is the amount stipulated by laws and regulations.
5. If election of Mr. Mitsuru Bushimata and Mr. Motoyuki Miyazaki is approved, the Company will conclude an agreement with each of them to limit their liability for damages under Article 423, Paragraph 1 of the Companies Act, based on provisions of Article 427, Paragraph 1 of the said Act and Article 39 of the Articles of Incorporation of the Company. The maximum amount of their liability pursuant to the agreement is the amount stipulated by laws and regulations.

Proposal 3: Election of 1 Substitute Audit & Supervisory Board Member

To prepare for a contingency in which the Company does not have the number of Audit & Supervisory Board Members required by laws and regulations, the Company proposes to elect 1 Substitute Audit & Supervisory Board Member.

The effectiveness of the election under this Proposal may be cancelled based on resolution of the Board of Directors, provided such cancellation is done prior to the assumption of office and with the consent of the Audit & Supervisory Board.

The Audit & Supervisory Board has given its consent to this Proposal.

The candidate is as follows:

| Name (Date of birth) | Career summary, positions and responsibilities at the Company, and significant concurrent positions | | Number of shares of the Company held |
|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------|
| Mikiko Oshima (March 12, 1950) 69 years old New appointment Female | June 1972 | Registered on list of pharmacists | 15,800 |
| | February 1973 | Joined Hibari Pharmacy | |
| | April 1989 | Joined Kaisei Co., Ltd. | |
| | June 1997 | Assumed the post of Director, Kaisei Co., Ltd. | |
| | October 2007 | Assumed the post of Director, the Company Deputy Chief of Ebel Business Headquarters | |
| | April 2009 | Chief of Pharmacy Support Headquarters | |
| | June 2009 | Assumed the post of Executive Director | |
| | June 2014 | Resigned from the post of Executive Director Assumed the post of Advisor | |
| | June 2017 | Resigned from the post of Advisor | |
| | [Reason for election] The Company proposes Ms. Mikiko Oshima as a candidate for Substitute Audit & Supervisory Board Member based on its judgment that, with her thorough knowledge of management of dispensing pharmacies, which constitute the Company’s business platform, and her high level of expertise as a pharmacist, she is expected to utilize her professional experience and knowledge in the Company’s audit services. | | |

(Notes)

There is no special interest between the candidate and the Company.

Policy to Determine Distribution of Surplus

The Company's basic dividend policy is to maintain a steady return of profits to shareholders while also retaining profits in order to pursue future business initiatives and reinforce corporate operations.

Under this policy, the Company has decided to pay an ordinary year-end dividend of 14 yen per share for the fiscal year ended March 31, 2019. Distribution of profits in the next fiscal year will be determined based on the policy stated above.

- (1) Type of Dividend Property
Cash
- (2) Matters Regarding Appropriation of Dividend Property to Shareholders and Total Amount of Dividend Payment
¥14 per share of common stock of the Company
Total Amount of Dividend Payment: ¥544,629,344
- (3) Effective Date of the Appropriation of Dividends from Surplus
June 11, 2019