

Securities Code: 3148

August 8, 2024

(Date of commencement of electronic provision measures: August 1, 2024)

To Shareholders with Voting Rights

Taizo Hirose  
Representative Director and President  
CREATE SD HOLDINGS CO., LTD.  
2-3-2 Edanishi, Aoba-ku, Yokohama, Kanagawa  
225-0014, Japan

## Notice of the 27th Ordinary General Meeting of Shareholders

We are pleased to announce that the 27th Ordinary General Meeting of Shareholders of CREATE SD HOLDINGS CO., LTD. (the “Company”) will be held as detailed below.

In convening this General Meeting of Shareholders, the Company has taken measures for electronic provision and thus posted the matters subject to measures for electronic provision on the following website as “Notice of the 27th Ordinary General Meeting of Shareholders.”

The Company’s website:

<https://www.createsdhd.co.jp/English/ir/tabid/136/Default.aspx>

The matters subject to measures for electronic provision are also posted on the following website:

Tokyo Stock Exchange (TSE) website (Listed Company Search)

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

To view the information, access the TSE website shown above, enter “CREATE SD HOLDINGS” in “Company name” or the Company’s securities code “3148” in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection / PR information.”

Instead of attending the meeting, you may exercise your voting rights online or in writing. In this case, please review the Reference Documents for the General Meeting of Shareholders included in the matters subject to measures for electronic provision, and exercise your voting rights no later than 6:00 p.m. on Thursday, August 22, 2024 (Japan Standard Time, GMT+9), either by indicating your approval or disapproval of each proposal on the enclosed Voting Rights Exercise Form and returning this form by mail, or by entering your approval or disapproval of each proposal on the voting rights exercise website designated by the Company.

Souvenirs for shareholders and events such as health counseling meetings will not be available.

**1. Date and Time** Friday, August 23, 2024, 10:00 a.m. (Reception opens at 9:00 a.m.)

**2. Place** CREATE SD HOLDINGS CO., LTD., Headquarters, 4th floor conference room  
2-3-2 Edanishi, Aoba-ku, Yokohama, Kanagawa 225-0014, Japan

### 3. Agenda

#### Matters to Be Reported

1. Business Report, Consolidated Financial Statements and Audit Reports of the Consolidated Financial Statements by the Accounting Auditor and the Audit and Supervisory Committee for the Fiscal Year Ended May 31, 2024
2. Report on the Non-consolidated Financial Statements for the 27th Fiscal Year (From June 1, 2023 to May 31, 2024)

## **Matters to Be Resolved**

**Proposal 1:** Disposal of Surplus

**Proposal 2:** Election of Three (3) Directors (Excluding Directors who are Audit and Supervisory Committee Members)

**Proposal 3:** Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

- 
- ◎ When attending the meeting in person, please submit the enclosed Voting Rights Exercise Form at the reception desk.
  - ◎ Following the introduction of the system for providing information in electronic format in accordance with revisions to the Companies Act, the provision of informational materials for the General Meeting of Shareholders has, in principle, been changed from providing paper-based documents to posting online. The Company will provide the reference documents and sections of the business report and non-consolidated financial statements in paper format, as was done before introduction of electronic format. Based on the provisions of laws and regulations as well as Article 16 of the Company's Articles of Incorporation, information on the systems for ensuring appropriate business activities and status of system operation, policies regarding the determination of dividend of surplus funds etc., consolidated statements of changes in equity, the notes to the consolidated financial statements, statements of changes in equity, and the notes to the non-consolidated financial statements are not included in the paper-based documents provided to shareholders. Therefore, the paper-based documents are part of the documents audited by the Audit and Supervisory Committee and the Accounting Auditor for the preparation of the audit report.
  - ◎ If any revisions are made to the matters subject to measures for electronic provision, the details of such revisions will be posted on each website on which such matters are posted.
  - ◎ Souvenirs for shareholders and events such as health counseling meetings will not be available.

## Reference Documents for the General Meeting of Shareholders

### Proposal 1: Disposal of Surplus

The Company proposes payment of dividends with a comprehensive consideration of the consolidated dividend payout ratio and consolidated net asset dividend ratio, from the perspective of paying stable dividends while reflecting business performance levels and returning funds entrusted to us by our shareholders.

For the 27th fiscal year's year-end dividend, the Company proposes to pay ¥37 per share based on this basic policy.

As a result, the annual dividend for the fiscal year will be ¥64 per share including the previously paid interim dividend of ¥27 per share. This total represents an increase of ¥12 per share over the previous fiscal year.

#### Matters on year-end dividends

##### (1) Type of dividend property

Cash

##### (2) Allotment of dividend property to shareholders and the total amount

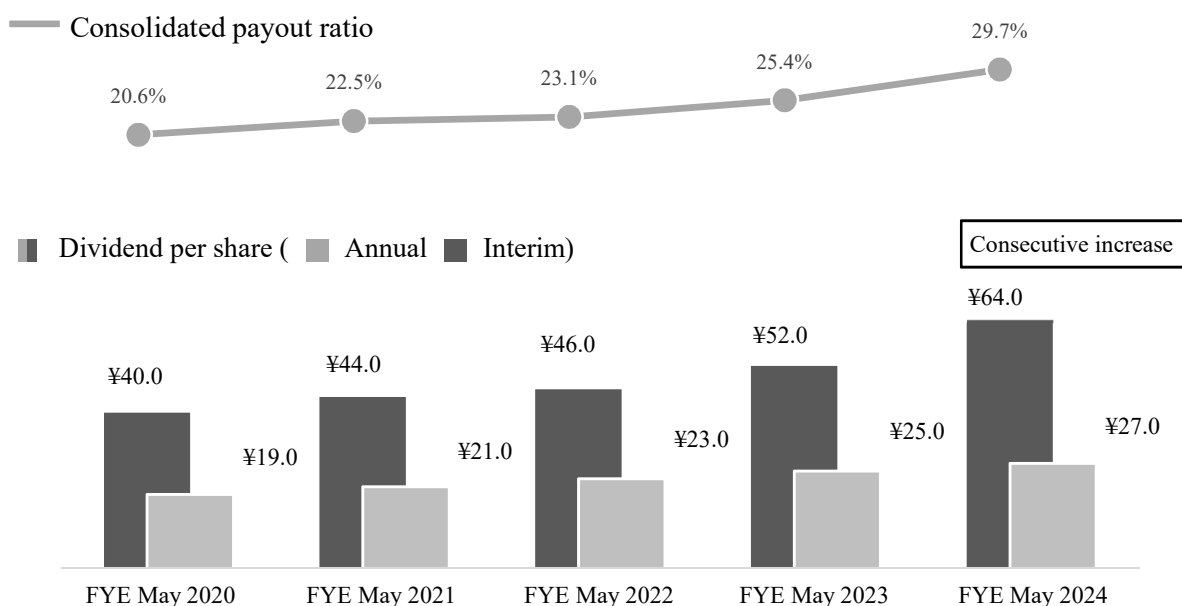
Dividend per share of Company common stock: ¥37

Total dividend payment: ¥2,376,986,708

##### (3) Effective date for dividends of surplus

August 26, 2024

#### ○ Dividend per share / Consolidated dividend payout ratio



**Proposal 2: Election of Three (3) Directors (Excluding Directors who are Audit and Supervisory Committee Members)**

The terms of office of all current four (3) Directors (excluding Directors who are Audit and Supervisory Committee Members; the same shall apply throughout this proposal) will expire at the conclusion of this general meeting of shareholders. Therefore, the Company proposes the election of three (3) Directors.

Candidates for Directors are as follows.

Candidate No.	Name and Other Data	Career Summary / Positions and Responsibilities at the Company (Significant Concurrent Positions)
1 Re-election	<b>Hisao Yamamoto</b>  Born April 7, 1948 Number of the Company's shares owned: 13,973,565	May 1983 Representative Director and President, Midori Drugstore, Limited (currently CREATE SD CO., LTD.) Apr. 1998 Founded Yamamoto, Limited (currently CREATE SD HOLDINGS CO., LTD.) Representative Director and President Aug. 2002 Representative Director and Chairman, CREATE SD CO., LTD. (current position) Oct. 2008 Representative Director and Chairman of the Company (current position)  <b>Reasons for nomination as candidate for Director</b> Hisao Yamamoto has led the Group's business and appropriately directed and supervised its management since the establishment of CREATE SD CO., LTD., the Group's major operating company, including laying the foundation for suburban drug stores. He has been nominated as Director in the expectation that he will continue to apply his experience, knowledge, and abilities to the sustainable growth of the Group and the enhancement of its corporate value.

Candidate No.	Name and Other Data	Career Summary / Positions and Responsibilities at the Company (Significant Concurrent Positions)
2 Re-election	<p><b>Taizo Hirose</b></p> <p>Born May 25, 1958 Number of the Company's shares owned: 68,800</p>	<p>Dec. 1990    Founded Koei Drug Co., Ltd. Representative Director and President</p> <p>Jan. 2007    Representative Director and Vice President, Sumisho Drugstores Inc.</p> <p>Oct. 2007    Representative Director and President, Sumisho Drugstores Inc.</p> <p>June 2011    Joined CREATE SD CO., LTD.</p> <p>Aug. 2011    Director, CREATE SD CO., LTD. Director of the Company</p> <p>Feb. 2012    Director and Vice President of the Company Director and Vice President, CREATE SD CO., LTD.</p> <p>Aug. 2012    Representative Director and President of the Company (current position) Representative Director and President, CREATE SD CO., LTD.</p> <p>Aug. 2013    Director, SALON DAY. Co., Ltd.</p> <p>Aug. 2013    Director, WELL LIFE Co., Ltd.</p> <p>Feb. 2020    Director, Yuri Store Co., Ltd. (current position)</p> <p>Sep. 2023    Director, CREATE SD CO., LTD. (current position)</p> <p><b>Reasons for nomination as candidate for Director</b> Taizo Hirose has long been involved in corporate management within the drugstore and prescription drug store businesses. As Representative Director and President of the Company and of CREATE SD CO., LTD., he has demonstrated leadership in the formulation of management visions and the planning and execution of management strategies. He has been nominated as Director in the expectation that he will continue to apply his experience, knowledge, and abilities to the sustainable growth of the Group and the enhancement of its corporate value.</p>

Candidate No.	Name and Other Data	Career Summary / Positions and Responsibilities at the Company (Significant Concurrent Positions)
3 New Election	<b>Yukihiko Takiya</b>  Born December 30, 1965 Number of the Company's shares owned: 15,700	Apr. 1984    Joined PIP CO., LTD. May 1989    Joined Midori Drugstore, Limited (currently CREATE SD CO., LTD.)  Sep. 2002    Zone Manager, CREATE SD CO., LTD. Dec. 2009    Chair, Central Executive Committee of the Union, CREATE SD CO., LTD.  Dec. 2020    Special Assistant to the Representative Director and President, CREATE SD CO., LTD.  June 2021    Executive Officer and General Manager of Store Operations Division, CREATE SD CO., LTD.  Aug. 2022    Director and General Manager of Store Operations Division, CREATE SD CO., LTD.  Sep. 2023    Representative Director and President and General Manager of Store Operations Division, CREATE SD CO., LTD.  <b>Reasons for nomination as candidate for Director</b> Yukihiko Takiya has long been involved in developing business operations, improving business activities, and controlling and supervising worksites at CREATE SD CO., LTD., the Group's major operating company. As the company's Union representative, he has listened to employee views and worked to improve labor conditions. Today, as the Representative Director and President, he is applying his skills to manage and control the business.

(Notes) 1. There is no special interest between any of the candidates and the Company.

2. The Company has entered into directors and officers liability insurance as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy will cover damages and legal dispute fees to be borne by the insured parties if they receive a claim for damages. Each candidate will be included as an insured party in this insurance policy. This is to be updated as necessary.

**Proposal 3:** Election of One (1) Substitute Director who is an Audit and Supervisory Committee Member

The Company proposes the election of one (1) Substitute Director who is an Audit and Supervisory Committee Member as a contingency against an insufficient number of Directors who are Audit and Supervisory Committee Members as required by laws and regulations.

The consent of the Audit and Supervisory Committee has been obtained for this proposal.

The candidate for Substitute Director who is an Audit and Supervisory Committee Member is as follows:

Name and Other Data	Career Summary and Significant Concurrent Positions										
<b>Takafumi Harada</b>  Born July 21, 1970 Number of the Company's shares owned: —	<table><tr><td>Oct. 2000</td><td>Registered as an attorney at law Joined Abe, Ikubo &amp; Katayama (current position)</td></tr><tr><td>Jan. 2007</td><td>External Member of Risk Compliance Committee, Top REIT Asset Management Co., Ltd.</td></tr><tr><td>Jan. 2010</td><td>Outside Corporate Auditor, AISAN INFORMATION SYSTEM CO., LTD.</td></tr><tr><td>June 2022</td><td>Outside Director (Audit &amp; Supervisory Committee Member), KUNIMINE INDUSTRIES CO., LTD. (current position)</td></tr><tr><td>Nov. 2023</td><td>Outside Auditor, YAMAZAKI CONSTRUCTION CO., LTD. (current position)</td></tr></table> <b>Reasons for nomination as candidate for Outside Substitute Director who is an Audit and Supervisory Committee Member and expected roles</b> Takafumi Harada has cultivated expertise and experience as an attorney at law in all aspects of corporate legal affairs, including compliance and risk management, and possesses experience as a corporate auditor at other companies. Therefore, he has been nominated as Substitute Director who is an Audit and Supervisory Committee Member as it has been determined he can utilize these in guidance and audits, etc., regarding management from an objective and neutral perspective.	Oct. 2000	Registered as an attorney at law Joined Abe, Ikubo & Katayama (current position)	Jan. 2007	External Member of Risk Compliance Committee, Top REIT Asset Management Co., Ltd.	Jan. 2010	Outside Corporate Auditor, AISAN INFORMATION SYSTEM CO., LTD.	June 2022	Outside Director (Audit & Supervisory Committee Member), KUNIMINE INDUSTRIES CO., LTD. (current position)	Nov. 2023	Outside Auditor, YAMAZAKI CONSTRUCTION CO., LTD. (current position)
Oct. 2000	Registered as an attorney at law Joined Abe, Ikubo & Katayama (current position)										
Jan. 2007	External Member of Risk Compliance Committee, Top REIT Asset Management Co., Ltd.										
Jan. 2010	Outside Corporate Auditor, AISAN INFORMATION SYSTEM CO., LTD.										
June 2022	Outside Director (Audit & Supervisory Committee Member), KUNIMINE INDUSTRIES CO., LTD. (current position)										
Nov. 2023	Outside Auditor, YAMAZAKI CONSTRUCTION CO., LTD. (current position)										

(Notes) 1. There is no special interest between any of the candidates and the Company.

2. The candidate satisfies requirements for independent officers as stipulated by the rules of the Tokyo Stock Exchange. When the candidate assumes the position of Outside Director, the Company intends to register him as an independent officer with the Tokyo Stock Exchange.
3. If the candidate assumes office as an Outside Director, the Company will enter into a liability limitation agreement with him in accordance with Article 427, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation. The maximum amount of liability for damages under Article 423, Paragraph 1 of the Companies Act based on this agreement shall be the minimum liability amount provided by laws and regulations.
4. The Company has entered into directors and officers liability insurance as provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The policy will cover damages and legal dispute fees to be borne by the insured parties if they receive a claim for damages. If the candidate assumes office as an Outside Director, he will be included as an insured party in this insurance policy.

(Reference)

The Company's Outside Directors, one of which is a woman, are not only familiar with the Group's business but also possess a wealth of specialized knowledge and experience in management at other companies. These Outside Directors comprise a majority of Directors who are Audit and Supervisory Committee members, and independent Outside Directors are involved in the management of the Company from the same perspective as a stakeholder would be. In addition, with respect to nominating Directors, the Nomination and Remuneration Committee deliberates on the basic policy for Director nominations, and the Board of Directors select candidates and makes resolutions on the basis of the report from the committee, thereby ensuring balance and diversity among the Board of Directors overall.

The following table presents the skill matrix of the knowledge, experience, and abilities of each Director.

Director skill matrix as of the end of the General Meeting of Shareholders (tentative)

Name	Title	Gender	Expertise and experience					
			Management	Sales and Marketing	Finance and Accounting	Legal Affairs and Risk Management	Human Resources and Labor Affairs	Healthcare
Hisao Yamamoto	Representative Director and Chairman	Male	✓	✓				✓
Taizo Hirose	Representative Director and President	Male	✓	✓				✓
Yukihiko Takiya	Director	Male	✓	✓			✓	
Shuichi Baniwa	Director Audit and Supervisory Committee Member	Male			✓	✓		
Yukio Hara	Outside Director Audit and Supervisory Committee Member	Male	✓	✓			✓	
Yoko Anpo	Outside Director Audit and Supervisory Committee Member	Female				✓		✓

The table above shows areas in which each Director can demonstrate a higher level of expertise based on their experience, etc., and is not a comprehensive list of all knowledge they possess.