



May 2024

MINISTOP Co., Ltd.
President and Representative
Director

Akihiro Fujimoto

I would like to express my deepest gratitude to all stakeholders, including everyone at our franchise stores, for your continued support.

Since Japan's government reclassification of the COVID-19 infection as a Class 5 disease, we have seen progress in the recovery of human traffic. However, competition across industries, not limited to the convenience store industry, has become even fiercer as a result of high prices stemming from soaring raw material prices, the 2024 problem in logistics, and the emergence of drugstores. On the other hand, changes in consumer behavior have been observed. We are seeing a trend toward “meri-hari” (well-modulated) consumption, in which consumers purchase products not only because the price is low but also purchase products that are expensive because they have value, and “narrative consumption,” in which consumers purchase products based on the background of the development of the products. As customers' consumer behavior undergoes significant transformation, we will move swiftly to respond to customer needs and differentiate ourselves from the competition in order to seize this opportunity.

MINISTOP's DNA of processed in store know-how, which has been passed down since the founding of the company, is an unique strength that no other company possesses. Soft-serve ice cream has been sold since our founding, but in order not only to provide freshly made deliciousness, but also in consideration of the environment and a sustainable future, we began offering it with edible spoons in June 2023. Through the development unique products that are not only delicious but also add further value, we aim to become a unique and edgy presence in the convenience store industry. We believe that apart from soft-serve ice cream, hot snacks such as X Fried Potato and Crunchy Chicken, and handmade *onigiri* rice balls prepared in store can be made into even more valuable products for customers. The MINISTOP application, which was launched in September 2021 as an incentive for customers to visit MINISTOP stores, has been downloaded more than 1.5 million times and has been well received by customers as an application that provides special coupons and information. By leveraging the advantages of the Aeon Group and offering a product lineup of TOPVALU products, we aim to make our stores the customers' choice in terms of both price and value.

We will respond to customer feedback and offer a lineup of attractive products. By delighting our customers, we will also be able to offer new and appealing products that will further increase customer satisfaction. We believe that by perpetuating this organic cycle, MINISTOP will be able to continue to grow. To achieve this growth, our franchise stores and headquarters will work together as one team to carry out our mission to “realize a society full of beaming smiles with 'deliciousness' and 'convenience,’” and create stores that will be the choice of our customers.



We will solve social issues with soft-serve ice cream at the core.

Based on the AEON Group Future Vision and MINISTOP's mission to “realize a society full of beaming smiles with 'deliciousness' and 'convenience',” the MINISTOP Group is promoting business activities that lead to solving social issues through its business itself.

Through soft-serve ice cream, which we have been selling since our founding, we are aiming to create a society full of smiles with everyone in the local communities. We will continue to develop products that are environmentally friendly and healthy, as well as make efforts both inside and outside our stores, to solve social issues.

Click here to see MINISTOP's efforts toward sustainability.

https://www.ministop.co.jp/corporate/eco_social/ (in Japanese only)

Click here for more information about the AEON Group Future Vision.

https://www.aeon.info/en/company/code_of_conduct/



With our sights on a sustainable future, the MINISTOP Group is engaged in a variety of social contribution activities. Here, we report on some examples of the activities we are engaged in to brighten our lives of tomorrow.

01 With “edible spoons,” we are contributing to the reduction of 44 tons of plastic per year! Through CFP calculation, we are promoting efforts to reduce CO₂ emissions

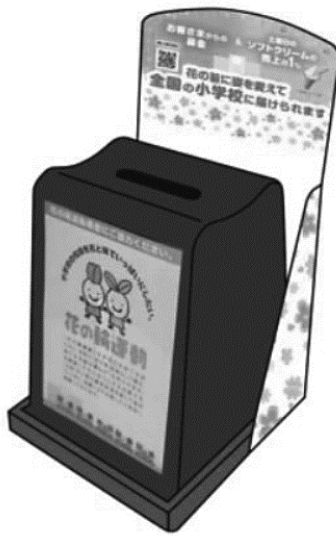
In an effort to reduce the amount of plastic we use, in June 2023, the MINISTOP Group changed the spoons served with soft-serve ice cream from plastic to edible spoons^{*1}. As a result, this will contribute to an annual reduction of approximately 44 tons of plastic^{*2} and a reduction of CO₂ emissions by approximately 121.88 t-CO₂.^{*3}

As a new initiative to reduce CO₂ emissions, we have also calculated the carbon footprint (CFP), or the amount of CO₂ emitted from the production of soft-serve ice cream to its consumption or disposal. We will continue to promote activities that will peak customer interest in soft-serve ice cream and encourage behavioral change, including the reduction of plastic by edible spoons, as well as calculate CO₂ emissions, to encourage customers to choose MINISTOP.



- *1 Spoons for soft-serve ice cream vanilla, flavored soft-serve ice cream cones and cups.
- *2 We have introduced edible spoons to all our stores in Japan and have assumed that all customers who purchase soft-serve ice cream will use these spoons.
- *3 Calculated with an emission factor of 2.77 based on the “List of calculation methods and emission factors in the calculation / reporting / publication system” of the Ministry of the Environment.

02 Using donations from customers and 1% of the sales of soft-serve ice cream on Saturdays, we donate flower seedlings to elementary schools. To 17,134 schools over a 33-year period!



The “Circle of Flowers” program is an activity aimed at increasing the number of flowers and greenery in elementary school yards and classrooms in the hope that children will learn the preciousness of life through the experience of planting and nurturing flower seedlings.

The MINISTOP Group supports this activity and uses the donations it collects at its stores and 1% of the sales of soft-serve ice cream on Saturdays to give seedlings to elementary schools in the area of the Company’s stores.

In fiscal 2024, we have decided to permanently place a "Circle of Flowers" program donation box near the cash registers throughout the year to spread awareness of the fundraising efforts and increase the number of schools that receive flower seedlings.

03 Through work experience at a familiar convenience store, experience being a member of society



The "Child Internship" program is a work experience learning program for elementary and junior high school students to experience the “importance of greetings” and “the feeling of gratitude toward workers” through the most familiar convenience stores. A total of 9,422 students from 2,951 schools have participated in the program since 2005. At the end of the program, by processing soft-serve ice cream, student can experience the fun of the work and smile over delicious soft-serve ice cream.

Also, these efforts contribute to the objectives of the “AEON 1% Club Foundation,” in which each company of the Aeon Group participates, and contribute to “Health Development of Children,” “Friendship with Other Countries,” and “Local Development Contributions,” thus contributing to the realization of a peaceful society.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. The Company assumes no responsibility for this translation or for direct, indirect or any other forms of damage arising from the translation.

Securities code: 9946
May 1, 2024

To Shareholders with Voting Rights:

Akihiro Fujimoto
President and Representative Director
MINISTOP Co., Ltd.
1-5-1 Nakase, Mihama-ku, Chiba City,
Chiba Prefecture, Japan

**NOTICE OF
THE 45th ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

Notice is hereby given that the 45th Annual General Meeting of Shareholders (the “Meeting”) of MINISTOP Co., Ltd. (the “Company”) will be held as described below.

Measures for electronic provision are being taken for the 45th Annual General Meeting of Shareholders and the Notice of Convocation of the 45th Annual General Meeting of Shareholders is posted in matters subject to measures for electronic provision on the following website.

Company website: <https://www.ministop.co.jp/corporate/ir/stock/meeting.html>

In addition to posting matters subject to measures for electronic provision on the website listed above, the Company also posts this information on the website of Tokyo Stock Exchange, Inc. (TSE). Please access the TSE website (TSE Listed Company Search) below, enter or search for the issue name (company name) or securities code, and select “search,” and then click “Basic information” and select “Documents for public inspection/PR information.”

TSE website (Listed Company Search):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show> (in Japanese only)

If you will be attending on the day of the meeting, please submit the enclosed Voting Rights Exercise Form at the venue reception desk. You may exercise your voting rights by postal mail or online instead of attending in person, so please review the matters subject to measures for electronic provision for the General Meeting of Shareholders that are provided and exercise your voting rights by 5:00 p.m., Thursday, May 23, 2024 (JST).

- 1. Date and Time:** Friday, May 24, 2024 at 10:00 a.m. (JST) (registration begins at 9:00 a.m.)
- 2. Place:** Multipurpose Hall, 3rd Floor, AEON Tower Annex, 1-5-1 Nakase, Mihama-ku, Chiba City

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report and report on the Consolidated Financial Statements for the Company's 45th Fiscal Year (from March 1, 2023 to February 29, 2024) 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 45th Fiscal Year (March 1, 2023 – February 29, 2024)

Proposals to be resolved:

Proposal 1: Election of nine (9) Directors

Proposal 2: Election of one (1) Auditor

- Of the matters subject to measures for electronic provision, the following matters are not contained in the documents sent to shareholders who have requested the delivery of written documents based on the provisions of laws and regulations and the Company's Articles of Incorporation. In addition, Audit & Supervisory Board Member and Accounting Auditor have audited the documents to be audited, including the following matters.
 - Notes to the Consolidated Financial Statements and Notes to the Non-Consolidated Financial Statements
- If revisions to the matters subject to measures for electronic provision arise, the revised versions will be posted on the respective websites where they are posted.
- The results of resolutions by the 45th Annual General Meeting of Shareholders will be posted on the Company's online website on Saturday, May 25, 2024 or a later date.

The Company's website: <https://www.ministop.co.jp/>

- In order to further deepen communication with shareholders, the Company has introduced 'online convocation' to enable shareholders to easily view main contents and related information of reference documents for the General Meeting of Shareholders and to exercise voting rights through smartphones and other devices.

Guide to live streaming of General Meeting of Shareholders

The General Meeting of Shareholders will be streamed live to allow the meeting to be viewed from home as it takes place. Details are provided below. Also, the Company will accept pre-meeting questions regarding the purpose of this General Meeting of Shareholders in advance.

1. Streaming time and date

Friday, May 24, 2024, 10:00 a.m. to the end of the meeting.

* The streaming page will be accessible from approximately 30 minutes prior to the start of the General Meeting of Shareholders.

2. Period of acceptance for pre-meeting questions

From the time of receipt of this Notice of Convocation to 5:00 p.m. on Thursday, May 16, 2024.

3. How to access the online website for the General Meeting of Shareholders

- (1) Please access the online website, “Engagement Portal” (hereinafter, “Website”), for the General Meeting of Shareholders by directly entering the following URL or by scanning the QR code using a computer or smartphone.

URL: <https://engagement-portal.tr.mufg.jp/>



- (2) Please use the web address indicated above and enter the login ID and password shown on the right side of the Voting Rights Exercise Form, review the terms of use, check the box for “I agree to the terms of use,” and click the “Login” button.

4. How to register pre-meeting questions and watch the live streaming on the day of the meeting

How to register pre-meeting questions

- (1) After logging in, click the “Pre-meeting questions” button that will be displayed on the website.
- (2) Please follow the instructions on the screen, enter your question, etc. in the inquiry form, agree to the terms of use, and then click the “Confirm” button.
- (3) After confirming your question, click the “Submit” button.

* Of the pre-meeting questions we receive, we plan to **answer those that we believe will be of interest to many of our shareholders on the day of this General Meeting of Shareholders.**

* Please note that **we do not guarantee to answer all the questions** that we receive. Your understanding is appreciated.

How to watch the live streaming

After logging in to this website on the day of the General Meeting of Shareholders, please click the “View meeting live” button that will be displayed on the screen, agree to the terms of use on viewing the live stream, and then click the “View” button.

* The streaming page can be accessed from approximately 30 minutes prior to the start time of the General Meeting of Shareholders.

5. Notice to shareholders attending the General Meeting of Shareholders

When filming at the venue on the day of the meeting, efforts will be made to protect the privacy of shareholders and filming will be conducted from the rear of the venue but there may be unavoidable situations in which shareholders are captured by the camera. Your understanding is appreciated.

6. Reminders

- Viewing the live stream via the Internet is not considered attendance at the General Meeting of Shareholders under the Companies Act. Therefore, you will not be able to ask questions, exercise your voting rights, or submit motions, which are permitted for shareholders at the General Meeting of Shareholders, through Internet participation.
- With regard to exercising your voting rights, please be aware of the deadline and send the Voting Rights Exercise Form by mail, vote online, or have a proxy to whom proxy rights have been ascribed by power of attorney or other means attend the meeting in person.
- We kindly request that participation in the General Meeting of Shareholders via the Internet is limited to shareholders only, and proxy participation is not permitted.
- Depending on the device you use (model, performance, etc.) and your Internet connection (line status, connection speed, etc.), there may be problems with the audio or video, so your understanding in advance is appreciated.
- Secondary use of the live-streamed video of the General Meeting of Shareholders, such as public distribution on social media, is strictly prohibited.
- Communication and other charges for viewing the live stream are borne by the shareholder.

[For inquiries related to the site]

Stock Transfer Agency, Mitsubishi UFJ Trust and Banking Corporation

Tel: 0120-676-808 (toll-free)

Reception hours: Weekdays 9:00 a.m. to 5:00 p.m. . (Not open on weekends or holidays)

However, on the day of the meeting from 9:00 a.m. until the meeting's close.

Reference Documents for the General Meeting of Shareholders

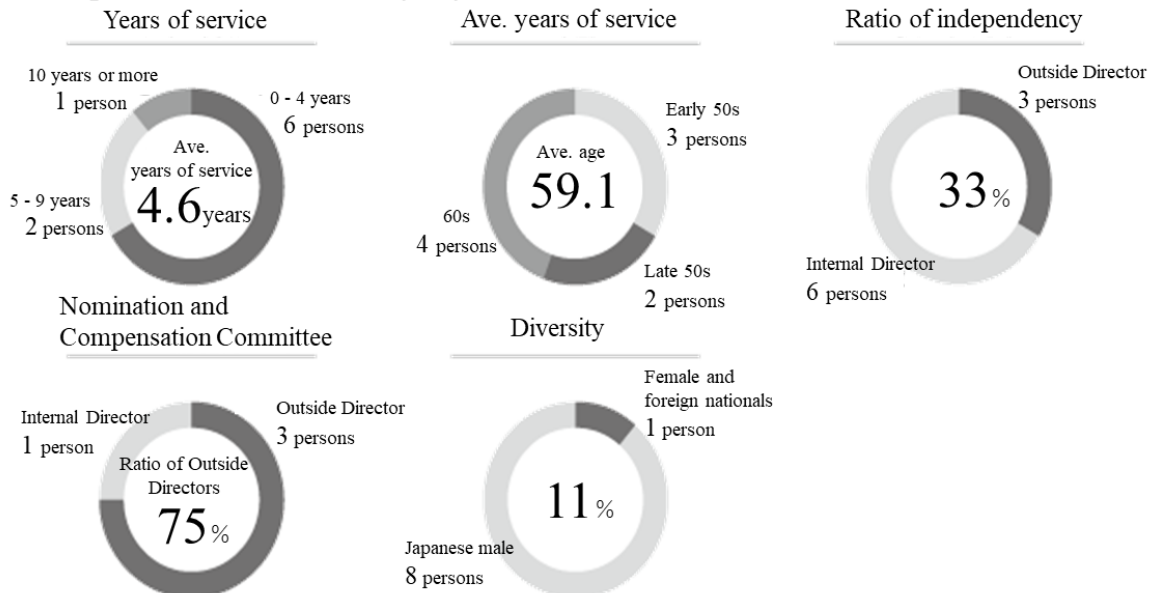
Proposals and References

Proposal 1: Election of nine (9) Directors

We are comprehensively reviewing the Director structure with the aim of strengthening the Company's financial position and management structure in order to achieve sustainable growth of the Company and to enhance our corporate value over the medium to long term.

We have stipulated a Basic Policy regarding the balance, diversity, and size of the Board of Directors as a whole in terms of knowledge, experience, and ability. The knowledge, experience, and abilities of directors should be listed in the Skill Matrix. The composition should be balanced between diversity and appropriate size, including in terms of gender, internationality, work experience, and age.

■ Corporate Governance Highlights*



*The Corporate Governance Highlights are indicated based on the assumption that this proposal is approved.

The terms of office of all nine (9) directors will expire at the close of this Meeting. Accordingly, the Company proposes the election of nine (9) Directors.

The candidates for Director are as follows.

■ List of candidates for Director

No.	Name	Gender		Position and responsibilities at Company	Board of Directors' Meeting attendance	Years of service	Nomination and Compensation Committee
1	Akihiro Fujimoto	Male	Reelected	President and Representative Director	18/18 (100%)	7	○
2	Takeshi Miyazaki	Male	Reelected	Representative Director and Senior Managing Director In charge of Strategy and Business Management	18/18 (100%)	2	
3	Masashi Hotta	Male	Reelected	Managing Director In charge of Administration, Overseas, and Workplace	18/18 (100%)	10	
4	Toyoaki Abe	Male	Reelected	Director In charge of sales and development	18/18 (100%)	4	
5	Mitsuharu Nakazawa	Male	Reelected	Director In charge of merchandise and digital	18/18 (100%)	4	
6	Keiji Kamio	Male	Reelected	Director	18/18 (100%)	2	
7	Takahisa Yamakawa	Male	Reelected Outside Independent	Director	18/18 (100%)	9	○
8	Shingo Kagawa	Male	Reelected Outside Independent	Director	17/18 (94%)	2	○
9	Chie Ikegawa	Female	New election Outside Independent	–	–	–	○

Note: The Representative Director and others are scheduled to be resolved at a meeting of the Board of Directors to be held after the conclusion of this General Meeting of Shareholders. The number of years of service and the composition of each committee are as of the close of this General Meeting of Shareholders.

<Policies and Procedures for Nominating Candidates for Directors>

Nominations of candidates for Directors are proposed by the President and Representative Director in accordance with the following criteria, and after deliberation by the Nomination and Compensation Committee, are resolved by the Board of Directors as an agenda item for the General Meeting of Shareholders and submitted to this Meeting.

- Internal Directors should possess the ability, knowledge, experience, and achievements in their specialized fields of expertise, as well as a sense of balance and decisiveness to comprehend and play an active role in all aspects of the company's operations.
- Outside Directors must have extensive experience and a high level of insight in their respective fields of expertise, must be able to devote sufficient time to the performance of their duties as Directors of the Company, and must have the qualifications to supervise and make proposals to ensure the validity and appropriateness of the Board's decision-making from an independent point of view.

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held																														
1	Akihiro Fujimoto (July 19, 1962) [Reappointment]	<table border="0"> <tr> <td style="padding-right: 20px;">March 1985</td> <td>Joined the Company</td> </tr> <tr> <td>March 2001</td> <td>General Manager of Marketing Office, the Company</td> </tr> <tr> <td>June 2002</td> <td>President and Representative Director, MS Kyushu Co., Ltd.</td> </tr> <tr> <td>February 2005</td> <td>General Manager of East Japan Sales Division, the Company</td> </tr> <tr> <td>May 2005</td> <td>Director</td> </tr> <tr> <td>March 2008</td> <td>General Manager of Fast Food Products Division</td> </tr> <tr> <td>February 2010</td> <td>General Manager of Merchandise Division</td> </tr> <tr> <td>May 2011</td> <td>Managing Director</td> </tr> <tr> <td>February 2012</td> <td>In charge of merchandise</td> </tr> <tr> <td>May 2012</td> <td>Director, Managing Executive Officer</td> </tr> <tr> <td>March 2013</td> <td>In charge of China business</td> </tr> <tr> <td>April 2013</td> <td>General Manager, QINGDAO MINISTOP CO., LTD.</td> </tr> <tr> <td>May 2014</td> <td>Managing Executive Officer</td> </tr> <tr> <td>May 2017</td> <td>President and Representative Director (current position)</td> </tr> <tr> <td>March 2020</td> <td>President and Representative Director, in charge of sales and development</td> </tr> </table>	March 1985	Joined the Company	March 2001	General Manager of Marketing Office, the Company	June 2002	President and Representative Director, MS Kyushu Co., Ltd.	February 2005	General Manager of East Japan Sales Division, the Company	May 2005	Director	March 2008	General Manager of Fast Food Products Division	February 2010	General Manager of Merchandise Division	May 2011	Managing Director	February 2012	In charge of merchandise	May 2012	Director, Managing Executive Officer	March 2013	In charge of China business	April 2013	General Manager, QINGDAO MINISTOP CO., LTD.	May 2014	Managing Executive Officer	May 2017	President and Representative Director (current position)	March 2020	President and Representative Director, in charge of sales and development	12,199
March 1985	Joined the Company																																
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<p>[Reason for nomination as candidate for Director] Mr. Fujimoto has extensive experience as President and Representative Director of MS Kyushu Co., Ltd. and as General Manager of Qingdao MINISTOP Co., Ltd., and has served as the Company's President and Representative Director since May 2017 and therefore has broad and extensive knowledge of the Company's business. Accordingly, the Company judges him qualified to be reappointed as a candidate for Director.</p>																																	
<p>[Special interests] There are no special interests between Mr. Akihiro Fujimoto and the Company.</p>																																	

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p>Takeshi Miyazaki (June 14, 1970)</p> <p>[Reappointment]</p>	<p>April 1993 Joined Jusco Co., Ltd. (currently Aeon Co., Ltd.)</p> <p>September 2001 Secretary Office</p> <p>July 2009 My Basket Division, AEON Retail Co., LTD.</p> <p>January 2012 Head of Sales Department, My Basket CO., LTD.</p> <p>March 2013 Director, Head of Support Administration Department</p> <p>April 2015 Director, Head of Sales and Support Administrative Department</p> <p>January 2016 Director, Head of Human Resource Development Department</p> <p>March 2017 President and Representative Director, A • Colle Co., LTD.</p> <p>April 2018 President and Representative Director, AEON BIG Co., Ltd.</p> <p>September 2019 PT of Discount Business, Aeon Co., Ltd.</p> <p>April 2020 Chief Officer of Finance and Accounting Head of Finance Department</p> <p>March 2022 Chief Officer of Business Management</p> <p>May 2022 Representative Director and Senior Managing Director, Chief Officer of Strategy and Business Management (current position)</p>	-
<p>[Reason for nomination as candidate for Director] Mr. Miyazaki has extensive experience and an ample track record as a business executive at Aeon Group companies, and he also has extensive knowledge of the finance and business management divisions. Accordingly, the Company judges him qualified to be reappointed as a candidate for Director.</p>			
<p>[Special interests] There are no special interests between Mr. Takeshi Miyazaki and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Masashi Hotta (October 2, 1965) [Reappointment]	April 1989 Joined the Company	2,600
		February 2006 General Manager of Area FC, the Company	
		January 2009 General Manager, QINGDAO MINISTOP CO., LTD.	
		March 2013 General Manager of President's Office, the Company	
		May 2014 In charge of administration, General Manager of President's Office	
		May 2014 Director, Executive Officer	
		September 2014 In charge of merchandise	
		May 2015 Managing Executive Officer	
		September 2017 General Manager of Administration Division	
		May 2019 Managing Director (current position)	
		April 2020 General Manager of Administration Division, in charge of overseas business	
		April 2020 General Manager of Personnel and General Affairs Division, in charge of overseas business	
		February 2022 In charge of administration, General Manager of Overseas/Workplace/MINISOF Business Division	
		October 2022 In charge of Administration, Overseas, and Workplace (current position)	
<p>[Reason for nomination as candidate for Director] Mr. Hotta has extensive experience as the General Manager of Qingdao MINISTOP Co., Ltd. and has broad and extensive knowledge of the Company's business, including the administration division, development division, and merchandise division. Accordingly, the Company judges him qualified to be reappointed as a candidate for Director.</p>			
<p>[Special interests] There are no special interests between Mr. Masashi Hotta and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	<p style="text-align: center;">Toyoaki Abe (February 14, 1973)</p> <p style="text-align: center;">[Reappointment]</p>	<p>April 1995 Joined the Company</p> <p>March 2008 General Manager of Sales Department, MINISTOP DELI Business Division</p> <p>March 2016 Managing Director in charge of administration, MINISTOP Korea Co., Ltd.</p> <p>November 2019 Responsible for Cost/Earnings/Business Restructuring Project, the Company</p> <p>March 2020 General Manager of FC Support Division</p> <p>May 2020 Director (current position)</p> <p>February 2021 In charge of sales and development</p> <p>February 2022 In charge of sales and development, General Manager of Sales and Development Management Division</p> <p>May 2022 In charge of sales and development (current position)</p>	500
<p>[Reason for nomination as candidate for Director] Mr. Abe has experience as Managing Director of MINISTOP Korea Co., Ltd. and extensive knowledge of the Company's business, including the sales division and new businesses. Accordingly, the Company judges him qualified to be reappointed as a candidate for Director.</p>			
<p>[Special interests] There are no special interests between Mr. Toyoaki Abe and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Mitsuharu Nakazawa (February 10, 1972) [Reappointment]	<p>April 1995 Joined the Company</p> <p>February 2009 General Manager of Tokyo Sales Department</p> <p>September 2009 Junior Vice-President, ROBINSONS CONVENIENCE STORES, INC. (the Philippines)</p> <p>March 2016 General Manager of Overseas Business Division, the Company</p> <p>October 2019 General Manager of Merchandise Division</p> <p>May 2020 Director (current position)</p> <p>February 2022 In charge of merchandise and digital, General Manager of Merchandise Management Division</p> <p>May 2022 In charge of merchandise and digital (current position)</p>	2,900
<p>[Reason for nomination as candidate for Director] Mr. Nakazawa has experience as a business executive overseas and extensive knowledge of the Company's business, including the merchandise and sales divisions. Accordingly, the Company judges him qualified to be reappointed as a candidate for Director.</p>			
<p>[Special interests] There are no special interests between Mr. Mitsuharu Nakazawa and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	<p style="text-align: center;">Keiji Kamio (July 11, 1957)</p> <p>[Reappointment]</p>	<p>March 1980 Joined Yaohan Co., Ltd. (currently Maxvalu Tokai Co., Ltd.)</p> <p>February 1998 General Manager of the Sales Coordinator Department</p> <p>September 2001 General Manager of Hachimancho Store</p> <p>March 2003 Dairy Manager of the Product Control Department</p> <p>March 2004 Division Manager of the Store Management Department</p> <p>May 2004 Director</p> <p>May 2008 Executive Director</p> <p>May 2011 Division Manager of the Product Control Department</p> <p>May 2013 President and Representative Director</p> <p>March 2022 Executive Officer, Supermarket Business, Aeon Co., Ltd. (current position)</p> <p>May 2022 Director (current position)</p> <p>May 2022 Chairman, Maxvalu Tokai Co., Ltd. (current position)</p> <p>May 2023 Director, Fuji Co., Ltd. (current position)</p>	-
<p>[Reason for nomination as candidate for Director] Mr. Kamio has extensive experience and an ample track record in the Aeon Group and also has extensive knowledge of the retail industry. Accordingly, the Company judges him qualified to be appointed as a candidate for Director.</p>			
<p>[Special interests] There are no special interests between Mr. Keiji Kamio and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	<p>Takahisa Yamakawa (December 28, 1956)</p> <p>[Reappointment] [Candidate for Outside Director] [Independent]</p>	<p>April 1981 Joined the Legislative Bureau of the House of Representatives</p> <p>April 1985 Registered as an attorney-at-law (Tokyo Bar Association)</p> <p>April 1985 Joined Ishihara Law Office</p> <p>March 2001 External Auditor, Bell-Park Co., Ltd. (current position)</p> <p>April 2002 Established Renaiss Law Office (current position)</p> <p>May 2011 Outside Audit & Supervisory Board Member, the Company</p> <p>May 2015 Outside Director, the Company (current position)</p> <p>June 2015 Outside Director, KAWADA TECHNOLOGIES, INC. (current position)</p>	-
<p>[Reason for nomination as candidate for Director] The Company proposes the appointment of Mr. Yamakawa as an Outside Director in order to utilize his specialized knowledge as an attorney and experience as the Company's Outside Audit & Supervisory Board Member in its management system. After being elected, Mr. Yamakawa is expected to leverage his specialized knowledge as an attorney and work to strengthen supervisory function of overall management and supervisory function of conflicts of interest primarily from a legal standpoint.</p>			
<p>[Special interests] There are no special interests between Mr. Takahisa Yamakawa and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	<p>Shingo Kagawa (March 8, 1958)</p> <p>[Reappointment] [Candidate for Outside Director] [Independent]</p>	<p>April 1981 Joined FUJITSU LIMITED</p> <p>April 2010 Group President of Network Service Business Unit</p> <p>April 2012 Corporate Executive Officer, Group President of Network Service Business Unit</p> <p>April 2015 Corporate Executive Officer, Vice President of Integration Services Business</p> <p>April 2016 Corporate Executive Officer, CTO, Head of Digital Services Business</p> <p>April 2018 President and Representative Director, FUJITSU RESEARCH INSTITUTE</p> <p>May 2020 External Director, FURUNO ELECTRIC CO., LTD. (current position)</p> <p>October 2020 President and Representative Director, DigiIT Corporation</p> <p>October 2021 Chairman of the Board, SS Technologies Co., Ltd. (previously DigiIT Corporation)</p> <p>May 2022 Outside Director, the Company (current position)</p> <p>January 2023 Outside Director, H.I.S. Co.,Ltd. (current position)</p>	-
<p>[Reason for nomination as candidate for Director] The Company proposes the appointment of Mr. Kagawa as an Outside Director because he will contribute to strengthening corporate governance by providing advice on the Company's overall management based on his extensive experience and broad insight as a business executive. After being elected, Mr. Kagawa is expected to leverage his broad knowledge in management and provide appropriate advice and supervision related to management from both governance and business promotion standpoints.</p>			
<p>[Special interests] There are no special interests between Mr. Shingo Kagawa and the Company.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	Chie Ikegawa (February 4, 1966) [New election] [Candidate for Outside Director] [Independent]	<p>April 1989 Joined Procter & Gamble Far East, Inc. (currently The P&G Japan Limited)</p> <p>October 2006 Joined McDonald's Company (Japan), Ltd.</p> <p>February 2010 Director & CFO, General Manager of Finance Management Division, Lenovo Japan Ltd. (currently Lenovo Japan LLC)</p> <p>October 2011 Outside Auditor, NEC Personal Computers, Ltd.</p> <p>January 2014 Executive Officer, General Manager of Business Administration and Finance Division of Kellogg Japan G.K.</p> <p>December 2018 Vice President of Commercial Finance, Business Administration Division of Seiyu G.K. (currently Seiyu Co., Ltd.)</p> <p>May 2019 Representative Director, Strat Consulting Co., Ltd. (current position)</p> <p>November 2019 Outside Director, MEIKO NETWORK JAPAN CO., LTD.</p> <p>June 2020 Outside Director and Chairperson of Nomination Committee and Remuneration Committee, WILL GROUP, INC. (current position),</p> <p>April 2022 Part-time Lecturer, Graduate School of Business Administration, Keio University (current position)</p>	—
[Reason for nomination as candidate for Director] The Company proposes the appointment of Ms. Ikegawa as an Outside Director because of her extensive experience and broad insight as a business executive and her knowledge and experience in a wide range of fields, including global business, M&A and risk management, which will enable her to contribute to constructive discussions and effective assessments of the Board of Directors. After being elected, Ms. Ikegawa is expected to make efforts to enhance sustainable growth and corporate value, strengthen management supervisory functions, particularly in the areas of financial strategy and risk management, and strengthen the Company's corporate governance.			
[Special interests] There are no special interests between Ms. Chie Ikegawa and the Company.			

Notes: 1. The “Career summary, positions, responsibilities, and significant concurrent positions” section for Mr. Takeshi Miyazaki includes positions and responsibilities over the past ten years when he was a business executive at Aeon Co., Ltd., which is the parent company of the Company, and My Basket CO., LTD., A • Colle Co., LTD., and AEON BIG Co., Ltd., which are subsidiaries of Aeon Co., Ltd., the parent company of the Company.

The “Career summary, positions, responsibilities, and significant concurrent positions” section for Mr. Keiji Kamio includes positions and responsibilities over the past ten years when he was a business executive at Aeon Co., Ltd., which is the parent company of the Company, and Maxvalu Tokai Co., Ltd., and Fuji Co., Ltd., which are subsidiaries of Aeon Co., Ltd., the parent company of the Company.

2. Mr. Takahisa Yamakawa, Mr. Shingo Kagawa, and Ms. Chie Ikegawa are candidates for Outside Director pursuant to Article 2, Paragraph 3, Item 7 of the Regulations for Enforcement of the Companies Act.
3. Mr. Takahisa Yamakawa will utilize his specialized knowledge as an attorney and experience as an Outside Audit & Supervisory Board Member of the Company in the Company's management system, so the Company proposes his appointment as an Outside Director and judges that he is capable of appropriately executing the duties of an Outside Director.
4. Mr. Takahisa Yamakawa will have served as an Outside Director of the Company for nine years as of the conclusion of this General Meeting of Shareholders. Mr. Yamakawa was also an Outside Audit & Supervisory Board Member of the Company in the past. Mr. Shingo Kagawa will have served as an Outside Director of the Company for two years as of the conclusion of this General Meeting of Shareholders.
5. The Company has entered into an agreement with Mr. Takahisa Yamakawa and Mr. Shingo Kagawa, who are currently Outside Directors, for limiting their liability under Article 423, Paragraph 1 of the Companies Act when actions are taken in good faith and without gross negligence to the amount stipulated by laws and regulations. If their election as Directors is approved, the Company intends to again conclude an agreement with each party that limits their liability under Article 423, Paragraph 1 of the Companies Act when actions are taken in good faith and without gross negligence to the amount stipulated by laws and regulations.
6. If the election of Ms. Chie Ikezaki as Director is approved, the Company intends to conclude an agreement with her that limits her liability under Article 423, Paragraph 1 of the Companies Act when actions are taken in good faith and without gross negligence to the amount stipulated by laws and regulations.
7. Mr. Takahisa Yamakawa, Mr. Shingo Kagawa, and Ms. Chie Ikegawa are independent officer candidates as stipulated by Tokyo Stock Exchange, Inc. in Article 436-2 of the Securities Listing Regulations.
8. Aeon Co., Ltd., the parent company of the Company, has entered into a directors and officers liability insurance policy (D&O insurance) with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act. The policy covers the cost of damage claims, legal expenses, and other related costs incurred by the insured parties resulting from damage claims made as a result of actions taken by them (or inaction) in their capacity as directors and officers. However, the policy sets a deductible and does not cover damages up to the deductible amount. The parties covered by the insurance are Directors of the Company, and insurance premiums are borne in full by the Company. If this Proposal is approved, all appointed Directors will be included among the parties covered by the policy. The Company intends to renew the policy with the same content the next time it is up for renewal.

Expertise and Experience of Candidates for Director <Skill Matrix>

The Company's Skill Matrix is based on the areas of corporate management, legal and risk management, and finance and accounting, with disclosure items tailored to the business and the desired image of a Board of Directors. The disclosure items consist of nine items, including items related to the Company's current initiatives, such as environmental response and digital transformation, etc. Director skills are indicated by ● for all experience or skills that each of them possesses. The Company recognizes that promoting ESG, digital transformation, and diversity management are important management issues for the Company, and all Directors will work together to address them.

* The table below shows skills and areas of expertise particularly expected for each director and does not indicate all of the skills and areas of expertise possessed by each director.

		Expertise and experience possessed by the Company's Directors								
		General management	Legal and risk management	Financial, accounting and tax	HR, labor relations, Human resources development	Sales office support	Store development	Product development and logistics	IT and information systems	Overseas experience
1	Akihiro Fujimoto	●				●	●	●		●
2	Takeshi Miyazaki	●		●	●	●	●	●		
3	Masashi Hotta	●	●	●	●		●	●		●
4	Toyoaki Abe	●		●	●	●	●			●
5	Mitsuharu Nakazawa	●				●		●	●	●
6	Keiji Kamio	●	●	●	●	●	●	●		
7	Takahisa Yamakawa	●	●							
8	Shingo Kagawa	●							●	●
9	Chie Ikegawa	●	●	●						●

Proposal 2: Election of one (1) Auditor

Auditor Mr. Shigeru Kajita will resign at the conclusion of this General Meeting of Shareholders, and accordingly, the Company proposes the election of one (1) Auditor.

Furthermore, the Board of Audit & Supervisory Board has given its consent to this Proposal. The candidate for Auditor is as follows.

Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
<p>Yohsei Honda (May 23, 1962)</p> <p>[New election]</p>	<p>March 1986 Joined Jusco Co., Ltd. (currently Aeon Co., Ltd.)</p> <p>September 1993 Deputy General Manager, Logistics & Systems Department, Talbots Japan Co., Ltd.</p> <p>February 1997 General Manager, Personnel & General Affairs Department, Talbots Japan Co., Ltd.</p> <p>March 1998 Imaichi Shop Opening Committee Member, Jusco Co., Ltd.</p> <p>March 2000 Manager, Personnel Section, Personnel & Education Department, Higashi-Kanto Company, Jusco Co., Ltd.</p> <p>June 2001 Group Strategy Office, Jusco Co., Ltd.</p> <p>April 2007 Director and Vice President, Siam Jusco (currently AEON (THAILAND) CO., LTD.)</p> <p>September 2012 Manager, Corporate Communication Department, Aeon Co., Ltd.</p> <p>September 2016 Secretary General, AEON 1% Club Foundation (current position)</p>	<p>—</p>
<p>[Reason for nomination as candidate for Audit & Supervisory Board Member] The Company proposes the appointment of Mr. Honda as an Auditor so that he can apply his wide-ranging knowledge and experience in the retail industry he has cultivated over the years to the Company's auditing system.</p>		
<p>[Special interests] There are no special interests between Mr. Yohsei Honda and the Company.</p>		

- Notes:
1. The “Career summary, positions, responsibilities, and significant concurrent positions” section for Mr. Yohsei Honda includes positions and responsibilities over the past ten years when he was a business executive at Aeon Co., Ltd., the parent company of the Company.
 2. Aeon Co., Ltd., the parent company of the Company, has entered into a directors and officers liability insurance policy (D&O insurance) with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act. The policy covers the cost of damage claims, legal expenses, and other related costs incurred by the insured parties resulting from damage claims made as a result of actions taken by them (or inaction) in their capacity as directors and officers. However, the policy sets a deductible and does not cover damages up to the deductible amount. The parties covered by the insurance are Audit & Supervisory Board Members of the Company, and insurance premiums are borne in full by the Company. If this Proposal is approved, an appointed Audit & Supervisory Board Member will be included among the parties covered by the policy. The Company intends to renew the policy with the same content the next time it is up for renewal.

end

Business Report for the 45th Term

(March 1, 2023 – February 29, 2024)

1. Current Status of the Corporate Group

1-1 Progress and Results of the Business

For the fiscal year under review, in Japan, COVID-19 was reclassified as a Class 5 disease under the Infectious Disease Control Law in May, behavioral restrictions were fully lifted, socioeconomic activities returned to normal, there was an improvement in the employment and income environment, the record heat wave since July lifted personal consumption, and Japan's recovery experienced a moderate recovery. However, the economic outlook remains uncertain due to soaring raw material and energy prices caused by the increasingly unstable international situation, as well as rising labor costs in the supply chain and rising prices due to the weak yen and other factors, all of which have had an impact on consumer behavior. Furthermore, climate change, including record heat waves, has significantly affected the lives of consumers, making it essential to address environmental and social issues.

In such an environment, the Group, under the mission to 'realize a society full of beaming smiles with "deliciousness" and "convenience",' in the previous fiscal year, we transferred all shares of MINISTOP Korea Co., Ltd. which had been a consolidated subsidiary and selected to concentrate management resources in Japan and Vietnam and promote structural reforms and growth strategies, and recorded ¥23,831 million as a gain on sales of subsidiaries and affiliates' shares. In fiscal 2023, the first year of the 2023-2025 Medium-term Management Plan, we set a policy of "enhancing the competitiveness of our individual store model and driving strategic growth." The establishment of a New Combo Store model, which refines both our convenience store products and fast food products processed in store, and the expansion of new businesses such as the digital business, the occupational field business, and the Vietnam business, enabled us to return to profitability at all levels for the first time in five years on a consolidated cumulative basis for the third quarter. By pushing forward with investments in a New Combo Store model and new business growth this fiscal year, we have laid the groundwork for the integration of the MINISTOP store business and new businesses, mainly digital, in the next fiscal year.

In the domestic business, as for the MINISTOP store business, the daily sales and gross profit margin at existing stores increased as we promoted both the establishment of a New Combo Store model and refined our convenience store products and fast food products processed in store in order to provide "deliciousness" and "convenience" that meet customer needs. We revitalized 169 existing stores to foster a customer-first "mindset" by horizontally rolling out successful cassettes of a New Combo Store model. While reaffirming our role as "stores in local communities" with a focus on owners of the franchise stores, we promoted the establishment of specific procedures and horizontal deployment of best practices to renew our mindset toward welcoming customers together with our employees. Furthermore, the planned closure of unprofitable stores completed at the beginning of the fiscal year under review has improved management efficiency, and we have increased the number of MINISTOP Partnership Agreement stores. We are also making steady progress in reforms of the management and leadership structure and the company headquarters to transition to efficient and effective management and leadership by establishing a system and operational procedures for generating results at directly managed stores and disseminating these to all stores.

In new businesses, as for delivery services, we expanded our product lineup to meet customer needs, extended the hours for accepting orders, and improved order operations to prevent shortages in stores, while as for e-commerce, sales grew as a result of expanding our sales channels and revamping our original website. In the occupational field business, the number of locations of MINISTOP POCKET stores, unmanned convenience stores set up in offices and other facilities, expanded as planned at the beginning of the fiscal year under review,

and net sales per location increased, resulting in continued stable business profit generation. As for new businesses, in addition to the growth base now in place, we are moving into a new phase of a New Combo Store model toward OMO (Online Merges with Offline), using the MINISTOP application, which has more than 1.5 million downloads and is expanding its customer base, as an interface.

As a result of these structural reforms and the promotion of growth strategies, the domestic business, in the current fiscal year, reduced its operating loss by ¥635 million to ¥196 million, exceeding the improvement in operating income of the previous fiscal year by ¥339 million.

In the overseas business, as for the Vietnam business, we made upfront investments to grow the business of increasing directly managed stores, promoted the expansion of store openings and renovation of existing stores into a new convenience store format to establish a new dominant position, and developed a logistical support system to back the business. In order to secure a price advantage in a price competition that transcends business categories in response to changes in the economic environment, we promoted pricing policies and product development with value, along with mastering the merchandising process to redesign the role of categories based on customers' purchasing behavior. As a result, the overseas business' gross operating revenue recorded an increase in revenue of ¥1,216 million and an operating loss of ¥413 million for the fiscal year under review. For domestic and overseas business, we also promoted medium- to long-term management system reforms to achieve steady growth. Along with organizational and cultural reforms, we promoted the formulation and implementation of a human resources strategy to steadily implement policies based on structural reforms and growth strategies and link them to results.

As a result of the above, consolidated operating results for the fiscal year under review were gross operating revenue of ¥79,056 million (decreased 2.7% from the previous fiscal year), operating loss of ¥609 million (operating loss of ¥1,036 million in the previous fiscal year), ordinary profit of ¥10 million (ordinary loss of ¥142 million in the previous fiscal year), and net loss attributable to owners of parent of ¥468 million (net income attributable to owners of parent of ¥12,834 million in the previous fiscal year).

The operational results of each business segment are as follows.

(1) Domestic business

Net sales at all stores compared with the same period of the previous fiscal year decreased by 1.4% due to the planned store closures at the beginning of the fiscal year under review. We enhance individual store competitiveness by refining both convenience store products and fast food products processed in store. We promoted the establishment of the New Combo Store model. As a result, net sales per day per existing store compared with the previous fiscal year for MINISTOP stores increased by 0.9%. Average per day per existing store customer numbers fell by 0.9%, while per day per existing store average customer purchase value increased by 1.8%. Although per-day/per-store sales of convenience store products decreased by 1.3%, per-day/per-store sales of fast food products processed in store increased by 14.9%. Regarding gross profit margin, in addition to reforms in the merchandising process, which redesigns the role of each category based on customers' purchasing behavior, the composition ratio of net sales of processed in store fast food products expanded and improved by 0.9% compared with the same period of the previous fiscal year to 30.5%. This was a result of increased sales of fast food products processed in store, the use of work schedules to improve operation plans and work assignments at stores, and providing product lineups of products with high added value that satisfy customers' needs.

In preparation for establishing a New Combo Store model, we promoted the reform of a merchandising process to redesign the role of each category by integrating convenience store products and fast food products processed in store. We have been refining our product lineups and sales floors in response to changing customer needs, developed products with value, and promoted value-added products and sales promotion plans, and refined both convenience store products, which is the cornerstone of convenience, and fast food products processed in store, which is our strength and pursuit of deliciousness.

As for convenience store products, which provides customers with the value of

“convenience,” we promoted expansion and price design of product lineup, and created sales floors and sales promotion planning to respond the growing awareness of the need to protect their lifestyles and their time performance orientation. In addition to expanding the lineup of side dishes pre-packaged in pouches, ready-to-eat meals that reduce cooking time and allows customers to easily combine meals by utilizing AEON Group exclusive products such as TOPVALU products, we also expanded the TOPVALU Best Price product lineup of soft drinks, ramen noodles, and ready-to-drink-beverages and western liquors, which focuses on price appeal, resulting in strong sales. Sales of ready-to-eat pre-prepared lunch boxes increased due to the continuous launching and intensive rolling out of value-priced products priced at ¥370. In the area of creating sales floors that emphasize multiple-item purchasing, we introduced jumble display fixtures at 1,641 stores to display sweets and snacks, as well as snack-sized pastries in large formats to entice customers to easily make purchases, thereby boosting sales. In sales promotion planning, sales of cooked breads increased due to the intermittent implementation of larger serving campaigns, in which the volume of popular products is increased while maintaining the same price, and sales of sweet breads and table breads were strong due to the ongoing implementation of "The more you buy, the more you save" campaign, in which bulk purchases are more economical.

In the area of fast food products processed in store that deliver great taste to customers, we once again promoted branding as a unique strength of the Company and refined our operational infrastructure to achieve freshly prepared taste and promote its value, and offer a product lineup that satisfies customers.

As for cold sweets, which are processed in store to deliver freshly made deliciousness, we promoted branding and promoted their value centered on soft-serve ice cream, in addition to developing high value-added products. Soft-serve ice cream, which pursues deliciousness and focuses on Hokkaido dairy ingredients, achieved solid brand recognition in July with a world record of over 20,000 photos uploaded on a social networking service, thanks to the support of many customers. In November, we launched Aromatic Vietnam Cacao Choco Soft, which uses ingredients in accordance with our sustainability program to support cacao growers, adding new value to our efforts to solve social issues through our soft-serve ice cream.

As part of the development of high value-added products, sales of cold sweets were strong thanks to the popularity of our intermittently launched new premium-oriented products that lavishly use rare ingredients, such as Okayama Hakuto Soft in March and Nagano Purple Soft in June, as well as "White HALOHALO" in October, which we launched in an agile response to the record late summer heat.

We will continue to promote branding centered around soft-serve ice cream as a signature product that embodies our mission by developing and promoting products with a new value axis, such as being “environmentally friendly,” “healthy,” “connected with the local communities,” and “contribute to society.”

In hand-made lunch boxes that combine freshly prepared deli items and freshly prepared in-store cooked rice, we have refined the value of products that can only be achieved in-store, with freshly prepared deliciousness and volume. These include the “Fried Chicken Lunch Box,” which is made with luxurious thinly battered deep-fried chicken, a popular standard item that was renewed in May, and the “Heavy! Tartar Chicken Nanban Bento,” which is made with hearty deep-fried chicken.

In handmade onigiri rice balls combining freshly cooked rice and seasonal ingredients, we delivered deliciousness with high value-added products, including “Hokkaido Yaki Salmon,” a popular staple made with Hokkaido ingredients, "Kishu Nanko Plum," with hearty ingredients featured on TV that received favorable reviews, and " Kashiwa Meshi (Chicken Rice) ," a regional long-selling product that was rolled out to all areas. For rice balls, in September, we also renewed the promotion of their value, including packaging, and conducted in-store sales promotions based on the redesign of each category, including convenience store products. Rice ball convenience store products, in addition to planned and ongoing promotions to establish the brand with customers, we have been promoting our regular products as lifestyle support products since December, and customer support for these products has increased, boosting overall sales of the rice ball category. For handmade onigiri rice balls and handmade lunch

boxes, we have established an operational foundation for systematic production of optimum production volumes by utilizing work schedules that are being mastered in stores. We delivered high-value-added products with a product lineup that satisfies customers, in addition to revising product design and processing procedures to improve manufacturing efficiency.

In preparation for establishing a New Combo Store model, in addition to promoting the horizontal rollout of successful cassettes, which are the accumulation of initiatives and efforts in creating sales floors that have proven successful in pilot model stores (“laboratory stores”), we implemented the revitalization of existing stores at 169 stores as of the end of February 2024, with a focus on the mindset of putting customers first and achieving complete operations. In addition to the 53 successful cassettes created in the previous fiscal year, 23 new successful cassettes were established in laboratory stores this fiscal year, bringing the total to 76 cassettes. Successful cassettes were rolled out to all stores sequentially, in addition to the introduction of cassettes mainly at the existing revitalized stores. This boosted sales at all stores with a high degree of certainty with proven results, including ramen noodles, sweets and snacks, hobby items, and other miscellaneous items. We will continue to create successful cassettes of laboratory stores and accelerate their roll out to all stores.

The revitalization of existing stores, which was promoted as centering on mindset, was triggered by the remodeling of facilities. The owners of the franchise stores, including their employees, reaffirmed their role as “local community stores.” Along with activities to foster the determination of franchise stores to create their ideal stores, we have established a process and disseminated it as a procedure to increase the competitiveness of individual stores through education and the planning and execution of sales plans centered on the use of work schedules.

As for frozen foods where we have expanded sales floors, we created sales floors that would encourage customers to purchase frozen foods in combination with ready-to-eat meals, and sales increased by more than 20% compared with the previous fiscal year. As for rice cooked in store, we created a sales floor in which we placed rice cooked in store next to convenience store products to encourage purchases. As a result, sales grew by more than 30% compared with the previous fiscal year. In addition, we have introduced digital backlit displays that can better convey the appeal of fast food products processed in store. We have also promoted the digitalization of our methods to offer products by developing self-checkout machines and paging systems so that customers can easily place orders, and by starting to accept orders via mobile ordering in August 2023. These efforts helped to increase sales of processed in store fries and cold sweets by more than 20% compared with the previous fiscal year. Facility renovations were clearly combined to optimize the return on investment based on the conditions of the stores. From now on, we will promote more agile and effective revitalization of existing stores.

Mindset is being promoted in all stores, focusing on the use of work schedules to improve the efficiency of operations at all stores through operational reforms and the redesign of work assignments by time slot, which has been underway since the previous fiscal year. By starting efforts at directly managed stores and moving closer to perfect execution, the level of in-store execution and creation of results has increased, and we are seeing results. In addition, the franchise stores that have progressed in mindset have also seen a spread of results, including improved in-store execution through perfect execution, and the implementation of plans based on motivation to achieve sales targets have made progress and employee training is proceeding more efficiently. We will continue to promote mastery and thoroughness of operation plans, work assignments, and complete operations, as well as work system reforms at all stores.

The MINISTOP Partnership Agreement has been designed to establish new relationships with franchise stores and facilitate growth together with them. The number of MINISTOP Partnership Agreement stores reached 669 stores as of February 29, 2024. As the number of the Partnership Agreement stores and the ratio of owners who manage multiple stores rise, in order for franchise stores and the company headquarters to grow together, we are designing operation plans, providing guidance on ordering to improve sales and generate profits, and establishing efficient management methods, including cost control. We have also promoted the reforms of the management and leadership structure and the company headquarters, which go into the areas of human resource recruitment and education, which had not been addressed in the previous

management guidance. We have been making progress in the use of store improvement plans, which comprehensively identify management issues at stores and systematically formulate and implement improvement measures in accordance with the problem-solving process. Moreover, net sales per day per store for Partnership Agreement stores compared with the previous fiscal year exceeded the results for all stores, thanks to a transition in management guidance from the aspects of ordering and operation planning. Regarding expense control, electricity consumption at all stores was lower than the previous year in the current fiscal year thanks to the introduction of energy-saving equipment and the perfect execution of the power-saving manual disseminated from directly managed stores to franchise stores, resulting in a reduction of utility expenses. In addition, we have clearly defined the ordering procedure as the basis to offer product lineups that will satisfy customers and a process for improving management efficiency, and are making preparations, including the establishment of an education system to disseminate this process from directly managed stores to all stores. In an effort to achieve efficient and effective management guidance, we raised the level of in-store execution of creating sales floors and sales promotion planning and introduced management tablets at all stores to facilitate communication between franchise stores and headquarters, as well as among franchise stores with the company headquarters serving as the hub. We also developed a direct communication infrastructure. We will continue to build strong partnerships between franchise stores and headquarters to create stores that are chosen by customers and work together with our franchise stores as a business community that will prosper as one.

Regarding store development, 10 new stores were opened, and 61 stores were closed, including planned closures at the beginning of the fiscal year under review. There were 1,856 stores as of the end of the current fiscal year. In preparation for store openings in the next fiscal year, we will create a development system and promote initiatives based on our area strategy, while building a format that will enable a new phase of the New Combo Store model.

In new businesses, we promoted upfront investments to establish and grow the business foundation under our growth strategy for delivery service and e-commerce, which are positioned as a digital business, as well as the occupational field business. In delivery services, we expanded the number of providers to 1,177 stores as of the end of February 2024, and expanded the product lineup to 800 SKUs, focusing mainly on commodities. Net sales grew 2.6 times over the same period of the previous year thanks to the implementation of sales promotion strategies with a high return on investment by concentrating on target users of delivery services, extension of order acceptance hours beyond 9 p.m. at 80% of our stores, and working to prevent stockouts based on perfect execution by utilizing work schedules that are becoming more mastered at stores.

As for e-commerce, in an effort to grow as a platform for digital services, we have expanded our sales channels and promoted store openings in several major e-commerce malls to increase customer convenience. In October, we completely overhauled our original website and relaunched it as MINISTOP Online. We expanded our lineup of seasonal gifts, original frozen foods, and products from specialty stores, and held events such as “Black Friday,” which was held simultaneously at actual stores for the first time in November. We also developed an efficient logistics infrastructure. As a result, e-commerce net sales grew to more than 8.1 times compared with the same period of the previous fiscal year.

The MINISTOP application, which is evolving as an interface to connect actual stores and digital services, had more than 1.5 million downloads as of the end of February 2024, and net sales to members grew 1.8 times compared with the same period of the previous fiscal year. In addition to the expansion of payment services, the addition of mobile ordering functions and linkage with delivery services and e-commerce sites are underway to enhance customer convenience and realize OMO. We will continue to generate business synergies by expanding the number of registered members through functional enhancements and in-store promotions, and by developing a common customer base for both actual stores and digital services.

As for occupational field business, the number of locations, including related service locations, of unmanned convenience stores MINISTOP POCKET set up in offices and other facilities increased as planned at the beginning of the fiscal year under review to 1,380 locations as of the end of February 2024. Net sales per location grew by 20% thanks to an expanded

assortment of products to meet the needs of the occupational field market and through the operation of the inventory management system to prevent stockouts and ensure efficient replenishment. Additionally, we increased new sources of income by developing video advertising distribution services and product supply services, taking advantage of our many locations in offices. Through these efforts, the occupational field business continues to generate stable business profits.

As for the above new businesses, the scale of sales expanded as the business foundation, including the establishment of infrastructure, was established by promoting growth investments, they grew as a part for OMO utilization, and commercialization progressed. Going forward, new businesses will be integrated with the store business, which has been refined to establish the New Combo Store model, and will move into the functionalization phase to provide customers with a new shopping experience using the MINISTOP application as an interface.

We are steadily implementing structural reforms and growth strategies and medium- to long-term management system reforms with the aim of generating results. We improved our decision-making process and redefined job requirements. We also incorporated each policy in the Medium-term Management Plan into action plans and promoted human resource strategies to equip ourselves with the management capabilities to achieve the planned figures through steady implementation, together with organizational and cultural reforms. As a medium- to long-term policy, we will continue to expand our education system and operate a personnel system to improve productivity.

Network Service Inc. runs a co-operative distribution business for stores in Japan, operating 13 fixed-temperature centers, six ambient centers, and 10 frozen food distribution centers. In addition to reducing the number of delivery routes and the mileage per route, it changed delivery formats for frozen products to increase delivery efficiency. It has thus been working to reduce costs and environmental impact, which includes the reduction of CO₂ emissions. Furthermore, to address the “2024 problem” in logistics, we are expanding our efforts to improve operational efficiency, including making changes to delivery methods at stores, and are working on logistics reforms, including reviewing delivery times and ways of work of delivery staff.

In terms of major efforts related to ESGs, we are focusing on reducing power consumption in our stores, which accounts for 85.5% of CO₂ emissions covered by our estimation as a measure against climate change. With the goal of cutting CO₂ emissions by stores by 50% from fiscal 2013 levels by 2030, we are gradually switching the sources of power used in some areas to renewable energy to promote decarbonization. As a result of efforts to change the lights used inside and outside the stores to LED and to save electricity at stores, the average power consumption per store declined from the same period of the previous year and we have made 111% progress toward our reduction target. We will set a new target for further reduction.

As for our efforts for food loss reduction, as a means to encourage recycling resources, with the goal of reducing food loss by 50% from 2015 levels by 2025, we have been promoting “Reduce,” an effort to reduce food waste by selling products at discount prices, at 90% of our stores. In conjunction with Food Loss Reduction Month in October, we launched at all stores a “temaedori” initiative to encourage customers to take products placed at the front of the shelves and worked together with customers to reduce food waste.

As for our efforts to reduce plastic usage, in June 2023, we started at all stores to serve soft-serve ice cream, our signature product, with an edible spoon instead of a spoon made of petroleum-derived plastic*. In addition, we were selected by the Ministry of the Environment for a public tender project in FY2023 to calculate the carbon footprint of soft-serve ice cream vanilla (served with an edible spoon). We will continue to keep customers informed of CO₂ emissions throughout the product lifecycle (raw material procurement, production, distribution, use/maintenance/management, and disposal/recycling) and will work together with them to reduce CO₂ emissions throughout the value chain.

Having confirmed that edible spoons emit less CO₂ than plastic spoons, we will aim for decarbonization and deplasticization by discontinuing the use of disposable cutlery. (*A plastic spoon is offered to customers with an allergy to wheat or soy.)

As an activity to solve social issues faced by children, who are the future leaders of the

local community, we have been using funds sourced from in-store donations from our customers and 1% of the sales of soft-serve ice cream on Saturdays to deliver flower seedlings to elementary schools every year in support of the “The Circle of Flowers” program advocated by the Public Interest Incorporated Foundation for the Agriculture of Flower and Greenery. This fiscal year, which marks the 33rd year of this activity, we have presented approximately 4,535 thousand seedlings to a cumulative total of 17,134 schools. This amount is equivalent to the average floor space of 2,834 MINISTOP stores. In addition to presenting seedlings to elementary schools in the regions where our store openings are located, we also present seedlings to elementary schools recommended by franchise stores, thereby serving as a bridge between elementary schools, local communities, and our stores.

Our “Child Internship” program that was launched in 2005 has brought many smiles to the students’ faces through a work experience course at their most familiar convenience store for 163 elementary and junior high school students from 62 schools at 58 stores in fiscal 2023. In this program, they learned the AEON philosophy of pursuing peace, respecting people, and contributing to communities, with customers as the starting point and experienced soft-serve ice cream processing.

In our volunteer activities at neighboring welfare facilities, mainly centered around our franchise stores, we have deepened our friendships with local communities at a total of 1,538 facilities since 2016 by assisting with events and cleanup activities.

Regarding initiatives for governance, in order to ensure our sustainable growth and enhance medium- to long-term corporate value, we have stipulated that the ratio of Outside Directors should be one-third or more. We have also established a Special Committee to prevent conflicts of interest between controlling shareholders and minority shareholders and a Nomination and Compensation Committee, the majority of which is made up of Outside Directors, to ensure independence. Furthermore, we work to increase the effectiveness of our governance through active discussions at meetings of the Board of Directors comprising members who have diverse knowledge, experience, and capabilities. In addition, in internal control, we have established the Management Audit Office, which is independent of the operating divisions and directly reports to the President, as the Internal Audit Department. Through the implementation of internal audits based on the audit plan and the monthly meetings to report, review, and discuss with the Internal Control System Committee, it promotes effective improvement of operations in each department.

As a result of the above, gross operating revenue in the domestic business for the fiscal year under review was ¥70,756 million (decreased 4.6% from the previous fiscal year), and operating loss was ¥196 million (operating loss of ¥831 million for the previous fiscal year).

(2) Overseas business

For the fiscal year under review, there was a sense of uncertainty about the future of the economy. This was due to the expiration of the exemption of value-added taxes in Vietnam effective January 2023 that impacted consumer behavior as customers became more aware of the need to protect their lifestyles, the real GDP growth rate falling below the government target, mainly in the manufacturing industry, and the sluggish external demand and other factors. The economic environment has been showing positive signs with the readoption of the measures to reduce and exempt value-added taxes from July 2023 onward, which has supported consumption, and the service sector, which accounts for 45.2% of GDP.

In these circumstances, in order to promote the growth of the Vietnam business of increasing our directly managed stores, we opened stores and remodeled existing stores in a new convenience store format to establish a new dominant position, and also made upfront investments in systems & facilities and human resources by establishing a logistics support system to support the business. As a result, gross operating revenue increased by ¥1,216 million year on year, and operating loss stood at ¥413 million.

MINISTOP VIETNAM COMPANY LIMITED in Vietnam promoted new dominant store openings in the suburbs of Ho Chi Minh City with a new one-stop convenience store format centered on an enhanced fresh food product lineup and expanded existing store renovations. In response to changes in consumer trends, we promoted price policies and the development of

high value-added products to secure a price advantage over competing small supermarkets, including those in areas where we have newly opened stores. Net sales for all stores in the chain were 118.0% of the same period of the previous fiscal year. A new convenience store format was implemented through 32 new store openings and nine existing store remodels, bringing the total number of stores as of the end of the fiscal year under review to 164.

We incorporated a category management process from our domestic business. We implemented price revisions for 147 SKUs in July and another 226 SKUs in December, mainly for daily products and dairy products, as a countermeasure against small supermarkets. In December, we implemented a promotion that made extensive use of social networking services to attract customers, and we are promoting measures to increase the number of customers. In addition, in sales promotion planning, larger serving campaigns for boxed lunches and noodles were implemented intermittently, and a “buy one drink, get one more free” campaign was also implemented. The campaigns were all well received. We will continue to promote efforts to achieve a product mix that encourages customers to visit our stores more frequently.

Net sales were boosted by the development of high value-added products, including counter food snacks, as well as an expanded product lineup of freshly brewed coffee and drinks with fruit pulp that are served with ice in stores. In addition, we are promoting the installation of dedicated beverage counters, mainly in new stores, thereby creating an incentive for customers to visit our stores. We will continue to develop high value-added products and promote value.

With regard to fresh food products, for which product lineups are being expanded mainly at new convenience store format, we are comprehensively promoting initiatives to improve freshness, from the delivery system to store operations. We are also promoting product lineups that come in individual packages, which are easier for customers coming from local communities to purchase.

In the development of logistical support systems to back the business of increasing directly managed stores, preparations have been made for the introduction of work schedules to all stores and for the realization of perfect execution based on work procedure manuals. In addition, we are working to improve the efficiency of store operations and train store managers in preparation for the full-scale operation of store support desks and the expansion of the superintendent system, in which one store manager oversees multiple stores.

As a result of the above, gross operating revenue in the overseas business for the fiscal year under review was ¥8,299 million (increased 17.2% from the previous fiscal year), and operating loss was ¥413 million (operating loss of ¥204 million for the previous fiscal year).

1-2 Status of Capital Investment and Funds Procurement

Gross capital investment in the fiscal year under review amounted to ¥4,862 million, of which ¥4,741 million was invested in interior and exterior store facilities for new store openings and renovations and in-house software use, and ¥121 million was paid as guarantee deposits for store leases. Furthermore, the required funds for capital investment, etc. were appropriated mainly from cash on hand.

1-3 Trends in Assets and Profit/Loss

(1) Assets and profit/loss of the corporate group

Category	The 42nd fiscal year ended February 28, 2021	The 43rd fiscal year ended February 28, 2022	The 44th fiscal year ended February 28, 2023	The 45th fiscal year ended February 29, 2024 (Fiscal year under review)
Gross operating revenue (millions of yen)	180,187	183,680	81,286	79,056
Ordinary profit (loss) (millions of yen)	(4,991)	(2,768)	(142)	10
Profit/loss attributable to owners of parent (millions of yen)	(6,458)	(3,865)	12,834	(468)
Net profit/loss per share (yen)	(222.65)	(133.27)	442.43	(16.14)
Total assets (millions of yen)	107,866	117,261	79,217	77,900
Net assets (millions of yen)	32,431	28,487	40,610	40,681
Net assets per share (yen)	1,112.66	980.41	1,399.78	1,366.28
Number of consolidated subsidiaries	6	5	3	3

- Notes: 1. Profit/loss per share is calculated with the average number of shares outstanding during the fiscal year (number of shares less treasury stock).
2. The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and other standards from the 44th fiscal year. Therefore, the financial position and results of operations for the 44th fiscal year onwards are presented based on the application of these accounting standards.

(2) Assets and profit/loss of the Company

Category	The 42nd fiscal year ended February 28, 2021	The 43rd fiscal year ended February 28, 2022	The 44th fiscal year ended February 28, 2023	The 45th fiscal year ended February 29, 2024 (Fiscal year under review)
Net sales (including franchise stores) (millions of yen)	290,917	292,962	286,996	283,034
Gross operating revenue (millions of yen)	66,269	64,347	62,665	59,247
Ordinary profit (loss) (millions of yen)	(3,053)	(484)	(76)	243
Profit/loss (millions of yen)	(5,570)	(3,184)	9,845	(237)
Net profit/loss per share (yen)	(192.03)	(109.78)	339.39	(8.20)
Total assets (millions of yen)	84,117	93,535	77,366	75,824
Net assets (millions of yen)	35,267	31,505	40,680	39,877
Net assets per share (yen)	1,215.60	1,085.91	1,402.21	1,374.54

- Notes: 1. Profit/loss per share is calculated with the average number of shares outstanding during the fiscal year (number of shares less treasury stock).
2. The Group has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and other standards from the 44th fiscal year. Therefore, the financial position and results of operations for the 44th fiscal year onwards are presented based on the application of these accounting standards.

1-4 Efforts in Environmental and Social Contribution Activities

The Company set environmental goals of “cutting CO₂ and other emissions by stores by 50% from fiscal 2013 levels by 2030,” “reducing food waste generated by stores by 50% from fiscal 2015 levels by 2025,” and “halving the use of single-use plastics from fiscal 2018 levels by 2030,” and we are promoting efforts to realize a sustainable society. In our CO₂ reduction efforts, we have endorsed the Task Force on Climate-related Financial Disclosure (TCFD), identified risks and opportunities related to climate change, quantified the impact on MINISTOP's business, and will scrutinize and deepen planning and efforts to address these risks and opportunities.

Since 1991, as an activity to solve social issues faced by children, who are the future leaders of the local community, using funds sourced from in-store donations from our customers and 1% of the sales of soft-serve ice cream on Saturdays, we have been delivering flower seedlings to elementary schools every year in support of the "Let's Grow Flowers and Greenery in Schoolyards: The Circle of Flowers" program advocated by the Public Interest Incorporated Foundation for the Agriculture of Flower and Greenery. In addition to presenting seedlings to elementary schools in the regions where our store openings are located, we also presented seedlings to elementary schools recommended by franchise stores, thereby serving as a bridge between elementary schools, local communities, and our stores.

We launched our "Child Internship" program in 2005 to provide elementary and junior high school students with work experience at their most familiar “convenience store.” Though this work experience course, students learn the AEON philosophy of pursuing peace, respecting people, and contributing to communities, with customers as the starting point and through the soft-serve ice cream processing experience, we aim to create communities full of smiling faces.

1-5 Responding to Human Capital & Diversity

We believe that people are the core of the Company, the source of the Company, and that people create the corporate culture, shape the business, and are the driving force behind the realization of the Company's corporate philosophy. We believe that if each employee can come to view the essence of their work as “an opportunity for personal growth,” it will lead to business innovation and, ultimately, to corporate growth. To promote this kind of corporate management that positions people as the core of the Company, we will implement the following three efforts.

- Explore what each employee wants to achieve (dream) through their work
- Link each employee's dream with the corporate philosophy (mission)
- Share role models to increase the feasibility of who they want to become and the dreams they want to achieve

We believe that in order for each employee to grow into a sincere and highly engaged employee towards all stakeholders, it is important to bring out the potential and passion that each individual possesses. Furthermore, by each employee having a deep understanding of our corporate philosophy (mission), and by linking our corporate philosophy with what each employee wants to achieve, we aim to create an organization in which each employee's passion and potential are enlivened and energized toward the realization of our corporate philosophy.

1-6 Issues to be Addressed

The Company will pursue medium-term management strategies that involve redesigning our business operations to achieve a consolidated operating income composition ratio of 50% digital and Asia, alongside enhancing the competitiveness of our individual stores and driving strategic growth.

In domestic business, we aim to achieve renewed growth by realizing an OMO that integrates the MINISTOP store business with new businesses such as delivery services, e-commerce, and occupational field business, and by improving the profitability of the store

business and new businesses. To improve the competitiveness of the individual store model, the Company will pursue enhanced product value and expand its product lineup for both convenience store products and in-store processed fast food products. The MINISTOP application, which serves as the foundation for 1 to 1 marketing, will be used as an interface to integrate actual stores and digital services to improve convenience for customers regardless of time and place.

In the overseas business, we will grow our Vietnam business of increasing directly managed stores to a scale of 300 stores. We will promote category management to enable a rapid response to the changing economic environment. Also, we will refine our individual store model and develop a logistical support system to back accelerated store openings.

(1) Completion of structural reforms

To improve the competitiveness of the individual store model, we will promote the establishment of a New Combo Store model and achieve an improvement of daily sales. We will also make efforts to improve the management efficiency of franchise stores by reforming our management guidance system and further pursuing the “MINISTOP Partnership Agreement,” which will build new relationships with franchise stores. To pursue structural reforms and growth strategies, we will reform our company headquarters’ organization and management system to achieve business re-growth.

(2) Promotion of growth strategies

The delivery services and e-commerce that have grown as a business will be functionalized as parts of OMO, and the MINISTOP application will be used as an interface to generate a new shopping experience by integrating with actual stores. The occupational field business will utilize OMO to connect with MINISTOP actual stores for the supply of products and other services, and will also promote the expansion of its locations to new markets to improve profitability. In the Vietnam business, we will promote growth by steadily investing in the business of increasing directly managed stores, redesigning the merchandising process and building a store opening system, and improving the profitability of the individual store model.

(3) Transition to purpose management

Aiming for a transition to “purpose management,” we are promoting business activities that link our business itself to solving social issues, based on the AEON Group Future Vision and MINISTOP’s mission of ‘We realize a society full of beaming smiles with “deliciousness” and “convenience”.’ Based on this mission, we established the “MINISTOP Sustainability Basic Policy” in November 2021. Together with our franchise stores and many other stakeholders, we are actively working toward the realization of a sustainable society.

1-7 Principal Business (as of February 29, 2024)

- (1) The Company and MINISTOP VIETNAM COMPANY LIMITED are involved in the convenience store business through franchise chain stores and directly managed stores. VINH KHANH CONSULTANCY CORPORATION develops the convenience store business in Vietnam through investment in MINISTOP VIETNAM COMPANY LIMITED as the holding company.
- (2) Network Service Inc. operates 13 fixed-temperature centers, six ambient centers and 10 frozen food distribution centers, running a cooperative distribution business for stores in Japan.

1-8 Parent Company and Significant Subsidiaries (as of February 29, 2024)

(1) Relationship with parent company

Aeon Co., Ltd., the parent company of the Company, holds 14,130 thousand shares of the Company's stock (ownership stake of 48.1%), and the Aeon Group as a whole holds 15,672 thousand shares (53.4% stake).

The Company conducts transactions with its parent company, including fund deposit and investment.

Items related to transactions with the parent company and other relevant entities are as follows.

(2) Items related to transactions with the parent company

i. Items considered in conducting such transactions to ensure the Company's interests are not harmed

The Company receives interest income from the parent company based on surplus fund deposit and investment. In conducting such transactions, fair and appropriate decisions are made based on a reasonable judgment, taking into consideration the necessity of such transactions and whether the terms and conditions are not substantially different from those of normal transactions with third parties in order to protect minority shareholders.

ii. Decisions of the Board of Directors on whether or not such transactions harm the Company's interests and the reasons thereof

The Company makes decisions at meetings of the Board of Directors attended by Outside Directors and Outside Audit & Supervisory Board Members after multipronged deliberations while receiving appropriate opinions on the Company's management.

Regarding business operations, the Company recognizes that it is necessary to maintain a collaborative relationship to a certain extent, but management policies and business plans are created independently by the Company, and the Company engages in management and business activities while ensuring its independence as a listed company.

iii. Opinion concerning relevant transactions in the event that the decision of the Board of Directors differs from the opinion of Outside Directors

No applicable items.

(3) Significant subsidiaries

Company	Paid-in capital	Voting rights	Principal business
Network Service Inc.	10 million yen	100.0%	Automobile transportation business
VINH KHANH CONSULTANCY CORPORATION	394 million dong	51.0%	Holding company
MINISTOP VIETNAM COMPANY LIMITED	1,339,230 million dong	100.0%	Convenience store business

Note: Ratio of voting rights includes indirect ownership.

(4) Special wholly owned subsidiaries

No applicable items.

1-9 Principal Business Offices and Stores (as of February 29, 2024)

(1) Principal business offices

Head Office: Mihama Ward, Chiba City
 Principal business offices: Makuhari Office (Mihama-ku, Chiba City),
 Tohoku Regional Office (Miyagino-ku, Sendai City),
 Tokai Regional Office (Nakamura-ku, Nagoya City),
 Kinki Regional Office (Chuo-ku, Osaka City),
 Kyushu Regional Office (Hakata-ku, Fukuoka City)

Stores

Region	Number of stores	
Aomori	25	(0)
Iwate	10	(2)
Miyagi	103	(7)
Fukushima	74	(12)
Ibaraki	95	(11)
Tochigi	27	(2)
Gunma	44	(4)
Saitama	126	(14)
Chiba	162	(16)
Tokyo	251	(27)
Kanagawa	111	(14)
Fukui	7	(0)
Gifu	81	(9)
Shizuoka	119	(15)
Aichi	187	(25)
Mie	80	(4)
Shiga	5	(0)
Kyoto	34	(0)
Osaka	80	(2)
Hyogo	41	(1)
Nara	10	(1)
Tokushima	18	(3)
Kagawa	29	(10)
Ehime	7	(2)
Fukuoka	114	(3)
Saga	12	(2)
Oita	4	(1)
Total	1,856	(187)

- Notes: 1. Figures in parentheses in the “Number of stores” column are the number of directly managed stores included in the total.
 2. The above store numbers include 19 cisca stores, five MINISOF stores.

(2) Number of consolidated subsidiaries

Company	Country	Number of stores	
MINISTOP VIETNAM COMPANY LIMITED	Socialist Republic of Vietnam	173	(160)

Notes: 1. Figures in parentheses in the “Number of stores” column are the number of directly managed stores included in the total.
2. The number of stores for the above consolidated subsidiaries are as of February 29, 2024.
3. Network Service Inc. and VINH KHANH CONSULTANCY CORPORATION do not have stores.

1-10 Employees

(1) Corporate group (as of February 29, 2024)

Number of employees	Change from the end of the previous fiscal year
1,443	Up by 276

Note: In addition to the above employees, there were 3,159 temporary employees (contract employees and part-time employees) (however, this figure is converted based on an eight-hour workday).

(2) Company (as of February 29, 2024)

Category	Number of employees	Change from previous fiscal year-end	Average age	Average years of service
Male	487	Down by 3	46 yrs and 3 mons old	17 yrs and 9 mons
Female	137	Up by 20	37 yrs and 6 mons old	11 yrs and 4 mons
Total/Average	624	Up by 17	45 yrs and 3 mons old	17 yrs and 1 mon

Note: In addition to the above employees, there were 1,411 temporary employees (contract employees and part-time employees) (however, this figure is converted based on an eight-hour workday).

2. Share Information (as of February 29, 2024)

2-1 Total number of shares authorized to be issued 88,000,000

2-2 Total number of shares outstanding (including treasury shares) 29,372,774

2-3 Number of shareholders 60,358

2-4 Major shareholders (top ten)

Shareholder	Shares held (Thousand shares)	Ownership stake (%)
Aeon Co., Ltd.	14,130	48.71
The Master Trust Bank of Japan, Ltd. (trust account)	1,185	4.08
Cox Co., Ltd.	687	2.36
AEON Financial Service Co., Ltd.	403	1.39
MAXVALU NISHINIHON Co., Ltd.	392	1.35
MINISTOP Cooperative	344	1.18
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	306	1.05
Custody Bank of Japan, Ltd. (trust account)	228	0.78
The Chiba Bank, Ltd.	195	0.67
Mitsubishi UFJ Trust and Banking Corporation	144	0.49

- Notes:
1. Although the Company holds 364,100 shares of treasury stock, it has been excluded from the above list of major shareholders.
 2. Shares held are rounded down to the thousand.
 3. Ownership stakes are calculated excluding 364,100 shares of treasury stock and are rounded down to the second decimal place.

3. Share Acquisition Rights

Share acquisition rights granted as compensation for execution of duties by the Company's Directors at the end of the fiscal year under review (as of February 29, 2024)

Item (Issue date)	Exercise period	No. of share acquisition rights	No. of shares to be issued	No. of rights holders	Issue price	Execution price
9th allotment of share acquisition rights (May 2, 2016)	June 3, 2016 to June 2, 2031	17	1,700	1	1,444 yen per share	1 yen per share
10th allotment of share acquisition rights (May 1, 2017)	June 2, 2017 to June 1, 2032	8	800	1	1,839 yen per share	1 yen per share

Conditions for exercise of share acquisition rights (same for each allotment)

- Holders of share acquisition rights are required to be a Director or Audit & Supervisory Board Member of the Company at the time of rights exercise. However, if the rights holder has retired as a Director or Audit & Supervisory Board Member of the Company, rights may be exercised within five years from the retirement date.
- Regarding share acquisition rights, the full number of rights are to be exercised at once; they cannot be split up and exercised separately.
- Other conditions are in accordance with stock option rules and regulations and items stipulated by the resolution of the Board of Directors within the scope approved by the 28th Annual General Meeting of Shareholders of the Company held on May 15, 2007.

4. Company Officers

4-1 Directors and Audit & Supervisory Board Members (as of February 29, 2024)

Name	Position	Responsibilities and significant concurrent positions
Akihiro Fujimoto	President and Representative Director	Member of Nomination and Compensation Committee
Takeshi Miyazaki	Representative Director and Senior Managing Director	In charge of Strategy & Business Management Division
Masashi Hotta	Managing Director	In charge of Administration/Overseas/Workplace
Toyoaki Abe	Director	In charge of Sales and Development
Mitsuharu Nakazawa	Director	In charge of Merchandise and Digital
Keiji Kamio	Director	Executive Officer, Supermarket Business, Aeon Co., Ltd. Chairman, Maxvalu Tokai Co., Ltd. Director, Fuji Co., Ltd.
Takahisa Yamakawa	Director	Member of Nomination and Compensation Committee Attorney, Renaiss Law Office External Auditor, Bell-Park Co., Ltd. Outside Director, KAWADA TECHNOLOGIES, INC.
Makoto Kometani	Director	Member of Nomination and Compensation Committee
Shingo Kagawa	Director	Member of Nomination and Compensation Committee Outside Director, H.I.S. Co., Ltd. External Director, FURUNO ELECTRIC CO., LTD.
Satoshi Asakura	Full-Time Audit & Supervisory Board Member	
Hideki Tokai	Audit & Supervisory Board Member	Certified Tax Accountant, Hideki Tokai Tax Accountant Office Outside Director, A&A Material Corporation Outsider Director, Audit and Supervisory Committee Member, SHIN NIPPON AIR TECHNOLOGIES CO., LTD.
Shigeru Kajita	Audit & Supervisory Board Member	Full-time Audit & Supervisory Board Member, ORIGIN TOSHU Co., Ltd.
Naomi Watanabe	Audit & Supervisory Board Member	General Manager of Legal Affairs Department, Aeon Co., Ltd

- Notes:
1. Directors Takahisa Yamakawa, Makoto Kometani, and Shingo Kagawa are Outside Directors under Article 2, Item 15 of the Companies Act.
 2. Audit & Supervisory Board Members Satoshi Asakura, Hideki Tokai, and Shigeru Kajita are Outside Audit & Supervisory Board Members under Article 2, Item 16 of the Companies Act.
 3. Directors Takahisa Yamakawa, Makoto Kometani, and Shingo Kagawa and Audit & Supervisory Board Member Hideki Tokai are independent officers under Article 436-2 of the Securities Listing Regulations stipulated by Tokyo Stock Exchange, Inc.
 4. AEON Co., Ltd. is the parent company of Company and AEON RETAIL Co., Ltd. is a subsidiary of Aeon Co., Ltd.
 5. ORIGIN TOSHU Co., Ltd. is a subsidiary of the Company's affiliated company, AEON RETAIL Co., Ltd.

6. There are no special interest relationships between the Company and Renaiss Law Office, Bell-Park Co., Ltd., KAWADA TECHNOLOGIES, INC., H.I.S. Co., Ltd., FURUNO ELECTRIC CO., LTD., Hideki Tokai Tax Accountant Office, A&A Material Corporation, Shin Nippon Air Technologies Co., Ltd., or ORIGIN TOSHU Co., Ltd.
7. Audit & Supervisory Board Member Hideki Tokai is certified as a tax accountant and has considerable knowledge of finance and accounting.
8. The Company instituted an executive officer system on March 23, 2012 and abolished it in 2019, but it reinstated the system on February 21, 2022 to build a sustainable organizational structure with clear management and executive roles. Executive officers are indicated in the following paragraph.

(as of February 29, 2024)

Name	Position	Responsibilities
Tadateru Iida	Executive Officer	General Manager of Sales Division
Jun Mochizuki	Executive Officer	General Manager of Development Division
Kotaro Bando	Executive Officer	General Manager of Merchandise Management Division
Toshihiro Suga	Executive Officer	General Manager of Digital Promotion Division
Tsutomu Yamaguchi	Executive Officer	General Manager of Workplace/with MINI STOP Division
Tetsuya Kanamori	Executive Officer	General Manager of Overseas Business Division
Kyosuke Hiramatsu	Executive Officer	General Manager of Strategy Division
Naoki Motohashi	Executive Officer	General Manager of Business Administration Division
Sadayuki Kurimoto	Executive Officer	General Manager of Personnel and General Affairs Division

4-2 Summary of Agreement on Limitation of Liability

In accordance with Article 427, Paragraph 1 of the Companies Act, the Company has entered into an agreement with Outside Directors Takahisa Yamakawa, Makoto Kometani, and Shingo Kagawa as well as Audit & Supervisory Board Member Hideki Tokai that limits their liability under Article 423, Paragraph 1 of the Companies Act. This agreement covers their liability when actions are taken in good faith and without gross negligence up to the amount stipulated under Article 425, Paragraph 1 of the Companies Act.

4-3 Summary of Directors and Officers Liability Insurance Policy

(1) Scope of insured parties

Directors, Audit & Supervisory Board Members and other officers of the Company

(2) Summary of insurance policy

Aeon Co., Ltd., the parent company of the Company, has entered into a directors and officers liability insurance policy (D&O insurance) with an insurance company in accordance with Article 430-3, Paragraph 1 of the Companies Act. The policy covers the cost of damage claims, legal expenses, and other related costs incurred by the insured parties resulting from damage claims made as a result of actions taken by them (or inaction) in their capacity as directors and officers.

However, the policy does not cover damage claims made resulted from the willful misconduct or gross negligence of the insured parties. In addition, the policy sets a deductible and does not cover damages up to the deductible amount. Insurance premiums are borne in full by the Company.

4-4 Total Compensation for the Fiscal Year Under Review

(Millions of yen, unless otherwise specified)

Category	No. of recipients (persons)	Amounts for each type of compensation, etc.			Total	Notes
		Base compensation	Performance linked compensation, etc.	Non-monetary compensation, etc.		
Director	8	66	6	0	73	
(of which, Outside Directors)	(3)	(14)	(-)	(-)	(14)	
Audit & Supervisory Board Member	3	19	-	-	19	All outside Audit & Supervisory Board Members
Total	11	86	6	0	93	

- Notes:
1. For the fiscal year under review, there are nine Directors (three of whom are Outside Directors) and four Audit & Supervisory Board Members.
 2. Director Keiji Kamio and Audit & Supervisory Board Member Naomi Watanabe are not included in the above because they receive no compensation.
 3. Results pertaining to performance indicators considered in calculating performance-linked compensation amounts are as stated in “1-3 Trends in Assets and Profit/Loss.”

4-5 Compensation for Directors and Audit & Supervisory Board Members

At the 28th Annual General Meeting of Shareholders held on May 15, 2007, the Company resolved the amount of remuneration, etc. for Directors and Audit & Supervisory Board Members. As of the conclusion of this Annual General Meeting of Shareholders, there were eight Directors and four Audit & Supervisory Board Members. Furthermore, at the 44th Annual General Meeting of Shareholders held on May 19, 2023, the Company resolved the amount of remuneration, etc. for Directors (the number of share compensation-type stock options and the maximum annual amount to be changed). At the conclusion of this Annual General Meeting of Shareholders, there was nine Directors (three of whom are Outside Directors).

Separately from monetary compensation and the aforementioned share compensation, at the 44th Annual General Meeting of Shareholders held on May 19, 2023, the Company resolved the amount of non-monetary compensation related to company housing for Directors and Audit & Supervisory Board Members. At the conclusion of this Annual General Meeting of Shareholders, there was one Director and no Audit & Supervisory Board Member eligible for the share compensation-type stock options.

- Director

¥300 million annually (up to ¥240 million in monetary compensation, including officer bonuses, and ¥60 million in the fair value portion of share compensation-type stock options; does not include employee salaries for Directors serving concurrently as employees)

When a newly appointed Director (excluding reappointed Directors and Outside Directors) does not own their own residential property within commuting distance, company housing will be provided to such Director. The Company will make the non-monetary compensation equal to the difference between the total rent the Company pays to use as the Company housing and the total amount the Company collects from the Directors as company housing fees and the total amount of such difference shall not exceed ¥30 million.

- Audit & Supervisory Board Member

¥50 million annually

For newly appointed Audit & Supervisory Board Members (excluding reappointed Audit

& Supervisory Board Members and part-time Audit & Supervisory Board Members), company housing will be provided to such Audit & Supervisory Board Members when they do not own their own residential property within commuting distance. The Company will make the non-monetary compensation equal to the difference between the total rent the Company pays to use as the Company housing and the total amount the Company collects from the Audit & Supervisory Board Members as company housing fees and the total amount of such difference shall not exceed ¥5 million.

The Company established policies on determining compensation for individual Directors. Partial revisions of the policies were resolved at a meeting of the Board of Directors held on May 19, 2023.

In addition, the Board of Directors verified that the methods used to determine compensation and the details determined are consistent with these policies and so judged that compensation for individual Directors for the fiscal year under review is in accordance with the policies.

The Board of Directors, at the meeting held on December 24, 2021, resolved to establish a Nomination and Compensation Committee, a discretionary advisory body. As an advisory body to the Board of Directors, the committee is made up of the President and Representative Director and independent Outside Directors. It responds to questions from the Board of Directors, deliberates on matters related to decisions and changes to policies for determining the details of compensation for individual Directors, and reports to the Board of Directors.

The policies for determining the details of compensation for individual Directors are described below.

(1) Basic policy

Regarding compensation for the Company's Directors (excluding Outside Directors), in order to promote a form of management that is cognizant of the need to sustainably increase corporate value, the Company shall pay performance-linked compensation at a fixed time after the Annual General Meeting of Shareholders upon consideration of the level of contribution, performance, and other factors for each fiscal year, while keeping base compensation the core component of the compensation package. It shall also utilize share compensation-type stock options (non-monetary compensation) to further incentivize higher performance and shall grant the options at a fixed time after the regular meeting of the Board of Directors in May. Outside Directors shall receive base compensation only because they have the essential responsibility within corporate governance of supervising management.

(2) Policy on deciding the amount of base compensation for individual Directors

Base compensation shall be paid monthly based on the Directors' duties and whether the position is full-time or part-time.

(3) Policy on determining the amount of performance-linked compensation for individual Directors

Performance-linked compensation shall be monetary compensation that uses consolidated ordinary profit as the main indicator and is funded by totaling fixed percentages of the respective amounts. It is to be allocated based on the performance and evaluation of the division for which the Director is responsible and paid at a fixed time each year. The reason for selecting these performance indicators was also based on the viewpoint that they most appropriately represent normal business performance and the degree of contribution they make.

(4) Policy related to determining the percentages of base compensation and performance-linked compensation in the compensation package for individual Directors

A revision of the percentages of each type of compensation paid to the Company's Directors (excluding Outside Directors) was resolved at a meeting of the Board of Directors held on May 19, 2023. While referring to compensation levels and other factors of other companies, considering the responsibilities of each Director, and the function of incentivizing further improvement to the Company's performance, in the case of standard performance,

compensation shall generally be allocated according to the following percentages: around 53-62% base compensation, around 24-27% performance-linked compensation, and around 10-21% share compensation-type stock options. However, performance-linked compensation changes each term depending on contributions, performance, and other factors, and share compensation-type stock options are affected by the stock price, so the percentages indicated above for each type of compensation may change.

(5) Matters related to determining the details of compensation for individual Directors

Regarding the amounts of compensation for individual Directors of the Company, President and Representative Director Akihiro Fujimoto has been delegated authority for the specific details as resolved by the Board of Directors. This authority applies to the amount of base compensation for each Director and amount of performance-linked compensation based on the responsibilities of each Director (excluding Outside Directors).

This authority has been delegated to President and Representative Director Akihiro Fujimoto because it was judged that he is the most knowledgeable of the environment surrounding the Company, management conditions faced by the Company, and other such factors, and so he is able to determine compensation amounts for Directors from a comprehensive perspective, and because it contributes to flexible decisions on compensation amounts.

In addition, to ensure President and Representative Director Akihiro Fujimoto exercises this authority appropriately, the Board of Directors shall consult with the Nomination and Compensation Committee on the validity of methods used to apply the policies for determining the details of compensation for individual Directors and receives its opinion. Having been delegated the abovementioned authority, President and Representative Director Akihiro Fujimoto must make decisions based on the details of the committee's opinion.

4-6 Main Activities of Outside Officers

(1) Director

- i. Relationship between the Company and companies where officers serve concurrently in significant positions:

Director Takahisa Yamakawa is an attorney at Renaiss Law Office, an external auditor at Bell-Park Co., Ltd. and an outside director at KAWADA TECHNOLOGIES, INC. There are no special interest relationships between the Company and Renaiss Law Office, Bell-Park Co., Ltd., or KAWADA TECHNOLOGIES, INC.

Director Shingo Kagawa is an outside director of H.I.S. Co.,Ltd. and an external director of FURUNO ELECTRIC CO., LTD. There are no special interest relationships between the Company and H.I.S. Co.,Ltd., or FURUNO ELECTRIC CO., LTD.

- ii. Main activities in the fiscal year under review

Category	Name	Main activities (including a summary of duties related to expected roles)
Director	Takahisa Yamakawa	Mr. Yamakawa attended all 18 meetings of the Board of Directors held in the fiscal year under review. He makes necessary and appropriate statements during deliberations on proposals and other matters from the standpoint of an independent Outside Director based on his specialized knowledge as an attorney and broad-ranging insight.
Director	Makoto Kometani	Mr. Kometani attended all 18 meetings of the Board of Directors held in the fiscal year under review. He makes necessary and appropriate statements during deliberations on proposals and other matters from the standpoint of an independent Outside Director based on his broad-ranging knowledge of the finance industry and many other areas, his ample management experience overseas, and his knowledge as a corporate auditor.
Director	Shingo Kagawa	Mr. Kagawa attended 17 of the 18 meetings of the Board of Directors held in the fiscal year under review. He makes necessary and appropriate statements during deliberations on proposals and other matters from the standpoint of an independent Outside Director based on his ample experience and broad-ranging insight as a management executive.

- iii. Amount of compensation received as an officer of the parent company or its subsidiary (excluding the Company)

No applicable items.

(2) Audit & Supervisory Board Member

i. Relationship between the Company and companies where officers serve concurrently in significant positions:

Audit & Supervisory Board Member Hideki Tokai is a certified tax accountant at Hideki Tokai Tax Accountant Office, an Outside Director at A&A Material Corporation, and an Outside Director, Audit and Supervisory Committee Member at Shin Nippon Air Technologies Co., Ltd. There are no special interest relationships between the Company and Hideki Tokai Tax Accountant Office, A&A Material Corporation, or Shin Nippon Air Technologies Co., Ltd.

Audit & Supervisory Board Member Shigeru Kajita is a full-time Audit & Supervisory Board Member of ORIGIN TOSHU Co., Ltd. There are no special interest relationships between the Company and ORIGIN TOSHU Co., Ltd.

ii. Main activities in the fiscal year under review

Category	Name	Main activities
Full-Time Audit & Supervisory Board Member	Satoshi Asakura	Mr. Asakura attended all 18 meetings of the Board of Directors and all 19 meetings of the Audit & Supervisory Board held in the fiscal year under review. He supervises the Company's management and makes appropriate statements for its sound management based on his wide-ranging knowledge and experience related to the retail industry and management.
Audit & Supervisory Board Member	Hideki Tokai	Mr. Tokai attended 17 of the 18 meetings of the Board of Directors and all 19 meetings of the Audit & Supervisory Board held in the fiscal year under review. He makes necessary and appropriate statements during deliberations on proposals and other matters from the standpoint of an independent Outside Audit & Supervisory Board Member based on his ample experience in tax administration and specialized knowledge as a tax attorney.
Audit & Supervisory Board Member	Shigeru Kajita	Mr. Kajita attended 17 of the 18 meetings of the Board of Directors and all 19 meetings of the Audit & Supervisory Board held in the fiscal year under review. He makes necessary and appropriate statements during deliberations on proposals and other matters from the standpoint of an Outside Audit & Supervisory Board Member based on his ample experience and track record at the Aeon Group companies.

iii. Amount of compensation received as an officer of the parent company or its subsidiary (excluding the Company)

The total amount of compensation received by Outside Audit & Supervisory Board Members as officers of the parent company of the Company or a subsidiary of the parent company (excluding the Company) during their time in office in the fiscal year under review was ¥11.7 million.

5. Accounting Auditor

5-1 Accounting Auditor’s Name

Deloitte Touche Tohmatsu LLC

5-2 Accounting Auditor’s Compensation for the Fiscal Year Under Review

Category	Payment amount
1. Compensation for auditing services set forth in Article 2, Paragraph 1 of the Certified Public Accountants Act:	50 million yen
2. Cash and other financial profits payable by the Company or its subsidiaries to the Accounting Auditor:	55 million yen

- Notes:
1. The Audit & Supervisory Board gives consent to compensation of the Accounting Auditor under Article 399, Paragraph 1 of the Companies Act after having confirmed and examined the Accounting Auditor’s audit plan, audit, and basis of calculations for compensation estimates in accordance with the “Guidelines for Coordination with Accounting Auditors” published by the Japan Audit & Supervisory Board Members Association.
 2. The audit agreement between the Company and the Accounting Auditor does not distinguish between audits under the Companies Act and audits under the Financial Instruments and Exchange Act with respect to the amount of audit compensation and there is no practical way to divide the two, so the amount of compensation for the fiscal year under review is the total amount of these.
 3. Among the Company’s subsidiaries, VINH KHANH CONSULTANCY CORPORATION and MINISTOP VIETNAM COMPANY LIMITED are audited by the member firms of Deloitte Touche Tohmatsu Limited, which belong to the same network as our Company's Accounting Auditor.
 4. The payment amount indicated in Note 2 includes compensation for the Accounting Auditor's advisory and guidance services related to climate change-related disclosures, which are outside the duties stipulated in Paragraph 2 of the Certified Public Accountants Act.

5-3 Policy on Determination of Dismissal or Non-reappointment of the Accounting Auditor

When there is a hindrance in the execution of duties by the Accounting Auditor, or when it is otherwise judged to be necessary, the Audit & Supervisory Board will decide on a proposal related to the dismissal or non-reappointment of the Accounting Auditor, and the Board of Directors will submit the proposal to the General Meeting of Shareholders based on this determination.

In addition, when it is deemed that the Accounting Auditor falls under any of the items in Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board will dismiss the Accounting Auditor based on the consent of all Audit & Supervisory Board Members. In this case, an Audit & Supervisory Board Member selected by the Audit & Supervisory Board reports the fact that the Accounting Auditor was dismissed and the reasons for the dismissal at the first General Meeting of Shareholders to be held after the dismissal.

6. Company Systems and Policies

6-1 Systems to Ensure the Appropriateness of Business Activities

Systems for ensuring the execution of duties by Directors conforms with laws, regulations, and the Articles of Incorporation and other systems for ensuring the appropriateness of business activities are stipulated in the “Basic Policy for Construction of Internal Control Systems.”

Based on amendments to the Companies Act and Regulations for Enforcement of the Companies Act and on social conditions in recent years, as well as to ensure management practices based on Aeon’s Basic Philosophy, the Company revised this policy on August 19, 2022 and April 12, 2023, respectively, by resolution of the Board of Directors held on those dates and reinforced regulations and other matters related to auditing systems and corporate group internal controls.

Implementation of the policy will be monitored by the Board of Directors, and the Company will review the policy as appropriate in line with changes in social or other conditions and make further improvements and enhancements.

Basic Policy for Construction of Internal Control Systems

- (1) Systems for ensuring execution of duties by Directors and employees conform with laws, regulations, and the Articles of Incorporation
 - i. To ensure that execution of duties by Directors and employees conform with laws, regulations, and the Articles of Incorporation and that this social responsibility is fulfilled, the Company will make all Directors and employees fully aware of the AEON Basic Philosophy and Compliance Policy.
 - ii. The Board of Directors will decide on policies and plans for development of internal control systems, including systems for compliance with laws and regulations, etc. (hereinafter, “compliance”) and receive periodic reports on the status of their operation.
 - iii. The Audit & Supervisory Board Members will audit the execution of duties by Directors, including development and implementation of internal control systems, from an independent standpoint.
 - iv. The Company will stipulate basic rules on internal control and, based on the rules, establish the Internal Control System Committee as well as the Compliance Committee and the Regular Crisis Management Committee as organizations under it, establish the Personal Information Security Management Subcommittee and Fair Trade Promotion Subcommittee under the Compliance Committee, and through their coordination promote the development and implementation of internal control systems, including compliance systems.
 - v. The President and Representative Director will be the chairperson of the Internal Control System Committee, and an officer in charge of internal controls shall be placed in charge of the overall internal control system. In addition, the officer in charge of internal controls will concurrently serve as the officer in charge of compliance and risk management.
 - vi. The Company will increase the compliance-related knowledge of Directors and employees and foster an awareness of respecting compliance through training related to compliance for Directors and employees and the creation of manuals, etc.
 - vii. We will establish an internal reporting system for all employees of the Aeon Group, and we are working to strengthen the effectiveness of internal controls by setting up appropriate systems for internal reporting and will make efforts to raise awareness among employees through in-house education, etc.
 - viii. The Board of Directors will stipulate a basic policy on blocking all relations with anti-social forces, develop internal systems, and build a corporate culture for organizationally responding to improper demands from anti-social forces at the Group level.
 - ix. The Internal Audit Division will develop an annual audit plan based on the “Internal Audit Rules” and conduct internal audits. Any issues in the internal control system identified through internal audits will be reported to the President and Representative Director, who

will instruct the relevant department to formulate and implement remedial measures. The results of internal audits and remedial measures will be reported to the Board of Directors and the Audit & Supervisory Board.

- (2) Systems related to the retention and management of information related to execution of duties by Directors
 - i. The Company will record, retain, and manage information related to decision-making by the Board of Directors, Management Committee, and other important committees, information related to important approval items, information related to finances, information related to risk and compliance, and other information related to the execution of duties by Directors and will develop systems that enable necessary related parties to access it.
 - ii. The Company will establish the Personal Information Security Management Subcommittee and the position of Personal Information Management Officer and will establish rules related to the security management of personal information so as to thoroughly conduct security management for personal information throughout the Group.

- (3) Rules and other systems related to management of loss risk
 - i. The Company appoints the President and Representative Director as the Chief Risk Officer and will identify risks that have a material impact on the Group's management and develop mechanisms for evaluating them, as well as establish rules related to risk management and build systems for prevention in advance.
 - ii. We have established "Information Security Management Standards" with the aim of protecting and managing information assets from various organizational, personnel, physical, and technical aspects, including the Group, in an effort to define the responsibility structure for information security, and to maintain and improve the security level of information and information systems handled by the Company.
 - iii. The Company will establish a Regular Crisis Management Committee to prepare a system in advance for situations that may have or have a material impact on management and to handle emergencies promptly.
 - iv. The Regular Risk Management Committee will create manuals, etc. for responding to risks that have a material impact on management and build risk management systems.

- (4) Systems for ensuring Directors execute their duties efficiently
 - i. The Company will establish a medium-term business plan and clarify targets to be achieved by the Company, and it will clarify performance targets for each Director and make clear the evaluation methods used for them. Regarding the amount of remuneration of Directors, the Company will introduce performance-linked remuneration. Furthermore, the Board of Directors will consult with the Nomination and Compensation Committee, which will report to the Board of Directors to ensure that the remuneration is appropriately exercised.
 - ii. The Board of Directors will meet at least once per month and appropriately conduct decision-making on important matters related to the Group overall, including subsidiaries, and supervision of the execution of duties by Directors.
 - iii. In order to supplement the Board of Directors and rapidly and appropriately address management issues, the Management Committee, made up primarily of Directors and executives responsible for each division, will meet around twice per month, and systems will be built for ensuring swift decision-making and flexible management.

- (5) Systems for ensuring the appropriateness of the business activities of the corporate group consisting of the Company, its parent company, and subsidiaries
- i. Systems related to transactions with the parent company, subsidiaries, and Aeon Group companies
When a Director engages in transactions that may cause a substantial conflict of interest or competition with the Company for themselves or for a third party such as a parent company, subsidiary, or other Aeon Group company, the Director shall obtain the approval of the Board of Directors before carrying out such transactions. The fairness of the procedures will be ensured by adopting resolutions after excluding any special interested parties.
 - ii. Systems related to transactions with Aeon Group companies
In the case in engaging in transactions with various Aeon Group companies, we will conduct the transactions under appropriate conditions based on market prices and report the annual transaction results, such as the growth rate, with the relevant parties once a year to the Board of Directors who will scrutinize the rationality and fairness of the transactions.
 - iii. Systems related to reporting to the Company of matters concerning the execution of duties by Directors, etc. of subsidiaries.
Based on the domestic affiliated company management rules and overseas affiliated company management rules, we will request our subsidiaries to provide regular reports on their business activities to our Board of Directors or Management Committee.
 - iv. Rules and other systems related to management of loss risk by subsidiaries
The Regular Crisis Management Committee will appropriately evaluate risks for the Group overall, including subsidiaries, and build systems for managing them based on rules, manuals, and other materials related to risk management.
 - v. Systems for ensuring Directors, etc. of subsidiaries execute their duties efficiently
The Company will stipulate priority management targets, budget allocations and other related matters for the Group overall and build systems for appropriately and efficiently conducting Group management, and based on affiliated company management rules it will conduct necessary management based on conditions while respecting the autonomy of subsidiaries, including designating departments and managers responsible for subsidiaries and engaging in prior deliberations on important matters.
 - vi. Systems for ensuring execution of duties by Directors, etc. and employees of subsidiaries conform with laws, regulations, and the Articles of Incorporation
The Company will make all Directors, etc. and employees of subsidiaries fully aware of the Aeon Basic Philosophy and Compliance Policy, and the Compliance Committee will develop systems necessary for compliance management of the Group overall and build compliance systems for the Group overall, including subsidiaries.
 - vii. Audit systems related to the overall operations of the Company and its subsidiaries
The Internal Audit Division will conduct audits of the Company and its subsidiaries to ensure that their operations are conducted appropriately, based on the “Internal Audit Rules.” If any defects or other issues are found in the internal control system, the Internal Audit Division will promptly report them to the Internal Control System Committee. The internal control system will be revised under the direction of the Internal Control System Committee and the Company will formulate measures to prevent recurrence.
- (6) Systems for ensuring the appropriateness of financial reporting
- The Company will identify and analyze the risk of significant misstatements related to financial reporting by the Company and the Group, and to reduce the risk it will establish rules related to financial reporting, clarify operating procedures, and conduct evaluations every year on their design and operation.

- (7) Matters related to employees in the case in which Audit & Supervisory Board Members have requested employees to assist them in their duties

In the case in which Audit & Supervisory Board Members have requested that employees be designated to assist them in their duties, the Company will assign appropriate personnel as audit staff who are independent of operating divisions.

- (8) Matters related to the independence from Directors of employees to assist in the duties of Audit & Supervisory Board Members

Personnel transfers, performance evaluations, and disciplinary actions involving audit staff shall require the prior consent of the Audit & Supervisory Board.

- (9) Matters related to ensuring the effectiveness of instructions given to employees to assist in the duties of Audit & Supervisory Board Members

Audit staff shall not serve concurrently in other departments and shall abide by the instructions and orders of Audit & Supervisory Board Members.

- (10) Systems related to reporting to Audit & Supervisory Board Members

i. Systems for reporting by Directors and employees to Audit & Supervisory Board Members
Directors and employees will promptly and appropriately report to Audit & Supervisory Board Members when a situation occurs, or could occur, that has a material impact on the Group's management, when a legal violation or improper act by a Director or employee is discovered, when reporting on matters related to business execution is required by Audit & Supervisory Board Members, and when any other matter arises that the Audit & Supervisory Board determines should be reported. In addition, Directors that supervise divisions will report as appropriate on the risk management systems of the divisions they are responsible for upon discussions with the Audit & Supervisory Board.

ii. Systems for reporting to the Company's Audit & Supervisory Board Members by Directors, etc. and employees of subsidiaries and others receiving reports from them
Directors, etc. and employees of subsidiaries and others receiving reports from them will promptly and appropriately report to the Company's Audit & Supervisory Board Members when a situation occurs, or could occur, that has a material impact on the Group's management, when a legal violation or improper act by a Director, other officer, or employee of that subsidiary is discovered, when reporting on matters related to business execution at that subsidiary is required by the Company's Audit & Supervisory Board Members, and when any other matter arises that the Audit & Supervisory Board determines should be reported.

- (11) Systems for ensuring personnel who reported to Audit & Supervisory Board Members do not receive unfair treatment for having made such a report

The Company prohibits unfair treatment of personnel who reported to Audit & Supervisory Board Members because they made such a report, and it makes all Group employees fully aware of this prohibition.

- (12) Matters related to procedures for prepayment or reimbursement of expenses incurred in connection with execution of duties by Audit & Supervisory Board Members and to other policies on the treatment of expenses and obligations occurring in connection with such execution of duties

In order to pay expenses and other costs occurring in connection with execution of duties by Audit & Supervisory Board Members, the Company will establish a budget of a fixed amount each fiscal year. When a request is made for prepayment or reimbursement of expenses occurring in connection with Audit & Supervisory Board Members executing their duties, deliberations are made in the responsible department and the expense or obligation is promptly processed, except in cases in which it is deemed to be unnecessary to the execution of duties by

the Audit & Supervisory Board Member involved.

- (13) Other systems for ensuring audits by Audit & Supervisory Board Members are conducted effectively
- i. The Company will work for a fuller understanding by Directors and employees of audits by Audit & Supervisory Board Members and to establish an environment for such audits.
 - ii. The Company will work for coordination and understanding between executive divisions and audit divisions, for example by holding regular discussion meetings between Audit & Supervisory Board Members and the Representative Director.
 - iii. Audit & Supervisory Board Members receive regular reports on the annual audit plan and audit results from the Internal Audit Division and may request investigations as necessary. The Audit & Supervisory Board Members will effectively utilize the audit results of the Internal Audit Division's audit relating to the internal control system.
 - iv. The Company will include the Full-Time Audit & Supervisory Board Member as a member in meetings of the Management Committee, which are held around twice per month, and establish a system to enable him/her to review documents and meeting minutes.

6-2 Summary of Operation of Systems to Ensure the Appropriateness of Business Activities

Based on the "Basic Policy for Construction of Internal Control Systems," the Company designs and operates systems for ensuring that execution of duties by Directors conforms with laws, regulations, and the Articles of Incorporation and other systems for ensuring the appropriateness of business activities.

A summary of their operation in the fiscal year under review is as follows.

- (1) The Board of Directors met 18 times and appropriately made decisions on important business execution and supervised the execution of duties by Directors. The Management Committee, which supplements the Board of Directors, also met 48 times and worked to ensure swift business execution and to share information.
- (2) The Internal Control System Committee met 12 times and designed internal control systems, confirmed their operation, shared information on issues related to internal control systems, and made improvements, etc.
- (3) The Compliance Committee, which is under the Internal Control System Committee, met four times and shared information on compliance and responded to issues, etc.
- (4) The Regular Crisis Management Committee, which is under the Internal Control System Committee, met four times and shared information on risk incidents, responded to issues, and continuously monitored the status of risk measures for priority management, among other activities.
- (5) The Management Audit Office, the auditing division, conducted internal audits based on an internal audit plan and made timely reports to the Board of Directors, Management Committee, and Internal Control System Committee on the design and operation of internal control systems and audit findings, etc.
- (6) Audit & Supervisory Board Members appropriately conducted audits of the execution of duties by Directors and employees, and the Audit & Supervisory Board met 19 times, receiving reports on important matters related to auditing and conducting deliberations. In addition, efforts were made to ensure coordination between executive divisions and audit divisions, which included information exchange with Directors.
- (7) The Full-Time Audit & Supervisory Board Member attended meetings of the Board of Directors, Management Committee, Internal Control System Committee, and Compliance Committee, etc., grasping operations of related business activities and providing opinions and citing issues as necessary.

6-3 Policy Related to Decisions on Dividends of Surplus, Etc.

The Company places emphasis on enhancing returns to shareholders while strengthening its financial position and management structure. We will use retained earnings to invest in renovating existing stores, information systems, and new businesses to expand our operations and improve our business performance. We will also continue our future dividend policy, taking into account consolidated business performance, while establishing a sustainable corporate structure.

Under this policy, we have decided to set the year-end dividend for this fiscal year at 10.00 yen per share, which, together with the interim dividend of 10.00 yen per share already paid, will bring the annual dividend to 20.00 yen per share. Please note that the payment date (effective date) for the year-end dividend will be on Thursday, May 2nd, 2024.

Consolidated Financial Statements

Consolidated Balance Sheet

(As of February 29, 2024)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	51,030	Current liabilities	31,005
Cash and deposits	8,783	Accounts payable - trade	13,820
Accounts receivable - due from franchised stores	7,871	Accounts payable - due to franchised stores	261
Securities	3,000	Accounts payable - other	4,181
Merchandise	1,979	Income taxes payable	163
Short-term loans receivable	0	Deposits received	11,491
Accounts receivable - other	11,331	Provision for bonuses	179
Deposits paid to subsidiaries and associates	14,000	Provision for directors achievement rewards	6
Other	4,117	Provision for loss on store closings	24
Allowance for doubtful accounts	(54)	Other	876
Non-current assets	26,870	Non-current liabilities	6,214
Property, plant and equipment	10,641	Lease obligations	33
Buildings and structures	5,878	Long-term guarantee deposits	3,804
Machinery, equipment and vehicles	1,193	Deferred tax liabilities	211
Furniture and fixtures	3,022	Asset retirement obligations	1,856
Land	428	Other	308
Leased assets	62	Total liabilities	37,219
Construction in progress	55	(Net assets)	
Intangible assets	3,656	Shareholders' equity	39,750
Software	3,363	Share capital	7,491
Other	292	Capital surplus	6,032
Investments and other assets	12,572	Retained earnings	26,869
Investment securities	907	Treasury shares	(642)
Long-term loans receivable	1	Accumulated other comprehensive income	(116)
Long-term prepaid expenses	502	Valuation difference on available-for-sale securities	39
Guarantee deposits	10,781	Foreign currency translation adjustments	(266)
Retirement benefit asset	212	Remeasurements of defined benefit plans	110
Deferred tax assets	2	Share acquisition rights	3
Other	307	Non-controlling interests	1,043
Allowance for doubtful accounts	(143)	Total net assets	40,681
Total assets	77,900	Total liabilities and net assets	77,900

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Consolidated Statement of Income

(March 1, 2023 – February 29, 2024)

(Millions of yen)

Description	Amount	
Gross operating revenue		
Income from franchised stores	27,002	
Net sales	34,413	
Revenue from transportation charges	13,486	
Other operating revenue	4,152	79,056
Operating costs		
Cost of sales	25,936	
Cost of transportation	12,234	38,170
Operating gross profit		40,885
Selling, general and administrative expenses		41,495
Operating loss		(609)
Non-operating income		
Interest and dividend income	433	
Penalty income	48	
Foreign exchange gains	65	
Compensation income	9	
Consumption taxes for prior periods	65	
Other	20	643
Non-operating expenses		
Interest expenses	12	
Other	10	22
Ordinary profit		10
Extraordinary income		
Gain on sale of non-current assets	19	
Gain on sale of investment securities	0	
Reversal of provision for loss on store closings	70	
Gain on reversal of impairment in fixed assets	3	93
Extraordinary losses		
Impairment losses	543	
Loss on store closings	5	
Provision for loss on store closings	9	
Other	0	558
Loss before income taxes		(454)
Income taxes-current	96	
Income taxes-deferred	(8)	87
Loss		(542)
Loss attributable to non-controlling interests		(74)
Loss attributable to owners of parent		(468)

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Consolidated Statement of Changes in Equity

(March 1, 2023 – February 29, 2024)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	7,491	6,032	27,917	(642)	40,799
Changes during the fiscal year					
Dividends of surplus			(580)		(580)
Loss attributable to owners of parent			(468)		(468)
Purchase of treasury shares				(0)	(0)
Changes in parent company's interest in transactions with non-controlling interests					–
Net changes during the fiscal year in items other than shareholders' equity					
Total changes during the fiscal year	–	–	(1,048)	(0)	(1,049)
Balance at end of period	7,491	6,032	26,869	(642)	39,750

	Accumulated other comprehensive income				Share acquisition right	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Re-measurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	24	(151)	(65)	(192)	3	–	40,610
Changes during the fiscal year							
Dividends of surplus							(580)
Loss attributable to owners of parent							(468)
Purchase of treasury shares							(0)
Changes in parent company's interest in transactions with non-controlling interests						1,160	1,160
Net changes during the fiscal year in items other than shareholders' equity	15	(115)	176	76	–	(117)	(41)
Total changes during the fiscal year	15	(115)	176	76	–	1,043	70
Balance at end of period	39	(266)	110	(116)	3	1,043	40,681

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Non-consolidated Financial Statements

Non-consolidated Balance Sheet

(As of February 29, 2024)

(Millions of yen)

Description	Amount	Description	Amount
(Assets)		(Liabilities)	
Current assets	48,632	Current liabilities	29,815
Cash and deposits	7,563	Accounts payable - trade	13,049
Accounts receivable - due from franchised stores	7,871	Accounts payable - due to franchised stores	261
Securities	3,000	Accounts payable - other	4,143
Merchandise	1,281	Income taxes payable	130
Supplies	19	Accrued expenses	321
Prepaid expenses	1,675	Deposits received	11,356
Accounts receivable - other	11,105	Unearned revenue	62
Deposits paid to subsidiaries and associates	14,000	Provision for bonuses	156
Current portion of guarantee deposits	864	Provision for directors achievement rewards	6
Other	1,306	Provision for loss on store closings	24
Allowance for doubtful accounts	(54)	Other	300
Non-current assets	27,191	Non-current liabilities	6,131
Property, plant and equipment	10,270	Lease obligations	33
Buildings	4,451	Long-term guarantee deposits	3,770
Structures	1,245	Deferred tax liabilities	162
Machinery and equipment	1,193	Long-term unearned revenue	183
Furniture and fixtures	2,841	Asset retirement obligations	1,856
Land	428	Other	125
Leased assets	62	Total liabilities	35,946
Construction in progress	46		
Intangible assets	3,632	(Net assets)	
Software	3,339	Shareholders' equity	39,833
Other	292	Share capital	7,491
Investments and other assets	13,288	Capital surplus	7,645
Investment securities	907	Legal capital surplus	7,645
Subsidiaries and affiliates' shares	1,210	Retained earnings	25,339
Long-term loans receivable	1	Legal retained earnings	1,872
Long-term prepaid expenses	381	Other retained earnings	23,466
Prepaid pension cost	53	General reserve	10,000
Guarantee deposits	10,571	Retained earnings brought forward	13,466
Other	306	Treasury shares	(642)
Allowance for doubtful accounts	(143)	Valuation and translation adjustments	39
		Valuation difference on available-for-sale securities	39
		Share acquisition rights	3
		Total net assets	39,877
Total assets	75,824	Total liabilities and net assets	75,824

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Non-consolidated Statement of Income

(March 1, 2023 – February 29, 2024)

(Millions of yen)

Description	Amount	
Operating revenue		
Income from franchised stores (Franchise store net sales, the source of income from franchise stores, is ¥260,575 million. The total combined with directly managed store net sales is ¥283,034 million.)	26,959	
Other operating revenue	5,927	32,887
Net sales		26,360
Gross operating revenue		59,247
Cost of sales		20,261
Gross profit		6,099
Operating gross profit		38,986
Selling, general and administrative expenses		39,381
Operating loss		(394)
Non-operating income		
Interest and dividend income	508	
Foreign exchange gains	2	
Consumption taxes for prior periods	65	
Other	74	650
Non-operating expenses		
Interest expenses	7	
Other	4	12
Ordinary profit		243
Extraordinary income		
Gain on sale of non-current assets	19	
Gain on sale of investment securities	0	
Other	70	89
Extraordinary losses		
Impairment losses	539	
Loss on store closings	1	
Provision for loss on store closings	9	
Other	0	551
Loss before income taxes		(217)
Income taxes-current	30	
Income taxes-deferred	(10)	19
Loss		(237)

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Non-consolidated Statement of Changes in Equity

(March 1, 2023 – February 29, 2024)

(Millions of yen)

	Shareholders' equity							
	Share capital	Capital surplus		Legal retained earnings	Retained earnings			Total retained earnings
		Legal capital surplus	Total capital surplus		General reserve	Retained earnings brought forward	Total other retained earnings	
Balance at beginning of period	7,491	7,645	7,645	1,872	10,000	14,284	24,284	26,157
Changes during period								
Dividends of surplus						(580)	(580)	(580)
Loss						(237)	(237)	(237)
Purchase of treasury shares								
Net changes in items other than shareholders' equity								
Total changes during period	–	–	–	–	–	(818)	(818)	(818)
Balance at end of period	7,491	7,645	7,645	1,872	10,000	13,466	23,466	25,339

	Shareholders' equity		Valuation and translation adjustments		Share acquisition right	Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments		
Balance at beginning of period	(642)	40,652	24	24	3	40,680
Changes during period						
Dividends of surplus		(580)				(580)
Loss		(237)				(237)
Purchase of treasury shares	(0)	(0)				(0)
Net changes in items other than shareholders' equity			15	15	–	15
Total changes during period	(0)	(818)	15	15	–	(803)
Balance at end of period	(642)	39,833	39	39	3	39,877

Note: Figures presented in the financial statements are rounded down to the nearest million yen.

Audit Reports

Accounting Auditor's Audit Report on the Consolidated Financial Statements

Independent Auditor's Audit Report

April 8, 2024

To the Board of Directors
MINISTOP Co., Ltd.

Deloitte Touche Tohmatsu LLC
Tokyo Office
Designated Limited Liability Partner
Engagement Partner:
Tetsuya Ishii, CPA
Takeshi Sase, CPA

Audit Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the Consolidated Financial Statements of MINISTOP Co., Ltd. (the "Company") for its consolidated financial year from March 1, 2023 to February 29, 2024, which are, specifically, the Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements.

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the assets and profit/loss of operations for the period covered by the relevant Consolidated Financial Statements of the corporate group consisting of MINISTOP Co., Ltd. and its consolidated subsidiaries in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We performed our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Statements

The other statements are the Business Report and supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. Audit & Supervisory Board Members and the Audit & Supervisory Board are also responsible for supervising the execution of duties by Directors relating to the design and operation of the reporting process for the other statements.

Our audit opinion on the Consolidated Financial Statements does not include other statements, and we express no opinion on other statements.

Our responsibility in the audit of the Consolidated Financial Statements is to read through the other statements and, in the course of reading through the other statements, to consider whether there are material differences between the other statements and the Consolidated Financial Statements or knowledge we have acquired in the course of our audit. We also pay attention to whether there is any indication of material errors in the other statements other than such material differences.

Based on the work we have performed, we are required to report when we judge that there are material errors in the other statements.

We have no matters to report with respect to the other statements.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements and Schedules in accordance with accounting principles generally accepted in Japan, and for the design and operation of internal controls that management determines are necessary to enable the preparation and fair presentation of the Consolidated Financial Statements and Schedules that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, management is responsible for assessing whether or not it is appropriate to prepare the Consolidated Financial Statements based on the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the execution of duties by Directors relating to the design and operation of the reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether or not the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, based on the audit performed by us and to express our opinion on the Consolidated Financial Statements in the audit report from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these Consolidated Financial Statements.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process, and conduct the following.

- We identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selection and application of audit procedures is at the discretion of the auditor. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The purpose of an audit of the Consolidated Financial Statements is not to express an opinion on the effectiveness of the entity's internal control; however, in making risk assessments, the auditor considers internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- We evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the validity of related notes.
- We make a conclusion on the appropriateness of the Consolidated Financial Statements being prepared by management based on the assumption of a going concern, and based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty regarding going concern exists, we are required to draw attention in our audit report to the related notes in the Consolidated Financial Statements or, if such notes are inadequate, to express a qualified opinion with exceptions on the Consolidated Financial Statements. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate whether the presentation of the Consolidated Financial Statements and Notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure, and content of the Consolidated Financial Statements, including the related Notes thereto, and whether the Consolidated Financial Statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- We obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Consolidated Financial Statements. We are solely responsible for our audit opinion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the provisions related to professional ethics in Japan concerning independence, and communicate with them matters that may reasonably be thought to bear on our independence,

and where applicable, related safeguards in order to eliminate or reduce obstruction factors or if safeguards are in place and applied to reduce obstruction factors to an acceptable level.

Interest Relationship

Our firm and its engagement partners do not have any interest in the Company and its consolidated subsidiaries that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Accounting Auditor's Audit Report on the Non-consolidated Financial Statements

Independent Auditor's Audit Report

April 8, 2024

To the Board of Directors
MINISTOP Co., Ltd.

Deloitte Touche Tohmatsu LLC
Tokyo Office
Designated Limited Liability Partner
Engagement Partner:
Tetsuya Ishii, CPA
Takeshi Sase, CPA

Audit Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the Non-consolidated Financial Statements of MINISTOP Co., Ltd. (the "Company") for the 45th fiscal year from March 1, 2023 to February 29, 2024, which are, specifically, the Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statement of Changes in Equity, Notes to the Non-consolidated Financial Statements, and their supplementary schedules (hereinafter, "Non-consolidated Financial Statements and Schedules").

In our opinion, the Non-consolidated Financial Statements and Schedules referred to above present fairly, in all material respects, the status of assets and profit/loss for the period covered by the Non-consolidated Financial Statements and Schedules in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We performed our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements and Schedules section of our report. We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Statements

The other statements are the Business Report and supplementary schedules. Management is responsible for the preparation and disclosure of the other statements. Audit & Supervisory Board Members and the Audit & Supervisory Board are also responsible for supervising the execution of duties by Directors relating to the design and operation of the reporting process for the other statements.

Our audit opinion on the Non-consolidated Financial Statements and Schedules does not include any other statements, and we express no opinion on other statements.

Our responsibilities in auditing the Non-consolidated Financial Statements and Schedules are to read the other statements carefully and, in the process of reading it, to consider whether there are any material differences between the other statements and the Non-consolidated Financial Statements and Schedules or our knowledge of them as a result of our audit. We also pay attention to whether there is any indication of material errors in the other statements other than such material differences.

Based on the work we have performed, we are required to report when we judge that there are material errors in the other statements.

We have no matters to report with respect to the other statements.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements and Schedules in accordance with accounting principles generally accepted in Japan, and for the design and operation of internal controls that management determines are necessary to enable the preparation and fair presentation of the Non-consolidated Financial Statements and Schedules that are free from material misstatement, whether due to fraud or error.

In preparing the Non-consolidated Financial Statements and Schedules, management is responsible for assessing whether or not it is appropriate to prepare the Non-consolidated Financial Statements and Schedules based on the assumption of a going concern, and in accordance with accounting principles generally accepted in Japan, for disclosing, as necessary, matters related to going concern.

The responsibility of the Audit & Supervisory Board Members and the Audit & Supervisory Board is to supervise the execution of duties by Directors relating to the design and operation of the reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibilities are to obtain reasonable assurance about whether or not the Non-consolidated Financial Statements and Schedules as a whole are free from material misstatement, whether due to fraud or error, based on the audit performed by us and to express our opinion on the Non-consolidated Financial Statements and Schedules in the audit report from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users of these Non-consolidated Financial Statements and Schedules.

In accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit process, and conduct the following.

- We identify and assess the risks of material misstatement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Selection and application of audit procedures is at the discretion of the auditor. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- The purpose of an audit of the Non-consolidated Financial Statements is not to express an opinion on the effectiveness of the entity's internal control; however, in making risk assessments, the auditor considers internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- We evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and the validity of related notes.
- We make a conclusion on the appropriateness of the Non-consolidated Financial Statements and Schedules being prepared by management based on the assumption of a going concern, and based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty regarding going concern exists, we are required to draw attention in our audit report to the related notes in the Non-consolidated Financial Statements and Schedules or, if such notes are inadequate, to express a qualified opinion with exceptions on the Non-consolidated Financial Statements and Schedules. Our conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- We evaluate whether the presentation of the Non-consolidated Financial Statements and Schedules and Notes thereto are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure, and content of the Non-consolidated Financial Statements and Schedules, including the related Notes thereto, and whether the Non-consolidated Financial Statements and Schedules represent the underlying transactions and accounting events in a manner that achieves fair presentation.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit process, and other matters required by auditing standards.

We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the provisions related to professional ethics in Japan concerning independence, and communicate with them matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards in order to eliminate or reduce obstruction factors or if safeguards are in place and applied to reduce obstruction factors to an acceptable level.

Interest Relationship

Our firm and its engagement partners do not have any interest in the Company that is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Accounting Auditor's Audit Report on the Non-consolidated Financial Statements

Audit Report

The Audit & Supervisory Board has prepared this audit report representing the unanimous opinion of all Audit & Supervisory Board Members following deliberations based on audit reports prepared by the Audit & Supervisory Members on the performance of duties by Directors in the 45th fiscal year from March 1, 2023 to February 29, 2024, and hereby submits it.

1. Audit Methods of Audit & Supervisory Board Members and the Audit & Supervisory Board and Their Description

- (1) The Audit & Supervisory Board stipulated audit policies, the division of responsibilities, and other matters and received reports on the implementation and findings of audits from individual Audit & Supervisory Board Members. It also received reports from Directors, other relevant personnel, and the Accounting Auditor on their performance of duties and requested explanations as necessary.
- (2) Audit & Supervisory Board Members conducted audits with the following methods while working to communicate with Directors, the Management Audit Office, employees and other relevant personnel, and to gather information and maintain an audit environment in accordance with audit policies, the division of responsibilities, and other matters in conformance with standards for audits by Audit & Supervisory Board Members established by the Audit & Supervisory Board.
 - i. Audit & Supervisory Board Members attended meetings of the Board of Directors and other important committees, received reports from Directors, employees and other relevant personnel on their performance of duties, requested explanations as necessary, reviewed important approval documents and other items, and examined business activities and assets at the head office and major offices. In addition, with regard to subsidiaries, Audit & Supervisory Board Members strove to communicate and exchange information with the Directors and Audit & Supervisory Board Members of subsidiaries and received reports from subsidiaries as necessary.
 - ii. Audit & Supervisory Board Members regularly received reports from Directors, employees, and other relevant personnel, requested explanations as necessary, and expressed their opinion on systems indicated in the Business Report for ensuring that Directors execute duties in conformance with laws, regulations, and the Articles of Incorporation, on the details of resolutions made by the Board of Directors on the design of other systems stipulated in Article 100, Paragraph 1 and Paragraph 3 of the Regulations for Enforcement of the Companies Act that are necessary for ensuring the appropriateness of business activities of the corporate group consisting of the Company and its subsidiaries, and the construction and operation of systems designed and operated based on those resolutions (internal control systems).
 - iii. Audit & Supervisory Board Members reviewed and discussed, based on deliberations by the Board of Directors and other committees, the particulars indicated in the Business Report to be given due consideration under Item (v) (a) of Article 118 of the Regulations for Enforcement of the Companies Act and on judgments and reasons under Item (v) (b) of the same article of the ordinance.
 - iv. Audit & Supervisory Board Members monitored and verified whether the Accounting Auditor maintained its independence and conducted audits appropriately, received reports from the Accounting Auditor on the performance of its duties, and requested explanations as necessary. In addition, Audit & Supervisory Board Members were informed by the Accounting Auditor that "systems for ensuring that the performance of the duties of financial auditor is being carried out correctly" (matters stipulated in the items of Article 131 of the Regulations on Corporate Accounting) are being developed in accordance with the Quality Control Standards for Audits (Business Accounting Council, November 16, 2021) and other standards and requested explanations as necessary.

Based on the aforesaid methods, Audit & Supervisory Board Members examined the Business Reports and its supplementary schedules, the Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statement of Changes in Equity, and Notes to the Non-consolidated Financial Statements) and their supplementary schedules, and the Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statement of Income, Consolidated Statement of Changes in Equity, and Notes to the Consolidated Financial Statements).

2. Results of Audit

(1) Results of Audit of Business Report and Other Relevant Documents

- i. We acknowledge that the Business Report and its supplementary schedules accurately present the status of the Company in accordance with laws, regulations, and the Articles of Incorporation.
- ii. We acknowledge there is no misconduct or material fact in violation of the law, regulations, or the Articles of Incorporation related to the execution of duties by Directors.
- iii. We acknowledge that the resolutions of the Board of Directors related to internal control systems are appropriate. We also did not find any matter bearing mention related to statements in the Business Report or the execution of duties by Directors in connection with internal control systems.
- iv. We did not find any matters bearing mention related to items to be considered to prevent the interests of the Company from being harmed in transactions with the parent company and other entities indicated in the Business Report or related to the Board of Directors' judgements and reasons on whether or not such transactions harm the Company's interests.

(2) Results of Audit of Non-consolidated Financial Statements and Supplementary Schedules

We acknowledge that the audit methods and findings of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Consolidated Financial Statements

We acknowledge that the audit methods and findings of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are appropriate.

April 10, 2024

Audit & Supervisory Board, MINISTOP Co., Ltd.

Full-Time Audit & Supervisory Board Member
(Outside Audit & Supervisory Board Member)

Satoshi Asakura Seal

Outside Audit & Supervisory Board Member

Hideki Tokai Seal

Outside Audit & Supervisory Board Member

Shigeru Kajita Seal

Audit & Supervisory Board Member

Naomi Watanabe Seal