

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

(Stock Exchange Code 7679)
May 6, 2021

To Shareholders with Voting Rights:

Tatsuhiro Saigo
Representative Director and President
YAKUODO HOLDINGS CO., LTD.
3-426 Hiromiyasawa, Yahaba-cho, Shiwa-
gun, Iwate, Japan

**NOTICE OF
THE 2nd ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders:

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

We hereby inform you that the 2nd Annual General Meeting of Shareholders of YAKUODO HOLDINGS CO., LTD. (the “Company”) will be held as described below.

In order to prevent the spread of the novel coronavirus disease (COVID-19), we would ask that **you exercise your voting rights in writing or via the Internet in advance to the greatest extent possible** to ensure your safety, and that you take measures such as **wearing a mask** if you attend the Meeting in person. In order to reduce the risk of contact infection, **we will not be distributing any souvenirs** to shareholders in attendance. In addition, the agenda of the Meeting will be simplified and the time will be shortened.

When exercising your voting rights in writing or via the Internet or other electromagnetic means, please review the Reference Documents for the General Meeting of Shareholders shown below and exercise your voting rights by 6:00 p.m. (JST) on Tuesday, May 25, 2021.

- 1. Date and Time:** Wednesday, May 26, 2021 at 10:00 a.m. Japan time
- 2. Place:** Metropolitan Hall, NEW WING 4F, Hotel Metropolitan Morioka
2-27 Moriokaekimaekitadori, Morioka-shi, Iwate, Japan
- 3. Meeting Agenda:**
 - Matters to be reported:**
 1. The Business Report, Consolidated Financial Statements for the Company’s 2nd Fiscal Year (March 1, 2020 - February 28, 2021) and results of audits by the Accounting Auditor and the Board of Corporate Auditors of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 2nd Fiscal Year (March 1, 2020 - February 28, 2021)
 - Proposals to be resolved:**
 - Proposal 1:** Appropriation of Surplus
 - Proposal 2:** Election of Seven (7) Directors

◎ Please bring the enclosed Voting Rights Exercise Form for submission at the meeting reception when you attend the Meeting.

◎ Among the documents to be attached to this Notice, the following matters will be posted on the Company’s

website on the Internet based on the relevant laws and regulations and Article 13 of the Company's Articles of Incorporation, and are therefore not included in the attached documents.

(1) Notes to the consolidated financial statements in the Consolidated Financial Statements

(2) Notes to the non-consolidated financial statements in the Non-consolidated Financial Statements

- ◎ Please note that if it becomes necessary to revise any item in the Reference Documents for the General Meeting of Shareholders, Business Report, Non-consolidated Financial Statements, or Consolidated Financial Statements, the revision will be posted on the Company's website (<https://www.yakuodo-hd.co.jp/>).

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal 1: Appropriation of Surplus

Our basic policy is to continue to pay stable dividends while securing the necessary internal reserves to promote future business development and strengthen our management base.

The year-end dividend for the current fiscal year will be as follows.

Matters concerning year-end dividends

(1) Allocation of dividend assets to shareholders and the total amount of dividends

Per common share of the Company: ¥23.00

Total: ¥454,025,037

(2) Effective date of dividends of surplus

May 27, 2021

Proposal 2: Election of Seven (7) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this Annual General Meeting of Shareholders. Therefore, the Company proposes to increase the number of Outside Directors by one (1) and to elect seven (7) Directors in order to strengthen the management supervision function.

The candidates for Director are as follows.

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions	Number of shares of the Company held
1	Tatsuhiro Saigo (April 13, 1952)	<p>April 1976 Joined Hitachi Credit Corp. (currently Hitachi Capital Corp.)</p> <p>July 1977 Joined Odashima Limited</p> <p>April 1978 Founded Tonan Plaza Drug</p> <p>February 1981 Founded YAKUODO Ltd.</p> <p> Representative Director of YAKUODO Ltd.</p> <p>June 1991 Representative Director and President of YAKUODO Co. Ltd. (entity conversion)</p> <p>March 2019 Representative Director and President, Executive Officer of YAKUODO Co. Ltd. (present)</p> <p>September 2019 Representative Director and President of the Company (present)</p>	498,000
<p>[Reason for nomination as candidate for Director]</p> <p>Mr. Tatsuhiro Saigo has a wealth of experience and achievements as a manager since the foundation of YAKUODO Co. Ltd., our operating company. We believe that he will contribute to the sustainable growth and enhancement of the corporate value of the Company, and therefore nominate him for election as Director.</p>			
2	Kiyoko Saigo (September 3, 1953)	<p>April 1976 Joined K.K. Otenkido Yakkyoku</p> <p>April 1978 Founded Tonan Plaza Drug</p> <p>February 1981 Founded YAKUODO Ltd.</p> <p> Senior Managing Director of YAKUODO Ltd.</p> <p>June 1991 Senior Managing Director in charge of Sales of YAKUODO Co. Ltd. (entity conversion)</p> <p>March 2003 Senior Managing Director, General Manager of Sales Headquarters of YAKUODO Co. Ltd.</p> <p>May 2018 Representative Director and Senior Vice President, General Manager of Sales Headquarters of YAKUODO Co. Ltd.</p> <p>March 2019 Representative Director and Senior Vice President, Executive Officer, General Manager of Sales Headquarters of YAKUODO Co. Ltd. (present)</p> <p>September 2019 Representative Director and Senior Vice President of the Company (present)</p>	498,000
<p>[Reason for nomination as candidate for Director]</p> <p>Ms. Kiyoko Saigo has a wealth of experience and achievements as the head of the sales division since the foundation of YAKUODO Co. Ltd., our operating company. We believe that she will contribute to the sustainable growth and enhancement of the corporate value of the Company, and therefore nominate her for election as Director.</p>			

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
3	Yasuhiro Ogasawara (November 29, 1964)	February 1988	Joined Aiwa Iwate Co., Ltd.	8,400
		March 2005	Joined YAKUODO Co. Ltd.	
		July 2010	General Manager of Finance Division of YAKUODO Co. Ltd.	
		May 2014	Director, General Manager of Finance Division of YAKUODO Co. Ltd.	
		May 2016	Managing Director responsible for Administration of YAKUODO Co. Ltd.	
		March 2017	Managing Director, General Manager of Administration Headquarters of YAKUODO Co. Ltd.	
		March 2019	Director, Managing Executive Officer, General Manager of Administration Headquarters of YAKUODO Co. Ltd. (present)	
		September 2019	Managing Director, General Manager of Administrative Division of the Company (present)	
[Reason for nomination as candidate for Director] Mr. Yasuhiro Ogasawara has a wealth of experience and achievements in the administrative division of the YAKUODO Group. We believe that he will contribute to the sustainable growth and enhancement of the corporate value of the Company, and therefore nominate him for election as Director.				
4	*Takahito Saigo (November 23, 1978)	June 2007	Joined Kao Corporation	200
		April 2012	Joined YAKUODO Co. Ltd.	
		November 2012	General Manager of Sales Planning Division of YAKUODO Co. Ltd.	
		March 2013	General Manager of Product Division of YAKUODO Co. Ltd.	
		March 2016	General Manager of Corporate Planning Office of YAKUODO Co. Ltd.	
		March 2019	Executive Officer, General Manager of Business Strategy Headquarters of YAKUODO Co. Ltd.	
		September 2019	General Manager of Business Strategy Division of the Company	
		March 2020	General Manager of Management Strategy Division of the Company (present)	
		May 2020	Managing Director, Executive Officer, General Manager of Management Strategy Headquarters of YAKUODO Co. Ltd. (present)	
[Reason for nomination as candidate for Director] Mr. Takahito Saigo held key positions in the sales division of YAKUODO Co., Ltd. and is currently engaged in the planning and promotion of management strategy of the entire Group as the head of the corporate planning division. We believe that he will contribute to the sustainable growth and enhancement of the corporate value of the Company, and therefore nominate him for election as Director.				

No.	Name (Date of birth)	Past experience, positions, responsibilities and significant concurrent positions		Number of shares of the Company held
5	*Koichi Obara (May 20, 1961)	April 1985	Joined The Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)	—
		March 2011	Executive Officer, Head of Institutional Business Eastern Japan of The Nikko Securities Co., Ltd.	
		April 2018	Representative Director and President of Nikko Business Systems Co., Ltd. (present)	
[Reason for nomination as candidate for Outside Director] Mr. Koichi Obara has served as the head of the sales division of a securities company and has a wealth of experience and knowledge in the financial instruments business. We expect him to offer beneficial proposals and advice on the Company's management from an objective and expert viewpoint based on a broad perspective as a corporate manager. Given the above, we believe that he is the right person to oversee the execution of business operations of the Company which is aiming to sustainably enhance corporate value, and therefore nominate him as a candidate for Outside Director.				
6	*Keiji Katano (August 17, 1961)	April 1984	Joined Alps Electric Co., Ltd.	—
		May 2003	Founded Icomes Lab Co., Ltd. CEO of Icomes Lab Co., Ltd. (present)	
		August 2014	Founded Tohoku Life science Instruments Cluster (TOLIC) Representative Officer of TOLIC (present)	
		March 2016	Founded TOLIMS Co., Ltd. CEO of TOLIMS Co., Ltd. (present)	
[Reason for nomination as candidate for Outside Director] Mr. Keiji Katano launched companies engaged in the development, manufacture and sales of products based on core proprietary technology, and has a wealth of experience and achievements as a corporate manager. He also serves as representative of TOLIC, a coalition of industry, academia and government, and is working to revitalize local industries. We expect him to offer beneficial proposals and advice on the Company's management from an objective and expert viewpoint based on such extensive experience and broad insight. Given the above, we believe that he is the right person to oversee the execution of business operations of the Company which is aiming to sustainably enhance corporate value, and therefore nominate him as a candidate for Outside Director.				
7	*Daisuke Kurioka (July 28, 1985)	April 2010	Joined Okasan Securities Co., Ltd.	—
		March 2013	Joined Rheos Capital Works Inc.	
		February 2021	Founded Kuriya Co., Ltd. Representative Director of Kuriya Co., Ltd. (present)	
[Reason for nomination as candidate for Outside Director] Mr. Daisuke Kurioka has abundant insight concerning company analysis as a securities analyst. He is currently working on solving social issues through collaboration with local governments and companies in Hokkaido and Tohoku by using such experience and network. We expect him to offer beneficial proposals and advice on the Company's management from an objective and expert viewpoint based on such extensive experience and broad insight. Given the above, we believe that he is the right person to oversee the execution of business operations of the Company which is aiming to sustainably enhance corporate value, and therefore nominate him as a candidate for Outside Director.				

(Notes) 1. Candidates marked with an asterisk (*) are new candidates for the position of Director.

2. There is no special interest between any of the candidates and the Company.

3. Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka are candidates for Outside Director. The Company plans to designate Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka as independent directors as stipulated under the regulations of the Tokyo Stock Exchange and to notify the fact to the Exchange.
4. Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka are not, and have not been in the past 10 years, executives or officers of the Company or any business entity in a special relationship with the Company.
5. Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka do not plan to receive a large amount of money or other assets from the Company or any business entity in a special relationship with the Company, nor have they received any such money or other assets in the past two years.
6. Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka are not spouses, relatives within the third degree of kinship, or other similar persons of the executives or officers of the Company or any business entity in a special relationship with the Company.
7. The Company will enter into a liability limitation agreement with Mr. Koichi Obara, Mr. Keiji Katano, and Mr. Daisuke Kurioka in accordance with the provisions of Article 427, Paragraph 1 of the Companies Act. The maximum amount of liability based on this agreement is the higher of two million yen or the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
8. The Company has entered into a directors and officers liability insurance contract that insures all of the Directors, to cover legal damages and litigation expenses in the event that a claim for damages is made against the insured Directors. If the candidates assume the office of Director, they will be insured under the insurance contract. The Company will renew the insurance contract during the terms of office of the candidates for Director in this proposal.
9. The number of shares of the Company held by the candidates for Director is as of February 28, 2021.