August 17,2026

Company name:	Genky DrugStores Co., Ltd.
Name of representative:	Kenichi Fujinaga, President (Securities code: 9267; TSE Prime)
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Notice Concerning Grant of Stock Options (Share Acquisition Rights)

We would like to announce that, at the Board of Directors meeting held today, pursuant to the provisions of Articles 236, 238, and 239 of the Companies Act, the Company resolved to submit for approval to the 9th Annual General Meeting of Shareholders to be held on September 10, 2026 (the "General Meeting of Shareholders") a proposal to issue stock acquisition rights as stock options on particularly advantageous terms to the Company's Internal Directors and employees, and Directors and employees of the Company's subsidiaries, as described in the summary below, and to entrust the decisions on matters concerning offerings for such stock acquisition rights to the Board of Directors.

If the proposal for the election of Directors, which is scheduled to be submitted separately to the General Meeting of Shareholders, is approved as originally proposed, the number of the Company's Internal Directors to whom the stock acquisition rights will be allotted will be five, and the maximum number of stock acquisition rights to be allotted will be 500.

Description

1. Reason why it is necessary to conduct offerings of stock acquisition rights on particularly advantageous terms

   Stock acquisition rights will be issued for the purposes of providing added motivation and morale to improve the Company's consolidated business performance and of contributing to the expansion of business operations.

   In addition, stock acquisition rights will be granted to the Company's Internal Directors for the purpose of stock options, which the Company believes is reasonable as compensation, etc. for Directors.

2. Persons subject to allotment of stock acquisition rights

   Internal Directors and employees of the Company, and Directors and employees of the Company's subsidiaries

3. Details of stock acquisition rights for which decisions may be entrusted to the Board of Directors by resolution of this Annual General Meeting of Shareholders and the upper limit on their number

   (1) Class and number of shares to be allocated upon exercise of stock acquisition rights

The upper limit will be 150,000 shares of common stock in the Company.

In the event that the Company conducts a stock split or stock consolidation, the number of shares to be allocated will be adjusted based on the following formula. However, such an adjustment shall be made only to the number of shares to be allocated upon exercise of the stock acquisition rights that have not been exercised at the time of the stock split or stock consolidation, and any fraction resulting from the adjustment of less than one share shall be rounded down.

$$\text{Number of shares after adjustment} = \text{Number of shares before adjustment} \times \text{Ratio of stock split or stock consolidation}$$

In addition, in the event an adjustment of the number of shares to be allocated upon exercise of the stock acquisition rights is required, such as if the Company conducts a reduction of capital, the Company will make the necessary adjustment of the number of shares and any fraction of less than one share resulting from the adjustment shall be rounded down.

(2) Total number of stock acquisition rights to be issued

The upper limit shall be 1,500 stock acquisition rights. The number of shares to be allocated upon exercise of each stock acquisition right ("Number of Shares Granted" hereinafter) shall be 100 shares.

However, in the event that an adjustment is made to the number of shares as set forth in (1) above, the same adjustment will be made to the Number of Shares Granted, and any fraction of less than one share resulting from the adjustment shall be rounded down.

(3) Value of assets to be invested upon exercise of new stock acquisition rights

The value of assets to be invested upon the exercise of each stock acquisition right shall be the paid-in amount per share to be issued or transferred through the exercise of the stock acquisition right ("Exercise Value" hereinafter), multiplied by the Number of Shares Granted.

The Exercise Value shall be the amount obtained by multiplying by 1.05 the average of the closing prices for ordinary transactions of the shares of common stock of the Company on the Tokyo Stock Exchange ("Closing Price" hereinafter) on each day (excluding days in which no transactions were completed) of the month prior to the month of the day in which the stock acquisition rights are to be issued ("Issue Date" hereinafter), and any fraction of less than 1 yen resulting from the adjustment will be rounded up. However, if this amount is less than the Closing Price on the Issue Date, the Issue Date's Closing Price will be the Exercise Value.

In the event that the Company conducts a stock split or stock consolidation, the Exercise Value will be adjusted based on the following formula, and any fraction of less than 1 yen resulting from the adjustment will be rounded up.

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{1}{\text{Ratio of stock split or stock consolidation}}$$

In the event that new shares of the Company's common stock are issued, or treasury stocks are disposed of at a price lower than market value, the Exercise Value will be adjusted based on the following formula, and any fraction of less than

1 yen resulting from the adjustment will be rounded up. However, in the event of the exercise of stock acquisition rights, the Exercise Value will not be adjusted.

$$\text{Exercise Value after adjustment} = \text{Exercise Value before adjustment} \times \frac{\text{Number of shares Already issued} + \dfrac{\text{Number of new shares issued} \times \text{Paid-in amount per share}}{\text{Market value per share}}}{\text{Number of shares already issued} + \text{Number of new shares issued}}$$

"Number of shares already issued" in the above number of shares refers to the total number of issued shares of the Company minus treasury stock held by the Company. In the event of a disposal of treasury stock, "number of new shares issued" will be replaced with "number of treasury stock for disposal."

In the event that an adjustment of the Exercise Value is required, such as if the Company conducts a reduction of capital, the Company will make the adjustment of the Exercise Value that it recognizes as necessary, and any fraction of less than 1 yen resulting from the adjustment will be rounded up.

(4) Period of exercise of stock acquisition rights
This shall be a period determined by the Company's Board of Directors within the range of five (5) years from the date that two (2) years have elapsed since the date of resolution of the Board of Directors deciding on an offering of stock acquisition rights.

(5) Exercise conditions of stock acquisition rights
i. The holders of these stock acquisition rights must hold the position of Internal Director and an employee of the Company, or Director and an employee of a Company's subsidiary at the time of exercising these stock acquisition rights. However, in the event that the holder of the stock acquisition rights steps down from a position due to expiry of term of office or resigns due to reaching retirement age, or the Company recognizes that there is another valid reason, the holder may continue to exercise the stock acquisition rights.
ii. In the event that the holder of these stock acquisition rights dies and consequently loses the position of Internal Director and an employee of the Company, or Director and an employee of a Company's subsidiary, the right holder's heirs may exercise these stock acquisition rights.

(6) Conditions for acquisition of stock acquisition rights
In the event that the Company's General Meeting of Shareholders approves (or the Board of Directors approves where the approval of the General Meeting of Shareholders is not required) a merger agreement under which the Company shall become defunct, a company split plan or company split agreement in which the Company shall be split, or a stock exchange agreement or stock transfer plan in which the Company shall become a wholly owned subsidiary, the Company may acquire the stock acquisition rights without compensation on a date separately prescribed by the Board of Directors.

(7) Approval of acquisition of stock acquisition rights
Acquisition of stock acquisition rights via transfer shall require the approval of the Board of Directors of the Company.

(8) Matters concerning increase in stated capital and capital reserve in the case of issuance of shares through the exercise of stock acquisition rights
When new shares are issued through the exercise of stock acquisition rights, the amount of capital increase shall be the amount obtained by multiplying by 0.5 the

maximum amount of increase in stated capital calculated in accordance with Article 17, Paragraph 1 of the Regulation on Corporate Accounting (fractions of less than 1 yen shall be rounded up). Amounts that are not recorded as stated capital shall become capital reserve.

4. Paid-in amount for stock acquisition rights

   There shall be no paid-in cash requirement.

5. Method of calculation of fair value of stock acquisition rights

   The fair value of stock acquisition rights shall be calculated using the Black–Scholes Model based on various conditions on the date of allotment.

6. Reasons why the granting of stock acquisition rights is reasonable

   For the purposes, etc. for which the Company will issue stock acquisition rights, please refer to "1. Reason why it is necessary to conduct offerings of stock acquisition rights on particularly advantageous terms" above.

   At the meetings held on September 11, 2025, based on a voluntary report by the Compensation Committee, the Board of Directors and Audit and Supervisory Committee resolved on a policy regarding decisions related to the content of compensation, etc. for individual directors, an outline of which appears in the Business Report.

   In addition, because the shares to be issued by the exercise of these stock acquisition rights will account for no more than 0.49% of total issued shares and the dilution rate is slight, the Company has judged that the granting of these stock acquisition rights is reasonable.