



Value Report

2025

Always there to care.



Who we are

Our mission, incorporated in our company name

Origin of the company name “Qol”

Our company name Qol means “Quality of Life.” The name embodies the Qol Group’s wish to improve the quality of life of patients through healthcare.

The wish to improve the quality of life of patients through healthcare

Corporate Philosophy



We support quality of life for everyone.
There for you.
Anywhere, anytime.

Qol’s Vision

1 Provide new medical care

We think outside the box to create added value and cater to people’s needs in the local communities we serve.

2 Become the pharmacy of choice

We seek to provide ideal pharmacies that meet the demands of patients and contribute to convenient, healthy and affluent lives in communities.

3 Progress through organic growth

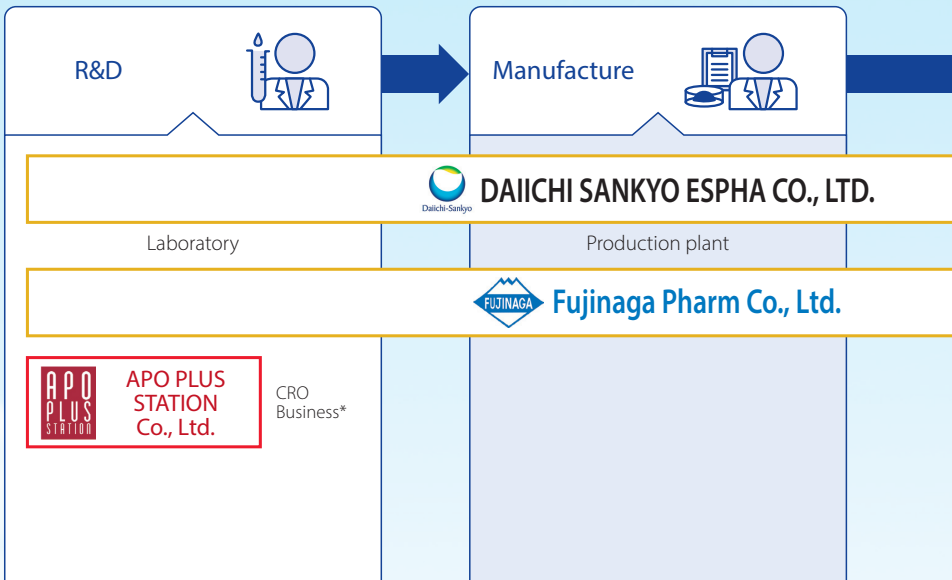
We aim to achieve both business growth and personal well being for our employees.

Slogan

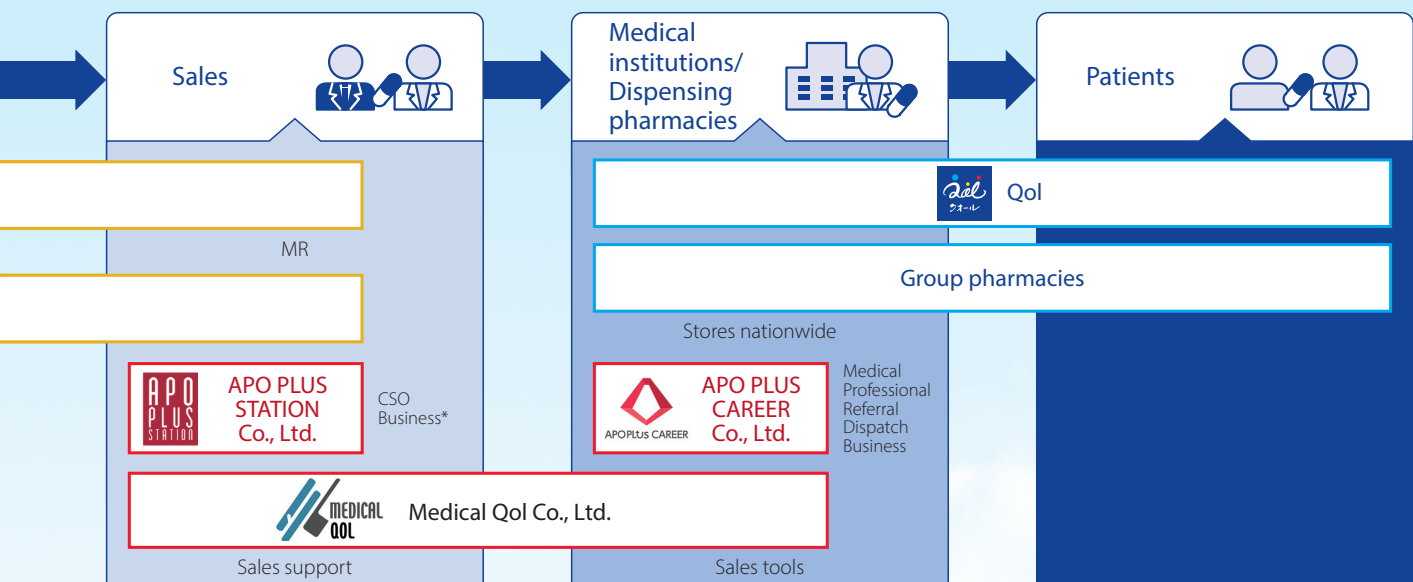
Always there to care.

Aiming to become a comprehensive healthcare company providing seamless medical care services

The Qol Group is a comprehensive healthcare company that provides seamless, fulfilling services in the healthcare field, from R&D through manufacturing, sales, and dispensing to patients. We are strengthening new businesses and maximizing group synergies to help improve the quality of life for everyone and achieve continued growth.



Qol's Businesses



*CRO Business: clinical trial support business *CSO Business: contract MR dispatch business

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Scope Covered and Reporting Period

Scope covered: Qol Holdings Co., Ltd. and Group companies

Reporting period: April 2024 to March 2025

*Some information outside the reporting period is also included

Publication date: December 2025

Editorial Policy

This Value Report, published since FY3/2023, is created as a tool to comprehensively communicate our vision, growth strategy, and ESG information to stakeholders in order to convey the value creation story of the Qol Group, which embodies seamless medical care and aims to realize a healthy, prosperous, and sustainable society.

Disclaimers

The contents of this Value Report include plans and forecasts based on currently available information. These forward-looking statements may differ materially due to numerous factors, including social and economic conditions, market conditions, laws and regulations, interest rates, and other risks and uncertainties.

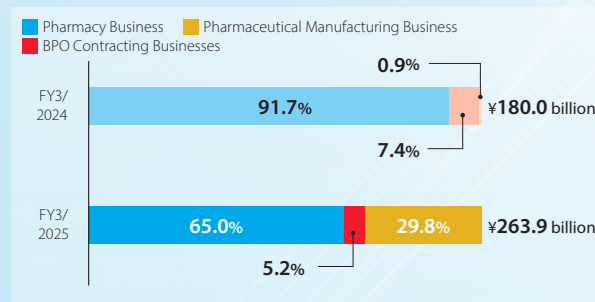
This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Information Disclosure System

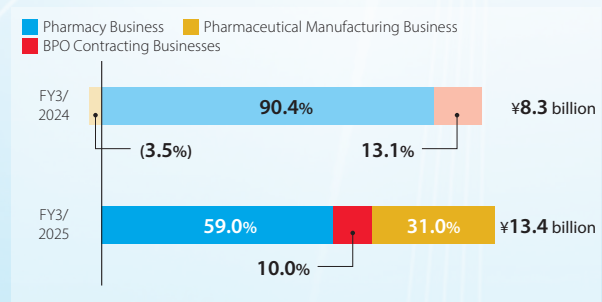


Qol in Data (as of September 30, 2025)

Consolidated Net Sales



Consolidated Operating Profit



In the fiscal year ended March 31, 2025, net sales, operating profit, and ordinary profit all reached record highs since our founding, due to the contributions of DAIICHI SANKYO ESPHA CO., LTD., which became a consolidated subsidiary in the beginning of the fiscal year. In addition, we changed our business segment structure from the previous two segments (Pharmacy Business and Medical-Related Business) to three segments (Pharmacy Business, Pharmaceutical Manufacturing Business, and BPO Contracting Businesses) to reflect the expansion of the Pharmaceutical Manufacturing Business that was a result of the inclusion of DAIICHI SANKYO ESPHA as a consolidated subsidiary.

Human Capital Supporting the Qol Group

Total Number of Employees (including temporary employees)



9,008

Number of Pharmacists (including temporary employees)



3,707

Ratio of Female Directors



16.6%

Value Provided by the Qol Group

Number of Stores



941

Health Support Pharmacy

172 pharmacies

Community Medical Coordination Pharmacy

204 pharmacies

Pharmacy in Cooperation with Specialized Medical Institutions

14 pharmacies

Number of Prescriptions per Year (FY3/2025)



17,060,000

Percentage of Stores That Have Introduced the Cloud-based Electronic Medicine Record System (Qol Co., Ltd.)



90.9%

Number of Authorized Generics (AGs) Handled

(DAIICHI SANKYO ESPHA CO., LTD.)
(As of December 2025)

23 active ingredients,
61 products
(Total number of active ingredients for AGs in the Japanese market: 87)



Generic Drug Switch Rate (Quantity base)



92.1%

Qol's History

◆ Contribution to the improvement of quality of life in local areas

Based on the Corporate Philosophy of "We support quality of life for everyone. There for you. Anywhere, anytime," and with the slogan of "Always there to care," the Qol Group is striving to improve the quality of life in local communities.

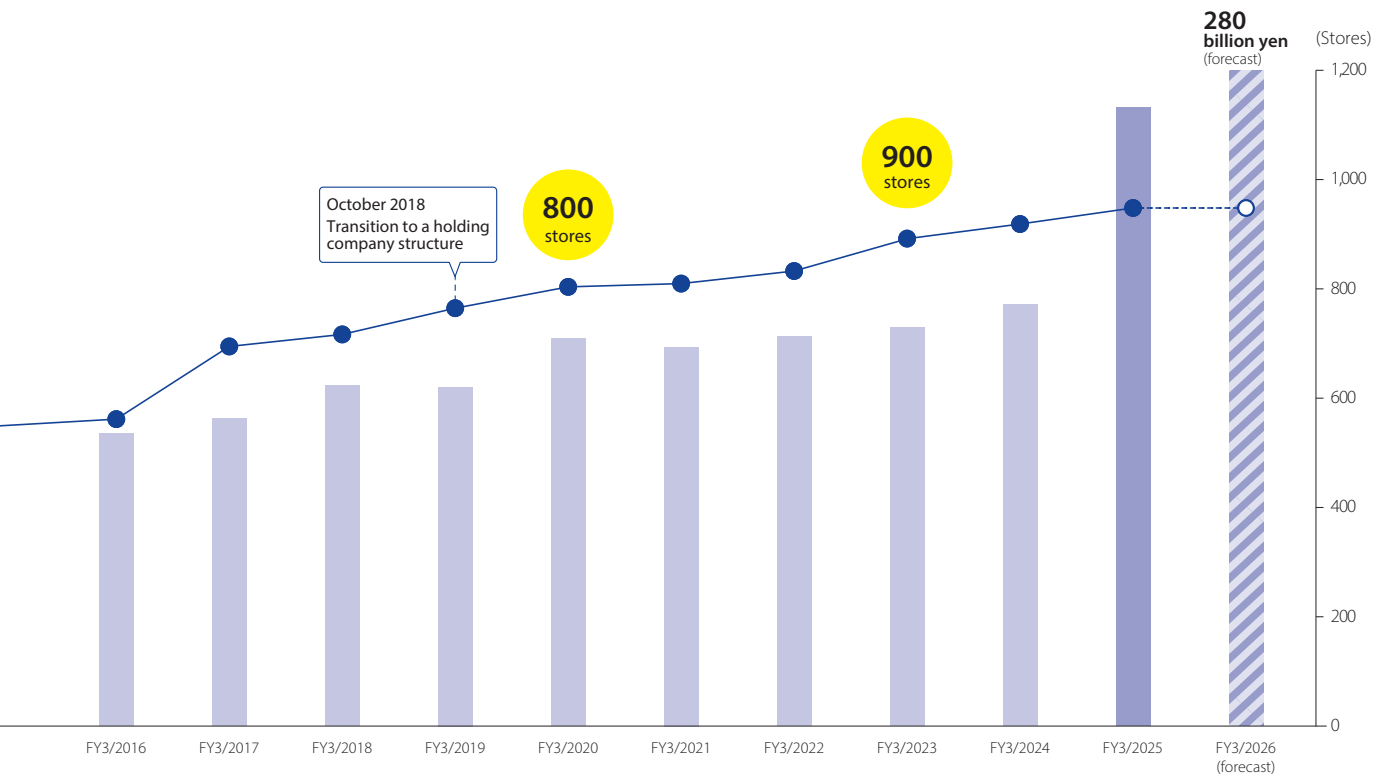


2016–2023 Taking on challenges

2024–

Collaborations

Net sales Number of Stores



2016–2023

2024–

- 2017** ■ Opening of pharmacy in cooperation with supermarket
- 2018** ■ Introduction of smart speakers
- 2019** ■ Fujinaga Pharm Co., Ltd. joined the Group
Entry into pharmaceutical manufacturing business
- 2020** ■ Introduction of prescription drug delivery lockers
- 2020** ■ Start of online medication instruction at all stores
- 2021** ■ Opening of pharmacy in cooperation with lifestyle goods retailer
- 2021** ■ Optimization of ordering based on AI demand forecasting
- 2021** ■ Strengthening Home and Facility Dispensing Business
- 2022** ■ Start of accepting prescriptions using LINE
- 2023** ■ Launch of prescription mobile ordering
- 2023** ■ Oncall. Inc joined the Group

- 2024** ■ Automation of prescription entry processes
- 2024** ■ Expansion of the health business in collaboration with other companies
- 2024** ■ DAIICHI SANKYO ESPHA CO., LTD. became a consolidated subsidiary
- 2024** ■ Opening of the Group's first online specialty pharmacy
- 2025** ■ Launch of a service provided via booths in convenience stores in collaboration with a communication business company and a convenience store chain
- 2025** ■ Publication of QOL VIEW, a medical information magazine
- 2025** ■ ClinCloud Ltd. joined the Group

Message from the President



**Takashi
Nakamura**

Qol Holdings Co., Ltd.
President and
Representative Director

Deepening of human capital management and the establishment of a “Lifelong Education Declaration”

Medical care is a service provided by people, and its quality is greatly influenced by the judgment, expertise, and integrity of the individuals providing these services. The Qol Group views its employees as its most important asset and has prioritized the enhancement of its management of its human capital. In FY3/2026, the Group established its Qol Group Lifelong Education Declaration that states its approach to human capital. This declaration sets a

group-wide direction to support employees in continually learning throughout their careers and growing as individuals engaged in medical care. The Group aims to foster a culture where all employees, as medical human resources, are dedicated to continuous learning, linking their personal growth to their contributions to society, regardless of whether they are pharmacists or concierges, pharmaceutical manufacturing staff, management department, or DX human resources.

In accordance with this declaration, we will systematically expand our e-learning programs, enhance on-the-job training, and provide leadership training for managers. Through these training programs, we will develop human resources that are able to think and act independently

Improving the quality of medical care through reform

The Qol Group has continued to grow as a company that supports local medical care, based on the wish to improve the quality of life (QOL) of people and society through healthcare. In FY3/2025, DAIICHI SANKYO ESPHA CO., LTD. became a consolidated subsidiary of the Group, and the Pharmaceutical Manufacturing Business grew into a core business. This fiscal year was a turning point for us. We will maximize the synergy that is a result of this change, enhance the connections between the Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting businesses, and establish a corporate structure that fosters sustainable growth in the healthcare industry.

The global medical care environment is changing every day. These changes include the demographic shift, rising medical costs, and the progress in digitalization. We view these changes as opportunities for evolution rather than threats. We aim to strengthen the foundation of our business and develop our human resources to ensure that we provide valuable medical care to all stakeholders.

through learning. This enables us to create a system that can respond flexibly to the dramatic changes that are currently happening, and ultimately deliver the best possible medical care to patients and local communities.

Creating an organization that continues to learn will not only promote employee growth but also enhance the value provided in regional medical care and lead to advanced services that offer patients peace of mind, ultimately boosting our competitiveness. Investing in human capital is not a quick fix. We believe it serves as the most crucial foundation for long-term growth, and we will continue to work on it across the company.



The Qol Group organizes pharmacists' conferences nationwide.

Message from the President

Growth strategies in medical care

Closer connections between Pharmacy Business and Pharmaceutical Manufacturing Business

As a group of pharmacies that contribute to medical care, the Qol Group has been involved in community-based activities. Our one-on-one pharmacies have played a key role in this effort. We will continue to focus on pharmacies. At the same time, we will also deepen our Pharmaceutical Manufacturing Business in the medical care sector.

In the Pharmacy Business, we will enhance the function of our pharmacies as family pharmacies close to patients' lives. Additionally, we will develop new ways to connect communities with medical care, including home medical care and online medication instructions. We will also promote dispensing support and the sharing of medication information by utilizing AI and digital technology to provide safer and more efficient medical care services.

In the Pharmaceutical Manufacturing Business, we will leverage DAIICHI SANKYO ESPHA CO., LTD.'s development and sales capabilities in the field of authorized generics (AG) to consistently supply high-quality and reliable pharmaceutical products. We provide feedback on patient needs to the pharmaceutical manufacturing fields using the Qol Pharmacy's nationwide network. We are working to create new value by connecting fields and pharmaceutical manufacturing. Product development based on data and knowledge obtained from pharmacies helps create a circular medical care model that delivers more optimal pharmaceutical products to patients. This cycle is created through the collaboration between our segments. It is the Qol Group's unique value-creation model.



Abiraterone acetate tablets 250 mg "DSEP" launched in December 2025

Steady progress in sustainability management

The Qol Group views "providing sustainable medical care" as an important mission, and it has evolved its management from an environmental, social, and governance perspectives.

The Qol Group has measured its Scope 3 greenhouse gas emissions. Scope 3 covers emissions throughout the supply chain, including the sourcing of raw materials, logistics, sales, and disposal. Calculating Scope 3 emissions has enabled us to quantify the environmental impact of all of our business activities and develop specific action plans to reduce our environmental impact. By calculating our Scope 3 emissions, we are now able to set reduction targets aligned with international standards and acquired SBT (Science Based Targets) certification. This is recognition of our commitment to reducing greenhouse gas emissions in line with international standards. This is a significant achievement for us as a medical-related company. There are not many companies in the medical care services industry that have acquired SBT certification. Our actions clearly show our commitment to social responsibility. Our achievement reflects not only our environmental measures but also our commitment to building a significant management foundation that will assist in the securing of medical resources over the long term and strengthen the continuity of our business in the event of a disaster. We will visualize the emissions throughout our entire supply chain, including the distribution of pharmaceutical products and store operations, and we promote specific actions to reduce emissions. We are also enhancing environmental measures in our daily operations by optimizing energy usage in stores and logistics, reducing the environmental impact of pharmaceutical manufacturing processes, and using environmentally friendly materials. Furthermore, the Sustainability Committee leads initiatives to address various social issues, such as the promotion of KENKO Investment for Health, the encouragement of diversity, and the contribution to local medical care.

Strengthening governance

Establishing a reliable management foundation

As a company listed on the Tokyo Stock Exchange Prime Market, the QoI Group continually strives to uphold a high standard of governance system. In the Group's system, an outside director is the Chairperson of the Audit & Supervisory Committee, ensuring the management of the group is transparent and independent. We also strive to further enhance the quality of management decisions by reinforcing our internal controls and improving a risk management system. As the Group's management expands, we have further enhanced our subsidiary management and compliance systems. Especially in new areas, including the Pharmaceutical Manufacturing Business, we have implemented a wide range of management systems, such as quality assurance, regulatory affairs, and information security systems. These systems are not just for maintaining discipline. They are the foundation for our fulfillment of our social responsibilities as a trusted medical care company. Strengthening governance is a fundamental part of sustainability management. It enables us to establish a framework for effectively utilizing human capital and responding to environmental challenges. We will continue to ensure fairness and accountability in management while conducting our business in a manner that earns the trust of all our stakeholders, including shareholders, employees, and local communities.

The medium-term management plan for the period leading up to FY3/2031

Growth strategy focused on deepening and evolution

The QoI Group has created an outline of a medium-term management plan for the period leading up to FY3/2031. This plan sets clear numerical targets: consolidated net sales of 500 billion yen, a consolidated operating profit of 35 billion yen, and an ROE of 15%. The two key concepts for the basic policy of the medium-term management plan are deepening and evolution. By deepening, we mean pursuing more deeply the strategies that our existing businesses have developed over time and refining the value provided by each business. In the Pharmacy

Business, we aim for a system to operate over 1,000 stores by opening new stores and implementing small-scale M&A. We also aim to achieve an annual net sales growth rate of 2% while improving productivity by leveraging remote data entry support and remote medication guidance support. The BPO Contracting Businesses is expected to grow to 1.5 times the size it was in FY3/2025. The CSO^{*1} Business, aims to build a system of 1,000 CMRs.^{*2} In the Pharmaceutical Manufacturing Business, DAIICHI SANKYO ESPHA continues to launch new products, including AG. The business is also exploring new initiatives in collaboration with Fujinaga Pharmaceutical.

Evolution involves the establishment of new growth drivers by maximizing the collaboration between our segments and treating the entire process, from pharmaceutical manufacturing to provision at pharmacies, including regional medical support and information services, as a cohesive flow. By collaborating across the Pharmaceutical Manufacturing, Pharmacy, and BPO Contracting segments to promote medical care DX, utilize data, develop new businesses, we aim to deliver value beyond traditional boundaries. We aim to deepen our current business operations and evolve so that we can enter new areas. We believe we can achieve our vision for growth leading up to FY3/2031 by pursuing these two goals at the same time.

*1 Contract MR dispatch *2 Contract MR

To enhance quality of life for everyone

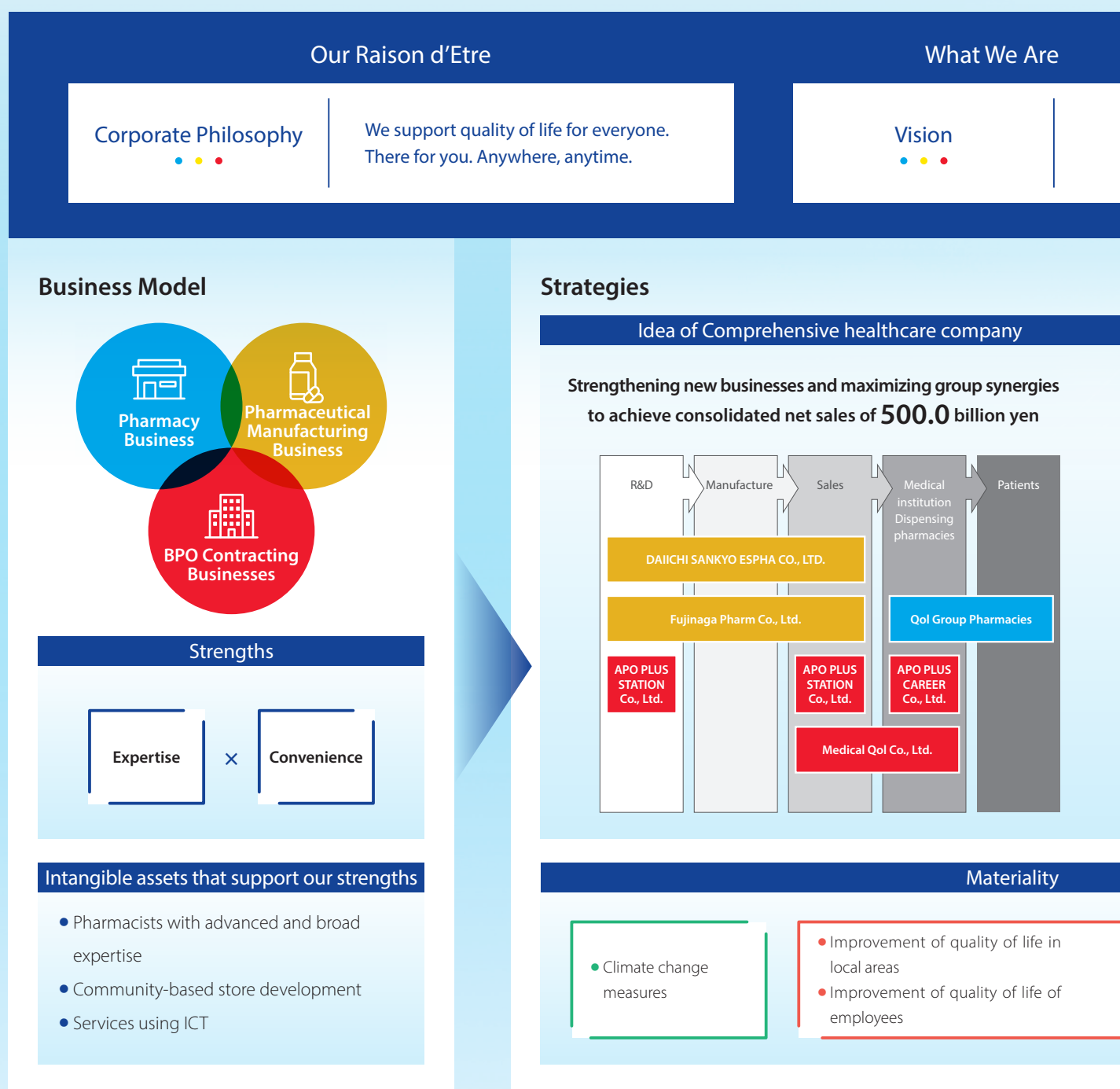
The phrase "Quality of Life," from which our company's name is derived, embodies our wish to improve everyone's quality of life, including patients, employees, their families, and local communities. Investing in human resources, deepening the medical care business, promoting sustainability management, evolving governance, and executing the medium-term management plan leading up to FY3/2031 are all interconnected with this philosophy.

Medical care is evolving more rapidly than ever. Despite these changes, people—every employee supporting medical care in the field—remain central to the business. We will continue to embrace challenges as a company that provides tangible value to society through the power of medical care and enhances the quality of life for everyone.

Value Creation Story

Taking on the three challenges for new medical care, pharmacies that continue to be chosen and organic growth, we will work to realize a healthy, prosperous and sustainable society through development of seamless medical care.

Our company name Qol means "Quality of Life." The name embodies the Qol Group's wish to improve the quality of life of patients through healthcare. This desire is expressed in our Corporate Philosophy, which describes the mission we must fulfill.



Qol's Vision shows the way forward for the Qol Group, which is guided by these values. With our mainstay Pharmacy Business, BPO Contracting Businesses, and Pharmaceutical Manufacturing Business as the core, we will embody the vision beyond the three challenges through the realization of the idea of a comprehensive healthcare company.

Through this form of management, the value we can provide is a peace of mind through the seamless medical care symbolized by our slogan, where medicines are always delivered to people as a matter of course. Being centered around this value creation, we will appropriately respond to the demands of changing society and strive to realize a healthy, prosperous, and sustainable society.

Aiming For

1. Provide new medical care
2. Become the pharmacy of choice
3. Progress through organic growth

Value We Create

Slogan



Always there to care.

Medium-term Management Plan 2030 (FY3/2031 Targets)

Consolidated Net Sales

500.0 billion yen

(CAGR 11%)
(Compared to FY3/2025 +89%)

Consolidated Operating Profit

35.0 billion yen

(Operating profit margin 7%)
(Compared to FY3/2025 +160%)

ROE

15%

(Results for FY3/2025 9.4%)

Medium-term Management Plan 2030 ■■■ P.13

(ESG)

● Contribution to the quality of life through sustainable medical care

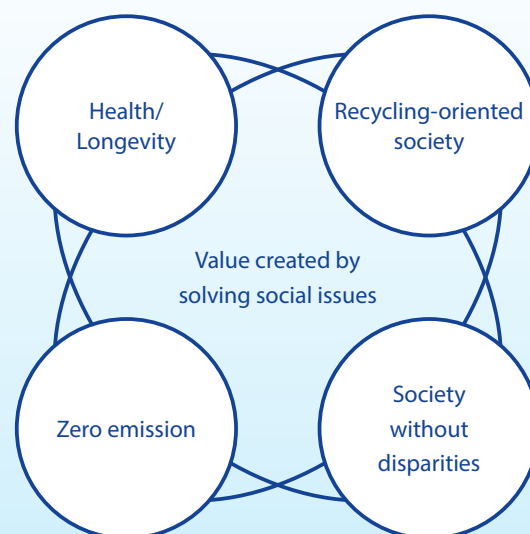
● Creation of new medical value
● Strengthening of corporate governance

QSV* (Value created through the seamless medical care)

Economic value

Expansion of corporate value
through the practice of sound business activities

Social value



* Qol Sustainable Value

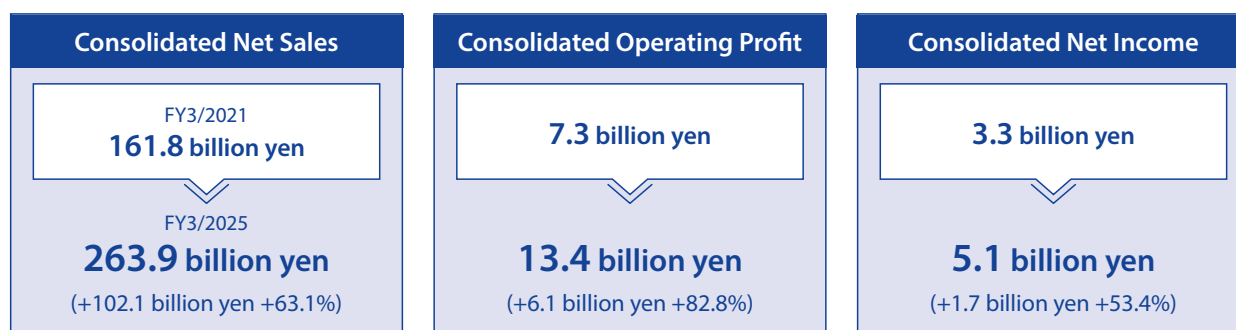
Medium-Term Management Plan 2030

We have formulated Medium-term Management Plan 2030. We will strengthen our management based on an awareness of the cost of capital and the stock price and act to enhance our corporate value over the medium to long term.

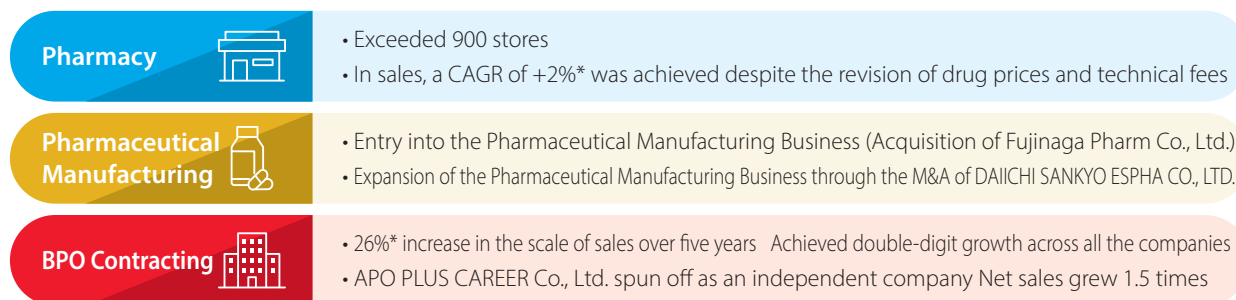
Review of the Past Five Years (FY3/2021-FY3/2025)

The Group has been strengthening its locally based business foundation by aggressively expanding its pharmacy network through M&A and the opening of new stores in the Pharmacy Business, which is its core business. Since the inclusion of DAIICHI SANKYO ESPHA CO., LTD. as a consolidated subsidiary in the beginning of the fiscal year ended March 31, 2025, the growth of the Pharmaceutical Manufacturing Business has been contributing to the Group's stable profit, and the entire business portfolio has formed a foundation for sustainable growth.

Our three mutually complementary businesses, the Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting Businesses, form the foundation of our enhancement of our corporate value.



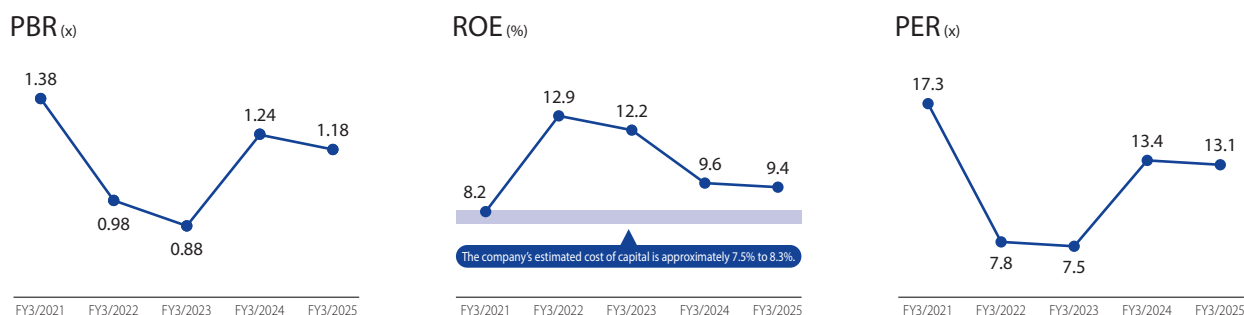
Topics



* Simple sum of segments

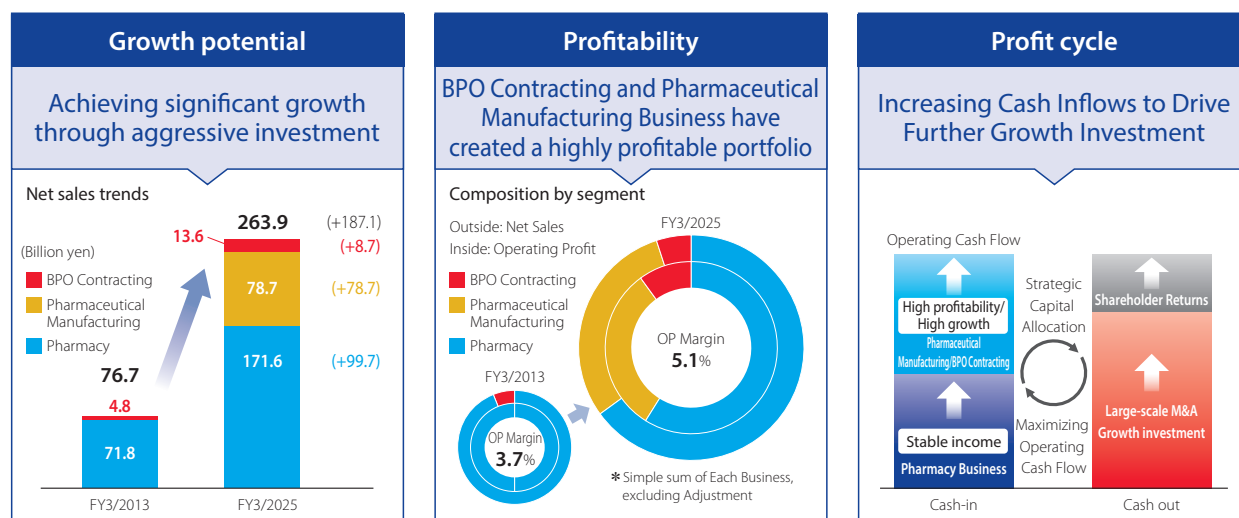
The company's PBR exceeds 1.0, and its ROE continues to surpass the cost of capital.

Over the past five years, our PBR has generally remained above 1.0, and our ROE has also consistently exceeded our estimated cost of capital. This indicates we have been recognized by the market to a certain degree, and that we are appropriately utilizing capital to generate profit. Our initiatives to improve capital efficiency are steadily producing results. We will continue to strengthen our foundation for the sustainable enhancement of our corporate value.

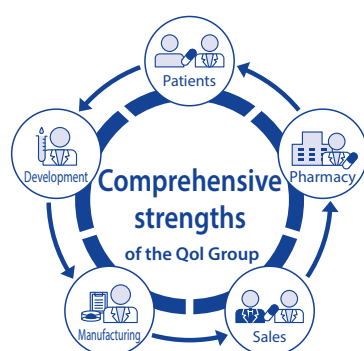


◆ The Qol Way as the Driver of Sustainable Growth

The Qol Group has achieved high growth and profitability through proactive investments and sustainable growth by reinvesting the cash it has generated. The Group has preserved the Qol Way and included it in Medium-term Management Plan 2030, which we have formulated.



◆ The Qol Way = The unwavering values of the Qol Group



Aiming to be a company that grows sustainably together with society by leveraging the unique **comprehensive strengths** of the Qol Group to resolve health and medical social issues while pursuing economic value.

Solving social issues

As a medical institution, we are consistently dedicated to continuously learning, above all, for our patients, and to continuing to offer high-quality medical care services utilizing the full strength of the Group.

Pursuit of economic value

For medical care, continuity and expansion (i.e., supporting a greater number of patients) are also vital. We will refine the Group's comprehensive strengths and achieve sustained growth by increasing our growth potential and profitability.

◆ Critical Environmental Recognition for the Medium-Term Management Plan

The surrounding environment is becoming increasingly uncertain.

Geopolitical risks

Rapid response to environmental and social issues

Accelerating advancement of digital technology

Risks related to climate change and infectious diseases

Restructuring and going on the offensive with drug stores

Major restructuring of the pharmacy market

Downward revision of medical fees

Uncertainty in pharmaceuticals supply

To remain competitive moving forward

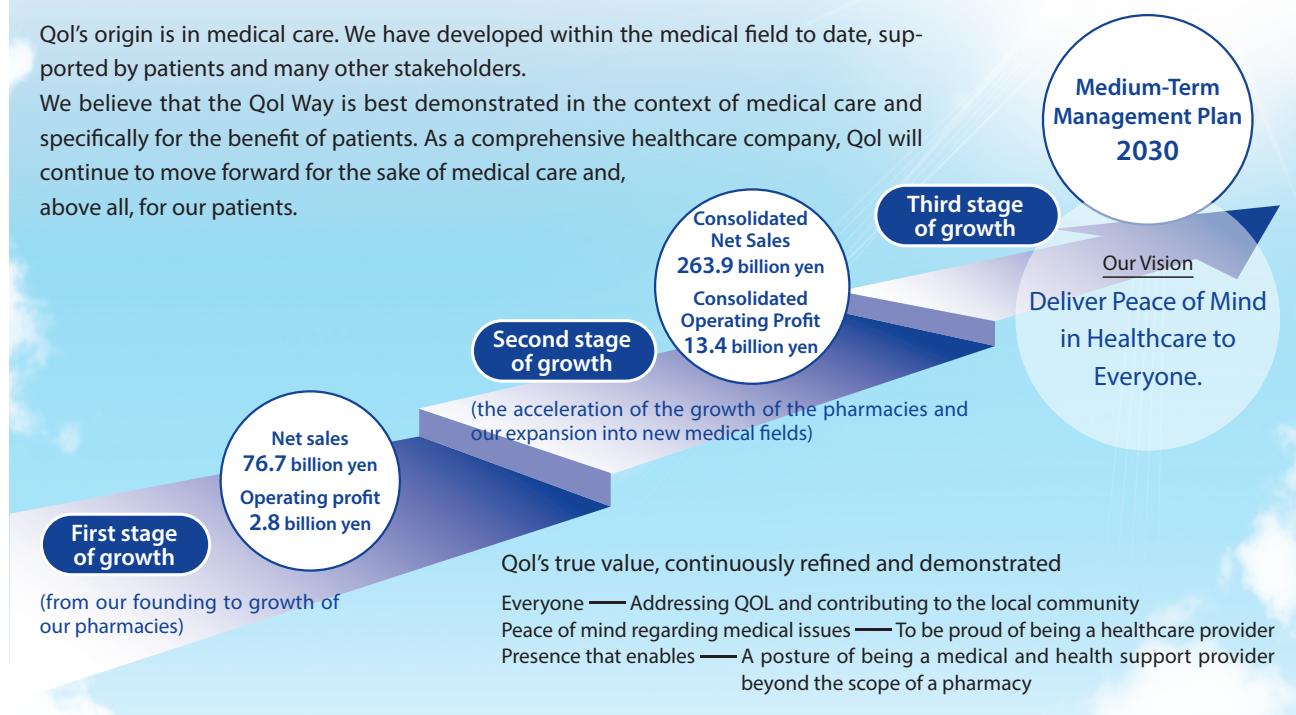
To continuously refine and leverage the Qol Way

Becoming a company which continues to grow even in an environment that changes unpredictably

Qol Group's Commitment to Medical Care

Qol's origin is in medical care. We have developed within the medical field to date, supported by patients and many other stakeholders.

We believe that the Qol Way is best demonstrated in the context of medical care and specifically for the benefit of patients. As a comprehensive healthcare company, Qol will continue to move forward for the sake of medical care and, above all, for our patients.



FY3/2031 Numerical Targets

Consolidated Net Sales	Consolidated Operating Profit	ROE
500 billion yen (CAGR 11%) (Compared to FY3/2025 +89%)	35 billion yen (Operating profit margin 7%) (Compared to FY3/2025 +160%)	15% (Results for FY3/2025 9.4%)

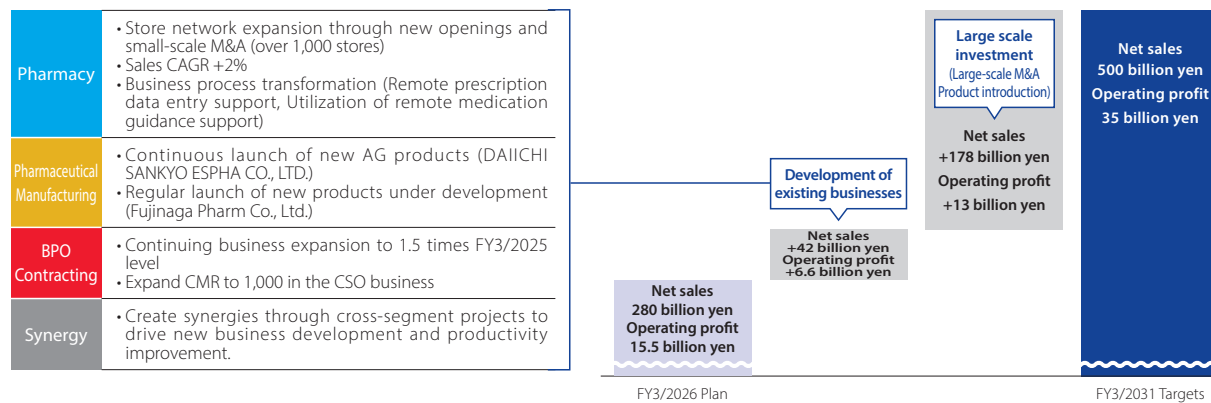
Medium-term Management Plan 2030 Vision

Linking the Qol Vision to Our Vision for 2030 in the Medium-Term Management Plan to specify as follows

Qol's Vision	Medium-term Management Plan 2030 Vision	
Provide new medical care		Delivering the Future of Medical Care Swiftly to Our Patients. As a direct presence in medical care, we operate close to our patients, supporting their lives and well-being and creating new value. By flexibly incorporating changing systems and technologies, we will remain a presence that supports the health and peace of mind of society as a whole.
Become the pharmacy of choice		To Be the Most Trusted Partner Supporting People's Health in Their Everyday Lives We provide life-enhancing convenience and expertise through various medical care and wellness services. We contribute to the realization of prosperous lives as a part of the health infrastructure of local communities.
Progress through organic growth		Toward a Future Where People and the Company Shine Together Each employee, taking pride in their being a medical care provider and continuously learning, will drive the growth of both the company and society. We will build a sustainable future through education and professional development.

Growth Scenario

Achieving business growth through two wheels **Development of existing businesses** and **Large scale investment**



Basic Policies

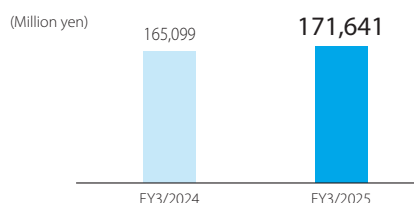
	Deepening  Pursue the growth strategy of each business in greater depth	Evolution  Maximize synergies among segments Develop strengths of wide-ranging contact points into new growth drivers
Pharmacy 	[Expertise] Provide higher quality medical care - Expansion of health-supporting features - Promotion of certified pharmacies - Expansion of homecare business [Convenience] Provide care to more patients - Creating QoL Group Fans - Strengthening collaboration with partner companies [Profitability] Sustainably provide care - Improvement of productivity at stores	Consolidation and division of functions among pharmacies - Creating an environment that allows focus on interpersonal work Offer consolidated functions as services (New businesses, profits) - Contribution to local healthcare as a platformer
Pharmaceutical Manufacturing 	Existing areas - Strengthening of AG lineup - Strengthening of own initiative GE (added value + high difficulty) - In-vitro diagnostic kits - Improving the productivity of manufacturing lines New areas - Repositioning, orphan drugs, new dosage forms - Medical devices, medical care DTx (app), product development from the perspective of homecare patients - Strengthening of development structure (strengthening of organizations, in-group coordination)	Value chain optimization/Strengthening - Optimizing while coordinating and cooperating within the Group on R&D, production, distribution, sales, etc. Developing and providing information from the perspective of patients - Understanding the needs of patients and medical professionals through the pharmacy business, and strengthening drug development and information provision activities
BPO Contracting 	CSO Business CRO Business - CSO: Strengthening competitiveness - CRO: Differentiation strategy Publishing Business - Transformation into highly profitable structure Professional Referral Dispatch Business - Fostering sustainable growth capabilities	Integrated sales activities for customers - Coordinating and sharing sales activities with customers (Sales Efficiency) - Sales policy development for each customer (Sales Enhancement) Strengthening and expansion of community medical support - Utilizing consolidated information to provide support to medical institutions Developing business by leveraging relationships with local medical services - Developing business for pharmaceutical manufacturing by leveraging relationships with our own pharmacies and local healthcare



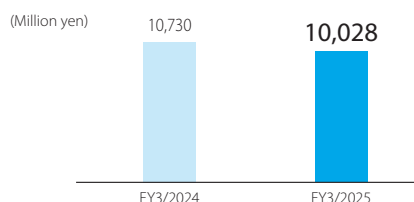
Pharmacy Business



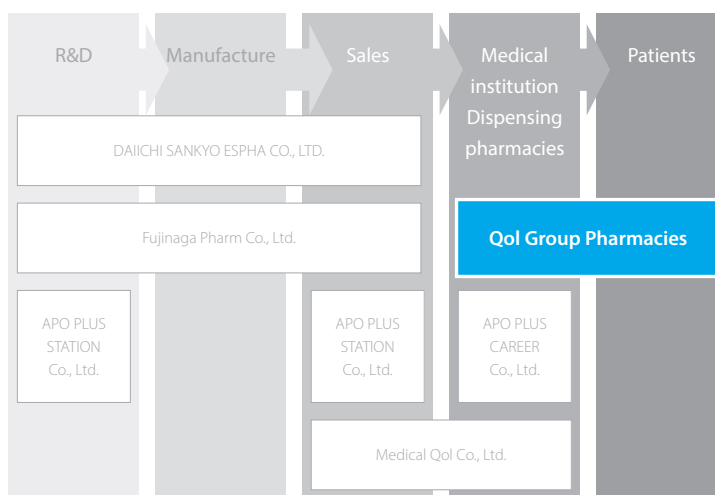
Net sales



Operating profit



Overview of Group Growth Strategy



Business Outline

The Pharmacy Business is the founding business of the Qol Group. It is also our core business, as it accounts for 65.0% of net sales and 59.0% of operating profit in our current consolidated financial results (results for the fiscal year ended March 31, 2025; the same applies hereinafter). Sales from prescriptions (sales from dispensing) account for more than 90% of net sales, and the remainder of net sales are from the sale of products at pharmacies, convenience stores, hospital stores, and other facilities. In terms of the number of stores, dispensing pharmacies are approx. 98% of our 948 stores.

Regarding our position in the market and industry, we are second in terms of the number of stores and third in terms of net sales among the listed companies operating dispensing pharmacy chains. Amid the ongoing industry reorganization, we will continue our policy of actively opening new stores and proactively implementing M&A activities, aiming to expand the scale of our business.

In light of variable factors such as government medical policies and regulations, including the revision of medical fees and NHI drug prices, we continue to expect profit to be stable over the long term due to the aging of society. Therefore, aiming to be a comprehensive healthcare company, the role of the Pharmacy Business in the Group is to secure stable sales and profit, and the Pharmaceutical Manufacturing Business and BPO Contracting Businesses are positioned to improve profitability.

We will continue to provide higher-quality healthcare to more patients by enhancing specialization through the functional differentiation of pharmacies, improving convenience for patients, expanding the scale of our business through M&A activities, the opening of new stores, the promotion of the Home and Facility Dispensing Business, and the improvement of productivity through medical DX and other means.

Overview and Progress of Growth Strategy

In the Pharmacy Business, we are establishing a foundation for stable earnings by expanding the scale of the business through the strategic opening of new stores, including through mergers and acquisitions. We strive to differentiate ourselves from our competitors by enhancing the quality of our pharmacy services

and improving our expertise as medical professionals while driving medical DX to increase the convenience of patients who use our stores. In parallel with these initiatives, we are developing new businesses in health/pre-symptomatic domains, with a policy of further broadening our value provision.

1 Expansion of the scale of business through the strategic opening of new stores

We operate Qol Group pharmacies nationwide, with our main area being Kanto, a region with a large population. We are steadily increasing the number of stores every year. In the fiscal year ended March 31, 2025, we reached 948 stores, an increase of 143 from the fiscal year ended March 31, 2020, five years previous.

We open new stores under our core model of establishing one-on-one pharmacies located close to prescribing medical

institutions. At the same time, we are implementing M&A activities mainly targeting dispensing pharmacy chains with annual sales of 1.0 billion yen or more, thus accelerating the expansion of the scale of our business.

In addition, taking advantage of our strengths in alliances with companies in various other industries, we also operate health-care pharmacies in collaboration with retailers in other industries, thereby catering to the needs of various patients and customers.

Number of stores by area and comparison of the population composition

	End of FY3/20 Number of Stores	End of FY3/24 Number of Stores	End of FY3/25		Increase on end of FY3/20 Number of Stores	Population composition (2024)
			Number of Stores	Composition		
Hokkaido	10	11	11	1.1%	1	4.1%
Tohoku	85	89	88	9.3%	3	6.6%
Kanto	326	391	402	42.4%	76	35.2%
Koshinetsu	109	113	127	13.4%	18	3.9%
Tokai・Hokuriku	67	73	73	7.7%	6	14.1%
Kansai	132	145	146	15.4%	14	16.3%
Chugoku・Shikoku	49	49	51	5.4%	2	8.5%
Kyushu・Okinawa	27	49	50	5.3%	23	11.3%
Total	805	920	948	100.0%	143	100.0%

*The data on the population composition of Japan are from the Ministry of Internal Affairs and Communications as of October 1, 2024 (Source: Ministry of Internal Affairs and Communications, statistical table of Current Population Estimates as of October 1 of each year, based on standards applied in the Population Census 2020)

Close collaboration with the medical institutions that issue prescriptions

Our core one-on-one pharmacy model for the expansion of stores

We open our pharmacies close to local core hospitals, which are prescribing medical institutions, and communicate closely with medical institutions, thereby establishing one-on-one relationships with them. These collaborations enable us to provide patients with high-quality medication guidance and appropriate health guidance. At the same time, we optimize inventories to improve the efficiency of our store operations.

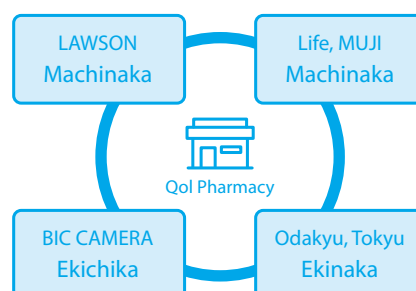


Collaboration with other industries

Qol's unique healthcare pharmacies

In cooperation with Lawson, Life, BIC CAMERA, Ryohin Keikaku, Odakyu Railway, and Tokyu Railway, we establish combinations of our pharmacies and convenience stores or supermarkets and open pharmacies in the stores of electronics and lifestyle goods retailers, and in commercial facilities in station buildings.

This is Qol's unique way of opening stores which enables us to cater to the needs of a wide range of patients in high-traffic locations, allowing them to receive various services from partner companies at the same time as they have prescriptions filled.





Pharmacy Business

2 Promotion of Medical DX

In the Pharmacy Business, we are focusing our efforts on the promotion of DX to improve the efficiency of store operations and free up a large part of our human capital for interpersonal work, the core of our provision of services.

The improvement of operational efficiency by introducing a cloud-based electronic medicine record systems

An issue to be overcome to streamline store operations and secure human resources has been that the tasks of creating medicine records and medication follow-up records are cumbersome and they cause pharmacists to work overtime. We are currently moving forward with the introduction of cloud-based electronic medicine record systems and medication follow-up systems to streamline object operations and enhance interpersonal work.

The cloud-based electronic medicine record system makes it possible for us to provide guidance to patients and create medicine records at the same time. The medication follow-up system automated communication with patients after they visit our pharmacy. These systems significantly reduce the workload of pharmacists.

With these initiatives, we are improving our environment for the efficient operation of stores and increasing patients' adherence to their prescriptions.

■ Cloud-based electronic medicine record system

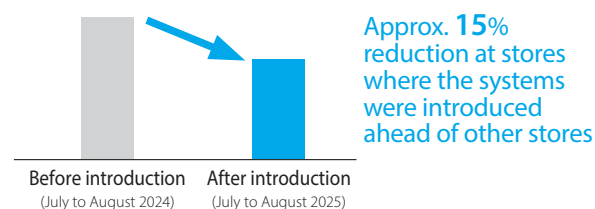
Using a tablet to provide medication guidance to patients and **simultaneously create a medicine record**



■ Medication follow-up system

Fully automating follow-up communication with patients after their visit a pharmacy (automated sending of messages via a LINE mini App)

Contribution to the reduction of overtime



QoI Okusuribin service

The QoI Group provides the QoI Okusuribin service which enables customers to make advance reservations for the filling of prescriptions and provides them with health information via LINE. It permits patients to reduce waiting time by taking photos of their prescriptions with their smartphones and sending them to the pharmacy of their choice. QoI Okusuribin also has various

other functions that support patients after they visit a pharmacy, including a function for checking the condition of patients based on the drugs they are taking and one in which pharmacists provide follow-up services as appropriate. QoI Okusuribin thus contributes to the improvement of convenience for patients and the creation of new contact points for receiving prescriptions.

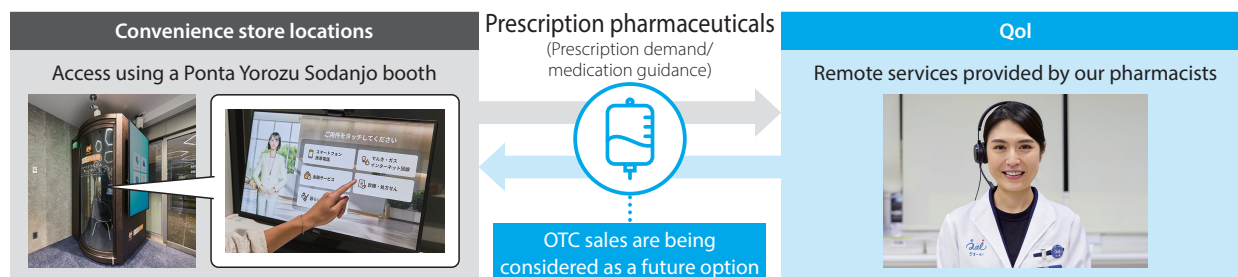
DX investments to solve social issues

Japan's healthcare delivery system faces structural issues, including the decrease of the population, the uneven distribution of medical professionals, and the expansion of regional gaps. Having positioned the exploration of models which can solve these issues as up-front investments for the future, we are implementing medical DX in collaboration with partner companies.

■ Participation in the Next-Generation Remote Customer Service Platform

In June 2025, we joined KDDI's Next-Generation Remote Customer Service Platform and launched a service that enables

customers to receive online medication instructions at Lawson stores. Using the Next-Generation Remote Customer Service Platform at Ponta Yoroju Sodanjo (Ponta General Consultation Service) booths set up in Lawson stores, we will connect patients to our pharmacies online, thus creating a new contact point for communicating online medication instructions. This is expected to contribute to the efficient utilization of healthcare resources in addition to the improvement of customer satisfaction.



3 Improving pharmacy service quality

Medical professionals must have not only high-level expertise and skills, but also a strong sense of mission and a high standard of ethics, as they protect the lives and health of people. The Qol Group values the development of pharmacists with these qualities. We provide long-term educational training, and through our curricula, provide the latest medical and pharmaceutical information and guidelines to the people working on the front lines in our efforts to improve the quality of our pharmacy services. At the same time, through the promotion of home medical care, we are striving to strengthen functions that contribute to enhancing community healthcare to fulfill the social mission of pharmacy services.

Advanced pharmacist Education

In our pharmacist development program, the first four years of employment are positioned as a basic training period in which trainees concentrate on learning that begins with the basics and steadily acquire the knowledge and skills needed in practical dispensing pharmacy operations. In the applied training provided during the following two years, trainees learn to coordinate with people in multiple positions and act as health support pharmacists and specialty pharmacists to fulfill the roles that dispensing pharmacies must play in local communities.

In addition, we have introduced the Qol certified pharmacist system as our own in-house certification system. Under

this system, we develop generalists who are capable of serving in the areas of coordinated healthcare, the development of the Community-based Integrated Care System, team medicine, and other areas. In the qualification course, trainees aim to elevate themselves to a higher level. We have established a thorough training system for the development of human resources who will work actively as specialists by acquiring qualifications through official external systems, such as the Accredited Pharmacist of Ambulatory Cancer Chemotherapy of the Japanese Society of Pharmaceutical Oncology (JASPO), and qualifications as specialty pharmacists.

Promotion of home and facility dispensing business

A shift from inpatient treatment at medical institutions to home medical care for continuing treatment at home, is encouraged under the Community-based Integrated Care System being promoted by the national government.

The Qol Group has established a dedicated department for home medical care within Qol Co., Ltd., its core subsidiary, and we are promoting group-wide initiatives to provide home medical care to individual patients (individual home care) and local nursing facilities, etc. (facility home care).

We are efficiently promoting home medical care by leveraging our dominant position with approx. 950 stores nationwide, aiming to fulfill the social mission of pharmacies, the enhancement of community healthcare.



4 Develop new businesses in health/pre-symptomatic domains

Amid the ongoing trend toward self-medication being promoted by the national government, the role that community-based pharmacies must play is even more multifaceted than ever. While currently the majority of sales in the Pharmacy Business are from the receiving prescription, the Group is proactively developing new businesses in the health/pre-symptomatic domains to cater to diversifying healthcare needs.

In April 2023, we began to sell health food and have our pharmacists consult with customers at our pharmacies, through a collaboration with Suntory Wellness Limited. Our pharmacists help individual customers select the products which are appropriate for their condition or purpose by providing them with easy-to-understand explanations about the characteristics of ingredients and the points to watch out for

in everyday life. We are thus establishing an environment that enables customers to implement self-care with peace of mind.

This collaborative support based on expertise contributes to not only the promotion of good health in local communities but also the diversification and stabilization of the sources of our profit. The Qol Group will continue to extend the role that pharmacies should play as a part of community-based health infrastructure and provide value in new health fields.

SUNTORY
SUNTORY WELLNESS



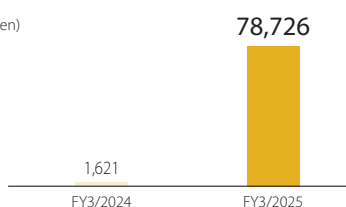


Pharmaceutical Manufacturing Business



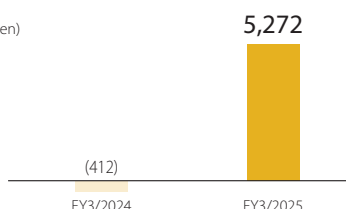
Net sales

(Million yen)

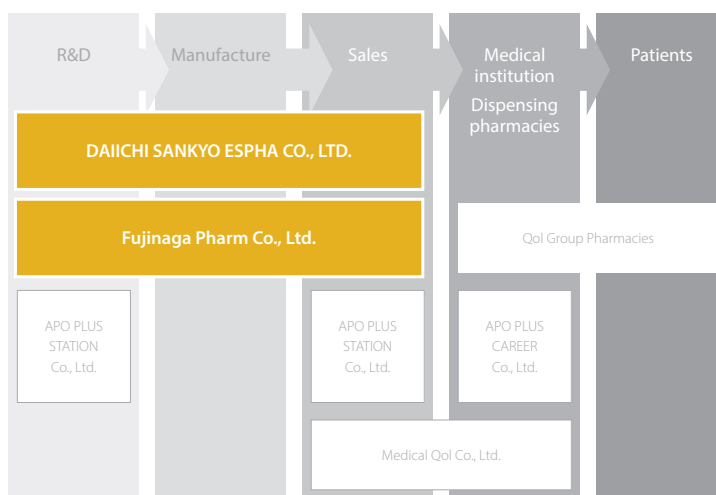


Operating profit

(Million yen)



Overview of Group Growth Strategy



Business Outline

The Qol Group's Pharmaceutical Manufacturing Business consists of two companies with different business models, DAIICHI SANKYO ESPHA CO., LTD. and Fujinaga Pharm Co., Ltd. When Fujinaga Pharm became a part of the Group in FY3/2020, the Group entered this business. In April 2024, we made DAIICHI SANKYO ESPHA a consolidated subsidiary,* which significantly expanded the scale of our Pharmaceutical Manufacturing Business.

To date, the Pharmaceutical Manufacturing Business has grown to account for 29.8% of the net sales and 31.0% of the operating profit in our consolidated financial results for the fiscal year ended March 31, 2025, and DAIICHI SANKYO ESPHA plays a major part in this.

DAIICHI SANKYO ESPHA is a generic drug manufacturer whose mainstay business is the manufacturing of authorized generic (AG) drugs. It is Japan's leading company in terms of the number of AG products it handles. These products are made from 23 active ingredients (as of December 2025). The

company has achieved a business model with superior profitability and efficiency through fabless operations. It specializes in planning and sales and does not have factories. By fully leveraging this strength, DAIICHI SANKYO ESPHA plays a role in the Group's driving sales growth and high earnings in the Pharmaceutical Manufacturing Business.

Fujinaga Pharm is a pharmaceutical manufacturer that was established in 1941 (It started business in 1942). Its main business domains are psychiatry and dermatology. The company has its own factory and handles both original and generic drugs.

We use the information about the needs of patients and medical institutions we obtain in the Pharmacy Business in the development of products to differentiate ourselves and increase our market share. Further, we sell developed products at Qol Group's pharmacies, which helps reinforce our profit base. These initiatives lead to the creation of synergy within the Group.

*We have acquired shares of DAIICHI SANKYO ESPHA in steps. As of December 2025, we own 80% of its shares.

Business growth achieved by leveraging AGs and fabless operations

DAIICHI SANKYO ESPHA CO., LTD.

A feature of DAIICHI SANKYO ESPHA, which boasts the third largest share of the domestic generic drug market, is its focus on AGs and fabless operations. It specializes in planning and sales without having factories. The Company is the number

one in terms of sales of AGs in Japan. It supplies generic drugs, the needs for which are high in medical care, together with the four elements of peace of mind (quality assurance, stable supply, provision of information, and economy).

1 Expansion of the AG business

While the unstable supply of generic drugs triggered by quality problems is a social issue, AGs that are identical to original drugs in terms of their active ingredients and manufacturing processes are clearly in demand in Japan's system for providing medical care.

Q1. What is an AG?*

A. AGs are generic drugs that have been authorized by the original drug manufacturers.

They are generic drugs that are manufactured with the permission of the new drug manufacturer and that are identical to the new drug (original drug) in terms of their active ingredients, additives, and manufacturing process, etc., and generic drugs that may be marketed with patent licenses.

*Not all generic drugs are AGs.

Q2. What is the difference between AGs and original drugs?

A. AGs from DAIICHI SANKYO ESPHA are generic drugs that are identical to new drugs in terms of their active ingredients, additives, and manufacturing processes, etc.

Generic drugs are available at lower prices than original drugs. Some generic drugs are drugs which are identical to new drugs in terms of their active ingredients, additives, and manufacturing processes, etc. They are called authorized generic (AG) drugs. Data for the original drugs are utilized for dissolution tests, stability tests, and pharmacokinetics.

Q3. What is the significance of AGs?

A. AGs are a generic drug option.

On a quantity basis, generic drugs represent more than 85% of the market. They are the foundation supporting the medical care system. However, it is also true that some patients and medical professionals are still concerned about generic drugs. AGs are a reliable option for all patients who desire generic drugs.

A. Reliability backed by the fact that they are identical to original drugs.

Normally, an AG drug is manufactured at the same factory as the original drug. This leads to a stable supply of the drug—not to mention quality assurance. In addition, when it comes to the provision of information, because the formulation is identical, AGs make it possible to effectively use the information about original drugs that has been accumulated over years.

■ The Company's lineup of AG drugs

As of December 2025, DAIICHI SANKYO ESPHA handles AG products with 23 active ingredients, leading the domestic market in terms of the number of products handled. The Company offers a wide lineup of products in addition to the cardiovascular and oncology oral drugs that are its mainstays. In recent years, the steady increase in the sales volume of existing products and the growth of new products have contributed to the Company's business performance.

Another feature of the Company is the fact that it has received manufacturing licenses from multiple pharmaceutical companies (original drug manufacturers) in addition to DAIICHI SANKYO COMPANY, LIMITED, with which it has a capital relationship. As its sales performance is highly valued, DAIICHI SANKYO ESPHA is steadily establishing pipelines with various original drug manufacturers.

(As of December 2025)

	Name of original drug	Generic name	Original drug manufacturer	Launch of AG
1	Cravit Tablets/Fine Granules	Levofloxacin hydrate	DAIICHI SANKYO	Dec. 2014
	Cravit Intravenous Drip Infusion/ Intravenous Drip Infusion Bag			Jun. 2018
2	Micardis Tablets	Telmisartan	Nippon Boehringer Ingelheim	Jun. 2017
3	Micamlo Combination Tablets	Telmisartan, Amlodipine besilate	Nippon Boehringer Ingelheim	Jun. 2017
4	Micombi Combination Tablets	Telmisartan, Hydrochlorothiazide	Nippon Boehringer Ingelheim	Jun. 2017
5	Olmotec OD Tablets	Olmesartan medoxomil	DAIICHI SANKYO	Sep. 2017
6	Crestor Tablets	Rosuvastatin calcium	AstraZeneca	Sep. 2017
	Crestor OD Tablets			Dec. 2017
7	Iressa Tablets	Gefitinib	AstraZeneca	Mar. 2019
8	Urief Tablets/Urief OD Tablets	Silodosin	KISSEI PHARMACEUTICAL	Mar. 2019
9	Casodex Tablets/Casodex OD Tablets	Bicalutamide	AstraZeneca	Jun. 2019
10	Arimidex Tablets	Anastrozole	AstraZeneca	Jun. 2019
11	Nolvadex Tablets	Tamoxifen citrate	AstraZeneca	Jun. 2019
12	Memory Tablets/Memory OD Tablets	Memantine hydrochloride	DAIICHI SANKYO	Jun. 2020
	Memory Dry Syrup			Dec. 2020
13	Zetia Tablets	Ezetimibe	Organon	Jun. 2020
14	Velcade Injection	Bortezomib	Janssen Pharmaceutical	Dec. 2021
15	Artist Tablets	Carvedilol	DAIICHI SANKYO	Dec. 2021
16	Sunrythm Capsules/Pills	Pilsicainide hydrochloride hydrate	DAIICHI SANKYO	Dec. 2021
17	Diart Tablets	Azosemide	SANWA KAGAKU KENKYUSHO	Apr. 2022
18	Feburic Tablets	Febuxostat	Teijin Pharma	Jun. 2022
19	Maintate Tablets	Bisoprolol fumarate	Tanabe Pharma Corporation	Jul. 2023
20	Xarelto Tablets/Xarelto OD Tablets	Rivaroxaban	Bayer Yakuhin	Dec. 2024
21	Plaquenil Tablets	Hydroxychloroquine Sulfate	Sanofi	Dec. 2024
22	Loxonin Tape	Loxoprofen sodium hydrate	Lead Chemical	Dec. 2024
23	Zytiga Tablets	Abiraterone acetate	Janssen Pharmaceutical	Dec. 2025 *250 mg only



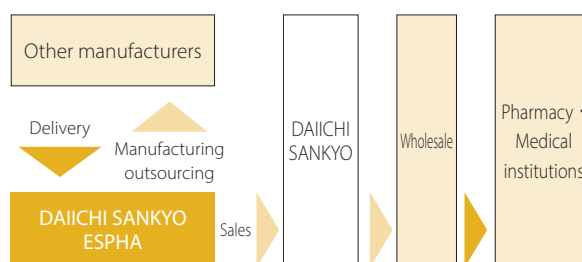
Pharmaceutical Manufacturing Business

2 Planning and sales functions enhanced with fabless operations

Fabless operations means that the manufacturing of products handled by a company is outsourced to external factories, and the Company does not possess an in-house manufacturing equipment. This enables the Company to concentrate its management resources on its planning and sales functions. With fabless operations, DAIICHI SANKYO ESPHA CO., LTD. has specialized in development efforts to cater to needs on the medical field, and it has continued to launch excellent AGs onto the market. The Company also develops high value-added products by devising creative measures regarding drug products and their formulation, labeling and packaging to prevent their misuse, thereby contributing to increasing medication adherence (active participation in

medication therapy). The Company thus provides generic drugs which are chosen by patients. Further, by enhancing its sales skills, the Company continues to increase the sales of the wide range of lineup it has launched to date.

Business schemes



3 Continual launch of new products

In addition to enjoying steady sales of its existing products, DAIICHI SANKYO ESPHA continues to launch new products every year.

■ Fiscal year ended March 31, 2025 New products

In June 2024, the Company launched the generic drug, Zonisamide OD Tablets (brand name: Terief® OD Tablets), and it launched three other AGs in December of the same year. Among them, Rivaroxaban Tablets (brand name: Xarelto®

OD Tablets) and Rivaroxaban OD Tablets (brand name: Xarelto® OD Tablets), which are thromboembolism treatment drugs, have obtained the largest shares of their markets, contributing greatly to an increase in sales.

Launched in June General generic drug	Launched in December AG	Launched in December AG	Launched in December AG
Zonisamide OD Tablets 	Rivaroxaban Tablets/ Rivaroxaban OD Tablets "Bayer" 	Loxoprofen Sodium Tape "DSEP" 	Hydroxychloroquine Sulfate Tablets "DSEP"

■ Fiscal year ended March 31, 2026 New products (as of December 2025)

In December 2025, the Company launched Abiraterone acetate ester tablets (brand name: Zytiga® Tablets) as new AG prostate cancer treatment. By integrating this product into our existing lineup of oncology products, we aim to enhance synergy in sales and related business activities. In addition, we plan to launch Prasugrel Tablets DSEP (brand name: Efient® Tablets) and Prasugrel OD Tablets DSEP (brand name: Efient® OD Tablets) as new AG antiplatelet drugs in March 2026.

Launched in December AG	2026 To be launched in March AG
Abiraterone acetate tablets "DSEP" 	Prasugrel Tablets/ Prasugrel OD Tablets "DSEP"

4 Uncompromising quality control system

All pharmaceutical products are manufactured in the manufacturing plants with manufacturing control and quality control that conform to the Pharmaceutical Good Manufacturing Practice (GMP, manufacturing and quality control rules for pharmaceutical products). To improve the level of its control

to supply high-quality pharmaceutical products to patients, the Company secures and assures the quality of its pharmaceutical products in accordance with the Good Quality Practice (GQP, a quality control standard for pharmaceutical products).

■ Manufacturing plant audit system for quality assurance

When developing products, DAIICHI SANKYO ESPHA CO., LTD. conducts quality assurance surveys with a joint developer when applying for the approval of the manufacturing and sale of the product. In addition, the Company checks the manufacturing conditions prior to receiving the approval of the manufacturing and sale of the product and conducts a GMP audit before the launch of the product to assure the quality of its products.

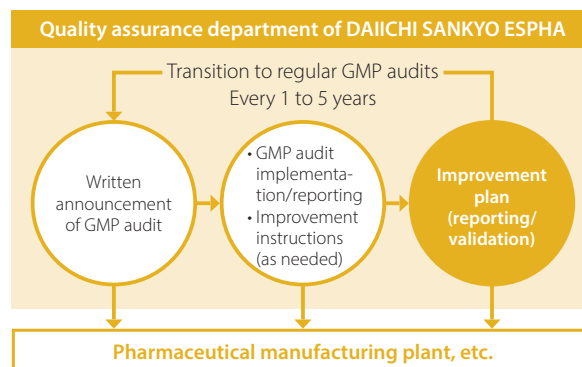
The Company also conducts regular GMP audits of the contract manufacturing plants which are manufacturing its existing products. In addition, the contract manufacturing plants cooperate in the audits conducted by the Company to check that a GQP-complaint management system is in place, aiming for the same level of quality assurance as the original drugs.

◆ Fujinaga Pharm Co., Ltd.

Fujinaga Pharm is a pharmaceutical manufacturer that was founded in 1924. Its main business domains are psychiatry and dermatology. In 1943, it was the first in Japan to succeed in the synthesis and mass production of phenobarbital. Today, this drug is widely used in the treatment of psychiatric disorders. Glyteer, a drug for treating skin disorders, has also been supported for many years by medical practitioners. One generic drug that the Company supplies to the market is Fujinaga lithium carbonate tablets, which are used mainly for sleeping disorders and depression.

Fujinaga Pharm joined the QoI Group in August 2019, which triggered the Group's entry into the Pharmaceutical Manufacturing Business. Since then, the Company has continued

GMP audit system



its solid management by valuing the stable supply of high-quality pharmaceuticals while investing in the Imaichi Factory (Nikko-shi, Tochigi), its in-house manufacturing equipment, and developing and building sales networks. It has thus established a unique position in the industry.



COLUMN

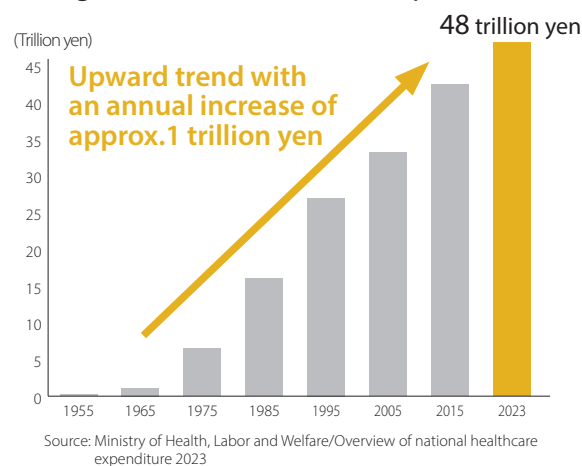
Response to social issues

Contributing to the reduction of healthcare costs with generic drugs

In Japan, where the aging of the population has accelerated, an urgent task is the reduction of healthcare costs which continue to rise. The national healthcare expenditure continues to rise. They totaled 48.1 trillion yen and reached 386,700 yen per person*1 in FY3/2024. To maintain Japan's medical care system, in which the national healthcare expenditure is mostly covered by medical insurance benefits, the Ministry of Health, Labour and Welfare is seeking to optimize healthcare costs. This includes encouraging the use of generic drugs to reduce medication costs. The Ministry has also set specific targets of increasing the rate of use of generic drugs in all prefectures to 80% or higher in terms of quantity and 65% or higher in monetary terms by the end of FY3/2030.*2

The QoI Group's Pharmaceutical Manufacturing Business will help achieve these targets through the development and sale of generic drugs including AGs, thereby supporting Universal Health Coverage. The Group will firmly maintain the quality and stable supply of its generic drugs, building a society where people can live in prosperity and good health.

Change in national healthcare expenditure



*1 Ministry of Health, Labour and Welfare, Overview of national healthcare expenditure 2023 (Japanese only)
<https://www.mhlw.go.jp/toukei/saikin/hw/k-iryohi/23/dl/R05data.pdf>

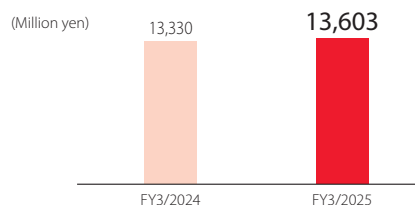
*2 Ministry of Health, Labour and Welfare, Review of the basic 4th Medical Cost Optimization Plan (Japanese only)
<https://www.mhlw.go.jp/content/12401000/001309909.pdf>



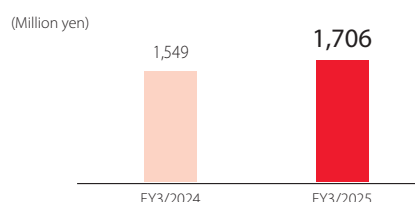
BPO Contracting Businesses



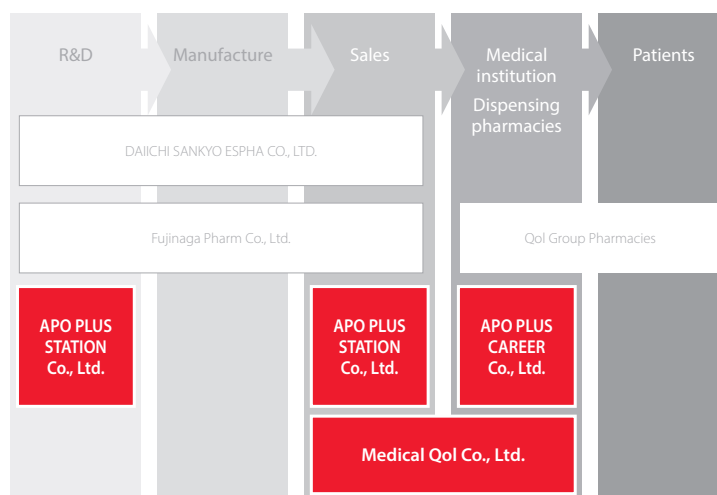
Net sales



Operating profit



Overview of Group Growth Strategy



Business Outline

The BPO Contracting Businesses are operated mainly by three companies: APO PLUS STATION Co., Ltd., which operates a Contract Sales Organization (CSO) Business, including the dispatch of MRs, and a Contract Research Organization (CRO) Business, including support for clinical trials; APO PLUS CAREER Co., Ltd., which operates the Medical Professional Referral Dispatch Business; and Medical Qol Co., Ltd., which is engaged in the publishing business, including the production of promotional materials related to medicine and science.

The BPO Contracting Businesses accounted for 5.2% of net sales and 10.0% of operating profit in our consolidated financial results for the fiscal year ended March 31, 2025. Among the BPO Contracting Businesses, the Medical Professional Referral Dispatch Business has a high profit margin, and it contributed to the improvement of overall profitability.

Breakdown of the BPO Contracting Businesses



*In addition, we develop and operate IT systems for medical institutions and the healthcare advertising business.

◆ APO PLUS STATION Co., Ltd.

CSO Business/CRO Business

APO PLUS STATION, a core company in our BPO Contracting Businesses, operates its mainstay CSO Business and CRO Business. The Company focuses on recruiting excellent human resources and developing them through training to fulfill needs on the front lines of pharmaceutical product sales and clinical trials, where a high level of expertise is required.

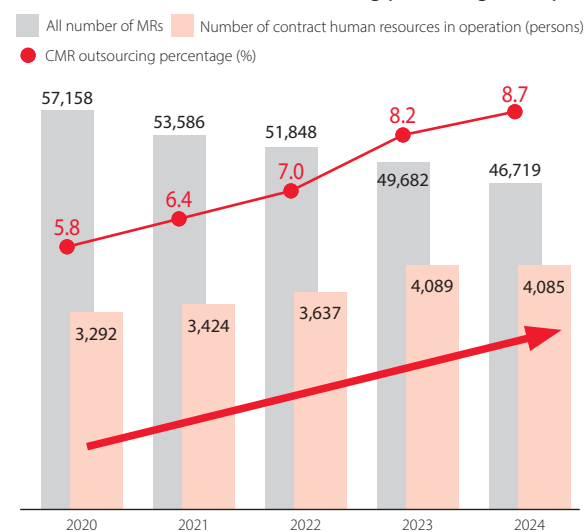
As of March 31, 2025, the Company has an approximately 14% industry share in terms of the number of contract MRs (CMRs) dispatched in the CSO Business. The number of companies employing CMRs is increasing, and the number of companies engaged in business with APO PLUS STATION is also increasing every year.

Pharmaceutical products can be split into the primary area, in which they are used to treat common diseases such as colds and lifestyle-related diseases, and the specialty area, which is the area where you find drugs for treating cancer, immunological diseases, and other health problems. In recent years, pharmaceutical companies have valued the development of new drugs in the latter area. In response to this trend, APO PLUS STATION is strengthening its system for training contract MRs who can also serve in the specialty area.

In Japan, the total number of MRs has been trending downward, but the percentage of companies outsourcing the work to contract MRs has been increasing. APO PLUS STATION taps into the needs for MRs that are specialized in medical apps and medical equipment, as well as those specialized in pharmaceutical products, aiming for further expansion.

In the CRO Business, the Company is engaged in contracted development in a wide range of areas, including prescription drugs, OTC drugs, functional foods, and healthcare products. In clinical trials and research regarding these products, the Company provides total solutions from planning to publication, and these solutions are highly acclaimed by customers.

Number of MRs and CMR outsourcing percentage in Japan



Source: Japan CSO Association, Overview of the survey on the actual situation of CSO business in Japan

◆ APO PLUS CAREER Co., Ltd.

Medical Professional Referral Dispatch Business

APO PLUS CAREER is engaged in the Medical Professional Referral Dispatch Business. In its mainstay pharmacist dispatch business, the Company is ranked among the top ten in the industry in terms of the number of dispatched pharmacists. It is also ranked among the top three in terms of the number of dispatched health nurses. Regarding registered sales clerk, the APO PLUS Touhan Navi website offering job seeker and recruitment information operated by APO PLUS CAREER has

acquired wide support. It was rated no. 1 in an image survey* when compared against similar websites.

The Company also operates other businesses providing services that include business succession and management support services for pharmacies and Health and Productivity Management consulting services for companies.

*Image survey comparing nine recruitment websites specialized in registered sales clerk (March 2022), conducted by DO HOUSE Inc. (the name of the company changed to excire Inc. on January 1, 2024)

◆ Medical Qol Co., Ltd.

Medical publishing business

Under its mission, to produce medical communication, Medical Qol is engaged in the planning and production of promotional materials related to medicine and science and in support for the creation and revision of safety management information, including pharmaceutical interview forms, drug information (DI), and notification documents. The Company also supports the establishment of relationships between medical professionals through its editing and publication businesses. In July 2025, the Company launched Monthly QOL VIEW, a comprehensive medical information magazine. This magazine provides multifaceted information about the latest trends in medical policy and the medical field, which is well-received by medical professionals.

In recent years, the Company has focused on convention services providing comprehensive support for the holding of lectures and administrative services, as well as compliance services including the review of presentation slides used in lectures on medicine or science and examination of promotional materials.



Comprehensive medical information magazine
Monthly QOL VIEW

Promotion of Sustainability

As a company listed on the Tokyo Stock Exchange Prime Market, it is essential that we grow sustainably to enhance our economic value. At the same time, a portion of the medical revenue generated by our businesses comes from social security expenditures. Accordingly, we believe that our mission is to return the profit we generate through our growth to society. We have defined the value that we should provide to society as QSV (QoI Sustainability Value), and we have established the following policy and structure to advance initiatives.

◆ Sustainability basic policy

Working with all of our stakeholders, we aim to improve the sustainable quality of life of everyone through our business activities by addressing social issues and providing new value through new technologies.

◆ Sustainability management

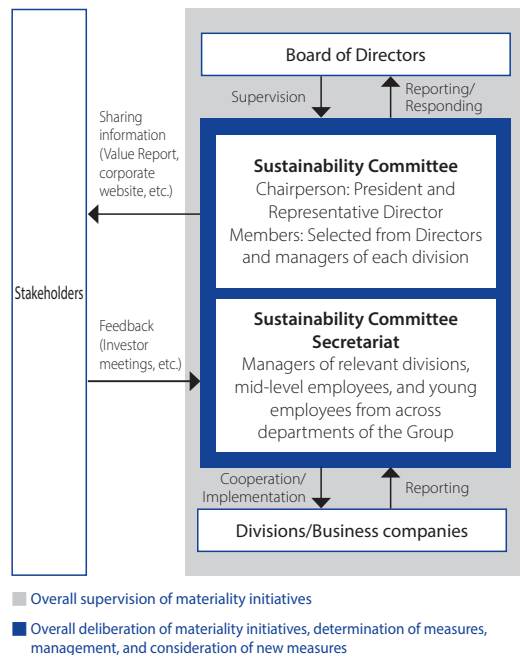
The Sustainability Committee is chaired by the President and Representative Director and consists of Directors and managers of each division. The committee (1) investigates sustainability trends, (2) reflects them in business strategies, (3) identifies and reviews important issues (materiality), and (4) monitors progress and evaluates the achievement status.

Further, to ensure that the decisions made by the committee lead to action, we have established the Sustainability Committee Secretariat as an organization subordinate to the committee. Through these efforts, we have established a structure that mid-level employees and young employees are able to participate in, in addition to the managers of related divisions throughout the Group, as we strive to implement measures that incorporate diverse perspectives and ideas.

◆ Materiality (Important Issues) and KPI

	ESG issues	Materiality	Important themes
E S G	- Climate change measures - Resource recycling - Waste management	Climate change measure	- Reducing environmental impact - Active use of natural energies - Reduction of waste of pharmaceutical products - Reduction of CO₂ emissions - Reduction of GHG emissions from electricity usage
	- Contribution to local communities - Diversity promotion - Product quality and safety - Strengthening of personnel training	Improvement of quality of life in local areas	- Job creation - Support for medical personnel - Educational support for the next generation - Response to an aging society - Contribution to local communities - Lectures to the public
		Improvement of quality of life of employees	- Promotion of diversity - Promotion of human resource development - Promotion of work-life balance - Diversification of welfare and working environments - Effective use of human resources through DX promotion
		Contribution to the quality of life through sustainable medical care	- Strengthening of supply chain management - Strengthening of organizational capabilities to realize seamless medical care - Strengthening of comprehensive healthcare support
	- Transparent management and information disclosure - Complete compliance	Creation of new medical value	- Development of partnership business - Creation of new solutions in the medical and healthcare fields
		Strengthening of corporate governance	- Strengthening of the effectiveness of the Board of Directors - Strengthening of compliance - Ensuring appropriate information disclosure and transparency - Strengthening of information security - Establishment of BCP

Sustainability implementation structure



Process to identify materiality

The Qol Group has identified its materiality (important issues) to address social and environmental problems and other sustainability-related issues toward the establishment of a sustainable society. See here for details of our process to identify materiality.

<https://www.qolhd.co.jp/eng/sustainability/materiality.html>

[Initiatives taken in and after FY3/2025]

- Review of KPIs for materiality (important issues)
- Calculation and disclosure of Scope 1, 2, and 3 emissions and consideration of measures to reduce GHG emissions
- Certification acquired under an international initiative related to the reduction of greenhouse gas emissions (Science Based Targets initiative)
- Formulation of the Human Rights Policy, Environmental Policy, and Supply Chain CSR Policy
- Acquisition of KENKO Investment for Health certification (Health & Productivity Management)

Related SDGs	Target/KPI
	- Reduction of product waste rate... 1.7% by 2030* - Group GHG emissions ... 100% reduction in GHG emissions (Scope 1 and 2) by the end of FY3/2051 ... 42% reduction in GHG emissions (Scope 1 and 2) compared to FY3/2024 by the end of FY3/2031 - Plastic bag usage rate... Within 8% by 2030/Within 5% by 2050* *Coverage: Qol Co., Ltd.
	- Number of community medical coordination pharmacy - Number of pharmacy in cooperation with specialized medical institutions - Number of health support pharmacy - Number of family pharmacists - Number of health events held
	- Female manager rate: 50% by 2030* - Percentage of eligible male employees using childcare leave - Percentage of employees who receive secondary health checkups - Remaining certified under the Eruboshi and Kenko Investment for Health programs (Health & Productivity Management Outstanding Organizations Recognition Program)* *Coverage: Qol Co., Ltd.
	- Safety confirmation drill reporting rate: 100% - Water stops as a countermeasure against flooding - Ongoing improvement of BCP and enhancement of practical skills - Electronic prescription record book
	- Digital prescriptions usage rate - Online medication instruction provision rate
	- Number of outside directors - Number of female directors - Board of Directors evaluation score

Message from an Outside Director



I am committed to helping the Company strengthen its governance to achieve growth and increase its corporate value.

Motoyuki Miyazaki Outside Director
(Audit & Supervisory Committee Member)

Career summary

April 1981 Joined The Dai-Ichi Kangyo Bank, Limited (current Mizuho Financial Group, Inc.)
February 1994 Seconded to The CIT Group, Inc.
March 2001 Registered as a certified public accountant
April 2001 Joined Chuo Aoyama Audit Corporation
July 2007 Auditor, Association of Asset Based Lending of Japan (to present)
July 2007 Partner, Tohmatsu Audit Corporation (current Deloitte Touche Tohmatsu LLC)
August 2017 Resigned from Deloitte Touche Tohmatsu LLC
October 2017 Executive Officer, TRUVA Group Holdings, Inc.
January 2018 Executive Deputy President, TRUVA Group Holdings, Inc.
June 2019 Outside Audit & Supervisory Board Member of the Company
April 2021 Director, Regional Revitalization and Inbound Tourism Council
June 2021 Outside Director (Audit & Supervisory Committee Member) of the Company (to present)

Monitoring the Company from an objective perspective to ensure accountability to shareholders

I became an Outside Director of the Company in June 2021. This is my fifth year in this role. The fundamental role of the Board of Directors is to promote the Company's continued growth and increase its corporate value over the medium to long term while fulfilling its management responsibilities and ensuring the Company's accountability to its shareholders. The Board focuses particularly on increasing the profitability and capital efficiency of the Company's operations. To achieve these goals, I believe it is essential to outline fundamental management policies, including corporate strategies, and to create a management environment that allows executives to take appropriate risks. The Outside Directors are expected to perform their supervisory role effectively from an independent and objective perspective. It is important to effectively utilize our position, which allows us to monitor management from a perspective that differs from the common sense within the Company, and to bring together the broad knowledge, experience, and skills of the Board members and make the best decisions possible.

For nearly 20 years, I was focused on business management within financial institutions. I then worked at major auditing firms as a certified public accountant, where I advised clients on restructuring projects and the evaluation of businesses. After leaving the auditing firm, I worked for an operating company and took on the responsibility of launching new businesses. I was involved in the establishment and management of companies. My work primarily focused on liquidating business assets, developing composite financial assets, creating revitalization strategies through organizational restructuring and business reorganization, and supporting mergers and acquisitions. I believe it is my responsibility to leverage my expertise as a certified public accountant, along with my career experience in various

aspects of fundraising related to the management of corporations, to accurately identify issues, and provide effective recommendations. My goal is to contribute to the sustainable increase of corporate value, which will help the Company earn the trust of its shareholders, patients, customers, and local communities.

Working to implement a range of reforms to enhance corporate governance

Looking back on the past five years since I became an Outside Director, our corporate governance system has undergone various reforms. It has steadily evolved. In June 2021, the Company transitioned, moving from a statutory auditor system to a corporate structure with a single committee. This increased the transparency and fairness of its management. As of 2025, the Company has twelve Directors, including four Outside Directors. Outside Directors are 33% of the board. To enhance the quality of its decision-making, the Board of Directors provides detailed materials on management issues and strategic policies, as well as opportunities to have them explained, prior to meetings. This approach has steadily deepened and energized the Directors' discussions.

The opinions of some in the market suggest an expectation that we transition from having a management board to having a monitoring board. However, others say that completely separating the execution of business from its supervision may hinder the flow of information from the field to the board. This could potentially lead to the Board of Directors becoming little more than a formality. There are both advantages and disadvantages to this complete separation. We must thoughtfully evaluate the matter to determine the extent to which separation should be pursued.

I believe that deepening discussions and broadening the perspective of the Board of Directors will enhance its effectiveness. These discussions should focus on evaluating the validity of management strategies, monitoring progress

toward the achievement of KPIs, the assessment of risk management systems, and strategic oversight of sustainability and human capital, rather than focusing on the details of the Company's execution of business. As an Outside Director, I feel that I am expected to support these discussions from an independent perspective and provide my own unique perspective and expertise as appropriate.

Strengthening human capital to positively impact corporate value

The Group operates three main businesses: its Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting Businesses. It is accelerating growth by actively engaging in business alliances, mergers, and acquisitions. In recent years, the Group has actively pursued not only the quantitative expansion of its business through a traditional horizontal integration strategy, but also an increase in profitability through vertical integration, which has led to strong business performance. At the same time, there are structural challenges being encountered in this business environment, including the declining population, the shortages of pharmaceutical products and pharmacists, and the revision of drug prices.

In this environment, we face two significant challenges that we must address to demonstrate our strengths as a comprehensive healthcare company that operates in three businesses.

The first challenge is to strengthen human capital. During my time working at auditing firms, I came to understand the significance of intangible assets, such as human resources and knowledge. These assets support the growth of companies and their value, even though they are not reflected in financial statements. Human resources are the backbone of corporations. They are vital assets that determine their value. I believe we should provide pharmacists, who manage the Pharmacy Business, with greater opportunities for training and involvement in management from a higher perspective as specialists who understand their work environments better than anyone else.

To manage a business in today's world, it is increasingly necessary to not only have expertise in a single area but also advanced knowledge in multiple fields. As the number of opportunities for mergers and acquisitions continues to increase, I believe that pharmacists, who are familiar with workplace situations and have management knowledge, will become even more significant. To strengthen the connection between our management strategy and our human resources strategy, it is important that we enhance our development of pharmacists and other human resources with specialized knowledge and experience.

The post-merger integration process is crucial for the maximization of synergy.

The second challenge is the enhancement of governance and the post-merger integration (PMI) process. The Company has been expanding its scale by actively engaging in mergers and acquisitions. This strategy is viewed as being an effective way to expand the Group's business base and capture new growth opportunities. In April 2024, DAIICHI SANKYO ESPHA CO., LTD. joined the Group, and the

Pharmaceutical Manufacturing Business became the Group's second-largest business after the Pharmacy Business. It is expected that the Pharmaceutical Business will be a key growth driver. Given DAIICHI SANKYO ESPHA's position within the Group, we should aim to achieve even more synergy.

Companies invest significant time, money, and human resources in the completion of M&A deals, and they tend to neglect PMI. Currently, there is a strong emphasis on PMI as a key factor in ensuring the success of mergers and acquisitions. To ensure a successful PMI, unified corporate groups must strengthen their governance of management to fully implement growth strategies. It is crucial to concentrate not only on the financial integration of DAIICHI SANKYO ESPHA but also on the integration of the companies' corporate cultures, as well as their human resource management, compliance, and internal control systems. As we move forward with mergers and acquisitions, the challenge we face will be to continually strengthen governance throughout the Group.

My expectations for the Group as it strives to achieve the medium-term targets for the period leading up to FY3/2027

The Pharmacy Business has also expanded through various mergers, acquisitions, and business alliances. I feel that we can reduce costs by further improving the efficiency of our management of our businesses. One way to enhance profitability is to implement "Qolism" across all Group companies. The Qolism concept encompasses our nationwide store network, our strong collaboration with medical institutions and pharmaceutical companies, an educational system that promotes high levels of expertise, and a corporate culture that embraces challenges, even as we advance the DX of medical care. While it is likely that the Pharmacy Business will generate stable sales and profits, it will be challenging to achieve growth by relying solely on past successes. The business needs to transition from drug-centered operations to interpersonal operations that prioritize patients. The Company has strengthened its delivery of high-value-added services by promoting primary pharmacies, advancing the DX of medical care, expanding its home care business, and developing new businesses in the field of presymptomatic diseases. By further advancing these key initiatives, the Company can differentiate itself as the pharmacy of choice in local communities..

In the Pharmaceutical Manufacturing Business, given social issues such as the short supply of generic drugs, it is crucial to steadily advance our PMI with DAIICHI SANKYO ESPHA as mentioned above.

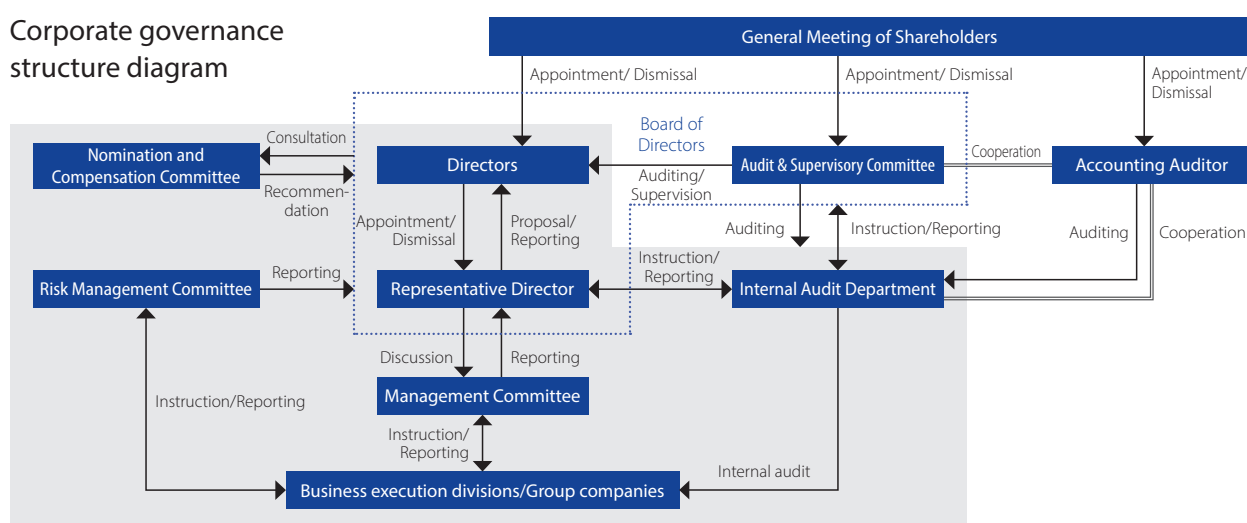
The size of the BPO Contracting Businesses remains small. However, they meet the outsourcing demand for sales support and clinical trial support from pharmaceutical companies, and the business environment is expected to remain favorable. In this business, the key will be how efficiently we can develop services to meet the expanding needs.

As an Outside Director, I will continue to assist the Company in taking appropriate risks and embracing challenges and make recommendations based on my expertise. In doing so, I hope to contribute to the increase of the Company's corporate value as a comprehensive healthcare company.

Basic views

The Qol Group recognizes that the Group must continually enhance its corporate value through its corporate activities based on its Corporate Philosophy, Slogan, Qol Group Vision, and Qol Group Charter of Corporate Behavior to respond to the expectations of all stakeholders including its shareholders, patients, and employees. In order to realize this, the Group regards the continuing strengthening of its corporate governance as an important management issue as a foundation for ensuring the soundness, transparency, and efficiency of its management, and the Group strengthens its management functions by appointing outside directors who meet the requirements of independent directors. In addition, the Group actively engages in dialogue with shareholders and investors, as a dialogue policy with shareholders, and discloses the information on its business situation, including the progress of its management plans, quantitative financial information, non-financial information such as corporate governance and sustainability initiatives in a timely and appropriate manner. The Group strives to respond to expectations from its stakeholders, including shareholders and investors, by making efforts to develop an appropriate environment for the exercise of shareholders' rights.

Corporate governance structure diagram



Overview of governance structure

Board of Directors	The Board of Directors consists of nine Directors (seven men and two women) excluding those who are Audit & Supervisory Committee Members and three Directors (three men) who are Audit & Supervisory Committee Members. The Board holds meetings in principle once per month to make decisions on important management matters as well as to manage and supervise the status of business execution.
Audit & Supervisory Committee	The Audit & Supervisory Committee is chaired by an Outside Director and consists of three members, two of whom are Outside Directors and one of whom is a Director. The Committee audits the legality and validity of the execution of duties by Directors (excluding those who are Audit & Supervisory Committee Members) in accordance with the Audit & Supervisory Committee Rules and Audit & Supervisory Committee Directors Auditing Standards.
Nomination and Compensation Committee	The Nomination and Compensation Committee, which functions as both a Nomination Committee and a Compensation Committee, deliberates and reports on the nomination and remuneration of Directors in response to consultations from the Board of Directors to enhance the fairness, transparency and objectivity of nomination and compensation procedures. The Nomination and Compensation Committee comprises three or more members who are Directors, the majority of whom are Independent Outside Directors.
Internal Audit Department	The Internal Audit Department under the direct control of the President conducts audits to ensure legal, appropriate and efficient operations, and makes proposals for improvement to relevant departments as necessary.
Risk Management Committee	The Risk Management Committee examines, consults and approves the policies and directions of overall management initiatives for risks (classified into external risks, business process risks, and internal risks) stipulated in the Risk Management Regulations and the scope of management crises stipulated in the Risk Management Detailed Regulations.
Management Committee	The Management Committee consists of Company and Group company directors designated as representative directors that, in principle, meet once a week to confirm the progress toward targets on both a Group-wide and Group company basis, deliberate on important matters, and determine policies in an attempt to hasten decision-making.
Sustainability Committee	In order to address sustainability issues such as social and environmental issues, the Company has established the Sustainability Committee chaired by the President and Representative Director as a subordinate organization of the Board of Directors of the Company. The committee has a structure that facilitates the participation of mid-level employees and young employees, in addition to managers of relevant divisions, to enable it to take advantage of people's diverse values and ideas in the implementation of its measures towards the establishment of a sustainable society.
System Committee	The System Committee meets regularly every month. It oversees the formulation of policies related to the development and operation of information systems and the information security management activities of the Group as a whole and the effective operation of the policies. It consists of members from many departments, including Directors, and it monitors and mitigates related risks in its efforts to enhance the transparency and stability of management.

Remuneration for directors

Matters related to policies concerning the determination of the amount of remuneration, etc. for directors or the calculation method thereof

1) Method of determining the policy for determining the elements of individual remuneration, etc. for Directors

In order to establish a remuneration system that functions sufficiently as an incentive to continuously improve corporate value, the Company consults the Nomination and Compensation Committee on the draft of the policy for determining the content of remuneration, etc. for each Director (hereinafter referred to as the "Decision Policy") and resolves the Decision Policy at the Board of Directors based on the contents of the report.

2) Summary of the contents of the Policy

1. Basic policy

The remuneration of Directors shall operate as a mechanism that functions sufficiently as an incentive to continuously improve corporate value, and it shall consist of monetary remuneration. Specifically, only monthly basic remuneration is paid within the range of the remuneration limit resolved at the General Meeting of Shareholders.

2. Ideas and procedures for remuneration of Directors

From the perspective of ensuring the appropriateness of the level of remuneration and the transparency of performance evaluations, the Nomination and Compensation Committee, which is made up with a majority of Outside Directors, formulates a draft of the amounts of remuneration for Directors based on comprehensive consideration of their positions, responsibilities, years of office, the remuneration levels of other companies, the Company's business performance, and the employee salary levels, and reports it to the Board of Directors.

Cross-Shareholdings (as of March 31, 2025)

The Qol Group will not engage in cross-shareholdings for investment purposes other than pure investment purposes except in cases where such holdings are deemed capable of sustainably enhancing Qol's corporate value due to factors including their importance to business strategies and the maintenance and promotion of relationships with business partners. Further, with regard to cross-shareholdings and disposal, the Board of Directors conducts verifications to review the reason for maintaining these shareholdings.

At present, the Company holds the stock at right for purposes other than pure investment purposes (The Company does not hold any stock for pure investment purposes.)

	Number of stocks	Value (million yen)
Unlisted stocks	2	13
Stocks other than unlisted stocks	3	117

Internal control system

The Company aims to steadily carry out its Corporate Philosophy, and it is promoting corporate activities based on high ethical standards that comply with the "Charter of Corporate Behavior," "Executive Officer and Employee Code of Ethics," and "Compliance Management Regulations" in accordance with laws, regulations, the Articles of Incorporation, and internal regulations. In addition, the Company established and operates an internal control system in order to ensure the effectiveness and efficiency of operations, the reliability of financial reporting, compliance with related laws and regulations, and the preservation of assets.

Compliance

Strengthening of compliance

The Qol Group strives to ensure complete compliance as a corporate mission to provide medical care and health maintenance and as a foundation for practicing management for society. We distribute the Qol Group Essential Information and Compliance Book to all Qol executives and employees to raise their awareness in ethics and compliance. In addition, compliance training is conducted as part of the Management Policy Meeting (held once a year), manager training (held once a year), and group training for new employees.

More information on the Qol Group Charter of Corporate Behavior is available on the site below.

<https://www.qolhd.co.jp/eng/company/behavior.html>

Reporting system

The purpose of the reporting system is to establish a mechanism for the proper handling of consultations and reporting from employees, etc. regarding organizational or personal violations of laws, to early detect misconducts and correct them, and thereby to contribute to the strengthening of compliance management. The points of contact for the reporting system and for consultations regarding possible violations of laws and regulations are managed by the same department in an integrated manner.

List of directors

							
Name		Takashi Nakamura	Takayoshi Ishii	Kiyonobu Fukumitsu	Shinobu Karasawa	Yutaka Togashi	Kei Imai
Position		President and Representative Director (Chair of the Nomination and Compensation Committee)	Representative and Senior Executive Director	Representative and Executive Director	Executive Director	Director	Director
Gender		Male	Male	Male	Female	Male	Male
Attendance at Board of Directors meetings* ¹		100% (16/16)	100% (16/16)	100% (16/16)	—	100% (16/16)	100% (13/13)
Attendance at Nomination and Compensation Committee meetings* ¹		100% (3/3)	—	—	—	—	—
Attendance at Audit & Supervisory Committee meetings* ¹		—	—	—	—	—	—
Skill matrix	Corporate management	●	●	●			
	Finance & Accounting			●		●	
	Pharmacy Business	●			●		●
	Pharmaceutical Manufacturing Business	●	●			●	
	Business strategy and Marketing	●	●	●	●		●
	M&A	●	●				●
	Legal affairs and Compliance	●		●	●	●	
	HR and Labor	●				●	
	Qualifications				Pharmacist		Pharmacist

Note: The above list does not represent all the knowledge and experience of each person. *¹ Fiscal year ended March 31, 2025

Reason for appointment as each Director

Takashi Nakamura President and Representative Director (Chair of the Nomination and Compensation Committee)	The Company has selected Mr. Takashi Nakamura as a Director based on its judgment that, with his wealth of experience at the Group as President and Representative Director since 2016, and his ability and insight into corporate management, he is expected to utilize his wealth of experience and knowledge in the Company's management.
Takayoshi Ishii Representative and Senior Executive Director	The Company has selected Mr. Takayoshi Ishii as a Director based on its judgment that, with his wealth of experience and track record in formulating and implementing business strategy in the Group's corporate planning and strategy divisions, he is expected to utilize his professional experience and knowledge in formulating and implementing the Company's medium- and long-term strategy.
Kiyonobu Fukumitsu Representative and Executive Director	The Company has selected Mr. Kiyonobu Fukumitsu as a Director based on its judgment that, with his wealth of experience and track record in the Group's management and administration, as well as his deep understanding of corporate management and the Company's business environment and management status, he is expected to utilize his professional experience and knowledge to strengthen the Company's administration and management.
Shinobu Karasawa Executive Director	The Company has selected Ms. Shinobu Karasawa as a Director based on its judgment that, with her wealth of experience and track record in contributing to the Group's Pharmacy Business promotion as President and Representative Director of a subsidiary which operates the Group's mainstay Pharmacy Business, and her high level of expertise as a pharmacist, she is expected to utilize such experience and knowledge in the Company's management.
Yutaka Togashi Director	The Company has selected Mr. Yutaka Togashi as a Director based on its judgment that, with his wealth of experience and track record in the management and administration as a director of a subsidiary which operates the Group's mainstay Pharmacy Business, and his involvement in management and administration across the entire Group, he is expected to utilize the professional experience and knowledge in the Company's management.
Kei Imai Director	The Company has selected Mr. Kei Imai as a Director based on its judgment that, with his wealth of experience in pharmacy operations and high level of expertise as a pharmacist, and with his experience and track record in formulating and implementing business strategy in the Group's corporate planning and strategy divisions, he is expected to utilize his professional experience and knowledge in formulating and implementing the Company's medium- and long-term strategy.

							
Name		Yuji Suzuki	Toshiko Kuboki Outside Independent	Yukiharu Yamamoto Outside Independent	Yasutoshi Mori Outside Independent	Motoyuki Miyazaki Outside Independent	Kazuo Ishii
Position		Director	Outside Director (Member of the Nomination and Compensation Committee)	Outside Director (Member of the Nomination and Compensation Committee)	Outside Director (Chairperson of the Audit & Supervisory Committee)	Outside Director (Audit & Supervisory Committee Member)	Director (Audit & Supervisory Committee Member)
Gender		Male	Female	Male	Male	Male	Male
Attendance at Board of Directors meetings ^{*1}		—	100% (16/16)	100% (16/16)	100% (16/16)	100% (16/16)	100% (16/16)
Attendance at Nomination and Compensation Committee meetings ^{*1}		—	100% (3/3)	100% (3/3)	—	—	—
Attendance at Audit & Supervisory Committee meetings ^{*1}		—	—	—	100% (8/8)	100% (8/8)	100% (8/8)
Skill matrix	Corporate management						
	Finance & Accounting			●	●	●	●
	Pharmacy Business	●					
	Pharmaceutical Manufacturing Business						
	Business strategy and Marketing	●					
	M&A						
	Legal affairs and Compliance	●	●				
	HR and Labor						
	Qualifications	Pharmacist	Lawyer	Certified Tax Accountant	Certified Tax Accountant	Certified Public Accountant	Certified Public Accountant

Yuji Suzuki Director	The Company has selected Mr. Yuji Suzuki as a Director based on its judgment that, with his high level of expertise as a pharmacist and a wealth of experience and track record in supervising and operating the Group's Pharmacy Business companies, he is expected to utilize his professional experience and knowledge and contribute to further development of the Pharmacy Business for the entire Group.
Toshiko Kuboki Outside Director (Member of the Nomination and Compensation Committee)	The Company has selected Ms. Toshiko Kuboki as an Outside Director based on its judgment that she is expected to fulfill the role of supervising the management from an objective and professional standpoint independent of business execution, as she has a wealth of expertise and practical knowledge in corporate legal affairs as well as abundant experience in medical cases as a lawyer.
Yukiharu Yamamoto Outside Director (Member of the Nomination and Compensation Committee)	The Company has selected Mr. Yukiharu Yamamoto as an Outside Director based on its judgment that he is expected to fulfill the role of supervising the management from an objective and professional standpoint independent of business execution, as he is capable of utilizing his expertise in finance and tax affairs as a certified tax accountant, and his experience in specialized tax consulting across a broad range of industries, including dispensing pharmacies.
Yasutoshi Mori Outside Director (Chairperson of the Audit & Supervisory Committee)	The Company has selected Mr. Yasutoshi Mori as an Outside Director who is an Audit & Supervisory Committee member based on its judgment that, considering his high level of specialized knowledge as a certified tax accountant and professional experience and knowledge accumulated to date, he is expected to supervise the execution of duties by directors from an objective and fair standpoint.
Motoyuki Miyazaki Outside Director (Audit & Supervisory Committee Member)	The Company has selected Mr. Motoyuki Miyazaki as an Outside Director who is an Audit & Supervisory Committee Member based on its judgment that, considering his wealth of specialized knowledge regarding corporate accounting audits as a certified public accountant, and deep familiarity with audit operations, he is expected to supervise the execution of duties by directors from an objective and professional standpoint.
Kazuo Ishii Outside Director (Audit & Supervisory Committee Member)	The Company has selected Mr. Kazuo Ishii as an Outside Director who is an Audit & Supervisory Committee Member based on its judgment that, with his wealth of experience at the Group, which he gained from his track record of serving in the Company's finance and internal audit divisions, and through serving as Audit & Supervisory Board member of a subsidiary which operates the Group's mainstay Pharmacy Business, as well as professional knowledge regarding corporate accounting audits as a certified public accountant, he is expected to strengthen audit functions.

Message from the Officer in Charge of Human Resources



We will increase corporate value
by maximizing the synergy between
our human capital in our Pharmacy,
Pharmaceutical Manufacturing, and
BPO Contracting Businesses.

Yutaka Togashi

Director in Charge of Human Resources
Qol Holdings Co., Ltd.

At the Qol Group, human capital is the most important management resource supporting our sustainable growth. The Group has sought to develop human resources with a strong sense of mission and high ethical standards who are medical professionals contributing to local community medical care. The Group has primarily grown through its Pharmacy Business. We have provided advanced education to pharmacists to develop human resources who possess expertise. They are a key source of corporate value.

In April 2024, DAIICHI SANKYO ESPHA CO., LTD. became a consolidated subsidiary, and this significantly altered the relationships between our businesses. We have recruited and developed the human resources necessary in each of our three businesses: the Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting Businesses. As the Group transforms, there is increasing demand for human resources that possess expertise in a wide range of areas. It is therefore essential that we enhance our human capital strategy. This is a significant turning point for the Group. We understand that our human resources strategy going forward is directly linked to our future corporate value.

The Company is thus working to strengthen the sense of unity throughout the Group and create an environment that facilitates collaboration between its human resources in different business areas. We have published the Qol Group Lifelong Education Declaration, which defines the types of human resources the Group aims to develop. This declaration states that every staff member, regardless of their job or role, should adopt the declaration as their personal guidelines. They are encouraged to engage in lifelong learning to

provide continual medical care as true professionals possessing a heart that allows them to focus not only on patients' diseases but also on them as individuals. The declaration is not just a statement of our philosophy. It is also the cornerstone of the Group's human resource development activities. By leveraging our shared values, we will integrate the expertise of our Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting Businesses to establish a foundation that fosters new value creation.

A large portion of the staff in the Pharmacy Business are women, which makes the promotion of women's participation in the workplace a crucial management initiative. Developing systems and a corporate culture that enable various human resources to continue to thrive will directly lead to lower employee turnover and productivity improvement. It will also reinforce our sustainability as a corporation from an ESG perspective. To achieve workstyles that value diversity, the Group has long been committed to employing people with disabilities. In 2009, we established the special subsidiary Qol Assist Co., Ltd., and it now employs individuals with severe disabilities. As the Group has grown, the number of employees has increased. We now have over 50 employees working from home.

Investing in human capital is not a short-term expense, but a management initiative that yields returns over the medium to long term. The Group aims to continue to maximize the synergy between its human capital in its Pharmacy, Pharmaceutical Manufacturing, and BPO Contracting Businesses to increase its corporate value.

Social

Materiality | Improvement of quality of life in local areas

Contribution to local communities

The Group utilizes its knowledge and skills as medical professionals to promote various social contribution activities that are needed by local communities and communication activities that integrate into the local society. Employees voluntarily plan and carry out these activities, which are a unique culture and characteristic of Qol.

Our sports pharmacists and nationally certified nutritionists supporting the health of athletes

To support athletes and para-athletes, the Qol Group has established a support team consisting of pharmacists with up-to-date expertise in the anti-doping area (sports pharmacists) and nationally certified nutritionists.

In particular, the Group considers supporting people with disabilities to be an essential element in building a sustainable society. As an initiative to achieve this purpose, we concluded a partnership agreement with the Japan Inclusive Football Federation (JIFF) in 2022. We support inclusive football associations and teams through workshops and dietary and nutritional counseling provided by sports pharmacists and nationally certified nutritionists.



Workshop on nutritional management for the members of Japan's women's national blind soccer team

Cooperation with local governments to maintain and promote the health of the community

As a corporation involved in healthcare, the Qol Group is proactively promoting activities that contribute to increasing community residents' awareness of health and extending their healthy lifespan in collaboration with local governments, industry organizations, and partner companies.

In 2025, we signed a comprehensive cooperation agreement regarding the promotion of people's awareness of cancer and the improvement of the cancer screening rate with the governments of Saitama Prefecture and Miyagi Prefecture. Using our pharmacies as bases, we distribute brochures, put up posters, and have our pharmacists and medical administrative staff implement activities to promote cancer screening and other initiatives, as part of our efforts to share correct knowledge regarding cancer and improve the cancer screening rate.



Yoshihiro Murai, Governor of Miyagi Prefecture (left), and Shinobu Karasawa, President of Qol Co., Ltd. (right)

Collaborations with other industries

The Qol Group also collaborates with various companies in contributing to local communities.

At our pharmacies co-located with MUJI lifestyle goods retailer, we regularly hold seminars, health measurement sessions, and exercise classes. We also collaborate with the mobile sales buses of MUJI to sell OTC drugs and provide opportunities to receive health counseling to senior citizens and people living in rural areas, who have difficulty accessing pharmacies.



Activity involving a mobile sales bus

We ran a health counseling booth at Suntory Locomore Nordic Walk Festa, a health event specially co-hosted by Suntory Wellness Limited. At this booth, we measured visitors' bone density and provided them with health counseling. Through these opportunities, we provide community residents with information that helps them with preventive healthcare and lifestyle modification advice by leveraging the knowledge and expertise we have cultivated through the operation of pharmacies.



Our booth

Based on the desire to contribute to improving the quality of life of patients through medical care, the QoL Group has established an environment and system that allows a diverse range of human resources who share this philosophy to actively participate, invests in human resource development, and assigns the right people to the right positions. We implement initiatives for each of our materiality themes, thereby improving employee engagement and labor productivity and strengthening our human capital in our efforts to enhance our corporate value.

Diversity promotion

Active participation of women

Leveraging the QoL Group's high ratio of female employees (approximately 70%), we aim to increase the ratio of women in managerial roles by enhancing systems and measures that enable balancing childcare and work. Our goal is to achieve a 50% ratio for female employees in leadership positions, such as chief pharmacists and other pharmacy management roles, by 2030. As of March 31, 2025, the figure was 43.9%.

Percentage of people in leadership positions that are female in roles such as chief pharmacist and other pharmacy management roles

43.9%

*QoL Co., Ltd., as of March 31, 2025

Balancing childcare and work

The QoL Group has enhanced its systems to help employees balance childcare and work, including offering shorter working hours for those raising children up to the second grade of elementary school, which exceeds the statutory requirements, ensuring employees can continue their careers even as their circumstances change.

Percentage of male employees taking childcare-related leave

40.0%

*QoL Co., Ltd., as of March 31, 2025

Mid-career hiring

We are also prioritizing mid-career hiring, leveraging the expertise accumulated through APO PLUS CAREER Co., Ltd., which operates in the Medical Professional Referral Dispatch Business. We aim to further develop our business through the mid-career hiring of talented individuals, which we implement by leveraging Group synergies.

Employment of people with disabilities

The QoL Group is promoting the employment of people with disabilities, aiming to help build a society where all people can demonstrate their capabilities. As an initiative to achieve this purpose, we established special subsidiary QoL Assist Co., Ltd., the first of its kind in Japan's dispensing pharmacy industry, in February 2009.

QoL Assist promotes at-home employment for employees with severe physical disabilities, who have historically had few employment opportunities due to commuting challenges. Further, to foster interaction and increase the sense of unity of these remote employees, the company holds an annual general meeting as an opportunity to meet colleagues from across Japan in person. With these initiatives, the company is developing an environment where each employee can work with peace of mind, and it is creating a workplace where diverse human resources can participate actively.



Re-employment of retired employees (Post-retirement reemployment system)

With the post-retirement reemployment system, we strive to create an environment in which employees can work stably for a long period of time. The post-retirement reemployment system also enables us to pass on skills to the next generation, leading to the development of human resources far into the future.

Promotion of human resource development

Hiring of graduates

We believe that the stable recruitment of pharmacists, medical administrative staff, and career-track employees is an important measure for the sustainable provision of high-quality medical services. We are proactively recruiting. We hire around 250 new graduates every year.

In addition to providing information via our corporate website and social media, we build relationships with universities through activities such as visiting universities in different areas. Through these activities, we have strengthened our efforts to create points of contact with pharmacy students at an early stage. We also post interviews with our employees on external recruitment websites, thus widely communicating the appeal of our company and the career possibilities we offer.

Through these initiatives, we will steadily secure the human resources that will support community healthcare in the future.



Our voluminous corporate website for job seekers

Personnel system designed to foster employee growth

In 2021, we extensively revised the personnel system. This included the introduction of a framework enabling highly motivated employees to take on challenges to achieve early salary increases and promotions, along with the introduction of a job-based personnel system for management positions. These measures are designed to foster employee growth. Additionally, employees have monthly one-on-one meetings with their supervisors, providing opportunities to discuss concerns and future goals. In 2023, we launched a personnel system allowing medical administrative staff, referred to as “Medical Concierges (MCs)” at Qol, to be appointed as store managers. By revising the eligibility criteria, which previously limited the store manager role to pharmacists, we can now assign the most suitable person as the store manager for each store, regardless of their qualifications. This approach is expected to enhance our contribution to community healthcare.

*Supervising pharmacists under the Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices (PMD Act) are separately assigned to individual stores. A chief pharmacist may concurrently serve as the supervising pharmacist.

Specialized, practical training systems

At the Qol Group, we believe that our mission is to provide high-quality medical care by maintaining a mindset of supporting patients and their families both physically and mentally and sharing their wish for good health. To provide medical care as true professionals on an ongoing basis, we have built training systems to enable people to engage in self-development activities throughout their lives.

■ Development of medical personnel with a high level of expertise

Details ▶▶▶ Pharmacy Business P.20

Qol has established its own in-house certification systems, including the Qol certified pharmacist system, to develop a high level of expertise and skills within Qol. We also focus our efforts on training all employees as medical professionals with a strong sense of mission and high ethical standards. We have created a curriculum that emphasizes communication so that our employees will empathetically support every patient as a medical professional who protects their life and health.

■ Stratified training

We have defined the skills and knowledge required in each layer of our organization, as defined by things such as employees' ranks or positions, and we create annual training schedules for each of these layers. We provide practical training throughout the year, including not only lectures but also workshop-style training programs in which employees work together.

■ Support for voluntary self-development activities

To support employees learning voluntarily, we provide an e-learning system that all employees are able to access. We have developed an environment in which individuals are able to learn in accordance with their individual level that includes programs ranging from programs enabling people to learn the basics of being working adults to specialized training with the goal of facilitating the acquisition of up-to-date knowledge about the healthcare industry and training to enable pharmacists and other medical professionals to increase their knowledge and skills.

🔗 Promoting work-life balance

Promoting KENKO Investment for Health (Health & Productivity Management)

At the Qol Group, we believe that the good physical and mental health of our employees is an asset that companies possess (a management resource). We also believe that when every employee is able to work in good physical and mental health and with peace of mind, it leads to sustainable growth. To contribute to live healthy and prosperous lives in local communities, we are proactively implementing initiatives to maintain and promote the health of our employees, as they provide medical services every day.

As a result of these initiatives, Qol Co., Ltd., APO PLUS STATION Co., Ltd. and APO PLUS CAREER Co., Ltd. were certified under the 2025 KENKO Investment for Health certification (Health & Productivity Management) Program (large enterprise category), a program that commends enterprises that “strategically carry out efforts for the health of their employees and other workers from a management perspective” as defined by the Ministry of Economy, Trade and Industry of Japan.

The Qol Group will implement initiatives to continue to provide a working environment that enables its employees to work in good health and with peace of mind.



Developing a working environment where employees can work vibrantly

We understand that respecting the human rights of all of the people who are impacted by the Group's business activities is an essential part of our business activities. We have established the following policy to clearly indicate our commitment to respecting human rights.

For more details, please view our corporate site.
<https://www.qolhd.co.jp/sustainability/policy.html> (Japanese only)

Qol Group Human Rights Policy

The impact of climate change on society has been increasing and growing more serious every year. The Qol Group positions climate change as one of its important issues (materiality). Under the Qol Group Environmental Policy, we implement initiatives to help build a decarbonized society with the goal of passing down a sustainable society to future generations.

Disclosure based on TCFD

The Group announced its support for the recommendations of Task Force on Climate Related Financial Information Disclosure (TCFD) in December 2022. In line with the TCFD's goal of ensuring that companies and organizations appropriately disclose information on the risks and opportunities associated with climate change so that investors can make appropriate assessments, the Group is committed to appropriate disclosure according to the TCFD's framework, and to working toward the goal of a sustainable society and economy. The four frameworks recommended by the TCFD recommendations (governance, risk management, strategy, and metrics & targets) are as follows.

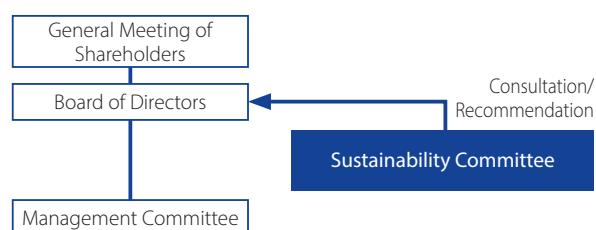
Governance

In order to contribute to the realization of a sustainable society through its business activities, the Group has established a Sustainability Committee, chaired by the President and Representative Director. The Sustainability Committee discusses matters related to sustainability and reports its findings to the Board of Directors. The Board of Directors makes decisions on important matters reported by the Sustainability Committee and supervises the committee.

In addition, we have established the Sustainability Committee Secretariat whose members consist mainly of the heads of relevant divisions of the Group, as a subordinate organization of the committee. The Sustainability Committee Secretariat submits proposals to the Sustainability Committee after deliberation and consideration of measures and KPIs to be implemented by the entire Group. It also manages the progress of measures decided by the Sustainability Committee.

Risk management

At the Group, for risks relating to overall business identified company-wide, the level of importance is identified based on factors including the degree of impact on management and likelihood of occurrence, and the Sustainability Committee manages matters to be addressed by the Group. It also reports the contents of these matters to the Board of Directors as appropriate.



Strategies

(i) Identification of significant risks and opportunities

Risks associated with climate change can be categorized into those resulting from the transition to a low-carbon society (transition risk) and those resulting from changes in weather patterns, such as more severe weather disasters (physical risk). Moreover, climate change can be viewed not only as a risk but also as an opportunity due to changes in patient behavior. The following are risks and opportunities associated with climate change that the Group considers to have a significant impact. We will review and carefully examine risks and opportunities as appropriate.

		Risks	Opportunities
Transition	Policies and laws and regulations	• Introduction of carbon tax • Tightening regulations on CO₂, plastics, and other emissions • Cost increase of energy procurement due to tighter regulations	• Competition through introduction of tax burden • Innovation in facilities and equipment due to tighter regulations
	Conversion of markets and technologies	• Opportunity loss in responding to customer needs • Cost increase for R&D and capital investment • Needs expansion for environmentally friendly products and packaging • Changes in health concerns and dietary	• Business opportunity increase for renewable products, low-carbon, etc. • Sales opportunity increase for environmentally friendly products • Efficiency improvement of resources, production, and logistics • Birth of new markets and accessibility to markets
	Reputation	• Changes in customer behavior and preferences • Changes in financing and investment conditions from financial institutions and investors, and divestment • Impact of delayed climate change-related disclosure on stock prices and investors	• Improvement of corporate value through proactive information disclosure • Changes in customer behavior and preferences • Improvement of internal and external reputation and acquisition of trust through climate change initiatives
Physical	Acute	• Aggravating extreme weather • Soaring prices and depletion of raw materials due to disasters • Increase in infectious diseases caused by climate change • Disruption of logistics due to extreme weather	• Strengthening of supply systems and customer acquisition by adapting to extreme weather conditions • Increase in climate change-related diseases
	Chronic	• Soaring prices and depletion of raw materials due to rising temperatures, and increase in management costs • Rise of sea level and tsunamis • Increase in infectious diseases due to rising temperatures • Increase in energy use due to increased air conditioning use • Water shortages and droughts due to changes in rain precipitation patterns	• Increase in infectious diseases • Development of products and services to meet the needs of rising temperatures • Limiting damage through systematic measures against climate change

(ii) Scenario analysis

Using the scenario analysis method, the Group has begun analyzing the impact on its business activities of all dispensing pharmacies and convenience stores and shops in the Pharmacy Business, and Fujinaga Pharm Co., Ltd. in the Medical-Related Business. This analysis is conducted in accordance with multiple scenarios drawn up by the IPCC (Intergovernmental Panel on Climate Change), IEA (International Energy Agency), and other organizations.

As mentioned earlier, we have organized the risks and opportunities based on the TCFD recommendations and external reports. The secretariat is currently leading the discussion to incorporate various opinions.

We also analyze the impact of each scenario and worldview on financial and business strategies, etc., not only negatively, but also expanding to positive impacts.

■ Metrics & targets

See “Decarbonization initiatives” below.

Target businesses	Pharmacy Business	Dispensing pharmacies, convenience stores and shops
	Pharmaceutical Manufacturing Business	Fujinaga Pharm Co., Ltd.
Scenario	Transition scenario	IEA WEO2019
	Physical scenario	IPCC AR5
Target period	2030, 2050	

Please refer to our corporate site for details of the Group's disclosure based on the TCFD.



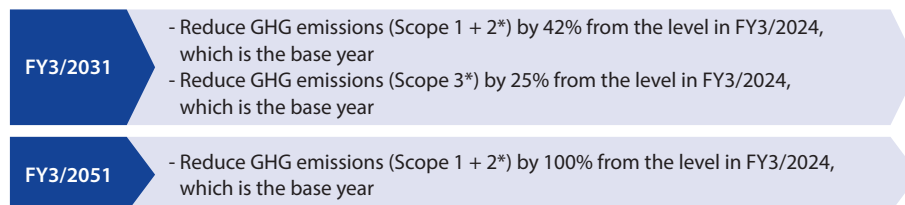
◆ Decarbonization initiatives

Certification obtained from SBTi, an international climate change initiative

To further accelerate our decarbonization initiatives, we have set new greenhouse gas (GHG) emission reduction targets. These new targets have been deemed to conform to the Paris Agreement, and we have obtained Science Based Target initiative (SBTi) certification. We will continue to further strengthen our initiatives to address social issues in a group-wide manner in collaboration with various stakeholders, thus helping build a sustainable society.

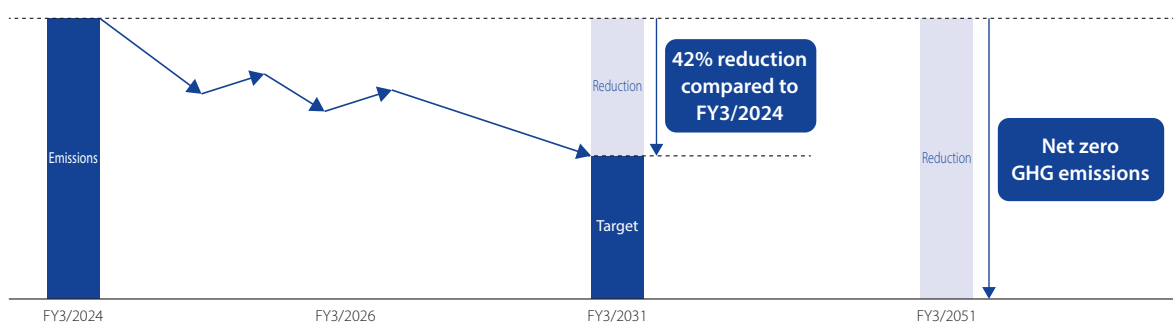


GHG emission reduction targets



*Scope 1: Direct emissions by a company from its use of fuels and industrial processes
 Scope 2: Indirect emissions from the use of electricity and heat purchased by a company
 Scope 3: Indirect emissions from the supply chain excluding Scope 1 and 2 emissions

Scope 1+2 reduction image



Main measures

Scope 1+2	- Develop a flow to grasp energy usage in each company - Switch existing store lighting to LED - Grasp electricity usage at own stores - Introduce electric vehicles - Install solar panels
Scope 3	Reduce GHG emissions by reducing container, packaging, and other materials, replacing them with alternative materials, and collaborating with business partners

Example initiatives

■ CO₂ reduction facilities and environmentally friendly model stores

The Qol Group strives for global environment conservation by reducing environmental impacts in all of its business activities. At pharmacies, we focus on store design that does not place a burden on the environment or stores with good energy-saving performance and CO₂ reduction facilities. Examples include solar panels on rooftops and highly energy-saving LED lighting.



Installation of monitors at stores to visualize electric power generation

■ Creation of disaster-resilient stores (installation of water stops)

In recent years, the risk of flooding has increased due to an increase in localized torrential rains and concentrated heavy rains. The Qol Group is installing rain stops so that we can continue to provide medical care even in the event of a disaster. We have created a list of stores in areas where there is a high risk of flooding and stores which have flooded in the past, installing water stops at them one by one. Through these efforts, we are increasing our stores' resilience in the event of a disaster.



Water stop installed at the entrance to a pharmacy

◆ Establishment of systems for the promotion of business with consideration for the environment

To promote business activities with consideration for the environment, we have established the following policies, and the Sustainability Committee plays a leading role in these activities. We will push forward with initiatives to address climate change and environmental pollution in collaboration with all of the Group's stakeholders.

For more details, please view our corporate site.
<https://www.qolhd.co.jp/sustainability/policy.html>

Qol Group Supply Chain CSR Action Policy (Japanese only)
 Qol Group Environmental Policy (Japanese only)

◆ Green Smile Project, a group-wide store greening campaign

The Qol Group is implementing the Green Smile Project, a pharmacy greening campaign. We grow flowers in planters and place ornamental plants within our pharmacies nationwide, aiming to make our pharmacies comfortable for patients, contributing to environmental protection and promoting people's understanding of the SDGs throughout Group.

Through the store greening campaign, we aim to ensure that our pharmacies are friendly to the environment and to patients, to embody the patient-centered approach and warmth reflected in our slogan: Always there to care.



◆ Inclusion in ESG ratings

As a result of our initiatives, including initiatives to address climate change and disclose information, in December 2025 we were selected to be a constituent of both the FTSE JPX Blossom Japan Index and the FTSE JPX Blossom Japan Sector Relative Index, which are indexes of Japanese companies that are implementing excellent ESG (environmental, social, and governance) initiatives.



**FTSE JPX Blossom
Japan Index**



**FTSE JPX Blossom
Japan Sector
Relative Index**

FTSE Russell confirms that Qol Holdings Co., Ltd. has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index and the FTSE JPX Blossom Japan Sector Relative Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossom Japan Index and the FTSE JPX Blossom Japan Sector Relative Index are designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossom Japan Index and the FTSE JPX Blossom Japan Sector Relative Index are used by a wide variety of market participants to create and assess responsible investment funds and other products.

Company Profile and Stock Information

Company profile (as of September 30, 2025)

Company profile

Name	Qol Holdings Co., Ltd.	Capital	¥5,786.89 million
Foundation	October 4, 1992	Total Number of employees (consolidated)	9,008 *Including temporary employees
Established	October 13, 1992	Stock exchange listed	Tokyo Stock Exchange Prime Market (Stock Code: 3034)
Representative	President and Representative Director Takashi Nakamura		

Stock information (as of September 30, 2025)

Stock situation

Total number of issuable shares	70,000,000 shares	Total number of issued shares	38,902,785 shares	Number of shareholders	19,762
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Principal shareholders

Name	Number of shares (shares)	Shareholding ratio (%)
Medipal Holdings Corporation	7,582,800	20.2
The Master Trust Bank of Japan, Ltd. (trust a/c)	3,327,300	8.9
MSIP CLIENT SECURITIES (Standing Proxy: Morgan Stanley MUFG Securities Co., Ltd.)	2,449,900	6.5
Qol Group Employee Stock Ownership Association	1,768,394	4.7
Takashi Nakamura	1,641,000	4.4
DAIICHI SANKYO COMPANY, LIMITED	1,304,000	3.5
Medipal Insurance Service Co., Ltd.	1,104,000	2.9
INTERACTIVE BROKERS LLC (Standing Proxy: Interactive Brokers Securities Japan Inc.)	990,800	2.6
BNP PARIBAS LUXEMBOURG/25/JASDEC/FIM/LUXEMBOURG FUNDS/UCITS ASSETS (Standing Proxy: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	875,000	2.3
NORTHERN TRUST CO. (AVFC) RE FIDELITY FUNDS (Standing Proxy: The Hongkong & Shanghai Banking Corporation Limited, Tokyo Branch)	862,900	2.3

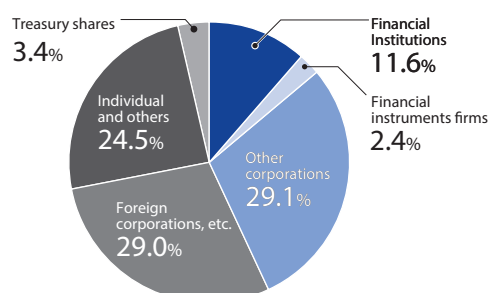
Notes 1. In addition to the above, there are 1,325,219 treasury shares

2. The 1,325,219 treasury shares do not include 59,500 shares under the name of the trust account exclusively for the Qol Group Employee Stock Ownership Association, which was established in conjunction with the introduction of the Trust-type Employee Shareholding Incentive Plan (E-Ship*).

3. The above shareholding ratios are the percentage of the number of owned shares to the total number of issued shares excluding treasury shares.

Breakdown of shares by type of shareholder

Percentage of issued shares owned by the shareholders



Shareholder	Number of shares (shares)	Number of shareholders (persons)
Financial Institutions	4,503,800	13
Financial instruments firms	935,709	29
Other corporations	11,330,567	135
Foreign corporations, etc.	11,285,044	142
Individual and others	9,522,446	19,442
Treasury shares	1,325,219	1

Data

◆ Data for the Last 11 Years (Financial and Non-financial Summary) (as of March 31, 2025)

	FY3/2015	FY3/2016	FY3/2017	FY3/2018
Fiscal years when medical fees and NHI drug prices were revised	Medical fees NHI drug prices		Medical fees NHI drug prices	
Operating results (Fiscal year)				
Net sales	114,363	124,957	131,502	145,516
Gross profit	13,017	15,793	16,876	19,648
Selling, general and administrative expenses	8,773	9,050	10,010	10,557
Operating profit	4,243	6,743	6,865	9,091
EBITDA ^{*1}	—	—	—	—
Ordinary profit	4,262	6,688	7,065	9,333
Profit attributable to owners of parent	2,155	3,709	4,353	4,986
Cash flows (Fiscal year)				
Cash flows from operating activities	7,841	7,539	5,813	11,116
Cash flows from investing activities	(5,066)	(3,348)	(15,392)	(3,775)
Cash flows from financing activities	278	4,085	7,435	(1,685)
Financial position (Fiscal year)				
Total assets	59,543	69,845	81,250	87,270
Net assets	19,152	21,022	21,632	35,935
Per-share information				
Net assets per share (yen)	557.42	602.36	652.42	936.74
Basic earnings per share (yen)	63.33	107.78	128.35	141.19
Financial and non-financial data				
Percent increase in consolidated net sales (%)	13.3	9.3	5.2	10.7
Selling, general and administrative expense ratio (%)	7.7	7.2	7.6	7.3
Consolidated operating profit margin (%)	3.7	5.4	5.2	6.2
ROA (%) ^{*2}	—	10.5	9.4	11.1
ROE (%) ^{*3}	11.9	19.5	20.7	17.4
Capital adequacy ratio (%) ^{*4}	32.2	29.7	26.2	41.2
Interest coverage ratio (x)	58.1	63.8	56.4	107.1
Capital expenditures	1,771	3,672	12,930	3,652
Depreciation	1,611	1,475	1,584	1,624
R&D expenses	—	—	—	—
Number of pharmacies	538	563	696	718
Number of employees ^{*5}	3,651	3,778	4,505	4,678

*The figures are rounded down to the nearest integer. However, percentages are rounded to the nearest tenth of a percent.

*1 EBITDA = operating profit + depreciation + amortization of goodwill. We began to disclose EBITDA in the fiscal year ended March 31, 2019.

*2 ROA = profit attributable to owners of parent / weighted-average total assets

*3 ROE = profit attributable to owners of parent / weighted-average equity

*4 Equity ratio = Equity / total assets

*5 Number of employees = regular employees + employees temporarily transferred from other companies

(Unit: Millions of yen)

FY3/2019	FY3/2020	FY3/2021	FY3/2022	FY3/2023	FY3/2024	FY3/2025
Medical fees NHI drug prices	Medical fees NHI drug prices	Medical fees NHI drug prices	NHI drug prices	Medical fees NHI drug prices	NHI drug prices	Medical fees NHI drug prices
144,783	165,411	161,832	166,199	170,036	180,052	263,972
17,863	21,094	21,102	23,163	23,504	23,249	39,056
10,812	13,361	13,737	13,308	14,009	14,925	25,591
7,050	7,733	7,364	9,855	9,495	8,324	13,465
11,168	12,353	12,035	14,588	14,379	13,566	21,827
7,208	8,024	7,403	10,094	10,098	9,256	13,831
3,908	4,067	3,365	5,489	5,656	4,880	5,164
5,773	4,468	12,912	10,112	11,662	13,533	12,593
(8,287)	(8,670)	(3,065)	(3,087)	(7,013)	(13,155)	(20,360)
2,906	(225)	(6,114)	(10,006)	(2,569)	7,969	7,201
94,236	102,872	100,571	95,984	101,905	117,779	159,669
39,017	41,001	41,834	43,881	48,856	52,837	62,138
1,006.55	1,074.57	1,124.31	1,189.70	1,134.69	1,414.43	1,521.14
101.73	107.23	89.55	149.51	152.96	131.11	137.97
(0.5)	14.2	(2.2)	2.7	2.3	5.9	46.6
7.5	8.1	8.5	8.0	8.2	8.3	9.7
4.9	4.7	4.6	5.9	5.6	4.6	5.1
7.9	8.1	7.3	10.3	10.2	8.4	10.0
10.5	10.3	8.2	12.9	12.2	9.6	9.4
41.1	39.4	40.9	45.7	47.9	44.8	35.8
61.1	37.5	115.2	100.1	130.7	124.0	56.4
6,241	15,417	2,104	1,733	4,510	2,314	4,177
1,718	1,649	1,580	1,565	1,680	1,848	4,031
—	—	—	—	—	—	262
766	805	811	834	900	920	920
5,070	5,336	5,517	5,620	5,746	5,856	6,254



Qol Holdings Co., Ltd.

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Qol Holdings Co., Ltd.