



Tokyo Stock Exchange Prime Listed
Securities Code: 3391



Post-Business Integration Vision

The Company's plans, earnings forecasts, and strategies appearing in this presentation are based on the judgement of the Company's management from information obtainable as of the date of this presentation. Please be aware that these correspond to forward looking statements and that actual results could vary greatly due to various risks and uncertainties outlined below.

December 1, 2025

Positioning and Assumptions of this Announcement

We were originally planning to release a new Medium-Term Management Plan in December 2025. However, given the effects of stock price movements and the calculation of goodwill, we will release this material as “Post-Business Integration Vision” for business integration with Welcia Holdings.

**This material outlines the basic direction toward integration and concepts of creating synergies and thus does not include numerical targets and financial forecasts.
(Numerical plan will be disclosed separately in April 2026.)**

Currently, at the theme-based subcommittee under the Medium-Term Management Plan Formulation Committee, practical discussions on integration are underway. Based on the progress in discussions, this material describes the vision.

Current Position Through Integration

Become the **undisputed No.1 drugstore company in Japan** with net sales of more than ¥2 tn:
a position close enough to have the **world's No.3** in sight

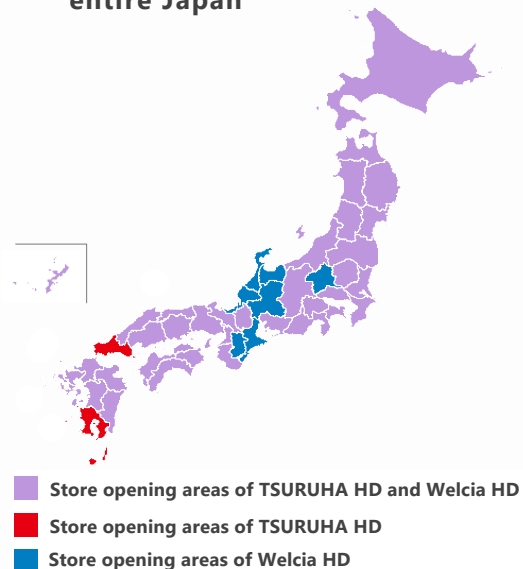
The undisputed No.1 scale and network in Japan ¹⁾

■ Group's overall picture after business integration



Number of stores in Japan **5,659** stores
Net sales **2.3124** trillion yen
Number of employees **116,343** employees

■ Store network covering the entire Japan



1) Figures as of the end of February (for net sales of TSURUHA HD, actual results for the FY May 2024 is combined)

2) Figures are converted using average annual exchange rates released by Federal Reserve Board (FRB)

Source) Materials released by each company

Strong presence globally

■ World drugstore ranking (FY2024)

	Company	Country or region	Net sales of retail business [billion dollars] ²⁾
1	Walgreens Boots Alliance	U.S.	127.3
2	CVS Health	U.S.	124.5
3	AS Watson Group	Hong Kong	24.3
4	dm-drogerie markt	Germany	20.7
5	Dirk Rossmann	Germany	16.6
6	TSURUHA HD + Welcia HD	Japan	14.8
7	MatsukiyoCocokara & Co.	Japan	7.0
8	COSMOS Pharmaceutical	Japan	6.4

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Management Philosophy / Medium-Term Vision We Aim to Achieve

Management
Philosophy

Provide affluence and leeway in the lives of our customers

Vision



Group vision

(reason for existence,
vision)

Evolve from a drugstore
into **a life store** that stays
close to people's lives



Value

(guiding principles)

Every action we take is
for our customers to feel
"I want to come back"



Brand promise

(promise to society)

Deliver exceptional value
that **inspires** every
customer

LIFE STORE

- Stores and service network that touch every corner of people's lives
- Continuously provide support throughout people's lives from birth to old age

Stores that "stay close to the very lives of customers" in and outside of Japan

Infrastructure that contributes to solving social issues through healthy and vibrant living



2 Phases toward Medium-Term Growth

Aim for transformation through 2 phases
For the first 3 years, proceed with base development to realize a life store

Integration
TSURUHA HOLDINGS
welcia

2.3¹⁾

2025

PHASE 1 (until February 2029)

Build a value creation base

Maximize synergies and build an operating base that creates value by promoting integration of people, goods, money and information

- Create synergies that are worth ¥50 bn in total for 3 years (A)
* ¥10 bn for Aeon group included
- Start enhancement of nursing care area and overseas business (B)

2027

2028

2029

PHASE 2 (until February 2032)

Fully operate value creation base

Accelerate realization of “a life store” upheld as a vision by fully operating value creation base that has been built

- Evolve into “a life store” including nursing care area
- Further promote overseas market operation

2030

2031

2032

[Trillion yen]

3.0

1) For TSURUHA HD, it is a figure for FY5/24 and for Welcia HD, it is a figure for the FY2/25

PHASE 1 | A. Progress in discussions on the synergies to be created

Promote Various Themes to Create Synergy Effects that are Worth 50 bn Yen ¹⁾ for the Next 3 Years

(Details of quantitative effects will be revealed in the Medium-Term Management Plan in April, 2026)

Measures to be implemented within 1 year of integration

Total amount for 3 years : 50 bn yen
(10 bn yen for Aeon group included)

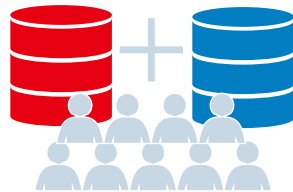
		FY2/27	FY2/28	FY2/29
Supply chain	Products (NB)	Negotiate prices for the same product from the same supplier		
		Integrate designated suppliers for the same product from other different suppliers		
			Integrate MD of both companies	
	Products (PB)	Renew PB, expand product development and change shelf layout (including expansion of TOPVALU utilization)		
			Enhance customer attraction capability through enhancement of PB product line-up/price reduction	
	Logistics	Improve logistics to execute PB/NB synergy measures (direct delivery to DgS center · installation of front DC for DgS, etc.)		
Indirect cost	Reduce costs through integration of terms and conditions and joint procurement	Joint delivery in some areas	Optimize delivery route for 2 DgS companies (linked to integration of designated suppliers · MD)	
		Integrate logistics of 3 companies (utilize logistics network of Aeon group)		
Data · DX	Centralize data as a value creation base	Revisit consignment fee		
		Negotiate joint procurement of electricity and switch contracts		
		Reduce costs for IT infrastructure, device purchase, and integrate product master		
			Integrate payment points	
Store development	Integrate store networks and reconstruct area strategies		Integrate customer database	
		Concept formulation · requirement definition · design for core system integration		
			Development · test for core system integration	
Dispensing	Establish dispensing model matched to each area	Improve revenue by switching store format (including renovation into drugs & foods)		
		Share development know-how · integrate material purchase		
			Revisit joint area strategy of new stores · store portfolio	
Human capital	Enhance human capital: a source of value quantitatively and qualitatively	Enhance current dispensing business (priority area)		
		Prepare dispensing data, built and roll out "a platform that offers self-care services"		
		Visualize human capital across the group	Enhance current dispensing business (nationwide)	
			Start job rotation across the group	
			Build and promote education system across the group	

We Stay Close to People's Lives Through Deep Understanding of Customers by Centralizing Data



Build customer database common to both companies

Integrate customer database



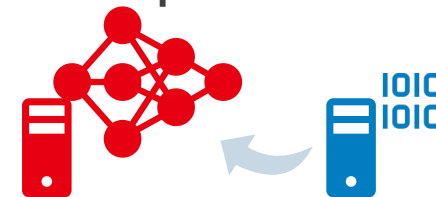
- Centralize customer database
- Provide beneficial information to each customer from approx. 100 million digital touchpoints

Become **"a company that best understands customers in Japan"** based on the centralized data



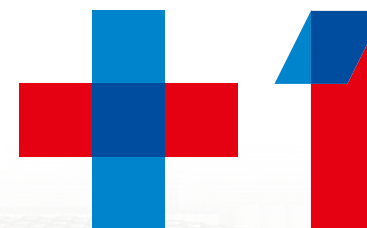
Integrate core systems

Integrate core systems of both companies at an early stage



- Centralize data from order receipt and placement to actual results within three years
- Build a data-driven management base

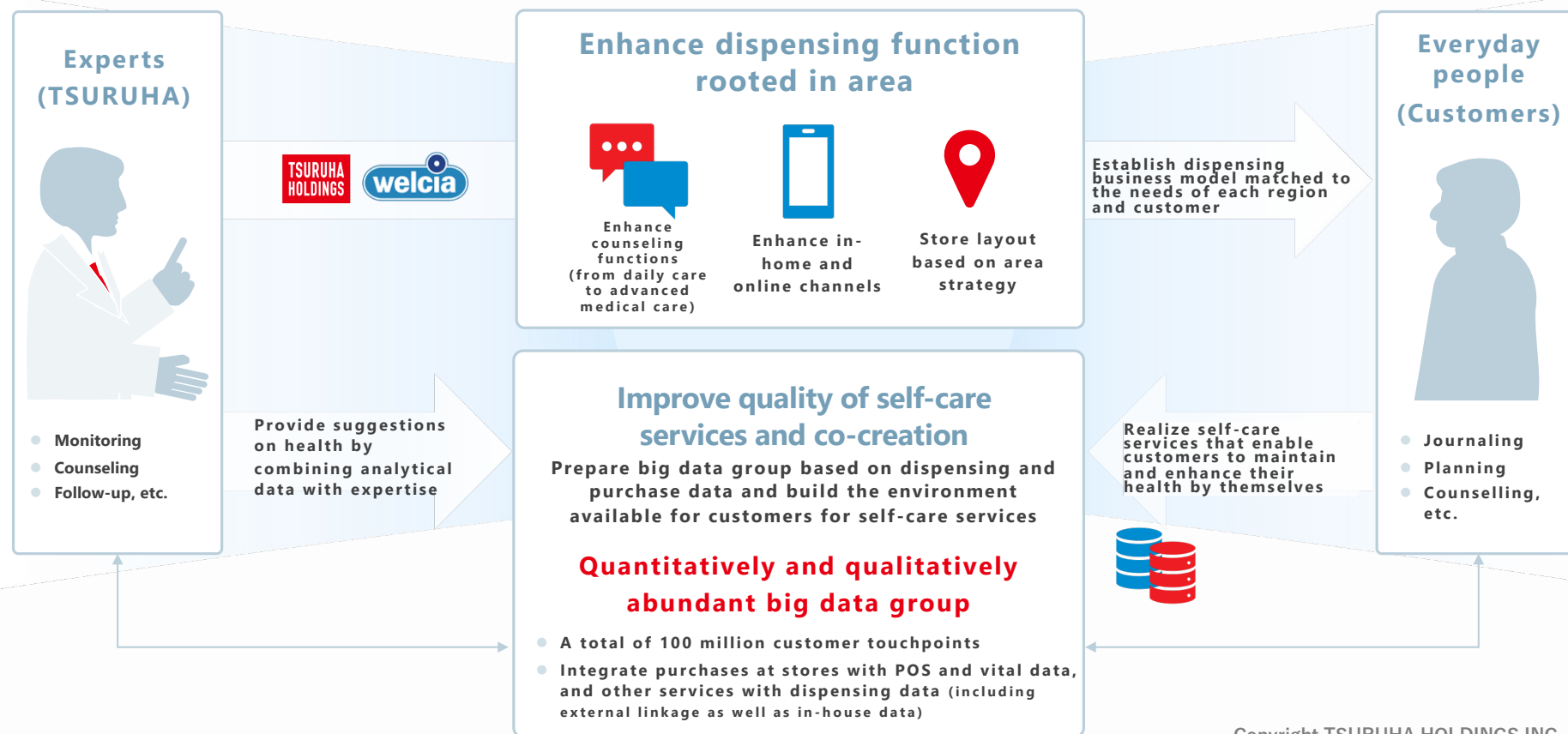
からだとくらしに、 Karada to Kurashi ni,



「ひとつひとつ、ひとつになろう。一人一人の、一日一日のために。」

A new private brand will be born from TSURUHA and Welcia.

We Stay Close to People's Lives Through the Enhancement of Dispensing Function and Improvement of the Quality of Self-Care Services



PHASE 1 | A. Progress in discussions on the synergies to be created

Data and DX

Product (PB)

Dispensing

Human capital

Overwhelming volume of human capital¹⁾

Number of employees

116,000 or more

Number of registered sellers 36,000 or more	Number of beauty experts 5,000 or more
Number of pharmacists 12,000 or more	Number of family pharmacists 3,000 or so
Number of registered dietitians 1,000 or more	Number of nutritionists 200 or more

Proposal skills x expertise

We stay close to people's lives through many human capital who have both competencies

High quality delivered by combined efforts of the group

Proposal skills of TSURUHA HD (counselling customer services)

Expertise of Welcia HD (Welcia model)

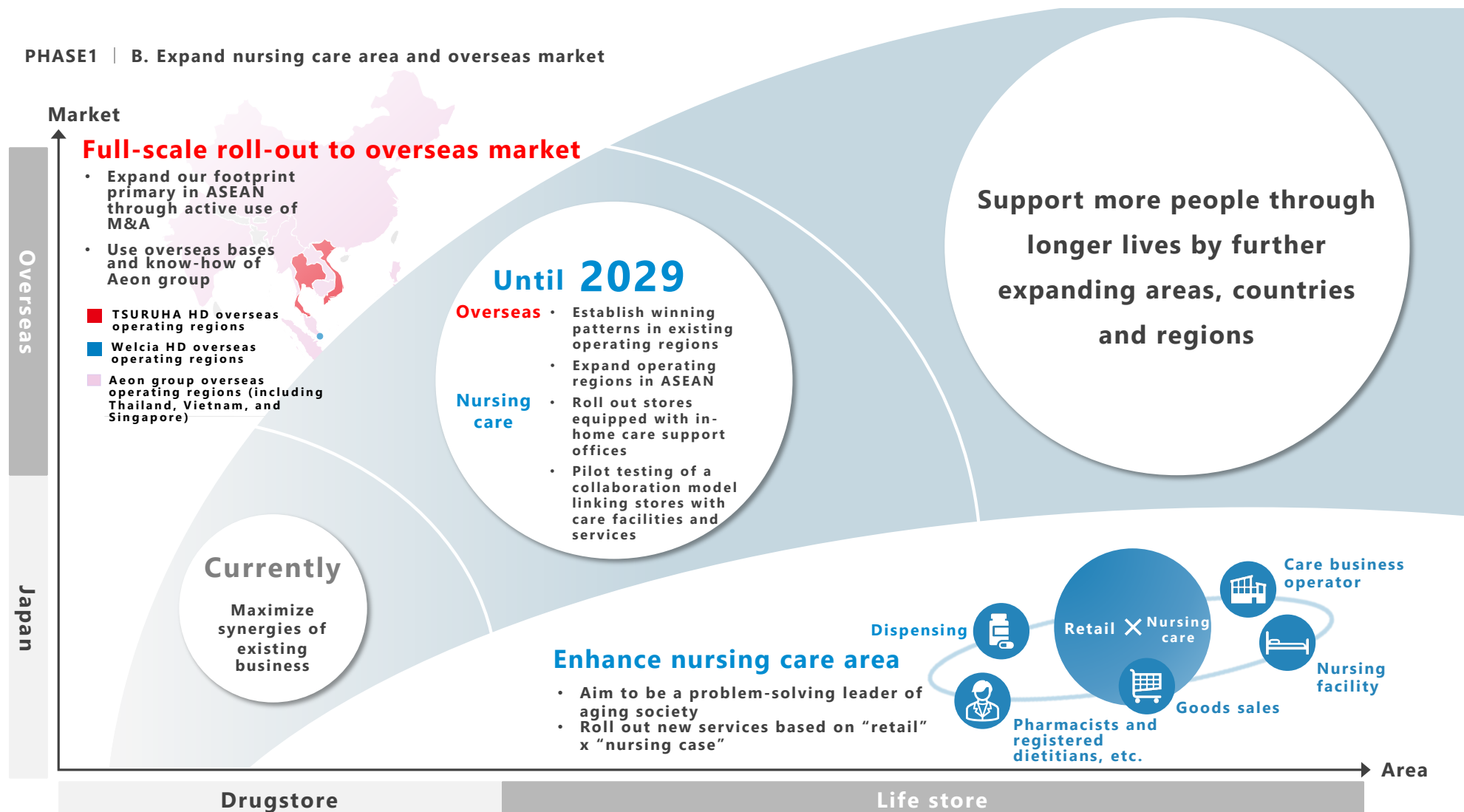
Best practice of store management

Drugs & foods operation know-how

Roll out in a way tailored to each region and store

¹⁾ Number of each personnel is as of the end of October 2025

PHASE1 | B. Expand nursing care area and overseas market



Corporate Governance Structure that Secures Independence

Post-integration scheme
(after January 2026)

AEON

Shareholding
ratio
50.9%

**TSURUHA
HOLDINGS**

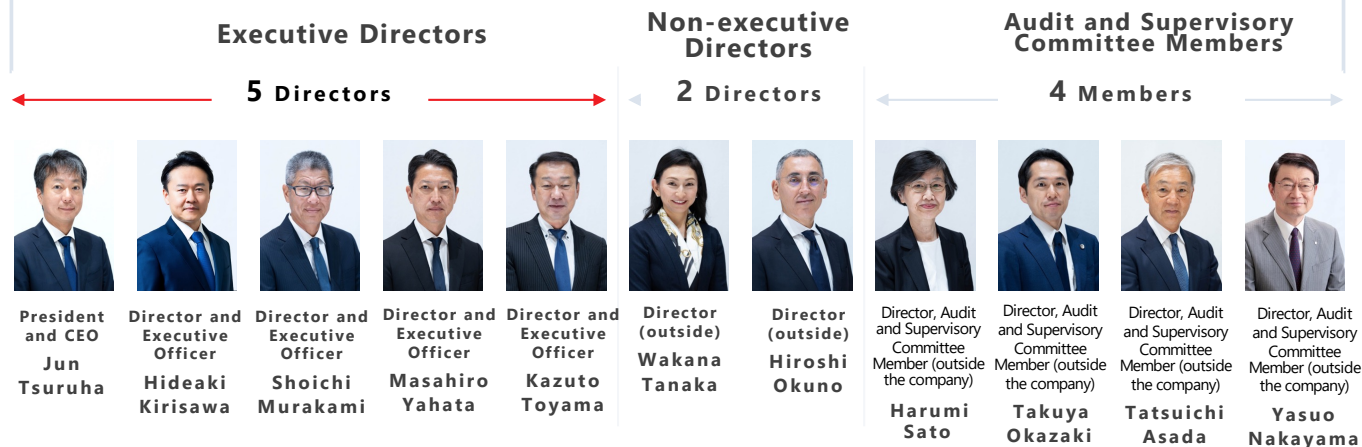
Maintain its
listing

100%

welcia

Secure autonomy and independence of management

The Company's board composition as of
December 1, 2025: 11 people in total



Secure independence in the Board of Directors structure

Aeon can send only 1 non-executive director to the Company

(After the Annual General Meeting of Shareholders scheduled to be held in May 2026)

(Repost) Management Philosophy / Medium-Term Vision We Aim to Achieve

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Vision



Group vision

(reason for existence,
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Value

(guiding principles)

Every action we take is
for our customers to feel
"I want to come back"



Brand promise

(promise to society)

Deliver exceptional value
that **inspires** every
customer

“Let’s Build the Future Together”



TSURUHA HOLDINGS

<https://www.tsuruha-hd.co.jp/>

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Intense price competition in the marketplace, changes in economic trends surrounding the business environment, significant volatility in capital markets, and various other elements of uncertainty.