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(Stock Exchange Code 3222)

May 7, 2025

(Date of commencement of measures for electronic provision: May 1, 2025)

To Shareholders with Voting Rights:

Motohiro Fujita
President and Representative Director
United Super Markets Holdings Inc.
(Head Office Address)
1 Kanda Aioi-cho, Chiyoda-ku, Tokyo
(Main Office)
2-9-17 Kandasurugadai, Chiyoda-ku,
Tokyo

NOTICE OF THE 10TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

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

Please be informed that the 10th Annual General Meeting of Shareholders of United Super Markets Holdings Inc. (the “Company”) will be held for the purposes as described below.

The Company has taken measures for electronic provision in convening this General Meeting of Shareholders and posted matters subject to measures for electronic provision as the “NOTICE OF THE 10TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” on the following websites on the Internet.

[The Company’s website]

<https://www.usmh.co.jp/ir/shareholders> (Japanese only)

- Please access the above website and review the “NOTICE OF THE 10TH ANNUAL GENERAL MEETING OF SHAREHOLDERS” in the “Notice of Annual General Meetings of Shareholders and Related Materials” section.

[Tokyo Stock Exchange (TSE) website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

- Please access the website of the TSE above, perform a search by inputting the name or securities code of the Company, and select “Basic information” and then “Documents for public inspection/PR information.”

If you are unable to attend the meeting in person, you can exercise your voting rights by mail (voting rights exercise form) or via the Internet, etc. Please review the Reference Documents for the General Meeting of Shareholders contained in the matters subject to measures for electronic provision and exercise your voting rights in accordance with the guidance on pages 3 to 4 of the Japanese original by 6 p.m. Japan time on Thursday, May 22, 2025.

1. Date and Time: Friday, May 23, 2025 at 10:00 a.m. Japan time

2. Place: Banquet Room “Hisho” (4th floor)
Asakusa View Hotel
3-17-1 Nishiasakusa, Taito-ku, Tokyo, Japan

3. Meeting Agenda:

Matters to be reported: 1. The Business Report, Consolidated Financial Statements for the Company’s 10th Fiscal Year (March 1, 2024 - February 28, 2025) and results of audits by

- the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
2. Non-consolidated Financial Statements for the Company's 10th Fiscal Year (March 1, 2024 - February 28, 2025)

Proposals to be resolved:

Proposal: Election of Seven (7) Directors

- Pursuant to the provisions of laws and regulations and Article 16, Paragraph 2 of the Articles of Incorporation of the Company, the following matters are not contained in the paper copy sent to shareholders who have requested it. The Corporate Auditors and the Accounting Auditor audit the documents subject to audit, including the following matters.
- “Part of Matters Concerning the Current Situations of the Group,” “Matters Concerning Shares of the Company,” “Part of Matters Concerning Company Officers,” “Matters Concerning the Accounting Auditor,” and “Systems and Policies of the Company” in the Business Report
 - Consolidated Financial Statements
 - Non-Consolidated Financial Statements
 - Accounting Audit Report on the Consolidated Financial Statements
 - Accounting Audit Report on the Non-Consolidated Financial Statements
 - Audit Report of the Audit & Supervisory Board

*If any revisions are made to the matters subject to measures for electronic provision, the revised content will be posted on the websites listed on page 1.

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- ◎ Video shooting and video/audio recording/keeping of the venue on the day of the meeting, as well as posting them on social media, are strictly prohibited.
 - ◎ The meeting will be live-streamed and questions from investors are accepted in advance. Shareholders who desire to watch the livestream or send a question are asked to review pages 5 to 6 of the Japanese original of this NOTICE.
 - ◎ Notice of Resolution of the Annual General Meeting of Shareholders will be posted on the abovementioned Company's website in lieu of mailing the notice.

Reference Documents for the General Meeting of Shareholders

Proposals and References

Proposal: Election of Seven (7) Directors

The terms of office of all six (6) Directors will expire at the conclusion of this year's Annual General Meeting of Shareholders. Accordingly, in order to further strengthen the Company's management structure and aim for further growth and increased corporate value, the Company proposes that seven (7) Directors be elected, including three (3) Outside Directors. The three (3) Outside Directors satisfy the requirements for Independent Director prescribed by the Tokyo Stock Exchange and the Criteria for Independence of Independent Outside Directors/Corporate Auditors specified by the Company as described on page 14. The Company has determined the matters on page 13 as the policy for nomination of candidates for Director and all the candidates for Director satisfy these requirements.

■List of candidates for Director

No.	Name	Position at the Company	Attendance at the Board of Directors meeting
1	Motohiro Fujita <u>Re-appointed</u>	President and Representative Director	100.0% (14/14)
2	Masaharu Homma <u>Re-appointed</u>	Vice President and Representative Director	100.0% (14/14)
3	Motoya Okada <u>Re-appointed</u>	Director and Advisor	100.0% (14/14)
4	Shigekazu Torikai <u>Re-appointed</u> <u>Outside Director</u> <u>Independent Director</u>	Director	100.0% (14/14)
5	Naoko Makino <u>Re-appointed</u> <u>Outside Director</u> <u>Independent Director</u>	Director	100.0% (14/14)
6	Shinobu Okamoto <u>Re-appointed</u> <u>Outside Director</u> <u>Independent Director</u>	Director	100.0% (14/14)
7	Takemi Ide <u>Newly appointed</u>		

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
1	Motohiro Fujita (July 11, 1955) Re-appointed	<p>March 1978 Joined KASUMI CO., LTD. May 2000 Director, KASUMI CO., LTD. May 2004 Managing Director, KASUMI CO., LTD. March 2005 Senior Executive Officer; Manager, Business Services Division; Manager, Compliance Control Office, KASUMI CO., LTD. May 2006 Manager, Development Division, KASUMI CO., LTD. May 2007 Senior Managing Director, KASUMI CO., LTD. February 2009 Manager, Store Development and Service Division, KASUMI CO., LTD. September 2010 Manager, Sales Managing Division; Manager, Food Market Managing Division, KASUMI CO., LTD. September 2011 Manager, Sales Control Division; Manager, Food Market Managing Division, KASUMI CO., LTD. March 2012 President and Representative Director, KASUMI CO., LTD. March 2015 Executive Vice-President, the Company March 2017 President and Representative Director, the Company (to present) Executive Officer responsible for the Supermarket Business, AEON CO., LTD. Director, KASUMI CO., LTD. May 2017 Director, MAXVALU KANTO CO., LTD. (to present) March 2019 Vice President and Representative Executive Officer responsible for the Supermarket Business, AEON CO., LTD. March 2020 Vice President and Representative Executive Officer responsible for the Supermarket Business and Merchandise/Logistics, AEON CO., LTD. March 2021 Vice President and Representative Executive Officer responsible for the Supermarket Business, AEON CO., LTD. March 2022 Executive Officer and Vice Chairman, AEON CO., LTD. March 2024 Chairman and Director, KASUMI CO., LTD. (to present)</p> <p>[Reasons to be nominated as candidate for Director] Mr. Motohiro Fujita is the President and Representative Director of the Company and has abundant experience and an excellent track record as a corporate manager in the formulation of medium- and long-term strategies, implementation of structural reforms, etc. The Company nominated him as a candidate for Director based on the judgment that his experience and insight make him a suitable person to serve as the Company's Director.</p> <p>[Special interests] There are no special interests between Mr. Motohiro Fujita and the Company.</p>	143,800

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
2	Masaharu Homma (October 11, 1969) Re-appointed	<p>March 1992 Joined The Maruetsu, Inc.</p> <p>March 2010 Manager, Corporate Planning Department, Corporate Planning Division, The Maruetsu, Inc.</p> <p>May 2013 Executive Officer; Manager, Corporate Planning Department, Corporate Planning Division, The Maruetsu, Inc.</p> <p>May 2015 Director, MAXVALU KANTO CO., LTD.</p> <p>March 2017 Executive Officer responsible for administration; General Manager, Corporate Planning Division, The Maruetsu, Inc.</p> <p>March 2019 Executive Officer; General Manager, Corporate Planning Division, The Maruetsu, Inc.</p> <p>May 2019 Managing Executive Officer; General Manager, Corporate Planning Division, The Maruetsu, Inc.</p> <p>May 2020 Director and Managing Executive Officer, General Manager, Corporate Planning Division, The Maruetsu, Inc.</p> <p>May 2021 Director, the Company</p> <p>March 2023 President and Representative Director, The Maruetsu, Inc. (to present)</p> <p>May 2023 Vice President and Representative Director, the Company</p> <p>March 2025 Vice President and Representative Director; General Manager, Corporate Strategy Division, the Company (to present)</p> <p>[Reasons to be nominated as candidate for Director] Mr. Masaharu Homma is the President and Representative Director of a subsidiary of the Company and has experience and an excellent track record as a corporate manager in finance, accounting, investment strategies, etc. The Company nominated him as a candidate for Director based on the judgment that his experience and insight make him a suitable person to serve as the Company's Director.</p> <p>[Special interests] There are no special interests between Mr. Masaharu Homma and the Company.</p>	13,450

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
3	Motoya Okada (June 17, 1951) Re-appointed	<p>March 1979 Joined JUSCO Co., Ltd. (currently AEON CO., LTD.)</p> <p>May 1990 Director, JUSCO Co., Ltd.</p> <p>February 1992 Managing Director, JUSCO Co., Ltd.</p> <p>May 1995 Senior Managing Director, JUSCO Co., Ltd.</p> <p>June 1997 President and Representative Director, JUSCO Co., Ltd.</p> <p>May 2002 Director and Advisor, AEON Mall Co., Ltd. (to present)</p> <p>May 2003 Director, President and Representative Executive Officer, AEON CO., LTD.</p> <p>May 2004 Director and Advisor, KASUMI CO., LTD.</p> <p>November 2005 Outside Director and Advisor, TSURUHA HOLDINGS Inc.</p> <p>March 2012 Director, President and Representative Executive Officer, and Group CEO, AEON CO., LTD.</p> <p>August 2014 Outside Director, KUSURI NO AOKI HOLDINGS CO., LTD. (to present)</p> <p>November 2014 Director, WELCIA HOLDINGS CO., LTD. (to present)</p> <p>March 2015 Director and Advisor, the Company (to present)</p> <p>March 2020 Director, Chairman and Representative Executive Officer, AEON CO., LTD. (to present)</p> <p>[Reasons to be nominated as candidate for Director] Mr. Motoya Okada is Director, Chairman and Representative Executive Officer of AEON CO., LTD. and has abundant experience and an excellent track record as a corporate manager who leads the AEON Group. The Company nominated him as a candidate for Director based on the judgment that his experience and insight make him a suitable person to serve as the Company's Director.</p> <p>[Special interests] Mr. Motoya Okada is Director, Chairman and Representative Executive Officer of AEON CO., LTD. Transactions between the AEON Group and the Company's subsidiaries The Maruetsu, Inc., KASUMI CO., LTD., MAXVALU KANTO CO., LTD. and Inageya Co., Ltd. include procurement of merchandise, store leasing, contracted credit operations, purchase of facilities, and member store contracts.</p>	0

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
4	Shigekazu Torikai (March 12, 1947) [Outside Director] [Independent Director] Re-appointed	<p>April 1975 Joined a tax accountant office</p> <p>April 1990 Registered as Attorney</p> <p>April 1994 Representative, Torikai Management and Law Office (currently Torikai Law Office) (to present)</p> <p>March 2015 Director, the Company (to present)</p> <p>June 2017 External Member of the Audit & Supervisory Board, Kurita Water Industries Ltd.</p> <p>June 2018 Outside Director, RISO KAGAKU CORPORATION</p> <p>January 2023 Outside Director, Murakoshi Holdings (to present)</p> <p>[Reasons to be nominated as candidate for Outside Director and his expected roles] Mr. Shigekazu Torikai has abundant experience of corporate legal affairs as an attorney-at-law and extensive knowledge of tax affairs and accounting. The Company considers that he can fulfill his duties as Outside Director appropriately and serve as Chairman of the Advisory Committee to supervise management in a highly effective way from an independent and objective standpoint by utilizing his experience and knowledge.</p> <p>[Special interests] There are no special interests between Mr. Shigekazu Torikai and the Company.</p> <p>[Years of service as Outside Director] Mr. Shigekazu Torikai will have served as Outside Director for ten years and two months at the conclusion of this General Meeting of Shareholders.</p>	0
5	Naoko Makino (January 28, 1968) [Outside Director] [Independent Director] Re-appointed	<p>April 1990 Joined Asako Aramaki Office Co., Ltd.</p> <p>January 1996 Freelance (Member of Association of Freelance Dieticians in Nakano Ward)</p> <p>March 2004 Representative Director, Studio Ku Ltd. (to present)</p> <p>May 2007 Council and Member of Editorial Committee, Japan Society of Food Science Education</p> <p>April 2013 Councilor, General Incorporated Association Japan Society of Food Science Education; Member of Editorial Committee, General Incorporated Association Japan Society of Food Science Education</p> <p>January 2016 Member of Planning Committee, General Incorporated Association Japan Society of Food Science Education (to present)</p> <p>May 2016 Director, the Company (to present)</p> <p>January 2022 Councilor, General Incorporated Association Japan Society of Food Science Education (to present); Member of Award Nomination Committee, General Incorporated Association Japan Society of Food Science Education</p> <p>[Reasons to be nominated as candidate for Outside Director and her expected roles] Ms. Naoko Makino started her career as a managerial dietician and currently is a member of the Japan Society for the Study of Obesity and serves as a lecturer for the lifelong education program of Kagawa Nutrition University and as a lecturer of Kagawa Nutrition University. The Company considers that she can leverage her abundant experience of food as a culinary expert and extensive knowledge about nutrition and cookery for management of the Company and also serve as a member of the Advisory Committee to supervise management in a highly effective way from an independent and objective standpoint.</p> <p>[Special interests] There are no special interests between Ms. Naoko Makino and the Company.</p> <p>[Years of service as Outside Director] Ms. Naoko Makino will have served as Outside Director for nine years at the conclusion of this General Meeting of Shareholders.</p>	0

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
6	Shinobu Okamoto (June 18, 1954) [Outside Director] [Independent Director] Re-appointed	<p>April 1977 Co-ordination Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau</p> <p>July 2005 Special Officer (Planning and Co-ordination), First Taxation Department, Tokyo Regional Taxation Bureau</p> <p>July 2006 District Director, Kawashima Tax Office (Tokushima Prefecture), Takamatsu Regional Taxation Bureau</p> <p>July 2007 Chief Examiner, Third Taxation Department, Tokyo Regional Taxation Bureau</p> <p>July 2008 Director, Planning Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau</p> <p>July 2009 Director, First Personnel Division, Management and Co-ordination Department, Tokyo Regional Taxation Bureau</p> <p>July 2012 Chief Internal Inspector, Commissioner's Secretariat, National Tax Agency</p> <p>June 2013 Assistant Regional Commissioner (Management and Co-ordination), Nagoya Regional Taxation Bureau</p> <p>July 2014 Regional Commissioner, Kumamoto Regional Taxation Bureau</p> <p>October 2015 Representative Partner, Shinobu Okamoto Certified Tax Accountant Office (to present)</p> <p>May 2016 Corporate Auditor, the Company</p> <p>June 2019 Outside Audit & Supervisory Board Member, YAMAICHI ELECTRONICS CO., LTD.</p> <p>June 2022 Outside Director (Audit and Supervisory Committee Member), YAMAICHI ELECTRONICS CO., LTD. (to present)</p> <p>May 2024 Director, the Company (to present)</p> <p>[Reasons to be nominated as candidate for Outside Director and his expected roles] Mr. Shinobu Okamoto has abundant experience of corporate accounting as a tax accountant and extensive knowledge of tax affairs and accounting. The Company considers that he can fulfill his duties as Outside Director appropriately and continue to serve as a member of the Advisory Committee to supervise management in a highly effective way from an independent and objective standpoint by utilizing his abundant experience and knowledge.</p> <p>[Special interests] There are no special interests between Mr. Shinobu Okamoto and the Company.</p> <p>[Years of service as Outside Director] Mr. Shinobu Okamoto will have served as Outside Director for one year at the conclusion of this General Meeting of Shareholders. (He served as Outside Corporate Auditor for eight years before becoming an Outside Director)</p>	0

No.	Name (Date of birth)	Career summary, positions and assignment in the Company and significant concurrent positions	Number of shares of the Company held
7	Takemi Ide (April 4, 1962) Newly appointed	<p>March 1985 Joined JUSCO Co., Ltd. (currently AEON CO., LTD.)</p> <p>September 2001 General Manager of Fishery Product Development Department, SSM Merchandising Division, JUSCO Co., Ltd.</p> <p>February 2003 General Manager of Sales Floor Development, Delicatessen Merchandising Division, JUSCO Co., Ltd.</p> <p>March 2004 General Manager of Fishery Products Department, SSM Merchandising Division, JUSCO Co., Ltd.</p> <p>September 2008 General Manager of Delicatessen Products Department, Food Merchandising Division, AEON Retail Co., Ltd.</p> <p>May 2011 Director and Manager of Product Division, MaxValu Tohoku Co., Ltd.</p> <p>May 2014 President and Representative Director, Sanyo Marunaka Co., Ltd.</p> <p>April 2016 Director, Managing Executive Officer, and Food Product Planning Division Manager, AEON Retail Co., Ltd.</p> <p>March 2017 Senior Managing Executive Officer and Minamikanto Company Branch President, AEON Retail Co., Ltd.</p> <p>March 2018 Executive Officer, Director, Vice President and Chief Officer of Sales, AEON Retail Co., Ltd.</p> <p>March 2019 President and Representative Director, AEON Retail Co., Ltd.</p> <p>March 2024 Executive Officer and Chief Officer of GMS, AEON CO., LTD.</p> <p>March 2025 Executive Officer and Chief Supermarket Business Officer, AEON CO., LTD. (to present) Advisor, the Company (to present)</p> <p>[Reasons to be nominated as candidate for Director] Mr. Takemi Ide has held important positions in the AEON Group for many years, including Director and Representative Director, and has extensive knowledge of product development, organizational development, and overall corporate management. He also has extensive management experience and an excellent track record in the general retail business. Currently, he oversees the Supermarket Business as Executive Officer of AEON CO., LTD., and he is deeply involved in the management of the Group. The Company has judged that his experience and insight make him a suitable person to serve as the Company's Director.</p> <p>[Special interests] Mr. Takemi Ide is Executive Officer of AEON CO., LTD. Transactions between the AEON Group and the Company's subsidiaries The Maruetsu, Inc., KASUMI CO., LTD., MAXVALU KANTO CO., LTD. and Inageya Co., Ltd. include procurement of merchandise, store leasing, contracted credit operations, purchase of facilities, and member store contracts.</p>	0

(Notes)

1. The Company has entered into agreements with Mr. Shigekazu Torikai, Ms. Naoko Makino, and Mr. Shinobu Okamoto to limit their liability pursuant to Article 423, Paragraph 1 of the Companies Act to the minimum amount stipulated in Article 425 of the said Act. Subject to approval of their reelection, the Company intends to continue the said agreements with them.
2. The Company has entered into a directors and officers liability insurance contract with an insurance company, which covers any loss or damage that may arise due to the insured assuming responsibilities for the execution of their duties or receiving a claim pertaining to the pursuit of such responsibilities. All candidates for Director will be covered as the insured under the said insurance contract. The Company plans to renew the said contract with the same contents the next time it expires.
3. Of the candidates for Director, Mr. Shigekazu Torikai, Ms. Naoko Makino, and Mr. Shinobu Okamoto are candidates for Outside Director.
4. Mr. Shigekazu Torikai, Ms. Naoko Makino, and Mr. Shinobu Okamoto satisfy the requirements for Independent Director prescribed by the Tokyo Stock Exchange and the Company designated Mr. Shigekazu Torikai, Ms. Naoko Makino, and Mr. Shinobu Okamoto as Independent Directors prescribed by the Tokyo Stock Exchange on which the Company's shares are listed and submitted a notification of the designation to the said Exchange. The Company considers that they satisfy the Criteria for Independence of Independent Outside Directors/Corporate Auditors specified by the Company.
5. The number of shares of the Company held is the number of shares of the Company held as of February

28, 2025. It does not include the number of shares of the Company held through the Executives' Shareholding Association.

<Reference>

“Policy for Nomination of Candidates for Director”

In nominating candidates for Director, the Company sees whether the person is capable of contributing to further development of the entire Group, based on the management philosophy of the Company. In addition, the Company comprehensively takes into consideration whether the person is capable of precisely identifying the issues of the divisions he or she is responsible for and solving the problems in cooperation with other managers and employees, has insights concerning compliance with laws and regulations and corporate ethics, and has other necessary qualities. The table below shows Directors’ skills and expertise that are expected to enhance the effectiveness of the Board of Directors.

Name	Title	Corporate Management	HR / Organizational Development	Financial/Accounting Investment Strategy	Legal / Governance	Business Transformation	Global Perspective	Consumer Perspective
Motohiro Fujita	Director Candidate	●	●			●		
Takekumi Ide		●	●			●		●
Masaharu Homma		●	●	●		●		
Motoya Okada		●				●	●	
Shigekazu Torikai	Director Candidate (Outside/Independent)	●		●	●			
Naoko Makino								●
Shinobu Okamoto			●	●	●			
Takeshi Nemoto	Corporate Auditor		●		●			
Tadayoshi Yoyogi					●			
Hirofumi Ishimoto	Corporate Auditor (Outside)			●	●			
Satoshi Mitsui	Corporate Auditor (Outside/Independent)			●	●			

“Criteria for Independence of Independent Outside Directors/Corporate Auditors”

1. He/she does not currently serve as Director (excluding Outside Director), Corporate Auditor (excluding Outside Corporate Auditor), Executive Officer, or employee of the Company or the Company’s subsidiaries (hereinafter the “U.S.M.H Group”) and he/she has not served as Director (excluding Outside Director), Corporate Auditor (excluding Outside Corporate Auditor), Executive Officer, or employee of the U.S.M.H Group in the past.
2. He/she has not served as Director, Corporate Auditor, Executive Officer, or employee of the Company’s parent company (*1) in any of the past ten business years.
3. He/she has not served as Director, Corporate Auditor, Executive Officer, or employee of the Company’s fellow subsidiaries (*2) in any of the past ten business years.
4. He/she has not served as Director, Corporate Auditor, Executive Officer, or employee of any of the Company’s major shareholders (*3) or of a company of which the U.S.M.H Group has been a major shareholder in any of the past five business years.
5. He/she does not serve as Director, Corporate Auditor, Executive Officer, or employee of any of the major suppliers/customers of the U.S.M.H Group (*4).
6. He/she does not serve as Director, Corporate Auditor, Executive Officer, or employee of any of the

- corporations, organizations, etc. that are recipients of a large amount of donations from the U.S.M.H Group (*5).
7. He/she has not served as Representative Partner, Senior Partner, Partner, or employee of the accounting auditor of the U.S.M.H Group in any of the past five business years.
 8. He/she is not an attorney-at-law, certified public accountant, consultant or other professional who receives a large amount of money (*6) or other property from the U.S.M.H Group other than remuneration for Directors/Corporate Auditors.
 9. He/she is not a spouse, a relative in the second degree of kinship, a relative residing together with the person specified below, or he/she is not in the same household as the person specified below:
 - (1) Director, Corporate Auditor, Executive Officer, or important employee of the U.S.M.H Group (*7)
 - (2) Person who has served as Director, Corporate Auditor, Executive Officer, or important employee of the U.S.M.H Group in any of the past five business years.
 - (3) Person who comes under the restrictions specified in the above Items 2.-8.
 10. There is no doubt about his/her independence in fulfilling his/her duties as Independent Director/Corporate Auditor.

- (*1) The “parent company” means a company that has control over the organ (General Meeting of Shareholders or the like) that decides the Company’s financial, sales or business policies.
- (*2) “Fellow subsidiary” means a company that has the same parent company (including a person controlling the Company’s management) as the Company.
- (*3) “Major shareholder” means a company that owns 10% or more of the total voting rights.
- (*4) “Major supplier/customer” means a company whose transactions with the U.S.M.H Group (amount paid or received) are equal to 2% or more of consolidated sales of the Company or of such company (including its parent company and significant subsidiaries) in the most recent business year and in any of the preceding three business years.
- (*5) “A large amount of donations” means donations exceeding ¥10 million per year on average in the past three business years, or 2% of consolidated sales or total revenues of the donation recipient, whichever the larger.
- (*6) A large amount of money means an amount exceeding ¥10 million per year on average in the past three business years in the case of an individual and, in the case of an organization, an amount exceeding ¥10 million per year on average for the past three business years or 2% of consolidated sales of the organization, whichever the larger.
- (*7) “Important employee” means an employee whose position is department manager or higher.

Business report (From March 1, 2024 to February 28, 2025)

1. Matters related to the current situation of the Group

(1) Progress and results of the business

In this consolidated fiscal year, the economic environment faced continuous price increases for food and services, putting pressure on household finances and making consumers more defensive in their spending patterns. Additionally, rising costs for raw materials, energy, logistics, and more showed no sign of subsiding, the number of corporate bankruptcies continued to increase, and the job availability rate fell below that of the previous year, casting a dark shadow over the entire economy throughout the year.

Even in the Tokyo metropolitan area, where various functions are concentrated and where population decline is believed to be relatively gradual, economic disparity between urban areas and rural areas, where the population continues to age, is widening. As a company that operates many stores in these areas, it is becoming increasingly necessary for us to strike a balance between low prices and high quality. It is also necessary for us to quickly create stores and product lineups that are suited to each region, while recognizing the different market environments in each region.

In this environment, we have taken advantage of our integration with Inageya Co., Ltd. at the end of November 2024 to fundamentally review the relationships between our operating companies and strengthen overall collaboration based on common values and ideas. We also began efforts to move towards a system that will build a strong management platform as the largest supermarket in the Tokyo metropolitan area. Specifically, we are working towards the following major goals: ① establishing a bulk purchasing and procurement system that leverages our scale to handle processed and daily foods, etc., ② improving the efficiency of common operations by consolidating back office departments such as human resources, general affairs, and IT in order to optimize costs, and ③ accelerating information sharing and enhancing marketing functions by integrating operations such as IT, logistics, and store development in order to improve the quality of operations.

Moreover, during this consolidated fiscal year, the Group commenced full-scale operations at the “Maruetsu Soka Delicatessen Center” in order to expand our lineup of prepared foods, which continue to grow, and reduce the workload at stores by starting to supply products to approximately 500 stores within the Group.

Operating revenue for this consolidated fiscal year increased to 114.8% compared to the previous term, due to an increase in customer numbers at existing stores of The Maruetsu, Inc., a recovery in customer numbers at Kasumi Co., Ltd., and the inclusion of figures for the newly integrated Inageya Co., Ltd. from October 2024 to February 2025. Gross profit was 115.9% compared to the previous term. The gross profit margin was lower than expected, partly because we kept prices unchanged, primarily for processed foods, in response to rising prices and an intensifying competitive environment. In addition, SG&A expenses increased by 16.2% compared to the previous term due to increases in labor, utility, and logistics costs, as well as investments in the Delicatessen Center. As a result, operating income decreased compared to the previous term. In addition, net income for this consolidated fiscal year decreased due to the inclusion of changes in the tax rate for size-based business tax caused by tax reforms at subsidiaries and changes in tax-effect accounting classification.

The Maruetsu, Inc., a subsidiary of the Group, saw an increase in the number of store visitors and average spend per customer compared to the previous term, resulting in an increase in operating revenue. Gross profit also improved, resulting in an increase in net profit.

Kasumi Co., Ltd. saw an increase in operating revenue due to a recovery in the number of store visitors and an increase in average spend per customer compared to the previous term. However, net income decreased by 3.0 billion yen compared to the previous term due to changes in the tax rate for size-based business tax and changes in tax-effect accounting classification that had a 2.1 billion yen impact.

In addition, MaxValu Kanto Co., Ltd. saw operating revenue decrease to 99.1% compared to the previous term due to the impact of the closure of one store at the end of the previous term. The gross profit margin also deteriorated by 0.7% compared to the previous term, which resulted in a decrease in operating income compared to the previous term. As a result, net profit was down 200 million yen compared to the previous term.

Inageya Co., Ltd. saw increased revenue and profit from October 2024 to February 2025.

As a result, the consolidated financial results for this consolidated fiscal year included operating revenue of 811.273 billion yen (a 14.8% increase from the previous term), operating income of 5.978 billion yen (a 13.4% decrease), ordinary income of 6.142 billion yen (an 11.4% decrease), and net profit attributable to the owners of the parent of 810 million yen (a 19.6% decrease).

During this consolidated fiscal year, The Maruetsu, Inc. opened four new stores, and Kasumi Co., Ltd. opened four new stores. On the other hand, to optimize management resources, The Maruetsu, Inc. closed two stores, and Kasumi Co., Ltd. closed three stores. With the addition of the 128 stores of Inageya Co., Ltd., which we

integrated with at the end of November 2024, the total number of stores in the Group at the end of the consolidated fiscal year was 660.

The Maruetsu, Inc. opened four new stores, including the Maruetsu Petit Inaricho Ekimae store, and revitalized 29 of its existing stores. Regarding products, we promoted the development of original products under the original brands “Maigokoro” (rice balls, sushi rolls, and other rice products) and “Umagokoro” (side dishes and other prepared food products), which are developed and manufactured at the “Maruetsu Soka Delicatessen Center.” We also actively worked to improve productivity by promoting the introduction of electronic shelf labels and self-checkout. With the aim of further improving customer convenience, the home delivery service, “Rakuraku Kuma-san Takuhaibin,” was expanded to 221 stores, and three new “mobile supermarket” vehicles were added, resulting in a sales system of five vehicles and 52 locations.

Kasumi Co., Ltd. continued to lower the retail prices of frequently bought products with the aim of increasing the frequency of customer visits to stores. At the same time, we strengthened sales of fruits and vegetables, the prices of which have continued to rise, by promoting them through events such as market displays. Moreover, to improve productivity, we reviewed the size of sales floors and systematically allocated man-hours to increase sales per man-hour. Additionally, in an effort to improve customer convenience, the number of mobile supermarkets in operation was increased to 75 vehicles and unmanned sales were expanded to 245 locations.

MaxValu Kanto Co., Ltd. strengthened its products and services that suit the lifestyles of local customers by expanding its “direct from the source products” in the fruit and vegetable and fresh fish departments, expanding its “MeetsValu” propriety products, and strengthening its “fresh prepared foods,” which are prepared in-store using fresh ingredients and then served as prepared dishes. Additionally, in collaboration with the city of Chiba, a third MaxValu Kanto “mobile supermarket” vehicle began operation in the Wakaba ward of Chiba city.

Inageya Co., Ltd. worked to revitalize 12 stores, including the Tachikawa Sakaecho store (Tachikawa City, Tokyo) and the Shiki Kashiwacho store (Shiki City, Saitama Prefecture). In addition, with the aim of increasing the frequency of customer visits to stores, we strengthened initiatives that include promoting product development, offering products at reasonable prices, developing new products in the prepared food section, and expanding the number of stores offering “fresh fish sushi” with an emphasis on fresh ingredients.

The Group operates the supermarket business as a single segment and omits segment information for other businesses due to their lack of importance.

(Reference Information)

Regarding the major consolidated subsidiaries during this consolidated fiscal year, the operating revenue of The Maruetsu, Inc. was 401.265 billion yen (a 2.9% increase from the previous term), Kasumi Co., Ltd. was 275.029 billion yen (a 1.9% increase), MaxValu Kanto Co., Ltd. was 44.765 billion yen (a 0.9% decrease), and Inageya Co., Ltd. was 89.497 billion yen (October 2024 to February 2025).

(2) ESG (Environmental, Social, and Corporate Governance) Initiatives

① Initiatives towards environmental and social contributions

The Group is committed to creating a carbon-neutral society by focusing on initiatives to reduce Global Warming Potential (GWP), such as reducing electricity usage, promoting the introduction of renewable energy, and switching from fluorocarbon refrigerants to natural refrigerants. The Group is also focusing on introducing food waste reduction measures and environmentally conscious materials to reduce food waste, and collecting recyclable resources in-store in collaboration with customers. In August 2024, the Group’s second food waste recycling business plan (food recycling loop) received ministerial certification from the Ministry of Agriculture, Forestry and Fisheries, the Ministry of the Environment, and the Ministry of Economy, Trade and Industry, and we will continue to work to increase the number of certified stores.

Additionally, we disclosed the “Integrated Report 2023” in May 2024, and for each item that the Group identified as a key issue, we will promote initiatives to achieve these goals while setting specific roadmaps and performance targets.

Each company within the Group is committed to strengthening connections with local communities by engaging in social contribution activities tailored to local characteristics and needs, food support activities together with customers, fundraising efforts, comprehensive cooperation agreements with local governments, and operating mobile supermarkets in areas with shopping difficulties to address local issues.

Going forward, the entire Group will continue to focus on activities that address local community issues, while expanding its environmental and social contributions with the addition of Inageya Co., Ltd.

② Initiatives for strengthening corporate governance

Based on our core philosophy, vision, and mission that form the backbone of our business activities, we have established a basic policy on corporate governance and disclosed it on our website. Our main initiatives include the establishment of a Human Resources and Compensation Advisory Committee and an Evaluation Advisory

Committee, composed mainly of independent outside executives, following the Annual General Meeting of Shareholders in May 2016. The Human Resources and Compensation Advisory Committee provides recommendations on compensation systems and amounts for our directors and subsidiary directors, while the Evaluation Advisory Committee continuously works on improving the effectiveness of the Board of Directors based on analyses and evaluations of its effectiveness.

(3) Challenges to be addressed

Cost-push inflation is expected to continue and the competitive environment in the Tokyo metropolitan area is expected to intensify across all business formats. In addition, the aging and declining population issue is expected to have a major impact on management. In this environment, we will take advantage of our integration with Inageya Co., Ltd. to fundamentally review the relationships between our operating companies and strengthen overall collaboration based on common values and ideas. We will also begin efforts to move towards a system that will build a strong management platform as the largest supermarket in the Tokyo metropolitan area. With the shared idea of positioning a customer-centric approach as our number one value, USMH headquarters functions will be transformed with the goals of ① leveraging our scale, ② optimizing costs and improving efficiency, and ③ improving the quality of operations, accelerating information sharing, and enhancing functions. Meanwhile, operating companies, just like the headquarters, will position a customer-centric approach as their number one value, analyze the current situation, review and strengthen in-store operations, and shift resource allocation to take a competitive advantage and promote initiatives to expand support. Based on the policy of “realizing true growth by continuing to take on the challenge of reforming the management structure with a customer-centric approach as our number one value,” the Group has formulated the fourth medium-term business plan, covering the three years from FY2025 (February 2026 term to February 2028 term), in conjunction with its operating companies. We will swiftly implement measures such as: ① strengthening store services (improving CX score) by improving services for customers as well as customer service by employees, ② strengthening core products such as fresh produce and delicatessen products, and improving the quality of service through enhanced employee training and education, and ③ consolidating and streamlining each company’s organization, such as human resources and general affairs, systems, and products.

(4) Financial and Profit and Loss Situation of the Group

Category \ By fiscal year	Seventh Period (FY 2021)	Eighth Period (FY 2022)	Ninth Period (FY 2023)	Tenth Period (FY 2024)
Net sales	701,159 million yen	691,981 million yen	690,498 million yen	793,986 million yen
Ordinary income	12,474 million yen	6,536 million yen	6,929 million yen	6,142 million yen
Net profit attributable to owners of the parent	5,374 million yen	1,336 million yen	1,008 million yen	810 million yen
Earnings per share	41.89 yen	10.41 yen	7.85 yen	5.44 yen
Total assets	280,741 million yen	278,729 million yen	285,505 million yen	382,604 million yen
Net assets	152,238 million yen	150,022 million yen	150,250 million yen	203,328 million yen
Equity ratio	54.0%	53.7%	52.5%	53.1%
Net assets per share	1,180.56 yen	1,167.15 yen	1,168.73 yen	1,038.62 yen

(Notes) 1. Earnings per share for the current term are calculated based on the average total number of shares issued during the period, while net assets per share are calculated based on the number of shares issued at the end of the period.

2. "Accounting Standard for Revenue Recognition" (Corporate Accounting Standard No. 29, issued March 31, 2020) has been applied since the beginning of the eighth period.

3. The Company conducted a share exchange with Inageya Co., Ltd. with an effective date of November 30, 2024, and made Inageya Co., Ltd. a wholly owned subsidiary of the Company. Accordingly, the financial and profit and loss situation for the tenth period includes the financial results of Inageya Co., Ltd. and its subsidiaries.