This is a translation of the original Japanese release. The Japanese text shall prevail in case of any variance between this version and the Japanese text.

To Our Esteemed Shareholders,

We extend our heartfelt gratitude for your continued understanding and support of our company. It is with great pleasure that we present the notice for the 25th Annual General Meeting of Shareholders.

The 25th fiscal year marks the first year of our medium-term profit plan announced last November. Despite a challenging business environment characterized by rising interest rates in Europe and the U.S., as well as ongoing geopolitical tensions worldwide, we have achieved results exceeding our initial targets and made steady progress. Additionally, our Global Commerce segment continues to thrive, with GMV nearing 100 billion yen, thanks to the unwavering support of our shareholders.

Our core business, the Global Commerce segment, was initiated in the wake of the 2008 Lehman Brothers collapse, driven by a vision to inspire hope amid Japan's significant demographic and economic shifts, including an accelerating population decline. Over the past 15 years, we have focused on expanding our global market, earning foreign currency, and strengthening Japan’s connections with the world. For example, while baby products were initially our top sellers, hobby and intellectual property (IP)-related products now comprise over 30% of our offerings.

Looking forward, we see immense potential to further expand this market by concentrating our efforts in these areas. Our ambition is to establish a global platform that not only handles Japanese products but also facilitates the distribution of goods from around the world. Through this endeavor, we aim to continue earning foreign currency while broadening Japan's global possibilities. We are resolute in our commitment to embrace challenges and grow as a company that enhances Japan’s presence on the world stage.

As a group, we strive to embody the essence of "BEENOS"—like a bee connecting "people," "goods," and "information" across the globe. By delivering new value and enhancing corporate worth, we remain dedicated to fulfilling our mission.

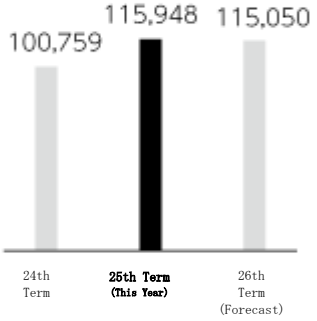
We sincerely ask for your continued understanding and support as we work toward these objectives.

## Consolidated Results of the 25th Term (FY2024)

Unit: million yen

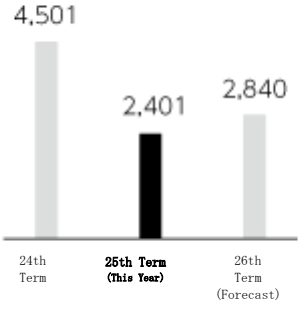
### GMV

115,948 mil JPY



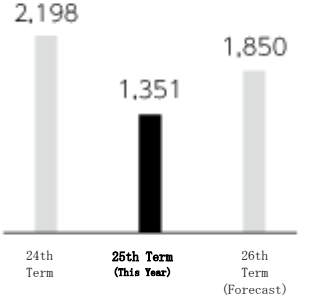

### Operating Income

2,401 mil JPY




### Net Income Attributable to Owners of the Parent

1,351 mil JPY




## 25th Term Results and Midterm Forecast

### Dividend Payout Ratio

| 25th Term (This Year) | Midterm Goal |
|---|---|
| 36% | Over 30% |

### Total Payout Ratio

| 25th Term (This Year) | Midterm Goal |
|---|---|
| 36% | Over 70% |

### ROE

| 25th Term (This Year) | Midterm Goal |
|---|---|
| 10% | 20% |

Stock Code:3328
5 December 2024
(Commencement of electronic provision measures 28 November 2024)

To Our Shareholders,

4-7-35 Kita-shinagawa, Shinagawa-ku, Tokyo
BEENOS, inc.
President and Group CEO Shota Naoi

# Notice of the 25th Annual Meeting of Shareholders

We cordially invite you to the 25th Annual Meeting of Shareholders (AGM).

For the upcoming AGM, we are pleased to announce the adoption of electronic provision measures. The "Notice of the 25th Annual Meeting of Shareholders" along with the "Other Electronic Provision Measures for the 25th Annual Meeting of Shareholders (Items Omitted from Distribution Documents)" are now available on our website or the Tokyo Stock Exchange's website.

| | | |
|---|---|---|
| BEENOS Website | https://beenos.com/investors/ir-library/annual/ | |

| | | |
|---|---|---|
| TSE Website | https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show | |

To view these documents, please visit the indicated website, search for our company name or security code (3328), and select "Basic Information" followed by "Browsing Documents/PR Information."

If you are unable to attend the meeting in person, we request you to exercise your voting rights considering the information provided in the electronic provision measures. You can exercise your voting rights either by written form or via the Internet.

[Vote in Writing]
For exercising voting rights by written form, please indicate your decision regarding the proposals on the enclosed voting rights exercise form. Ensure the form is returned and received by us no later than 5:30 PM on Thursday, 19 December 2024.

[Vote Online]
For those opting to exercise voting rights via the Internet, please access the designated voting rights exercise website at https://www.web54.net. Here, you will need to use the "Voting Rights Exercise Code" and "Password" as displayed on the enclosed voting rights exercise form. You must follow the on-screen instructions to record your approval or disapproval of the proposals by the aforementioned deadline.
Your participation and timely exercise of voting rights are greatly appreciated.

Notes

1. Date Friday, 20 December 2024 at 10:30AM
2. Location 4-7-36 Kita-shinagawa, Shinagawa-ku, Tokyo, Japan
   Tokyo Marriott Hotel B1 Floor Iris
3. Purposes

   Reports
   1. Contents of the business report and consolidated financial statements for the 25th term (1 October 2023 to 30 September 2024) and the auditing report on the results of the consolidated financial statements by the boards of directors and auditors
   2. Contents of the financial statements for the 25th term

   Ratifications

   <Proposed by the Company>

   Item 1 Election of 4 Directors (excluding Audit and Supervisory Committee members)
   Item 2 Election of 1 Director in the Audit and Supervisory Committee

   <Proposed by Shareholders>

   Item 3 Election of 2 Directors (excluding Audit and Supervisory Committee members)
   Item 4 Partial Amendments to the Articles of Incorporation
   Item 5 Appropriation of Surplus
   Item 6 Acquisition of Treasury Stock
   Item 7 Revision of Compensation for Restricted Stock Awards for Directors (excluding Audit and Supervisory Committee Members and External Directors)

4. Notice regarding ratifications

   Voting in proxy

   If you choose to exercise your voting rights through a proxy, you may have another shareholder with voting rights attend the general meeting as your proxy. However, please be aware that a document proving the proxy authority must be submitted.

   If there is no indication of approval or disapproval for the proposals on the voting rights exercise form, it will be treated as an expression of approval.

5. Other items regarding this notice

   The items "Measures for Ensuring Proper Business Operations," "Consolidated Notes to Financial Statements," and "Individual Notes to Financial Statements," which are part of the electronic provision measures, are not included in the documents sent to shareholders who have requested delivery by mail. This exclusion is in line with laws and regulations and Article 18 of the Company's articles of incorporation. Therefore, the documents delivered to shareholders who have requested them by mail are part of the documents audited by the accounting auditor and the Audit and Supervisory Committee in the preparation of the audit report.

   If there are any amendments to the electronic provision measures, we will post the details of the

amendment, along with the items before and after the amendment, on the websites where they are published.
Shareholders who have not requested document delivery by mail will receive documents containing only the items required by law and the shareholder meeting reference documents.

-END-

If you plan to attend in person, please submit the enclosed voting rights exercise form at the reception desk of the venue.
In the event of any changes to the operation of the AGM, updates will be provided on our company website (https://beenos.com/).
Following the conclusion of the AGM, we will be holding a business report meeting for our group. You are warmly invited to stay and attend this session.

Details of Voting Methods

## Voting in Person



| | |
|---|---|
| AGM Date | Friday, 20 December 2024 at 10:30AM (JST) |

Please submit the enclosed voting form at the reception desk.
We also ask you to bring this document with you to the meeting.

## Absentee Voting



Voting by Mail

| | |
|---|---|
| Voting Deadline | Thursday, 19 December 2024 at 5:30PM (JST) |

Please write in your voting decision on the enclosed voting form and return to us By the deadline.



Voting Online

| | |
|---|---|
| Voting Deadline | Thursday, 19 December 2024 at 5:30PM (JST) |

Go to the Voting Website URL and submit your voting decision.
Please see the next page for details.

Caution
※If voting rights are exercised both by paper and via the internet, the internet-based exercise will be considered valid, irrespective of the arrival date and time of the paper submission.

※Should there be multiple exercises of voting rights via the internet, the final submission will be recognized as the valid exercise of these rights.
※Please be aware that any connection fees to the internet service provider and communication charges incurred by using the telecommunications operator for accessing the voting rights exercise website will be the responsibility of the shareholders.

<Items Proposed by the Company (Items 1 and 2)>
Item 1: Election of 4 Directors (excluding Audit and Supervisory Committee members)

As of the end of this Annual Meeting, the term of the directors (excluding Audit and Supervisory Committee members) will expire and we propose the following 4 directors will need to be elected. We have received verification from the Audit and Supervisory Committee members that the candidates are well suited for the position. The candidates are as follows:

| Candidate | | Name | Current Position |
|---|---|---|---|
| 1 | Reappoint | Shota Naoi (Male) | President and Group CEO, Head of Global Commerce Division and Incubation Division |
| 2 | Reappoint | Kenichi Sento (Male) | Executive Managing Officer (Director), Head of Value Cycle Division |
| 3 | Reappoint | Taisuke Miura (Male) | Executive Officer, CSO<br>Business Strategies Office Manager |
| 4 | Reappoint<br>External Director<br>Independent Director | Naofumi Nishi (Male) | External Director |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| 1 | Shota Naoi (25 December 1980) | 2005 Apr Joined Venture Link, Inc.<br>2008 Sep Joined BEENOS, inc.<br>2009 Oct Appointed to Executive Officer of tenso, inc.<br>2012 May Appointed to CEO of tenso, inc. (Current)<br>2012 Oct Appointed to TENSO UK LTD Director (Current)<br>2013 Dec Appointed to Director of BEENOS, inc.<br>2014 Dec Appointed to President and Group CEO (Current)<br>2015 Feb Appointed to Director of BEENOS Asia Pte. Ltd. (Current)<br>2015 Apr Appointed to Director of Shop Airlines, Ltd.<br>2015 May Appointed to Director of monosense, Ltd.<br>2015 Nov Appointed to Chairman of the Board of TAIWAN TENSO, INC. (Current)<br>2017 Oct Appointed to CEO of BeeCruise Inc.<br>2018 Aug Appointed to Director of Metro Engines<br>2018 Nov Appointed to Director of tenso Hong Kong Limited (Current)<br>2019 Mar Appointed to Director of FASBEE Inc.<br>2019 Dec Appointed to Chairman of Shop Airlines, Ltd. (Current)<br>2019 Dec Appointed to Chairman of monosense, Ltd. (Currently BEENOS Entertainment Inc.) (Current)<br>2019 Dec Appointed to Director of BEENOS Travel Inc.<br>2019 Dec Appointed to Chairman of Defactostandard, Ltd.<br>2020 Jan Appointed to Chairman of BEENOS Travel Inc. (Current)<br>2020 Feb Appointed to Director of BEENOS Entertainment Inc.<br>2020 Mar Appointed to Chairman of BEENOS Entertainment Inc.<br>2020 Jun Appointed to Director of BEENOS Marketing Asia Inc. (Current)<br>2020 Aug Appointed to Director of Beenos E-Commerce(shanghai) Co., Ltd. (Current)<br>2020 Oct Appointed to Executive Managing Officer of BEENOS Inc. (Current)<br>2020 Dec Appointed to Chairman of JOYLAB, Inc.<br>2020 Dec Appointed to Chairman of BEENOS HR Link Inc. (Current) | 296,200 |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| | | 2020 Dec Appointed to Chairman of FASBEE Inc. (Current)<br>2022 Feb Appointed to Chairman of BeenoStorm Inc.<br>(Important Concurrent Positions)<br>President and CEO, tenso, inc.<br>President and CEO, BeeCruise Inc. | |
| | (Reason for Nomination)<br>Shota Naoi has developed the Cross Border Business "From Japan" into the core business of the Company as Director of BEENOS, inc. and its subsidiary tenso, inc.. After appointed to President and Group CEO in December 2014, he has concentrated on establishing a new group strategy by setting Global Commerce Business as the core and demonstrated strong leadership to expand the group business. He has organized and led the Group to create a global platform that connects Japan with the world and has a deep understanding of the details for each business in the Group. We believe that he is the most qualified to continue to contribute to the further development of the Group as his | | |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| | decisions in board meetings are on point and in the best interest of the company and he excels in managing and unifying the Group to grow stronger and develop faster. For these reasons we nominate him for reappointment. | | |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| 2 | Kenichi Sento (4 July 1979) | 2002 Apr Joined Fujitsu Support and Service (currently Fujitsu FSAS)<br>2006 Mar Joined BEENOS<br>2012 Feb Appointed to President and CEO of monosense, Ltd.<br>2014 Dec Appointed to Director of BEENOS (Current)<br>2017 Oct Appointed to Director of BeeCruise Inc.<br>2019 Dec Appointed to President and CEO of Defactostandard, Ltd.<br>2020 Oct Appointed to Managing Executive Officer of BEENOS Inc. (Current)<br>2020 Dec Appointed to Director of JOYLAB, Inc.<br>2022 Feb Appointed to Director of BeenoStorm Inc.<br>2024 Apr Appointed to Director of BeeCruise Inc. (Current) | 129,300 |
| | (Reason for Nomination)<br>Kenichi Sento has a proven track record of founding and growing BEENOS Entertainment Inc. (formerly monosense, Ltd.), a subsidiary of the company specializing in product production and licensing. Since December 2019, he has served as the CEO of Defactostandard, Ltd. (Apparel Reuse Business), where he has spearheaded structural reforms for the business. Currently, leveraging his expertise in both the e-commerce and entertainment sectors, he is driving the company's new Global IP Platform business initiatives. From the perspective of strengthening the decision-making and oversight functions of the Board of Directors, the company believes that Mr. Sento will continue to contribute to the further development of the BEENOS Group. For these reasons, the company has determined that he is a suitable candidate for its Board of Directors. | | |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| 3 | Taisuke Miura (22 August 1982) | 2007 Apr Joined Bain & Company Japan, Inc.<br>2009 Nov Joined Accenture Japan Ltd.<br>2010 Nov Joined KOKUYO Co., Ltd.<br>2015 Apr Joined Hilti (Japan), Ltd.<br>2017 Aug Joined ASATSU -DK INC. (Currently ADK Holdings Inc.)<br>2021 Aug Joined BEENOS as Group Strategy Office Manager<br>2022 Dec Appointed as Executive Officer and CSO<br>2022 Dec Appointed as Director for Defactostandard, Ltd.<br>2023 Dec Appointed as Director for tenso, inc. (Current)<br>2023 Dec Appointed as Director for Shop Airlines, Ltd. (Current)<br>2023 Dec Appointed as Director for BEENOS Entertainment Inc. (Current)<br>2023 Dec Appointed as Director for BeeCruise Inc. (Current)<br>2023 Dec Appointed as CEO for BEENOS Partners, Inc. (Current)<br>2023 Dec Appointed as Director for Shop Airlines America, Inc. (Current)<br>2023 Dec Appointed as Director for BEENOS Asia Pte. Ltd. (Current)<br>2023 Dec Appointed as Director for BEENOS Plaza Pte. Ltd. (Current)<br>2023 Dec Appointed as Director of BEENOS (Current)<br>2023 Dec Appointed as Executive Officer of BEENOS (Current)<br>2024 Jul Appointed as CEO for BEENOS AMERICA INC. (Current)<br>(Important Concurrent Positions)<br>CEO of BEENOS Partners, Inc.<br>CEO of BEENOS AMERICA INC. | 17,950 |
| | (Reason for Nomination)<br>Taisuke Miura has extensive experience in management strategy planning, corporate restructuring, organizational and institutional reform, as well as post-merger integration (PMI), including governance and corporate culture, gained through roles in consulting firms and domestic and international companies. Since December 2022, he has served as the company's Executive Officer and Chief Strategy Officer (CSO), focusing on strengthening the management foundation for sustainable growth. Additionally, from December 2023, as the company's Senior Executive Officer (Director), he has overseen the group's administrative divisions and led key initiatives such as the sale of the Value Cycle business, demonstrating leadership in both decision-making and execution. From the perspective of enhancing the effectiveness of the Board of Directors' | | |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| | decision-making and supervisory functions, the company believes that Mr. Miura will continue to contribute significantly to the further development of the BEENOS Group. For these reasons, the company has determined that he is a suitable candidate for its Board of Directors. | | |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| 4 | Naofumi Nishi (18 December 1979) | 2004 Apr Joined McKinsey & Company<br>2007 May Joined Bain Capital Private Equity Asia, LLC<br>2014 Jul Appointed as Officer in Macromill, Inc.<br>2017 Sep Appointed as Director (Audit Committee) in Macromill, Inc. (Current)<br>2018 Mar Appointed as External Director (Audit Commmittee) in ADK Holdings Inc. (Current)<br>2019 Aug Appointed as External Director in Works Human Intelligence Co., Ltd. (Current)<br>2019 Sep Appointed to the Nominating Committee in Macromill, Inc.<br>2019 Sep Appointed as External Director in EmberPoint Co., Ltd.<br>2020 Sep Appointed to the Compensation Commmittee in Macromill, Inc.<br>2020 Nov Appointed to External Director in hey, Inc. (Currently STORES, Inc.) (Current)<br>2020 Dec Appointed to Director of BEENOS Inc. (Current)<br>2021 Jan Appointed to Managing Director of Bain Capital Private Equity Japan LLC<br>2021 Mar Appointed to External Director in BCJ-36 Inc. (Currently Works Human Intelligence Co., Ltd.) (Current)<br>2021 Jun Appointed to External Director of with inc. (Currently Enito Group, Inc.) (Current)<br>2021 Jul Appointed to External Director of IGNIS LTD.<br>2021 Dec Appointed to External Director of Nihon Safety Co., Ltd. (Current)<br>2022 Feb Appointed to External Director of Linc'well Inc.<br>2022 Oct Appointed to External Director of Tri-Stage Inc.<br>2023 Jan Appointed to Partner of Bain Capital Private Equity Japan LLC (Current)<br>2023 Jan Appointed to Director of Omiai Inc. (Current)<br>2023 Apr Appointed to External Director of IDAJ Co., LTD. (Current) | 0 |

| Candidate | Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|---|
| | | 2023May Appointed to External Director (Compensation Committee) of STREET HOLDINGS Inc. (Current)<br>2023 Jul Appointed to External Director of ImpactHD Inc. (Current)<br>2023Dec Appointed to Director of NSGROUP CORPORATION (Current)<br>2024 Jan Appointed to External Director (Audit and Supervisory Committee) of System Information Co., Ltd. (Currently SI&C Co., Ltd.)<br>2024Mar Appointed to Director of System Information Co., Ltd. (Currently SI&C Co., Ltd.) (Current)<br>2024 Jun Appointed to External Director (Audit and Supervisory Committee) of OUTSOURCING Inc. (Current)<br>2024 Jul Appointed to Director of Snow Peak, Inc. (Current)<br>(Important Concurrent Positions)<br>Partner of Bain Capital Private Equity Japan LLC | |
| | (Reason for Nomination of External Director)<br>Naofumi Nishi has ample experience and expertise from his tenure in a global investment company. Furthermore, he has a track record of fortifying the companies he has been involved with through his roles as director, nominating committee and compensation committee member. We have nominated him as an external director with the hopes that he will give constructive feedback and advice toward management in general from an outsider's perspective. For these reasons we nominate him for reappointment. | | |

Note:

1. None of the candidates have a vested interest in BEENOS

2. We will appoint External Director Nominee, Naofumi Nishi, as an independent director and will submit this nomination to the Tokyo Stock Exchange.

3. We have entered an agreement with Naofumi Nishi to limit our liability for damages under Paragraph 1 of Article 423 of the Companies Act in accordance with the provisions of Paragraph 1 of Article 427 of the same Act. The ceiling liability for damages under such agreements is the minimum liability limit set by law, and if his reappointment is approved, we plan to continue such agreements with him.

4. Naofumi Nishi is currently an External Director of the Company, and his tenure will be 2 years as of the conclusion of the Annual Meeting.

5. We intend to conclude a director liability insurance (D&O insurance) contract with the insurance company as set forth in Paragraph 1 of Article 430-3 of the Companies Act with all directors as insured persons in order to enable each director candidate to fully exercise his/her expected role in performing his/her duties and to attract useful human resources. In the event this proposal is approved as proposed and appointed as a director, each director candidate shall become an insured person under such insurance contract. The insurance contract stipulates that the director, etc. who is the insured shall assume responsibility for the execution of his/her duties or shall compensate for any damage that may arise from receiving a request pertaining to the pursuit of said liability. Provided, however, that the Company may not compensate for any damage caused by any act that is committed with the knowledge that such act is a violation of laws and regulations, or otherwise cause a certain exclusion of liability.

Item 2: Election of 1 Director in the Audit and Supervisory Committee

In order to strengthen the auditing system, 1 director who is an Audit and Supervisory Committee member is requested to be appointed. We have obtained the consent of the Audit and Supervisory Committee for the submission of this proposal. The candidate for the director who is an Audit & Supervisory Committee member is as follows.

| | Name | | Current Position |
|---|---|---|---|
| Reappoint<br>External Director<br>Independent Director | Haruka Osawa | (Female) | Director in the Audit and Supervisory Committee |

| Name (Birthdate) | CV, Positions and Responsibilities at BEENOS (Status of Concurrent Offices) | Number of shares held |
|---|---|---|
| Haruka Osawa<br>(Legal Surname:Nemoto)<br>(14 October 1979) | 2005 Oct Admitted in Daini Tokyo Bar Association<br>2005 Oct Joined Mori Hamada & Matsumoto<br>2010 Feb Joined ITOCHU Corporation<br>2016 Jun Joined Renesas Electronics Corporation as General Counsel<br>2019 Jan Partner of Miura & Partners (Current)<br>2019 Mar Appointed as Statutory Auditor in ALBERT Inc. (Current)<br>2022 Dec Appointed as External Director (Audit and Supervisory Committee) of BEENOS (Current)<br>2023 Jun Appointed as External Director (Audit and Supervisory Committee) of viamechanics (Current)<br>2023 Jun Appionted as External Auditor of CADDi Inc. (Current)<br>2024 Jun Appointed as External Director (Audit and Supervisory Committee Member) of CUC Inc.<br><br>(Important Concurrent Positions)<br>Partner of Miura & Partners<br>External Director (Audit and Supervisory Committee Member) for CUC Inc. | 0 |
| (Reason for Nomination of External Director)<br>Haruka Osawa has a wealth of practical experience in the field of corporate legal affairs cultivated through her work experience at trading companies, etc., in addition to her advanced expertise as an attorney. We believe that these achievements also relate to the business of our group, can be expected to provide useful advice and recommendations on legal matters, and can contribute to the appropriate supervision of our management. Accordingly, we have nominated an external director who is a member of the Audit and Supervisory Committee. In addition, the Company has satisfied the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and determined that there is no risk of conflicts of interest with general shareholders. Accordingly, the Company has designated her as an independent director. | | |

（注）1．Haruka Osawa, a partner at Miura & Partners Law Firm, has a professional relationship with Miura & Partners US, a firm contracted by a subsidiary of the company. The annual transaction amount over the past three years averages less than 10 million yen, which does not affect Ms. Osawa's independence as an external director.

2．Ms. Haruka Osawa is a candidate for reappointment as an external director. The company has

designated her as an independent officer under Tokyo Stock Exchange regulations and has reported this designation to the exchange. If reappointed, she will continue to serve as an independent officer.

3. The company has entered into a liability limitation agreement with Ms. Osawa under Article 427, Paragraph 1 of the Companies Act, limiting his liability for damages as stipulated in Article 423, Paragraph 1 of the same Act. The liability limit is the minimum amount stipulated by law, and the agreement will remain in effect upon her reappointment.
4. Currently serving as an outside director and audit and supervisory committee member, Ms. Osawa's tenure will reach two years at the conclusion of this General Meeting.
5. To enable directors to effectively fulfill their roles and attract qualified personnel, the company has entered into a directors' and officers' liability insurance (D&O insurance) contract under Article 430-3, Paragraph 1 of the Companies Act. If reappointed, Ms. Osawa will be covered as an insured party under this policy. The insurance covers damages arising from liability claims against directors in connection with their duties, excluding damages resulting from actions knowingly taken in violation of laws and other specified exceptions.
6. The legal name of Haruka Osawa, the director candidate, is Haruka Nemoto.

References for Ratifications

Appointment Criteria for Directors

We have selected candidates that have fit the following criteria. All nominees have been approved in the Board of Directors Meeting.

1. The candidate must manage the company as a fiduciary of the shareholders. They must possess the qualities to fulfill their responsibilities in good loyalty and good care of the company with the intent to develop the company and increase its worth in the long term.
2. Directors involved in the execution of operations must have sufficient knowledge of the Group and its current status and will use his expertise to his fullest for the benefit of the Group.
3. External Directors must have ample knowledge in fields such as corporate management, financial, accounting, legal, etc. and must have enough experience to rightfully monitor and advise management decisions. They must also have sufficient knowledge and understanding on the responsibility of a director and how Board of Directors Meetings are executed.
4. External Directors must also meet the Independence Criteria in addition to the aforementioned criteria.
5. Legally meets the eligibility requirements to be a director.

Independence Criteria for External Directors

We have determined the following as the independence criteria for external directors. We will determine that the external director is independent from the Company and will not have any conflict of interest with the common shareholder as long as it does not meet any of the criteria below.

1. Relation with the Company or its Subsidiaries
    i. Involved in the execution of operations of the Company or any of its subsidiaries (the Group) (The qualifications for execution of operations as outlined in the Ordinance for Enforcement of the Companies Act Article 2, paragraph 3, item 6, including directors involved in the execution of operations and employees. Auditors are excluded.)
    ii. Involved in the execution of operations of the Group within 10 years of being appointed (Excluding directors not involved in execution of operations and auditors that have held the position within the past 10 years. In such cases, they must not have been involved in the execution of operations within 10 years of their initial appointment)
    iii. Accounting advisor of the Group
    iv. Director not involved in operations or accounting advisor of a subsidiary
2. Relation with Counterparties
    i. Any main counterparty to the Group (Any counterparty group that offers products or services to the

Group with the transaction value exceeding 2% of the annual consolidated net sales of the counterparty group) or involved with the execution of operations for a counterparty

ii. Any counterparty the Group is a main counterparty of (Any counterparty that the Group offers products or services to with the transaction value exceeding 2% of the annual consolidated net sales of the Group) or involved with the execution of operations for a counterparty

3. Economic Conflict of Interest/Provider of Specialized Services
   i. Any company that accepts directors or auditors (full-time and part-time) from the Group or a worker of its parent company or subsidiary
   ii. Any consultant, accounting specialist or legal specialist (or anybody affiliated with such companies or organizations) that have received a large sum of money or assets from the Group (profits in cash or other assets exceeding 10 Million JPY on average over the past 3 years)
   iii. Any person associated with an auditing firm that deals with the legal auditing of the Group
4. Relation with Shareholders
   i. Any main shareholder (any shareholder that directly and indirectly owns at least 10% of voting rights) or any director not involved in operations or auditor if the main shareholder is the parent company of the Group
   ii. Any worker of fellow subsidiaries
5. Corresponding Time Frame
   i. Any person listed in items 2 – 4 within the past 5 years
6. Blood Relative
   i. The blood relative of anybody (in an important position) listed in items 1 – 5 (including spouse and relatives within the second degree)

Expertise and Experience of Directors (current and nominees)

We have appointed director candidates based on a comprehensive consideration of their knowledge, skills and experience. The number of candidates is based on the ability to have all areas covered within the board and being able to maintain a swift decision process.

(1)Definition of each skill

Management:Experience in corporate management and in the formulation and execution of business strategies

Finance:Expertise in finance, management control, and M&A

New Business:Specialization in the planning and realization of new business ventures

IT:Experience in formulating technical strategies and development in IT

Sales/Marketing:Experience in launching and expanding IT services, and various marketing experiences

Global Business:Experience in launching and managing international services

HR:Expertise in human resources systems, organizational development, training, and labor matters

Legal/Risk Management:Specialization in legal matters and risk management

(2)Skill Matrix

| Ratification | Item 1 | | | | Director in Progress | | | Item 2 |
|---|---|---|---|---|---|---|---|---|
| Candidate | 1 | 2 | 3 | 4 | | | | |
| Candidate | Shota Naoi | Kenichi Sento | Taisuke Miura | Naofumi Nishi | Yasukazu Joho | Kibo Kondo | Yoshindo Takahashi | Haruka Osawa |
| Position | President and Group CEO | Director Executive Managing Officer | Executive Officer CSO | External Director | Audit & Supervisory Committee Member | Audit & Supervisory Committee Member | Audit & Supervisory Committee Member | Audit & Supervisory Committee Member |
| Management | ○ | ○ | ○ | ○ | ○ | ○ | ○ | |
| Finance | | | ○ | ○ | ○ | ○ | ○ | |
| New Business | ○ | ○ | | | | | | |
| IT | ○ | ○ | | | | | | |
| Sales/Marketing | ○ | ○ | | | | | | |
| Global Business | ○ | | ○ | | | | | ○ |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| HR | ○ | | ○ | | | | | |
| Legal/Risk Management | | | | | ○ | ○ | | ○ |

<Items Proposed by the Company (Items 3 through 7)>

Item 3 has been submitted by one shareholder holding 1,000 voting rights. Items 4 through 7 have been submitted by another shareholder holding 11,090 voting rights.

The content of the proposals (outline of agenda items) and the reasons for the proposals presented below are reproduced verbatim from the shareholder proposal documents submitted by the proposing shareholders, with only formal adjustments and the addition of candidate numbers for Item 3.

## Item 3 Election of 2 Directors (excluding Audit and Supervisory Committee members)

### 1 Proposal Summary

The following two individuals are proposed for appointment as non-audit and supervisory committee directors:

(1) Hiromitsu Naya (New Appointment) (External Director)
Date of birth: 11 October 1968
Career Summary and Major Concurrent Positions:
April 1991: Joined Nippon Telegraph and Telephone Corporation
February 2000: Joined BEA Systems, Inc.
April 2003: Joined Accenture Japan Ltd.
October 2005: Joined GE Consumer Finance Co., Ltd.
September 2006: Joined GE International Inc.
January 2010: Director of Operations, GE Japan Inc., GE Capital Japan
January 2012: Joined Amazon Japan G.K.
September 2015: Head of Japan Export and Import, Amazon Japan G.K.
June 2019: Joined OYO Hotels Japan G.K.
February 2020: Joined WeWork Japan G.K.
Number of Shares Held in the Company: 0

(2) Jiro Yasu (New Appointment) (External Director)
Date of birth: 20 April 1973
Career Summary and Major Concurrent Positions:
April 1996: Joined Daiwa Securities America Inc. (New York Office)
May 1998: Joined Arnhold and S. Bleichroeder (now First Eagle Investment Management, LLC) (New York Office)

April 2001: Senior Vice President, Arnhold and S. Bleichroeder
April 2005: Director, Juujiya Securities co.ltd. (New Business Development)
May 2006: CEO, Varecs Partners Limited (Current Position)
April 2012: Director, Juujiya Holdings, Inc.
December 2013: Director, FUJII SHUZOU Co., ltd. (Current Position)
September 2018: CEO, JWC Co., Ltd. (Current Position)
June 2021: CEO, Juujiya Holdings, Inc. (Current Position)
Number of Shares Held in the Company: 0

(Notes) 1. No special interests exist between the candidates and the Company.
2. Each candidate is a candidate for external director as defined in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
3. Varecs Partners Limited, for which Jiro Yasu serves as representative director, holds 200 shares of the Company as of 21 October 2024, and has discretionary investment agreements with clients who collectively hold 1,280,300 shares of the Company. Varecs Partners Limited, and its clients hold less than 10% of the total voting rights, thus not qualifying as a major shareholder.
4. Each candidate meets the requirements for an independent officer as defined by the Tokyo Stock Exchange and has agreed to be reported as such if appointed.
5. The Company has entered into liability limitation agreements with its current external directors under Article 427, Paragraph 1 of the Companies Act, limiting damages under Article 423, Paragraph 1 of the same Act to the statutory minimum. The proposers request similar agreements for the candidates if appointed.
6. Jiro Yasuh's compensation as an external director is expected to be 1 yen per year.
7. The candidates' career summaries are current as of 21 October 2024.

2. Reasons for the Proposal
(1) Reasons for Proposing the Election of External Directors
The proposers value the recent growth of the Global Commerce business centered on Buyee but believe the Company's current stock price significantly undervalues its intrinsic corporate value. The main reasons are: (i) Lack of Transparency in New Business Investments, (ii) Lack of Transparency in Capital Allocation Policies and (iii) Insufficient Governance by External Directors.
Lack of Transparency in New Business Investments: For the fiscal year ending September 2023, the "E-commerce Business" segment achieved a profit of approximately 3.5 billion yen, while the "Other Businesses" segment recorded a loss of about 1 billion yen. This allocation of approximately 30% of core business profits to new business investments appears unrelated to the core business, with unclear exit criteria. This has led to mistrust in the capital markets and a stagnating stock price. While the proposers do

not oppose new business investments, they believe such investments should follow clear rules, such as defined exit criteria and annual deficit caps.
Lack of Transparency in Capital Allocation Policies: The current policies, including shareholder returns, lack transparency, and the proposers advocate for a framework that aligns with capital market expectations.
Insufficient Governance by External Directors: While the proposers acknowledge the value of the Company's external directors, they believe there is room to strengthen governance regarding new business investments and capital allocation frameworks.
To address these issues, the proposers suggest appointing Hiromitsu Naya and Jiro Yasu as external directors.

(2) Reasons for appointing Mr. Hiromitsu Naya as a candidate for External Director
Mr. Naya has extensive experience in global companies such as GE and Amazon, providing him with insights into global-standard business operations and investment discipline. At Amazon, he served as Head of Japan Export and Import and was involved in establishing export businesses. His experience aligns closely with the Company’s business and makes him a suitable candidate to provide relevant insights to the Board of Directors.

(3) Reasons for appointing Mr. Jiro Yasu as a candidate for External Director
Since co-founding the independent asset management firm Varecs Partners Limited in 2006, Mr. Yasu has served as a portfolio manager, engaging in long-term investments in mid-sized listed Japanese companies. He brings a wealth of experience in stock investment, enabling him to offer advice on best practices for governance, shareholder and capital market communication, and improving capital market recognition. Additionally, through discretionary investment accounts managed by Varecs Partners, approximately 10% of the Company’s outstanding shares are held, demonstrating his strong incentive to enhance the Company’s long-term corporate value. Based on these factors, the proposers believe Mr. Yasu is a suitable candidate for external director.

[The Company's Board of Directors' Opinion]
The Company's Board of Directors OPPOSES Item 3 of this Shareholder Proposal.

【Reasons for Opposition】
The Company intends to submit an agenda for the reappointment of four directors (excluding directors who are audit and supervisory committee members) at the Annual General Meeting of Shareholders. These directors possess sufficient knowledge and experience, with a well-balanced skillset that aligns with the Company's needs. In the context of expanding the Company's global business, the speed of decision-making is critical. Under the current executive director structure, decisions are made promptly and are appropriately supervised by the Board of Directors. Therefore, the Company believes that its proposed composition of directors is optimal.

The Company has conducted interviews with Mr. Naya, a candidate proposed by the shareholder. While Mr. Naya has extensive experience in global companies, including Amazon Japan, and demonstrates certain insights, the Company already has multiple directors with substantial expertise in global business, operations, and investment. As such, the Company does not consider Mr. Naya's appointment necessary to complement the existing Board.

Additionally, Mr. Yasu, another candidate proposed by the shareholder, is the representative of Varecs Partners Limited, one of the proposing shareholders. His appointment raises concerns about potential bias toward the interests of specific shareholders, including himself, which may not align with the broader interests of the Company and its shareholders.

For these reasons, the Company opposes this shareholder proposal, as it believes the current structure of the Board of Directors is optimal and the appointment of the proposed candidates is unwarranted.

Item 4　Partial Amendments to the Articles of Incorporation

1　Proposal Summary

The amendment to Article 41 of the Articles of Incorporation is proposed as follows, with underlined changes reflecting the revisions. Should other proposals (including those submitted by the Company) at this Annual General Meeting of Shareholders require formal adjustments to the provisions in this proposal (e.g., numbering corrections), the provisions herein shall be interpreted as adjusted accordingly.

This proposal is to be resolved before the proposals "(2) Appropriation of Surplus" and "(3) Acquisition of Treasury Stock" and shall take effect upon approval at this Annual General Meeting of Shareholders.

| Current Articles of Incorporation | Proposed Amendment |
|---|---|
| (Determination of Matters Related to Distribution of Surplus)<br>Article 41: The Company shall determine matters related to the distribution of surplus and those prescribed in each item of Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, except as otherwise provided by laws and regulations, without requiring a resolution of the General Meeting of Shareholders. | (Determination of Matters Related to Distribution of Surplus)<br>Article 41: The Company may determine matters related to the distribution of surplus and those prescribed in each item of Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, except as otherwise provided by laws and regulations. |

2　Reason for the proposal

Under the Companies Act, the authority to decide on the distribution of surplus is primarily vested in the General Meeting of Shareholders. However, the Company's current Articles of Incorporation delegate exclusive authority to the Board of Directors to determine dividends, eliminating discussions on this matter at the General Meeting of Shareholders. This approach removes a critical opportunity for the Board of Directors to gauge shareholder intentions and reflect them in its dividend policy.

According to a survey on shareholder meetings conducted from July 2022 to June 2023 ("2023 Shareholder Meeting White Paper – Toward the Implementation of the Electronic Provision System" by the Commercial Law Study Group, Shōji Hōmu Issue No. 2344, p. 37), only 208 out of 1,979 respondent listed companies (10.5%) exclusively delegated the authority to determine dividends to their Boards of Directors. This data shows that the Company's current approach is uncommon, as only about one-tenth of listed companies adopt such a policy.

To address this issue and provide the Board of Directors with the flexibility needed for capital policy during times of crisis, we propose amending the Articles of Incorporation to state:

"The Company may determine matters related to the distribution of surplus and those prescribed in each item of Article 459, Paragraph 1 of the Companies Act by resolution of the Board of Directors, except as otherwise provided by laws and regulations."
This amendment allows for shared authority between the General Meeting of Shareholders and the Board of Directors regarding decisions on the distribution of surplus. The revision ensures a balanced approach that respects shareholder intentions while maintaining the flexibility needed for effective capital policy management.

Item 5　Appropriation of Surplus

1　Proposal Summary
Subject to the approval of the proposal "(1) Partial Amendment to the Articles of Incorporation," the disposal of surplus will proceed as follows. This proposal is made independently and in addition to any other proposal regarding the disposal of surplus submitted by any shareholder at this Annual General Meeting of Shareholders.
(a) Type of dividend property
Cash
(b) Amount of dividend per share
An amount equal to 128 yen per share, reduced by the per-share dividend amount determined by the Board of Directors under the current Article 41 of the Articles of Incorporation for the fiscal year ended September 30, 2024, by the date of this Annual General Meeting of Shareholders, and any per-share dividend amount approved in proposals regarding surplus disposal made by other shareholders at this Annual General Meeting of Shareholders.
(c) Allocation and Total Amount of Dividend Assets
The per-share dividend amount as described in (b) above will be allocated to each common share of the Company (excluding treasury shares). The total dividend amount will be calculated by multiplying the per-share dividend amount by the total number of issued and outstanding common shares as of September 30, 2024, excluding treasury shares.
(d) Effective Date of Dividend
The date of this Annual General Meeting of Shareholders
(e) Start Date of Dividend Payment
The day three weeks after the business day following the date of this Annual General Meeting of Shareholders.

2　Reason for the proposal

The company, in response to the Tokyo Stock Exchange's request to implement management practices that consider capital costs and stock prices, stated in its Corporate Governance Report dated May 8, 2024, that it aims to maintain financial soundness with a benchmark of "ROE of 10% or higher from a capital efficiency perspective." However, the company experiences significant fluctuations in consolidated net profit due to factors such as the sale of its incubation business and the Value Cycle segment. As a result, relying on "ROE of 10% or higher" as a metric tied to net profit lacks transparency in disclosing business objectives and may not provide meaningful guidance for investors and general shareholders.

Moreover, the company's mid-term consolidated operating profit target, excluding results from the incubation business, is set at 5 billion yen. Assuming an effective tax rate of approximately 30% and the absence of significant equity investment or foreign exchange losses, the estimated consolidated net profit excluding incubation business results is approximately 3.5 billion yen. Given the current level of shareholder equity, even without optimizing capital through measures such as share buybacks, a realistic mid-term ROE target should be at least 23.5%. This highlights the inadequacy of the company's current disclosure, which does not fully account for its business characteristics or align with its mid-term management objectives. As such, it does not fully meet the Tokyo Stock Exchange's intent to encourage disclosures that address capital costs and stock price awareness. Significant improvements are needed in this regard.

Additionally, according to the company's announcement titled "Notice Regarding the Resolution on Surplus Dividend" dated November 22, 2023, the company has identified "profit returns to shareholders through dividends as a critical management issue." With cash and deposits totaling 16.2 billion yen and its financial soundness already at a sufficiently high level, further accumulation of cash on the balance sheet is considered unnecessary. From the perspective of management practices that take into account capital costs and stock prices, as required by the Tokyo Stock Exchange, improving capital efficiency is clearly an urgent priority. Consequently, the company should establish and disclose a long-term shareholder return policy that sets a minimum standard for profit attributable to shareholders, after deducting investments in research and development, equipment, and human resources, at either a dividend payout ratio of 50% or a dividend on equity (DOE) of 10%, whichever is higher.

Furthermore, as disclosed in the most recent financial statement on August 6, 2024, the company's cash and deposits totaled 16.2 billion yen, representing more than half of its total assets and highlighting an imbalanced capital structure. Cash flow from operating activities, based on an extrapolation of the second-quarter financial report, is estimated to exceed an annualized scale of 4 billion yen, with expectations of further growth under the company's plans. In light of this, it is crucial to promptly improve the capital structure. Profits attributable to shareholders for the current period should not be allocated to the further accumulation of cash reserves, which would only deepen the inefficiency of the capital structure. Instead, these profits should be appropriately returned to shareholders.

The company's business and financial conditions remain sound, with interest-bearing debt below its cash and deposit levels, resulting in a "net cash" position. Growth investments—including employee returns, research and development, marketing, and existing business investments—are accounted for as costs prior to calculating profits attributable to shareholders. Even when considering options such as agile M&A activities, the current cash reserves exceeding 10 billion yen, combined with the company's borrowing capacity, are sufficient to meet such needs. Furthermore, the company's undervalued corporate value, reflected by its net cash, securities holdings, and the market valuation of its incubation business, suggests that identifying M&A opportunities capable of yielding earnings per share increases exceeding the benefits of share buybacks would be difficult. The proposer asserts that while making necessary and sufficient business investments to sustain long-term corporate value growth is crucial, any surplus resources should be returned to shareholders on an ad-hoc basis. Additionally, the lack of disclosed medium- to long-term investment policies or capital strategies through mid-term business plans leads shareholders and investors to perceive an absence of a robust pipeline for M&A or other projects capable of delivering returns significantly exceeding the company's capital cost, such as achieving ROE of 20% or higher.
The proposer expects the company to take immediate action to enhance its undervalued corporate value by allocating an appropriate portion of profits attributable to shareholders toward shareholder returns. Furthermore, the proposer calls on the company to make an early commitment to future capital policies, investment strategies, and sustainable medium- to long-term shareholder return policies that align with its mid-term business plans. Such commitments would not only reward shareholders, including the proposer, who have supported the company despite the share price declining to levels like 1,200 yen, but also reaffirm the company's commitment to meeting long-term shareholder expectations.
In light of the above, the proposer suggests implementing a year-end dividend of 128 yen per share for the fiscal year ending September 2024, resulting in a consolidated dividend payout ratio of 100%. If the Board of Directors determines the disposition of retained earnings (including any planned disposition) for the fiscal year under the current provisions of Article 41 of the Articles of Incorporation, or if a separate shareholder proposal for retained earnings disposition is approved at the upcoming general meeting, the proposed year-end dividend would be adjusted to ensure the total dividend per share equals 128 yen. The total year-end dividend for the fiscal year ending September 2024 would be calculated by multiplying the dividend per share by the total number of issued shares as of September 30, 2024 (excluding treasury shares).

［The Company's Board of Directors' Opinion］
The Company's Board of Directors OPPOSES Items 4 and 5 of this Shareholder Proposal.

【Reasons for Opposition】
Item 4 Partial Amendment to the Articles of Incorporation and Item 5 Appropriation of Surplus

The Company believes that shareholder returns, including dividends, should be balanced with investments for medium- to long-term business growth and capital policy. The Board of Directors, which possesses a deep understanding of the business environment and competitive landscape, should retain the flexibility to make decisions that support sustained growth.

To enhance shareholder value, the Company seeks to maintain a stable stock price and encourage long-term shareholding. However, the Company's business is characterized by profit volatility due to fluctuations in investment income and expenses, contributing to stock price instability. To address this, the Company is focused on achieving stable consolidated profit growth through the steady expansion of its core businesses and controlled investment activities.

The Company has adopted a progressive dividend policy, providing returns even during periods of slow profit growth and increasing dividends during profitable periods. A new policy ensures a dividend payout ratio of at least 30%, along with a total return ratio of 70% or more, including share buybacks, to actively reward shareholders.

In pursuit of medium- to long-term growth, the Company is targeting consolidated operating profits of 5 billion yen (excluding investment income) by FY2028, driven by M&A and new business growth. This requires sustained investment in business expansion.

The shareholder proposal primarily seeks to increase the dividend payout ratio temporarily. This approach risks increasing stock price volatility and undermines the Company's current balanced strategy of stable growth and returns. As such, the Board opposes this proposal.

If this proposal is approved, the Company will need to revise its medium-term profit targets and shareholder return policies, as reconciling them with the proposal's content would be challenging.

Item 6　Acquisition of Treasury Stock

1　Proposal Summary

Subject to the approval of Proposal "(1) Partial Amendment to the Articles of Incorporation," and in accordance with Article 156, Paragraph 1 of the Companies Act, the company shall, within one year from the date of this Annual General Meeting, acquire up to 1,500,000 shares of its common stock at a total acquisition cost of 3 billion yen. However, if the maximum permissible acquisition amount under the Companies Act (the "distributable amount" as defined in Article 461 of the Companies Act) is less than this amount, the acquisition will be limited to the permissible amount under the Companies Act.

2　Reason for the proposal

The current market stock price of our company remains stagnant. However, with cash and cash equivalents amounting to approximately 16.2 billion yen as of the end of June 2024, significantly exceeding interest-bearing liabilities of 4.2 billion yen, it is possible to improve capital efficiency, enhance corporate value, and ultimately increase the common interests of shareholders through the acquisition of treasury stock.
The company has previously undertaken treasury stock acquisitions as part of shareholder return measures, aligning with a proactive capital policy. This proposal is consistent with those past efforts.
Specifically, this year, the company sold shares of Defactostandard,Ltd. and JOYLAB Co., Ltd. to AUCNET INC. for a transfer value of 2.9 billion yen. This presents a suitable opportunity to enhance capital efficiency through the acquisition of treasury stock.
Thus, the proposer recommends implementing a treasury stock acquisition within one year of this Annual General Meeting, up to a maximum of 1,500,000 shares at a total acquisition cost not exceeding 3 billion yen.
Should the disposition of surplus funds be carried out based on Proposal "(2) Disposition of Surplus Funds," the total shareholder return ratio for the current fiscal year would exceed 100%. However, as noted above, special gains have been recorded, and no impact on the company's financial soundness or capacity for future growth investments is anticipated.

［The Company's Board of Directors' Opinion］
The Company's Board of Directors OPPOSES Item 6 of this Shareholder Proposal.

【Reasons for Opposition】

The Company has established a policy targeting a total shareholder return ratio of 70% or more, aiming to balance growth investments with shareholder returns to support medium- to long-term growth. However, this proposal suggests a shareholder return exceeding a total return ratio of 100%, including a treasury stock acquisition of approximately 3 billion yen.

The Board of Directors considers this proposal lacking in medium- to long-term perspective and, therefore,

opposes it. Additionally, as this proposal conflicts with the Company's announced medium-term profit targets and return policy, these targets and policies would need to be revised if the proposal were approved.

Item 7　Revision of Compensation for Restricted Stock Awards for Directors (excluding Audit and Supervisory Committee Members and External Directors)

1　Proposal Summary

At the 17th Annual General Meeting of Shareholders held on December 15, 2016, the company approved the introduction of a restricted stock compensation system (hereinafter referred to as the "Stock Compensation Plan") for directors (excluding directors who are Audit and Supervisory Committee members and outside directors, hereinafter referred to as the "Eligible Directors"), which operates separately from the existing compensation framework. Furthermore, at the 20th Annual General Meeting of Shareholders held on December 20, 2019, the following were approved: (1) Monetary Compensation Claims: Under the Stock Compensation Plan, monetary compensation claims of up to 200 million yen annually may be provided to directors as consideration for contributions in kind related to the issuance of restricted stock; (2) Restriction Period: The restriction period shall be determined by the Board of Directors and be within one to five years, or until the resignation or retirement date from the position specified by the Board of Directors, starting from the date of the restricted stock allocation; (3) Conditions for Lifting Restrictions: (i) Maintaining a position specified by the Board of Directors during the service provision period determined by the Board. (ii) If the Eligible Director resigns or retires before the service provision period ends, there must be a reason deemed legitimate by the Board of Directors. This plan, as amended, is referred to as the "Revised Stock Compensation Plan."

The company now proposes to revise the Revised Stock Compensation Plan by incorporating the following evaluation system (hereinafter referred to as the "Evaluation System").

[Evaluation System]

The initial evaluation period for the revised stock compensation system will span three fiscal years, from the fiscal year ending September 30, 2025, to the fiscal year ending September 30, 2027. Following this, each fiscal year will have a rolling three-year evaluation period, including the relevant fiscal year.

The number of ordinary shares of the company to be granted to the Eligible Directors ("Granted Shares") after the conclusion of the evaluation period under the Evaluation System will be calculated as follows: (i) Base Share Count: The base number of shares assigned to the Eligible Director based on their position, as determined by the Board of Directors; (ii) Performance Target Achievement Level: The extent to which the Total Shareholder Return (TSR) during the evaluation period meets the defined performance target.

The Granted Shares will be determined using the formula:

Granted Shares = Base Share Count × Performance Target Achievement Level

・Base Share Count: The number of shares determined by the Board of Directors based on the Eligible Director's position.

・Performance Target Achievement Level: Calculated as TSR (%) at the end of the evaluation period ÷ 200 (%).
*If the TSR exceeds 200%, the Performance Target Achievement Level is capped at 200%.
・Calculation of TSR: TSR = (A + B) / C (%)
A: Closing price of the company's ordinary shares on the Tokyo Stock Exchange on the last trading day of the evaluation period (or the most recent trading day prior if no trade occurred on that day).
B: Cumulative dividend per share for the company's ordinary shares during the evaluation period.
C: Closing price of the company's ordinary shares on the Tokyo Stock Exchange on the last trading day before the start of the evaluation period (or the most recent trading day prior if no trades occurred on that day).

2 Reason for the proposal
According to the company's 24th Securities Report, the criteria for determining the base amount under the equity compensation plan are described only as being "set according to responsibilities and other factors." The Financial Services Agency's Good Practices for Disclosure of Narrative Information 2021 emphasizes the benefits of adopting KPIs such as Total Shareholder Return (TSR) or Earnings Per Share (EPS) to enhance alignment with investors and recommends disclosing these specifics. Additionally, the proportion of listed companies incorporating TSR as a metric for determining long-term executive compensation has been growing. As of 2023, 29% of major Japanese listed companies (among the top 100 firms) use TSR as a metric, marking a 5-point increase from the previous year (Nikkei, "Executive Pay 'Shareholder-Oriented': TSR Adoption Expands to 30%," May 21, 2024).
Given this trend, we propose that the company adopt TSR as a metric for its restricted stock compensation plan to strengthen value alignment between management and shareholders.

［The Company's Board of Directors' Opinion］
The Company's Board of Directors OPPOSES Item 7 of this Shareholder Proposal.

【Reasons for Opposition】
The Company has already incorporated restricted stock (RS) into its director compensation framework, with conditions linked to operating profit. This performance-based scheme ties executive directors' compensation directly to a key KPI, aligning their interests with those of general shareholders. The introduction of additional indicators such as TSR is deemed unnecessary.

Furthermore, the compensation system proposed by shareholders may fail to qualify for tax-deductible treatment under tax law, preventing the Company from realizing tax benefits. For these reasons, the Board of Directors opposes this proposal.

-END-

1. Qualitative Information for this Fiscal Year's Results

(1) Business Performance Report

The BEENOS Group is committed to becoming a leader on the "Global Platform Frontier," setting new standards and unlocking possibilities by fusing people, products, and information with the global commerce market. This ambition is fueled by leveraging technological advancements and our comprehensive expertise in global commerce.

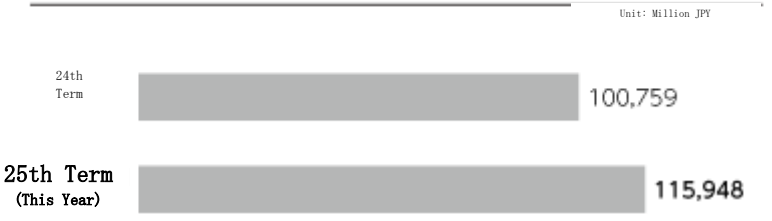
For this fiscal year, we are concentrating on tailored strategies for each of our business segments to attain our objectives. Our goal in Global Commerce is to broaden our distribution channels by enhancing the Buyee service with AI technology, reducing operational costs, and engaging in vigorous promotional efforts. Our focus in Entertainment is on boosting profit margins through the systematization and automation of operations.

In the E-Commerce Business, the Global Commerce segment experienced a notable rise in GMV and operating profit through proactive campaigns, enhanced campaign efficiency, and personalized promotions. In the Entertainment segment, merchandise sales grew steadily, driven by major events featuring both company-managed artists and those on the Groobee platform, contributing to an increase in GMV. We completed the transfer of shares for the Value Cycle segment as announced in "(Progress of Disclosed Matters) Notice of Completion of Change in Consolidated Subsidiaries (Shares Transfer) and Forecast of Extraordinary Income" on 30 April 2024. The Value Cycle segment has been deconsolidated from the BEENOS Group as of FY2024 Q2. The share transfer led to an extraordinary profit of approximately 900 million yen.

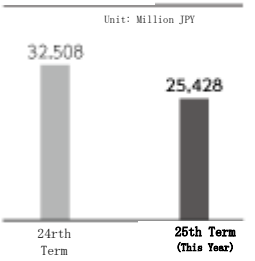
In the Incubation Business, we recorded provisions and impairments concerning the valuation of operational investment securities and moved forward with the sale of select investment securities.

As a result, the consolidated GMV was 115,948 mil JPY (up 15.1% year on year), net sales were 25,428 mil JPY (down 21.8% year on year), operating income was 2,401 mil JPY (down 46.7% year on year), ordinary income was 2,221 mil JPY (down 45.2% year on year), and net income attributable to owners of parent was 1,351 mil JPY (down 38.5% year on year).

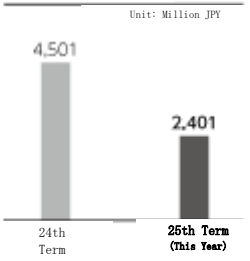
GMV



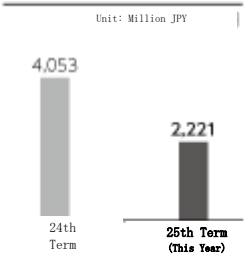

Net Sales



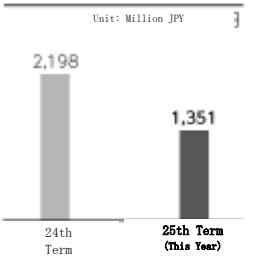

Operating Income




Ordinary Income




Net Profit Attributable to Owners of Parent Company



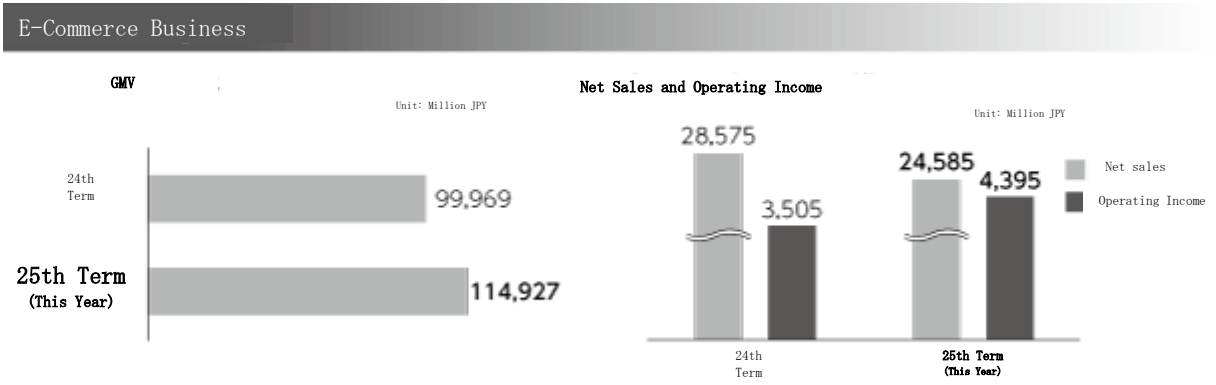
The achievements of each business segment are as follows.

# i E-Commerce Business

## Net Sales 24,585 mil JPY/Operating Income 4,395 mil JPY

For the E-Commerce Business as a whole, GMV was 114,927 mil JPY (up 15.0% year on year), net sales were 24,585 mil JPY (down 14.0% year on year) and operating income was 4,395 mil JPY (up 25.4% year on year).

However, as the Value Cycle segment was consolidated only up to the second quarter of the fiscal year, the year-on-year comparison excluding the Value Cycle segment shows a 19.6% increase in revenue and a 25.3% increase in operating profit.



## Global Commerce Business

In the Overseas Forwarding and Proxy Purchasing Business (FROM JAPAN), we have continued to implement aggressive campaigns in collaboration with domestic partners through Buyee, significantly contributing to GMV growth. Moreover, we shifted from distributing large-scale coupons targeting a broad user base last year to distributing coupons based on users' purchase frequency and product categories. Through targeted coupon distribution based on product categories and user purchasing patterns, we achieved a notable year-over-year increase in operating profit.

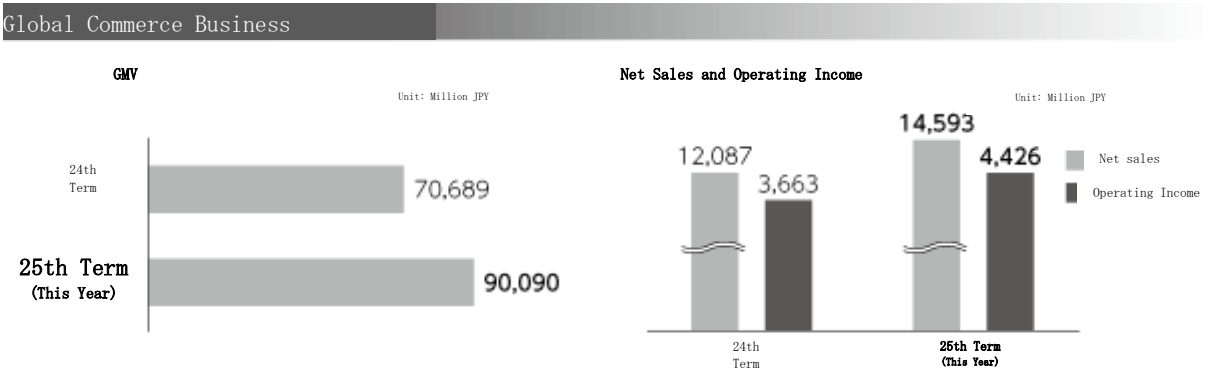
We also expanded Buyee's exclusive "ECMS Express" plan to Australia and Malaysia and reduced shipping costs to the United States, providing more affordable options for users in these regions. Additionally, we introduced "FedEx International Economy" for an even broader range of delivery choices.

Service improvements continued with AI-driven enhancements, such as a redesigned Buyee site and automated messaging, which further streamlined operations. A new domestic warehouse in Osaka was established to accommodate increased distribution, strengthening our logistics capabilities.

In the cross-border support service "Buyee Connect," which facilitates abroad sales with simple integration, we collaborated with platforms like "BUYMA" by Enigmo Inc. and BuySell Technologies Co., Ltd.'s "Reuse Select Shop BuySell Online Store" and "BuySell brandchée." These efforts have raised BEENOs Group's cumulative cross-border e-commerce support cases to over 6,000.

In our Global Shopping Business (TO JAPAN), we aimed to expand distribution by enhancing marketing efforts, including campaigns for repeat customers and SEO strategies. However, the continued trend of a weaker yen affected our operations, leading to a decrease in GMV.

As a result, GMV was 90,090 mil JPY (up 27.4% year on year), net sales were 14,593 mil JPY (up 20.7% year on year) and operating income was 4,426 mil JPY (up 20.8% year on year).



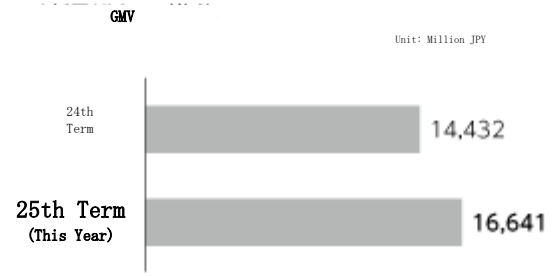
## Entertainment Business

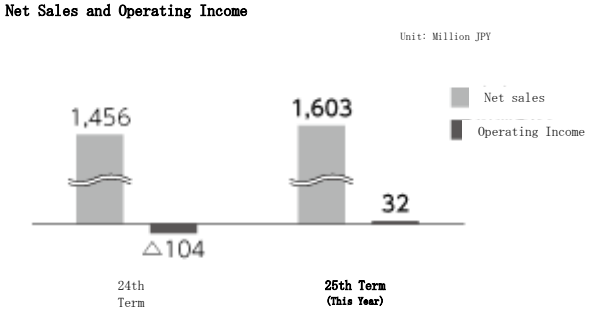
In the Entertainment Business, merchandise sales linked to large-scale concerts by our represented artists and annual summer live events have driven steady GMV growth.

On the entertainment-focused E-Commerce platform "Groobee," sales also rose significantly, fueled by major live events featuring partnered artists. This period saw Groobee's reach expand further, with new implementations such as supporting the launch and management of GENCO inc.'s official E-Commerce site, "GENCO SHOP," which contributed to a consistent increase in partnered artists on the platform.

As a result, GMV was 16,641 mil JPY (up 15.3% year on year), net sales were 1,603 mil JPY (up 10.1% year on year) and operating profit was 32 mil JPY (operating losses in FY2023 were 104 mil JPY).

Entertainment Business

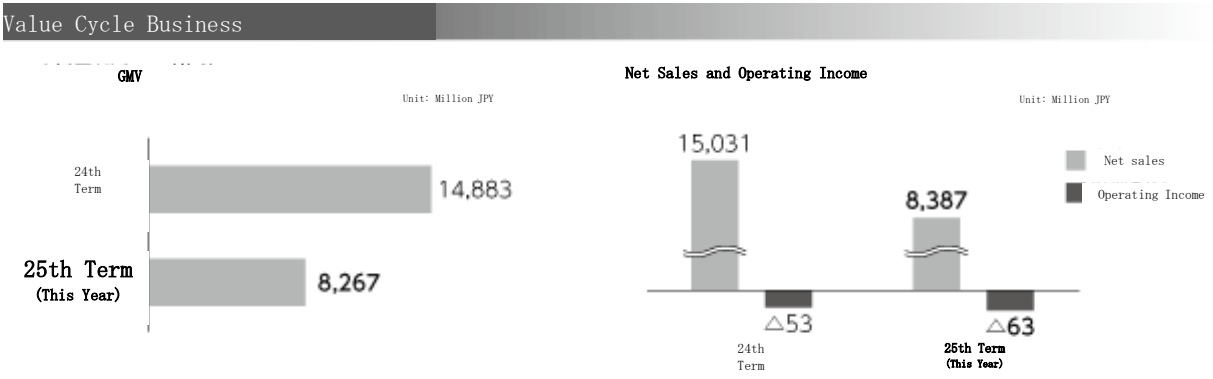


## Value Cycle Business

The share transfer of the Apparel Reuse Business and Liquor Mediation Business has been completed; thus, this segment has been deconsolidated as of FY2024 Q2.

As a result, GMV was 8,267 mil JPY (down 44.5% year on year), net sales were 8,387 mil JPY (down 44.2% year on year) and operating losses were 63 mil JPY (operating losses in FY2023 were 53 mil JPY). (FY2024 Q2 comparisons are made to FY2023)



# ii　Incubation Business

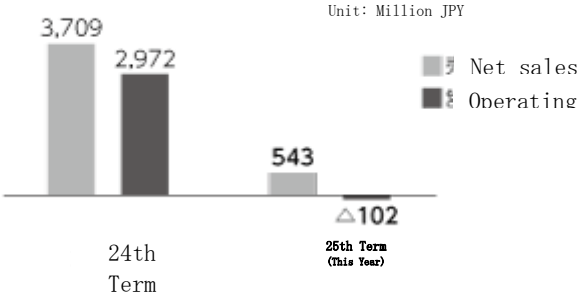
## Net Sales 543 mil JPY/Operating Income △102 mil JPY

In the Incubation Business, we recorded provisions and impairments for operational investment securities and initiated their sale to minimize operating losses.

As a result, net sales were 543 mil JPY (down 85.4% year on year) and operating losses were 102 mil JPY (operating income in FY2023 was 2,972 mil JPY).

Incubation Business

**Net Sales and Operating Income**

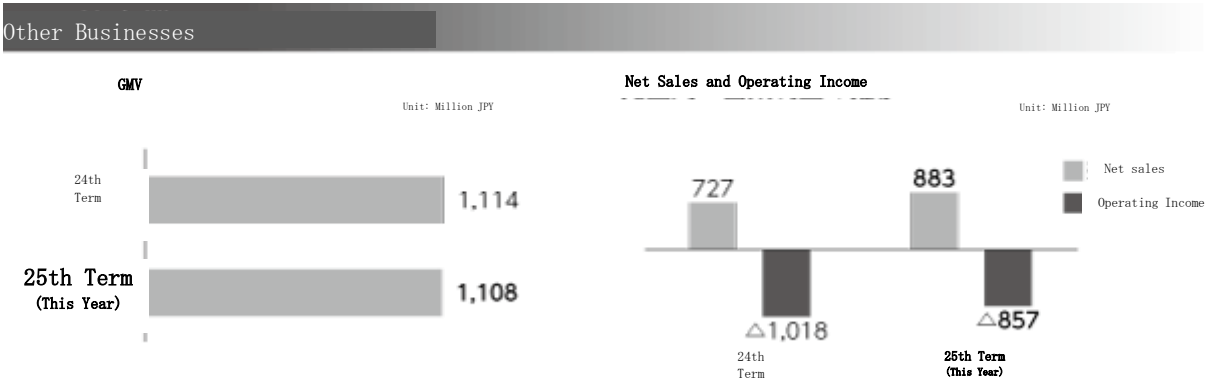


## iii Other Businesses

### Net Sales 883 mil JPY/Operating Income △857 mil JPY

In the Other Business segment, alongside the development and research of multiple new ventures, we exited businesses with uncertain growth prospects and achieved profitability in select areas.

As a result, GMV was 1,108 mil JPY (down 0.5% year on year), net sales were 883 mil JPY (up 21.4% year on year) and operating losses were 857 mil JPY (operating losses in FY2023 were 1,018 mil JPY).



The following is the breakdown of the net sales by business segment.

| Segment | | (Previous Fiscal Year) 24th Term (September 2023) | (Current Fiscal Year) 25th Term (September 2024) | Year on Year | |
|---|---|---|---|---|---|
| | | Amount (Unit: mil JPY) | Amount (Unit: mil JPY) | Amount (Unit: mil JPY) | % Change |
| E-Commerce Business | | 28,575 | 24,585 | △3,990 | △14.0% |
| | Global Commerce | 12,087 | 14,593 | 2,506 | 20.7% |
| | Value Cycle | 15,031 | 8,387 | △6,643 | △44.2% |
| | Entertainment | 1,456 | 1,603 | 147 | 10.1% |
| Incubation Business | | 3,709 | 543 | △3,165 | △85.4% |
| Other Businesses | | 727 | 883 | 155 | 21.4% |
| Corporate/Adjustments | | △503 | △582 | △79 | — |
| Total | | 32,508 | 25,428 | △7,080 | △21.8% |

(Note) Within the "E-Commerce Business," the "Value Cycle" segment's performance is included only up to the second quarter of the current consolidated fiscal year.

(2) Status of equipment investment

The total amount of capital investment made by our corporate group was 255 million JPY in FY2023, which was primarily due to system investments in the Entertainment Business.

(3) Status funding

Not applicable

(4) Status of business transfer, absorption-type split and incorporation-type split

Not applicable

(5) Status of handed business from other companies

Not applicable

(6) Status of succession of rights and obligations related to the business of other companies by absorption-type merger or absorption-type split

Our subsidiary, tenso, inc., and BeenoStorm Inc. executed an absorption merger effective April 1, 2024, with tenso, inc. as the surviving company and BeenoStorm Inc. as the dissolving company.

(7) Status of the acquisition or disposal of shares and other equity or stock acquisition rights of other companies

On April 30, 2024, the Company transferred all shares of its subsidiaries, Defactostandard Ltd. and JOYLAB Inc., to Aucnet Inc.

(8) Company Management Policy and Potential Risks

Our group operates with the Purpose of "Expanding the world's possibilities with ambition and technology to create the next standard." Utilizing the power of technology and expertise from global commerce, we aspire to be on the "Global Platform Frontier" that connects people, goods, and information with the global commerce market, continually introducing new norms and opportunities.

Our mission is to distribute exceptional products and content worldwide and deliver them to global consumers. By linking domestic and international marketplaces, we aim to promote Japan's outstanding products and content to countries in Asia and beyond, contributing to the construction of a global platform and enhancing corporate value.

To build this global platform, we are implementing the following strategies. Please note that forward-looking statements are based on the judgment of our group as of the end of the fiscal year under review.

① Global Commerce Strategy

For Buyee, while the effects of aggressive campaigns stabilize, we aim for steady transaction volume growth by expanding delivery options and enhancing services. Additionally, the "Cross-Platform Business," previously classified under Other Businesses, has reached a significant scale and is transitioning to the Global Commerce segment. This move aims to enhance synergies across businesses, targeting a transaction volume of 100 billion JPY in this segment.

② Entertainment Strategy

We plan to refine "Groobee," our e-commerce platform tailored to the entertainment industry, addressing challenges identified during its expansion. This includes streamlining operations to resolve a broader range of client issues. Additionally, we will focus on growing operating profit by diversifying revenue streams and improving the Take Rate.

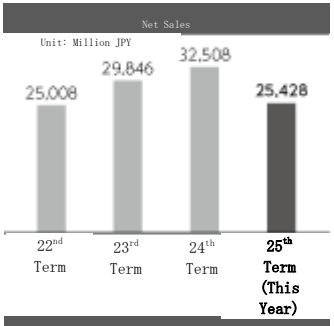
③ New Businesses Strategy

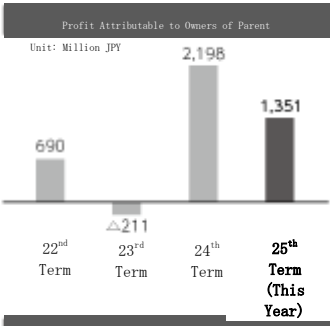
Certain businesses within this segment will transition to the Global Commerce segment due to their growth. While working to reduce deficits through business growth and controlled investment, we will also strengthen efforts to launch new initiatives. This includes expanding the global reach of popular domestic entertainment content through Buyee.

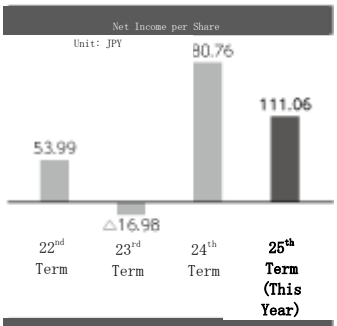
(9) Financial position and profits and losses

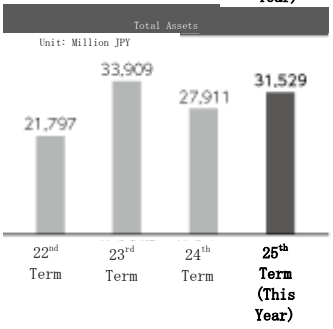
| Classification | | 22nd Term (September 2021) | 23rd Term (September 2022) | 24th Term (September 2023) | (Current Fiscal Year) 25th Term (September 2024) |
|---|---|---|---|---|---|
| Net Sales | (mil JPY) | 25,008 | 29,846 | 32,508 | 25,428 |
| Net Income (△Net Losses) | (mil JPY) | 690 | △211 | 2,198 | 1,351 |
| Net Income per Share (△Net Losses per Share | (JPY) | 53.99 | △16.98 | 180.76 | 111.06 |
| Total Assets | (mil JPY) | 21,797 | 33,909 | 27,911 | 31,529 |
| Net Assets | (mil JPY) | 11,395 | 18,001 | 13,010 | 14,430 |
| Net Assets per Share | (JPY) | 883.49 | 1,443.65 | 1,060.34 | 1,109.12 |

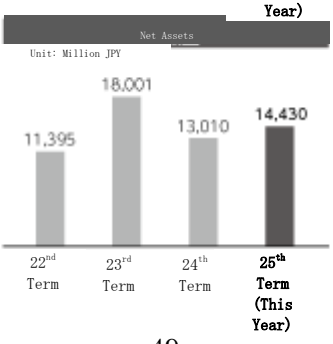
Note: 1. Net Income per Share (△Net Losses per Share) is calculated upon the annual average outstanding total shares

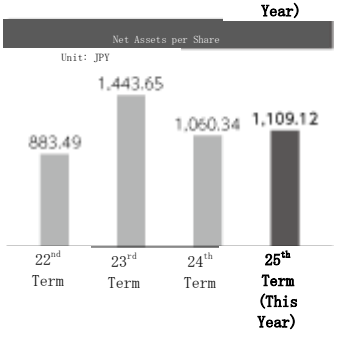


(10) Main business segment of the corporate Group (as of 30 September 2024)

| Segment | | Business Description |
|---|---|---|
| E-Commerce | Global Commerce | Overseas Forwarding and Proxy Purchasing Business<br>"tenso.com" and "Buyee"<br>Global Shopping Business "sekaimon" |
| | Entertainment | Entertainment Business<br>Global Product Business |
| Incubation | | Investment and Consultation Business |
| Other Businesses | | Pre-Monetized Start-up Business<br>Other Businesses |

(Note) Within the "E-commerce Business," all shares of Defactostandard, Ltd. and JOYLAB Inc, previously classified under "Value Cycle," were fully transferred as of April 30, 2024. Consequently, the company has exited the "Apparel Reuse Business" and the "Liquor Mediation Business."

(11) Status of Main Subsidiaries

| Company Name | Capital Funds or Investment Amount (Unit Currency) | Voter Holding Ratio | Business Description |
|---|---|---|---|
| Tenso inc | 100 mil JPY | 100.0 % | Overseas Forwarding and Proxy Purchasing Business |
| TAIWAN TENSO. INC | 5,580 (1,000 TWD) | 100.0 % (100.0)% | Overseas Forwarding and Proxy Purchasing Business |
| Shop Airlines, Ltd. | 100 mil JPY | 100.0 % | Global Shopping Business |
| Shop Airlines America, Inc. | 3,500 (1,000 USD) | 100.0 % (100.0)% | Global Shopping Business |
| BEENOS Entertainment Inc. | 30 mil JPY | 100.0 % | Entertainment Business |
| BEENOS Asia Pte. Ltd. | 10,800 (1,000 USD) | 100.0 % | Investment and Consultation Business |
| BeeCruise Inc. | 100 mil JPY | 100.0 % | Development of new Business |
| FASBEE inc. | 100 mil JPY | 100.0 % | Cross Border EC services specializing in fashion |
| BEENOS Travel Inc. | 100 mil JPY | 100.0 % | Japan Inbound Travel Business |
| BEENOS HR Link Inc. | 100 mil JPY | 100.0 % | SaaS type Cross Border HR Platform |
| BEENOS AMERICA INC. | 600k USD | 100.0 % | Cross Platform Business |

Note: 1. The ratio inside the parentheses signifies the indirect holding ratio
2 . tenso, inc. merged with BeenoStorm Inc. as of April 1, 2024
3 . Defactostandard, Ltd. and JOYLAB, inc. were transferred as of April 30, 2024 and have been deconsolidated from the BEENOS Group
4 . BEENOS AMERICA INC. was incorporated on June 21, 2024

(12) Main offices (as of 30 September 2023)

① BEENOS office

| Name | Location |
|---|---|
| BEENOS Inc. | Shinagawa, Tokyo |

② Subsidiary Offices

| Company name | Location |
|---|---|
| Tenso inc | Shinagawa, Tokyo |
| TAIWAN TENSO. INC | Taipei, Taiwan |
| Shop Airlines, Ltd. | Shinagawa, Tokyo |
| Shop Airlines America, Inc. | Redondo Beach, California, USA |
| BEENOS Entertainment Inc. | Shinagawa, Tokyo |
| BEENOS Asia Pte. Ltd. | Republic of Singapore |
| BeeCruise Inc. | Shinagawa, Tokyo |
| FASBEE inc. | Shinagawa, Tokyo |
| BEENOS Travel Inc. | Shinagawa, Tokyo |
| BEENOS HR Link Inc. | Shinagawa, Tokyo |
| BEENOS AMERICA INC. | Redondo Beach, California, USA |

(13) Status of Employees (as of September 2024)

① Status of employees for the corporate group

| Segment | | Employees | Fluctuation from previous fiscal year |
|---|---|---|---|
| E-Commerce | Global Commerce | 151 ( 97) | 4 ( 15) |
| | Value Cycle | — ( —) | △128 ( △280) |
| | Entertainment | 46 ( 10) | 4 ( —) |
| Incubation | | 2 ( —) | — ( —) |
| Other Businesses | | 83 ( 13) | △15 ( △6) |
| Corporate | | 51 ( 8) | 4 ( 1) |
| Total | | 333 ( 128) | △131 ( △270) |

Note:1. Employees include working employees. Temporary employees are listed in parentheses and are calculated on an 8 hour/day average.
2. Employees listed under Corporate are administrative staff working in departments and on tasks that encompass the entire group
3. The Value Cycle Business, composed of Defactostandard, Ltd. and JOYLAB, inc., was transferred as of April 30, 2024 and has been deconsolidated from the BEENOS Group

② Status of employees of the company

| Gender | Employees | Fluctuation from previous fiscal year | Average Age | Average length of service |
|---|---|---|---|---|
| Male | 58 ( 5) | — ( —) | 35.1 | 5.2 Years |
| Female | 34 ( 5) | 4 ( —) | 34.4 | 5.1 Years |
| Total/Average | 92 ( 10) | 4 ( —) | 34.8 | 5.2 Years |

Note: Employees include working employees. Temporary employees are listed in parentheses and are calculated on an 8 hour/day average.

(14) Status of Main Lenders (as of 30 September 2024)

| Lender | Lending Amount (Unit: mil JPY) |
|---|---|
| Resona Bank, Ltd. | 1,300 |
| MUFG Bank, Ltd. | 950 |
| Sumitomo Mitsui Banking Corporations | 900 |

(15) Other important items relevant to the corporate group

Not applicable

2. Status of Shares (30 September 2024)

(1) Total Authorized Shares 45,000,000

(2) Total Issued Shares 13,603,995 (Including 750,862 Treasury Shares)

(3) Number of Shareholders 4,091

(4) Main Shareholders (Top 10)

| Shareholder's Name | Number of Shares | Shareholder Ratio |
|---|---|---|
| BNYM AS AGT/CLTS NON TREATY JASDEC | 1,364,032 | 10.61% |
| The Master Trust Bank of Japan, Ltd. | 1,175,800 | 9.15% |
| AVI JAPAN OPPORTUNITY TRUST PLC | 1,109,000 | 8.63% |
| GOLDMAN SACHS INTERNATIONAL | 838,114 | 6.52% |
| GOLDMAN SACHS & CO. REG | 647,501 | 5.04% |
| MSIP CLIENT SECURITIES | 570,153 | 4.44% |
| Shota Naoi | 296,200 | 2.30% |
| Teruhide Sato | 281,800 | 2.19% |
| Custody Bank of Japan, Ltd. (Trust port) | 273,500 | 2.13% |
| STICHTING DEPOSITARY ASCENDER GLOBAL VALUE FUND | 273,100 | 2.12% |

Note: Treasury shares are not counted in the shareholder ratio.

(5)Status of shares issued to officers in exchange for the execution of their duties during the current fiscal year

| Eligible Persons | Shares | Number of Holders |
|---|---|---|
| Directors (Excluding Members of the Audit and Supervisory Committee) | 30,800 | 3 |
| External Directors | — | — |
| Directors (Members of the Audit and Supervisory Committee) | — | — |

3. Status of Stock Acquisition Rights

(1) Status of Stock Acquisition Rights held by BEENOS Group Directors issued as a remuneration for discharge of duties (as of 30 September 2024)

| | 15th New Stock Acquisition Rights | |
|---|---|---|
| Date of Resolution | 4 August 2022 | |
| Classification | Directors (Excluding Members of the Audit and Supervisory Committee) | Directors (Members of the Audit and Supervisory Committee) |
| Number of Holders | 1 | 0 |
| Number of Share Acquisition Rights | 1,000 | 0 |
| Number of Shares to be Issued | 10,000 | 0 |
| Type of Shares to be Issued | Common Shares | |
| Issuance Price per Acquisition Right | Unpaid | |
| Exercising Price per Right Execution | 2,526 JPY | |
| Exercise Period | 5 August 2024 to 4 August 2032 | |

(Note) The stock acquisition rights held by one director were granted prior to their appointment as a director.

(2) Status of Stock Acquisition Rights issued to employees of BEENOS, directors and employee of subsidiary as a remuneration for discharge of duties in this fiscal year

Not applicable

(3) Other important information of New Stock Acquisition Rights

| | 12th New Stock Acquisition Rights | |
|---|---|---|
| Date of Resolution | 6 February 2020 | |
| Classification | Directors (Excluding Members of the Audit and Supervisory Committee) | Directors (Members of the Audit and Supervisory Committee) |
| Number of Holders | 2 | 0 |
| Number of Share Acquisition Rights | 1,933 | 0 |
| Number of Shares to be Issued | 193,300 | 0 |
| Type of Shares to be Issued | Common Shares | |
| Issuance Price per Acquisition Right | Paid | |
| Exercising Price per Right Execution | 1,071 JPY | |
| Exercise Period | 25 February 2020 to 24 February 2030 | |

| | 16th New Stock Acquisition Rights | |
|---|---|---|
| Date of Resolution | 20 June 2024 | |
| Classification | Directors (Excluding Members of the Audit and Supervisory Committee) | Directors (Members of the Audit and Supervisory Committee) |
| Number of Holders | 1 | 0 |
| Number of Share Acquisition Rights | 960 | 0 |
| Number of Shares to be Issued | 96,000 | 0 |
| Type of Shares to be Issued | Common Shares | |
| Issuance Price per Acquisition Right | Paid | |
| Exercising Price per Right Execution | 2,339 JPY | |
| Exercise Period | 8 July 2024 to 7 July 2034 | |

4. Status of Company Directors

(1) Status of directors (as of 30 September 2024)

| Position in Company | Name | Responsibility and important concurrent positions |
|---|---|---|
| President | Shota Naoi (M) | Group CEO<br>President and CEO, tenso, inc.<br>President and CEO, BeeCruise Inc. |
| Director | Kenichi Sento (M) | — |
| Director | Taisuke Miura (M) | President and CEO, BEENOS Partners, Inc.<br>CEO, BEENOS AMERICA INC. |
| Director | Naofumi Nishi (M) | Partner of Bain Capital Private Equity Japan LLC |
| Director<br>(Full-time Audit & Supervisory Committee Member) | Yasukazu Joho (M) | — |
| Director<br>(Audit & Supervisory Committee Member) | Kibo Kondo (M) | CEO, Zeon Consulting Co., Ltd.<br>Auditor, Sophia Holdings Co., Ltd. |
| Director<br>(Audit & Supervisory Committee Member) | Yoshindo Takahashi (M) | Adviser, Executive Partners Inc.<br>Director, Ceres inc.<br>Director, Tokyo Tsushin, Inc. |
| Director<br>(Audit & Supervisory Committee Member) | Haruka Osawa (F) | Partner of Miura & Partners |

Notes:1. Naofumi Nishi, Yasukazu Joho, Kibo Kondo, Yoshindo Takahashi and Haruka Osawa are external directors.

2. BEENOS has registered external directors Naofumi Nishi, Yasukazu Joho, Kibo Kondo, Yoshindo Takahashi and Haruka Osawa to the Tokyo Stock Exchange as independent officers.

3. BEENOS has elected Yasukazu Joho as Full-time Audit & Supervisory Committee member to improve information gathering, strengthening the managing and auditing capabilities of the committees and closely cooperate with the internal control division.

4. Audit & Supervisory Committee member Kibo Kondo is a certified public accountant and have considerable knowledge for financing and accounting.

5. BEENOS has made a contract agreement in accordance with Article 427 Section 1 of the Companies Act with Naofumi Nishi, Yasukazu Joho, Kibo Kondo, Yoshindo Takahashi and Haruka Osawa in regard to the limit of liability for damages as stated in Article 423 Section 1 of the Companies Act. The amount limit for the liability of damages is set at the minimum responsibility amount as legally established.

6. We have entered an officer liability insurance (D&O insurance) contract with the insurance company as set forth in Article 430-3, Paragraph 1 of the Companies Act, with all directors as insured persons, and will compensate for any damage that may be caused by the directors, etc., who are insured, assuming responsibility for the execution of their duties or receiving a claim pertaining to the pursuit of such liability. Provided, however, that the Company may not compensate for any damage caused

by any act that is committed with the knowledge that such act is a violation of laws and regulations, or otherwise cause a certain exclusion of liability.

(2) Total amount of remuneration paid to Directors

| Title | Total Remuneration (mil JPY) | Remuneration Breakdown (mil JPY) | | | Number of Corresponding Directors |
|---|---|---|---|---|---|
| | | Basic Remuneration | Results Based Remuneration | Non-monetary Renumeration | |
| Director (Excluding Audit & Supervisory Committee Members) | 192 (3) | 87 (3) | 62 (—) | 43 (—) | 5 (1) |
| Directors (Audit & Supervisory Committee Members) (External Directors) | 26 (26) | 26 (26) | — | — | 4 (4) |

(NOTE)1. The performance-linked compensation is incorporated into the director bonuses allocated for the fiscal year under review

2.The non-monetary compensation referenced pertains to stock-based compensation with transfer restrictions, which the company awards to its directors

3.There were 8 directors at the end of the term. The variance between this count and the number of compensated personnel arises from including a director who retired at the end of their term during the 24th Annual General Meeting of Shareholders on 15 December 2023

(3) Matters concerning the resolution of the general meeting of shareholders on the remuneration, etc. of directors

The maximum amount of remuneration for Directors (excluding Directors who are Audit and Supervisory Committee Members) is 300 million JPY per year (excluding Employee Partial Salary for Directors who concurrently serve as Employees). The maximum amount of restricted stock remuneration is 200 million JPY per year under a separate limit. In addition, this limit was resolved at the 20th Annual General Meeting of Shareholders held on 20 December 2019, and the number of members as of the resolution date was 4.

The maximum amount of remuneration for Directors who are Audit and Supervisory Committee members is 50 million JPY per year. In addition, this limit was resolved at the 16th Annual General Meeting of Shareholders held on 10 December 2015, and the number of members as of the resolution date was 3.

(4) Matters concerning the decision policy concerning the contents of individual remuneration, etc. for directors

① Basic Concept of the Compensation System for Directors

Based on our basic policy on corporate governance, we have established a policy for determining

the amount of remuneration, etc. for officers in accordance with the functions and roles that our officers should perform and our level of performance, etc., in order to lead to continuous increases in corporate value and in accordance with the functions of business execution and management oversight.

② Approach to Compensation Structure for Directors

Remuneration for directors (excluding outside directors and directors serving on the Audit and Supervisory Committee) consists of cash-based remuneration and share-based remuneration as medium-to long-term incentives.

Regarding cash remuneration for each fiscal year, the Company determines base remuneration on a consolidated basis as consideration for the execution of duties and responsibilities, etc., and determines bonuses linked to consolidated performance.

For stock-based compensation, the Company grants restricted stock as compensation linked to medium-term performance (stock price).

The chart below shows the type of remuneration and the purpose and outline of each type of remuneration.

| Types of Remuneration | | Objectives and Outline |
|---|---|---|
| Fixed | Fixed compensation | Fixed remuneration to encourage sound execution of duties in accordance with responsibilities<br>・Compensation levels shall be determined based on the amount of ordinary profit in the previous year and in accordance with positions, roles, responsibilities, etc.<br>・Monthly payments are made. |
| Variable | Incentive fee (Short-Term Incentive Compensation) | Performance-linked remuneration to steadily accumulate results for each fiscal year<br>・The specific amount to be paid shall be determined based on the consolidated ordinary profit amount for each business year and in accordance with the position, roles, responsibilities, etc. of each director<br>The base amount of consolidated ordinary income is |

| | | |
|---|---|---|
| | | shown in the consolidated statements of income.<br>・Payment shall be made in a lump sum after the end of each fiscal year. |
| | Restricted stock awards (Medium-to long-term incentive remuneration) | Performance-linked remuneration to promote management with an emphasis on enhancing corporate and shareholder value over the medium to long term<br>・The "standard amount" shall be set according to the job responsibilities, etc.<br>・Grant the number of shares calculated by dividing the "Base Amount" by the closing price of our shares on the Tokyo Stock Exchange on the day before the issue resolution date.<br>・The shares to be granted shall be the Specified Shares with Restriction on Transfer that cannot be transferred or otherwise disposed of for the period until they leave office.<br>・The number of shares to be granted shall not exceed 100,000 shares per year.<br>・Payment shall be made within 1 month after the meeting of the Board of Directors held after the annual general meeting of shareholders.<br>・We shall acquire shares for which the restriction on transfer has not been lifted due to failure to meet the period for offering services at the time of expiration of the restriction on transfer, such as at the time of resignation, without charge. |

Note: Remuneration for External Directors and Directors serving on the Audit and Supervisory Committee are limited to fixed monthly remuneration as it is necessary to ensure independence in order to properly fulfill their roles, and there is no remuneration that varies depending on performance.

③ Reasons for the Board of Directors to determine that the content of individual remuneration, etc. for directors (excluding external directors and directors serving on the Audit and Supervisory Committee) is in line with the policy

The Board of Directors considers individual remuneration of Directors (excluding external directors and directors serving on the Audit and Supervisory Committee) in a diversified manner, including consistency with the decision-making policy, and determines that it is in accordance with the decision-making policy.

(5) Matters concerning delegation pertaining to determination of individual remuneration, etc. of directors

① Director Compensation Deliberation and Decision Process

The process for determining director compensation is as follows under the company's "Director Rules":

- Compensation for directors (excluding those serving as audit committee members) is proposed by Representative Director Shota Naoi. This proposal considers factors like performance, role, responsibility, and results. The Board of Directors then decides on these compensations within the remuneration limits set at the AGM.
- Compensation for directors serving as Audit and Supervisory Committee members is established through discussions among themselves, adhering to the remuneration framework agreed upon at the AGM.

② Role and Activities of the Board of Directors

The Board of Directors operates as an entity that supervises officers from an independent and objective standpoint. It deliberates and decides on matters related to director compensation, including the development and modification of relevant systems, which are formalized as "Director Rules." Key decisions on director compensation for this fiscal year included:

- December 15, 2023: Announcement regarding executive compensation for fiscal year 2024
- December 15, 2023: Decision to grant remuneration equivalent to the payment amount for restricted stock to directors and executive officers
- October 24, 2024: Announcement regarding executive bonuses (performance-linked remuneration) for fiscal year 2024

(6) Items on external officers

① Relationship between the Company and companies where External Officers hold significant concurrent positions

| | | |
|---|---|---|
| Director | Naofumi Nishi | Partner of Bain Capital Private Equity Japan LLC |
| Director<br>(Full-time Audit & Supervisory Committee Member) | Yasukazu Joho | — |
| Director<br>(Audit & Supervisory Committee Member) | Kibo Kondo | CEO, Zeon Consulting Co., Ltd.<br>Auditor, Sophia Holdings Co., Ltd. |
| Director<br>(Audit & Supervisory Committee Member) | Yoshindo Takahashi | Adviser, Executive Partners Inc.<br>Director, Ceres inc.<br>Director, Tokyo Tsushin, Inc. |
| Director<br>(Full-time Audit & Supervisory Committee Member) | Haruka Osawa | Partner of Miura & Partners<br>External Director (Audit and Supervisory Committee Member), CUC Inc. |

Note: There are no particular relationships between BEENOS and the companies listed above.

② Principle Activities in this fiscal year

Attendance in Board Meetings and Audit & Supervisory Committee Meetings

| Position | Name | Board Meeting Attendance | Audit & Supervisory Committee Meeting Attendance | Activities |
|---|---|---|---|---|
| External Director | Naofumi Nishi | 26 of 26 | — | Nishi leveraged his wide-ranging experience and expertise from a global investment firm and provided valuable suggestions and counsel for our company's overall management from a neutral perspective. |
| External Director (Full-time Audit & Supervisory Committee Member) | Yasukazu Joho | 26 of 26 | 13 of 13 | Joho actively participated in discussions and offer guidance aimed at enhancing the transparency and integrity of management, while reinforcing corporate governance with a foundation in financial expertise. |
| External Director (Audit & Supervisory Committee Member) | Kibo Kondo | 26 of 26 | 13 of 13 | Kondo's involvement as a CPA included critical questioning and advice to uphold and improve management transparency and soundness, bolster corporate governance, and support the Board of Directors in making informed decisions. |
| | Yoshindo Takahashi | 26 of 26 | 13 of 13 | Takahashi drew on his experience in corporate management and contributed through active questioning and advice, focusing on enhancing management's transparency and soundness, and strengthening corporate governance. |
| | Haruka Osawa | 26 of 26 | 13 of 13 | Osawa played an active role in questioning and advising, ensuring the effective supervision of management as a legal expert with comprehensive experience in corporate law. |

5. Policy on Decisions for Dividend of Surplus

Our company views the distribution of profits to shareholders through dividends as a key management priority. We are dedicated to broadening our business foundation and bolstering our financial stability, with the aim of providing stable, long-term dividends that are not heavily impacted by performance fluctuations. We are committed to sustaining a consistent, long-term dividend policy while upholding the principle of not reducing dividends.

6. Accounting Auditors

(1) Name of Accounting Auditors Grant Thornton Taiyo LLC

(2) Remuneration for the Accounting Auditors

| | Value (Unit: mil JPY) |
|---|---|
| Amount for remuneration for this fiscal year | 38 |
| Total amount of cash and other economic benefits to be paid by the Company and consolidated subsidiaries | 38 |

Note: 1. The total remuneration amount for the fiscal year is listed as the contract between BEENOS and the auditor and is not made to feasibly calculate the difference between the auditing under the Companies Act and the auditing under the Financial Instruments and Exchange Act

2. BEENOS subsidiary BEENOS Asia Pte. Ltd. is being audited by another auditing firm.

(3) Audit & Supervisory Committee Agree Accounting Auditors Remuneration

Audit & Supervisory Committee agreed to the remuneration of the accounting auditors as stipulated in Article 399 Section 1 of the Companies Act, after receiving necessary materials from applicable divisions within the company and accounting auditors, confirming existing reports of the auditor's previous achievements and remunerations, and confirming whether the estimates for this fiscal year were reasonable.

(4) Decision-making policy of dismissal or non-reappointment of Independent Auditor

The Independent Auditor may be dismissed by the Audit & Supervisory Committee with unanimity of Audit & Supervisory Committee Members when the Independent Auditor corresponds to any of Article 340, Section 1 of the Companies Act. In this case, the Audit & Supervisory Committee will report the information including the reason if the dismissal of the Auditor at the ensuing Annual Meeting.

Furthermore, the Audit & Supervisory Committee will view the Independent Auditor's overall performance and will propose to the Annual Meeting the dismissal or non-reappointment of the Auditor if it deems necessary.

（5） Disciplinary Action Against the Accounting Auditor in the Past Two Years

Overview of the Business Suspension Order Announced by the Financial Services Agency on December 26, 2023

① Subject of the Disciplinary Action

Grant Thornton Taiyo LLC

② Details of the Disciplinary Action

・A three-month suspension of activities related to entering into new contracts (from January 1, 2024, to March 31, 2024), excluding the renewal of audit contracts with existing clients and new contracts associated with companies newly listed.
・Mandated improvement of business management systems.
・A three-month prohibition (from January 1, 2024, to March 31, 2024) on involvement in audit-related review work by employees significantly responsible for the circumstances leading to the disciplinary action.

③ Reason for the Disciplinary Action

Two certified public accountants employed by Grant Thorton Taiyo LLC were found to have negligently certified financial statements containing significant misstatements as being free of material misstatements during the audit of correction reports of another company.

## Consolidated Balance Sheet (as of September 30, 2024)

(Unit: Million yen)

| Subject | Amount of money | Subject | Amount of money |
|---|---|---|---|
| (Assets) | | (Liabilities) | |
| Current assets | 27,462 | Current liabilities | 15,919 |
| Cash and deposits | 17,948 | Notes and accounts payable-trade | 118 |
| Notes and accounts receivable | 1,149 | Short-term loan | 3,350 |
| Operational investment securities | 3,318 | Current portion of long-term loans payable | 540 |
| Products | 464 | Accounts payable-other | 7,723 |
| Accounts receivable | 2,053 | Deposits received | 2,020 |
| Other | 2,528 | Income taxes payable | 1,178 |
| Allowance for doubtful accounts | △ 1 | Asset retirement obligations | 67 |
| Fixed assets | 4,067 | Other | 922 |
| Tangible Assets | 85 | Fixed liabilities | 1,179 |
| Buildings and structures | 237 | Long-term loans payable | 560 |
| Tools, materials and supplies | 208 | Deferred tax liabilities | 619 |
| Other | 40 | Total liabilities | 17,098 |
| Accumulated depreciation | △400 | (Net assets) | |
| Intangible assets | 258 | Shareholders' equity | 13,357 |
| Software | 258 | Capital stock | 3,175 |
| Investments etc. | 3,723 | Capital surplus | 3,331 |
| Investment securities | 2,649 | Retained earnings | 8,282 |
| Deferred tax assets | 811 | Treasury Stock | △1,431 |
| Other | 382 | Other accumulated comprehensive income | 897 |
| Allowance for doubtful accounts | △120 | Valuation difference on securities | △477 |
| | | Foreign currency translation adjustments | 1,375 |
| | | Share subscription rights | 174 |
| | | Total net assets | 14,430 |
| Total assets | 31,529 | Total liabilities and Total net assets | 31,529 |

(Note) Figures are rounded down to the nearest Million yen.

## Consolidated Statements of Income (From October 1, 2023 to September 30, 2024)

(Unit: Million yen)

| Subject | Amount of money | |
|---|---|---|
| Net sales | | 25,428 |
| Cost of sales | | 13,492 |
| Gross profit | | 11,936 |
| Selling, general and administrative expenses | | 9,534 |
| Operating income | | 2,401 |
| Non-operating income | | |
| Interest income | 22 | |
| Equity in earnings of affiliated companies | 8 | |
| Gain on investments in partnerships | 81 | |
| Subsidy income | 0 | |
| Guarantee income | 3 | |
| Other | 42 | 158 |
| Non-operating expenses | | |
| Interest expenses | 17 | |
| Foreign exchange losses | 165 | |
| Allowance for doubtful accounts | 121 | |
| Other | 33 | 337 |
| Ordinary income | | 2,221 |
| Extraordinary income | | |
| Gain on sales of shares of subsidiaries and associates | 914 | |
| Gain on reversal of subscription rights to shares | 30 | 945 |
| Income before income taxes | | 3,167 |
| Income taxes | 1,456 | |
| Income taxes-deferred | 359 | 1,815 |
| Net income for the year | | 1,351 |
| Net income attributable to owners of the parent | | 1,351 |

(Note) Figures are rounded down to the nearest Million yen.

## Consolidated Statement of Changes in Shareholders' equity (From October 1, 2023 to September 30, 2024)

(Unit: Million yen)

| | Capital stock | | | | |
|---|---|---|---|---|---|
| | Capital stock | Capital surplus | Retained earnings | Treasury Stock | Total shareholders' equity |
| Balance at October 1, 2023 | 2,775 | 2,954 | 7,256 | △1,566 | 11,421 |
| Changes during the fiscal year | | | | | |
| Issuance of new shares | 400 | 400 | | | 800 |
| Dividend of surplus | | | △325 | | △325 |
| Net income attributable to owners of the parent | | | 1,351 | | 1,351 |
| Acquisition of Treasury Stock | | | | △ 0 | △ 0 |
| Disposal of Treasury Stock | | △ 23 | | 134 | 110 |
| Consolidation of items other than Shareholders' equity Net change during the year | | | | | - |
| Total changes during the fiscal year | 400 | 376 | 1,025 | 134 | 1,936 |
| Balance at September 30, 2024 | 3,175 | 3,331 | 8,282 | △1,431 | 13,357 |

| | Other accumulated comprehensive income | | | Share subscription rights | Total net assets |
|---|---|---|---|---|---|
| | Other Marketable securities Net unrealized gain | Currency Translation Adjustment account | Other Comprehensive income Total accumulated amount | | |
| Balance at October 1, 2023 | △215 | 1,584 | 1,368 | 220 | 13,010 |
| Changes during the fiscal year | | | | | |
| Issuance of new shares | | | | | 800 |
| Dividend of surplus | | | | | △325 |
| Net income attributable to owners of the parent | | | | | 1,351 |
| Acquisition of Treasury Stock | | | | | △ 0 |
| Disposal of Treasury Stock | | | | | 110 |
| Consolidation of items other than Shareholders' equity Net change during the year | △261 | △209 | △470 | △45 | △516 |
| Total changes during the fiscal year | △261 | △209 | △470 | △ 45 | 1,420 |
| Balance at September 30, 2024 | △477 | 1,375 | 897 | 174 | 14,430 |

(Note) Figures are rounded down to the nearest Million yen.

## Balance Sheet as of September 30, 2024

(Unit: Million yen)

| Subject | Amount of money | Subject | Amount of money |
|---|---|---|---|
| (Assets) | | (Liabilities) | |
| Current assets | 16,088 | Current liabilities | 9,053 |
| Cash and deposits | 9,697 | Short-term loan | 3,350 |
| Operational investment securities | 735 | Current portion of long-term loans payable | 540 |
| Prepaid expenses | 258 | Accounts payable-other | 4,432 |
| Accounts receivable from affiliated companies | 4,143 | Accounts payable-other to affiliated companies | 134 |
| Advances to subsidiaries and associates | 64 | Income taxes payable | 369 |
| Short-term loans receivable from affiliates | 3,700 | Deposits received | 22 |
| Other | 254 | Provision for directors' bonuses | 62 |
| Allowance for doubtful accounts | △2,765 | Asset retirement obligations | 67 |
| Fixed assets | 4,036 | Other | 75 |
| Tangible Assets | 38 | Fixed liabilities | 1,283 |
| Building | 210 | Long-term loans payable | 560 |
| Tools, materials and supplies | 129 | Deferred tax liabilities | 723 |
| Other | 4 | Total liabilities | 10,337 |
| Accumulated depreciation | △306 | (Net assets) | |
| Investments etc. | 3,997 | Shareholders' equity | 9,544 |
| Investment securities | 2,126 | Capital stock | 3,175 |
| Shares of subsidiaries and associates | 1,651 | Capital surplus | 2,517 |
| Lease and guarantee deposits | 338 | Additional paid-in capital | 2,214 |
| Other | 1 | Other Capital surplus | 302 |
| Allowance for doubtful accounts | △120 | Retained earnings | 5,282 |
| | | Profit reserve | 21 |

| | | | |
|---|---|---|---|
| | | Other Retained earnings | 5,261 |
| | | Retained earnings brought forward | 5,261 |
| | | Treasury Stock | △1,431 |
| | | Valuation and translation adjustments | 68 |
| | | Valuation difference on securities | 68 |
| | | Share subscription rights | 174 |
| | | Total net assets | 9,787 |
| Total assets | 20,124 | Total liabilities and Total net assets | 20,124 |

(Note) Figures are rounded down to the nearest Million yen.

## Income Statement (From October 1, 2023 to September 30, 2024)

(Unit: Million yen)

| Subject | Amount of money | |
|---|---|---|
| Operating revenue | | 3,365 |
| Operating expenses | | 2,420 |
| Gross operating profit | | 944 |
| Non-operating income | | |
| Interest income | 94 | |
| Gain on investments in partnerships | 81 | |
| Guarantee income | 3 | |
| Commission received | 3 | |
| Miscellaneous income | 7 | 190 |
| Non-operating expenses | | |
| Interest expenses | 17 | |
| Foreign exchange losses | 0 | |
| Allowance for doubtful accounts | 624 | |
| Miscellaneous loss | 19 | 663 |
| Ordinary income | | 472 |
| Extraordinary income | | |
| Gain on sales of shares of subsidiaries and associates | 2,075 | |
| Gain on reversal of subscription rights to shares | 30 | 2,106 |
| Extraordinary losses | | |
| Loss on write-down of investments in subsidiaries | 611 | 611 |
| Income before income taxes | | 1,966 |
| Income taxes | 381 | |
| Income taxes-deferred | 321 | 702 |
| Net income for the year | | 1,264 |

(Note) Figures are rounded down to the nearest Million yen.

## Statement of Changes in Shareholders' equity (From October 1, 2023 to September 30, 2024)

(Unit: Million yen)

| | Capital stock | | | | | | |
|---|---|---|---|---|---|---|---|
| | Capital stock | Capital surplus | | | Retained earnings | | |
| | | Capital Reserve fund | Other equity Surplus | Capital surplus Total | Profit reserve | Other income Surplus / Profit carried forward Surplus | Retained earnings Total |
| Balance at October 1, 2023 | 2,775 | 1,814 | 326 | 2,140 | 21 | 4,323 | 4,344 |
| Changes during the business year | | | | | | | |
| Issuance of new shares | 400 | 400 | | 400 | | | |
| Dividend of surplus | | | | | | △325 | △325 |
| Net income for the year | | | | | | 1,264 | 1,264 |
| Acquisition of Treasury Stock | | | | | | | |
| Disposal of Treasury Stock | | | △ 23 | △ 23 | | | |
| For items other than Shareholders' equity Net change during the year | | | | | | | |
| Total changes during the fiscal year | 400 | 400 | △ 23 | 376 | - | 938 | 938 |
| Balance at September 30, 2024 | 3,175 | 2,214 | 302 | 2,517 | 21 | 5,261 | 5,282 |

| | Shareholders' equity | | Valuation and translation adjustments | | Share subscription rights | Total net assets |
|---|---|---|---|---|---|---|
| | Treasury Stock | Shareholders' equity Total | Other securities Unrealized gain on securities | Total valuation and translation adjustments | | |
| Balance at October 1, 2023 | △1,566 | 7,695 | 342 | 342 | 220 | 8,257 |
| Changes during the business year | | | | | | |
| Issuance of new shares | | 800 | | | | 800 |
| Dividend of surplus | | △325 | | | | △325 |
| Net income for the year | | 1,264 | | | | 1,264 |
| Acquisition of Treasury Stock | △ 0 | △ 0 | | | | △ 0 |
| Disposal of Treasury Stock | 134 | 110 | | | | 110 |

| | | | | | | |
|---|---|---|---|---|---|---|
| For items other than Shareholders' equity Net change during the year | | - | △274 | △274 | △ 45 | (319) |
| Total changes during the fiscal year | 134 | 1,849 | △274 | (274) | △ 45 | 1,529 |
| Balance at September 30, 2024 | △1,431 | 9,544 | 68 | 68 | 174 | 9,787 |

(Note) Figures are rounded down to the nearest Million yen.

## Accounting Audit Report on Consolidated Financial Statements

### Independent auditor's report

November 19, 2024

BEENOS Inc.
To the Board of Director

Grant Thornton Taiyo LLC
Tokyo Office

| | | |
|---|---|---|
| Designated Limited Liability Partners Engagement Partner | Certified Public Accountant | Tetsu Saito |
| Designated Limited Liability Partners Engagement Partner | Certified Public Accountant | Takanori Ishikura |

Audit opinion
Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, that is, the consolidated balance sheets, the consolidated statements of income, the consolidated statements of changes in net Shareholders' equities, and the notes to the consolidated financial statements of BEENOS Inc. for the fiscal year from October 1, 2023 to September 30, 2024.
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of BEENOS Inc. and its consolidated subsidiaries for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the audit opinion
We conducted our audits in accordance with auditing standards generally accepted in Japan. The responsibilities of the Company under the Auditing Standards are described in "Responsibilities of the Auditor in the Audit of the Consolidated Financial Statements." In accordance with the Code of Professional Ethics in Japan, we are independent of the Company and its consolidated subsidiaries and perform Other ethical responsibilities as an auditor. We believe that we have obtained sufficient appropriate audit evidence to provide a basis for our opinion.

Other Information
The Other contents are the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of Other statements. In addition, the responsibility of the Auditor is to monitor the execution of duties by Directors in the development and operation of the reporting process for Other matters.
Our audit opinion on the consolidated financial statements does not include Other matters. We do not express an opinion on Other matters.
Our responsibility in auditing the consolidated financial statements is to read through the other statements and to examine whether, in the course of doing so, there are material differences between the other statements and the consolidated financial statements or knowledge we have gained in the course of our audit, and to pay attention to whether, in addition to such material differences, there are any other

indications of material error in the other statements.

If, based on the work performed, we believe that there are material errors in Other statements, we are required to report such facts.

There are no Other matters to be reported by the audit corporation.

Responsibilities of Management and the Audit and Auditor for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes designing and operating such internal controls as management determines are necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management has a responsibility to evaluate whether it is appropriate to prepare the consolidated financial statements based on the going concern assumption, and to disclose matters related to going concern when it is necessary to do so based on corporate accounting standards generally accepted in Japan.

The responsibility of the Auditor is to oversee the execution of duties by Directors in the development and operation of the financial reporting process.

Auditor's Responsibilities in the Audit of Consolidated Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement, whether due to fraud or error, based on an audit conducted by the auditor, and for independently expressing an opinion on the consolidated financial statements in the auditor's report. A misstatement is judged to be material if it can be reasonably expected to affect the decision-making of the users of the consolidated financial statements, either individually or in aggregate, and is likely to arise from fraud or error.

In accordance with auditing standards generally accepted in Japan, the auditors exercise professional judgment and maintain professional skepticism throughout the audit process in order to:

- Identify and assess the risks of material misstatement due to fraud or error. The engagement team also plans and implements audit procedures that address the risks of material misstatement. The selection and application of audit procedures is at the auditor's discretion. In addition, it obtains sufficient appropriate audit evidence to form the basis for its opinion.

The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of internal controls, but in making risk assessments, the auditor considers internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of the accounting policies used and the application thereof by management, as well as the reasonableness of accounting estimates made by management and the reasonableness of related notes.

Conclude whether it is appropriate for management to prepare the consolidated financial statements based on the going concern assumption and, based on the audit evidence obtained, whether there are material uncertainties regarding events or conditions that may cause material doubt about the going concern assumption. The auditor is required to draw attention to the notes to the consolidated financial statements in the audit report if there is material uncertainty regarding the going concern assumption, or to express an opinion with an exception to the consolidated financial statements if the notes to the consolidated financial statements regarding the material uncertainty are not appropriate. The auditor's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events and circumstances may prevent the company from continuing as a going concern.

- Evaluate whether the presentation of the consolidated financial statements and the notes thereto comply with corporate accounting standards generally accepted in Japan, as well as whether the presentation, composition and content of the consolidated financial statements, including the related notes thereto, and the consolidated financial statements properly present the underlying transactions and accounting events.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries to express an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and implementation of the audit of the consolidated financial statements. The auditor is solely responsible for the audit opinion.

The auditor reports to the Auditor on the scope and timing of the planned audit, significant audit findings, including material weaknesses in internal controls, identified in the course of the audit, and Other matters required by the audit standards.

An auditor shall report to the Audit and Supervisory Committee that he / she has complied with the provisions concerning professional ethics in Japan with regard to independence, matters that are

reasonably considered to have an impact on the auditor's independence, and the details of measures taken to remove impediments or safeguards applied to reduce impediments to an acceptable level, if any.

Interest
Our firm and engagement partners have no interest in the Company or its consolidated subsidiaries that should be disclosed in accordance with the provisions of the Certified Public Accountants Act.

-END-

Accounting Audit Report on Consolidated Financial Statements

# Independent auditor's report

November 19, 2024

BEENOS Inc.
To the Board of Director

Grant Thornton Taiyo LLC
Tokyo Office

| | | |
|---|---|---|
| Designated Limited Liability Partners Engagement Partner | Certified Public Accountant | Tetsu Saito |
| Designated Limited Liability Partners Engagement Partner | Certified Public Accountant | Takanori Ishikura |

Audit opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the non-consolidated financial statements, that is, the balance sheets, the statements of income, the statements of changes in shareholders' equity, the notes to the non-consolidated financial statements, and the supplementary schedules of BEENOS Inc. (the "Company") for the twenty fifth business year from October 1, 2023 to September 30, 2024 (the "Non-consolidated Financial Statements").

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position and results of operations of the Company for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the audit opinion

We conducted our audits in accordance with auditing standards generally accepted in Japan. The responsibilities of the audit corporation under the auditing standards are described in "Responsibilities of the Auditor in the Audit of Financial Statements". In accordance with the Code of Professional Ethics in Japan, we are independent of the Company and fulfill Other ethical responsibilities as an auditor. We believe that we have obtained sufficient appropriate audit evidence to provide a basis for our opinion.

Other Information

The Other contents are the business report and the supplementary schedules. Management is responsible for the preparation and disclosure of Other statements. In addition, the responsibility of the Auditor is to monitor the execution of duties by Directors in the development and operation of the reporting process for Other matters.

The scope of the audit opinion on the non-consolidated financial statements does not include any Other matters. We do not express an opinion on these Other matters.

Our responsibility in auditing the non-consolidated financial statements is to read through the Other statements and to examine whether, in the course of doing so, there are material differences between the Other statements and the non-consolidated financial statements or the knowledge we have gained in the course of our audit, and to pay attention to whether, in addition to such material differences, there are

any indications of material errors in the Other statements.

If, based on the work performed, we believe that there are material errors in Other statements, we are required to report such facts.

There are no Other matters to be reported by the audit corporation.

Responsibilities of Management and the Audit and Auditor for the Non-consolidated Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in Japan. This includes designing and operating internal controls that management determines are necessary to enable the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements based on the going concern assumption, and for disclosing matters related to going concern when it is necessary to do so in accordance with corporate accounting standards generally accepted in Japan.

The responsibility of the Auditor is to oversee the execution of duties by Directors in the development and operation of the financial reporting process.

Auditor's Responsibilities in the Audit of Financial Statements

The auditor is responsible for obtaining reasonable assurance about whether the financial statements, etc. as a whole are free from material misstatement due to fraud or error based on the audit conducted by the auditor, and for expressing an opinion on the financial statements, etc. from an independent standpoint in the audit report. A misstatement is judged to be material if it has the potential to occur due to fraud or error and is reasonably expected to affect the decision making of the users of the financial statements, etc., individually or when aggregated.

In accordance with auditing standards generally accepted in Japan, the auditors exercise professional judgment and maintain professional skepticism throughout the audit process in order to:

- Identify and assess the risks of material misstatement due to fraud or error. The engagement team also plans and implements audit procedures that address the risks of material misstatement. The selection and application of audit procedures is at the auditor's discretion. In addition, it obtains sufficient appropriate audit evidence to form the basis for its opinion.

The purpose of an audit of non-consolidated financial statements is not to express an opinion on the effectiveness of internal controls, but when conducting a risk assessment, the auditor considers internal controls related to the audit in order to plan audit procedures that are appropriate in the circumstances.

- Evaluate the appropriateness of the accounting policies used and the application thereof by management, as well as the reasonableness of accounting estimates made by management and the reasonableness of related notes.

Conclude whether it is appropriate for management to prepare non-consolidated financial statements on a going concern basis and, based on the audit evidence obtained, whether there are material uncertainties in events or conditions that could cause material doubt about the going concern assumption. If a material uncertainty in the going concern assumption is identified, it is required to draw attention to the notes to the non-consolidated financial statements in the audit report, or to express an opinion with an exception to the non-consolidated financial statements if the notes to the non-consolidated financial statements regarding the material uncertainty are not appropriate. The auditor's conclusions are based on the audit evidence obtained up to the date of the audit report. However, future events and circumstances may prevent the company from continuing as a going concern.

- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto comply with corporate accounting standards generally accepted in Japan, and whether the presentation, composition and content of the non-consolidated financial statements, etc., including the related notes thereto, and the non-consolidated financial statements, etc., properly present the underlying transactions and accounting events.

The auditor reports to the Auditor on the scope and timing of the planned audit, significant audit findings, including material weaknesses in internal controls, identified in the course of the audit, and Other matters required by the audit standards.

An auditor shall report to the Audit and Supervisory Committee that he / she has complied with the

provisions concerning professional ethics in Japan with regard to independence, matters that are reasonably considered to have an impact on the auditor's independence, and the details of measures taken to remove impediments or safeguards applied to reduce impediments to an acceptable level, if any.

Interest
We have no interest in the Company that should be disclosed in accordance with the provisions of the Certified Public Accountants Act.

-END-

Audit & Supervisory Committee's Report

Auditor's Report

We have audited Directors' performance of duties from 1 October 2023 to 30 September 2024, the 25th fiscal year. The method and result are as follows.

1. Audit Method

The Audit & Supervisory Committee audited the corporate resolution stated in Article 399 Section 13 Subsection 1 "b" and "c" and the system (internal control system) organized by the corresponding resolution by receiving reports from Directors and employees on a regular basis. We have also implemented the audit by requested for further explanations when necessary, offered opinions, and by the following method.

① We attended important meetings with the internal control section following the Audit & Supervisory Committee Standard, supervisory policy and each section's responsibility. We received reports from Directors and employees regarding their duties executions, requested for further details when necessary, perused important approval documents and investigated financial status of the headquarter and important offices. We received business reports from the subsidiaries and attempted to communicate and exchange information with their Directors, Auditors, etc.

② We supervised and examined whether the Auditors maintain their independent status for appropriate audit execution. We received reports from the Auditors regarding their performance of duties and asked for detailed explanations when necessary. We received notice from the Auditors that the "System to assure appropriate business performance" (stipulated in each section of Article 131 of the Rules of Corporate Accounting) is well-prepared and is following "Quality management standard for the audit" (28 October 2005 Company Accounting Council) . We requested for detailed explanation when necessary.

In accordance with the aforementioned mentioned methods, we evaluated the business report and the supplementary statement, the financial statements (balance sheet, profit & loss statement, statements of changes in net assets and individual notes) and the supplementary statement, and the consolidated financial statements (consolidated balance sheet, consolidated profit & loss statement, statements of changes in net assets and individual notes) and the supplementary statement of this fiscal year.

2. Result

(1)Result of Business Reports

1. We confirm that the business report and the supplementary statement represent the company's

status in accordance with the law and the articles of incorporation.

2. We do not recognize any serious facts about acts of dishonesty regarding Director's execution of duties or violation of law/articles of incorporation.
3. We confirm that the resolution of the Board of Directors regarding the internal control system is appropriate. Furthermore, there is nothing about business report and directors' execution of duties to be pointed out.

(2)Audit Result of Financial Statements and Supplementary Statement

We confirm that the audit method and result of Grant Thornton Taiyo LLC are appropriate.

(3)Audit Result of the Consolidated Financial Statements

We confirm that the method and result of Grant Thornton Taiyo LLC are appropriate.

21 November 2024

BEENOS, Inc. Audit & Supervisory Committee

| | | |
|---|---|---|
| Full-time Audit& Supervisory Committee | Yasukazu Joho | Seal |
| Audit & Supervisory Committee | Kibo Kondo | Seal |
| Audit & Supervisory Committee | Yoshindo Takahashi | Seal |
| Audit & Supervisory Committee | Haruka Osawa | |

Note: Full-time Audit & Supervisory Committee member Yasukazu Joho, Audit & Supervisory Committee members Kibo Kondo, Yoshindo Takahashi and Haruka Osawa are external directors specified in the Article 2 Subsection 15 and Article 331 Section 6.

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