Disclaimer
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THE 63RD ANNUAL GENERAL MEETING OF SHAREHOLDERS

Date and Time

Thursday, August 6, 2026, at 10:00 a.m.
(Reception will start at 9:30 a.m.)

Place

B2F Daigo, Sheraton Miyako Hotel Tokyo
1-1-50, Shirokanedai, Minato-ku, Tokyo, Japan

Proposals

Proposal 1: Appropriation of Surplus
Proposal 2: Election of 6 Directors (Other Than Directors Serving as Audit & Supervisory Committee Members)
Proposal 3: Election of 1 Director Serving as an Audit & Supervisory Committee Member

ASKUL Corporation

Securities code: 2678

Contents

No souvenirs will be distributed to shareholders in attendance on the day of the General Meeting of Shareholders. Your kind understanding on this would be appreciated.

To Our Shareholders

We would like to take this opportunity to express our sincere gratitude for your continued support and patronage as we provide this Notice of the 63rd Annual General Meeting of Shareholders.

First, we once again offer our deepest apologies for the significant inconvenience and concern caused to many stakeholders, including shareholders, customers, and business partners, due to the system outage caused by the ransomware attack that occurred in October 2025. Service levels have now recovered to normal levels, and we are strengthening information security measures and risk management to prevent recurrence.

The Company regards this experience as an important lesson and, in order to turn adversity into evolution, is promoting both the further strengthening of its management foundation and investment for medium- to long-term growth. Toward the realization of “Beyond Retail - Transforming the Way People Work” set forth in the Medium-Term Management Plan, we are accelerating the utilization of AI and strengthening proposals to in-person service industries (industries involving in-person customer service, such as medical care, nursing care, food and beverage, and accommodation), where expectations for the Company and growth potential are high. In addition, as ethical e-commerce that aims to balance environmental and social value with economic value, we will work to expand our products and logistics services.

Furthermore, as we proceed with management succession based on our succession plan, next-generation personnel have played a central role in the recovery process from the ransomware attack, and the results are steadily becoming evident. Under the new management structure, we will regard the evolution of e-commerce in the AI era as a growth opportunity and devote our full efforts to sustainable growth and the enhancement of corporate value.

To our shareholders, we thank you for your continued understanding and support.

July 2026

Akira Yoshioka

Representative Director, President and CEO

(Securities code: 2678)
July 21, 2026
Commencement of measures for electronic provision: July 15, 2026

To Shareholders with Voting Rights:

Akira Yoshioka
Representative Director, President and
Chief Executive Officer
ASKUL Corporation
3-2-3 Toyosu, Koto-ku, Tokyo, JAPAN

NOTICE OF THE 63RD ANNUAL GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders,

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

We hereby announce that the 63rd Annual General Meeting of Shareholders of ASKUL Corporation (the "Company") will be held as described below.

- In addition to attending the General Meeting of Shareholders in person, shareholders may attend the meeting, ask questions, and exercise voting rights via the Internet.
- An advance application is required if attending this General Meeting of Shareholders online. Please see page 3 for details.
- We respectfully request shareholders to submit an advance application if attending this General Meeting of Shareholders in person so that we can appropriately operate the meeting in accordance with its scale. Please see page 5 for details.
- If changes are made to the operation of this General Meeting of Shareholders, details will be posted on the Company's website (https://www.askul.co.jp/corp/english/investor/). Please check the website for any updates.

1. **Date and Time:** Thursday, August 6, 2026, at 10:00 a.m. (Reception begins at 9:30 a.m.)
2. **Place:** B2F Daigo, Sheraton Miyako Hotel Tokyo
   1-1-50, Shirokanedai, Minato-ku, Tokyo, Japan
   No souvenirs will be distributed to shareholders in attendance on the day of the General Meeting of Shareholders. Your kind understanding on this would be appreciated.
3. **Meeting Agenda:**

   Matters to be reported:
   1. The Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements for the Company's 63rd Fiscal Year (May 21, 2025 – May 20, 2026)
   2. Results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Committee

   Proposals to be resolved:

   Proposal 1: Appropriation of Surplus

   Proposal 2: Election of 6 Directors (Other Than Directors Serving as Audit & Supervisory Committee Members)

   Proposal 3: Election of 1 Director Serving as an Audit & Supervisory Committee Member

■ **Measures for electronic provision**

In convening this General Meeting of Shareholders, the Company has taken measures to provide the information described in the Reference Documents for the General Meeting of Shareholders, etc., electronically (matters subject to measures for electronic provision). Matters subject to measures for electronic provision are posted on the Company's website.

The Company's website: https://www.askul.co.jp/corp/english/investor/library/agm/

In addition to the above website, matters subject to measures for electronic provision are also posted on the Tokyo Stock Exchange website.

TSE website (Listed Company Search): https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show

Please search for the Company either by entering "ASKUL" in the "Issue name (company name)" bar or "2678" in the "Code" bar, then select "Basic information" followed by "Documents for public inspection/PR information" to view the "Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting" under "Filed information available for public inspection."

Notes:

■ The Company will send a notice of the General Meeting of Shareholders and information on how to exercise voting rights, etc. to shareholders who have not requested the delivery of a paper copy of such documents.

■ In accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Company, the following matters are not included in the paper copy sent to shareholders who have requested the delivery of such paper copy. Accordingly, said paper copy forms part of the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements audited by the Audit & Supervisory Committee and the Accounting Auditor when preparing the audit report and the accounting audit report, respectively.

- "Corporate Structure and Policy" in the Business Report
- "Consolidated Statements of Changes in Net Assets" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" in the Non-consolidated Financial Statements

■ Should any revisions be made to the matters subject to measures for electronic provision, details of the revisions will be posted on each of the designated websites.

■ Online attendance

"Online attendance" is a method of attending a General Meeting of Shareholders whereby shareholders may exercise their voting rights and ask questions, etc., in a similar manner as those attending the General Meeting of Shareholders in person, while watching a live broadcast of the General Meeting of Shareholders on the day of the General Meeting of Shareholders. Shareholders who attend the meeting by "online attendance" will be treated as "in attendance" in the same manner as those attending the General Meeting of Shareholders in person.

Website for the General Meeting of Shareholders of ASKUL Corporation
https://web.sharely.app/login/askul-63

Period for logging into the "Website for the General Meeting of Shareholders of ASKUL Corporation"
From 12:00 p.m. (noon) on Wednesday, July 22, 2026
to the conclusion of the General Meeting of Shareholders on Thursday, August 6, 2026

Step 1: Please access the abovementioned "Website for the General Meeting of Shareholders of ASKUL Corporation" (the "Website").

Step 2: Please log in by entering the ID and password provided on the enclosed "Notice of ID and Password for Online Attendance at the 63rd Annual General Meeting of Shareholders of ASKUL Corporation."

Enter the "パスワード ID" (ID and password)

Press the "ログイン" (Log in) button

Guide to "online attendance"

Step 1: After logging in, please press the "インターネット出席を希望する" (Request online attendance) button.

Step 2: Beginning at 9:30 a.m. on the day of the General Meeting of Shareholders, you can attend the meeting by pressing the "出席" (Attendance) button.

(Note) The wording in the abovementioned screens is subject to change.

■ Exercise of voting rights when "attending online"

1. If you "attend online" after exercising your voting rights in advance and exercise your voting rights on the Website
   → The exercise of voting rights on the day of the General Meeting of Shareholders will be valid (the advance exercise of voting rights will be void).
2. If you "attend online" after exercising your voting rights in advance but do not exercise your voting rights on the Website
   → The advance exercise of voting rights will be valid
3. If you "attend online" without exercising your voting rights in advance but do not exercise your voting rights
   → Abstained

■ Methods for raising questions on the day of the meeting and submitting motions

- Shareholders who are "attending online" on the day of the General Meeting of Shareholders may submit their questions by entering text through the Website. Questions through the Website on the day of the meeting will be limited to two questions per shareholder (up to 200 characters each in Japanese only).
- Because the time for questions and answers is limited, we may not be able to answer all of the questions received.
- We may not be able to answer some questions depending on their contents, including questions not related to the meeting agenda of the General Meeting of Shareholders.
- With regard to all motions, including those regarding procedures for the General Meeting of Shareholders and those regarding proposals, we will only discuss those submitted by shareholders attending the meeting in person and will not accept submissions from shareholders attending online. Furthermore, with regard to voting on motions, shareholders attending online will be deemed as not in attendance for voting on motions regarding procedures for the General Meeting of Shareholders, and as abstaining from voting on motions regarding proposals. We appreciate your understanding.
  We would like to request shareholders who wish to submit motions or participate in voting on them to consider attending the meeting in person.

■ Methods for raising questions in advance

- Ahead of the meeting, shareholders may submit their questions related to the Meeting Agenda of this General Meeting of Shareholders through the Website. (From 12:00 p.m. (noon) on Wednesday, July 22, 2026 to 12:00 p.m. (noon) on Wednesday, July 29, 2026.) After logging in to the Website, please press the "事前質問を行う" (Submit advance questions) button and send your questions. We plan to answer such questions when they relate to matters that are of high interest to shareholders at the General Meeting of Shareholders.

■ Notes on "online attendance"

- Please note that telecommunication equipment and all expenses required for "online attendance" must be borne by shareholders.
- The language available for "online attendance" is Japanese only.
- Telecommunication breakdowns, such as disruptions of the broadcast video and audio or temporary interruptions, may occur due to the impact of factors including the telecommunication environment. Please note that the Company does not assume any liability for disadvantages suffered by shareholders "attending online" due to these telecommunication breakdowns.
- If changes are made to the operation of this General Meeting of Shareholders, details will be posted on the Company's website (https://www.askul.co.jp/corp/english/investor/). Please check the website for any updates.
- The provision of IDs and passwords required for "online attendance" to any third party are strictly prohibited.

■ Attending the meeting in person

We respectfully request shareholders to submit an advance application if attending this General Meeting of Shareholders in person so that we can appropriately operate the meeting in accordance with its scale.

Application period
From 12:00 p.m. (noon) on Wednesday, July 22, 2026 to 12:00 p.m. (noon) on Wednesday, August 5, 2026

Website for the General Meeting of Shareholders of ASKUL Corporation https://web.sharely.app/login/askul-63

■ Application method for attending the General Meeting of Shareholders in person

Step 1: After logging in, please press the "会場出席を希望する" (Request in-person attendance) button.
Step 2: The reception desk will open at 9:30 a.m. on the day of the General Meeting of Shareholders.
Please submit your Voting Right Exercise Form at the reception desk.
If exercising your voting rights by proxy on the day of the meeting, you may delegate your voting rights to one other shareholder who has voting rights.
In this event, please submit documentation proving the power of attorney.

Please refrain from taking photographs, making audio or video recordings, or saving such content at the venue.
(Note) The wording in the abovementioned screens is subject to change.

■ **Exercise of voting rights in advance by mail or via the Internet, etc.**

To exercise voting rights in advance by mail:

Please indicate your approval or disapproval for each of the proposals on the enclosed Voting Right Exercise Form and send it back to the Company.
If there is no indication regarding your approval or disapproval for respective proposals on the Voting Right Exercise Form, it shall be deemed as an approval.

Voting right exercise deadline:	Must be delivered by 5:30 p.m. on Wednesday, August 5, 2026

To exercise voting rights in advance via the Internet, etc.:

Please enter your approval or disapproval for each of the proposals on the website for exercising voting rights (https://www.web54.net/).

Please see below for details.

Voting right exercise deadline:	Must be exercised by 5:30 p.m. on Wednesday, August 5, 2026

Guide to the exercise of voting rights via the Internet, etc.

By scanning the QR code "Smart Voting"

You can access the website for exercising voting rights without having to enter your Voting Rights Exercise Code and Password.

1. Please scan the QR code provided on the bottom-right of the Voting Right Exercise Form.
   * "QR Code" is a registered trademark of DENSO WAVE INCORPORATED.

2. Next, please follow the guidance on the screen to enter approval or disapproval for each proposal.

You can exercise your voting rights by "Smart Voting" only once.
If you wish to change your vote after exercising your voting rights, please access the website for exercising voting rights, log in to the website by entering your "Voting Rights Exercise Code" and "Password" provided on the Voting Right Exercise Form, and then exercise your voting rights again.

* You can access the website for exercising voting rights by scanning again the QR code.

By entering the Voting Rights Exercise Code and Password

Website for exercising voting rights: **https://www.web54.net/**

1. Please access the website for exercising voting rights, and then click (1) "次へすすむ" (Next).

2. Please enter (2) "Voting Rights Exercise Code" provided on the Voting Right Exercise Form, and then click (3) "ログイン" (Login).

3. Please type in your (4) “initial Password” provided on the Voting Right Exercise Form, set a (5) “new Password” that you will actually use, and then click (6) “登録” (Register).

4. Next, please follow the guidance on the screen to enter approval or disapproval for each proposal.

If you have questions about how to use your computer or smartphone to exercise voting rights via the Internet, etc., please inquire at the phone number below.

Stock Transfer Agency Business Planning Web Support Hotline,
Sumitomo Mitsui Trust Bank, Limited
[Telephone] 0120-652-031 (toll free only from Japan)
Operating hours: 9:00 a.m. to 9:00 p.m.

Institutional investors may utilize an electronic voting platform for institutional investors operated by ICJ, Inc.

- If you exercise your voting rights both by mail and via the Internet, etc., the vote exercised via the Internet, etc., will be deemed as valid.
- If you exercise your voting rights via the Internet, etc., multiple times, or by using multiple devices such as a personal computer or smartphone, only the last vote will be deemed as the validly exercised vote.
- If you enter wrong Password more than a certain number of times, the session will be locked and will become unavailable. If the session is locked, please follow the instructions on the screen.
- Passwords serve as a means of checking that the person voting is actually a legitimate shareholder. Please keep your password safe until the end of this General Meeting of Shareholders. We cannot answer inquiries about your password made by telephone, etc.
- We have confirmed that the website for exercising voting rights operates normally with a typical Internet connection environment, but you may not be able to use it depending on the device that you are using.

Impact of the Ransomware Attack and Our Efforts to Strengthen Security

In October 2025, we experienced a ransomware attack that resulted in system disruptions, primarily affecting our logistics systems. This caused a suspension of shipping operations for approximately two months and impacted our business operations. In addition, it was confirmed that a portion of the information held by the Company was leaked externally. We sincerely apologize for the significant inconvenience and concern caused to our many stakeholders.

➢ **Timeline of the Ransomware Attack and Response**

Date	Main Events/Response Status
October 19, 2025	• Detection of ransomware attack, isolation of network, and suspension of services • Initiation of password resets for all Company accounts and strengthening of security monitoring • Establishment of a countermeasure headquarters and subcommittees for business continuity and IT recovery
October 20 onward	• Commencement of support and investigations by external experts • Log analysis and inspection and examinations of data and programs • Resetting of authentication credentials and strengthening of account management • Unauthorized access to external cloud services occurred on October 22 • Completion of password changes for major external cloud services on October 23
October 29 onward	• Start of trial shipment operations, followed by a gradual increase
October 30–October 31	• Information leaks by the attacker confirmed and initiation of individual notification of affected parties
November 4	• Establishment of an inquiry desk dedicated to matters related to the information leakage
November 10 onward	• New instances of information leaks by the attacker confirmed. Investigations and impact assessments initiated
December 2 onward	• Additional information leaks by the attacker confirmed. Further investigations and impact assessments conducted

➢ **Information Confirmed as Leaked**

As of December 12, 2025, the personal information confirmed as leaked is as follows.

Affected customers and business partners have been individually notified. If the published information is misused, or if new facts are discovered, we will take additional measures as necessary.

Partial customer information related to B-to-B services	**Approximately 590,000 cases**
Partial customer information related to B-to-C services	**Approximately 132,000 cases**
Partial information related to business partners (including contractors, agents, and product suppliers)	**Approximately 15,000 cases**
Information related to officers and employees, etc., including those of Group companies	**Approximately 2,700 cases**

➢ **Scope of Damage and Cause Analysis of Ransomware Attack**

Extent and Details of Impact

Investigations conducted by external experts have confirmed the following facts.

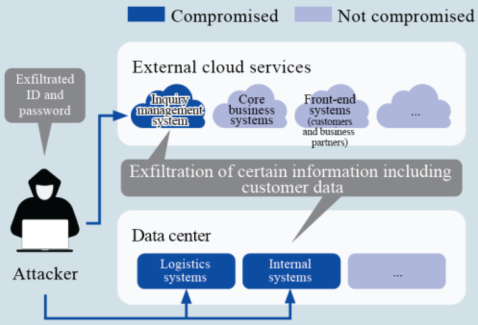
Intrusion into Logistics and Internal Systems

- Certain data was encrypted and rendered unusable due to the ransomware infection, and some of the data was stolen and leaked externally.
- Shipping operations came to a halt.

Intrusion into External Cloud Services

- An account for the inquiry management system on external cloud services was compromised, and some information from the system was leaked.

Note: It was confirmed that there were no traces of intrusion into core business systems or front systems (e-commerce sites used by customers and others).



Scope and outline of compromise

Cause Analysis and Recurrence Prevention Measures

The main causes that led to the recent system disruption and leakage of personal information, together with the corresponding measures to prevent recurrence, are outlined below.

1) Unauthorized Access

Cause Analysis	✓It was confirmed that the ID and password of an administrative account assigned to a contractor, which, in this exceptional case, had not been configured with multi-factor authentication, were leaked through unknown means and misused. It was also confirmed that unauthorized access was gained through this account.
Recurrence Prevention Measures	For both the Company and its outsourcing partners ① Thorough application of multi-factor authentication[*1] to all remote access ② Strict management of administrator privileges ③ Reeducation of personnel

2) Delay in Intrusion Detection

Cause Analysis	✓The affected data center had not installed endpoint detection and response (EDR)[*2] on its servers, nor was it operating a 24-hour monitoring framework, which prevented immediate detection of unauthorized access or intrusion.
Recurrence Prevention Measures	① Establishment of a system that enables 24-hours-a-day, 365-days-a-year monitoring and a rapid response structure ② Construction of a comprehensive, multilayered detection framework, including EDR installation

3) Prolonged Recovery

Cause Analysis	✓Although online backups were performed on affected servers, backup environments were not designed with ransomware scenarios in mind. Consequently, some backups were also encrypted, hindering rapid recovery.
Recurrence Prevention Measures	① Construction of backup environments designed to withstand ransomware attacks ② Refinement of equipment management

*1 A method of authentication that combines two or more different elements among the three authentication factors—knowledge (ID/password), possession (e.g., smartphone), and biometrics (e.g., fingerprint or face). It strengthens security by requiring multiple independent factors.

*2 Security measures to detect and respond quickly to traces of cyberattacks on endpoints such as PCs, smartphones, and servers.

➢ Initiatives to Strengthen Security

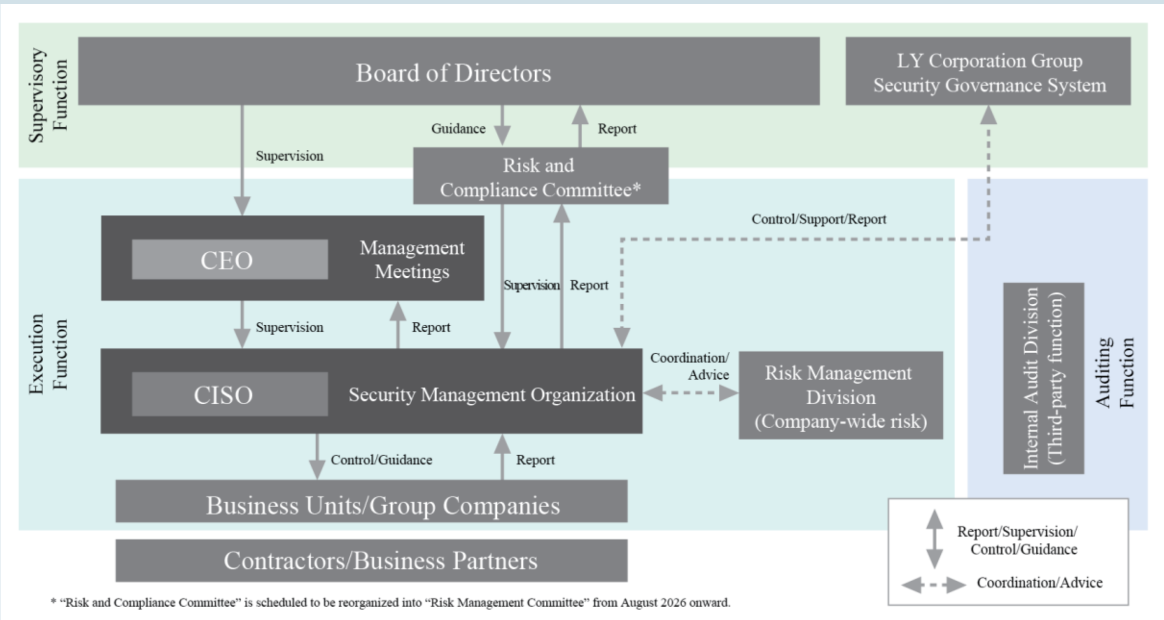
Security Enhancement Based on Global Standards

In order to appropriately respond to increasingly advanced and sophisticated cyberattacks, we will utilize global standards, such as the Cybersecurity Framework formulated by the U.S. National Institute of Standards and Technology (NIST)*, and objectively and comprehensively evaluate the status of the Company’s security measures. Based on this evaluation, we will set priorities according to risks and the degree of business impact, systematically promote measures from short-, medium-, and long-term perspectives, and work to continuously improve our security level and ensure business continuity.

Enhancement of the Security Governance System

On March 21, 2026, we established the position of Chief Information Security Officer (CISO), independent from the business-unit-based operational structure, with the aim of strengthening our information security capabilities. The CISO assumes overall responsibility for company-wide information security management, including cybersecurity measures, to ensure advanced and swift information security. Furthermore, to support the functions of the CISO, we newly established “Trust & Security,” a dedicated organization specializing in information security, directly under the CEO. Through this structure, we will continue to enhance the security governance system that is closely linked to management.

<Security Governance System: May 20, 2026>



* NIST SP 800 Series: A collection of guidelines and standards on cybersecurity and information systems published by NIST

NIST CSF: A framework formulated by NIST for organizations to manage and mitigate cybersecurity risks (Cybersecurity Framework)

Reference Documents for the General Meeting of Shareholders

Proposal 1: Appropriation of Surplus

Matters concerning year-end dividend

Regarding the distribution of profits, while maintaining sound cash flow and a stable financial structure, the Company aims to secure internal reserves as investment capital for the growth necessary to enhance corporate value over the medium to long term as well as to improve shareholder returns and capital efficiency. To this end, the Company has set a target total return ratio of 45% and will pay stable dividends to shareholders and systematically acquire treasury stock.

For the fiscal year under review, the Company recorded loss attributable to owners of parent due to the impact of the system outage associated with the ransomware attack that occurred on October 19, 2025. However, in consideration of the outlook for recovery of financial results in the fiscal year ending May 20, 2027, as well as the Company’s shareholder return policy and financial position, the Company would like to propose 10 yen per share as dividend (year-end dividend) for the fiscal year under review.

(1) Type of property for dividend
Cash
(2) Matters concerning allotment of dividend property to shareholders and the total amount of dividend
10 yen per share of common stock of the Company
Total amount: 895,335,720 yen
(3) Effective date of distribution of surplus
August 7, 2026

Total dividend for the fiscal year under review will be 10 yen per share, a decrease of 28 yen from the previous fiscal year, as no interim dividend has been paid.

Proposal 2: Election of 6 Directors (Other Than Directors Serving as Audit & Supervisory Committee Members)

The terms of office of all 9 current Directors (other than Directors serving as Audit & Supervisory Committee Members; the same shall apply in this proposal) will expire at the conclusion of this General Meeting of Shareholders. Accordingly, in order to speed up management decision-making, the number of Directors is to be reduced by 3, and the election of 6 Directors, including 3 Outside Directors, is proposed.

The candidates are as follows:

No.		Name and Gender			Current positions at the Company
1.	[New Appointment]	Takeshi Narimatsu	(Male)		Executive Officer, Executive Officer of Business Strategy Unit
2.	[Reappointment]	Tsuguhiro Tamai	(Male)		Director, CFO
3.	[Reappointment]	Shinichi Hokari	(Male)		Director, CTO
4.	[Reappointment]	Rina Akimoto	(Female)	[Outside Director] [Independent Officer]	Outside Director
5.	[Reappointment]	Nobuya Ishizaka	(Male)	[Outside Director] [Independent Officer]	Outside Director
6.	[Reappointment]	Makoto Hide	(Male)	[Outside Director]	Outside Director

Candidate No.
1

New Appointment

Takeshi Narimatsu

Date of birth: February 14, 1979
Number of shares of the Company held: 3,500 shares

Career summary, positions, responsibilities

March 2007	Joined the Company
May 2022	Executive Officer, Executive Officer of LOHACO Business Unit
March 2023	Executive Officer, Executive Officer of Logistics Unit
May 2025	Executive Officer, Executive Officer of Business Strategy Unit (to present)

Significant concurrent positions

Not applicable

■ Reason for nomination as candidate for Director

Since joining the Company, Mr. Takeshi Narimatsu has built an extensive track record in the fields of digital marketing and data analytics, and has demonstrated outstanding leadership as the person responsible for the EC business, driving the growth of the business. He also has experience in the logistics field and has contributed to the optimization of company-wide operations. Based on these experiences and his broad knowledge, the Company has determined that he is suitable as a candidate for Director of the Company working to achieve sustainable corporate value enhancement.

■ Message to shareholders

I have been nominated as a candidate for Director and feel a great sense of responsibility and determination. Since joining the Company in 2007, I have been involved in both B-to-B and B-to-C business areas, with a focus on digital marketing, data utilization, and business planning. I have also engaged in the product and logistics fields, and have gained practical experience across the entire EC value chain. Most recently, at the Business Strategy Unit, I have been responsible for formulating company-wide business strategies and the Medium-Term Management Plan, and have played a role in drawing the path for the Company’s growth. After assuming office as Director, I will implement the Medium-Term Management Plan announced in July 2025 with even greater speed, and will devote my full efforts to enhancing long-term corporate value by driving sustainable growth in the AI era. In order to meet your expectations, I intend to engage in management with full commitment.

The entire “Message to shareholders” can be viewed from the following link.
URL: https://www.askul.co.jp/corp/english/investor/library/agm/

Candidate No.
2

Reappointment

Tsuguhiro Tamai

Date of birth: June 26, 1967
Number of shares of the Company held: 10,652 shares

Career summary, positions, responsibilities

November 2007	Joined the Company
July 2012	Executive Officer of Finance and Public Relations Unit
September 2012	Executive Officer, Executive Officer of Finance and Public Relations Unit
March 2014	Director of AlphaPurchase Co., Ltd. (to present)
August 2015	Director of Tsumagoimeisui Corporation (to present)
February 2016	Chief Financial Officer (CFO), Executive Officer, Executive Officer of Corporate Planning Unit, and Executive Officer of Finance and Public Relations Unit of the Company
May 2018	CFO, Executive Officer, Executive Officer of Corporate Unit
August 2020	Director, CFO, In charge of risk management, finance and accounting and information disclosure, Executive Officer, Executive Officer of Corporate Unit
February 2021	Director of charm Co., Ltd. (to present)
May 2021	Director, CFO, In charge of risk management, finance and accounting, information disclosure, management and quality KPIs, Executive Officer of Corporate Unit of the Company
February 2023	Director of AP67 Co., Ltd. (to present)
February 2023	Director of DENTAL Holding Corp. (to present)
May 2023	Director, CFO, In charge of risk management, finance and accounting, information disclosure, management and quality KPIs, Executive Officer, and Executive Officer of Corporate Unit of the Company
May 2026	Director, CFO, In charge of risk management, finance and accounting, information disclosure, management and quality KPIs (to present)

Significant concurrent positions

Director of AlphaPurchase Co., Ltd.
Director of AP67 Co., Ltd.
Director of DENTAL Holding Corp.

■ Reason for nomination as candidate for Director

Since joining the Company, Mr. Tsuguhiro Tamai has served as Executive Officer of the corporate division (including corporate planning, finance, public relations, and investor relations) and Director of ASKUL Group companies. Currently, he contributes to the sustainable growth of the ASKUL Group as Chief Financial Officer (CFO) and Director in charge of risk management. Based on his extensive business experience and track records in the Company, and the knowledge he possesses on finance, public relations, investor relations, etc., the Company has determined that he is suitable as a candidate for Director of the Company working to strengthen corporate governance, create group synergies and achieve sustainable corporate value enhancement, and renominated him as a candidate for Director.

Candidate No.
3

Reappointment

Shinichi Hokari

Date of birth:	March 24, 1978
Number of shares of the Company held:	2,776 shares

Career summary, positions, responsibilities

August 2003	Joined Yahoo Japan Corporation (current LY Corporation)
April 2013	General Manager, Development Department, Shopping Business Division, Consumer Business Company of Yahoo Japan Corporation
January 2017	Head of Production Division 2, Shopping Company of Yahoo Japan Corporation
April 2018	VpoE, Shopping Company of Yahoo Japan Corporation
April 2019	Unit Manager, Shopping Services Group, Commerce Company and Head of Marketing Division of Yahoo Japan Corporation
April 2022	Seconded to the Company
August 2022	Director of the Company
May 2023	Director, CTO (Chief Technology Officer), Executive Officer, and Executive Officer of EC Product Unit
May 2025	Director, CTO, Executive Officer, and Executive Officer of Product & Marketing Unit
March 2026	Director, CTO, Executive Officer, and Executive Officer of AI & Technology Unit (to present)

Significant concurrent positions

Not applicable

■ **Reason for nomination as candidate for Director**

Mr. Shinichi Hokari possesses advanced expertise on and experience in Internet-based platform development and e-commerce business. After he was seconded to the Company in April 2022, he participated in the Company's website infrastructure integration project, and currently contributes to the evolution of the Company's e-commerce website as CTO (Chief Technology Officer). As he has been utilizing his advanced expertise in e-commerce, extensive experience and track records, and appropriately fulfilling his duties in the Company, the Company has determined that he is suitable as a candidate for Director of the Company working to achieve sustainable corporate value enhancement through further response to the evolution of AI, and renominated him as a candidate for Director.

Candidate No.
4

Reappointment

Outside Director

Independent Officer

Rina Akimoto

Date of birth: January 21, 1991
Number of shares of the Company held: 1,265 shares
Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 2 years

Career summary, positions, responsibilities

April 2013	Joined DeNA Co., Ltd.
November 2016	Established vivid garden Inc. and assumed position of CEO (to present)
January 2023	Member, Academic Committee on Registration of Geographical Indication of Ministry of Agriculture, Forestry and Fisheries (to present)
October 2023	Expert member, Working Group for Revitalization of Regional Industries (Agriculture, Forestry and Fisheries), Council for Promotion of Regulatory Reform of Cabinet Office (to present)
October 2023	Member of Fukuoka city agriculture and forestry promotion council (to present)
December 2023	Outside Member of Management Advisory Board, Kewpie Corporation (to present)
August 2024	Outside Director of the Company (to present)
December 2024	Member, Broadcast Programs Council of BS-TBS, INC. (to present)
October 2025	Member, Council of Food, Agriculture and Rural Area Policies (Planning Committee, Livestock Committee, and Global Environment Subcommittee) of Ministry of Agriculture, Forestry and Fisheries (to present)

Significant concurrent positions

CEO of vivid garden Inc.

■ Reason for nomination as candidate for Outside Director and outline of expected roles

Having established an innovative business that solves the distribution challenges of agriculture, Ms. Rina Akimoto possesses the experience and track record of driving business services aimed at improving the overall value of agriculture and establishing a sustainable primary industry. As a young business leader, she also focuses on existing social issues and has a high level of knowledge and insights through her activities in various organizations. Furthermore, since her appointment as Outside Director of the Company in August 2024, she has not only fulfilled important roles, such as making suggestions from the perspectives of customer orientation and innovation promotion, in the course of making management judgements and decisions of the Board of Directors, but also stated opinions at the voluntary Nomination and Compensation Committee as its member from an independent standpoint based on her extensive management experience, greatly contributing to the enhancement of corporate value and management supervisory function of the Company. Accordingly, the Company expects her to continue providing supervision and suggestions making use of her extensive experience and knowledge in fast-paced work and creating innovation at a start-up company, and has renominated her as a candidate for Outside Director.

Candidate No.
5

Reappointment

Outside Director

Independent Officer

Nobuya Ishizaka

Date of birth: December 10, 1966
Number of shares of the Company held: 1,054 shares
Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 1 year

Career summary, positions, responsibilities

April 1990	Joined Mitsubishi Corporation
May 2000	Established Golf Digest Online Inc. Assumed position of President and CEO (to present)
June 2012	President and Representative Director of Insight Co., Ltd.
August 2013	Director of Venture Republic Inc.
September 2014	President and Representative Director of GDO GolfTEC Inc. (current Golf Digest Online Inc.)
April 2015	Director of Insight Co., Ltd.
May 2015	Director of former BELLSYSTEM24 Holdings, Inc.
September 2015	Outside Director of BELLSYSTEM24 Holdings, Inc.
April 2016	Director of GolfTEC Enterprises, LLC (USA)
November 2016	President and Representative Director of KIDS GOLF Inc. (current Golf Digest Online Inc.)
April 2017	President and Representative Director of GDO Sports, Inc. (USA) (to present)
November 2017	Representative Director of Japan Speedgolf association (to present)
July 2018	Chairman and Director of GolfTEC Enterprises, LLC (USA) (to present)
March 2021	Director of GDO GolfTEC Inc. (current Golf Digest Online Inc.)
August 2025	Outside Director of the Company (to present)

Significant concurrent positions

President and CEO of Golf Digest Online Inc.
President and Representative Director of GDO Sports, Inc. (USA)
Representative Director of Japan Speedgolf association
Chairman and Director of GolfTEC Enterprises, LLC (USA)

■ Reason for nomination as candidate for Outside Director and outline of expected roles

Mr. Nobuya Ishizaka has extensive experience and a proven track record as a manager in the online media industry, where he has led the development of innovative services. In particular, he possesses a high level of knowledge and insights in digital strategy and marketing in both domestic and international business. Furthermore, since his appointment as Outside Director of the Company in August 2025, he has not only fulfilled important roles, such as making suggestions from an objective perspective cultivated through his diverse experience, in the course of making management judgements and decisions of the Board of Directors, but also stated opinions at the voluntary Nomination and Compensation Committee as its member from an independent standpoint based on his extensive management experience, greatly contributing to the enhancement of corporate value and management supervisory function of the Company. Accordingly, the Company expects him to continue providing supervision and suggestions cultivated through his extensive management experience, and has renominated him as a candidate for Outside Director.

Candidate No.
6

Reappointment

Outside Director

Makoto Hide

Date of birth: January 23, 1979
Number of shares of the Company held: - shares
Years of service as Outside Director (as of the conclusion of this General Meeting of Shareholders): 1 year

Career summary, positions, responsibilities

March 2002	Joined Yahoo Japan Corporation (current LY Corporation)
April 2018	Corporate Officer, President of Business Promotion Office, Commerce Company of Yahoo Japan Corporation (current LY Corporation)
March 2021	Director of Ikyu Corporation
April 2022	EVP, Managing Corporate Officer, President of Business Promotion Office, CEO Business Promotion Office, President of Commerce Group of Yahoo Japan Corporation (current LY Corporation)
August 2023	Chairman of the Board of Ikyu Corporation (to present)
October 2023	Executive Corporate Officer, Commerce Domain Lead of LY Corporation (to present)
June 2024	Director of ZOZO, Inc. (to present)
August 2025	Outside Director of the Company (to present)
September 2025	Director of BEENOS Inc. (to present)

Significant concurrent positions

Executive Corporate Officer, Commerce Domain Lead of LY Corporation
Chairman of the Board of Ikyu Corporation
Director of ZOZO, Inc.
Director of BEENOS Inc.

■ **Reason for nomination as candidate for Outside Director and outline of expected roles**

Mr. Makoto Hide possesses extensive experience and broad knowledge cultivated through his work in business strategy in the internet service industry and corporate management at group companies. Furthermore, since his appointment as Outside Director of the Company in August 2025, he has fulfilled important roles, such as making suggestions that contribute to the management of the ASKUL Group, in the course of making management judgements and decisions of the Board of Directors. Accordingly, the Company has renominated him as a candidate for Outside Director.

(Notes)

1. There are no special interests between any of the candidates and the Company.
2. Ms. Rina Akimoto, Mr. Nobuya Ishizaka, and Mr. Makoto Hide are candidates for Outside Director. The Company has registered Ms. Rina Akimoto and Mr. Nobuya Ishizaka with the Tokyo Stock Exchange as Independent Officers as prescribed by the Exchange. If the appointment of each of these two candidates is approved as originally proposed, the Company intends to register them with the Tokyo Stock Exchange as Independent Officers as prescribed by the Exchange.
3. SoftBank Group Corp., which is the parent company of the Company's other affiliated company, has entered into a directors and officers liability insurance (D&O insurance) agreement as prescribed in Article 430-3, Paragraph 1 of the Companies Act, under which officers, executive employees, etc. of SoftBank Group Corp. and some of its subsidiaries, etc. are insured persons. If each candidate is re-elected or elected as a Director of the Company, they will be included among the insured persons under said insurance agreement. Said insurance agreement will cover damages that may arise due to the insured persons assuming liability for their execution of duties or receiving a claim for the pursuit of such liability. However, there are certain exclusions, such as coverage not being provided for damages arising from actions taken with the knowledge that they were in violation of laws and regulations. In addition, said insurance agreement is scheduled to be renewed during the term of office of each candidate.
4. Outline of agreement to limit liability between the Company and a candidate for Director
   The Company has entered into agreements with Ms. Rina Akimoto, Mr. Nobuya Ishizaka, and Mr. Makoto Hide to limit the amounts of their individual liabilities to 30 million yen each or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher. If they are elected as Directors, the Company intends to renew such an agreement with them.
5. There are sales transactions of the Company's products between the Company and vivid garden Inc., at which Ms. Rina Akimoto, a candidate for Director, serves as CEO. However, the transaction amounts accounted for less than 0.1% of the Company's consolidated net sales in the most recent fiscal year and therefore there is no impact on her independence. There are no transactions from vivid garden Inc. to the Company.
6. There are sales transactions of the Company's products between the Company and Golf Digest Online Inc., at which Mr. Nobuya Ishizaka, a candidate for Director, serves as President and CEO, and between the Company and Japan Speedgolf association, at which he serves as Representative Director. However, the transaction amounts accounted for less than 0.1% of the Company's consolidated net sales in the most recent fiscal year and therefore there is no impact on his independence.
   There are no transactions from Golf Digest Online Inc. and Japan Speedgolf association to the Company.
   There are no transactions between the Company and GDO Sports, Inc. (USA), at which he serves as President and Representative Director, and between the Company and GolfTEC Enterprises, LLC (USA), at which he serves as Chairman and Director.
7. The "Career summary, positions, responsibilities" and "Significant concurrent positions" sections for Mr. Makoto Hide include the positions and responsibilities he currently holds or held during the past 10 years as an executive of LY Corporation, which is the Company's other affiliated company.
8. The number of shares of the Company held by each candidate for Director is as of May 20, 2026.

Proposal 3: Election of 1 Director Serving as an Audit & Supervisory Committee Member

Mr. Toshio Imamura, a Director serving as an Audit & Supervisory Committee Member, will resign at the conclusion of this General Meeting of Shareholders. Accordingly, the election of 1 new Director serving as an Audit & Supervisory Committee Member is proposed. Pursuant to the provisions of the Company's Articles of Incorporation, the term of office of this candidate for Director serving as an Audit & Supervisory Committee Member will be the remaining term of office of the resigning Director serving as an Audit & Supervisory Committee Member.

The Audit & Supervisory Committee has given its consent to this proposal.

The name and career summary of the candidate are as follows:

New Appointment

Outside Director

Independent Officer

Masaya Tochio

Date of birth: August 8, 1959

Number of shares of the Company held: - shares

Career summary, positions, responsibilities

April 1983	Joined Ajinomoto Co., Inc.
February 2002	President of Ajinomoto Frozen Foods (Thailand) Co., Ltd.
April 2005	General Manager of Corporate Planning Department of Ajinomoto Frozen Foods Co., Inc.
July 2007	General Manager of Overseas Food Department, Food Company of Ajinomoto Co., Inc.
June 2011	Executive Officer, General Manager of Corporate Planning of Ajinomoto Co., Inc.
June 2013	Director, Executive Officer & Vice President of Ajinomoto Co., Inc.
June 2017	Director, Executive Officer & Senior Vice President of Ajinomoto Co., Inc.
April 2018	Head of Global Corporate and Corporate Services of Ajinomoto Co., Inc.
June 2019	Representative Director and Head of Global Corporate and Corporate Services of Ajinomoto Co., Inc.
June 2021	Director and Member of the Audit Committee (Standing) of Ajinomoto Co., Inc.
April 2024	Independent Non-Executive Director of Tingyi (Cayman Islands) Holding Corp. (to present)
June 2024	Auditor of the Norinchukin Bank (to present)

Significant concurrent positions

Independent Non-Executive Director of Tingyi (Cayman Islands) Holding Corp.

■ Reason for nomination as candidate for Outside Director serving as an Audit & Supervisory Committee Member and outline of expected roles

Mr. Masaya Tochio has business experience in the food industry and a track record in global business development, as well as broad knowledge as a Representative Director and Member of the Audit Committee (Standing). Accordingly, the Company expects him to provide highly effective supervision and useful suggestions making use of these extensive experiences and his advanced expertise in the management of the ASKUL Group, and has deemed that he is suitable as a candidate for Outside Director serving as an Audit & Supervisory Committee Member.

■ Message to shareholders

I have been nominated as a candidate for Outside Director serving as an Audit & Supervisory Committee Member and feel a sense of tension, while also feeling honored to have been given this opportunity. Through my previous experiences, such as the transformation of businesses facing challenges (growth and structural reform), the establishment of growth strategies and management foundations in global markets, and the creation of integrated management foundations and governance structures for group companies, I learned the necessity of refining and innovating the strengths that a company possesses and constantly pursuing new strengths. In addition, through my experience as an outside officer in different fields, I have recognized the importance of reflecting an external social perspective, or common sense, in management.

From now on, as an Outside Director serving as an Audit & Supervisory Committee Member of ASKUL, I will aim to supervise and support management by leveraging an external perspective so that the executive team can continuously evolve and innovate the strengths it has had since the foundation, take appropriate risks, swiftly and boldly take on the challenge of transitioning to a new stage of growth, and enhance corporate value.

The entire "Message to shareholders" can be viewed from the following link.

URL: https://www.askul.co.jp/corp/english/investor/library/agm/

(Notes)

1. There are no special interests between Mr. Masaya Tochio and the Company.
2. SoftBank Group Corp., which is the parent company of the Company's other affiliated company, has entered into a directors and officers liability insurance (D&O insurance) agreement as prescribed in Article 430-3, Paragraph 1 of the Companies Act, under which officers, executive employees, etc. of SoftBank Group Corp. and some of its subsidiaries, etc. are insured persons. If Mr. Masaya Tochio is elected as a Director of the Company, he will be included among the insured persons under said insurance agreement. Said insurance agreement will cover damages that may arise due to the insured persons assuming liability for their execution of duties or receiving a claim for the pursuit of such liability. However, there are certain exclusions, such as coverage not being provided for damages arising from actions taken with the knowledge that they were in violation of laws and regulations. In addition, said insurance agreement is scheduled to be renewed during the term of office of the candidate.
3. Mr. Masaya Tochio is a candidate for Outside Director serving as an Audit & Supervisory Committee Member. If the appointment of Mr. Masaya Tochio is approved as originally proposed, the Company intends to register him with the Tokyo Stock Exchange as Independent Officer as prescribed by the Exchange.
4. Outline of agreement to limit liability between the Company and a candidate for Director serving as an Audit & Supervisory Committee Member
   If Mr. Masaya Tochio is elected as a Director serving as an Audit & Supervisory Committee Member, the Company intends to enter into an agreement with him to limit the amount of his individual liability to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher.
5. There are no transactions between the Company and Tingyi (Cayman Islands) Holding Corp., at which Mr. Masaya Tochio, a candidate for Director serving as an Audit & Supervisory Committee Member, serves as Independent Non-Executive Director.
6. Due to the election of Mr. Masaya Tochio, a candidate for Director serving as an Audit & Supervisory Committee Member, and the resignation of Mr. Toshio Imamura, a Director serving as a Full-time Audit & Supervisory Committee Member, the Company will transition to a structure in which no Full-time Audit & Supervisory Committee Member is appointed. However, the Company has ensured the effectiveness of the Audit & Supervisory Committee by establishing the Audit & Supervisory Committee Secretariat as a division to assist the duties of the Audit & Supervisory Committee, building a framework to strengthen coordination between the Audit & Supervisory Committee and the Internal Audit Division, and redefining the roles and responsibilities of each committee member and the committee chairperson, including those of the Audit & Supervisory Committee Secretariat.
7. The number of shares of the Company held by the candidate for Director serving as an Audit & Supervisory Committee Member is as of May 20, 2026.

(Reference) Expected Composition of Officers (on and after August 6, 2026)

Subject to the approval of Proposal 2 and Proposal 3, expertise and experience possessed by Directors of the Company will be as follows.

The following table indicates the fields in which particular contribution is expected and does not represent all the knowledge possessed by each person.

Name		Positions at the Company	Skills and experience					
			Management strategy	Environment and society	Governance and risk management	IT and digital transformation	E-commerce and products	Logistics
Takeshi Narimatsu		Representative Director, President and CEO	●			●	●	●
Tsuguhiro Tamai		Director, CFO	●	●	●			
Shinichi Hokari		Director, CTO				●	●	
Rina Akimoto	[Outside] [Independent]	Outside Director	●	●			●	
Nobuya Ishizaka	[Outside] [Independent]	Outside Director	●				●	
Makoto Hide	[Outside]	Outside Director	●			●	●	
Kazuo Tsukahara	[Outside] [Independent]	Audit & Supervisory Committee Member	●					
Yoshitaka Asaeda	[Outside] [Independent]	Audit & Supervisory Committee Member			●			
Miyuki Nakagawa	[Outside] [Independent]	Audit & Supervisory Committee Member			●			
Masaya Tochio	[Outside] [Independent]	Audit & Supervisory Committee Member	●		●			

Name		Positions at the Company	Skills and experience				
			Finance and accounting	Human resources, labor affairs and human resource development	Legal affairs and intellectual property	M&A	Global experience
Takeshi Narimatsu		Representative Director, President and CEO					
Tsuguhiro Tamai		Director, CFO	●			●	
Shinichi Hokari		Director, CTO					
Rina Akimoto	[Outside] [Independent]	Outside Director					
Nobuya Ishizaka	[Outside] [Independent]	Outside Director	●			●	●
Makoto Hide	[Outside]	Outside Director				●	
Kazuo Tsukahara	[Outside] [Independent]	Audit & Supervisory Committee Member		●		●	●
Yoshitaka Asaeda	[Outside] [Independent]	Audit & Supervisory Committee Member	●			●	●
Miyuki Nakagawa	[Outside] [Independent]	Audit & Supervisory Committee Member			●		
Masaya Tochio	[Outside] [Independent]	Audit & Supervisory Committee Member	●				●

(Note) The Company has registered Ms. Rina Akimoto, Mr. Nobuya Ishizaka, Mr. Kazuo Tsukahara, Mr. Yoshitaka Asaeda, and Ms. Miyuki Nakagawa with the Tokyo Stock Exchange as Independent Officers as prescribed by the Exchange. The Company intends to register Mr. Masaya Tochio with the Tokyo Stock Exchange as an Independent Officer as prescribed by the Exchange.

Business Report (May 21, 2025, to May 20, 2026)

I. State of the Corporate Group

1. Progress and results of business

(1) Status of business

The e-commerce market, in which the Group operates, has continued to expand as customer experience has improved due to factors such as the further advancement of AI-based personalization functions and the expansion of payment methods. On the other hand, the earnings environment has become increasingly severe, due to factors such as rising logistics costs resulting from the increase in delivery demand and intensifying service competition with other companies in the industry.

Under such circumstances, the Group has been implementing measures toward achievement of the targets of the Medium-Term Management Plan (from the fiscal year ended May 20, 2026 to the fiscal year ending May 20, 2029) announced in July 2025. However, due to the ransomware attack targeting the Company that occurred on October 19, 2025, our logistics systems, etc. were disrupted and a system outage occurred. As a result, we temporarily suspended accepting orders from customers via our website.

To restore services as quickly as possible, we rapidly rebuilt the affected logistics systems. By February 2026, key service levels had been restored to the level prior to the system outage. Since then, we have implemented measures toward the recovery in the number of customers, such as our largest-ever sales promotion campaign, including pricing initiatives. As extraordinary losses, we recorded system failure response costs of 5,108 million yen incurred in relation to this system outage, and an impairment loss of 4,823 million yen on goodwill and customer-related intangible assets related to AP67 Co., Ltd.

As a result of the above, the financial performance of the Group for the fiscal year under review was net sales of 400,199 million yen, a 16.8% decrease year-over-year, operating loss of 17,445 million yen, as opposed to an operating profit of 14,004 million yen a year earlier, ordinary loss of 19,062 million yen, as opposed to an ordinary profit of 13,816 million yen a year earlier, and loss attributable to owners of parent of 22,150 million yen, as opposed to a profit attributable to owners of parent of 9,068 million yen a year earlier.

Net sales **400.1** billion yen (Down 16.8% year-over-year)	Ordinary loss **19.0** billion yen (—)
Operating loss **17.4** billion yen (—)	Loss attributable to owners of parent **22.1** billion yen (—)

E-commerce business

Net sales: **393,084 million yen**
(Down 16.8% year-over-year)

Operating loss: **16,270 million yen**
(—)

Main businesses

Sale of OA & PC supplies, office supplies, office amenities, office furniture, food, alcoholic beverages, medical supplies, cosmetics, MRO(Note 1) supplies, pet goods and other products

ASKUL original
Dry Shampoo

ASKUL original
Oral Care Wet Tissue

ASKUL original
Flavored Water

In the E-commerce Business during the fiscal year under review, net sales were 393,084 million yen, a 16.8% decrease year-over-year, and operating loss was 16,270 million yen, as opposed to an operating profit of 14,255 million yen a year earlier, both sales and profit decreased. This was primarily due to the temporary suspension of accepting orders from customers on our website following the system outage.

(1) Net sales

a. ASKUL Business 282,948 million yen

- Net sales decreased 21.1% year-over-year due to the temporary suspension of accepting orders on our websites such as “ASKUL” and “SOLOEL ARENA” following the system outage
- Although net sales in November (from October 21, 2025 to November 20, 2025) decreased by 94.5% year-over-year immediately after the system outage, net sales recovered to a lower decrease of 11.4% year-over-year during the fourth quarter of the fiscal year under review (from February 21, 2026 to May 20, 2026), resulting from the rapid rebuilding of the logistics systems and the gradual restoration of services.

b. LOHACO business 28,084 million yen

- Net sales decreased 23.8% year-over-year, due to the impact of the temporary suspension of our website “LOHACO” following the system outage
- Service restarted on January 20, 2026, and net sales increased by 2.5% year-over-year during the fourth quarter of the fiscal year under review

c. Group companies and elimination of intra-group transactions 82,051 million yen

- Net sales of AlphaPurchase Co., Ltd. and FEED Corporation remained strong, with a growth rate of 6.7% year-over-year

(2) Operating loss

Operating loss was 16,270 million yen, as opposed to an operating profit of 14,255 million yen a year earlier. This was mainly due to a 1.9-point year-over-year decrease in gross profit margin, standing at 22.9% and a 5.2-point year-over-year increase in the ratio of selling, general and administrative expenses to net sales, standing at 27.0%, as outlined below.

- The gross profit margin decreased due to factors such as prioritizing the shipment of products with low profit margins but high customer demand such as copy paper during the service restoration process, and due to launching large-scale sales promotion campaigns including pricing initiatives after service levels were restored
- The ratio of selling, general and administrative expenses to net sales increased mainly due to a rise in the ratio of fixed costs to net sales resulting from a decrease in net sales associated with the system outage, as well as a decline in logistics efficiency, including temporary manual shipping and receiving operations
- The operation of ASKUL Kanto DC increased fixed costs, such as one-time startup costs and depreciation (total: 2,111 million yen)

Logistics business

Net sales: **6,276 million yen**
(Down 23.6% year-over-year)

Operating loss: **1,199 million yen**
(—)

Main businesses

Logistics and small-cargo transportation services for companies

ASKUL Logist

The contracted logistics business that ASKUL LOGIST Corporation received from outside the Group saw a decrease in both sales and profit due to the impact of temporarily suspending such business following the system outage at the Company.

As a result, net sales in the fiscal year under review were 6,276 million yen, a 23.6% decrease year-over-year, and operating loss was 1,199 million yen, as opposed to an operating loss of 299 million yen a year earlier.

GTP(Note 2) solution PopPick (ASKUL Kanto DC)

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Other

Net sales: **1,981 million yen**
(Down 2.4% year-over-year)

Operating profit: **10 million yen**
(Down 89.0% year-over-year)

Main businesses

Manufacture and sale of bottled water

嬬恋銘水

Sales of bottled water of TSUMAGOI MEISUI CORPORATION have remained steady, partly due to the impact of the extremely hot weather. However, primarily due to the temporary suspension of our website following the system outage at the Company, sales of bottled water sold through our website decreased, leading to decreases in both sales and profit.

As a result, net sales in the fiscal year under review were 1,981 million yen, a 2.4% decrease year-over-year, and operating profit was 10 million yen, an 89.0% decrease year-over-year.

Label-free LOHACO Water 210ml

(Notes) 1. MRO is an acronym for Maintenance, Repair and Operations, and the term "MRO supplies" denotes indirect materials including consumables and repair supplies for use at factories, construction sites, warehouses, and others.

2. GTP is an abbreviation for Goods To Person. It denotes a logistics solution that transports goods to the locations where the workers are responsible for picking and enables fixed-point work.

(2) Status of capital investment

The total amount of capital expenditures implemented by the corporate group in the fiscal year under review was 12,976 million yen. The main items included in this figure are as follows.

1) Main facility completed during the fiscal year under review

New establishment of ASKUL Kanto DC (E-commerce business)	6,968 million yen
Core system replacement (E-commerce business)	584 million yen

2) New establishment, expansion, and renovation of main facilities ongoing in the fiscal year under review

Establishment of the new ASKUL website for ASKUL business (E-commerce business)	933 million yen
Software development for MRO business, AlphaPurchase Co., Ltd. (E-commerce business)	669 million yen

(3) Status of funding

In the fiscal year under review, while the Company repaid 6,096 million yen in long-term borrowings, it also raised 26,900 million yen in short-term borrowings (net) and 4,000 million yen in long-term borrowings from financial institutions as preparation for a decrease in the liquidity of funds on hand associated with the system outage caused by the ransomware attack and as future growth capital.

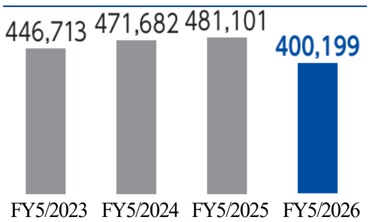
2. Status of assets and income

Operating results and financial position of the corporate group

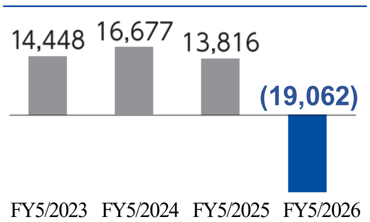
(Millions of yen)

Category	FY5/2023 (May 21, 2022 – May 20, 2023)	FY5/2024 (May 21, 2023 – May 20, 2024)	FY5/2025 (May 21, 2024 – May 20, 2025)	FY5/2026 (The fiscal year under review) (May 21, 2025 – May 20, 2026)
Net sales	446,713	471,682	481,101	400,199
Ordinary profit (loss)	14,448	16,677	13,816	(19,062)
Profit (loss) attributable to owners of parent	9,787	19,139	9,068	(22,150)
Basic earnings (loss) per share (Yen)	100.43	196.47	95.45	(245.41)
Total assets	227,506	243,062	227,782	229,907
Net assets	66,876	81,336	81,254	51,455
Capital adequacy ratio (%)	28.2	32.2	34.2	20.8
Net assets per share (Yen)	658.20	808.88	831.73	533.94

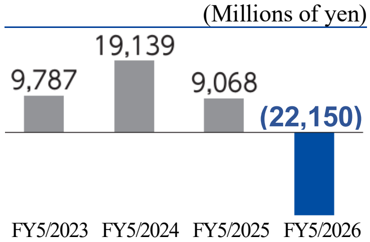
Net sales (Millions of yen)



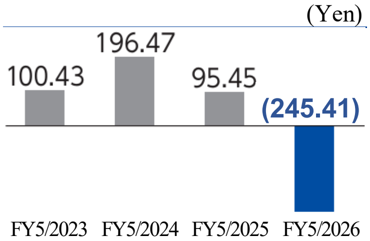
Ordinary profit (loss)
(Millions of yen)



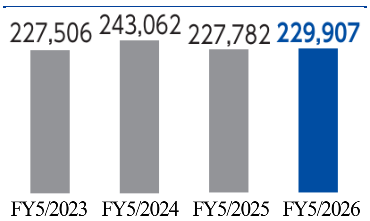
Profit (loss) attributable to owners of parent
(Millions of yen)



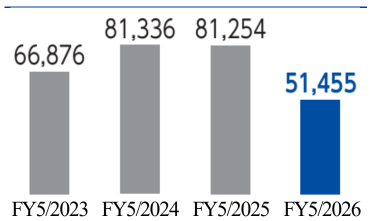
Basic earnings (loss) per share
(Yen)



Total assets (Millions of yen)



Net assets (Millions of yen)



3. Issues to be addressed

The Company was affected by a ransomware attack during the fiscal year under review. However, the Company has worked as one to proceed with recovery efforts and the redevelopment of its business foundation, and achieved the early normalization of business activities. The fiscal year ending May 20, 2027 is the second year of the Medium-Term Management Plan. We position it as an important fiscal year for steadily promoting sales recovery and structural reform by utilizing the knowledge and awareness of issues gained through the recovery process, and for re-accelerating growth.

In addition, in order not only to recover financial results, but also to strengthen the medium- to long-term growth foundation and enhance corporate value, we recognize the strengthening of business competitiveness and the advancement of the information security structure as important management issues. In order to steadily promote responses to these issues, we will focus on the following measures.

(1) Reform of the earnings structure

By making maximum use of the Company's proprietary big data and AI, and promoting the advancement of marketing and sales activities, we will optimize product proposals in line with customer needs, and seek to continuously expand transactions and increase the number of items purchased. In addition, we will place emphasis on improving purchase value per customer and promote a sales strategy centered on maximizing customer lifetime value (LTV) to provide continuous value and deepen relationships with customers.

Furthermore, we will promote the development of new customers, mainly in in-person service industries, and enhance the value we provide by expanding original products and improving logistics service quality. In addition, we will continuously promote the improvement of logistics efficiency and optimization of fixed costs, and aim to improve profitability and build a strong earnings base.

(2) Establishment of an area to provide new values (promotion of new businesses)

Toward strengthening the medium- to long-term growth foundation, in addition to improving the competitiveness of existing businesses, we will actively promote the establishment of an area to provide new values by utilizing management resources held by the Company, such as its customer base, purchasing data, product development capabilities, logistics foundation, and sales capabilities.

Through the development of solution-based services targeting both corporate employees and end customers, we will seek to create new added value. For new businesses and services, we will verify marketability and profitability through PoC(Note), and promote the commercialization of promising projects. In addition, by combining M&As and cooperation with other companies through the use of the growth investment framework, we will accelerate the creation of new businesses to diversify our earnings base. Through these efforts, we will aim to achieve a profit ratio between existing businesses and new businesses of 50:50 (EBITDA basis) in 2035.

(3) Strengthening of security measures

Based on the experience of the ransomware attack, we position the advancement of information security measures as one of our most important issues, for the purpose of preventing recurrence and further improving business continuity. We will work to continuously strengthen our risk response capabilities from short-, medium-, and long-term perspectives, and build a multilayered defense structure premised on cyberattacks, including measures against unauthorized access, advancement of the intrusion detection structure, and strengthening of backup and recovery structures. In addition, directly under the CEO, we will develop a structure centered on the Chief Information Security Officer (CISO) as an independent management function, strengthen the execution framework led by a specialized organization, and promote the advancement of company-wide information security governance and risk management.

In order to steadily promote these initiatives, we will proceed with management succession to next-generation leaders based on our succession plan, and seek to speed up decision-making and further strengthen management execution capabilities through a review of the composition of the Board of Directors. The Company will steadily execute the strategies set forth in the Medium-Term Management Plan and, through efforts to address these important issues, strive for sustainable growth and the enhancement of corporate value.

(Note) Proof of Concept or PoC refers to the process of testing the feasibility of a new technology, idea, or concept.

4. Key offices (As of May 20, 2026)

(1) The Company

Head office	Koto-ku, Tokyo
ASKUL Sendai DC	Miyagino-ku, Sendai-shi, Miyagi
ASKUL Kanto DC	Ageo-shi, Saitama
ASKUL Miyoshi Center	Miyoshi-machi, Iruma-gun, Saitama
ASKUL Tokyo DC	Edogawa-ku, Tokyo
ASKUL Aomi DC	Koto-ku, Tokyo
ASKUL Yokohama DC	Tsurumi-ku, Yokohama-shi, Kanagawa
ASKUL Nagoya DC	Tokai-shi, Aichi
ASKUL Osaka DC	Konohana-ku, Osaka-shi, Osaka
ASKUL Kansai DC	Suita-shi, Osaka
ASKUL Fukuoka DC	Higashi-ku, Fukuoka-shi, Fukuoka

(2) Subsidiaries

ASKUL LOGIST Corporation	Koto-ku, Tokyo
AlphaPurchase Co., Ltd.	Minato-ku, Tokyo
charm Co., Ltd.	Oura-machi, Oura-gun, Gunma
BUSINESSMART CORPORATION	Koto-ku, Tokyo
TSUMAGOI MEISUI CORPORATION	Tsumagoi-mura, Agatsuma-gun, Gunma
SOLOEL Corporation	Koto-ku, Tokyo
AP67 Co., Ltd.	Nishi-ku, Yokohama-shi, Kanagawa
FEED Corporation	Nishi-ku, Yokohama-shi, Kanagawa

5. Status of key subsidiaries

Name	Paid-in capital	Ratio of voting rights	Description of main businesses
ASKUL LOGIST Corporation	90 million yen	100.0%	ASKUL distribution center warehouse operations and small-lot delivery operations
AlphaPurchase Co., Ltd.	654 million yen	61.6%	Sale of MRO products and facility management business
charm Co., Ltd.	10 million yen	100.0%	Mail-order sales of pet supplies and living organisms
BUSINESSMART CORPORATION	93 million yen	100.0%	The Company's agent
TSUMAGOI MEISUI CORPORATION	80 million yen	100.0%	Manufacture and sale of bottled water
SOLOEL Corporation	80 million yen	100.0%	Sales agency of SOLOEL Enterprise
AP67 Co., Ltd.	100 million yen	85.0%	Management consulting business and acquisition, holding, operation, management, and trading of marketable securities
FEED Corporation	43 million yen	100.0%	Sales of dental materials, medical equipment, pharmaceuticals, etc.

(Note) The Company owns shares of FEED Corporation indirectly through AP67 Co., Ltd.

6. Status of employees (As of May 20, 2026)

Category	Number of employees at the end of the fiscal year under review	Increase/decrease since the end of the previous fiscal year	Average age	Average years of employment
Male	2,183	Down 47	43.6	9.7 years
Female	1,463	Down 4	42.2	8.7 years
Total or average	3,646	Down 51	43.0	9.3 years

7. Key lenders and loan balance (As of May 20, 2026)

(Millions of yen)

Lender	Loan balance
Sumitomo Mitsui Banking Corporation	13,145
MUFG Bank, Ltd.	9,000
Mizuho Bank, Ltd.	5,000
The Gunma Bank, Ltd.	3,539
THE SHIGA BANK, LTD.	3,000
The Chiba Bank, Ltd.	2,587
The Bank of Yokohama, Ltd.	2,297
Hachijuni Nagano Bank, Ltd.	2,100
Osaka Prefectural Credit Federation of Agricultural Co-operatives	1,500
Sumitomo Mitsui Trust Bank, Limited	1,144

8. Other significant matters concerning the status of the corporate group

No applicable items.

II. Status of the Company

1. Status of stock (As of May 20, 2026)

(1) Total number of authorized shares

169,440,000 shares

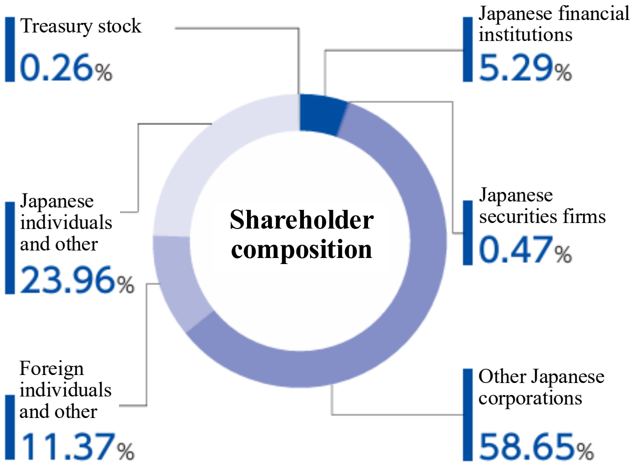
(2) Total number of issued shares

89,771,300 shares

(Note) Total number of issued shares include 237,728 shares of treasury stock.

(3) Number of shareholders

81,595 persons (Up 19,530 persons year-over-year)



(4) Major shareholders (Top 10)

Shareholder name	Number of shares held (Thousand shares)	Shareholding ratio (%)
LY Corporation	41,980	46.89
PLUS Corporation	10,331	11.54
The Master Trust Bank of Japan, Ltd. (Trust Account) (Note 3)	3,812	4.26
STATE STREET BANK AND TRUST COMPANY 505001	1,250	1.40
Shoichiro Iwata	1,249	1.40
Hidehisa Imaizumi	1,233	1.38
Tadahisa Imaizumi	1,232	1.38
STATE STREET BANK AND TRUST COMPANY 505044	649	0.72
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	590	0.66
UBS AG LONDON A/C IPB SEGREGATED CLIENT ACCOUNT	566	0.63

(Notes)
1. The number of shares held is rounded down to the nearest thousand shares, and shareholding ratios are rounded to the second decimal place.
2. The shareholding ratio is calculated upon deducting treasury stock.
3. The number of shares held by The Master Trust Bank of Japan, Ltd. (Trust Account) includes all shares related to trust operations.

(5) Status of shares granted to the Company's officers as compensation for the execution of duties during the fiscal year under review

The Company granted 33,300 shares of the Company's common stock to Directors and Executive Officers of the Company and directors of the Company's consolidated subsidiaries as a performance-linked compensation (restricted stock) on September 1, 2025. This restricted stock cannot be transferred or otherwise disposed of until August 31, 2028. Of the above, the details of stock compensation granted to the Company's officers as compensation for the execution of duties during the fiscal year under review are as follows. There was no stock granted to Outside Directors and Audit & Supervisory Committee Members.

Category	Number of shares	Recipients of issuance
Director (excluding Audit & Supervisory Committee Members and Outside Directors)	15,400 shares	3 persons

2. Status of share acquisition rights, etc.

(1) Status of share acquisition rights held by the Company's Officers granted as consideration for the execution of duties

No applicable items.

(2) Status of share acquisition rights granted to employees, etc. as consideration for the execution of duties during the fiscal year under review

No applicable items.

(3) Other important matters regarding share acquisition rights, etc.

No applicable items.

3. Status of the Company's officers

(1) Status of Directors (As of May 20, 2026)

Position	Name	Responsibilities and status of significant concurrent positions
Representative Director and President	Akira Yoshioka	Chief Executive Officer (CEO) Director of FEED Corporation
Director	Tsuguhiro Tamai	Chief Financial Officer (CFO), In charge of risk management, finance and accounting, information disclosure, management and quality KPIs, Executive Officer Director of AlphaPurchase Co., Ltd. Director of AP67 Co., Ltd. Director of DENTAL Holding Corp.
Director	Katsuhiro Kawamura	COO (Chief Operating Officer)
Director	Shinichi Hokari	CTO (Chief Technology Officer), Executive Officer, and Executive Officer of AI & Technology Unit
Director	Yumiko Ichige	Partner of Nozomi Sogo Attorneys at Law Outside Audit & Supervisory Board Member of Idemitsu Kosan Co., Ltd. Outside Audit & Supervisory Board Member of OMRON Corporation
Director	Naomi Aoyama	Representative Director of style bis Inc. Outside Director of IZUMI Co., Ltd.
Director	Rina Akimoto	CEO of vivid garden Inc.
Director	Nobuya Ishizaka	President and CEO of Golf Digest Online Inc. Outside Director of BELLSYSTEM24 Holdings, Inc. President and Representative Director of GDO Sports, Inc. (USA) Representative Director of Japan Speedgolf association Chairman and Director of GolfTEC Enterprises, LLC (USA)
Director	Makoto Hide	Executive Corporate Officer, Commerce Domain Lead of LY Corporation Chairman of the Board of Ikyu Corporation Director of ZOZO, Inc. Director of BEENOS Inc.
Director serving as a Full-time Audit & Supervisory Committee Member	Toshio Imamura	
Director serving as an Audit & Supervisory Committee Member	Kazuo Tsukahara	
Director serving as an Audit & Supervisory Committee Member	Yoshitaka Asaeda	Director of Yoshitaka Asaeda CPA Office Outside Audit & Supervisory Board Member of WingArc1st Inc. Outside Director of Shimane Bank Ltd.
Director serving as an Audit & Supervisory Committee Member	Miyuki Nakagawa	Representative of Kousui Law Office Professor of Chuo Law School, Chuo University Outside Director of NITTO KOGYO CORPORATION Outside Director of Nissan Chemical Corporation Outside Audit & Supervisory Board Member of SBI Shinsei Bank, Limited

(Notes)
1. Directors Yumiko Ichige, Naomi Aoyama, Rina Akimoto, Nobuya Ishizaka, Makoto Hide, Kazuo Tsukahara, Yoshitaka Asaeda, and Miyuki Nakagawa are Outside Directors.
2. The Company has selected Mr. Toshio Imamura as a Full-time Audit & Supervisory Committee Member in order to strengthen the audit and supervisory functions of the Audit & Supervisory Committee, enhance information gathering, and ensure close coordination with the Internal Audit Division.

3. Mr. Yoshitaka Asaeda, a Director serving as an Audit & Supervisory Committee Member, is a certified public accountant and has considerable knowledge of financing and accounting.
4. The Company has registered Ms. Yumiko Ichige, Ms. Naomi Aoyama, Ms. Rina Akimoto, Mr. Nobuya Ishizaka, Mr. Kazuo Tsukahara, Mr. Yoshitaka Asaeda, and Ms. Miyuki Nakagawa with Tokyo Stock Exchange, Inc. as Independent Officers as stipulated in Article 436-2 of the Securities Listing Regulations of the Exchange.
5. Mr. Genri Goto and Mr. Hironori Koshimizu retired from the position of Director at the conclusion of the 62nd Annual General Meeting of Shareholders held on August 5, 2025.

(2) Outline of agreement to limit liability

The Company and its Directors (excluding executive Directors, etc.) have concluded agreements to limit the liability for damages under Article 423, Paragraph 1 of the Companies Act, pursuant to the provisions of Article 427, Paragraph 1 of the same Act. Under these agreements, even if Directors (excluding executive Directors, etc.) damage the Company as a result of failing in the execution of their responsibilities, if they have performed their duties in good faith and without gross negligence, they shall be liable for damages limited to 30 million yen or the minimum amount stipulated in Article 425, Paragraph 1 of the Companies Act, whichever is higher.

The Company has entered into agreements with Ms. Yumiko Ichige, Ms. Naomi Aoyama, Ms. Rina Akimoto, Mr. Nobuya Ishizaka, Mr. Makoto Hide, Mr. Toshio Imamura, Mr. Kazuo Tsukahara, Mr. Yoshitaka Asaeda, and Ms. Miyuki Nakagawa to limit their liability.

(3) Outline of contents of a directors and officers liability insurance agreement

SoftBank Group Corp., which is the parent company of the Company's other affiliated company, has entered into a directors and officers liability insurance (D&O insurance) agreement with an insurance company, as prescribed in Article 430-3, Paragraph 1 of the Companies Act, under which officers, executive employees, etc. of SoftBank Group Corp. and some of its subsidiaries, etc. are insured persons, and the Company's Directors are insured persons under said insurance agreement. The insured persons do not bear the insurance premiums for said insurance agreement. Said insurance agreement will cover damages that may arise due to the insured persons assuming liability for their execution of duties or receiving a claim for the pursuit of such liability. However, there are certain exclusions, such as coverage not being provided for damages arising from actions taken with the knowledge that they were in violation of laws and regulations. In addition, said insurance agreement is scheduled to be renewed during the term of office of the Directors.

(4) Compensation, etc. for Directors and Audit & Supervisory Board Members for the fiscal year under review

1) Matters concerning the policies for determining the details of compensation, etc. for individual Directors

The amount of annual monetary compensation for the Company's Directors (excluding Directors serving as Audit & Supervisory Committee Members) is determined by taking into consideration market levels, corporate performance, and individual performance. The amount of annual monetary compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) consists of basic compensation (monthly compensation) as a fixed portion and performance-linked compensation, with basic compensation determined on an individual basis, reflecting market levels and expected roles. Regarding performance-linked compensation, consolidated EBITDA is used as an indicator for performance evaluation, and the total amount of annual monetary compensation is determined by multiplying the annual target achievement rate by the individual evaluation and subtracting the basic compensation as the fixed portion from that amount, which is paid as performance-linked compensation within the limit of the total compensation for executives. The amount of performance-linked compensation for each fiscal year is calculated by setting the lower and upper limits for the total amount of annual monetary compensation within a range of +/-15% (achievement rate between 85% and 115%) of the annual target achievement rate of consolidated EBITDA for the fiscal year preceding each fiscal year, and subtracting the basic compensation (fixed portion) from the amount obtained by multiplying the total annual monetary compensation determined in proportion to this achievement rate by the individual's evaluation for the previous year for each fiscal year. The actual consolidated EBITDA for the previous fiscal year, which was the basis for calculating the performance-linked compensation for the fiscal year under review, was 25.0 billion yen (target achievement rate of 84.1%), and no payment was made. The reason for adopting consolidated EBITDA as an indicator for performance evaluation is that the Company aims to secure profits while actively executing the necessary investments to ensure the Group's sustainable growth and enhance its corporate value. The Company does not fix the ratio of performance-linked compensation to total compensation, instead adopting a design in which the ratio of performance-linked compensation for Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) increases as the Company's consolidated annual performance exceeds targets.

During the fiscal year under review, in light of the impact on financial results and other factors, the monthly fixed compensation for Directors was reduced by 20% for the period from January 2026 to May of the same year.

In addition, the Company has introduced a "restricted stock compensation" plan to promote the further sharing of value with shareholders as an incentive to sustainably enhance its corporate value. Upon conferring restricted stock compensation, the Company's basic policy is to make the achievement of certain performance conditions a requirement for lifting the transfer restrictions, so that Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) can achieve loftier goals and contribute to the significant growth of the Group. The Company allows the grant of the tenure-based restricted stock compensation which is not performance-linked, and with continued service during the restricted period of between 3 years and 5 years, as determined in advance by the Company's Board of Directors, as a condition for the removal of transfer restrictions, in addition to the performance-linked restricted stock compensation and ESG indicator-based restricted stock compensation with the achievement of ESG indicators as a condition for the removal of transfer restrictions. The amount and the number of shares of restricted stock compensation conferred shall be determined by the Board of Directors after deliberation by the Nomination and Compensation Committee based on an amount equivalent to 23% of the monthly compensation (annual amount), taking into consideration factors such as positions, expected roles, and share price trends.

Regarding the targets for the ESG provisos, the Company sets forth its important themes in the E (Environment), S (Social), and G (Governance) aspects, and these indicators will be reviewed annually.

The Company only pays basic compensation to Outside Directors and Directors serving as Audit & Supervisory Committee Members from the viewpoint of their roles and independence.

In addition, to ensure the soundness of the compensation system for Directors and prevent misconduct in advance, the Company has established a provision (so-called Malus Clause). This Clause allows, should certain circumstances arise, for the confiscation or extinction of all or part of stock compensation before the lifting of transfer restrictions.

Restricted stock compensation conferred on Directors for the fiscal year ended May 20, 2026 is as follows.

■ Details of the tenure-based restricted stock compensation (tenure provisos)

Restricted transfer period	From September 1, 2025 to August 31, 2028
Tenure conditions	(a) The individual has continuously remained in a position of Director, Audit & Supervisory Board Member, Executive Officer, employee, or equivalent position of the Company, its consolidated subsidiaries, or affiliated companies during the restricted transfer period
	(b) Notwithstanding the provisions in (a), in the event that the individual retires or resigns from a position of Director, Audit & Supervisory Board Member, Executive Officer, employee, or equivalent position of the Company, its consolidated subsidiaries, or affiliated companies during the restricted transfer period on or after the day following the date of filing the Company's semi-annual securities report for the fiscal year to which the disposal date belongs, due to expiration of term of office, expiration of contract, mandatory retirement, death, or any other reason deemed justifiable (excluding voluntary resignation for personal reasons)

■ Details of the ESG indicator-based restricted stock compensation (ESG provisos)

<table>
<tr><td>Restricted transfer period</td><td colspan="2">From September 1, 2025 to August 31, 2028</td></tr>
<tr><td rowspan="6">ESG conditions</td><td colspan="2">Achievement of three or more of the five items listed below (a) through (e)</td></tr>
<tr><td rowspan="2">E (Environment)</td><td>(a) Achievement of the target of reducing the number of deliveries (target for orders per box) through an increase in the number of products per box for one-year period for the fiscal year ended May 20, 2026</td></tr>
<tr><td>(b) Achievement of the overall score target for products with environmental scores for one-year period for the fiscal year ended May 20, 2026</td></tr>
<tr><td rowspan="2">S (Social)</td><td>(c) Achievement of the overall score target in the engagement surveys conducted for the fiscal year ended May 20, 2026</td></tr>
<tr><td>(d) Achievement of the target ratio of female managers (30.0%) as of December 31, 2026</td></tr>
<tr><td>G (Governance)</td><td>(e) Achievement of a governance score higher than the previous year (4.0 or higher) in the evaluation conducted by an external organization (FTSE) for the fiscal year ended May 20, 2026</td></tr>
</table>

2) Matters concerning resolutions of the general meeting of shareholders regarding compensation, etc. of Directors and Audit & Supervisory Board Members

■ Before the transition to a Company with an Audit & Supervisory Committee

<table>
<tr><th>Category</th><th>Compensation category</th><th>Maximum amount (annual)</th><th>Resolution of the General Meeting of Shareholders</th><th>Number of officers</th></tr>
<tr><td>Directors</td><td>Basic compensation</td><td rowspan="2">800 million yen</td><td rowspan="2">August 3, 2016</td><td rowspan="3">10 (including 5 Outside Directors)</td></tr>
<tr><td>Directors (excluding Outside Directors)</td><td>Performance-linked compensation</td></tr>
<tr><td>Directors</td><td>Non-monetary compensation (restricted stock compensation)</td><td>(Within the above 800 million yen) 160 million yen (including 40 million yen for Outside Directors) Up to 100,000 shares of the Company's common stock</td><td>August 8, 2024</td></tr>
<tr><td>Audit & Supervisory Board Members</td><td>Basic compensation</td><td>80 million yen</td><td>August 10, 2001</td><td>3</td></tr>
</table>

(Note) Employee salaries are not included.

■ After the transition to a Company with an Audit & Supervisory Committee

<table>
<tr><th>Category</th><th>Compensation category</th><th>Maximum amount (annual)</th><th>Resolution of the General Meeting of Shareholders</th><th>Number of officers</th></tr>
<tr><td>Directors (excluding Directors serving as Audit & Supervisory Committee Members)</td><td>Basic compensation</td><td rowspan="2">650 million yen (including 130 million yen for Outside Directors)</td><td rowspan="2">August 5, 2025</td><td rowspan="3">9 (including 5 Outside Directors)</td></tr>
<tr><td rowspan="2">Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors)</td><td>Performance-linked compensation</td></tr>
<tr><td>Non-monetary compensation (restricted stock compensation)</td><td>(Within the above 650 million yen)
160 million yen
Up to 100,000 shares of the Company's common stock</td><td>August 5, 2025</td></tr>
<tr><td>Directors serving as Audit & Supervisory Committee Members</td><td>Basic compensation</td><td>80 million yen</td><td>August 5, 2025</td><td>4</td></tr>
</table>

(Note) Employee salaries are not included.

3) Matters concerning the method of determining the details of compensation, etc. for individual Directors

The Company has established the Nomination and Compensation Committee as a voluntary, permanent advisory body to the Board of Directors for the purpose of contributing to the building of an appropriate management structure and ensuring management transparency.

The policies on compensation of Directors are deliberated by the Nomination and Compensation Committee and determined by the Board of Directors.

The amount of individual compensation for Directors is determined by resolution of the Board of Directors after deliberation by the Nomination and Compensation Committee, respecting the opinions of the Nomination and Compensation Committee.

The Nomination and Compensation Committee, a majority of whose members are Independent Outside Directors, is an advisory body to the Board of Directors and provides reports to the Board of Directors on matters related to the election and dismissal of Directors as well as other key officers and employees, the main areas of responsibilities of Directors (including the selection of Representative Directors), basic policies on compensation, and individual compensation. The Nomination and Compensation Committee met 20 times during the fiscal year under review to deliberate on the election of Directors, policies on compensation, and other matters.

In determining the details of compensation for individual directors (excluding Directors serving as Audit & Supervisory Committee Members), etc., the Nomination and Compensation Committee deliberates and reports to the Board of Directors, and the Board of Directors fully respects the report of the Nomination and Compensation Committee in making its decisions, and therefore, the Company believes that the details of such compensation are in line with the policies for determination.

4) Total amount of compensation, etc., for Directors and Audit & Supervisory Board Members

Category	Total amount of compensation, etc.	Total amount of compensation, etc., by category			Number of eligible officers
		Basic compensation	Performance-linked compensation, etc.	Non-monetary compensation, etc.	
Directors (excluding Audit & Supervisory Committee Members) [of which, Outside Directors]	183 million yen [50 million yen]	164 million yen [50 million yen]	– million yen [–]	19 million yen [–]	10 [6]
Directors (Audit & Supervisory Committee Members [of which, Outside Directors]	47 million yen [30 million yen]	47 million yen [30 million yen]	– million yen [–]	– million yen [–]	4 [3]
Audit & Supervisory Board Members [of which, Outside Directors]	8 million yen [4 million yen]	8 million yen [4 million yen]	– million yen [–]	– million yen [–]	3 [2]

(Notes)
1. The Company transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee as of August 5, 2025, based on the resolution of the 62nd Annual General Meeting of Shareholders held on the same date. As of the end of the fiscal year under review, the number of Directors (excluding Directors serving as Audit & Supervisory Committee Members) is 9 (including 5 Outside Directors) and the number of Directors serving as Audit & Supervisory Committee Members is 4 (including 3 Outside Directors). The total amount of compensation, etc., for Directors (excluding Directors serving as Audit & Supervisory Committee Members) includes the amount of compensation, etc. paid to 1 Director who retired due to the expiration of his term of office at the conclusion of the Annual General Meeting of Shareholders held on August 5, 2025, and the amount of compensation, etc. paid to 1 Director who newly assumed office as Director serving as an Audit & Supervisory Committee Member in connection with the transition to a Company with an Audit & Supervisory Committee for the period before the transition. The amount of compensation, etc. for Audit & Supervisory Board Members is for the period before the transition to a Company with an Audit & Supervisory Committee. The number of eligible Directors (excluding Directors serving as Audit & Supervisory Committee Members) does not include 1 Outside Director with no compensation.
2. Total amount of compensation, etc., for Directors does not include employee salaries of Directors who concurrently serve as employees.
3. The total amount of non-monetary compensation, etc., for Directors (excluding Directors serving as Audit & Supervisory Committee Members and Outside Directors) consists of restricted stock compensation and the amount of 19 million yen recorded as expenses for the fiscal year under review. The details of said stock compensation and the status of stock granted is as stated in “II. Status of the Company 1. Status of stock.”
4. Due to the impact of the ransomware attack on financial results for the fiscal year under review, the monthly fixed compensation for Directors eligible to receive director compensation was reduced by 20% from the compensation paid for January 2026 to the compensation paid for May 2026.

(5) Matters concerning outside officers

1) Status of key concurrent positions at other companies, etc., and relationship between the Company and said other companies, etc. (As of May 20, 2026)

Category	Name	Companies, etc. of key concurrent positions	Description of key concurrent positions	Relationship with the Company
Director	Yumiko Ichige	Nozomi Sogo Attorneys at Law Idemitsu Kosan Co., Ltd. OMRON Corporation	Partner Outside Audit & Supervisory Board Member Outside Audit & Supervisory Board Member	(Note 1) (Note 1) (Note 1)
Director	Naomi Aoyama	style bis Inc. IZUMI Co., Ltd.	Representative Director Outside Director	(Note 2) (Note 1)
Director	Rina Akimoto	vivid garden Inc.	CEO	(Note 1)
Director	Nobuya Ishizaka	Golf Digest Online Inc. BELLSYSTEM24 Holdings, Inc. GDO Sports, Inc. (USA) Japan Speedgolf association GolfTEC Enterprises, LLC (USA)	President and CEO Outside Director President and Representative Director Representative Director Chairman and Director	(Note 1) (Note 3) (Note 2) (Note 1) (Note 2)
Director	Makoto Hide	LY Corporation Ikyu Corporation ZOZO, Inc. BEENOS Inc.	Executive Corporate Officer, Commerce Domain Lead Chairman of the Board Director Director	(Note 4) (Note 1) (Note 1) (Note 2)
Director serving as an Audit & Supervisory Committee Member	Yoshitaka Asaeda	Yoshitaka Asaeda CPA Office WingArc1st Inc. Shimane Bank Ltd.	Director Outside Audit & Supervisory Board Member Outside Director	(Note 1) (Note 5) (Note 1)
Director serving as an Audit & Supervisory Committee Member	Miyuki Nakagawa	Kousui Law Office Chuo Law School, Chuo University NITTO KOGYO CORPORATION Nissan Chemical Corporation SBI Shinsei Bank, Limited	Representative Professor Outside Director Outside Director Outside Audit & Supervisory Board Member	(Note 1) (Note 1) (Note 1) (Note 1) (Note 1)

(Notes)
1. Although there are past records of sales of the Company's products, there are no other special relationships.
2. There are no special relationships.
3. Although there are service desk outsourcing transactions and past records of sales of the Company's products between the Company and BELLSYSTEM24, Inc., a subsidiary of BELLSYSTEM24 Holdings, Inc., the transaction amounts account for less than 0.3% of the Company's consolidated net sales or consolidated purchase of goods, and there is no impact on his independence.
4. LY Corporation is a major shareholder of the Company, and there are business relationships between the Company and LY Corporation, such as the collection of credit payment amounts at LOHACO.

5. Although there are transactions related to system usage and past records of sales of the Company's products, there are no other special relationships.
6. Transaction amounts of (Note 1) and (Note 5) account for less than 0.1% of the Company's consolidated net sales or consolidated purchase of goods, and there is no impact on their independence.

2) Status of key activities of outside officers

(1) Outside Directors (excluding Directors serving as Audit & Supervisory Committee Members)

Name	Attendance at meetings of the Board of Directors and voluntary committees	Status of key activities
Yumiko Ichige	Board of Directors 14/16 Nomination and Compensation Committee 20/20	In addition to her highly specialized expertise and work experience in the fields of corporate governance, compliance, and intellectual property, Yumiko Ichige possesses experience and a solid track record as an outside officer at multiple companies. Based on this perspective, she is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions of the Board of Directors. In addition, she attended meetings of the voluntary Nomination and Compensation Committee as a member, and provides statements from an independent standpoint based on diverse perspectives.
Naomi Aoyama	Board of Directors 15/16 Nomination and Compensation Committee 20/20	Naomi Aoyama possesses advanced expertise and extensive experience through serving as an advisor related to corporate social media management and e-commerce. Based on this perspective, she is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions at the Board of Directors' meetings. In addition, she attended meetings of the voluntary Nomination and Compensation Committee as a member, and provides statements considering diversity from an independent standpoint.
Rina Akimoto	Board of Directors 15/16 Nomination and Compensation Committee 19/20	Having established an innovative business that solves the distribution challenges of agriculture, Rina Akimoto possesses extensive experience and knowledge gained through her activities for solving social issues in various organizations. Based on this perspective, she is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions at the Board of Directors' meetings. In addition, she attended meetings of the voluntary Nomination and Compensation Committee as a member, and provides statements from an independent standpoint based on management experience and diversity.
Nobuya Ishizaka	Board of Directors 14/14 Nomination and Compensation Committee 16/18	Nobuya Ishizaka has led the development of innovative services in both domestic and international business, and possesses a high level of knowledge on digital strategy and marketing, as well as extensive experience as a manager. Based on this perspective, he is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions at the Board of Directors' meetings. In addition, he attended meetings of the voluntary Nomination and Compensation Committee as a member, and provides statements from an independent standpoint based on extensive management experience.

Name	Attendance at meetings of the Board of Directors and voluntary committees	Status of key activities
Makoto Hide	Board of Directors 14/14	Makoto Hide possesses extensive experience and broad knowledge cultivated through his work in business strategy in the internet service industry and corporate management at group companies. He is expected to provide supervision and suggestions that will contribute to the management of the ASKUL Group, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions at the Board of Directors' meetings.

(Note) The attendance of Mr. Nobuya Ishizaka at meetings of the Board of Directors and the Nomination and Compensation Committee, and the attendance of Mr. Makoto Hide at meetings of the Board of Directors are stated as their attendance at meetings held since their assumption of office as Directors on August 5, 2025.

(2) Outside Directors serving as Audit & Supervisory Committee Members

Name	Attendance at meetings of the Board of Directors, the Audit & Supervisory Committee, the Audit & Supervisory Board, and voluntary committees	Status of key activities
Kazuo Tsukahara	Board of Directors 16/16	Kazuo Tsukahara has been involved in the management of a heavy industrial manufacturer with global operations and possesses extensive experience and a solid track record regarding corporate management. Based on this perspective, he is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions of the Board of Directors. In addition, he attended meetings of the voluntary Nomination and Compensation Committee as its chairperson and leads the active dialogue of the committee from an independent standpoint. In addition, he attended meetings of the Audit & Supervisory Committee as a member, and provides objective statements, including questions and opinions, from an independent standpoint.
	Audit & Supervisory Committee 11/11	
	Nomination and Compensation Committee 20/20	
Yoshitaka Asaeda	Board of Directors 16/16	Yoshitaka Asaeda has practical experience and specialist insight into global accounting and auditing as a CPA. Based on this perspective, he is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions of the Board of Directors. In addition, he attended meetings of the Audit & Supervisory Committee as its chairperson and leads the active dialogue of the committee from an independent standpoint.
	Audit & Supervisory Committee 11/11	
	Audit & Supervisory Board 4/4	
Miyuki Nakagawa	Board of Directors 16/16	Miyuki Nakagawa worked for many years as a prosecutor and has practical experience in legal circles. Based on this perspective, she is expected to serve a role in ensuring the appropriateness of business execution, and has appropriately fulfilled the roles expected as an Outside Director by providing advice and proposals from an objective and specialized perspective in regard to decisions of the Board of Directors. In addition, she attended meetings of the Audit & Supervisory Committee as a member, and provides objective statements, including questions and opinions, from an independent standpoint.
	Audit & Supervisory Committee 11/11	
	Audit & Supervisory Board 4/4	

(Note) The Company transitioned from a Company with an Audit & Supervisory Board to a Company with an Audit & Supervisory Committee as of August 5, 2025, based on the resolution of the 62nd Annual General Meeting of Shareholders held on the same date. In connection with the transition, Mr. Kazuo Tsukahara retired from the position of Director and assumed office as Director (Audit & Supervisory Committee Member) as of the same date. In addition, Mr. Yoshitaka Asaeda and Ms. Miyuki Nakagawa retired from the position of Audit & Supervisory Board Member and assumed office as Directors (Audit & Supervisory Committee Members) as of the same date. The attendance of the above three persons also includes their attendance for the period they served as Director and Audit & Supervisory Board Members before August 5, 2025.

4. Status of Accounting Auditor

(1) Name: Deloitte Touche Tohmatsu LLC

(2) Amount of compensation, etc.

Amount of compensation, etc., for the Accounting Auditor for the fiscal year under review	83 million yen
Total amount of cash and other assets to be paid to the Accounting Auditor by the Company and subsidiaries	83 million yen

(Notes)
1. Since the audit contract between the Company and the Accounting Auditor does not clearly distinguish between the amount of compensation, etc., for audits based on the Companies Act and the amount of compensation, etc., for audits based on the Financial Instruments and Exchange Act and it is also not practicable to distinguish them, the sum of these amounts is shown as the total amount of compensation etc. for Accounting Auditor for the fiscal year under review.
2. The Audit & Supervisory Committee, based on the "Practical Guidelines for Cooperation with Accounting Auditor" published by the Japan Audit & Supervisory Board Members Association, confirmed and deliberated the details of the audit plan of the Accounting Auditor, the status of the execution of audit, the basis for the calculation of the compensation estimates, and other matters. As a result, the Audit & Supervisory Committee agreed to the compensation, etc. for the Accounting Auditor.

(3) Content of non-audit operations

No applicable items.

(4) Policy on determining dismissal or non-reappointment of Accounting Auditor

The Audit & Supervisory Committee shall dismiss the Accounting Auditor with the unanimous consent of all members of the Audit & Supervisory Committee if the Accounting Auditor is deemed to fall under the items of Article 340, Paragraph 1 of the Companies Act.

In addition, if the Audit & Supervisory Committee evaluates the status of execution of the Accounting Auditor's duties, etc. and finds it necessary to change the Accounting Auditor, such as when recognizing that the Accounting Auditor's appropriate performance of its duties is impaired, the Audit & Supervisory Committee shall determine a proposal related to dismissal or non-reappointment of the Accounting Auditor to be submitted to the General Meeting of Shareholders.

(5) Matters regarding audits of subsidiaries

Certain consolidated subsidiaries of the Company are audited by auditing firms other than the Company's Accounting Auditor.

III. System and Policies of the Company

"Systems to Ensure the Appropriateness of Operations," "Operational Status of Systems to Ensure the Appropriateness of Operations," and "Policy for Determining Dividends of Surplus, etc." are posted on the Company's website on the Internet (Japanese only; https://www.askul.co.jp/corp/investor/library/agm/) in accordance with laws and regulations as well as Article 16 of the Articles of Incorporation of the Company.

Consolidated Financial Statements

Consolidated Balance Sheet (As of May 20, 2026)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		**(Liabilities)**	
Current assets	**150,005**	**Current liabilities**	**131,796**
Cash and deposits	49,332	Notes and accounts payable-trade	57,204
Trade receivables and contract assets	54,503	Electronically recorded obligations - operating	19,275
Merchandise and finished goods	24,402	Short-term borrowings	27,280
Raw materials and supplies	420	Current portion of long-term borrowings	4,374
Costs on construction contracts in progress	43	Lease liabilities	4,422
Accounts receivable - other	13,932	Accounts payable - other	15,118
Consumption taxes refund receivable	4,188	Income taxes payable	448
Other	3,195	Accrued consumption taxes	150
Allowance for doubtful accounts	(12)	Provision for bonuses	436
Non-current assets	**79,902**	Other	3,086
Property, plant and equipment	**35,011**	**Non-current liabilities**	**46,655**
Buildings and structures	7,246	Long-term borrowings	13,360
Machinery, equipment and vehicles	2,143	Lease liabilities	20,917
Land	257	Retirement benefit liability	4,831
Leased assets	22,954	Asset retirement obligations	3,190
Construction in progress	290	Deferred tax liabilities	1,816
Other	2,118	Other	2,539
Intangible assets	**24,152**	**Total liabilities**	**178,452**
Software	14,912		
Software in progress	3,308	**(Net assets)**	
Goodwill	722	**Shareholders' equity**	**47,372**
Customer-related intangible assets	5,199	Share capital	21,233
Other	10	Capital surplus	14,830
Investments and other assets	**20,738**	Retained earnings	11,670
Investment securities	487	Treasury shares	(362)
Long-term prepaid expenses	285	**Accumulated other comprehensive income**	**432**
Guarantee deposits	6,948	Deferred gains or losses on hedges	3
Deferred tax assets	12,994	Remeasurements of defined benefit plans	429
Other	706	**Non-controlling interests**	**3,650**
Allowance for doubtful accounts	(685)	**Total net assets**	**51,455**
Total assets	**229,907**	**Total liabilities and net assets**	**229,907**

Consolidated Statement of Income (May 21, 2025 – May 20, 2026)

(Millions of yen)

Item	Amount	
Net sales		**400,199**
Cost of sales		**310,886**
Gross profit		**89,313**
Selling, general and administrative expenses		**106,758**
Operating loss		**17,445**
Non-operating income		
Interest income	166	
Subsidy income	68	
Reversal of allowance for doubtful accounts	70	
Other	153	458
Non-operating expenses		
Interest expenses	714	
Depreciation of inactive non-current assets	1,269	
Other	91	2,075
Ordinary loss		**19,062**
Extraordinary income		
Gain on sale of non-current assets	45	
Subsidy income	27	
Other	0	74
Extraordinary losses		
Loss on sale of non-current assets	0	
Loss on retirement of non-current assets	780	
System failure response costs	5,108	
Impairment losses	4,823	
Other	90	10,802
Loss before income taxes		**29,790**
Income taxes-current	1,172	
Income taxes-deferred	(9,118)	(7,946)
Loss		**21,844**
Profit attributable to non-controlling interests		306
Loss attributable to owners of parent		**22,150**

Non-consolidated Financial Statements

Non-consolidated Balance Sheet (As of May 20, 2026)

(Millions of yen)

Item	Amount	Item	Amount
(Assets)		**(Liabilities)**	
Current assets	**117,384**	**Current liabilities**	**115,708**
Cash and deposits	35,185	Accounts payable – trade	45,391
Accounts receivable - trade	42,114	Electronically recorded obligations - operating	19,275
Merchandise	19,422	Short-term borrowings	26,900
Prepaid expenses	1,805	Current portion of long-term borrowings	3,288
Accounts receivable - other	14,477	Lease liabilities	4,103
Consumption taxes refund receivable	3,493	Accounts payable - other	14,208
Other	889	Income taxes payable	52
Allowance for doubtful accounts	(4)	Other	2,490
Non-current assets	**82,224**		
Property, plant and equipment	**31,437**	**Non-current liabilities**	**38,307**
Buildings	5,724	Long-term borrowings	9,777
Machinery and equipment	1,680	Lease liabilities	19,976
Tools, furniture and fixtures	1,911	Retirement benefit liability	3,467
Leased assets	21,810	Asset retirement obligations	2,652
Construction in progress	273	Other	2,433
Other	36	**Total liabilities**	**154,016**
Intangible assets	**14,851**		
Software	12,317	**(Net assets)**	
Software in progress	2,529	**Shareholders' equity**	**45,593**
Other	4	**Share capital**	**21,233**
Investments and other assets	**35,935**	**Capital surplus**	**13,713**
Investment securities	471	Legal capital surplus	13,713
Shares of subsidiaries and associates	16,762	**Retained earnings**	**11,008**
Long-term loans receivable from subsidiaries and associates	145	Legal retained earnings	10
Guarantee deposits	6,421	Other retained earnings	10,998
Deferred tax assets	11,916	Retained earnings brought forward	10,998
Other	841	**Treasury shares**	**(362)**
Allowance for doubtful accounts	(622)	**Total net assets**	**45,593**
Total assets	**199,609**	**Total liabilities and net assets**	**199,609**

Non-consolidated Statement of Income (May 21, 2025 – May 20, 2026)

(Millions of yen)

Item	Amount	
Net sales		**311,118**
Cost of sales		
Beginning inventory of merchandise	18,667	
Cost of purchased merchandise	237,940	
Total	256,607	
Transfer to other account	58	
Ending inventory of merchandise	19,422	237,127
Gross profit		**73,990**
Selling, general and administrative expenses		**87,800**
Operating loss		**13,809**
Non-operating income		
Interest income	106	
Dividend income	661	
Rental income	5	
Other	211	984
Non-operating expenses		
Interest expenses	612	
Depreciation of inactive non-current assets	1,215	
Loss on sale of receivables	9	
Other	72	1,910
Ordinary loss		**14,735**
Extraordinary income		
Gain on sale of non-current assets	41	41
Extraordinary losses		
Loss on retirement of non-current assets	191	
System failure response costs	10,965	
Loss on valuation of shares of subsidiaries and associates	4,825	
Other	23	16,005
Loss before income taxes		**30,699**
Income taxes-current	9	
Income taxes-deferred	(8,314)	(8,304)
Loss		**22,395**

Audit Report

Audit Report by the Accounting Auditor for the Consolidated Financial Statements

Independent Auditor's Report
(English Translation)

June 30, 2026

To the Board of Directors
ASKUL Corporation

Tokyo Office,
Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hiroyuki Kobayashi

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Osamu Hattori

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the consolidated financial statements, namely, the consolidated balance sheet as of May 20, 2026, of ASKUL Corporation (the "Company") and consolidated subsidiaries, and the related consolidated statements of income and changes in net assets for the fiscal year from May 21, 2025, to May 20, 2026, and the related notes.

In our opinion, the above-mentioned consolidated financial statements, in conformity with accounting principles generally accepted in Japan, present fairly, in all material respects, the financial position and results of operations of the corporate group, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities) and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The other information comprises the Business Report and its supplemental schedules. Management is responsible for the preparation and disclosure of the other information. The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process of the other information.

Our audit opinion on the consolidated financial statements does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

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

In preparing consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with a going concern assumption. If it is necessary to disclose matters relating to the going concern assumption in accordance with accounting principles generally accepted in Japan, management is responsible to do so.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

The auditor's responsibility is to express an opinion on these consolidated financial statements based on its audit from an independent standpoint in an audit report, by obtaining reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement due to fraud or error. Misstatements can occur as a result of fraud or error and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the going concern assumption and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.
- Plan and implement the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and inspecting the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures in place to eliminate obstacles or safeguards applied to reduce obstacles to an acceptable level.

Interest

Our firm and the engagement partners do not have any interest in the Company or its consolidated subsidiaries, for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Audit Report by the Accounting Auditor for the Non-consolidated Financial Statements

Independent Auditor's Report
(English Translation)

June 30, 2026

To the Board of Directors
ASKUL Corporation

Tokyo Office,
Deloitte Touche Tohmatsu LLC

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Hiroyuki Kobayashi

Designated Limited Liability Partner,
Engagement Partner,
Certified Public Accountant:

Osamu Hattori

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the financial statements, namely, the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and the supplementary schedules (the "Financial Statements, etc.") of ASKUL Corporation (the "Company") for the 63rd fiscal year from May 21, 2025, to May 20, 2026, and the related notes.

In our opinion, the above-mentioned Financial Statements, etc., present fairly, in all material respects, the financial position and results of operations of the Company for the period covered by the Financial Statements, etc. in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements, etc." We are independent of the Company in accordance with the provisions related to professional ethics in Japan (including the provisions applicable to audits of financial statements of public interest entities) and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The other information comprises the Business Report and its supplemental schedules. Management is responsible for the preparation and disclosure of the other information. The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process of the other information.

Our audit opinion on the financial statements does not cover the other information, and we do not provide an opinion on the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements, etc.

Management is responsible for the preparation and fair presentation of the Financial Statements, etc. in conformity with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of the Financial Statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing Financial Statements, etc., management is responsible for assessing whether it is appropriate to prepare the Financial Statements, etc. in accordance with a going concern assumption. If it is necessary to disclose matters relating to the going concern assumption in accordance with accounting principles generally accepted in Japan, management is responsible to do so.

The Audit & Supervisory Committee is responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements, etc.

The auditor's responsibility is to express an opinion on the Financial Statements, etc. based on its audit from an independent standpoint in an audit report, by obtaining reasonable assurance about whether the Financial Statements, etc. as a whole are free from material misstatement due to fraud or error. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the Financial Statements, etc.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the Financial Statements, etc. on the going concern assumption and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the Financial Statements, etc. in the audit report, or if the notes to the Financial Statements, etc. pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the Financial Statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation of and notes to the Financial Statements, etc. are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the Financial Statements, etc. including related notes, and whether the Financial Statements, etc. fairly present the transactions and accounting events on which they are based.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to the Audit & Supervisory Committee regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence and any measures in place to eliminate obstacles or safeguards applied to reduce obstacles to an acceptable level.

Interest

Our firm and the engagement partners do not have any interest in the Company, for which disclosure is required under the provisions of the Certified Public Accountants Act.

The above represents a translation, for convenience only, of the original report issued in the Japanese language.

Audit Report by the Audit & Supervisory Committee

Audit Report

The Audit & Supervisory Committee of ASKUL Corporation (the "Company") audited the performance of duties by Directors for the 63rd fiscal year, which began May 21, 2025, and ended May 20, 2026. The methods and results of the audit are hereby reported as follows.

1. Auditing Methods and the Substance Thereof

The Audit & Supervisory Committee regularly received reports from Directors and other relevant personnel about the framework and operational status of structures (internal control systems) that are maintained based on the Board of Directors resolutions concerning the matters set forth in Article 399-13, Paragraph 1, Item 1, (b) and (c) of the Companies Act, as well as about the content of those resolutions. The Audit & Supervisory Committee requested explanations when deemed necessary, expressed its opinions, and conducted the audit by the methods described below.

1) Based on the auditing policies, division of duties and other guidelines determined by the Audit & Supervisory Committee, and in cooperation with the Company's Internal Control Division, the Audit and Supervisory Committee has attended important meetings; received reports on matters concerning the execution of duties from Directors and other relevant personnel; requested explanations therefrom, as required; examined important authorized documents and associated information; and studied the operations and financial position at the headquarters and principal offices. Moreover, the Audit & Supervisory Committee has communicated and exchanged information with Directors, Audit & Supervisory Board Members and other relevant personnel of the subsidiaries and received reports on operations therefrom, as required.

2) The Audit & Supervisory Committee regularly received reports from Directors and other relevant personnel about the status of establishment and operation of structures (internal control systems) that are maintained based on the Board of Directors resolutions, pursuant to Article 100, Paragraphs 1 and 3 of the Companies Act enforcement regulations as essential for ensuring the execution of duties by Directors described in the business report conforms with laws and regulations as well as the Company's Articles of Incorporation and for otherwise ensuring proper business conduct by the conglomerate consisting of the Company and its subsidiaries. The Audit & Supervisory Committee requested explanations when deemed necessary and expressed its opinions.

3) While supervising whether or not the Accounting Auditor is maintaining an independent standpoint and implementing appropriate audits, reports were received from the Accounting Auditor on the status of execution of duties, and explanations were requested as required. Additionally, notification was received from the Accounting Auditor that "Systems to Secure the Appropriateness of Operations" (matters in each item of Article 131 of the Regulations for Corporate Accounting) were being maintained in accordance with "Quality Management Standards Regarding Audits" (Business Accounting Council), and explanations were requested as required.

Based on the methods above, the Business Report, accompanying supplementary schedules, Non-consolidated Financial Statements (Non-consolidated Balance Sheet, Non-consolidated Statement of Income, Non-consolidated Statements of Changes in Net Assets, and Notes to the Non-consolidated Financial Statements) and accompanying supplementary schedules, Consolidated Financial Statements (Consolidated Balance Sheet, Consolidated Statement of Income, and Consolidated Statements of Changes in Net Assets, and Notes to the Consolidated Financial Statements) were evaluated.

2. Results of Audit

(1) Audit results for the Business Report, etc.

1) The Business Report and accompanying supplementary schedules are in compliance with laws and regulations and accurately reflect the status of the Company.

2) There are no inappropriate actions regarding the execution of duties by Directors and significant facts that are in violation of laws and regulations or the Articles of Incorporation.

3) The content of resolutions by the Board of Directors regarding internal control systems are appropriate. Additionally, there are no matters of note concerning the content of information provided in the Business Report regarding said internal control systems nor the execution of duties by Directors.

(2) Audit results for the Non-consolidated Financial Statements and accompanying supplementary schedules

The methods and results of audits performed by Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

(3) Audit results for the Consolidated Financial Statements and accompanying supplementary schedules

The methods and results of audits performed by Deloitte Touche Tohmatsu LLC, the Accounting Auditor, are appropriate.

Due to the ransomware attack on the Company's servers in October 2025, part of the Company's data, including personal information, was found to have been leaked, and business activities were affected because some important systems became unavailable. At present, the Company is formulating and implementing measures to prevent recurrence based on cause analysis and investigation. The Audit & Supervisory Committee will continue to monitor the implementation status of those measures going forward.

June 30, 2026

Audit & Supervisory Committee, ASKUL Corporation

Audit & Supervisory Committee Member (Chairperson) Yoshitaka Asaeda

Audit & Supervisory Committee Member (Full-time) Toshio Imamura

Audit & Supervisory Committee Member Kazuo Tsukahara

Audit & Supervisory Committee Member Miyuki Nakagawa

(Note)	Audit & Supervisory Committee Members Yoshitaka Asaeda, Kazuo Tsukahara and Miyuki Nakagawa are Outside Directors as stipulated by Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.