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

July 24, 2026

Company name:	Axelspace Holdings Corporation
Representative:	Yuya Nakamura, President and CEO
	(Securities code: 402A, Tokyo Stock Exchange Growth Market)
Inquiries:	Daigo Orihara, Director
	(Tel.: +81-3-6262-6105)

Notice of Reduction in the Amount of Capital Reserve and Appropriation of Surplus

Axelspace Holdings Corporation (the "Company") hereby announces that, at the meeting of the Board of Directors held today, it resolved, pursuant to the provisions of Article 459, Paragraph 1 of the Companies Act and the Company's Articles of Incorporation, to approve the reduction in the amount of capital reserve and the appropriation of surplus as described below.

1. Purpose of the Reduction in the Amount of Capital Reserve and the Appropriation of Surplus
The Company has resolved to reduce the amount of its capital reserve and appropriate surplus for the purpose of eliminating the deficit in retained earnings brought forward and securing greater flexibility and agility in its future capital policy and financial strategy.

2. Details of the Reduction in the Amount of Capital Reserve
Pursuant to Article 448, Paragraph 1 of the Companies Act, a portion of the Company's capital reserve will be reduced and transferred to other capital surplus.

(1) Reserve to be Reduced and Amount
Capital reserve: ¥13,469,744,189 (out of a total capital reserve of ¥16,340,379,484)

(2) Surplus to be Increased and Amount
Other capital surplus: ¥13,469,744,189

3. Details of the Appropriation of Surplus
Pursuant to Article 452 of the Companies Act, and subject to the reduction in the amount of capital reserve becoming effective, the Company will transfer the above amount from other capital surplus to retained earnings brought forward to eliminate the corresponding deficit.

(1) Surplus to be Reduced and Amount
Other capital surplus: ¥13,469,744,189

(2) Surplus to be Increased and Amount
Retained earnings brought forward: ¥13,469,744,189

4. Schedule

Date of Board of Director’s resolution	July 24, 2026
Effective date	August 27, 2026 (planned)

As this matter satisfies the requirements set forth in the proviso to Article 449, Paragraph 1 of the Companies Act, no creditor objection procedures will be required.

5. Future Outlook

This transaction constitutes a transfer between accounts within the Net Assets section of the Company's balance sheet. Accordingly, it will have no impact on the total amount of the Company's net assets or on its financial results.