

Disclaimer

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November 2, 2021

To whom it may concern:

Company Name: ASKUL Corporation  
(Code No.: 2678, Tokyo Stock Exchange First Section)  
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President and Chief Executive Officer  
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Announcement of Financial Results by Other Affiliated Company

ASKUL Corporation (hereinafter referred to as the "Company") hereby announces that there are some descriptions about the Company in the financial results briefing presentation materials for the second quarter of fiscal year 2021 announced today by Z Holdings Corporation (headquarters: 1-3 Kioicho, Chiyoda-ku, Tokyo; representative: Kentaro Kawabe, President and Representative Director, hereinafter referred to as "Z Holdings"), a company defined as "other affiliated company" of the Company. Please refer to the appendix for the applicable page of the presentation materials.

The figures described in the attached material do not match the financial results to be announced by the Company due to different consolidated accounting periods between Z Holdings and the Company as shown in the table below. The figures in the material include the Company's BtoB net sales placed via the internet.

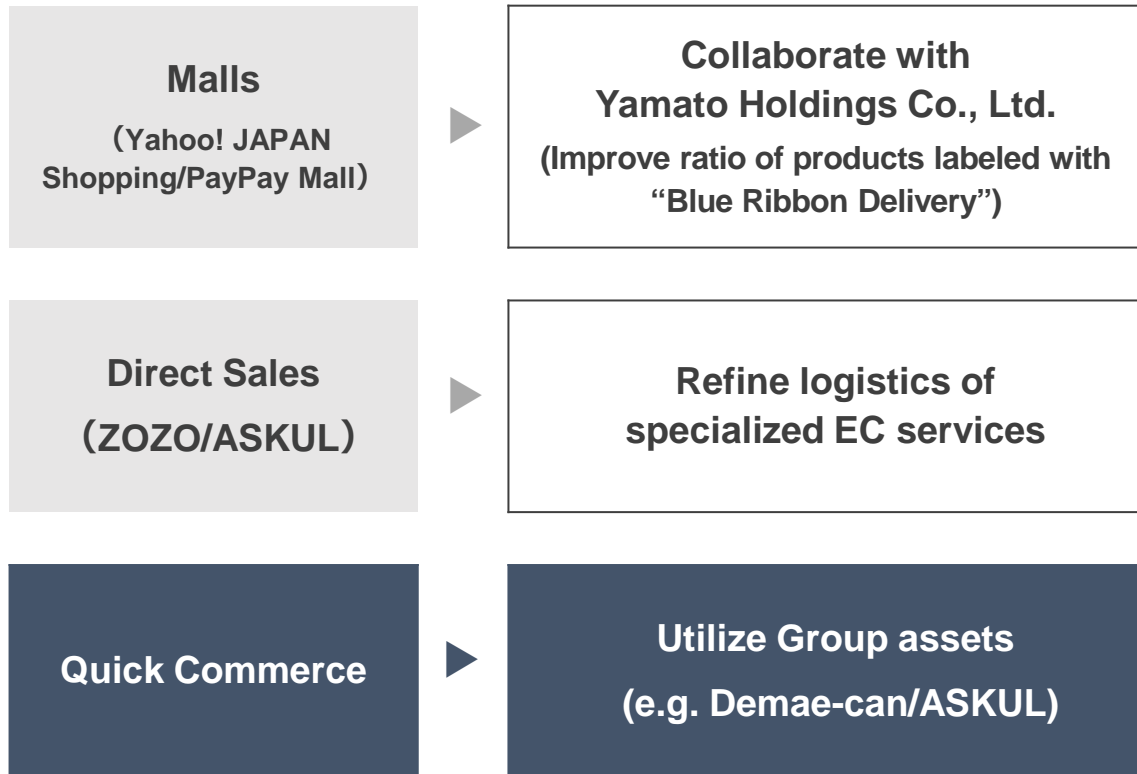
Consolidated accounting period	Z Holdings	Company
Second quarter	From July 1, 2021, to September 30, 2021	From September 21, 2021, to November 20, 2021
	There are below descriptions in the attached material. · Page 3 & 4 BtoB net sales placed via the internet in every quarter	

Appendix: Z Holdings Business Results FY2021 Q2 (excerpt)

Note: Z Holdings holds 44.92% of the total shares issued by the Company as of May 20, 2021.

- **Strengthening Z Holdings Group’s logistics** by utilizing Group assets
- **Becoming no. 1 in distribution volume in the domestic food delivery market, while achieving further synergy in the last mile delivery domain**, through investment in Demae-can

Z Holdings Group’s Logistics Policies



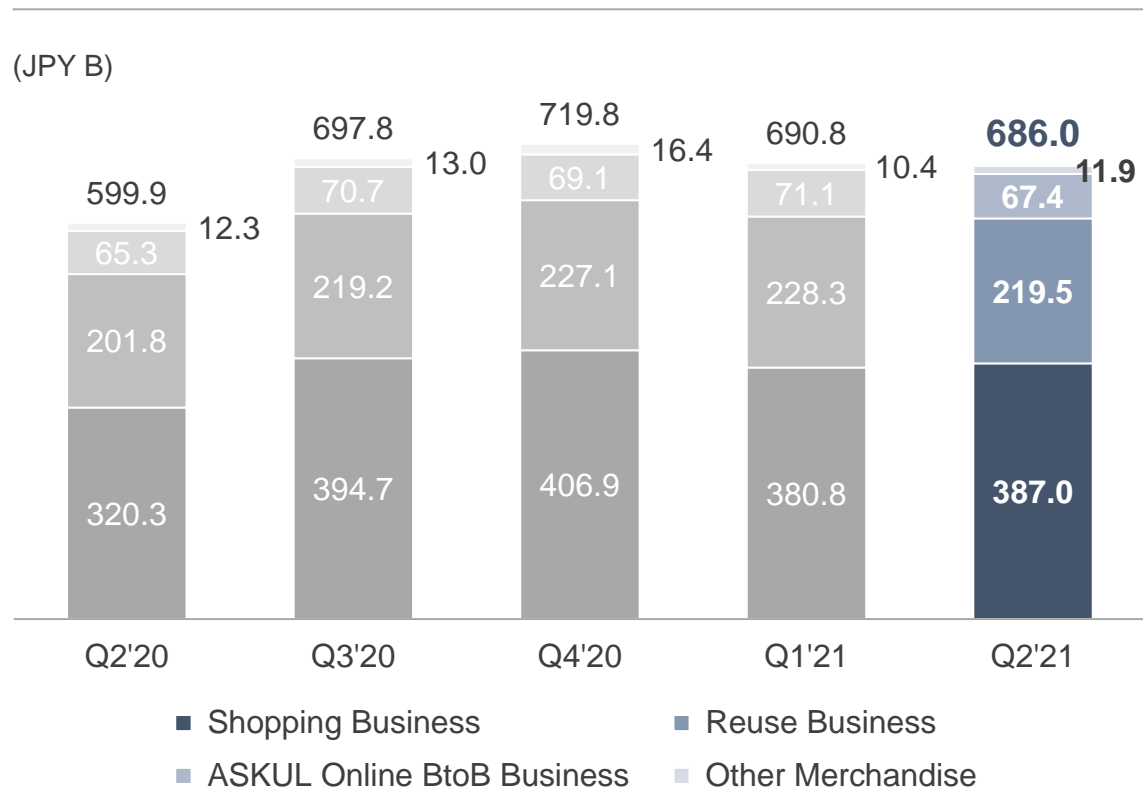
Outline of Investment	
<b>Background</b>	Delivery infrastructure of Demae-can is an important management resource in maximizing transaction value in e-commerce (merchandise)
<b>Amount of Investment</b>	JPY33.2 B
<b>Aim</b>	Strengthen last mile delivery <ul style="list-style-type: none"> <li>• Identify instant delivery needs</li> <li>• Accelerate store openings to increase no. of locations in Tokyo 23 wards</li> </ul>

Aim to maximize transaction value by refining fundamental value and combining differentiation strategies that leverage LINE's assets

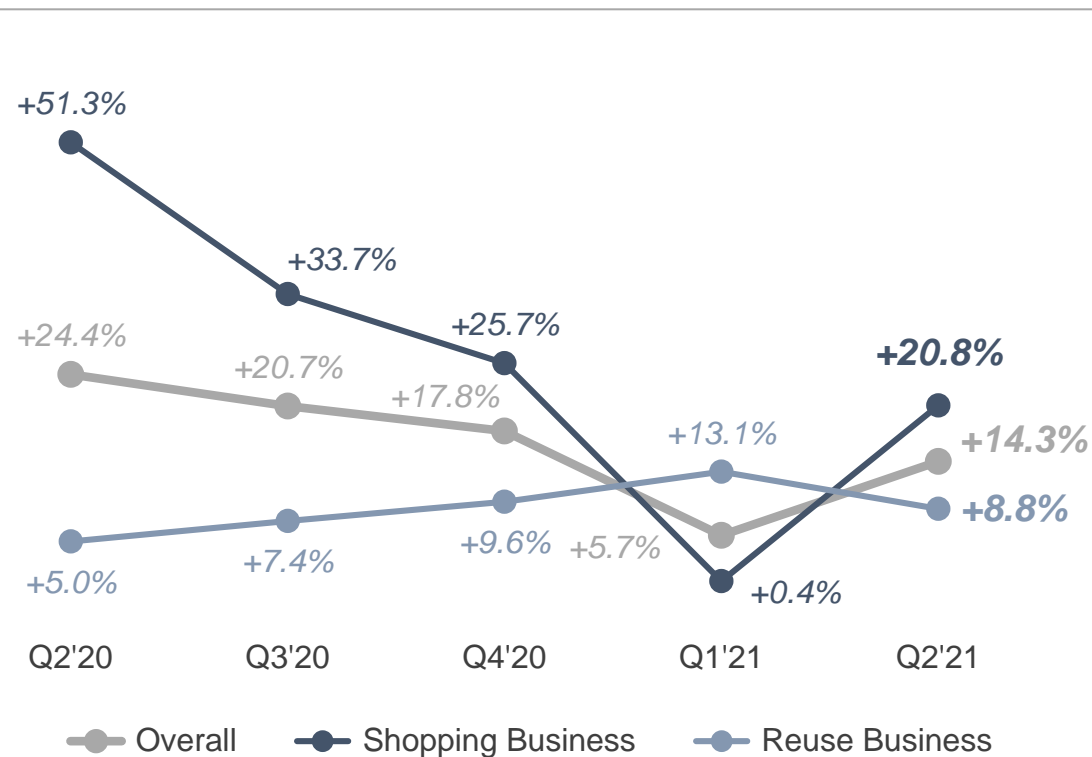
Strategies		Measures	Status
Improving fundamental service quality	Strengthening of marketing	<ul style="list-style-type: none"> <li>• Effective sales promotional campaigns</li> <li>• Integration of loyalty programs</li> </ul>	<ul style="list-style-type: none"> <li>• Improved the effectiveness of investment in “Natsu no PayPay Matsuri (Summer PayPay Festival)” held in July</li> <li>• Implementing efficient operation of “Cho PayPay Matsuri (Super PayPay Festival)” held until November</li> </ul>
	Enhanced searchability	<ul style="list-style-type: none"> <li>• Improvement of UI/UX</li> </ul>	<ul style="list-style-type: none"> <li>• Improvement of first view</li> </ul>
	Strengthening of logistics	<ul style="list-style-type: none"> <li>• Collaboration with YAMATO HOLDINGS</li> <li>• “Blue Ribbon Delivery”</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening of “Blue Ribbon Delivery” and fulfillment service</li> </ul>
Differentiation with competitors	Use of Group's assets	<ul style="list-style-type: none"> <li>• Solution for last mile delivery</li> <li>• Quick Commerce leveraging Demae-can and ASKUL</li> </ul>	<ul style="list-style-type: none"> <li>• Second store began operations in Shibuya Ward area</li> <li>• Accelerating store openings in Tokyo 23 wards</li> </ul>
	New shopping experience utilizing LINE	<ul style="list-style-type: none"> <li>• LINE GIFT: Expansion of transaction value, no. of stores</li> <li>• MySmartStore</li> <li>• Live commerce/team purchase</li> </ul>	<ul style="list-style-type: none"> <li>• LINE GIFT                             <ul style="list-style-type: none"> <li>✓ Began sales collaboration with Yahoo! JAPAN. Enabled use of PayPay for payment</li> </ul> </li> <li>• MySmartStore                             <ul style="list-style-type: none"> <li>✓ October 20, 2021: Advance opening</li> </ul> </li> </ul>

- Shopping business transaction value landed at **JPY387.0 B (YoY+20.8%)** contributed by “Natsu no PayPay Matsuri (Summer PayPay Festival),” etc.
- Reuse business transaction value **achieved high single-digit growth due to higher spend per YAHUOKU! user and expansion of PayPay Flea Market**

Merchandise Transaction Value<sup>1</sup>



Merchandise Transaction Value<sup>1</sup> – YoY Growth Rate



1. Please refer to P.60 for definition of transaction value

(JPY Million)	FY2020 Q2	FY2021 Q2	YoY
<b>Revenue</b>	<b>178,096</b>	<b>192,622</b>	<b>+8.2%</b>
<b>Merchandise EC</b>	<b>138,894</b>	<b>154,878</b>	<b>+11.5%</b>
Shopping business	60,887	73,771	+21.2%
Reuse business	12,638	13,608	+7.7%
ASKUL online BtoB business	65,368	67,498	+3.3%
<b>Services EC</b>	<b>5,149</b>	<b>4,740</b>	<b>-7.9%</b>
<b>Other</b>	<b>34,052</b>	<b>33,004</b>	<b>-3.1%</b>
<b>Cost of sales</b>	<b>80,738</b>	<b>84,072</b>	<b>+4.1%</b>
<b>Selling, general and administrative expenses</b>	<b>69,538</b>	<b>85,049</b>	<b>+22.3%</b>
Sales promotion cost + Advertising and promotional expenses	13,639	22,860	+67.6%
Other selling, general and administrative expenses	55,898	62,188	+11.3%
<b>Other revenue and expenses</b>	<b>-214</b>	<b>-</b>	<b>N/A</b>
<b>Adjusted EBITDA (Margin)</b>	<b>39,410 (22.1%)</b>	<b>35,988 (18.7%)</b>	<b>-8.7%</b>

Item	Breakdown
<b>Merchandise EC</b>	-
<b>Shopping business</b>	Yahoo! JAPAN Shopping, PayPay Mall, ZOZOTOWN, LOHACO, Charm, LINE SHOPPING, LINE FRIENDS, LINE GIFT
<b>Reuse business</b>	YAHUOKU!, PayPay Flea Market, ZOZOUSED
<b>ASKUL online BtoB business</b>	-
<b>Services EC</b>	Yahoo! JAPAN Travel, Ikyu Travel, LINE TRAVEL (International), etc.
<b>Others</b>	Premium membership, ASKUL non-online BtoB business, ValueCommerce, etc.

Item	Major Services
<b>EC transaction value</b>	-
<b>Merchandise</b>	-
<b>Shopping business</b>	Yahoo! JAPAN Shopping, PayPay Mall, ZOZOTOWN, LOHACO, Charm, LINE SHOPPING, LINE GIFT, LINE FRIENDS
<b>Reuse business</b>	YAHUOKU!, PayPay Flea Market, ZOZOUSED
<b>ASKUL online BtoB business</b>	-
<b>Other (merchandise)</b>	Yahoo! JAPAN Tickets, Ouchi-Direct
<b>Services</b>	Ikyu.com, Yahoo! JAPAN Travel, Yahoo! JAPAN Loco <sup>1</sup> , Demae-can
<b>Digital content<sup>1</sup></b>	ebookjapan, LINE Manga, LINE MUSIC, LINE Stickers, LINE GAME, LINE LIVE, LINE Fortune, other paid digital content

1. Revenue from these services are recorded in the Media Business segment