

Stock Code:3328  
1 December 2022

To Our Shareholders,

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

## Notice of the 23<sup>rd</sup> Annual Meeting of Shareholders

We cordially invite you to the 23<sup>rd</sup> Annual Meeting of Shareholders (AGM). Details are listed below.

If you are not able to be in attendance, you are still able to exercise your right to vote by either method listed below.

### [Vote in Writing]

Please vote yea or nay on each resolution on the enclosed ballot and send your completed ballot back to us by Thursday, 15 December at 5:30PM (JST).

### [Vote Online]

Please go to our designated voting website (<http://www.web54.net>) and use the "Voting Code" and "Password" on the enclosed ballot to login. Please follow the instructions to vote yea or nay on each resolution. Please complete your voting by Thursday, 15 December at 5:30PM (JST).

### [Vote via BEENOS Shareholder Benefit Program (Japan Only)]

You can vote via our Shareholder Benefit Program website(<https://beenos.premium-yutaiclub.jp/>). Register using your Shareholder Number as listed in the enclosed ballot and your postal code. Once logged in, access the go to the "Exercise Right to Vote" page from the "Shareholders Post". Please complete your voting by Thursday, 15 December at 5:30PM (JST).

## Notes

1. Date Friday, 16 December 2022 at 10:30AM
2. Location 4-7-36 Kita-shinagawa, Shinagawa-ku, Tokyo, Japan  
Tokyo Marriott Hotel B1 Floor Iris
3. Purposes  
Reports
  1. Contents of the business report and consolidated financial statements for the 23<sup>rd</sup> term (1 October 2021 to 30 September 2022) and the auditing report on the results of the consolidated financial statements by the boards of directors and auditors
  2. Contents of the financial statements for the 23<sup>rd</sup> term

### Ratifications

- Item 1 Amendment to the Articles of Incorporation
- Item 2 Election of 4 Directors (excluding Audit and Supervisory Committee members)
- Item 3 Election of 1 Director in the Audit and Supervisory Committee

### 4. Notice regarding ratifications

#### Voting in proxy

If you wish to vote in proxy, you may choose 1 shareholder who has voting rights to act as your representative to attend the Annual Meeting. However, please be aware that the representative must submit a certified document to become a delegated authority.

### 5. Other items regarding this notice

The "notes on the framework to secure appropriate working operations", "notes to the consolidated financial statements of the consolidated financial documents" and "notes to the non-consolidated financial statements of the financial documents" that are generally to be included in this notice have been omitted as they have been posted on our website (<http://beenos.com>) for legal purposes and according to Article 18 of our Articles of Incorporation.

The notes included in this document are a portion of the audit report that was created by the financial auditor and the board of auditors.

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We kindly ask those who will be in attendance to submit the enclosed voting form at the reception desk.

If any errors are found in this document, the consolidated financial statements or the non-consolidated financial statements, they will be corrected electronically, and revised versions will be posted on our website (<http://beenos.com>).

After the Annual Meeting, we will have a business report of the BEENOS Group. We ask for your attendance in that meeting as well.

## Details of Voting Methods

### Voting in Person



|          |                                           |
|----------|-------------------------------------------|
| AGM Date | Friday, 16 December 2022 at 10:30AM (JST) |
|----------|-------------------------------------------|

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

### Absentee Voting



#### Voting by Mail

|                 |                                            |
|-----------------|--------------------------------------------|
| Voting Deadline | Thursday, 15 December 2022 at 5:30PM (JST) |
|-----------------|--------------------------------------------|

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



#### Voting Online

|                 |                                            |
|-----------------|--------------------------------------------|
| Voting Deadline | Thursday, 15 December 2022 at 5:30PM (JST) |
|-----------------|--------------------------------------------|

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

[Voting Website URL]

<http://www.web54.net>

Caution

- ※ If any shareholder votes by mail and via internet, the vote via internet will be counted regardless of the timing the vote has been received.
- ※ If any shareholder votes via internet by the voting website and the Shareholder Benefit Program, the vote that was placed last will be counted.
- ※ Shareholders will be responsible for all data charges incurred by voting online

Item 1: Amendment to the Articles of Incorporation

1. Reason for Amendment

The amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the "Act for Partial Revision of the Companies Act" (Act No. 70 of 2019) came into effect on 1 September 2022, and following the introduction of the electronic provision of materials for general meetings of shareholders, the Articles of Incorporation shall be amended as follows.

- (1) Clause 1 of Article 18 (Electronic Provision Measures, etc.) of the amendment proposal was newly established because the articles of incorporation are required to stipulate that electronic provision measures shall be taken for information that is the contents of reference documents for general meetings of shareholders, etc.
- (2) Among the matters to be taken to provide information which is the contents of reference documents for general meetings of shareholders, the amendment proposal Article 18 (Electronic Provision Measures, etc.) Paragraph 2 is newly established so that the scope of the matters to be stated in the document to be delivered to the shareholder requesting the delivery of the document may be limited to the scope prescribed by the Ministry of Justice Ordinance.
- (3) With the introduction of the electronic provision system for materials for general meetings of shareholders, the provisions of Article 18 of the current Articles of Incorporation (Deemed Disclosure of Reference Documents for General Meetings of Shareholders on the Internet) are no longer necessary, and therefore these provisions are to be deleted.
- (4) Supplementary provisions relating to the effectiveness of the abovementioned regulations are established. These supplementary provisions will be eliminated after the due date.

2. Modifications

The content of the modifications are as follows. Changes will be effective immediately after the close of the AGM.

(Changes have been underlined)

| Current                                                                                                                                                                                                                                              | Proposed Modifications |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| <u>(Internet Disclosure and Deemed Provision of Reference Documents for Shareholders Meetings, etc.)</u><br><u>Article 18 When convening a general meeting of shareholders, the Company may deem that the Company has provided shareholders with</u> | (Delete)               |

information on matters to be stated or presented in reference documents for general shareholders meetings of shareholders, business reports, financial statements and consolidated financial statements by disclosing such information via the Internet in accordance with the provisions of the applicable Ordinance of the Ministry of Justice.

| Current                                                                                                                                                                                                                                                                                    | Proposed Modifications                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p data-bbox="334 263 560 288">(Newly Established)</p> <p data-bbox="163 576 435 601">Articles 19~43(omitted)</p> <p data-bbox="163 647 427 672">Supplementary Clauses</p> <p data-bbox="163 681 409 707">Articles 1~2(omitted)</p> <p data-bbox="334 752 560 778">(Newly Established)</p> | <p data-bbox="760 263 1168 288"><u>(Electronic Provision Measures, etc.)</u></p> <p data-bbox="760 299 1335 465"><u>Article 18 The Company shall, at the time of convocation of the general shareholders meeting, take measures to provide information on the contents of reference documents for general meeting of shareholders, etc. electronically.</u></p> <p data-bbox="760 474 1335 707"><u>② The Company may omit all or part of the matters prescribed by the applicable Ordinance of the Ministry of Justice among the matters for which the Electronic Provision Measures shall be taken from the document to be delivered to the shareholder who requested delivery of the document by the record date of voting rights.</u></p> <p data-bbox="760 752 1093 778">Articles 19~43(remains as is)</p> <p data-bbox="760 817 1025 843">Supplementary Clauses</p> <p data-bbox="760 852 1070 878">Articles 1~2(remains as is)</p> <p data-bbox="760 923 1335 984"><u>(Transitional Measures Concerning Electronic Provision Measures, etc.)</u></p> <p data-bbox="760 994 1335 1267"><u>Article 3 Article 18 (Deemed Disclosure of Reference Documents for General Meeting of Shareholders, etc. on the Internet) of the Articles of Incorporation before the amendment shall remain in force with regard to a general meeting of shareholders having a date not exceeding 6 months from 1 September 2022 as the date of the general meeting of shareholders.</u></p> <p data-bbox="760 1276 1335 1433"><u>② This Article shall be deleted after the day on which 6 months have elapsed from the Effective Date or 3 months have elapsed from the day of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p> |





Item 2: Election of 4 Directors (excluding Audit and Supervisory Committee members)

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

| Candidate |                                                              | Name                 | Current Position                                                                  |
|-----------|--------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------|
| 1         | Reappoint                                                    | Shota Naoi (Male)    | President and Group CEO, Head of Global Commerce Division and Incubation Division |
| 2         | Reappoint                                                    | Koji Nakamura (Male) | Vice President and Group CFO, Head of Corporate HQ                                |
| 3         | Reappoint                                                    | Kenichi Sento (Male) | Executive Managing Officer (Director), Head of Value Cycle Division               |
| 4         | Reappoint<br>External<br>Director<br>Independent<br>Director | Naofumi Nishi (Male) | External Director                                                                 |

| Candidate                                                                         | Name<br>(Birthdate)              | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices) | Number of<br>shares held |
|-----------------------------------------------------------------------------------|----------------------------------|--------------------------------------------------------------------------------|--------------------------|
| 1                                                                                 | Shota Naoi<br>(25 December 1980) | 2005 Apr Joined Venture Link, Inc.                                             | 94,800                   |
|                                                                                   |                                  | 2008 Sep Joined BEENOS, inc.                                                   |                          |
|                                                                                   |                                  | 2009 Oct Appointed to Executive Officer of tenso, inc.                         |                          |
|                                                                                   |                                  | 2012 May Appointed to CEO of tenso, inc. (Current)                             |                          |
|                                                                                   |                                  | 2012 Oct Appointed to TENSO UK LTD Director (Current)                          |                          |
|                                                                                   |                                  | 2013 Dec Appointed to Director of BEENOS, inc.                                 |                          |
|                                                                                   |                                  | 2014 Dec Appointed to President and Group CEO (Current)                        |                          |
|                                                                                   |                                  | 2015 Feb Appointed to Director of BEENOS Asia Pte. Ltd. (Current)              |                          |
|                                                                                   |                                  | 2015 Apr Appointed to Director of Shop Airlines, Ltd.                          |                          |
|                                                                                   |                                  | 2015 May Appointed to Director of monosense, Ltd.                              |                          |
|                                                                                   |                                  | 2015 Nov Appointed to Chairman of the Board of TAIWAN TENSO, INC. (Current)    |                          |
|                                                                                   |                                  | 2017 Oct Appointed to CEO of BeeCruise Inc.                                    |                          |
|                                                                                   |                                  | 2018 Aug Appointed to Director of Metro Engines (Current)                      |                          |
|                                                                                   |                                  | 2018 Nov Appointed to Director of tenso Hong Kong Limited (Current)            |                          |
|                                                                                   |                                  | 2019 Mar Appointed to Director of FASBEE Inc.                                  |                          |
|                                                                                   |                                  | 2019 Dec Appointed to Chairman of Shop Airlines, Ltd. (Current)                |                          |
|                                                                                   |                                  | 2019 Dec Appointed to Chairman of monosense, Ltd. (Current)                    |                          |
|                                                                                   |                                  | 2019 Dec Appointed to Director of BEENOS Travel Inc.                           |                          |
|                                                                                   |                                  | 2019 Dec Appointed to Chairman of Defactostandard, Ltd. (Current)              |                          |
|                                                                                   |                                  | 2020 Jan Appointed to Chairman of BEENOS Travel Inc. (Current)                 |                          |
|                                                                                   |                                  | 2020 Feb Appointed to Director of BEENOS Entertainment Inc.                    |                          |
| 2020 Mar Appointed to Chairman of BEENOS Entertainment Inc. (Current)             |                                  |                                                                                |                          |
| 2020 Jun Appointed to Director of BEENOS Marketing Asia Inc. (Current)            |                                  |                                                                                |                          |
| 2020 Aug Appointed to Director of Beenos E-Commerce(shanghai) Co., Ltd. (Current) |                                  |                                                                                |                          |
| 2020 Oct Appointed to Executive Managing Officer of BEENOS Inc. (Current)         |                                  |                                                                                |                          |
| 2020 Dec Appointed to Chairman of JOYLAB, Inc. (Current)                          |                                  |                                                                                |                          |
| 2020 Dec Appointed to Chairman of BEENOS HR Link                                  |                                  |                                                                                |                          |

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

| Candidate                                                | Name<br>(Birthdate)                | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices)           | Number of<br>shares held |
|----------------------------------------------------------|------------------------------------|------------------------------------------------------------------------------------------|--------------------------|
| 2                                                        | Koji Nakamura<br>(20 January 1968) | 1990 Apr Joined Nomura Securities Co., Ltd.                                              | 144,900                  |
|                                                          |                                    | 1996 Dec Joined Hypernet                                                                 |                          |
|                                                          |                                    | 1999 Sep Joined Capital.com                                                              |                          |
|                                                          |                                    | 2001 May Appointed to Founding President of Corporatetune                                |                          |
|                                                          |                                    | 2003 Dec Appointed to Auditing Officer of BEENOS, inc.                                   |                          |
|                                                          |                                    | 2006 Oct Appointed to Executive Officer, Head of Finances and GM of Corporate Management |                          |
|                                                          |                                    | 2007 Dec Appointed to Executive Managing Director and CFO                                |                          |
|                                                          |                                    | 2008 Sep Appointed to Director of Defactostandard, Ltd. (Current)                        |                          |
|                                                          |                                    | 2011 Dec Appointed to Director of tenso, inc.                                            |                          |
|                                                          |                                    | 2012 Feb Appointed to Vice President and Group CFO of BEENOS (Current)                   |                          |
|                                                          |                                    | 2012 Sep Appointed to Director of monosense, Ltd. (Current)                              |                          |
|                                                          |                                    | 2013 Jan Appointed to Director of BEENOS Asia Pte. Ltd. (Current)                        |                          |
|                                                          |                                    | 2014 Apr Appointed to Director of Shop Airlines, Ltd. (Current)                          |                          |
|                                                          |                                    | 2015 Apr Appointed to President of BEENOS Partners (Current)                             |                          |
|                                                          |                                    | 2015 Nov Appointed to Board Member of TAIWAN TENSU, INC.                                 |                          |
|                                                          |                                    | 2017 Oct Appointed to Director of BeeCruise Inc. (Current)                               |                          |
|                                                          |                                    | 2018 Mar Appointed to President and CEO of JOYLAB, Inc.                                  |                          |
|                                                          |                                    | 2018 Aug Appointed to Director of Metro Engines (Current)                                |                          |
|                                                          |                                    | 2019 Mar Appointed to Director of FASBEE Inc. (Current)                                  |                          |
|                                                          |                                    | 2020 Oct Appointed to Executive Managing Officer of BEENOS (Current)                     |                          |
| 2021 Dec Appointed to Director of JOYLAB, Inc. (Current) |                                    |                                                                                          |                          |
| (Important Concurrent Positions)                         |                                    |                                                                                          |                          |

| Candidate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Name<br>(Birthdate) | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices) | Number of<br>shares held |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------------------------------------------------------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                     | President and CEO, BEENOS Partners                                             |                          |
| <p>(Reason for Nomination)</p> <p>Koji Nakamura has fulfilled the role as Vice President and Group CFO which is responsible for the execution of operations, decision making and supervising. He has also put his effort on building relationships with investors and formulating the Group management plan to strengthen the management foundation of the Group in IR and corporate planning field. He has excelled in taking charge of managing the corporate management division and has a deep-rooted knowledge of the entire Group. We believe that he is the most qualified to continue to contribute to the further development of the Group as his decisions in board meetings are on point and in the best interest of the company and he excels in managing and unifying the Group to grow stronger and develop faster. For these reasons we nominate him for reappointment.</p> |                     |                                                                                |                          |

| Candidate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Name<br>(Birthdate)            | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Number of<br>shares held |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Kenichi Sento<br>(4 July 1979) | 2002 Apr Joined Fujitsu Support and Service<br>(currently Fujitsu FSAS)<br>2006 Mar Joined BEENOS<br>2012 Feb Appointed to President and CEO of<br>monosense, Ltd. (Current)<br>2014 Dec Appointed to Director of BEENOS (Current)<br>2016 Dec Appointed to President and CEO of SWATi<br>inc.<br>2017 Oct Appointed to Director of BeeCruise Inc.<br>(Current)<br>2019 Dec Appointed to President and CEO of<br>Defactostandard, Ltd. (Current)<br>2020 Oct Appointed to Managing Executive Officer of<br>BEENOS Inc. (Current)<br>2020 Dec Appointed to Director of JOYLAB, Inc.<br>(Current)<br>2022 Feb Appointed to Director of BeenoStorm Inc.<br>(Current)<br><br>(Important Concurrent Positions)<br>President and CEO, Defactostandard, Ltd. | 39,300                   |
| (Reason for Nomination)<br><br>Kenichi Sento has launched the Producing and Licensing Business which develops products by connecting product manufacturers with celebrity productions and with the media, as the President and CEO of monosense, Ltd.. He has also led the Value Cycle Division with strong leadership as a Director. We have nominated Sento as a candidate with the expectation that he will further contribute to the Company. We believe that he is the most qualified to continue to contribute to the further development of the Group as his decisions in board meetings are on point and in the best interest of the company and he excels in managing and unifying the Group to grow stronger and develop faster. For these reasons we nominate him for reappointment. |                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |

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

| Candidate | Name<br>(Birthdate)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices) | Number of<br>shares held |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------|
|           | <p>(Reason for Nomination of External Director)</p> <p>Naofumi Nishi has ample experience and expertise from his tenure in a global investment company. Furthermore, he has a track record of fortifying the companies he has been involved with through his roles as director, nominating committee and compensation committee member. We have nominated him as an external director with the hopes that he will give constructive feedback and advice toward management in general from an outsider's perspective. For these reasons we nominate him for reappointment.</p> |                                                                                |                          |



Note:

1. None of the candidates have a vested interest in BEENOS
2. We will appoint External Director Nominee, Naofumi Nishi, as an independent director and will submit this nomination to the Tokyo Stock Exchange.
3. We have entered an agreement with Naofumi Nishi to limit our liability for damages under Paragraph 1 of Article 423 of the Companies Act in accordance with the provisions of Paragraph 1 of Article 427 of the same Act. The ceiling liability for damages under such agreements is the minimum liability limit set by law, and if his reappointment is approved, we plan to continue such agreements with him.
4. Naofumi Nishi is currently an External Director of the Company, and his tenure will be 2 years as of the conclusion of the Annual Meeting.
5. We intend to conclude a director liability insurance (D&O insurance) contract with the insurance company as set forth in Paragraph 1 of Article 430-3 of the Companies Act with all directors as insured persons in order to enable each director candidate to fully exercise his/her expected role in performing his/her duties and to attract useful human resources. In the event this proposal is approved as proposed and appointed as a director, each director candidate shall become an insured person under such insurance contract. The insurance contract stipulates that the director, etc. who is the insured shall assume responsibility for the execution of his/her duties or shall compensate for any damage that may arise from receiving a request pertaining to the pursuit of said liability. Provided, however, that the Company may not compensate for any damage caused by any act that is committed with the knowledge that such act is a violation of laws and regulations, or otherwise cause a certain exclusion of liability.

Item 3: Election of 1 Director in the Audit and Supervisory Committee

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

|                                                              | Name                  | Current Position |
|--------------------------------------------------------------|-----------------------|------------------|
| New Appointment<br>External Director<br>Independent Director | Haruka Osawa (Female) | -                |

| Name<br>(Birthdate)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | CV, Positions and Responsibilities at BEENOS<br>(Status of Concurrent Offices) |                                                             | Number of<br>shares held |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------|
| <p style="text-align: center;">Haruka Osawa<br/>(Legal Surname:Nemoto)<br/>(14 October 1979)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 2005                                                                           | 10 Admitted in Daini Tokyo Bar Association                  | 0                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2005                                                                           | 10 Joined Mori Hamada & Matsumoto                           |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2010                                                                           | 2 Joined ITOCHU Corporation                                 |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2016                                                                           | 6 Joined Renesas Electronics Corporation as General Counsel |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2019                                                                           | 1 Partner of Miura & Partners (Current)                     |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2019                                                                           | 3 Appointed as Statutory Auditor in ALBERT Inc. (Current)   |                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | (Important Concurrent Positions)<br>Partner of Miura & Partners                |                                                             |                          |
| <p>(Reason for Nomination of External Director)</p> <p>Haruka Osawa has a wealth of practical experience in the field of corporate legal affairs cultivated through her work experience at trading companies, etc., in addition to her advanced expertise as an attorney. We believe that these achievements also relate to the business of our group, can be expected to provide useful advice and recommendations on legal matters, and can contribute to the appropriate supervision of our management. Accordingly, we have nominated an external director who is a member of the Audit and Supervisory Committee. In addition, the Company has satisfied the requirements for independence stipulated by the Tokyo Stock Exchange, Inc. and determined that there is no risk of conflicts of interest with general shareholders. Accordingly, the Company has designated her as an independent director.</p> |                                                                                |                                                             |                          |

Note: 1. Haruka Osawa does not have a vested interest in BEENOS.

2. BEENOS will register Haruka Osawa as an external director to the Tokyo Stock Exchange as independent officers.
3. BEENOS will make a contract agreement with Haruka Osawa in regards to the limit of liability for damages according to Article 423 Section 1 of the Companies Act as stated in Article 427 Section 1 of the Companies Act. The amount limit for the liability of damages is set at the minimum responsibility amount as legally established.
4. We intend to conclude a director liability insurance (D&O insurance) contract with the insurance company as set forth in Paragraph 1 of Article 430-3 of the Companies Act with all directors as insured persons in order to enable each director candidate to fully exercise his/her expected role in performing his/her duties and to attract useful human resources. In the event this proposal is approved as proposed and appointed as a director, each director candidate shall become an insured person under such insurance contract. The insurance contract stipulates that the director, etc. who is the insured shall assume responsibility for the execution of his/her duties or shall compensate for any damage that may arise from receiving a request pertaining to

the pursuit of said liability. Provided, however, that the Company may not compensate for any damage caused by any act that is committed with the knowledge that such act is a violation of laws and regulations, or otherwise cause a certain exclusion of liability.

5. Haruka Osawa's legal name is Nemoto Haruka.

-END-

## References for Item 2 and Item 3

### Appointment Criteria for Directors

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

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

### Independence Criteria for External Directors

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

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

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

Expertise and Experience of Directors (current and nominees)

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

(1) Definition of each skill

Management: Experience in corporate management

Finance: Expertise in finances

Legal: Expertise in law and risk management

Digital: Experience in IT-related technical strategies and development

Sales/Marketing: Experience in the release of IT services and marketing

Global Business: Experience in creating an operating international services and businesses

(2) Skill Matrix

| Name<br>(Position)                                                   | Management            | Finance               | Legal                 | Digital               | S a l e s /<br>Marketing | Global<br>Business    |
|----------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|--------------------------|-----------------------|
| Shota Naoi<br>(President and Group CEO)                              | <input type="radio"/> |                       |                       | <input type="radio"/> | <input type="radio"/>    | <input type="radio"/> |
| Koji Nakamura<br>(President and Group CFO)                           | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |                       |                          |                       |
| Kenichi Sento<br>(Director)                                          | <input type="radio"/> |                       |                       | <input type="radio"/> | <input type="radio"/>    |                       |
| Naofumi Nishi<br>(External Director)                                 | <input type="radio"/> | <input type="radio"/> |                       |                       |                          | <input type="radio"/> |
| Yasukazu Joho<br>(Full-time Audit & Supervisory<br>Committee Member) | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |                       |                          |                       |
| Kibo Kondo<br>(Audit & Supervisory Committee<br>Member)              | <input type="radio"/> | <input type="radio"/> | <input type="radio"/> |                       |                          |                       |
| Yoshindo Takahashi<br>(Audit & Supervisory Committee<br>Member)      | <input type="radio"/> | <input type="radio"/> |                       |                       |                          | <input type="radio"/> |

Haruka Osawa  
(Audit & Supervisory Committee  
Member)





## 1. Status of the Corporate Group

### (1) Business Performance Report

The BEENOS Group aims to be on the "Global Platform Frontier" and continue to connect Japan with the world to create new standards and possibilities for people, products and experiences in the global commerce market.

Our objective this year is to "optimize and fortify our operations and logistics to our focal regions in Buyee" in the Global Commerce Business, "shift to higher ticket items and fortify foreign sales" in the Value Cycle Business and "utilize our entertainment industry centered E-Commerce platform, Groobee, to drive the DX of the entertainment industry" in the Entertainment Business. Various risks have impacted the Group such as the long-term effects of COVID-19 and the ripple effects of the Russian-Ukrainian conflict, particularly on oil prices, and we will continue to be cautious of external circumstances and will make all necessary countermeasures.

The highlights for the consolidated fiscal year are as follows. Global Commerce increased our share of the market by implementing cheaper shipping options to focal countries/regions and conducting marketing practices tailored to specific regions. Value Cycle continued to fortify its foreign sales channels, opened more stores for purchasing and took measures to make purchasing from users a more convenient process for them. Entertainment has expanded its reach to operating fan sites for artists and increased the functionality of its EC sites so that it would be less dependent on live events.

The Incubation segment recorded minimal sales on investment securities and losses were recorded as a few investments booked impaired losses due to not meeting their expected forecasts due to a pivot in business model and down rounded fundraising. New Businesses succeeded in acquiring more artists for its entertainment platform. We are continuing to develop the business to help Japanese companies be listed on foreign platforms to sell their products abroad. We have also entered the e-sports industry to increase the notoriety of the BEENOS Group and create more opportunities to synergize with businesses in the entertainment industry.

As a result, the consolidated net sales for FY2022 were 29,846 million JPY (up 19.3% YoY), operating income was 328 million JPY (down 80.5% YoY), ordinary income was 212 million JPY (down 87.1% YoY) and net losses attributable to owners of parent was 211 million JPY (net income attributable to owners of parent in FY2021 was 690 million JPY).

The consolidated GMV for FY2022 was 80.7 billion JPY (up 25.9% YoY).

The book value for our operational investment securities at the end of September 2022 was 12.8 billion JPY (book value in September 2021 was 4.1 billion JPY). The market value at the end of September 2022 has fallen to 30.0 billion JPY (market value as of September 2021 20.4 billion JPY). The main reason for the decrease of the market value is due to the decrease in share prices of public shares and down rounded

fundraising of multiple operational investment securities.<sup>1</sup>

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<sup>1</sup> Refer to the Business Report for the Incubation Business for the calculation logic.

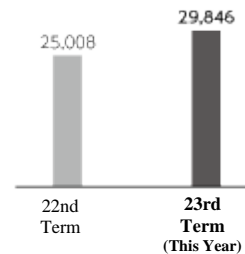
## GMV

Unit: Million JPY



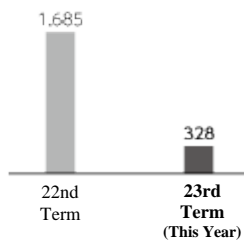
## Net Sales

Unit: Million JPY



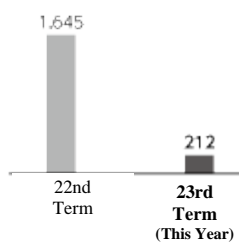
## Operating Income

Unit: Million JPY



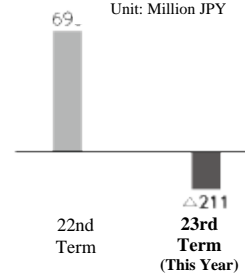
## Ordinary Income

Unit: Million JPY



## Net Profit Attributable to Owners of Parent Company

Unit: Million JPY



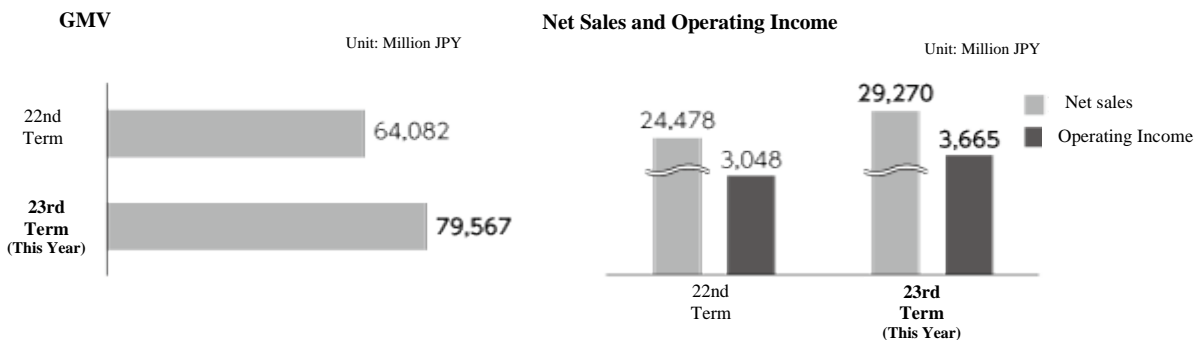
The achievements of each business segment are as follows.

## i E-Commerce Business

Net Sales 29,270 Million JPY / Operating Income 3,665 Million JPY

For the E-Commerce Business as a whole, net sales were 29,270 million JPY (up 19.6% YoY) and operating income was 3,665 million JPY (up 20.3% YoY).

### E-Commerce Business

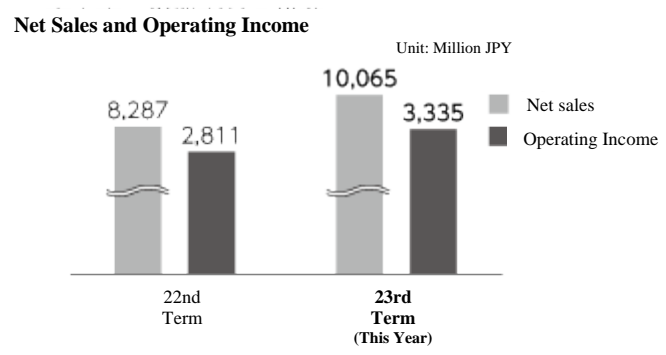
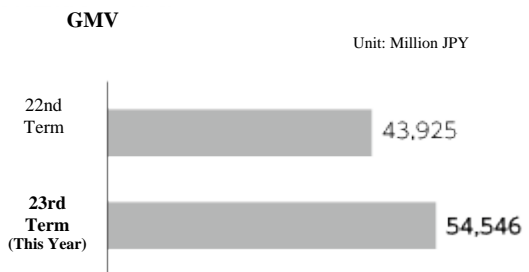


## Global Commerce Business

The Overseas Forwarding and Proxy Purchasing Business (From Japan) expanded its low-cost international delivery service, ECMS Express, to the US, South Korea, Hong Kong and Singapore (previously only available to Taiwan). We have also improved the user experience for users in Taiwan, which has a low credit card usage rate, by allowing them to pay after the product arrives as well as a flat rate international shipping service for heavy users. Sales also increased as demand rose as a result of the depreciation of the Japanese yen. We had implemented an original international delivery service to Russia, which was one of our high-profile target regions, but have suspended shipping to both Russia and Ukraine given the current conflict between the two countries. Both countries contribute to less than 1% of From Japan's GMV thus its impact on the business is minimal. However, the increase in oil prices have increased shipping costs which has forced us to increase our international shipping rates. China continues to restrict its users from accessing foreign websites which has affected our services, but its impact is limited as we have intentionally focused on the growth of other countries so that we would not be heavily dependent on China. We have abolished the installment and monthly fees for "Buyee Connect", a service for Japanese EC sites to enable international shipping by adding a set of tags to their website, in June 2022. This significantly reduced the barrier to entry for Japanese companies to begin their global penetration. The number of companies that we support continues to increase with companies such as "Creema", a hand-made marketplace operated by CREEMA LTD., among the new additions in 4Q.

The Global Shopping Business (To Japan) continues to aim to yield a consistent profit and has made improvements to its UI and took measures to retain repeat customers. We have focused on the fortification of SEO and acquiring new users and have surpassed 1 million users on "Sekaimon." However, the rapid depreciation of the Japanese yen has decreased the demand for users that use the service to buy items from abroad at a lower rate which has impaired sales.

As a result, the consolidated net sales for FY2022 were 10,065 million JPY (up 21.5% YoY) and operating income was 3,335 million JPY (up 18.6% YoY).



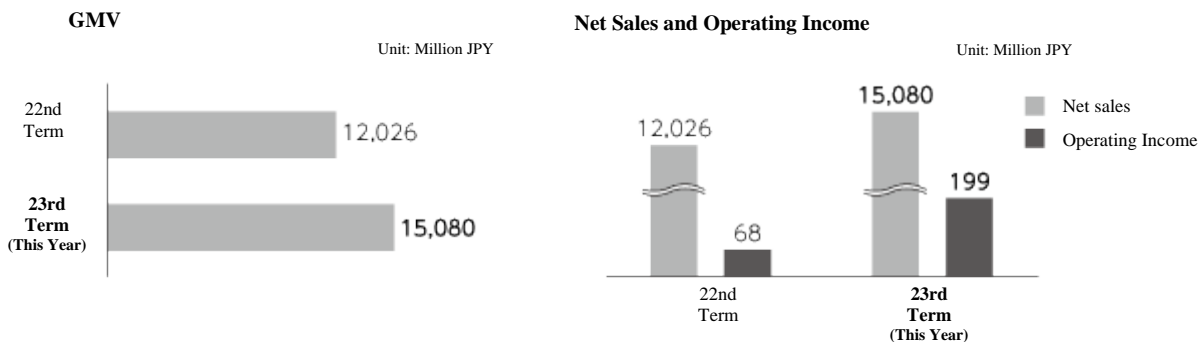
## Value Cycle Business

The Apparel Reuse Business has been focusing its resources on its partnerships with foreign platforms such as China's Cross Border EC behemoths "Tmall Global", Southeast Asia's "Shopee" in Malaysia and Germany's luxury watch marketplace "Chrono24" to boost foreign sales. Such partnerships, along with the price benefits resulting from the depreciation of the yen, resulted in the composition of foreign sales rising to 45.8% (composition was 40.9% at 3Q FY2022). We have also worked on the domestic front by opening a store on "Rakuma", a flea market app operated by the Rakuten Group, Inc. The purchasing side has done well as Brandear opened new stores to bring its total up to 12 brick and mortar stores (including joint stores with JOYLAB). It has also extended the hours of its online purchasing service, Brandear Bell, to be able to support more customers. We have also partnered with Telecube Services Co., Ltd. to make Brandear Bell available inside Telecube's private working spaces that are available in over 120 locations throughout Japan.

The Liquor Mediation Business has seen a healthy growth in sales as the demand for Japanese whiskey and wine increased overseas and we have been able to distribute the products overseas. Furthermore, the total registered assets on the appraisal and asset management app "MyCellar" has surpassed 150 million JPY which shows the increase in recognition to manage liquor as assets. JOYLAB also opened a new store with Brandear, carried out some promotions and have offered competitive purchasing bids to increase purchases.

As a result, the consolidated net sales for FY2022 were 15,080 million JPY (up 25.4% YoY) and operating income was 199 million JPY (up 192.5% YoY).

## Value Cycle Business

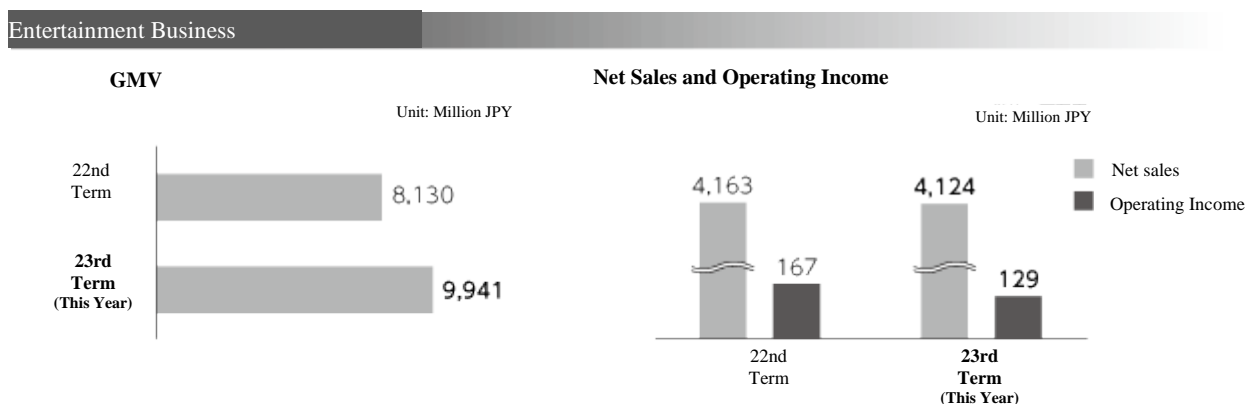


## Entertainment Business

The Entertainment Business continues to be affected by COVID-19 as live events were being limited in size and scale which led to a decrease in the sales of merchandise at live events. However, such limitations have been lifted as of 2Q and large-scale live events have resumed which has increased sales of merchandise at event venues. We have improved the UI of the EC sites of the artists we are partnered with to create a scheme that will not be dependent on live events including new features for fans to purchase and enjoy and the operation fan club sites for artists to increase points of monetization.

The Global Product Business has been able to boost the recognition of Lavisia's Pokemon, Case Closed (Detective Conan), Chiikawa, Sanrio and Kirby cosmetic products, our in-house brand, which had led to an increase in sales.

As a result, the consolidated net sales for FY2022 were 4,124 million JPY (down 1.0% YoY) and operating income was 129 million JPY (down 22.6% YoY). Though GMV rose by 10.4% YoY, the increase of commissioned merchandise has led to a decrease in sales.





## II Incubation Business

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Net Sales 1,035 Million JPY / Operating Income  $\Delta$ 2,473 Million JPY

The Investment and Consultation Business has focused on investing in startups in online marketplaces and online payments in emerging countries and Japanese inbound tourism in Japan. Indonesia's ride share and e-commerce conglomerate, GoTo Group went public on the Indonesia Stock Exchange in April 2022. India's NoBroker has also become a unicorn and now is one of India's leading companies in its sector. Droom, one of India's largest online vehicle marketplaces, had filed for an IPO in November 2021 but has withdrawn its application in October 2022 due to the current status of the Indian and global markets not being suitable for tech IPOs. Casy Co., Ltd., a domestic investment that offers housekeeping services, went public onto TSE Mothers (currently TSE Growth) in February 2022 and has increased its corporate value. On the other hand we have had a few investments that have had to pivot business models which led to them failing to meet forecasts as well as other investments that have conducted down rounded fundraising which has led to the booking of impaired losses on investments.

Sales of investments this fiscal year were minimal, but the investment payout phase will begin in FY2023 as our policy is to continually sell off investment securities to offset the losses accrued by new businesses and corporate headquarter costs.

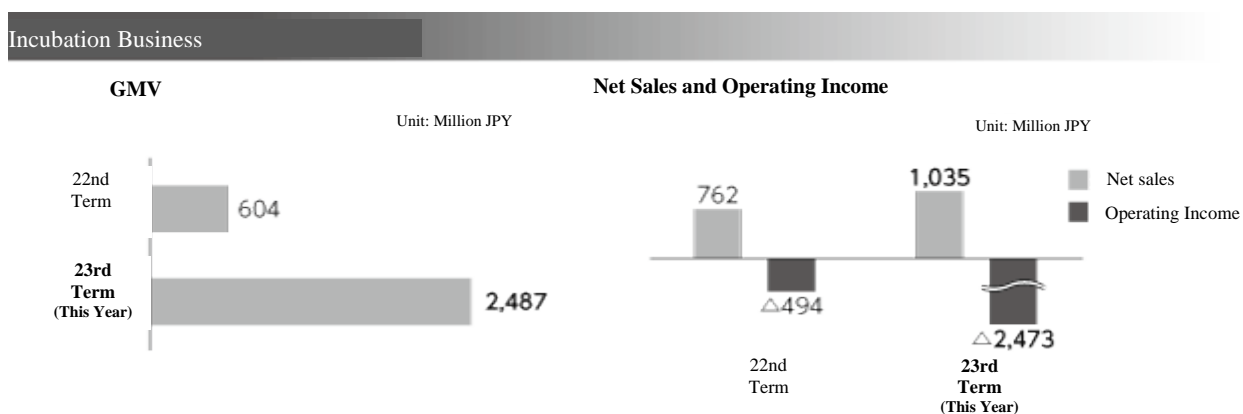
Groobee, our entertainment industry-based platform, of our Start-up Business has started to support the sales of "MAILIVIS", an online store selling merchandise for artists and entertainers, and operate EDITH ONLINE, in partnership with EDITH inc., to produce and sell merchandise for popular anime and games. It has surpassed 50 orders to prepare websites since its launch in January 2021. The support of Japanese companies entering Asian marketplaces has continued to grow with BOOKOFF's EC store now being available on Shopee in Taiwan, Thailand and Malaysia. TOHO Co., Ltd.'s popular character, Godzilla, has created a flagship store on China's largest cross border EC platform "Tmall Global." We provide a one-stop service that includes support for foreign listing, customer support, international shipping logistics and payment logistics.

We have also entered the e-sports industry in January 2022 through our newest subsidiary, BeenoStorm Inc., to increase the notoriety of the BEENOS Group among the digital native generation and to create synergy with businesses in the entertainment industry.

As a result, the consolidated net sales for FY2022 were 1,035 million JPY (up 35.9% YoY) and operating loss was 2,473 million JPY (operating loss in FY2021 was 494 million JPY).

The book value for our operational investment securities at the end of September 2022 was 12.8 billion JPY

(book value as of September 2021 was 4.1 billion JPY). The market value has fallen to 30.0 billion JPY (market value as of September 2021 was 20.4 billion JPY). The main reason for the decrease of the market value is due to the decrease in share prices of public shares and down rounded fundraising of multiple unlisted operational investment securities (marked down in book value).<sup>2</sup>



<sup>2</sup> The market value of investments is calculated semi-annually at the end of March and September. The market value for listed companies is calculated at its stock price. Unlisted companies are calculated based on our number of shares with the price of the most recent stock issuance (if a company has recorded allowance for loss on investments, it is priced at book value). This amount has been calculated internally and has not gone through the auditing process.

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

| Segment               | (Previous Fiscal Year)<br>22nd Term<br>(September 2021) | (Current Fiscal Year)<br>23rd Term<br>(September 2022) | Year on Year              |          |
|-----------------------|---------------------------------------------------------|--------------------------------------------------------|---------------------------|----------|
|                       | Amount<br>(Unit: mil JPY)                               | Amount<br>(Unit: mil JPY)                              | Amount<br>(Unit: mil JPY) | % Change |
| E-Commerce Business   | 24,478                                                  | 29,270                                                 | 4,792                     | 19.6%    |
| Global Commerce       | 8,287                                                   | 10,065                                                 | 1,777                     | 21.5%    |
| Value Cycle           | 12,026                                                  | 15,080                                                 | 3,054                     | 25.4%    |
| Entertainment         | 4,163                                                   | 4,124                                                  | △39                       | △1.0%    |
| Incubation Business   | 762                                                     | 1,035                                                  | 273                       | 35.9%    |
| Corporate/Adjustments | △231                                                    | △459                                                   | △227                      | —        |
| Total                 | 25,008                                                  | 29,846                                                 | 4,837                     | 19.3%    |

(2) Status of equipment investment

The corporate Group spent 319 Million JPY this consolidated fiscal year in equipment investments for the system development in the Incubation Business.

(3) Status funding

Not applicable

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

Not applicable

(5) Status of handed business from other companies

Not applicable

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

Not applicable

- (7) Status of the acquisition or disposal of shares and other equity or stock acquisition rights of other companies  
Not applicable

(8) Company Management Policy and Potential Risks

We, the BEENOS Group, list our Purpose as "Creating the Next Standards of the world and increasing its potential using our ambition and technology." We will use the power of technology and the experience we have accrued in Global Commerce to connect, people, products and information to the global market and be on the "Global Platform Frontier" to create and provide new possibilities for the world.

We will connect domestic and foreign marketplaces to deliver the many great products the world has to offer to consumers no matter where they are on the globe. We are starting with the distribution of Japanese products worldwide to create a global commerce infrastructure to increase corporate value.

Our strategies to create a global platform are listed as follows. The strategies listed have been decided at the end of the current fiscal year.

① Strategy for Global Commerce

Our mission is to "Deliver anything you want from anywhere in the world." We will continue to build upon our position as No. 1 in the industry to generate services and prices that would stifle competitors so that we would be the only option customers would use. As we become the main service consumers from across the globe utilize, it would incentivize Japanese businesses to partner with us.

Once we establish the trust of products from Japanese businesses we will strengthen our efforts to make the service even more accessible and make our services a regularly used service for users abroad. Our main focus has been to individual customers, but we see the potential our services have for businesses as well and will branch out to wholesale services as well.

② Strategy for Value Cycle

Our mission is to "Connect people through the value of things." We will create a logistics system specifically focused on brand items and liquor that will cross borders. We will purchase high quality items from the Japanese market and deliver them throughout the world. Our research shows that products in Japan can be sold at higher prices abroad not only for their quality but also for the discrepancies in supply balances. As such, it is our midterm goal to increase foreign sales composition above 50%. The domestic market has been hindered due to COVID-19 but we aim to rectify that by improving the usability of our auction site as well as increasing the usage for businesses as we also resume promotional activities to drive sales.

### ③ Strategy for Entertainment

Our mission is to "Maximize profits for IP holders through the digitization of the Entertainment Industry." We will identify the needs that talent agencies, artists and content holders have and create an E-Commerce platform specifically tailored to the entertainment industry for them to easily set up their own shops to sell merchandise and related services. As we have continued in this endeavor, we have quickly realized that entertainment related businesses have a lot of specific and peculiar needs that are not available on standard platforms so it is our goal to construct an easy-to-use platform that will meet all their requests.

As we see an increase in popularity of Japanese entertainment overseas, our global entertainment platform will be able to reach to a global audience that is not limited to the Japanese market.

### ④ Strategy for Incubation (Investments)

We have broadened our investment portfolio to cover foreign online marketplaces, payment services and other E-Commerce related businesses as well as domestic companies that handle Japanese inbound related services. Many of our investees have developed into powerful players in their respective countries. We will continue to look for opportunities to invest throughout Asia, but our focus will shift to businesses that we will be able to synergize with.

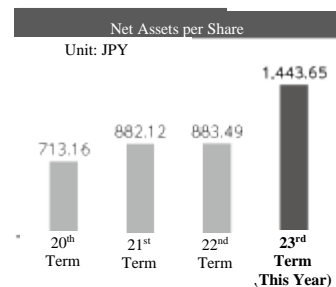
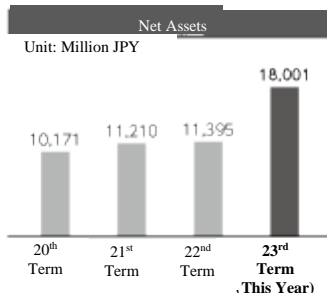
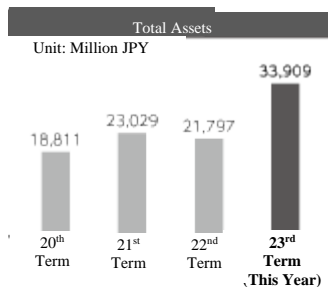
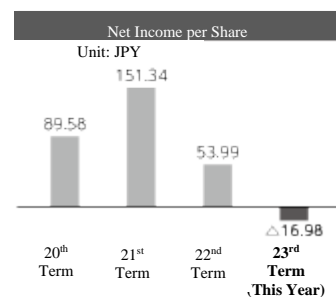
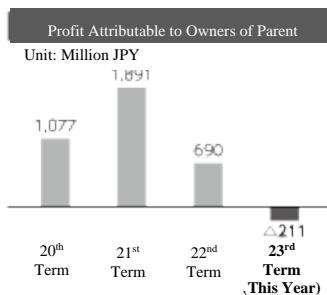
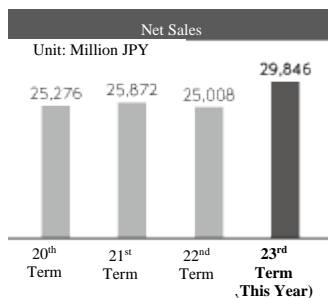
### ⑤ Strategy for New Businesses

The IT industry changes rapidly and continuously brings up new challenges and new sets of values that we need to work through in order to survive. For this purpose, we have consistently been creating new businesses. Our new businesses will include services that will supplement our current businesses and services in new and upcoming markets. We will monitor the potential of these businesses closely and make appropriate decisions on the continuation of these new businesses.

(9) Financial position and profits and losses

| Classification                                     |           | 20 <sup>th</sup> Term<br>(September 2019) | 21 <sup>st</sup> Term<br>(September 2020) | 22 <sup>nd</sup> Term<br>(September 2021) | (Current Fiscal<br>Year)<br>23 <sup>rd</sup> Term<br>(September 2022) |
|----------------------------------------------------|-----------|-------------------------------------------|-------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------|
| Net Sales                                          | (mil JPY) | 25,276                                    | 25,872                                    | 25,008                                    | 29,846                                                                |
| Net Income<br>(△Net Losses)                        | (mil JPY) | 1,077                                     | 1,891                                     | 690                                       | △211                                                                  |
| Net Income per Share<br>(△Net Losses per<br>Share) | (JPY)     | 89.58                                     | 151.34                                    | 53.99                                     | △16.98                                                                |
| Total Assets                                       | (mil JPY) | 18,811                                    | 23,029                                    | 21,797                                    | 33,909                                                                |
| Net Assets                                         | (mil JPY) | 10,171                                    | 11,210                                    | 11,395                                    | 18,001                                                                |
| Net Assets per Share                               | (JPY)     | 713.16                                    | 882.12                                    | 883.49                                    | 1,443.65                                                              |

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



(10) Main business segment of the corporate Group (as of 30 September 2022)

| Segment    |                 | Business Description                                                                                                |
|------------|-----------------|---------------------------------------------------------------------------------------------------------------------|
| E-Commerce | Global Commerce | Overseas Forwarding and Proxy Purchasing Business<br>"tenso.com" and "Buyee"<br>Global Shopping Business "sekaimon" |
|            | Value Cycle     | Apparel Reuse Business "Brandear"<br>Liquor Mediation Business "JOYLAB"                                             |
|            | Entertainment   | Entertainment Business<br>Global Product Business                                                                   |
| Incubation |                 | Investment and Consultation Business<br>Pre-Monetized Start-up Business                                             |



## (11) Status of Main Subsidiaries

| Company Name                | Capital Funds or Investment Amount (Unit Currency) | Voter Holding Ratio | Business Description                              |
|-----------------------------|----------------------------------------------------|---------------------|---------------------------------------------------|
| Tenso inc                   | 100 mil JPY                                        | 100.0 %             | Overseas Forwarding and Proxy Purchasing Business |
| TAIWAN TENSO. INC           | 5,580 (1,000 TWD)                                  | 100.0 % (100.0)%    | Overseas Forwarding and Proxy Purchasing Business |
| Shop Airlines, Ltd.         | 100 mil JPY                                        | 100.0 %             | Global Shopping Business                          |
| Shop Airlines America, Inc. | 3,500 (1,000 USD)                                  | 100.0 % (100.0)%    | Global Shopping Business                          |
| Defactostandard, Ltd.       | 100 mil JPY                                        | 100.0 %             | Internet Shopping and Buy-Back Business           |
| JOYLAB, inc                 | 10 mil JPY                                         | 100.0 %             | Liquor Mediation Business                         |
| Monosense, Ltd.             | 30 mil JPY                                         | 100.0 %             | Entertainment Business<br>Global Product Business |
| BEENOS Asia Pte. Ltd.       | 10,800 (1,000 USD)                                 | 100.0 %             | Investment and Consultation Business              |
| BeeCruise Inc.              | 100 mil JPY                                        | 100.0 %             | Development of new Business                       |
| FASBEE inc.                 | 100 mil JPY                                        | 100.0 %             | Cross Border EC services specializing in fashion  |
| BEENOS Travel Inc.          | 100 mil JPY                                        | 100.0 %             | Japan Inbound Travel Business                     |
| BEENOS Entertainment Inc.   | 50 mil JPY                                         | 100.0 %             | Entertainment Industry DX Support Business        |
| BEENOS HR Link Inc.         | 100 mil JPY                                        | 100.0 %             | SaaS type Cross Border HR Platform                |
| BeenoStorm Inc.             | 75 mil JPY                                         | 100.0 %             | e-Sports Business                                 |

Note: The ratio inside the parentheses signifies the indirect holding ratio  
BeenoStorm Inc. was founded on 7 February 2022.

(12) Main offices (as of 30 September 2022)

① BEENOS office

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

② Subsidiary Offices

| Name                       | Location                       |
|----------------------------|--------------------------------|
| Tenso, inc.                | Shinagawa, Tokyo               |
| TAIWAN TENSO, INC.         | Taipei, Taiwan                 |
| Shop Airlines, Ltd.        | Shinagawa, Tokyo               |
| Shop Airlines America, Inc | Redondo Beach, California, USA |
| Defactostandard, Ltd       | Ota, Tokyo                     |
| JOYLAB inc                 | Chuo, Osaka                    |
| Monosense, Ltd             | Shinagawa, Tokyo               |
| BEENOS Asia Pte Ltd.       | Republic of Singapore          |
| BeeCruise Inc.             | Shinagawa, Tokyo               |
| FASBEE inc.                | Shinagawa, Tokyo               |
| BEENOS Travel Inc.         | Shinagawa, Tokyo               |
| BEENOS Entertainment Inc.  | Shinagawa, Tokyo               |
| BEENOS HR Link Inc.        | Shinagawa, Tokyo               |
| BeenoStorm Inc.            | Shinagawa, Tokyo               |

## (13) Status of Employees (as of September 2022)

## ① Status of employees for the corporate group

| Segment    |                 | Employees | Fluctuation from previous fiscal year |
|------------|-----------------|-----------|---------------------------------------|
| E-Commerce | Global Commerce | 161( 69)  | 11( △7)                               |
|            | Value Cycle     | 122( 247) | △3( △77)                              |
|            | Entertainment   | 23( 7)    | △1( △1)                               |
| Incubation |                 | 91( 17)   | 24( △4)                               |
| Corporate  |                 | 49( 5)    | 8( △2)                                |
| Total      |                 | 446( 345) | 39( △91)                              |

Note:1. Employees include working employees. Temporary employees are listed in parentheses and are calculated on an 8 hour/day average.

2. Employees listed under Corporate are administrative staff working in departments and on tasks that encompass the entire group

## ② Status of employees of the company

| Gender        | Employees | Fluctuation from previous fiscal year | Average Age | Average length of service |
|---------------|-----------|---------------------------------------|-------------|---------------------------|
| Male          | 47( 5)    | 9( △2)                                | 35.4        | 3.6 Years                 |
| Female        | 30( 2)    | 9( △2)                                | 34.2        | 3.6 Years                 |
| Total/Average | 77( 7)    | 18( △4)                               | 34.9        | 3.6 Years                 |

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

(14) Status of Main Lenders (as of 30 September 2022)

| Lender                               | Lending Amount (Unit: mil JPY) |
|--------------------------------------|--------------------------------|
| MUFG Bank, Ltd.                      | 1,850                          |
| Resona Bank, Ltd.                    | 1,300                          |
| Sumitomo Mitsui Banking Corporations | 1,100                          |

(15) Other important items relevant to the corporate group

Not applicable

## 2. Status of Shares (30 September 2022)

|                               |                                               |
|-------------------------------|-----------------------------------------------|
| (1) Total Authorized Shares   | 45,000,000                                    |
| (2) Total Issued Shares       | 13,335,995(Including 945,074 Treasury Shares) |
| (3) Number of Shareholders    | 4,708                                         |
| (4) Main Shareholders(Top 10) |                                               |

| Shareholder's Name                                    | Number of Shares | Shareholder Ratio |
|-------------------------------------------------------|------------------|-------------------|
| The Master Trust Bank of Japan, Ltd.                  | 1,575,500        | 12.71%            |
| Custody Bank of Japan, Ltd. (Trust port)              | 1,463,400        | 11.81%            |
| GOLDMAN SACHS INTERNATIONAL                           | 1,183,553        | 9.55%             |
| GOLDMAN SACHS & CO. REG                               | 694,472          | 5.60%             |
| Teruhide Sato                                         | 426,200          | 3.44%             |
| NOMURA PB NOMINEES LIMITED<br>OMNIBUS-MARGIN (CASHPB) | 368,000          | 2.97%             |
| INTERACTIVE BROKERS LLC                               | 287,406          | 2.32%             |
| Digital Garage, Inc.                                  | 266,600          | 2.15%             |
| GOVERNMENT OF NORWAY                                  | 257,500          | 2.08%             |
| UEDA YAGI TANSHI Co., Ltd.                            | 251,900          | 2.03%             |

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

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

| Eligible Persons                                                           | Shares | Number of Holders |
|----------------------------------------------------------------------------|--------|-------------------|
| Directors<br>(Excluding Members of the Audit<br>and Supervisory Committee) | 20,000 | 4                 |
| External Directors                                                         | —      | —                 |
| Directors<br>(Members of the Audit and                                     | —      | —                 |

|                        |  |  |
|------------------------|--|--|
| Supervisory Committee) |  |  |
|------------------------|--|--|

### 3. Status of Stock Acquisition Rights

(1) Status of Stock Acquisition Rights held by BEENOS Group Directors issued as a remuneration for discharge of duties (as of 30 September 2022)

Not applicable

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

|                                      | 15 <sup>th</sup> New Stock Acquisition Rights |                                        |
|--------------------------------------|-----------------------------------------------|----------------------------------------|
| Date of Resolution                   | 4 August 2022                                 |                                        |
| Classification                       | Employees                                     | Officers and Employees of Subsidiaries |
| Number of Holders                    | 68                                            | 252                                    |
| Number of Share Acquisition Rights   | 1,604                                         | 2,086                                  |
| Number of Shares to be Issued        | 16,040                                        | 20,860                                 |
| Type of Shares to be Issued          | Common Shares                                 |                                        |
| Issuance Price per Acquisition Right | Unpaid                                        |                                        |
| Exercising Price per Right Execution | 2,526 JPY                                     |                                        |
| Exercise Period                      | 5 August 2024 to 4 August 2032                |                                        |

(3) Other important information of New Stock Acquisition Rights

|                                    | 12 <sup>th</sup> New Stock Acquisition Rights                           |                                                               |
|------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------|
| Date of Resolution                 | 6 February 2020                                                         |                                                               |
| Classification                     | Directors<br>(Excluding Members of the Audit and Supervisory Committee) | Directors<br>(Members of the Audit and Supervisory Committee) |
| Number of Holders                  | 4                                                                       | 0                                                             |
| Number of Share Acquisition Rights | 6,835                                                                   | 0                                                             |
| Number of Shares to be Issued      | 683,500                                                                 | 0                                                             |
| Type of Shares to be Issued        | Common Shares                                                           |                                                               |

|                                      |                                      |
|--------------------------------------|--------------------------------------|
| Issuance Price per Acquisition Right | Paid                                 |
| Exercising Price per Right Execution | 1,071 JPY                            |
| Exercise Period                      | 25 February 2020 to 24 February 2030 |



#### 4. Status of Company Directors

##### (1) Status of directors (as of 30 September 2022)

| Position in Company                                                | Name               | Status of significant concurrent positions                                                                                                                          |
|--------------------------------------------------------------------|--------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| President                                                          | Shota Naoi         | Group CEO<br>President and CEO, tenso, inc.<br>President and CEO, BeeCruise Inc.                                                                                    |
| Vice President                                                     | Koji Nakamura      | Group CFO<br>President and CEO, BEENOS Partners, Inc.                                                                                                               |
| Director                                                           | Taku Takeuchi      | CEO, Shop Airlines, Ltd.<br>President and CEO, Shop Airlines America, Inc.<br>President and CEO, Shop Airlines Europe B.V.<br>President and CEO, BEENOS Travel Inc. |
| Director                                                           | Kenichi Sento      | President and CEO, Defactostandard, Ltd.                                                                                                                            |
| Director                                                           | Naofumi Nishi      | Director in Macromill, Inc.<br>External Director in ADK Holdings Inc.<br>External Director in hey, Inc. (Currently STORES, Inc.)                                    |
| Director<br>(Full-time Audit &<br>Supervisory<br>Committee Member) | Yasukazu Joho      | —                                                                                                                                                                   |
| Director<br>(Audit & Supervisory<br>Committee Member)              | Kibo Kondo         | CEO, Zeon Consulting Co., Ltd.<br>Auditor, Sophia Holdings Co., Ltd.                                                                                                |
| Director<br>(Audit & Supervisory<br>Committee Member)              | Yoshindo Takahashi | Adviser, Executive Partners Inc.<br>Auditor, Ceres inc.<br>Auditor, Tokyo Tsushin, Inc.                                                                             |

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

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

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

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

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

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

(2) Total amount of remuneration paid to Directors

| Title                                                                        | Total Remuneration (mil JPY) | Remuneration Breakdown (mil JPY) |                            |                           | Number of Corresponding Directors |
|------------------------------------------------------------------------------|------------------------------|----------------------------------|----------------------------|---------------------------|-----------------------------------|
|                                                                              |                              | Basic Remuneration               | Results Based Remuneration | Non-monetary Remuneration |                                   |
| Director<br>(Excluding Audit & Supervisory Committee Members)                | 146<br>(3)                   | 91<br>(3)                        | —<br>(—)                   | 54<br>(—)                 | 5<br>(1)                          |
| Directors<br>(Audit & Supervisory Committee Members)<br>(External Directors) | 21<br>(21)                   | 21<br>(21)                       | —                          | —                         | 3<br>(3)                          |

Note: Details of non-monetary compensation, etc. are restricted stock awards issued by the Company to its directors.

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

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

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

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

• Basic Concept of the Compensation System for Directors and Audit & Supervisory Board Members

Based on our basic policy on corporate governance, we have established a policy for determining the amount of remuneration, etc. for officers in accordance with the functions and roles that our officers should perform and our level of performance, etc., in order to lead to continuous increases in corporate value and in accordance with the functions of business execution and management

oversight.

- Approach to Compensation Structure for Directors and Audit & Supervisory Board Members

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

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

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

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

| Types of Remuneration |                                                                      | Objectives and Outline                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Fixed                 | Fixed compensation                                                   | <p>Fixed remuneration to encourage sound execution of duties in accordance with responsibilities</p> <ul style="list-style-type: none"> <li>• Compensation levels shall be determined based on the amount of ordinary profit in the previous year and in accordance with positions, roles, responsibilities, etc.</li> <li>• Monthly payments are made.</li> </ul>                                                                                                                                                                                                                                                                                                               |
| Fluctuations          | Incentive fee (Short-Term Compensation)      Incentive               | <p>Performance-linked remuneration to steadily accumulate results for each fiscal year</p> <ul style="list-style-type: none"> <li>• The specific amount to be paid shall be determined based on the consolidated ordinary profit amount for each business year and in accordance with the position, roles, responsibilities, etc. of each director</li> </ul> <p>The base amount of consolidated ordinary income is shown in the consolidated statements of income.</p> <ul style="list-style-type: none"> <li>• Payment shall be made in a lump sum after the end of each fiscal year.</li> </ul>                                                                               |
|                       | Restricted stock awards (Medium-to long-term incentive remuneration) | <p>Performance-linked remuneration to promote management with an emphasis on enhancing corporate and shareholder value over the medium to long term</p> <ul style="list-style-type: none"> <li>• The "standard amount" shall be set according to the job responsibilities, etc.</li> <li>• Grant the number of shares calculated by dividing the "Base Amount" by the closing price of our shares on the Tokyo Stock Exchange on the day before the issue resolution date.</li> <li>• The shares to be granted shall be the Specified Shares with Restriction on Transfer that cannot be transferred or otherwise disposed of for the period until they leave office.</li> </ul> |

|  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  | <ul style="list-style-type: none"> <li>• The number of shares to be granted shall not exceed 100,000 shares per year.</li> <li>• Payment shall be made within 1 month after the meeting of the Board of Directors held after the annual general meeting of shareholders.</li> <li>• We shall acquire shares for which the restriction on transfer has not been lifted due to failure to meet the period for offering services at the time of expiration of the restriction on transfer, such as at the time of resignation, without charge.</li> </ul> |
|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

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

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

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

- Process of deliberating and determining executive compensation

The decision-making body and procedures for executive compensation are stipulated in our Rules for Directors as follows.

- Remuneration for directors (excluding directors serving on the Audit and Supervisory Committee) is drafted by Representative Director Shota Naoi and decided by the Board of Directors, within the framework of remuneration decided at the General Meeting of Shareholders, considering performance, roles, responsibilities, results, etc.
- Remuneration for directors serving on the Audit and Supervisory Committee is determined by

consultation among directors serving on the Audit and Supervisory Committee within the scope of the remuneration framework resolved at the General Meeting of Shareholders.

• Roles and Activities of the Board of Directors

The Board of Directors, as an independent and objective body, deliberates and decides on the content of executive compensation and the establishment and revision of systems. The content of these deliberations is institutionalized as Directors' Rules.

Remuneration for directors and corporate auditors for the fiscal year under review was discussed and decided as follows.

- 17 December 2021: Compensation for Directors and Audit & Supervisory Board Members for FY2022
- 17 December 2021: Determination of payment of remuneration equivalent to the amount of restricted stock to be paid to directors and executive officers
- 27 October 2022: Bonus for officers (performance-linked remuneration) for FY2022

(6) Items on external officers

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

|                                                              |                    |                                                                                                                                  |
|--------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Director                                                     | Naofumi Nishi      | Director in Macromill, Inc.<br>External Director in ADK Holdings Inc.<br>External Director in hey, Inc. (Currently STORES, Inc.) |
| Director<br>(Full-time Audit & Supervisory Committee Member) | Yasukazu Joho      | —                                                                                                                                |
| Director<br>(Audit & Supervisory Committee Member)           | Kibo Kondo         | CEO, Zeon Consulting Co., Ltd.<br>Auditor, Sophia Holdings Co., Ltd.                                                             |
| Director<br>(Audit & Supervisory Committee Member)           | Yoshindo Takahashi | Adviser, Executive Partners Inc.<br>Auditor, Ceres inc.<br>Auditor, Tokyo Tsushin, Inc.                                          |

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

② Principle Activities in this fiscal year

Attendance in Board Meetings and Audit & Supervisory Committee Meetings

| Position                                                           | Name               | Board Meeting Attendance | Audit & Supervisory Committee Meeting Attendance | Activities                                                                                                                                        |
|--------------------------------------------------------------------|--------------------|--------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| External Director                                                  | Naofumi Nishi      | 23 of 23                 | —                                                | Actively provide questions and advice based on our wealth of experience and advanced expertise at a global investment company.                    |
| External Director (Full-time Audit & Supervisory Committee Member) | Yasukazu Joho      | 23 of 23                 | 13 of 13                                         | Offered advice and asked questions from a financial standpoint                                                                                    |
| External Director (Audit & Supervisory Committee Member)           | Kibo Kondo         | 23 of 23                 | 13 of 13                                         | Offered advice and asked questions from a technical perspective as a certified accountant to ensure appropriate decision-making in board meetings |
|                                                                    | Yoshindo Takahashi | 23 of 23                 | 13 of 13                                         | Offered advice and asked questions from a corporate management standpoint                                                                         |

5. Policy on Decisions for Dividend of Surplus

We hold our profit return policy in high regards to give back to shareholders by expanding our business foundation and progressing our financial ground.

Our business is mainly divided between the E-Commerce Business and the Incubation Business. The Incubation Business in particular is extremely volatile as it depends on the opportunity to monetize our operational investment securities. As such, we will be basing our dividend policy on the profits in our more consistent E-Commerce Business and use the proceeds from the Incubation Business towards other profit reduction methods such as share repurchases as we monitor our share prices.



## 6. Accounting Auditors

(1) Name of Accounting Auditors Grant Thornton Taiyo LLC

(2) Remuneration for the Accounting Auditors

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

Note: 1. The total remuneration amount for the fiscal year is listed as the contract between BEENOS and the auditor and is not made to feasibly calculate the difference between the auditing under the Companies Act and the auditing under the Financial Instruments and Exchange Act  
2. BEENOS subsidiary BEENOS Asia Pte. Ltd. is being audited by other auditing firm.

(3) Audit & Supervisory Committee Agree Accounting Auditors Remuneration

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

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

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

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

## Consolidated Balance Sheet (30 September 2022)

(Units: mil JPY)

| Account                           | Amount | Account                                    | Amount |
|-----------------------------------|--------|--------------------------------------------|--------|
| (Assets)                          |        | (Liabilities)                              |        |
| Current assets                    | 29,713 | Current liabilities                        | 13,415 |
| Cash and deposits                 | 9,551  | Notes and accounts payable-trade           | 373    |
| Notes and accounts receivable     | 911    | Short-term loan                            | 3,550  |
| Operational investment securities | 12,870 | Current portion of long-term loans payable | 900    |
| Products                          | 2,225  | Accounts payable-other                     | 5,459  |
| Accounts receivable               | 1,257  | Deposits received                          | 1,942  |
| Other                             | 2,912  | Income taxes payable                       | 277    |
| Allowance for doubtful accounts   | △16    | Other                                      | 911    |
| Fixed assets                      | 4,196  | Fixed liabilities                          | 2,493  |
| Tangible Assets                   | 428    | Long-term loans payable                    | 1,048  |
| Buildings and structures          | 730    | Asset retirement obligations               | 1,210  |
| Tools, materials and supplies     | 242    | (Liabilities)                              | 212    |
| Other                             | 38     | Other                                      | 22     |
| Accumulated depreciation          | △582   | Total liabilities                          | 15,908 |
| Intangible assets                 | 479    | (Net assets)                               |        |
| Goodwill                          | 160    | Shareholders' equity                       | 9,962  |
| Software                          | 318    | Capital stock                              | 2,775  |
| Other                             | 0      | Capital surplus                            | 3,925  |
| Investments etc.                  | 3,287  | Retained earnings                          | 5,367  |
| Investment securities             | 2,741  | Treasury Stock                             | △2,107 |
| Deferred tax assets               | 54     | Other accumulated comprehensive income     | 7,841  |
| Other                             | 492    | Valuation difference on securities         | 6,620  |
|                                   |        | Foreign currency translation adjustments   | 1,220  |
|                                   |        | Share subscription rights                  | 198    |
|                                   |        | Total net assets                           | 18,001 |

|              |        |                                  |        |
|--------------|--------|----------------------------------|--------|
| Total assets | 33,909 | Total liabilities and net assets | 33,909 |
|--------------|--------|----------------------------------|--------|

Note: Amounts Rounded down to the nearest million yen.

## Consolidated Profit & Loss Statement(1 October 2021 – 30 September 2022)

(Units: mil JPY)

| Account                                           | Amount |        |
|---------------------------------------------------|--------|--------|
| Net sales                                         |        | 29,846 |
| Cost of sales                                     |        | 17,856 |
| Gross profit                                      |        | 11,989 |
| Selling, general and administrative expenses      |        | 11,661 |
| Operating income                                  |        | 328    |
| Non-operating income                              |        |        |
| Interest income                                   | 5      |        |
| Foreign exchange gains                            | 180    |        |
| Subsidy income                                    | 4      |        |
| Guarantee income                                  | 18     |        |
| Other                                             | 62     | 271    |
| Non-operating expenses                            |        |        |
| Interest expenses                                 | 16     |        |
| Equity in loss of affiliates                      | 287    |        |
| Commissions paid                                  | 5      |        |
| Loss on investments in partnerships               | 7      |        |
| Provision for losses on loans and advances        | 11     |        |
| Other                                             | 57     | 387    |
| Ordinary income                                   |        | 212    |
| Extraordinary income                              |        |        |
| Dilution gain                                     | 129    |        |
| Gain on sales of investment security              | 54     |        |
| Gain on sales of businesses                       | 34     |        |
| Gain on reversal of subscription rights to shares | 5      | 224    |
| Extraordinary loss                                |        |        |
| Loss on retirement of noncurrent assets           | 15     | 15     |
| Income before income taxes                        |        | 421    |
| Income taxes                                      | 767    |        |
| Income taxes-deferred                             | △134   | 633    |
| Net loss                                          |        | 211    |

|                                           |     |
|-------------------------------------------|-----|
| Net loss attributable to owners of parent | 211 |
|-------------------------------------------|-----|

Note: Amounts Rounded down to the nearest million yen.

## Statement of Changes in Net Assets (October 1, 2021 to 30 September 2022)

(Units: mil JPY)

|                                                                                              | Shareholders' equity |                 |                   |                |                            |
|----------------------------------------------------------------------------------------------|----------------------|-----------------|-------------------|----------------|----------------------------|
|                                                                                              | Capital stock        | Capital surplus | Retained earnings | Treasury Stock | Total shareholders' equity |
| Balance at 1 October 2021                                                                    | 2,775                | 3,914           | 5,900             | △1,376         | 11,214                     |
| Change during the term                                                                       |                      |                 |                   |                |                            |
| Dividend of surplus                                                                          |                      |                 | △321              |                | △321                       |
| Net loss attributable to owners of parent                                                    |                      |                 | △211              |                | △211                       |
| Purchase of treasury stock                                                                   |                      |                 |                   | △969           | △969                       |
| Disposal of treasury stock                                                                   |                      | 11              |                   | 238            | 250                        |
| Consolidation of items other than shareholders' equity<br>Net changes during the fiscal year |                      |                 |                   |                | -                          |
| Total change during the term                                                                 |                      | 11              | △532              | △730           | △1,252                     |
| Balance at 30 September 2022                                                                 | 2,775                | 3,925           | 5,367             | △2,107         | 9,962                      |

|                                                                                              | Other accumulated comprehensive income |                                                 |                                                     | Share subscription rights | Total net assets |
|----------------------------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------|-----------------------------------------------------|---------------------------|------------------|
|                                                                                              | Other Investment securities Valuation  | Foreign currency translation Adjustment account | Other Comprehensive income Total accumulated amount |                           |                  |
| Balance at 1 October 2021                                                                    | △224                                   | 270                                             | 45                                                  | 135                       | 11,395           |
| Change during the term                                                                       |                                        |                                                 |                                                     |                           |                  |
| Dividend of surplus                                                                          |                                        |                                                 |                                                     |                           | △321             |
| Net loss attributable to owners of parent                                                    |                                        |                                                 |                                                     |                           | △211             |
| Purchase of treasury stock                                                                   |                                        |                                                 |                                                     |                           | △969             |
| Disposal of treasury stock                                                                   |                                        |                                                 |                                                     |                           | 250              |
| Consolidation of items other than shareholders' equity<br>Net changes during the fiscal year | 6,845                                  | 949                                             | 7,795                                               | 62                        | 7,857            |
| Total change during the term                                                                 | 6,845                                  | 949                                             | 7,795                                               | 62                        | 6,605            |
| Balance at 30 September 2022                                                                 | 6,620                                  | 1,220                                           | 7,841                                               | 198                       | 18,001           |

Note: Amounts Rounded down to the nearest million yen.

## Balance Sheet (As of 30 September 2022)

(Units: mil JPY)

| Account Title                         | Amount | Account Title                              | Amount |
|---------------------------------------|--------|--------------------------------------------|--------|
| (Assets)                              |        | (Liabilities)                              |        |
| Current assets                        | 10,916 | Current liabilities                        | 8,662  |
| Cash and deposits                     | 1,554  | Short-term loan                            | 4,550  |
| Operational investment securities     | 1,788  | Current portion of long-term loans payable | 900    |
| Prepaid expenses                      | 64     | Accounts payable-other                     | 2,885  |
| Income taxes refund receivable        | 748    | Accounts payable to related entities       | 260    |
| Accounts due from related companies   | 3,539  | Income taxes payable                       | 2      |
| Advances to affiliated companies      | 171    | Deposits received                          | 27     |
| Short-term loans to affiliates        | 4,356  | Provision for shareholder benefit program  | 3      |
| Other                                 | 164    | Other                                      | 32     |
| Allowance for doubtful accounts       | △1,470 | Fixed liabilities                          | 1,314  |
| Fixed assets                          | 7,254  | Long-term loans payable                    | 1,048  |
| Tangible Assets                       | 37     | Deferred tax liabilities                   | 207    |
| Buildings                             | 210    | Asset retirement obligations               | 59     |
| Tools, materials and supplies         | 87     | Total liabilities                          | 9,977  |
| Other                                 | 4      | (Net assets)                               |        |
| Accumulated depreciation              | △264   | Shareholders' equity                       | 7,503  |
| Intangible assets                     | 8      | Capital stock                              | 2,775  |
| Software                              | 7      | Capital surplus                            | 3,111  |
| Other                                 | 0      | Legal capital surplus                      | 1,814  |
| Investments etc.                      | 7,208  | Other capital surplus                      | 1,297  |
| Investment securities                 | 2,470  | Retained earnings                          | 3,723  |
| Stocks of subsidiaries and affiliates | 4,536  | Legal reserve                              | 21     |
| Proceeds and guarantee deposits       | 148    | Other retained earnings                    | 3,701  |
| Other                                 | 53     | I Retained earnings                        | 3,701  |

|              |        |                                       |        |
|--------------|--------|---------------------------------------|--------|
|              |        | brought forward                       |        |
|              |        | Treasury Stock                        | △2,107 |
|              |        | Valuation and translation adjustments | 491    |
|              |        | Valuation difference on securities    | 491    |
|              |        | Share subscription rights             | 198    |
|              |        | Total net assets                      | 8,193  |
| Total assets | 18,171 | Total liabilities and net assets      | 18,171 |

Note: Amounts Rounded down to the nearest million yen.



## Income Statement (1 October 2021 to 30 September 2022)

(Units: mil JPY)

| Account Title                                     | Amount |       |
|---------------------------------------------------|--------|-------|
| Operating revenue                                 |        | 4,415 |
| Operating expenses                                |        | 1,764 |
| Sales profit                                      |        | 2,651 |
| Non-operating income                              |        |       |
| Interest income                                   | 69     |       |
| Foreign exchange gains                            | 3      |       |
| And dividends income                              | 22     |       |
| Guarantee income                                  | 18     |       |
| Fee and commission received                       | 5      |       |
| Miscellaneous income                              | 1      | 121   |
| Non-operating expenses                            |        |       |
| Interest expenses                                 | 26     |       |
| Commissions paid                                  | 5      |       |
| Provision for allowance for doubtful accounts     | 552    |       |
| Loss on investments in partnerships               | 7      |       |
| Miscellaneous expenses                            | 0      | 592   |
| Ordinary income                                   |        | 2,179 |
| Extraordinary income                              |        |       |
| Gain on reversal of subscription rights to shares | 5      |       |
| Gain on sales of stock of affiliates              | 53     | 59    |
| Income before income taxes                        |        | 2,238 |
| Income taxes                                      | △253   |       |
| Income taxes-deferred                             | 57     | △195  |
| Net income                                        |        | 2,434 |

Note: Amounts Rounded down to the nearest million yen.

## Statement of Changes in Net Assets (October 1, 2021 to 30 September 2022)

(Units: mil JPY)

|                                                                      | Shareholders' equity |                 |                                |                       |               |                                |                                                     |
|----------------------------------------------------------------------|----------------------|-----------------|--------------------------------|-----------------------|---------------|--------------------------------|-----------------------------------------------------|
|                                                                      | Capital stock        | Capital surplus |                                |                       | Legal reserve | Retained earnings              |                                                     |
|                                                                      |                      | Capital Reserve | Other equity Retained earnings | Capital surplus Total |               | Other income Retained earnings | Retained earnings brought forward Retained earnings |
| Balance as of 1 October 2021                                         | 2,775                | 1,814           | 1,285                          | 3,100                 | 21            | 1,588                          | 1,610                                               |
| Variable amount during the accounting year                           |                      |                 |                                |                       |               |                                |                                                     |
| Dividend of surplus                                                  |                      |                 |                                |                       |               | △321                           | △321                                                |
| Net income                                                           |                      |                 |                                |                       |               | 2,434                          | 2,434                                               |
| Purchase of treasury stock                                           |                      |                 |                                |                       |               |                                |                                                     |
| Disposal of treasury stock                                           |                      |                 | 11                             | 11                    |               |                                |                                                     |
| Items other than shareholders' equity<br>Net changes during the year |                      |                 |                                |                       |               |                                |                                                     |
| Total change during the period                                       | -                    | -               | 11                             | 11                    | -             | 2,113                          | 2,113                                               |
| Balance as of 30 September 2022                                      | 2,775                | 1,814           | 1,297                          | 3,111                 | 21            | 3,701                          | 3,723                                               |

|                                            | Shareholders' equity |                            | Valuation and translation adjustments               |                                             | Share subscription rights | Total net assets |
|--------------------------------------------|----------------------|----------------------------|-----------------------------------------------------|---------------------------------------------|---------------------------|------------------|
|                                            | Treasury Stock       | Shareholders' equity Total | Proof on securities Valuation difference on tickets | Total valuation and translation adjustments |                           |                  |
| Balance as of 1 October 2021               | △1,376               | 6,110                      | 24                                                  | 24                                          | 135                       | 6,270            |
| Variable amount during the accounting year |                      |                            |                                                     |                                             |                           |                  |
| Dividend of surplus                        |                      | △321                       |                                                     |                                             |                           | △321             |
| Net income                                 |                      | 2,434                      |                                                     |                                             |                           | 2,434            |
| Purchase of treasury stock                 | △969                 | △969                       |                                                     |                                             |                           | △969             |
| Disposal of treasury stock                 | 238                  | 250                        |                                                     |                                             |                           | 250              |

|                                                                            |        |       |     |     |     |       |
|----------------------------------------------------------------------------|--------|-------|-----|-----|-----|-------|
| Items other than<br>shareholders' equity<br>Net changes during the<br>year |        |       | 466 | 466 | 62  | 529   |
| Total change during the<br>period                                          | △730   | 1,393 | 466 | 466 | 62  | 1,923 |
| Balance as of 30<br>September 2022                                         | △2,107 | 7,503 | 491 | 491 | 198 | 8,193 |

Note: Amounts Rounded down to the nearest million yen.

# Accounting Audit Report on Consolidated Financial Statements

## Independent Auditors' Report

18 November 2022

BEENOS Inc.

To the Board of Directors

Grant Thornton Taiyo LLC

Tokyo Office

Designated

Limited Liability Certified

Partners Public

Engagement Accountant

Partner

Designated

Limited Liability Certified

Partners Public

Engagement Accountant

Partner

Tetsu Saito

Takanori Ishikura

### Audit Opinion

We have audited, in accordance with Article 444(4) of the Companies Act, the consolidated financial statements of BEENOS Inc. for the period from 1 October 2020 to 30 September 2021, which consist of the consolidated balance sheets, the consolidated statements of income, the consolidated statements of changes in stockholders' equity, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the corporate group consisting of BEENOS Inc. and consolidated subsidiaries for the period related to the consolidated financial statement in conformity with accounting principles generally accepted in Japan.

### Basis of Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility for auditing standards is stated in "Liability of Auditors in Auditing Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries and fulfill other ethical responsibilities as an auditor in accordance with the provisions on occupational ethics in Japan. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibility of Management and Audit Committee to Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for evaluating whether it is appropriate to prepare the consolidated financial statements based on the assumption of a going concern and disclosing such matters if it is necessary to disclose matters related to a going concern based on accounting principles generally accepted in Japan.

The responsibility of the Audit and Supervisory Committee is to oversee the execution of the directors' duties in the development and operation of the financial reporting process.

## Independent Auditor's report

### Independent Auditors' Report

18 November 2022

BEENOS Inc.  
To the Board of Directors

|                                                                                                                  |                                   |                   |
|------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|
| Grant Thornton Taiyo LLC<br>Tokyo Office<br>Designated<br>Limited Liability<br>Partners<br>Engagement<br>Partner | Certified<br>Public<br>Accountant | Tetsu Saito       |
| Designated<br>Limited Liability<br>Partners<br>Engagement<br>Partner                                             | Certified<br>Public<br>Accountant | Takanori Ishikura |

#### Audit Opinion

We have audited the financial statements of BEENOS Inc for the 21st fiscal year from 1 October 2020 to 30 September 2021, including the balance sheet, profit and loss statement, statement of changes in shareholders' equity, individual notes, and supplementary schedules thereof (hereinafter referred to as "financial statements") in accordance with the provisions of Article 436(2)(i) of the Companies Act.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and the status of profit and loss for the period related to such financial statements in conformity with accounting principles generally accepted in Japan.

#### Basis of Audit Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility for auditing standards is stated in "Liability of Auditors for Auditing Financial Statements, etc." We are independent of the Company and fulfill other ethical responsibilities as an auditor in accordance with the provisions on occupational ethics in Japan. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of the Audit and Supervisory Committee to Financial Statements, etc.

Management is responsible for the preparation and fair presentation of financial statements in accordance with accounting principles generally accepted in Japan. This includes the design, implementation, and maintenance of internal controls deemed necessary by management for the preparation and fair presentation of financial statements, etc. 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 financial statements, etc. based on the assumption of a going concern and

disclosing such matters if it is necessary to disclose matters related to a going concern based on accounting standards generally accepted in Japan.

The responsibility of the Audit and Supervisory Committee is to oversee the execution of the directors' duties in the development and operation of the financial reporting process.

## Audit & Supervisory Committee's Report

### Auditor's Report

We have audited Directors' performance of duties from 1 October 2021 to 30 September 2022, the 23<sup>rd</sup> fiscal year. The method and result are as follows.

#### 1. Audit Method

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

- ① We attended important meetings with the internal control section following the Audit & Supervisory Committee Standard, supervisory policy and each section's responsibility. We received reports from Directors and employees regarding their duties executions, requested for further details when necessary, perused important approval documents and investigated financial status of the headquarter and important offices. We received business reports from the subsidiaries and attempted to communicate and exchange information with their Directors, Auditors, etc.
- ② We supervised and examined whether the Auditors maintain their independent status for appropriate audit execution. We received reports from the Auditors regarding their performance of duties and asked for detailed explanations when necessary. We received notice from the Auditors that the "System to assure appropriate business performance" (stipulated in each section of Article 131 of the Rules of Corporate Accounting) is well-prepared and is following "Quality management standard for the audit" (28 October 2005 Company Accounting Council) . We requested for detailed explanation when necessary.

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





## 2. Result

### (1) Result of Business Reports

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

### (2) Audit Result of Financial Statements and Supplementary Statement

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

### (3) Audit Result of the Consolidated Financial Statements

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

24 November 2022

BEENOS, Inc. Audit & Supervisory Committee

Full-time  
Audit &  
Supervisory  
Committee      Yasukazu Joho      ㊟

Audit  
Supervisory  
Committee      &  
Kibo Kondo      ㊟

Audit  
Supervisory  
Committee      & Yoshindo  
Takahashi      ㊟

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

-END-