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(Securities Code 4755)
(Date of Dispatch) March 11, 2026
(Date of Commencement of Electronic
Provision Measures) March 4, 2026

To Our Shareholders

Hiroshi Mikitani
Representative Director,
Chairman, President & CEO
Rakuten Group, Inc.
1-14-1 Tamagawa, Setagaya-ku,
Tokyo, Japan

Notice of the 29th Annual General Shareholders' Meeting

Dear Shareholders,

We are pleased to announce that the 29th Annual General Shareholders' Meeting of Rakuten Group, Inc. (the "Company") will be held for the purposes described below. In convening this General Shareholders' Meeting, information contained in the reference documents for the General Shareholders' Meeting, etc., has been posted on the following websites as the Company has taken electronic provision measures.

Company Website "Shareholders' Meeting" Page (in Japanese)
<https://corp.rakuten.co.jp/investors/stock/meeting.html>

Please access the above website and select "Notice of Convocation (招集ご通知)" to view.



In addition to the above, the information is also posted on the following websites.

Company Website "Shareholders' Meeting" Page (in English)
<https://global.rakuten.com/corp/investors/stock/meeting.html>

Please access the above website and select "Notice of the 29th Annual General Shareholders' Meeting" to view.



TSE "Listed Company Information" Page
<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

Please access the above website, enter and search the Company's name or securities code, and select "Basic Information" and "Documents for Public Inspection/PR Information" in that order to view.



If any revisions are made to the matters subject to electronic provision measures, the revised information will be posted on the respective websites where it is posted.

If you are unable to attend the meeting in person, you may exercise your voting rights in advance in writing or via the Internet. Please review the reference documents for the General Shareholders' Meeting and exercise your voting rights by 5:30 P.M. (Japan Standard Time) Thursday, March 26, 2026.

- 1. Date and Time** Friday, March 27, 2026, at 10:00 A.M. Japan Standard Time (Reception starts at 9:15 A.M.)
- 2. Place** Rakuten Crimson House (Head Office)
1-14-1 Tamagawa, Setagaya-ku, Tokyo, Japan
Shareholders' Meeting Venue (Access) URL
<https://maps.app.goo.gl/eEHyY5XNMnWE2DDFA>
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- Transportation Information
5-minute walk from "Futako-Tamagawa Station" on the Tokyu Den-en-toshi Line and Tokyu Ōimachi Line (Staff will provide directions to the venue from Futako-Tamagawa Station.)

3. Purposes of the Meeting

- Matters to be reported :**
1. Business Report, Consolidated Financial Statements and Non-Consolidated Financial Statements for the 29th Fiscal Year (January 1, 2025 - December 31, 2025)
 2. Results of Audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board

Proposals to be resolved

Proposal No.1 : Election of Ten Directors

Proposal No.2 : Adoption of the Special Provisions Concerning Share Acquisition Rights as Share Option to be issued to Residents of the state of California, U.S.A.

Regarding Documents Sent to Shareholders Who Have Requested Delivery in Writing

In accordance with laws and regulations and Article 23 of the Company's Articles of Incorporation, the following matters are not included in such documents:

- "Matters Concerning Share Acquisition Rights, etc. of the Company," "Systems to Ensure the Appropriateness of Operations," and "Overview of the Operational Status of Systems to Ensure the Appropriateness of Operations" in the Business Report
- "Consolidated Statement of Changes in Equity" and "Notes to Consolidated Financial Statements" in the Consolidated Financial Statements
- "Statement of Changes in Net Assets" and "Notes to Financial Statements" in the Financial Statements

These documents are part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor when preparing their audit reports.

Please note that the item numbers in the documents sent to you are the same as those in the matters subject to electronic provision measures.

Notes on Visiting the Shareholders' Meeting Venue in Person

Please acknowledge the following matters when entering the Rakuten Group office. We appreciate your understanding.

- Photography, video recording, audio recording, and posting on social media, etc. at the shareholders' meeting venue are not permitted.
- Please do not enter areas other than designated areas.
- Eating at the shareholders' meeting venue is prohibited.
- There will be no distribution of gifts (souvenirs) to shareholders attending the shareholders' meeting in person.
- When live streaming the shareholders' meeting, we will make efforts to avoid filming the appearance of shareholders attending the meeting to the extent possible in consideration of their privacy. However, please understand that there may be cases where your appearance may be unavoidably captured.
- Information of shareholders who visit the venue and personal information recorded by security video cameras installed in the building will be strictly managed by the Company and used only for the purposes of managing the Company's shareholders' meeting operations, building access control, and information management.

Corporate Mission

Empowering individuals and society through innovation and entrepreneurship

Message from CEO

Dear Shareholders,

On behalf of the Rakuten Group, I would like to thank all of our shareholders for your continued support of the Rakuten Group.

In 2025, thanks to your tremendous trust and support, we achieved numerous significant milestones. Most notably, we achieved full-year profitability on an EBITDA*¹ basis in our mobile business. Since the launch of this business, we have boldly invested in network construction and user acquisition with the support and high expectations of our shareholders. During the fiscal year, the total number of subscribers*² for Rakuten Mobile increased by 1.71 million year-on-year, surpassing the key milestone of 10 million subscribers by the end of the year. This was driven by the expansion of optional services that meet customer needs, enhanced benefits of Rakuten Group services benefits for subscribers, and the greater appeal of Rakuten Mobile in an environment of accelerating price increases, demonstrating our continued dedication to democratizing the mobile market.

In fiscal year 2025, each business achieved significant growth. In the Internet Services segment, domestic e-commerce gross merchandise sales exceeded 6.3 trillion yen, reaching a record high. In the FinTech segment, annual shopping transaction value for Rakuten Card surpassed 26 trillion yen, and deposit balance for Rakuten Bank also exceeded 13 trillion yen. Rakuten Securities, which has the largest number of NISA accounts in the industry, surpassed 13 million total general accounts, with each service bringing tangible value to customers' lives and continuing to enhance their convenience.

As a result of these achievements, the Rakuten Group's consolidated business results for the fiscal year reached a consolidated revenue of 2.5 trillion yen, up 9.5% year-on-year, and we achieved consolidated IFRS operating income of 14.4 billion yen. In fiscal year 2026, in addition to further growth of each business, we will maximize the power of mobile and AI to further expand the Rakuten Ecosystem. The Rakuten Group with access to final customer purchase data, has a strong competitive advantage in the AI field. To become "the company that most effectively leverages AI," we will promote the use of AI agents in all operations and services, making it not just a cost reduction measure but a driving force for new value creation, workforce empowerment and sustainable growth.

Regarding dividends, while company profitability and financial conditions are steadily improving, we have decided to forgo dividends for the fiscal year, as we believe that continuing to suppress cash outflows and prioritizing investments for medium- to long-term growth and enhancement of internal reserves to stabilize our financial foundation will lead to maximization of shareholder value. However, we will strive to resume dividends in a timely and appropriate manner as we proceed with stable profit generation and reduction of interest-bearing borrowings.

The Rakuten Group will continue to expand the Rakuten Ecosystem and achieve sustainable growth under our corporate philosophy of "Empowering People and Society through Innovation," and will work together as a group to ensure that all people and society can enjoy services and social functions more conveniently and freely. We ask for your continued understanding and support.

Hiroshi Mikitani
Representative Director, Chairman, President & CEO
Rakuten Group, Inc.

A handwritten signature in black ink that reads "Hiroshi Mikitani". The signature is written in a cursive, flowing style.

*1: Calculated by adding depreciation and amortization, etc. to Non-GAAP operating income.

*2: The sum of MNO (Mobile Network Operator), MVNE (Mobile Virtual Network Enabler), and MVNO (Mobile Virtual Network Operator) subscribers.

Information concerning the exercise of voting rights:

For those exercising voting rights in advance in writing sent by post: (Recommended)

Please indicate your votes for or against each of the proposals on the Voting Rights Exercise Form enclosed in the original Japanese version and return it to the Company. If no indication of vote for or against each of the proposals is made, it shall be treated as an indication of vote for the proposal.

Deadline for exercising voting rights: 5:30 P.M. (Japan Standard Time) Thursday, March 26, 2026

For those exercising voting rights in advance via the internet: (Recommended)

Please access the website for exercising voting rights by the following methods and enter your votes for or against each of the proposals by following the instructions on the screen.

Deadline for exercising voting rights: 5:30 P.M. (Japan Standard Time) Thursday, March 26, 2026

“Smart Voting®” using a smartphone, etc.

By using your smartphone or other devices to scan the QR Code® you can access the page without having to enter your exercise of voting rights code or password.

* You may exercise your voting rights only once with Smart Voting®. If you wish to change your vote after voting, please refer to the “Exercising voting rights using a computer, etc.” below.

Exercising voting rights using a computer, etc.

After accessing the URL of the website for exercise of voting rights (<https://www.web54.net>), please enter your code for exercising voting rights and password indicated on the enclosed Voting Rights Exercise Form to log in.

For those attending the Shareholders’ Meeting in person

Please bring the Voting Rights Exercise Form, enclosed in the original Japanese version, and present it at the reception desk. You may exercise your voting rights by appointing another shareholder to act as your proxy. In such cases, please be advised to submit documentation to prove proxy rights.

Date and time: Friday, March 27, 2026 at 10:00 A.M. (Japan Standard Time)

Regarding the handling of exercise of voting rights

- (1) If voting rights have been exercised both in writing and via the internet, the internet vote shall be treated as valid.
- (2) In cases where voting rights are exercised multiple times via the internet, the last exercise of voting rights shall be treated as valid.
- (3) The fees charged by providers and communications companies when using the internet to exercise voting rights in advance shall be borne by the shareholder.
- (4) If no indication of vote for or against each of the proposals is made when exercising your voting rights in writing, it shall be treated as an indication of vote for the proposal.

For institutional investors

You may also exercise your rights through an electromagnetic method using an electronic exercise of voting rights platform provided by ICJ, Inc.

Information on live streaming via the internet and acceptance of questions in advance

We will provide the live streaming of the General Shareholders' Meeting so that you may watch the proceedings in real time via the internet. Prior to the meeting, the Company will also accept questions in advance regarding the agenda items of this General Shareholders' Meeting.

How to watch the live stream

Date and time: Friday, March 27, 2026 at 10:00 A.M. Japan Standard Time (You may join the live stream starting at 9:30 A.M. Japan Standard Time)

STEP 1 Access the website

Dedicated website URL to watch the live stream: <https://r10.to/kabu>

After accessing the dedicated website, please go to the login page from "For those who wish to watch and ask questions in advance of the 29th Annual General Shareholders' Meeting."

STEP 2 Log in by entering your ID (shareholder number) and password

Please log in with your ID (shareholder number) and password as indicated on the enclosed "Information on Shareholder Special Benefit Website for the 29th Annual General Shareholders' Meeting of Rakuten Group, Inc. and ID and Password."

*Please keep this information in a safe place, as it may be required after the General Shareholders' Meeting for procedures such as claiming shareholder special benefits or confirming the identity of the applicant after the claim has been made.

STEP 3 Watch the live stream

When it is time to start the meeting, click the "Join" button to watch the live stream.

Information on the acceptance of questions in advance

Deadline for sending questions in advance: 5:30 P.M. Japan Standard Time on Thursday, March 19, 2026.

Click on the "Ask a question in advance" button that is displayed after logging in to the website in STEP 2 of "How to watch the live stream" above, enter your question and send to submit a question.

Contact information:

Contact point for queries on how to log in to watch the live stream and submitting questions in advance

Contact point for queries on shareholder special benefits

Live Stream of the General Shareholders' Meeting and Shareholder Special Benefits
Helpline
(Telephone) +81 0120-905-9379:00-17:00 (excluding Saturdays, Sundays, national holidays,
and New Year's holidays)

Contact point for queries related to operation of website for exercising voting rights

Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Web Support Helpline
(Telephone) +81 0120-652-0319:00-21:00

Inquiries on other matters

- Shareholders who have an account with a securities company should contact their securities company.
- Shareholders who do not have an account with a securities company (Holders of special accounts)
- Contact point for queries related to the system for electronic provision of materials for General Shareholders' Meetings and requests for delivery of paper-based documents (Materials for General Shareholders' Meetings starting from March 2027)

Sumitomo Mitsui Trust Bank, Limited Stock Transfer Agency Department
(Telephone) +81 0120-782-031 9:00-17:00 (excluding Saturdays, Sundays, and national holidays)

Notes on live stream and the acceptance of questions in advance

- Shareholders who watch the live stream will not be able to participate in the resolutions on the day of the General Shareholders' Meeting. We kindly request you to exercise your voting rights in advance in writing sent by post or via the internet.
 - Watching the live stream and the acceptance of questions in advance will be limited to the shareholders themselves.
 - IDs (shareholder numbers) and passwords are important information for confirming the identity of shareholders, so we kindly request shareholders to manage them carefully on their own. In addition, the provision of IDs (shareholder numbers) and passwords to third parties is strictly prohibited.
 - Please note that it is not possible to log in with the same ID (shareholder number) from multiple terminals.
 - During the live stream, in consideration of the privacy of the shareholders attending the General Shareholders' Meeting, we will try to avoid filming the appearance of the shareholders to the extent possible. However, please understand that there may be cases where their appearance may be unavoidably captured.
 - Please refrain from filming, recording, saving the live stream, or posting it on social media.
 - Please note that there will be no on-demand stream after the live stream ends.
 - Please note that you may not be able to watch the live stream depending on your device or the communication environment.
 - The fees charged by providers and communications companies for watching the live stream and accepting advance questions shall be borne by the shareholder.
 - On the day of the General Shareholders' Meeting, we will answer the questions received in advance that we determine to be of particular interest to shareholders and to be helpful for exercising the voting rights. For the other questions, their answers will be posted on the Company's website after the General Shareholders' Meeting. In addition, please note that not all questions will be answered. If your question does not relate to the agenda items of this General Shareholders' Meeting, if your question is redundant, or if answering your question may infringe on the rights or interests of customers, employees, or others, we will refrain from answering it. Please note that we will not be able to provide individual responses.
 - If you lose the enclosed "Information on Shareholder Special Benefit Website for the 29th Annual General Shareholders' Meeting of Rakuten Group, Inc. and ID and Password," you may request a replacement by making an inquiry to the contact below. However, please note that passwords will not be notified orally for security reasons, and they will be sent by post.
- Please note that the contact points will differ depending on the period.

From March 11, 2026 to March 27, 2026: Sumitomo Mitsui Trust Bank, Limited
Stock Transfer Agency Department
(Telephone) +81 0120-782-031

After March 30, 2026: Please request a reissuance through the link on the top page of the Shareholders Special Benefit Website.

Proposals and Reference Matters

Proposal No.1: Election of Ten Directors

1. Reasons for the Proposal

The terms of office for all nine incumbent Directors will expire at the conclusion of the General Shareholders' Meeting. Therefore, to further strengthen the management system, we propose to increase the number of Directors by one, resulting in election of ten Directors including six Outside Directors. If this proposal is approved as proposed, six Outside Directors of the ten Directors will be appointed as Independent Directors, as defined by the regulations of Tokyo Stock Exchange, Inc.

2. Approach to the Board of Directors

(Measures to Enhance the Effectiveness of Corporate Governance)

Rakuten Group's corporate mission is based on the empowerment of individuals and society through innovation and entrepreneurship. We strive for social innovation and enrichment by empowering the growth of as many people as possible, while providing services that ensure a high standard of satisfaction for both users and partner enterprises. In order to achieve this mission, the Group has been implementing various measures with rigorous corporate governance as one of our highest priorities.

The Company has adopted a company with an Audit & Supervisory Board structure, in which highly independent Audit & Supervisory Board Members provide auditing functions in order to improve the transparency of the Company's management and ensure its appropriateness, efficiency, fairness, and soundness. The Company has supervised management through an Audit & Supervisory Board, where a majority of the members are Outside Audit & Supervisory Board Members. Additionally, in order to separate the supervisory and executive roles of management, the Company has adopted an Executive Officer System in which the Board retains responsibility for management decision-making and supervision, while Executive Officers are responsible for executive functions.

The Company's Board of Directors, which includes Outside Directors who are highly independent experts from a variety of fields, supervises the execution of business from an objective perspective and engages in casual and multilateral discussions on management. Furthermore, the Company holds meetings, where debates are held about Group management strategy, etc., and all Officers, including Outside Officers, attend, in principle, separately from the meetings of the Board of Directors. Participants also discuss matters from a medium- to long-term perspective rather than confining themselves to short-term issues or items discussed at the meetings of the Board of Directors, thereby enhancing the effectiveness of corporate governance.

For investment and financing projects involving new capital expenditures, the Investment Committee, which includes external experts, deliberates in advance and reports the results to the Board of Directors. In addition, for important projects, we share and deliberate on the outline and main points with Directors and Audit & Supervisory Board Members in advance before submitting them, thereby improving the quality of deliberations at the Board of Directors and ensuring appropriate decision-making.

(Selection of Director Candidates)

The Company selects candidates for Directors who embody the Company's corporate philosophy at a high level and who have high potential to contribute to further development of the Group. By making each Director's term of office one year, the Company upholds the principle of reflecting the will of its shareholders.

In particular, the Board of Directors of the Company selects persons who have extensive experience from a global perspective, professional knowledge, and are able to play a leading role in areas such as IT, finance, corporate management, legal and risk management, financial accounting, public administration, and consulting, and who are capable of appropriately guiding and supervising the execution of business at Rakuten Group.

If this proposal is approved as proposed at this General Shareholders' Meeting, ten Directors will assume office, which we believe is an appropriate size for making critical management decisions and providing supervision. The Company also places importance on diversity among Directors, and has selected three women and three foreigners among the ten Director candidates, and two women and three foreigners among the six Outside Director candidates.

(Independence of Independent Directors and Independent Audit & Supervisory Board Members)

With the aim of ensuring high transparency and strong management supervision, while selecting Independent Directors and Independent Audit & Supervisory Board Members the Company appoints persons who, in principle, do not fall under any of the following criteria.

- a. A person or entity whose major client is the Company or an executive thereof (*1) or a major client (*2) of the Company or an executive thereof
- b. A consultant, accountant or legal professional (or an affiliated person of the said party if it is a legal entity, partnership or other organization) who receives a large amount of monetary consideration or other property from the Company besides receiving compensation as Directors or Audit & Supervisory Board Members
- c. A party who effectively holds 10% or more of the Company's entire voting rights or an executive thereof
- d. A person or party who has recently fallen under any of a. through c. above (*3)
- e. A close relative of a person who falls under the following criteria (excluding immaterial persons)
 - 1) A person who falls under any of a) through d) above
 - 2) An executive of a subsidiary of the Company
 - 3) A non-executive Director of a subsidiary of the Company (limited to the case where Outside Audit & Supervisory Board Member is appointed as an Independent Audit & Supervisory Board Member)
 - 4) A person who has recently fallen under 2) or 3) above, or recently been an executive of the Company (including a non-executive Director in the case where Outside Audit & Supervisory Board Member is appointed as an Independent Audit & Supervisory Board Member)

*1: An executive as stipulated in Article 2, Paragraph 3, Item 6 of the Ordinance for Enforcement of the Companies Act, which includes employees and executive directors.

*2: Refers to cases in which their transactions with the Company exceed 1% of the combined total of the cost of goods sold and the selling, general, and administrative expenses.

*3: Refers to cases which are considered effectively equivalent to the present condition, such as when a party or person falls under any of a. through c. at the time when the contents of the proposal of the General Shareholders' Meeting are determined for the election of such Independent Directors or Independent Audit & Supervisory Board Members as Outside Directors or Outside Audit & Supervisory Board Members.

3. Candidates for Directors

The Director candidates are as follows:

No.	Name	Position at the Company	Term of Office	Attendance of the meetings of the Board of Directors
1	Hiroshi Mikitani Reappointment	Representative Director, Chairman, President & CEO	29 years	100% (11 out of 11 meetings)
2	Kentaro Hyakuno Reappointment	Representative Director & Group Executive Vice President	5 years	100% (11 out of 11 meetings)
3	Naho Kono New	Group Executive Vice President	-	-
4	Eiichi Kaga New	Senior Executive Officer	-	-
5	Takaharu Ando Reappointment Outside Independent	Director	3 years	100% (11 out of 11 meetings)
6	Sarah J. M. Whitley Reappointment Outside Independent	Director	7 years	100% (11 out of 11 meetings)
7	Tsedal Neeley Reappointment Outside Independent	Director	3 years	100% (11 out of 11 meetings)
8	Charles B. Baxter Reappointment Outside Independent	Director	3 years	100% (11 out of 11 meetings)
9	Shigeki Habuka Reappointment Outside Independent	Director	3 years	100% (11 out of 11 meetings)
10	Takashi Mitachi Reappointment Outside Independent	Director	10 years	100% (11 out of 11 meetings)

Reappointment Candidate for reappointed Director

New New candidate for Director

Outside Candidate for Outside Director

Independent Independent Director based on the stipulations of the stock exchanges, etc.

(Notes) 1. Positions at the Company are as of the date of this General Shareholders' Meeting.

2. 'Term of Office' and 'Attendance of the meetings of the Board of Directors' of Candidates for Outside Directors are stated for the term served as Outside Directors.

[Reference] Expertise and experience of Directors and Audit & Supervisory Board Members (Skills Matrix)

Job Title	Name	IT	Finance	Corporate Management	Legal & Risk Management	Finance & Accounting	Global Experience
Director	Hiroshi Mikitani	●	●	●			●
Director	Kentaro Hyakuno	●		●	●		●
Director	Naho Kono	●		●			
Director	Eiichi Kaga	●	●			●	●
Outside Director	Takaharu Ando				●		●
Outside Director	Sarah J. M. Whitley		●				●
Outside Director	Tsedal Neeley	●					●
Outside Director	Charles B. Baxter	●		●			●
Outside Director	Shigeki Habuka		●			●	
Outside Director	Takashi Mitachi			●			●
Audit & Supervisory Board Member	Yoshito Naganuma		●			●	
Outside Audit & Supervisory Board Member	Futoshi Nakamura				●	●	●
Outside Audit & Supervisory Board Member	Maki Kataoka				●	●	●
Outside Audit & Supervisory Board Member	Katsuyuki Yamaguchi				●		●

(Note) The above skills matrix is as of the conclusion of this General Shareholders' Meeting.

Candidate No. 1

Name (Date of birth)	Hiroshi Mikitani (March 11, 1965) Reappointment
Responsibilities at the Company	Chairman, President & CEO Group President of Group Company Division
Reasons for nominating the candidate	Ever since founding the Company in February 1997, he has led the management of the Group as Representative Director and has established the “Rakuten Ecosystem,” a unique innovative business model. In addition, he is the driving force behind the growth of the entire Group and the Internet Services Segment as Chief Executive Officer and Internet Services Segment Leader. His continued appointment is requested in anticipation of achieving further development of the Group.
Career summary, positions and responsibilities	<ul style="list-style-type: none"> Apr. 1988 Joined the Industrial Bank of Japan, Limited (currently Mizuho Bank, Ltd.) May 1993 Received MBA from Harvard Business School Feb. 1996 President & Representative Director (currently Representative Partner) of Crimson Group, Inc. (currently Crimson Group, LLC.) (current position) Feb. 1997 Founder, President & Representative Director of the Company Feb. 2001 Chairman, President & Representative Director of the Company (current position) Mar. 2004 Chief Executive Officer of the Company (current position) Apr. 2006 Chairman & Representative Director of Crimson Football Club, Inc. (currently Rakuten Visel Kobe, Inc.) (current position) Feb. 2010 Representative Director of Japan e-business Association (currently Japan Association of New Economy) (current position) Oct. 2011 Chairman of Tokyo Philharmonic Orchestra (current position) Aug. 2012 Chairman, Representative Director & team owner of Rakuten Baseball, Inc. (current position) Jul. 2016 Group President of Group Company Division of the Company (current position) Jul. 2017 Chairman & Representative Director of Rakuten Aspyrian Japan K.K. (currently Rakuten Medical K.K.) (current position) Mar. 2022 Representative Director & Chairman of Rakuten Mobile, Inc. (current position)

	<p>Aug. 2023 Representative Director, Chairman & CEO of Rakuten Symphony, Inc. (current position)</p> <p>Aug. 2024 Vice Chairman of the Board and CEO of Rakuten Medical, Inc. (current position)</p>
Significant office(s) concurrently held	<p>Representative Partner of Crimson Group, LLC. Chairman & Representative Director of Rakuten Vissel Kobe, Inc. Representative Director of Japan Association of New Economy Chairman of Tokyo Philharmonic Orchestra Chairman, Representative Director & team owner of Rakuten Baseball, Inc. Chairman & Representative Director of Rakuten Medical K.K. Representative Director & Chairman of Rakuten Mobile, Inc. Representative Director, Chairman & CEO of Rakuten Symphony, Inc. Vice Chairman of the Board and CEO of Rakuten Medical, Inc.</p>
Class and Number of shares of the Company held	Common Shares 176,703,400
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 2

Name (Date of birth)	Kentaro Hyakuno (June 6, 1967) Reappointment
Responsibilities at the Company	Group Executive Vice President Group COO & Group CCO President of Communications & Energy Company President of Ad & Media Company President of International & Sports Company
Reasons for nominating the candidate	After working for an automobile manufacturer, he joined the Company in 2007 and contributed to the development and enhancement of the Company's organizational structure, including international businesses, corporate strategies, human resources, and public relations. In addition, he oversees the execution of company-wide operations, and he is the driving force behind the growth of the Mobile Segment as the Mobile Segment Leader. His continued appointment is requested in anticipation of achieving further development of the Group.
Career summary, positions and responsibilities	<ul style="list-style-type: none"> Jun. 1990 Joined Toyota Motor Corporation Feb. 2007 Executive Officer of the Company Jul. 2009 Managing Executive Officer of the Company Mar. 2013 Director & Managing Executive Officer of the Company Jun. 2015 Director, Managing Executive Officer & CSO(Chief Strategy Officer) of the Company Mar. 2016 Managing Executive Officer & CSO of the Company Apr. 2016 Managing Executive Officer, COO & CMO(Chief Marketing Officer) of the Company Apr. 2017 Group Executive Vice President, COO & CMO of the Company Nov. 2018 Group Executive Vice President & COO of the Company Mar. 2021 Director, Group Executive Vice President & COO of the Company Jul. 2021 Director of JP Rakuten Logistics, Inc. (current position) Mar. 2022 Representative Director, Group Executive Vice President & Group COO of the Company Apr. 2022 President of Communications & Energy Company of the Company (current position) Apr. 2025 Representative Director, Group Executive Vice President, Group COO & Group CCO of the Company (current position) Apr. 2025 President of Ad & Media Company of the Company (current position) Apr. 2025 President of International & Sports Company of the Company (current position)

Significant office(s) concurrently held	Director of JP Rakuten Logistics, Inc.
Class and Number of shares of the Company held	Common Shares 311,300
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 3

Name (Date of birth)	Naho Kono (November 22, 1976) New
Responsibilities at the Company	Group Executive Vice President Group CMO (Group Chief Marketing Officer)
Reasons for nominating the candidate	Since joining the Company in 2003, she has been a key contributor to the growth of the Internet Services business. In her role as Group CMO of the Company, she oversees company-wide marketing and drives the expansion of the Rakuten Ecosystem. Her appointment is requested in anticipation of achieving further development of the Group.
Career summary, positions and responsibilities	<p>Aug. 2003 Joined the Company</p> <p>May 2013 Executive Officer of the Company</p> <p>Apr. 2016 Senior Executive Officer of the Company</p> <p>Jul. 2016 Senior Vice President of EC Company of the Company</p> <p>Feb. 2017 President of EC Company of the Company</p> <p>Apr. 2017 Managing Executive Officer of the Company</p> <p>Nov. 2018 Managing Executive Officer & CMO of the Company</p> <p>Oct. 2020 Managing Executive Officer & CMO of Rakuten Mobile, Inc. (current position)</p> <p>Apr. 2022 Group Executive Vice President & Group CMO of the Company (current position)</p> <p>Dec. 2024 Director of Rakuten Card Co., Ltd. (current position)</p>
Significant office(s) concurrently held	-
Class and Number of shares of the Company held	Common Shares 27,400
Attendance of the meetings of the Board of Directors	-

Candidate No. 4

Name (Date of birth)	Eiichi Kaga (April 24, 1976) New
Responsibilities at the Company	Senior Executive Officer Director of Finance Supervisory Department
Reasons for nominating the candidate	After gaining experience at a central government agency, he joined the Company in 2010 and has held several key positions mainly in the finance department. He has contributed significantly to strengthening the Company's financial foundation and promoting efficient capital strategies through his extensive knowledge and experience in finance. His appointment is requested in anticipation of achieving further development of the Group
Career summary, positions and responsibilities	<p>Apr. 2001 Joined Ministry of Finance</p> <p>May 2007 Received MBA from Vanderbilt University</p> <p>Jul. 2007 Seconded to Cabinet Secretariat</p> <p>Jul. 2010 Joined the Company</p> <p>May 2017 General Manager of Finance Department of the Company (current position)</p> <p>May 2017 General Manager of Investor Relations Department of the Company</p> <p>Apr. 2022 Executive Officer of the Company</p> <p>Jul. 2023 Director of Finance Supervisory Department of the Company (current position)</p> <p>Apr. 2024 Senior Executive Officer of the Company (current position)</p> <p>Aug. 2024 Director of Rakuten Medical, Inc. (current position)</p>
Significant office(s) concurrently held	-
Class and Number of shares of the Company held	Common Shares 11,900
Attendance of the meetings of the Board of Directors	-

Candidate No. 5

Name (Date of birth)	Takaharu Ando (August 31, 1949) Reappointment Candidate for Outside Director Candidate for Independent Director
Reasons for nominating the candidate and Overview of Expected Role	His continued appointment is requested in expectation of his advice on business execution from an objective perspective to further strengthen corporate governance, compliance, and risk management of the Group based on his extensive experience and wide-ranging insight gained from serving in various important positions in police organizations, including Commissioner General of National Police Agency. Although he has not been involved in the company management in the past by any means other than being an Outside Director, the Company believes that he will be able to appropriately perform his duties as an Outside Director for the above reasons. He is an incumbent Outside Director of the Company and will have served for that position for three years at the conclusion of this meeting.
Career summary, positions and responsibilities	Apr. 1972 Joined National Police Agency Jan. 1996 Executive Secretary to the Prime Minister Aug. 1999 Director of Public Security Bureau of Metropolitan Police Department Aug. 2004 Director General of Commissioner General's Secretariat of National Police Agency Jun. 2009 Commissioner General of National Police Agency May 2013 Outside Director of Nitori Holdings Co., Ltd. Jun. 2016 Outside Director of AMUSE INC. (current position) Jun. 2017 Outside Director of ZENSHO HOLDINGS CO., LTD. (current position) Jun. 2018 Outside Director of TOBU RAILWAY CO., LTD. (current position) May 2020 Outside Director (Audit and Supervisory Committee Member) of Nitori Holdings Co., Ltd. Jun. 2022 Outside Director (Audit and Supervisory Committee Member) of NISSHIN SEIFUN GROUP INC. (current position) Mar. 2023 Outside Director of the Company (current position)
Significant office(s) concurrently held	Outside Director of AMUSE INC. Outside Director of ZENSHO HOLDINGS CO., LTD. Outside Director of TOBU RAILWAY CO., LTD. Outside Director (Audit and Supervisory Committee Member) of NISSHIN SEIFUN GROUP INC.
Class and Number of shares of the Company held	Common Shares 0
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 6

Name (Date of birth)	Sarah J. M. Whitley (August 6, 1958) Reappointment Candidate for Outside Director Candidate for Independent Director
Reasons for nominating the candidate and Overview of Expected Role	<p>Her continued appointment is requested in expectation of her advice to the management of the Company to enhance its corporate value. This is based on her many years of experience in observing Japanese companies and the Company as an investor in independent overseas asset management firms, as well as her extensive knowledge of corporate finance. Although she has not directly participated in the company management, the Company believes that she will be able to aptly perform Outside Director's responsibilities for the above reasons. She is an incumbent Outside Director of the Company and will have served for that position for seven years at the conclusion of this meeting.</p>
Career summary, positions and responsibilities	<p>Sep. 1980 Joined Baillie Gifford & Co. May 1986 Partner of Baillie Gifford & Co. Mar. 2019 Outside Director of the Company (current position) May 2019 Trustee of Foundation Scotland (current position) May 2019 Chair of Edinburgh International Festival Endowment Fund (current position) Dec. 2021 Trustee of The Abbotsford Trust (current position) Jan. 2022 Chair of Scottish Episcopal Church Pension Fund (current position)</p>
Significant office(s) concurrently held	Trustee of Foundation Scotland Chair of Edinburgh International Festival Endowment Fund
Class and Number of shares of the Company held	Common Shares 0
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 7

Name (Date of birth)	Tsedal Neeley (December 16, 1972) Reappointment Candidate for Outside Director Candidate for Independent Director
Reasons for nominating the candidate and Overview of Expected Role	Her continued appointment is requested in expectation of her advice to accelerate the Company's global, digital and AI expansion. This is based on her extensive experience gained from serving as a professor at Harvard Business School and as an Outside Director of a U.S. listed company engaged in internet related business, as well as her wide-ranging insight gained through her research on digital transformation and acculturation in companies and extensive advisory of companies worldwide. She is an incumbent Outside Director of the Company and will have served for that position for three years at the conclusion of this meeting.
Career summary, positions and responsibilities	<ul style="list-style-type: none"> Jul. 2007 Assistant Professor of Harvard Business School Jul. 2012 Associate Professor of Harvard Business School Dec. 2015 Outside Director of The Partnership, Inc. Jul. 2018 Naylor Fitzhugh Professor of Business Administration of Harvard Business School (current position) Jun. 2020 Outside Director of Brown Capital Management, LLC (current position) Jul. 2020 Outside Director of Brightcove, Inc. Jul. 2020 Senior Associate Dean of Faculty Development and Research of Harvard Business School Jan. 2021 Faculty Chair of the Christensen for Teaching and Learning of Harvard Business School (current position) Mar. 2023 Outside Director of the Company (current position) Jul. 2025 Senior Associate Dean and Chair of the MBA Program of Harvard Business School (current position)
Significant office(s) concurrently held	Naylor Fitzhugh Professor of Business Administration of Harvard Business School Faculty Chair of the Christensen for Teaching and Learning of Harvard Business School Senior Associate Dean and Chair of the MBA Program of Harvard Business School
Class and Number of shares of the Company held	Common Shares 0
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 8

Name (Date of birth)	Charles B. Baxter (April 19, 1965) Reappointment Candidate for Outside Director Candidate for Independent Director
Reasons for nominating the candidate and Overview of Expected Role	His continued appointment is requested in expectation of his advice to the management of the Company based on his expertise and extensive experience in the Internet industry and corporate management. He has served as a non-executive Director of the Company since March 2011 and as he met the requirements for an outside director stipulated by laws and regulations, he was elected as and assumed office of Outside Director at the 26th Annual General Shareholders' Meeting held on March 30, 2023. He is an incumbent Outside Director of the Company and will have served for that position for three years at the conclusion of this meeting.
Career summary, positions and responsibilities	<ul style="list-style-type: none"> Oct. 1998 CEO of eTranslate, Inc. Mar. 2001 Director of the Company Mar. 2003 Retired as Director of the Company Sep. 2005 Manager of LinkShare Corporation (currently RAKUTEN MARKETING LLC) (current position) Mar. 2011 Director of the Company Feb. 2012 Chairman & Director of Rakuten USA, Inc. (current position) Jan. 2015 Chairman of Reyns Holdco, Inc. (current position) Nov. 2021 Director of Wineshipping.com LLC (current position) Mar. 2023 Outside Director of the Company (current position)
Significant office(s) concurrently held	-
Class and Number of shares of the Company held	Common Shares 44,600
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 9

Name (Date of birth)	Shigeki Habuka (April 14, 1958) Reappointment Candidate for Outside Director Candidate for Independent Director
Reasons for nominating the candidate and Overview of Expected Role	His continued appointment is requested in expectation of his advice on business execution from an objective perspective to further strengthen corporate governance of the Group, based on his wide-ranging experience gained from serving in various important positions in administrative agencies, including Vice-Minister for Policy Coordination of the Cabinet Office and his extensive insight on financial administration and government affairs. He is an incumbent Outside Director of the Company and will have served for that position for three years at the conclusion of this meeting.
Career summary, positions and responsibilities	<ul style="list-style-type: none"> Apr. 1981 Joined the Ministry of Finance Jul. 2003 Director of the Budget Bureau of the Ministry of Finance Jul. 2005 Director of the Indirect Tax Policy Division, Tax Bureau of the Ministry of Finance Jan. 2008 Deputy Director-General of the Ministry of Defense Sep. 2009 Executive Secretary to the Prime Minister Sep. 2011 Deputy Director-General of the Budget Bureau of the Ministry of Finance Jan. 2014 Director General of the Cabinet Office Jun. 2016 Vice-Minister for Policy Coordination of the Cabinet Office Nov. 2017 Executive Officer of Corporate Strategy Department of Mitsubishi Chemical Holdings Corporation (currently Mitsubishi Chemical Group Corporation) Apr. 2019 Corporate Executive Officer (co-charge of the Public Policy, Relation Office, the PR & IR Office (PR)) of Mitsubishi Chemical Holdings Corporation Apr. 2022 Corporate Executive Officer & Senior Vice President (supervising Government Affairs) of Mitsubishi Chemical Holdings Corporation Mar. 2023 Outside Director of the Company (current position)
Significant office(s) concurrently held	-
Class and Number of shares of the Company held	Common Shares 0
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

Candidate No. 10

Name (Date of birth)	Takashi Mitachi (January 21, 1957) Reappointment Candidate for Outside Director Candidate for Independent Director																																													
Reasons for nominating the candidate and Overview of Expected Role	<p>His continued appointment is requested in expectation of his advice to the management of the Company based on his expert knowledge and experience as a management consultant. He is an incumbent Outside Director of the Company and will have served for that position for ten years at the conclusion of this meeting. While this is a long period, the Company believes that a long tenure has advantages, such as deepening the understanding of the Company, and does not necessarily impair the supervisory function over management. The Company also values the diversity of its directors and considers tenure as one aspect of diversity, along with gender, nationality, and expertise. The company believes that receiving diverse opinions from outside directors with different tenures contributes to enhancing corporate value. He possesses high insight and capabilities cultivated through many years in management consulting and corporate management, contributing to appropriate decision-making and supervision. Therefore, the company believes he remains an irreplaceable person for the Company.</p>																																													
Career summary, positions and responsibilities	<table border="0"> <tr> <td>Apr.</td> <td>1979</td> <td>Joined Japan Airlines Co., Ltd.</td> </tr> <tr> <td>Jun.</td> <td>1992</td> <td>Received MBA from Harvard Business School</td> </tr> <tr> <td>Oct.</td> <td>1993</td> <td>Joined the Boston Consulting Group</td> </tr> <tr> <td>Jan.</td> <td>1999</td> <td>Vice President & Partner of the Boston Consulting Group</td> </tr> <tr> <td>Jan.</td> <td>2005</td> <td>Japan Co-chair of the Boston Consulting Group</td> </tr> <tr> <td>May</td> <td>2005</td> <td>Managing Director & Senior Partner of the Boston Consulting Group</td> </tr> <tr> <td>Mar.</td> <td>2016</td> <td>Outside Director of the Company (current position)</td> </tr> <tr> <td>Jun.</td> <td>2016</td> <td>Outside Director of Lotte Holdings Co., Ltd. (current position)</td> </tr> <tr> <td>Mar.</td> <td>2017</td> <td>Outside Director of DMG MORI CO., LTD. (current position)</td> </tr> <tr> <td>Jun.</td> <td>2017</td> <td>Board Member of Ohara Museum of Art (currently Ohara Arts Foundation) (current position)</td> </tr> <tr> <td>Jun.</td> <td>2017</td> <td>Outside Director of Tokio Marine Holdings, Inc. (current position)</td> </tr> <tr> <td>Oct.</td> <td>2017</td> <td>Senior Advisor of the Boston Consulting Group</td> </tr> <tr> <td>Mar.</td> <td>2018</td> <td>Chief Executive Director of Ronald McDonald House Charities Japan (current position)</td> </tr> <tr> <td>Jun.</td> <td>2022</td> <td>Outside Director of SUMITOMO CORPORATION (current position)</td> </tr> <tr> <td>Apr.</td> <td>2025</td> <td>Adjunct Professor of Graduate School of Management, Kyoto University (current position)</td> </tr> </table>	Apr.	1979	Joined Japan Airlines Co., Ltd.	Jun.	1992	Received MBA from Harvard Business School	Oct.	1993	Joined the Boston Consulting Group	Jan.	1999	Vice President & Partner of the Boston Consulting Group	Jan.	2005	Japan Co-chair of the Boston Consulting Group	May	2005	Managing Director & Senior Partner of the Boston Consulting Group	Mar.	2016	Outside Director of the Company (current position)	Jun.	2016	Outside Director of Lotte Holdings Co., Ltd. (current position)	Mar.	2017	Outside Director of DMG MORI CO., LTD. (current position)	Jun.	2017	Board Member of Ohara Museum of Art (currently Ohara Arts Foundation) (current position)	Jun.	2017	Outside Director of Tokio Marine Holdings, Inc. (current position)	Oct.	2017	Senior Advisor of the Boston Consulting Group	Mar.	2018	Chief Executive Director of Ronald McDonald House Charities Japan (current position)	Jun.	2022	Outside Director of SUMITOMO CORPORATION (current position)	Apr.	2025	Adjunct Professor of Graduate School of Management, Kyoto University (current position)
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Significant office(s) concurrently held	Outside Director of DMG MORI CO., LTD. Outside Director of Tokio Marine Holdings, Inc. Chief Executive Director of Ronald McDonald House Charities Japan Outside Director of SUMITOMO CORPORATION Adjunct Professor of Graduate School of Management, Kyoto University
Class and Number of shares of the Company held	Common Shares 0
Attendance of the meetings of the Board of Directors	100% (11 out of 11 meetings)

- (Note) 1. Hiroshi Mikitani is Representative Director of Japan Association of New Economy, and the Company pays annual membership fees and makes financial contributions to this organization. He is also Chairman of Tokyo Philharmonic Orchestra, and the Company makes financial contributions to this organization.
2. Takashi Mitachi is Adjunct Professor at the Graduate School of Management, Kyoto University, and the Company pays tuition fees to the university for courses offered by the university. The ratio of fees in fiscal 2025 was less than 1% of the combined total amount of the cost of sales and the selling, general, and administrative expenses of the Company for the year.
3. No material interest exists between the Company and other candidates for Directors.
4. The registered name of Naho Kono is Naho Higuchi.
5. Charles B. Baxter was an executive Director of the Company from March 2001 to March 2003, and was a non-executive Director of the Company from March 2011 to the present, a non-executive Director of the Company's subsidiary LinkShare Corporation (currently RAKUTEN MARKETING LLC) from September 2005 to the present, and a non-executive Director of the Company's subsidiary Rakuten USA, Inc. from February 2012 to the present.
6. Takashi Mitachi has served as Outside Director of Tokio Marine Holdings, Inc. from June 2017 to the present, and its subsidiary Tokio Marine & Nichido Fire Insurance Co., Ltd. was found to have engaged in insurance premium adjustment activities with other companies in relation to non-life insurance contracts with specific corporations as policyholders. It received a business improvement order from the Financial Services Agency on December 26, 2023, under the Insurance Business Act, and on November 1, 2024, it received a cease and desist order and surcharge payment order from the Japan Fair Trade Commission under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade. Although he was not aware of this fact beforehand, he has offered recommendations from the viewpoint of strengthening group governance and legal compliance at meetings of the Board of Directors. He directed a thorough investigation, an analysis of the true cause, and formulation of preventive measures from the viewpoint of group management control after learning this fact, and even after Tokio Marine & Nichido Fire Insurance Co., Ltd. submitted its business improvement plan to the Financial Services Agency on February 29, 2024, he continued to fulfill his responsibilities appropriately, including directing the thorough implementation of the plan. In addition, Tokio Marine & Nichido Fire Insurance Co., Ltd. received a business improvement order under the Insurance Business Act from the Financial Services Agency on March 24, 2025, and guidance from the Personal Information Protection Commission and the General Insurance Association of Japan, an authorized personal information protection organization, on April 30, 2025, for acts that may violate the Act on the Protection of Personal Information and acts inappropriate in light of the purpose of the Act, acts that may violate the Unfair Competition Prevention Act and acts inappropriate in light of the purpose of the Act, and structural problems underlying such acts. Although he was not aware of such facts beforehand, he has offered recommendations from the viewpoint of strengthening group governance and legal compliance at meetings of the Board of Directors. He directed a thorough investigation, an analysis of the true causes, and formulation of preventive measures from the viewpoint of group management control after learning such facts, and even after Tokio Marine & Nichido Fire Insurance Co., Ltd. submitted its business improvement plan to the Financial Services Agency on May 9, 2025, he continued to fulfill his responsibilities appropriately, including directing the thorough implementation of the plan.

7. Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka, and Takashi Mitachi are candidates for Outside Directors.
8. The Company stipulates under its current Articles of Incorporation that it can conclude with each Director who is a non-executive Director, etc. a liability limitation agreement, which restricts their liability for damages under Article 423, Paragraph 1 of the Companies Act to the statutory limit, pursuant to the provisions of Article 427, Paragraph 1 of the Act. Accordingly, the Company has entered into the said liability limitation agreement with the six incumbent Directors of the Company, namely, Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka, and Takashi Mitachi. The liability limitation agreement will be renewed with the six incumbent Directors subject to the approval of their reappointment.
9. The Company has entered into indemnity agreements with each of the eight incumbent Directors, namely, Hiroshi Mikitani, Kentaro Hyakuno, Takaharu Ando, Sarah J.M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka and Takashi Mitachi, under which the Company will indemnify the expenses set forth in Article 430-2, Paragraph 1, Item 1 of the Companies Act and the losses set forth in Item 2 of the same paragraph within the scope prescribed by laws and regulations. If the reappointment of the eight candidates is approved, the Company intends to continue such indemnity agreements. In addition, the Company has entered into agreements with each of the two current executive officers, Naho Kono and Eiichi Kaga, that are equivalent to the indemnity agreements prescribed in Article 430-2, Paragraph 1 of the Companies Act (the contents of which are the same as the indemnity agreements entered into with directors), and if their election is approved, the Company intends to continue such agreements.
10. The Company has entered into a directors and officers liability insurance contract stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company, designating all Directors as insureds, which will cover damage that may be incurred by the insured as a result of assuming responsibility for the execution of their duties or receiving claims related to the pursuit of such responsibility. However, there are exemptions, such as not being covered for any damage caused by an act committed with the knowledge that the act is in violation of laws and regulations. In the event that each candidate assumes the office of Director, he or she will become the insured under the relevant insurance contract and the relevant insurance contract will be renewed during the term of office.
11. If the reappointment of Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka, and Takashi Mitachi is approved, they will be appointed to the position of Independent Director specified by the regulations of Tokyo Stock Exchange, Inc.

Proposal No. 2 Adoption of the Special Provisions Concerning Share Acquisition Rights as Share Option to be issued to Residents of the state of California, U.S.A.

1. Adoption of the Special Provisions to the Issuance of Share Acquisition Rights for Residents of the state of California, U.S.A.

Since the Directors, Executive Officers, employees, Outside Directors and Audit & Supervisory Board Members of the Company and its subsidiaries and affiliates include not only residents of Japan but also overseas residents, any securities legislation, and other laws and regulations, of the country of their residency would also be applied if any share acquisition rights under the laws of Japan are issued to them as share options. However, in the event that share acquisition rights are issued to residents of the State of California, U.S.A., they may be exempted from U.S. securities legislation by having the following special provision (hereinafter “Special Provisions”) apply pursuant to approval at this General Shareholders’ Meeting.

It is proposed that the effect of approval given under this Proposal should extend to the share acquisition rights that have been issued as share options based on the approval of the Board of Directors held on July 16, 2025, share acquisition rights issued as share options based on the approval of the Board of Directors held on October 16, 2025, share acquisition rights issued as share options based on the approval of the Board of Directors held on January 15, 2026, share acquisition rights issued as share options based on the approval of the Board of Directors held on February 12, 2026, and share acquisition rights to be issued as share options by July 15, 2035 (hereinafter collectively, “Exempted Share Acquisition Rights”).

Notwithstanding any other provision of outlines of Exempted Share Acquisition Rights to the contrary and to the extent required by applicable law, the following terms and conditions will apply to all Exempted Share Acquisition Rights granted to residents of the State of California, until such time as the common stock of Rakuten becomes a “listed security” under the U.S. Securities Act of 1933, as amended (hereinafter the “Securities Act”):

2. Contents of the Special Provisions

(1)Exempted Share Acquisition Rights’ exercise period shall have a term of not more than ten years from the grant date.

(2)Exempted Share Acquisition Rights shall be nontransferable other than by will or the laws of descent and distribution. Notwithstanding the foregoing, Rakuten, in its discretion, may permit transfer of Exempted Share Acquisition Rights to a revocable trust or as otherwise permitted by Rule 701 (Federal exemption from registration for compensatory equity awards, 17 Code of Federal Regulations. 230.701) of the Securities Act.

(3)Unless employment or services are terminated for cause as defined by applicable law, the right to exercise Exempted Share Acquisition Rights in the event of termination of employment or separation from service, to the extent that the holders of Exempted Share Acquisition Rights are otherwise entitled to exercise Exempted Share Acquisition Rights on the date of termination of employment or separation from service, will continue until the earlier of the Exemption Share Acquisition Right’s expiration date or:

① six months from the date of termination of employment or separation from service of a holder of Exemption Share Acquisition Rights if caused by death or disability; or

② 30 days from the date of termination of employment or separation from service of a holder of Exemption Share Acquisition Rights if caused by other than death or disability.

(4) No Exempted Share Acquisition Rights may be granted to a resident of California more than ten years after the earlier of the date when the Board of Directors approved the grant of Exempted Share Acquisition Rights to residents of the State of California and the date this California Appendix is approved by the shareholders.

(5) Shareholders of Rakuten must approve this California Appendix by the later of

① within 12 months before or after the date when the Board of Directors approved the grant of Exempted Share Acquisition Rights to residents of the State of California and

② prior to or within 12 months of the grant of Exempted Share Acquisition Rights under the Program to a resident of the State of California. Any Exempted Share Acquisition Rights exercised by a California resident shall be rescinded if shareholder approval is not obtained in the foregoing manner. Shares subject to such Exempted Share Acquisition Rights will not be counted in determining whether such approval is obtained.

(6) To the extent required by applicable law, Rakuten will provide annual financial statements of Rakuten to each California resident holding an outstanding Exempted Share Acquisition Rights under the Program. Such financial statements need not be audited and need not be issued to key persons whose duties in connection with Rakuten assure them access to equivalent information.

Business Report

(from January 1, 2025 to December 31, 2025)

Part 1. Present Situation of the Rakuten Group

1. Business Progress and Results

Revenue	Non-GAAP Operating Income	IFRS Operating Income	Net Loss Attributable to Owners of the Company
¥2,496.6 billion (9.5% increase YoY)	¥106.3 billion (1,407.9% increase YoY)	¥14.4 billion (72.9% decrease YoY)	¥177.9 billion (15.4 billion decrease YoY)

Application of International Accounting Standards:

The Rakuten Group has prepared consolidated financial statements in accordance with International Financial Reporting Standards (IFRS Accounting Standards) pursuant to Article 120, Paragraph 1 of the Ordinance on Accounting of Companies since the 17th fiscal year.

The Rakuten Group discloses consolidated operating results in terms of both its internal measures which management relies upon in making decisions (hereinafter the "Non-GAAP financial measures") and those under IFRS Accounting Standards.

Non-GAAP operating income is operating income under IFRS Accounting Standards (hereinafter "IFRS operating income") after deducting unusual items and other adjustments as prescribed by the Rakuten Group. Management believes that the disclosure of Non-GAAP financial measures facilitates comparison between the Rakuten Group and peer companies in the same industry or comparison of its business results with those of prior fiscal years by stakeholders, and can provide useful information in understanding the underlying business results of the Rakuten Group and its future outlook. Unusual items refer to one-off items that the Rakuten Group believes shall be excluded for the purposes of preparing a future outlook based on certain rules. Other adjustment items are those that tend to differ depending on the standards applied, and are therefore less comparable between companies, such as share based compensation expenses and amortization of acquisition-related intangible assets.

(Note) For disclosure of Non-GAAP financial measures, the Rakuten Group refers to the rules specified by the U.S. Securities and Exchange Commission but does not fully comply with such rules.

■ Business Results for the Fiscal Year Ended December 31, 2025 (Non-GAAP basis)

For the fiscal year ended December 31, 2025, the global economy showed signs of a gradual recovery, although some regions experienced stagnation. Looking ahead, it is necessary to pay attention to future U.S. policy trends and the impact of fluctuations in financial markets, among other factors. In the Japanese economy, there have been signs of recovery in personal consumption and capital investment, and looking ahead, improvements in employment and income conditions, and the effects of various policies are expected to support a moderate economic recovery.

According to the "White Paper on Information and Communications in Japan" (Note 1), in Japan, which is experiencing population decline and increasingly diverse and complex regional and social challenges, it is necessary to thoroughly utilize digital technologies, including generative AI, to maintain growth potential and accelerate digital transformation (DX). The importance of digital infrastructure, which is indispensable for achieving this is increasing. In response to this situation, the Ministry of Internal Affairs and Communications formulated the "Digital Infrastructure Development Plan 2030" in June 2025, aiming to promote the expansion of high-quality communication services, as well as research, development, and social implementation of Beyond 5G, thereby advancing the establishment of a digital foundation to support an AI society.

Under such an environment, the Rakuten Group is actively developing and deploying services utilizing advanced technologies such as AI, leveraging the overwhelming amount and quality of data accumulated through membership and various online and offline services, improving network quality in mobile services, and acquiring users. Furthermore, by further evolving and expanding the Rakuten Ecosystem, we aim to enhance our competitiveness and provide solution services that are uniquely possible due to the accumulation of unique data assets through various services such as Internet Services, FinTech, and Mobile, thereby evolving into an "AI Empowerment Company" and aiming to make people's lives more convenient and prosperous. In addition, amid uncertainties about the future of the economy, such as continued inflation, and exchange rate movements etc., the Rakuten Group, with its diverse business portfolio, will maximize the synergies it can achieve as a strength, accurately capture consumer trends and needs, and seize further growth opportunities.

As a group, while working to increase revenue and reduce costs through the utilization of AI, in the Internet Services segment, we focused on developing services that aim to further grow in transaction value and revenue, acquire new customers, nurture loyal users, promote cross-use primarily among mobile users, and releasing AI concierge services on "Rakuten Ichiba" and "Rakuten Travel" to support users in choosing optimal products and services. As a result of efforts to improve profitability through cost optimization, the Rakuten Group achieved increased revenue and profit. In the FinTech segment, efforts to expand the customer base and transaction value in each service and promote cross-usage between services and with group services in other segments resulted in further growth in sales and improvement in segment profit. In the Mobile segment, as a result of continuous improvement of network quality, promoting awareness of this improvement, and combined with various marketing activities online and offline, the total number of subscribers exceeded 10 million (Note 2) in December 2025, and segment revenue expanded. In addition, by maintaining cost levels at previous levels, segment losses have steadily decreased year-on-year.

As a result, the Rakuten Group recorded revenue of ¥2,496,575 million up 9.5% year on year for the fiscal year. Although the target of double-digit revenue growth was not achieved, revenue increased mainly in FinTech, and Non-GAAP operating income of 106,277 million yen (a 1,407.9% year-on-year increase).

(Notes) 1. Source: "2025 White Paper on Information and Communications in Japan" (Ministry of Internal Affairs and Communications)

2. The sum of MNO, including corporate BCP plans, MVNE, and MVNO

■ Reconciliation from Non-GAAP Operating Income to IFRS Operating Income

For the fiscal year ended December 31, 2025, amortization of intangible assets of ¥5,172 million and share based compensation expenses of ¥15,645 million were excluded from the Non-GAAP operating income. One-off items listed for the fiscal year ended December 31, 2024 include a loss on disposal of intangible assets for a part of the life and general insurance integrated core system and other systems in the insurance business of ¥5,863 million, an impairment loss of ¥9,662 million due to a revision of the core system development plan in the general insurance business, incurred expenses including maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake of ¥1,154 million, a write-down loss due to a revision of contracts with certain agents and a revaluation of transactions recognized as assets from costs for contract acquisitions in the mobile business of ¥5,411 million, a loss on disposal of ¥1,891 million due to a business model shift focusing on advanced network software development in the Rakuten Symphony business, an impairment loss of ¥2,155 million due to changes in cash-generating units in the Rakuten Symphony business, an impairment loss of ¥1,667 million due to the re-evaluation of future revenue prospects in the Rakuten Farm business and overseas advertising business, impairment losses, etc., of ¥1,305 million due to restructuring in the Rakuten Ticket business, tax expenses of ¥4,151 million due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd., the provision of allowance for doubtful accounts of ¥4,386 million due to the risk of uncollectibility of receivables from the sale of overseas subsidiaries, expenses related to the resolution of litigation with International Business Machines Corporation, a remeasurement gain of ¥106,906 million due to changes in the accounting treatment of shares in AST SpaceMobile, Inc., and gains from the sale of shares of Min-Shu, Inc. of ¥1,613 million. Moreover, the write-down loss on assets etc. recognized from costs for contract acquisitions in the mobile business and tax expenses due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd are recorded in operating expenses, while other income and expenses are mainly recorded in other income and other expenses in the Consolidated Statement of Income. One-off items listed for the fiscal year ended December 31, 2025 include a mid-term cancellation fee of ¥2,459 million, which was incurred in the domestic sports business due to the termination of a consulting agreement that had a significant impact on team operations resulting from a change in the team's operational policy, payment of additional tax and delinquency charges, etc., including those for prior years, totaling ¥4,950 million, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables, a loss of ¥858 million for compensation of customer transactions due to unauthorized access in the securities business, an impairment loss, etc., of ¥27,909 million, in the fulfillment center-based online grocery delivery service, resulting from customer acquisition performance significantly falling below initial plans and the decision to withdraw from certain market areas, the reversal of allowance for doubtful accounts of ¥2,258 million due to the collection of sales receivable from a sold overseas subsidiary, for which a provision for doubtful accounts had been made in the past, an impairment loss of ¥10,024 million in the logistics business due to delay in the pace of increase in future cargo volume at the leased warehouse and the decrease in storable cargo volume caused by the unexpected increase in the size of the products handled, an impairment loss of ¥20,497 million due to the unexpected time required to launch the business in the Open RAN business of "Rakuten Symphony", a gain from forgiveness of commission payment liability of ¥3,715 million, based on partial settlement with suppliers involved in fraudulent acts committed in collusion by former employees of a subsidiary and suppliers which came to light in the fiscal year ended December 31, 2022, an impairment loss of ¥1,254 million due to reassessment of future revenue projections in the overseas affiliate business, a provision for personnel expenses, etc. of ¥1,720 million for withdrawal from certain European business, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary. Moreover, in the Consolidated Statement of Income, payments of additional tax and

delinquency charges, etc., including those for prior years, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables are included in operating expenses, while other income and expenses are mainly recorded in other income and other expenses.

■ Operating Results for the fiscal year ended December 31, 2025 (IFRS Accounting Standards basis)

For the fiscal year ended December 31, 2025, the Rakuten Group recorded revenue of ¥2,496,575 million, up 9.5% year-on-year, and an IFRS operating income of ¥14,382 million, a 72.9% year-on-year decrease, due to the impact of the remeasurement gain from changes in the accounting treatment of AST SpaceMobile, Inc. shares, and other factors, and a net loss attributable to owners of the Company of ¥177,886 million, compared with a net loss of ¥162,442 million in the fiscal year ended December 31, 2024.

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (28th)	Fiscal Year ended December 31, 2025 (29th)	Amount Change YoY	% Change (%)
Revenue	2,279,233	2,496,575	217,342	9.5%
Non-GAAP Operating Income	7,048	106,277	99,229	1,407.9%
Amortization of Intangible Assets	(6,821)	(5,172)	1,649	-
Share Based Compensation Expenses	(15,910)	(15,645)	265	-
One-off Items	68,658	(71,078)	(139,736)	-
IFRS Operating Income	52,975	14,382	(38,593)	(72.9)%
Net Loss Attributable to Owners of the Company	(162,442)	(177,886)	(15,444)	-

■ Segment Overview

Business results for each segment are as follows. In terms of the IFRS Accounting Standards management approach, segment profit or loss is presented on a Non-GAAP operating income basis.

Considering the expanding mutual contribution effects between segments within the Rakuten Ecosystem, mutual contribution effects and mutual customer referral effects (hereinafter "Mobile Ecosystem Contribution") have been reflected in the segment profit and loss to allow for a more precise performance evaluation.

Mobile Ecosystem Contribution

The Mobile Ecosystem Contribution is calculated based on the contribution effect derived from the tendency of Rakuten Mobile MNO subscribers to use various services of the Rakuten Group more than non-subscribers, minus the customer referral effect received from each segment. This calculation has been reflected in the segment information.

Mobile Ecosystem Contribution = i) Gross profit uplift effect of Rakuten Mobile MNO subscribers - ii) Customer referral effect from group companies to the mobile business

Calculation Method of Uplift Effect and Customer Referral Effect between Segments

i) Gross profit uplift effect of Rakuten Mobile MNO subscribers

Depending on the characteristics of each business of the Rakuten Group, the monthly amount is calculated using one of the following methods.

(a) The difference in the monthly average revenue per user over the past year between Rakuten Mobile MNO individual subscribers and non-subscribers in each business of the Rakuten Group × The gross profit margin of each business for each month × The number of Rakuten Mobile MNO individual subscribers at the end of each month

(b) The difference in annual usage rates in each business of the Rakuten Group between Rakuten Mobile MNO individual subscribers and non-subscribers × Monthly average revenue per user over the past year for each business × The gross profit margin of each business for each month × The number of Rakuten Mobile MNO individual subscribers at the end of each month

ii) Referral effect from group companies to the mobile business

Number of Rakuten Mobile MNO individual subscribers each month who signed up through group company sites × Referral cost

* Target businesses for uplift effect calculation

The calculation targets 18 businesses: Rakuten Ichiba, Rakuten Books, Rakuten 24, Rakuten Bic, Rakuten Kobo, Rakuten Fashion, Rakuten Travel, Rakuten Mart, Rakuten Beauty, Rakuten Pay app payments, Rakuten Pay online payments, Rakuten Edy, Rakuten Point Card, Rakuten Card, Rakuten Bank, Rakuten Securities, Rakuten Life Insurance, and Rakuten General Insurance.

Internet Services Segment

Sales composition ratio (excluding adjustments): 48.4% (Billions of Yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Segment Revenue	1,282.1	1,369.7
Segment Profit	85.1	88.9

Main Businesses: Domestic EC (Rakuten Ichiba, Rakuten Travel, etc.), Overseas EC (Rakuten Rewards (Ebates), Rakuten Kobo, etc.), Investment (Rakuten Capital), Advertising (Rakuten Advertising, etc.), Professional Sports (Rakuten Eagles, Vissel Kobe, etc.)

In domestic e-commerce, which is a core service, we focused on acquiring new customers, nurturing loyal users, promoting cross-use primarily among mobile users, and developing AI concierge services, which are agentic AI tools.

In the internet shopping mall "Rakuten Ichiba", we implemented various initiatives to improve customer convenience and satisfaction, including the development of AI-powered support tools for merchants. As a result, GMS and revenue grew, and coupled with improved marketing efficiency, this led to an increase in profit. In the internet travel reservation service "Rakuten Travel", transaction value increased due to rising inbound demand driven by the growth in foreign tourists visiting Japan and other factors.

In the international business unit, which operates overseas internet services, the e-book service "Rakuten Kobo" performed well with sales of color-compatible devices launched in 2024 in addition to an expansion of content sales. Additionally, the messaging service "Rakuten Viber" saw an increase in communication and advertising revenues, and other businesses also continued to grow steadily, contributing to an expansion in segment profit.

As a result, revenue for the Internet Services segment rose to ¥1,369,697 million, a 6.8% year-on-year increase, while segment profit stood at ¥88,943 million, a 4.5% year-on-year increase.

FinTech Segment

Sales composition ratio (excluding adjustments): 34.5% (Billions of Yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Segment Revenue	820.4	975.9
Segment Profit	153.4	199.9

Main Businesses:

Rakuten Card, Rakuten Bank, Rakuten Securities,
Rakuten Life Insurance, Rakuten General Insurance,
Rakuten Pay

In FinTech, revenue increased across all of the major domestic services of credit card-related, banking, securities, insurance and payment. In credit card-related services, both the customer base for "Rakuten Card" and shopping transaction value expanded. In banking services, the increase in managed assets due to an expanding customer base, as well as improved investment yields driven by the Bank of Japan's policy rate hikes, led to a significant expansion in interest income. In securities services, revenue growth continued due to the ongoing expansion of the customer base and diversification of revenue sources, among other factors. In insurance services, leveraging sales channels tailored to product characteristics proved effective, resulting in expanded insurance premium income. In payment services, the increase in users of "Rakuten Pay" drove growth in transaction value, and efficient marketing initiatives contributed to significant revenue and profit growth.

As a result, the FinTech segment recorded ¥975,931 million in revenue, a 19.0% year-on-year increase, while segment profit stood at ¥199,922 million, a 30.3% year-on-year increase.

Mobile Segment

Sales composition ratio (excluding adjustments): 17.1% (Billions of Yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Segment Revenue	440.7	482.8
Segment Loss	(208.9)	(161.8)

Main Businesses: Communications (Rakuten Mobile, etc.), Telephone Service (Rakuten Mobile), Electricity Supply Service (Rakuten Energy)

In Mobile, revenues centered around "Rakuten Mobile" increased and losses were reduced. "Rakuten Mobile" focused on improving network quality and raising awareness, while also providing a new package "Rakuten SAIKYO U-NEXT", implementing marketing initiatives leveraging various services within the Rakuten Ecosystem, such as "Rakuten Ichiba" and "Rakuten Card" and aggressively promoted the acquisition of subscribers for corporate plans. As a result, the total number of subscribers as of December 2025 (the sum of MNO, including corporate BCP plans, MVNE, and MVNO) surpassed 10 million lines. ARPU (Average Revenue Per User) also increased compared to the previous fourth quarter, driven by higher data usage and increased adoption of optional services.

As a result, the Mobile segment recorded ¥482,838 million in revenue, a 9.6% year-on-year increase, while segment loss stood at ¥161,841 million compared to a loss of ¥208,933 million in the fiscal year ended December 31, 2024. Notably, the mobile business achieved EBITDA profitability in the current fiscal year.

Going forward, we will continue to focus on capital investments for further communication quality improvement, and also work on expanding our device lineup and solution services for corporations to further increase subscribers and improve customer satisfaction.

2. Operating Results and Financial Status

(Millions of Yen)

Category		26th (January 1, 2022 - December 31, 2022)	27th (January 1, 2023 - December 31, 2023)	28th (January 1, 2024 - December 31, 2024)	29th (January 1, 2025 - December 31, 2025)
Revenue	(Millions of Yen)	1,920,894	2,071,315	2,279,233	2,496,575
Operating income (loss)	(Millions of Yen)	(371,612)	(212,857)	52,975	14,382
Non-GAAP operating income (loss)	(Millions of Yen)	(335,192)	(153,041)	7,048	106,277
Profit (loss) before income tax	(Millions of Yen)	(415,612)	(217,741)	16,277	(29,550)
Net loss attributable to owners of the Company	(Millions of Yen)	(377,217)	(339,473)	(162,442)	(177,886)
Comprehensive income	(Millions of Yen)	(309,683)	(273,755)	(85,734)	(3,997)
Basic losses per share	(Yen)	(237.73)	(177.27)	(75.61)	(82.24)
Diluted losses per share attributable to owners of the Company	(Yen)	(237.89)	(177.29)	(75.62)	(82.26)
Total assets	(Millions of Yen)	20,402,281	22,625,576	26,514,728	28,804,400
Equity attributable to owners of the Company	(Millions of Yen)	791,351	836,572	927,868	992,402
Equity attributable to owners of the Company per share	(Yen)	497.56	390.53	430.67	457.33
Cash flows from operating activities	(Millions of Yen)	(262,068)	724,192	1,190,882	424,093
Cash flows from investing activities	(Millions of Yen)	(948,289)	(597,416)	(921,724)	(779,809)
Cash flows from financing activities	(Millions of Yen)	1,486,686	291,956	757,469	14,134
ROE	(%)	(40.4)	(41.7)	(18.4)	(18.5)
Cash dividends per share	(Yen)	4.5	0.0	0.0	0.0

- (Notes) 1. Non-GAAP operating income is operating income under IFRS Accounting Standards (hereinafter "IFRS operating income") after deducting unusual items and other adjustments as prescribed by the Rakuten Group. Management believes that the disclosure of Non-GAAP financial measures facilitates comparison between the Rakuten Group and peer companies in the same industry or comparison of its business results with those of prior fiscal years by stakeholders, and can provide useful information in understanding the underlying business results of the Rakuten Group and its future outlook.
2. IFRS 17 "Insurance Contracts" has been adopted from the beginning of the 27th fiscal year, and reflects the cumulative effect of this accounting standard change on the date of transition of January 1, 2022. As a result, figures for the 26th fiscal year reflect the retrospective application of such accounting standards.

3. State of Capital Expenditure, etc.

The total amount of capital investment for the fiscal year was ¥287,303 million, primarily due to the increase in capital investment executed by Rakuten Mobile, Inc. and the increase in right-of-use assets for the purpose of constructing new base stations and network equipment related to 4G and 5G.

4. State of Capital Procurements

Major capital procurements conducted by Rakuten Group are as follows.

The Company raised 30,000 million yen and 130,000 million yen in July and August 2025, respectively, through the issuance of JPY-denominated senior unsecured notes, and 82,000 million yen in October of the same year through the issuance of JPY-denominated perpetual subordinated notes. Rakuten Card Co., Ltd. raised 110,000 million yen and 50,000 million yen in June and December of the same year, respectively, through the issuance of JPY-denominated senior unsecured notes.

5. Business Re-organization

Rakuten Mobile, Inc., a consolidated subsidiary of the Company, merged with Rakuten Energy, Inc., also a consolidated subsidiary of the Company, on February 1, 2025.

For details, please refer to "Consolidated Notes 9. Other Notes (Notes on Business Combinations)."

6. Challenges

As a company group that contributes to society by creating value through innovation and entrepreneurship, our challenges are to respond flexibly to changes in our business environment and to build a framework for continuous growth. Through long-term continuous growth, we aim to maximize corporate and shareholder value of the Rakuten Group and continue to be a Global Innovation Company that brings benefits to society.

(1) Business strategy

The Rakuten Group aims to generate synergistic benefits that include the maximization of lifetime value of each member, minimization of customer acquisition cost, and maximization of Group revenue. We will achieve this by creating an environment in which members worldwide can continuously use multiple services in the Rakuten Ecosystem, at the core of which are membership, data, and brand. In addition, we are developing and promoting the use of services that leverage advanced technologies such as AI and data both online and offline based on membership and shared loyalty point programs.

In the Internet Services segment, we will continue to focus on acquiring new customers and promoting cross-usage. Furthermore, we aim to drive growth in GMS and revenue by creating new markets through the utilization of data, agentic AI tools like AI concierge and others, and by further increasing the purchase amount of existing users.

In the FinTech segment, which provides credit cards, banking, securities, insurance and payment services, we are aiming to expand the customer base and transaction value of each service. Given the Japanese government is promoting an expansion of cashless payments, the Rakuten Group is working on measures to introduce its payment services in more locations and increase the number of active users in order to promote a full range of cashless payments including QR/barcode payments, electronic money, and points.

In the Mobile segment, while continuing efforts to improve network quality and raise awareness, we will implement attractive marketing initiatives leveraging the Rakuten Ecosystem to strengthen our customer base. Additionally, we will work to acquire more subscribers by making proposals to corporate clients and local governments nationwide that have business relationships with the Rakuten Group. Furthermore, we will expand the installation of new 4G and 5G base stations and aim to build a network that can be used in emergencies, such as during disasters, even in areas previously outside communication range, through direct communication between smartphones and low-earth orbit satellites. Through these initiatives we aim to provide a higher-quality network environment, accelerate the pace of subscriber acquisition, and improve the profitability of the mobile business. Meanwhile, as global efforts to revolutionize the network equipment configuration for telecommunication carriers and to promote the openness of base stations advance, "Rakuten Symphony", which provides communication platforms and other solutions using innovative mobile network technologies, will strengthen its global expansion by increasing revenue from existing customers and approaching new customers, thereby seizing business opportunities accurately.

Furthermore, by sequentially expanding the deployment of commercial service of the 700MHz (Platinum Band), which started in June 2024, we aim to provide a higher quality network environment, accelerate the pace of subscriber acquisition, and achieve early profitability in the mobile business. Moreover, as communication providers continue to innovate their network equipment configurations and open base stations globally, Rakuten Symphony, which supplies communication cloud platforms, etc. using innovative mobile network technologies, will continue to expand globally while efficiently identifying commercial opportunities based on its experience in building state-of-the-art infrastructure in Japan.

In addition to pursuing growth of individual businesses as well as maximizing cross-business synergies, we intend to expand the Rakuten Ecosystem, not only in Japan but globally, by establishing innovative and efficient marketing methods that utilize the Rakuten Group's membership and AI, the use of the advertising business through group synergies, and raising our domestic and international brand recognition and value, etc. To do this, we must further enhance our global management, and we will work to review and enhance our business portfolio to optimize the allocation of management resources and to improve productivity and business efficiency through the use of AI, among other efforts.

(2) Management structure

Rakuten Group's corporate mission is based on the empowerment of individuals and society through innovation and entrepreneurship. We strive for social innovation and enrichment by empowering the growth of as many people as possible, while providing services that ensure a high standard of satisfaction for both users and partner enterprises. In order to achieve this mission, the Group has been implementing various measures with rigorous corporate governance as one of our highest priorities.

The Company has adopted a company with an Audit & Supervisory Board structure, in which highly independent Audit & Supervisory Board Members provide auditing functions in order to improve the transparency of the Company's management and ensure its appropriateness, efficiency, fairness, and soundness. The Company has supervised management through an Audit & Supervisory Board, where a majority of the members are Outside Audit & Supervisory Board Members. Additionally, in order to separate the supervisory and executive roles of management, the Company has adopted an Executive Officer System in which the Board retains responsibility for management decision-making and supervision, while Executive Officers are responsible for executive functions.

The Company's Board of Directors, which includes Outside Directors who are highly independent experts from a variety of fields, supervises the execution of business from an objective perspective and engages in casual and multilateral discussions on management. Furthermore, the Company holds meetings, where debates are held about Group management strategy, etc., and all Officers, including Outside Officers, attend, in principle, separately from the meetings of the Board of Directors. Participants also discuss matters from a medium- to long-term perspective rather than confining themselves to short-term issues or items discussed at the meetings of the Board of Directors, thereby enhancing the effectiveness of corporate governance.

For investment and financing projects involving new capital expenditures, the Investment Committee, which includes external experts, deliberates in advance and reports the results to the Board of Directors. In addition, for important projects, we share and deliberate on the outline and main points with Directors and Audit & Supervisory Board Members in advance before submitting them, thereby improving the quality of deliberations at the Board of Directors and ensuring appropriate decision-making.

In addition, we have introduced an internal Company System to ensure agile business execution and clear accountability.

Through such efforts, Rakuten Group will continue to build a management structure with more highly effective governance functions that enables swift management decisions.

7. Major Businesses

As a global innovation company engaged in the three main activities of Internet Services, FinTech, and Mobile, the Rakuten Group (the Company and its Associates) is organized into three reportable segments: "Internet Services", "FinTech", and "Mobile". Operating segments are not aggregated in determining reportable segments.

For the reportable segments, separate financial information on the operational units of the Rakuten Group is available, and such financial information is subject to periodic review for the Board of Directors to decide on the distribution of management resources and evaluate performance.

The "Internet Services" segment comprises businesses providing various e-commerce sites including internet shopping mall "Rakuten Ichiba", online cash-back sites, travel booking sites, portal sites, and digital content sites, along with provision of messaging services, sales of advertising, etc. on these sites, and management of professional sports teams, etc.

The "FinTech" segment comprises businesses providing services related to credit cards, banking and securities over the Internet, crypto asset (virtual currency) spot transaction, life insurance, general insurance, and payment services, etc.

The "Mobile" segment comprises businesses providing communication services and technologies, operating electricity supply services, and making investments related to the Mobile segment, etc.

8. Information on Significant Parent Companies and Significant Subsidiaries

Information on Principal Subsidiaries

Company Name	Capital	Percentage of Voting Rights	Main Business
Rakuten Mobile, Inc.	100 million yen	100.00 %	Provision of voice communication and data transmission services and sales of mobile devices
Rakuten Card Co., Ltd.	19,324 million yen	85.01 %	Issuance of credit card “Rakuten Card,” and related services
Rakuten Bank, Ltd.	32,643 million yen	49.26 %	Provision of internet banking services
Rakuten Securities, Inc.	19,496 million yen	51.00 % (51.00 %)	Provision of online securities trading services
Ebates Inc.	0.1 USD	100.00 % (100.00 %)	Provision of online cash-back services
Rakuten Payment, Inc.	100 million yen	100.00 % (100.00 %)	Provision of electronic payment services
Rakuten Kobo Inc.	973 million CAD	100.00 % (100.00 %)	Provision of e-book services
Rakuten Symphony Singapore Pte. Ltd.	296,269 thousand USD	100.00 % (100.00 %)	Sales of Open RAN-based telecommunications infrastructure platforms etc. developed by group companies and provision of related services
Rakuten General Insurance Co., Ltd.	29,753 million yen	100.00 % (100.00 %)	Operation of general insurance business
Rakuten Life Insurance Co., Ltd.	10,000 million yen	100.00 % (100.00 %)	Operation of life insurance business
Viber Media S.a.r.l.	217 thousand USD	100.00 % (100.00 %)	Provision of mobile messaging and VoIP services
Rakuten International Commercial Bank Co., Ltd.	10 billion TWD	51.00 % (51.00 %)	Provision of internet banking services

(Notes) 1. Figures in parentheses under percentage of voting rights represent indirect ownership and are included in the total.

2. Although the percentage of voting rights held in Rakuten Bank, Ltd. is 50% or less, the Company has determined that it substantially controls the subsidiary and therefore consolidates it.

3. Matters concerning specified wholly-owned subsidiaries

① Name and address of specified wholly-owned subsidiary

Rakuten Mobile, Inc.

1-14-1 Tamagawa, Setagaya-ku, Tokyo

② Total carrying amount of shares of the specified wholly-owned subsidiary on the Company's and its wholly-owned subsidiaries' books as of the end of the fiscal year

1,890,608 million yen

③ Total amount recorded in the assets section of the Company's balance sheet for the fiscal year

4,791,273 million yen

4. In connection with the securitization of telecommunications receivables held by Rakuten Mobile, Inc., the following measures have been implemented.

All shares of Rakuten Mobile, Inc. have been transferred in trust from the Company to Rakuten Trust Co., Ltd. This is a structure designed to protect investors in the securitization of telecommunications receivables of Rakuten Mobile, Inc. Under this structure, if certain conditions are met, such as the Company's credit rating falling below a certain level, the right to instruct the exercise of voting rights will be transferred to RM Trust, a general incorporated association that is an independent third party, and Rakuten Mobile, Inc. will be able to avoid the impact of the Company's deteriorating creditworthiness. As the Company currently holds beneficial interests including the right to instruct the exercise of all voting rights, these are included in the percentage of voting rights held.

9. Principal Offices

(1) The Company

Name	Location	Name	Location
Rakuten Crimson House	Setagaya-ku, Tokyo	Nagoya Branch	Nagoya-shi, Aichi
Sapporo Branch	Sapporo-shi, Hokkaido	Osaka Branch	Osaka-shi, Osaka
Sendai Branch	Sendai-shi, Miyagi	Hiroshima Branch	Hiroshima-shi, Hiroshima
Saitama Branch	Saitama-shi, Saitama	Fukuoka Branch	Fukuoka-shi, Fukuoka

(2) Subsidiaries

Name	Location
Rakuten Mobile, Inc.	Setagaya-ku, Tokyo
Rakuten Card Co., Ltd.	Minato-ku, Tokyo
Rakuten Bank, Ltd.	Minato-ku, Tokyo
Rakuten Securities, Inc.	Minato-ku, Tokyo
Ebates Inc.	United States
Rakuten Payment, Inc.	Minato-ku, Tokyo
Rakuten Kobo Inc.	Canada
Rakuten Symphony Singapore Pte. Ltd.	Singapore
Rakuten General Insurance Co., Ltd.	Minato-ku, Tokyo
Rakuten Life Insurance Co., Ltd.	Minato-ku, Tokyo
Viber Media S.a.r.l.	Luxembourg
Rakuten International Commercial Bank Co., Ltd.	Taiwan

10. Employees

Category	Number of Employees	Change from End of Previous Fiscal Year
Total	29,419 employees	Increase of 85 employees

(Note) The number of employees does not include directors who concurrently serve as employees, temporary staff, and part-time workers.

Segment Name	Number of Employees
Internet Services	9,793 employees
FinTech	6,217 employees
Mobile	4,333 employees
Corporate (Common)	9,076 employees
Total	29,419 employees

(Note) Corporate (Common) represents the number of employees in development departments, administrative departments, and shared service businesses that cannot be classified into specific segments.

11. Principal Borrowings

Lender	Outstanding Borrowings
Mizuho Bank, Ltd.	233,371 million yen
Sumitomo Mitsui Banking Corporation	44,901 million yen
Sumitomo Mitsui Trust Bank, Limited	33,278 million yen

Part 2. Matters Pertaining to Shares of the Company

1. Total Number of Shares Authorized to be Issued:

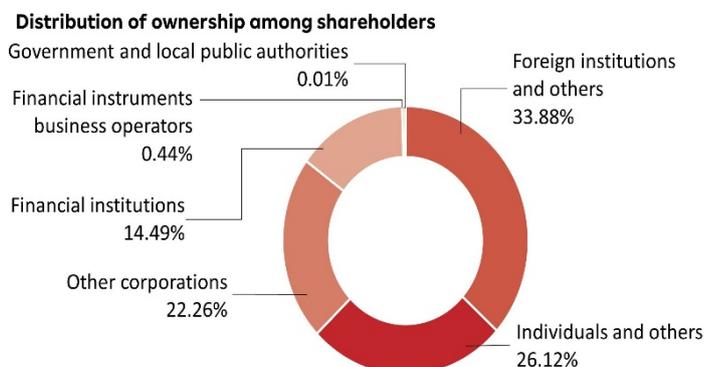
3,941,800,000 shares

2. Total Number of Shares Issued:

Common stock 2,169,972,100 shares
(including 5,878 shares of treasury stock)

3. Number of Shareholders:

799,560 shareholders



*Treasury stocks are included in "Individuals and others."

4. Major Shareholders (Top 10)

Name of shareholder	Number of shares held (common stock)	Percentage of shares held
The Master Trust Bank of Japan, Ltd. (Trust account)	235,173,200 shares	10.84%
Crimson Group, LLC.	226,419,000 shares	10.43%
Hiroshi Mikitani	176,703,400 shares	8.14%
JAPAN POST HOLDINGS Co., Ltd.	131,004,000 shares	6.04%
Haruko Mikitani	112,625,000 shares	5.19%
MSIP CLIENT SECURITIES	81,941,532 shares	3.78%
Custody Bank of Japan, Ltd. (Trust account)	58,679,800 shares	2.70%
GOLDMAN SACHS INTERNATIONAL	50,495,231 shares	2.33%
BNY GCM CLIENT ACCOUNT JPRD AC ISG (FE-AC)	45,192,968 shares	2.08%
Mikitani Kosan, Inc.	40,868,500 shares	1.88%
Spirit Inc.	40,868,500 shares	1.88%

(Note) Percentage of shares held is calculated excluding treasury stock (5,878 shares).

5. Other Important Matters Involving Shares

At the 27th Annual General Shareholders' Meeting held on March 28, 2024, a partial amendment to the Articles of Incorporation to enable the issuance of bond-type class shares was resolved. However, as of the end of the fiscal year, all issued shares are common stock, and no bond-type class shares have been issued.

Part 3. Matters Concerning Share Acquisition Rights

1. Status of the Share Acquisition Rights as of the End of Fiscal Year

(1) Summary of Contents of Share Acquisition Rights Held by Officers of the Company

Name (Date of Resolution for Grant)	Number of Share Acquisition Rights, etc.	Class and number of shares to be issued	Issue Price	Exercise Price (Per Share)(yen)	Exercise Period
The 57th Share Acquisition Rights (February 20, 2017)	36	Common stock 3,600	Free of charge	0.01	From March 31, 2020 to March 29, 2026
The 59th Share Acquisition Rights (February 20, 2017)	3,905	Common stock 390,500	Free of charge	0.01	From March 1, 2018 to March 1, 2027
The 70th Share Acquisition Rights (February 19, 2018)	63	Common stock 6,300	Free of charge	0.01	From March 31, 2021 to March 29, 2027
The 71st Share Acquisition Rights (February 19, 2018)	3,969	Common stock 396,900	Free of charge	0.01	From March 1, 2019 to March 1, 2028
The 76th Share Acquisition Rights (January 18, 2019)	23,608	Common stock 2,360,800	Free of charge	0.01	From February 1, 2020 to February 1, 2029
The 81st Share Acquisition Rights (April 26, 2019)	7,036	Common stock 703,600	Free of charge	0.01	From November 1, 2019 to May 1, 2059
The 82nd Share Acquisition Rights (July 26, 2019)	9,707	Common stock 970,700	Free of charge	0.01	From August 1, 2020 to August 1, 2029
The 85th Share Acquisition Rights (January 31, 2020)	16,466	Common stock 1,646,600	Free of charge	0.01	From February 1, 2021 to February 1, 2030

Name (Date of Resolution for Grant)	Number of Share Acquisition Rights, etc.	Class and number of shares to be issued	Issue Price	Exercise Price (Per Share)(yen)	Exercise Period
The 87th Share Acquisition Rights (February 28, 2020)	5,022	Common stock 502,200	Free of charge	0.01	From March 1, 2020 to March 1, 2060
The 89th Share Acquisition Rights (April 16, 2020)	1,702	Common stock 170,200	Free of charge	0.01	From May 1, 2020 to May 1, 2060
The 90th Share Acquisition Rights (July 16, 2020)	18,402	Common stock 1,840,200	Free of charge	0.01	From August 1, 2021 to August 1, 2030
The 93rd Share Acquisition Rights (January 14, 2021)	21,831	Common stock 2,183,100	Free of charge	0.01	From February 1, 2022 to February 1, 2031
The 95th Share Acquisition Rights (February 12, 2021)	4,158	Common stock 415,800	Free of charge	0.01	From March 1, 2021 to March 1, 2061
The 97th Share Acquisition Rights (April 15, 2021)	1,846	Common stock 184,600	Free of charge	0.01	From May 1, 2021 to May 1, 2061
The 98th Share Acquisition Rights (July 15, 2021)	20,680	Common stock 2,068,000	Free of charge	0.01	From August 1, 2022 to August 1, 2031
The 101st Share Acquisition Rights (January 14, 2022)	35,529	Common stock 3,552,900	Free of charge	0.01	From February 1, 2023 to February 1, 2032
The 104th Share Acquisition Rights (February 14, 2022)	3,653	Common stock 365,300	Free of charge	0.01	From March 1, 2022 to March 1, 2062
The 105th Share Acquisition Rights (April 14, 2022)	59,245	Common stock 5,924,500	Free of charge	0.01	From May 1, 2023 to May 1, 2032
The 106th Share Acquisition Rights (April 14, 2022)	2,507	Common stock 250,700	Free of charge	0.01	From May 1, 2022 to May 1, 2062
The 107th Share Acquisition Rights (July 14, 2022)	52,953	Common stock 5,295,300	Free of charge	0.01	From August 1, 2023 to August 1, 2032
The 111th Share Acquisition Rights (January 16, 2023)	66,833	Common stock 6,683,300	Free of charge	0.01	From February 1, 2024 to February 1, 2033
The 114th Share Acquisition Rights (February 14, 2023)	6,842	Common stock 684,200	Free of charge	0.01	From March 1, 2023 to March 1, 2063

Name (Date of Resolution for Grant)	Number of Share Acquisition Rights, etc.	Class and number of shares to be issued	Issue Price	Exercise Price (Per Share)(yen)	Exercise Period
The 115th Share Acquisition Rights (April 13, 2023)	76,957	Common stock 7,695,700	Free of charge	0.01	From May 1, 2024 to May 1, 2033
The 117th Share Acquisition Rights (April 13, 2023)	4,515	Common stock 451,500	Free of charge	0.01	From May 1, 2023 to May 1, 2063
The 126th Share Acquisition Rights (April 12, 2024)	169,630	Common stock 16,963,000	Free of charge	0.01	From May 1, 2025 to May 1, 2034
The 128th Share Acquisition Rights (April 12, 2024)	3,838	Common stock 383,800	Free of charge	0.01	From May 1, 2024 to May 1, 2064
The 138th Share Acquisition Rights (April 15, 2025)	76,354	Common stock 7,635,400	Free of charge	0.01	From May 1, 2026 to May 1, 2035
The 140th Share Acquisition Rights (April 15, 2025)	2,943	Common stock 294,300	Free of charge	0.01	From May 1, 2025 to May 1, 2065

(Notes) 1. With regard to the exercise period of share acquisition rights, if the final day of the exercise period falls on a holiday of the Company, the final day will be the working day immediately preceding the final day.

2. Conditions for exercise of the 57th and 70th Share Acquisition Rights are as follows:

a) Holders of share acquisition rights shall remain Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates at the time of exercising such rights, provided however exceptional treatment may be allowed in this regard by the Board of Directors of the Company in consideration of circumstances.

b) Share acquisition rights may not be inherited, unless the Board of Directors of the Company grants approval as a special case in consideration of all circumstances.

c) Share acquisition rights may not be pawned or disposed of in any other manner.

d) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In the case where the Company, its subsidiaries or its affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share

acquisition rights by the methods listed below.

i) Receipt by Cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

- iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights
- iv) Other methods specified by the Company

3. Conditions for exercise of the 59th, 71st, and 76th Share Acquisition Rights are as follows:

- a) Holders of share acquisition rights shall remain Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates at the time of exercising such rights, provided however exceptional treatment may be allowed in this regard by the Board of Directors of the Company in consideration of circumstances.
- b) Share acquisition rights may not be inherited, unless the Board of Directors of the Company grants approval as a special case in consideration of all the circumstances.
- c) Share acquisition rights may not be pawned or disposed of in any other manner.
- d) Share acquisition rights may be exercised by the Holders of share acquisition rights, in whole or in part, according to the following categories.
 - i) The entire allotment of share acquisition rights shall not be exercised prior to the date on which one year has passed from the date of issuance.
 - ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the date of issuance to the date prior to the date on which two years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition right, such fraction shall be discarded).
 - iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised prior to the date on which two years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the date of issuance to the date prior to the date on which three years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised prior to the date on which three years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 65%) may be exercised from the date on which three years have passed from the date of issuance to the date prior to the date on which four years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the date of issuance to the date on which ten years have passed from the date of issuance.

e) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In the case where the Company, its subsidiaries or its affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.

i) Receipt by Cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

4. Conditions for exercise of the 81st, 87th, 89th, 95th, 97th, 104th, 106th, 114th, 117th, 128th, and 140th Share Acquisition Rights are as follows:

a) Holders of share acquisition rights shall exercise such rights within ten days from the date following the date on which they retire as Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates.

b) Share acquisition rights may not be inherited, unless the Board of Directors of the Company grants approval as a special case in consideration of all the circumstances.

c) Share acquisition rights may not be pawned or disposed of in any other manner.

d) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company, its subsidiaries or affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.

i) Receipt by Cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

5. Conditions for exercise of the 82nd, 85th, 90th, 93rd, 98th, and 101st Share Acquisition Rights are as follows:

a) Holders of share acquisition rights shall remain Directors (excluding Outside Directors), Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates at the time of exercising such rights; provided, however, that this shall not apply in the event where the Holders of share acquisition rights have made applications for the exercise of share acquisition rights in accordance with the procedures prescribed by the Company by the date of retirement (or by the application date immediately following the date of retirement if it is recognized that there are justifiable grounds for not being able to make the application by the date of retirement), or exceptional treatment may be allowed in this regard by the Board of Directors of the

Company in consideration of circumstances.

b) Share acquisition rights may not be inherited, unless the Board of Directors of the Company grants approval as a special case in consideration of all the circumstances.

c) Share acquisition rights may not be pawned or disposed of in any other manner.

d) Share acquisition rights may be exercised by the Holders of share acquisition rights, in whole or in part, according to the following categories.

i) The entire allotment of share acquisition rights shall not be exercised prior to the date on which one year has passed from the date of issuance.

ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the date of issuance to the date prior to the date on which two years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised prior to the date on which two years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the date of issuance to the date prior to the date on which three years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised prior to the date on which three years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 65%) may be exercised from the date on which three years have passed from the date of issuance to the date prior to the date on which four years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the date of issuance to the date on which ten years have passed from the date of issuance.

e) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company, its subsidiaries or affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.

- i) Receipt by Cash
- ii) Appropriation of shares owned by the Holders of share acquisition rights
- iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights
- iv) Other methods specified by the Company

6. Conditions for exercise of the 105th, 107th, 111th, 115th, 126th, and 138th Share Acquisition Rights are as follows:

a) Holders of share acquisition rights shall remain Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates at the time of exercising such rights; provided, however, that this shall not apply in the event where the Holders of share acquisition rights have made applications for the exercise of share acquisition rights in accordance with the procedures prescribed by the Company by the date of retirement (or by the application date immediately following the date of retirement if it is recognized that there are justifiable grounds for not being able to make the application by the date of retirement), or exceptional treatment may be allowed in this regard by the Board of Directors of the Company in consideration of circumstances.

b) Share acquisition rights may not be inherited, unless the Board of Directors of the Company grants approval as a special case in consideration of all the circumstances.

c) Share acquisition rights may not be pawned or disposed of in any other manner.

d) Share acquisition rights may be exercised by the Holders of share acquisition rights, in whole or in part, according to the following categories.

i) The entire allotment of share acquisition rights shall not be exercised prior to the date on which one year has passed from the date of issuance.

ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the date of issuance to the date prior to the date on which two years have

passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which two years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the date of issuance to the date prior to the date on which three years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which three years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 65%) may be exercised from the date on which three years have passed from the date of issuance to the date prior to the date on which four years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the date of issuance to the date on which ten years have passed from the date of issuance.

(e) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company, its subsidiaries or affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.

i) Receipt by Cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

(2) Status by Classification of the Share Acquisition Rights Held by Officers of the Company

Classification	Name	Number of Share Acquisition Rights	Number of owners
Directors	The 59th Share Acquisition Rights	234	1
	The 71st Share Acquisition Rights	565	1
	The 81st Share Acquisition Rights	1,681	3
	The 87th Share Acquisition Rights	1,065	2
	The 89th Share Acquisition Rights	976	1
	The 95th Share Acquisition Rights	886	2
	The 97th Share Acquisition Rights	1,030	3
	The 104th Share Acquisition Rights	285	1
	The 106th Share Acquisition Rights	2,121	2
	The 114th Share Acquisition Rights	577	1
	The 117th Share Acquisition Rights	3,962	3
	The 128th Share Acquisition Rights	3,383	3
	The 140th Share Acquisition Rights	2,943	3
Outside Directors	The 57th Share Acquisition Rights	18	1
	The 59th Share Acquisition Rights	114	1
	The 70th Share Acquisition Rights	21	1
	The 105th Share Acquisition Rights	179	3
	The 115th Share Acquisition Rights	128	3
	The 126th Share Acquisition Rights	355	5
	The 138th Share Acquisition Rights	571	6

Category	Name	Number of Share Acquisition Rights, etc.	Number of Holders
Audit & Supervisory Board Members	The 76th Share Acquisition Rights	3	1
	The 82nd Share Acquisition Rights	2	1
	The 85th Share Acquisition Rights	3	1
	The 90th Share Acquisition Rights	3	1
	The 93rd Share Acquisition Rights	4	1
	The 98th Share Acquisition Rights	3	1
	The 101st Share Acquisition Rights	3	1
	The 107th Share Acquisition Rights	11	1
	The 111th Share Acquisition Rights	6	1

(Notes) 1. The number of shares to be issued for the share acquisition rights above is 100 per share acquisition rights.

2. "Directors" in the above table do not include Outside Directors.

3. Share acquisition rights held by Audit & Supervisory Board Members include those granted to them while they were employees of the Company.

2. Status of the Share Acquisition Rights Issued During the Fiscal Year

(1) Summary of Contents of Share Acquisition Rights Granted to Employees of the Company and Officers and Employees of the Subsidiaries

(Millions of Yen)

Name (Resolution Date)	Number of Share Acquisition Rights	Type and Number of Shares Underlying the Rights	Issue Price	Exercise Price (Per Share)	Exercise Period
The 133rd Share Acquisition Rights (January 16, 2025)	69,268	Common stock 6,926,800	Free of charge	0.01	From February 1, 2026 to February 1, 2035
The 134th Share Acquisition Rights (January 16, 2025)	324	Common stock 32,400	Free of charge	0.01	From February 1, 2026 to February 1, 2035
The 135th Share Acquisition Rights (February 14, 2025)	7,328	Common stock 732,800	Free of charge	0.01	From March 1, 2026 to March 1, 2035
The 136th Share Acquisition Rights (February 14, 2025)	1,299	Common stock 129,900	Free of charge	0.01	From March 1, 2026 to March 1, 2035
The 137th Share Acquisition Rights (February 14, 2025)	6,229	Common stock 622,900	Free of charge	0.01	From March 1, 2025 to March 1, 2065
The 138th Share Acquisition Rights (April 15, 2025)	75,783	Common stock 7,578,300	Free of charge	0.01	From May 1, 2026 to May 1, 2035
The 139th Share Acquisition Rights (April 15, 2025)	4,771	Common stock 477,100	Free of charge	0.01	From May 1, 2026 to May 1, 2035
The 141st Share Acquisition Rights (July 16, 2025)	70,406	Common stock 7,040,600	Free of charge	0.01	From August 1, 2026 to August 1, 2035
The 142nd Share Acquisition Rights (July 16, 2025)	367	Common stock 36,700	Free of charge	0.01	From August 1, 2026 to August 1, 2035
The 143rd Share Acquisition Rights (October 16, 2025)	26,029	Common stock 2,602,900	Free of charge	0.01	From November 1, 2026 to November 1, 2035

Name (Resolution Date)	Number of Share Acquisition Rights	Type and Number of Shares Underlying the Rights	Issue Price	Exercise Price (Per Share)	Exercise Period
The 144th Share Acquisition Rights (October 16, 2025)	274	Common stock 27,400	Free of charge	0.01	From November 1, 2026 to November 1, 2035

(Notes) 1. With regard to the exercise period of share acquisition rights, if the final day of the exercise period falls on a holiday of the Company, the final day will be the working day immediately preceding the final day.

2. Conditions for exercise of the 133rd, 134th, 135th, 136th, 138th, 139th, 141st, 142nd, 143rd, and 144th Share Acquisition Rights are as follows:

a) Holders of share acquisition rights shall remain Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, its subsidiaries or affiliates at the time of exercising such rights; provided, however, that this shall not apply in the event where the Holders of share acquisition rights have made applications for the exercise of share acquisition rights in accordance with the procedures prescribed by the Company by the date of retirement (or by the application date immediately following the date of retirement if it is recognized that there are justifiable grounds for not being able to make the application by the date of retirement), or exceptional treatment may be allowed in this regard by the Board of Directors of the Company in consideration of circumstances.

b) Share acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances.

c) Share acquisition rights may not be offered for pledge or disposed of in any other way.

d) Share acquisition rights may be exercised by the Holder of share acquisition rights, in whole or in part, according to the following categories.

i) The entire allotment of share acquisition rights shall not be exercised prior to the date on which one year has passed from the date of issuance.

ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the date of issuance to the date prior to the date on which two years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which two years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the date of issuance to the date prior to the date on which three years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which three years have passed from the date of issuance, the total amount exercisable including the previously exercised portion shall be 65%) may be exercised from the date on which three years have passed from the date of issuance to the date prior to the date on which four years have passed from the date of issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction shall be discarded).

v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the date of issuance to the date on which ten years have passed from the date of issuance.

e) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company, its subsidiaries or affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.

i) Receipt by Cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

3. Conditions for exercise of the 137th Share Acquisition Rights are as follows:

- a) Holders of share acquisition rights shall exercise such rights within ten days from the date following the date on which they retire as Directors, Executive Officers, Audit & Supervisory Board Members and employees of the Company, its subsidiaries or affiliates.
- b) Share acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances.
- c) Share acquisition rights may not be offered for pledge or disposed of in any other way.
- d) The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium) specified by laws and regulations in relation to share acquisition rights and shares. In the case where the Company, its subsidiaries or affiliates is obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. shall be able to levy tax from such Holders of share acquisition rights by the methods listed below.
 - i) Receipt by Cash
 - ii) Appropriation of shares owned by the Holders of share acquisition rights
 - iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights
 - iv) Other methods specified by the Company

(2) Status by Classification of the Share Acquisition Rights Granted to Employees of the Company and Officers and Employees of the Subsidiaries

Category	Name	Number of Share Acquisition Rights	Number of Shares	Number of Grantees
Executives and employees of the Company (excluding directors of the Company)	The 133rd Share Acquisition Rights	26,518	2,651,800	9,915
	The 135th Share Acquisition Rights	835	83,500	43
	The 137th Share Acquisition Rights	6,229	622,900	56
	The 138th Share Acquisition Rights	48	4,800	2
	The 141st Share Acquisition Rights	32,953	3,295,300	9,708
Directors and executives and employees of subsidiaries of the Company (excluding directors and executives and employees of the Company)	The 133rd Share Acquisition Rights	42,750	4,275,000	6,172
	The 134th Share Acquisition Rights	324	32,400	6
	The 135th Share Acquisition Rights	6,493	649,300	59
	The 136th Share Acquisition Rights	1,299	129,900	1
	The 138th Share Acquisition Rights	75,735	7,573,500	3,211
	The 139th Share Acquisition Rights	4,771	477,100	178
	The 141st Share Acquisition Rights	37,453	3,745,300	6,380
	The 142nd Share Acquisition Rights	367	36,700	14
	The 143rd Share Acquisition Rights	26,029	2,602,900	242
	The 144th Share Acquisition Rights	274	27,400	12

Part 4. Matters Pertaining to Officers of the Company

1. Names of Directors and Audit & Supervisory Board Members

(As of December 31, 2025)

Title	Name	Responsibility within the Company and significant concurrent positions
Representative Director, Chairman, President & CEO	Hiroshi Mikitani	Chairman, President & CEO Group President of Group Company Division Representative Partner of Crimson Group LLC. Chairman & Representative Director of Rakuten Vissel Kobe, Inc. Representative Director of Japan Association of New Economy Chairman of Tokyo Philharmonic Orchestra Chairman, Representative Director & team owner of Rakuten Baseball, Inc. Chairman & Representative Director of Rakuten Medical K.K. Director of AST SpaceMobile, Inc. Representative Director & Chairman of Rakuten Mobile, Inc. Representative Director, Chairman & CEO of Rakuten Symphony, Inc. Vice Chairman of the Board and CEO of Rakuten Medical, Inc.
Representative Director and Group Executive Vice President	Kentaro Hyakuno	Group Executive Vice President Group COO & Group CCO President of Communications & Energy Company President of Ad & Media Company President of International & Sports Company Director of JP Rakuten Logistics, Inc.
Director and Group Executive Vice President	Kenji Hirose	Group Executive Vice President Group CFO
Outside Director Independent Director	Takaharu Ando	Outside Director of AMUSE INC. Outside Director of ZENSHO HOLDINGS CO., LTD. Outside Director of TOBU RAILWAY CO., LTD. Outside Director (Audit and Supervisory Committee Member) of NISSHIN SEIFUN GROUP INC.
Outside Director Independent Director	Sarah J. M. Whitley	Trustee of Foundation Scotland Chair of Edinburgh International Festival Endowment Fund
Outside Director Independent Director	Tsedal Neeley	Naylor Fitzhugh Professor of Business Administration of Harvard Business School Faculty Chair of the Christensen for Teaching and Learning of Harvard Business School Senior Associate Dean and Chair of the MBA Program of Harvard Business School

Title	Name	Responsibility within the Company and significant concurrent positions
Outside Director Independent Director	Charles B. Baxter	–
Outside Director Independent Director	Shigeki Habuka	–
Outside Director Independent Director	Takashi Mitachi	Outside Director of DMG MORI CO., LTD. Outside Director of Tokio Marine Holdings, Inc. Chief Executive Director of Ronald McDonald House Charities Japan Outside Director of SUMITOMO CORPORATION Adjunct Professor of Graduate School of Management, Kyoto University
Full-time Audit & Supervisory Board Member	Yoshito Naganuma	–
Full-time Outside Audit & Supervisory Board Member Independent Director	Futoshi Nakamura	–
Outside Audit & Supervisory Board Member Independent Director	Maki Kataoka	Outside Audit & Supervisory Board Member of SHIBAURA ELECTRONICS CO., LTD. Outside Audit & Supervisory Board Member of PENTA-OCEAN CONSTRUCTION CO., LTD.
Outside Audit & Supervisory Board Member Independent Director	Katsuyuki Yamaguchi	Outside Audit & Supervisory Board Member of FreeBit Co., Ltd. Attorney and Partner of Nishimura & Asahi (Gaikokuho Kyodo Jigyo) Chair of Nishimura & Asahi NY LLP

(Notes) 1. Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka and Takashi Mitachi are Outside Directors.

2. Futoshi Nakamura, Maki Kataoka and Katsuyuki Yamaguchi are Outside Audit & Supervisory Board Members.
3. Audit & Supervisory Board Member Maki Kataoka is a certified public accountant and has expertise in finance and accounting.
4. Director Takashi Mitachi is Adjunct Professor of Graduate School of Management, Kyoto University, and the Company pays tuition fees to the university for courses offered by the university. The ratio of fees in fiscal 2025 was less than 1% of the combined total amount of the cost of sales and the selling, general, and administrative expenses of the Company for the year.
5. Audit & Supervisory Board Member Katsuyuki Yamaguchi is Attorney and Partner of Nishimura & Asahi (Gaikokuho Kyodo Jigyo), which has a business relationship with the Company. The ratio of transactions between Nishimura & Asahi (Gaikokuho Kyodo Jigyo) and the Company in fiscal 2025 was less than 1% of the combined total amount of cost of sales and the selling, general, and administrative expenses of the Company for the year.
6. The Company has appointed Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka, Takashi Mitachi, Futoshi Nakamura, Maki Kataoka, and Katsuyuki Yamaguchi as Independent Directors stipulated by Tokyo Stock Exchange, Inc. and reported the appointments to the Tokyo Stock Exchange.

2. Summary of the Liability Limitation Agreement

In order for all Directors (excluding executive Directors, etc.) and Audit & Supervisory Board Members to fulfill their expected roles, the Company stipulates under its current Articles of Incorporation that it can conclude a liability limitation agreement with each of them, pursuant to the provisions of Article 427, Paragraph 1 of the Act. The agreement restricts their liability for damages under Article 423, Paragraph 1 of the Companies Act to the statutory limit. Accordingly, the Company has entered into such liability limitation agreements with the Directors (excluding executive Directors, etc.) and Audit & Supervisory Board Members of the Company.

3. Summary of the Indemnity Agreement

The Company has entered into indemnity agreements provided for in Article 430-2, Paragraph 1 of the Companies Act with its thirteen officers, namely, Directors Hiroshi Mikitani, Kentaro Hyakuno, Kenji Hirose, Takaharu Ando, Sarah J. M. Whitley, Tsedal Neeley, Charles B. Baxter, Shigeki Habuka, and Takashi Mitachi, and Audit & Supervisory Board Members Yoshito Naganuma, Futoshi Nakamura, Maki Kataoka, and Katsuyuki Yamaguchi, to indemnify them for the expense stipulated in Paragraph 1, Item 1 and the loss stipulated in Paragraph 1, Item 2 of the same article to the extent provided for by laws and regulations. However, in order to ensure that the appropriateness of the execution of duties by officers is not impaired by the said indemnity agreements, losses incurred due to malicious intent or gross negligence of officers are not subject to indemnification.

4. Summary of the Directors and Officers Liability Insurance Contract

The Company has entered into a directors and officers liability insurance contract provided for in Article 430-3, Paragraph 1 of the Companies Act with an insurance company. The scope of the insured under the contract is the Directors, Audit & Supervisory Board Members, Executive Officers, and employees of the Company and its subsidiaries. The contract will cover legal damages and litigation expenses to be borne by the insured in the event that a claim for damages is made due to an act (or omission) committed by the insured in his or her capacity as officer, etc. of the Company. The Company bears the entire premium for the contract. However, in order to ensure that the appropriateness of the execution of duties by the insured is not impaired, there are certain exemptions; for example, damages that the insured has caused by an act committed with the knowledge that the act is in violation of laws and regulations will not be covered.

5. Compensation of Directors and Audit & Supervisory Board Members

(1) Total Amount of Compensation for Directors and Audit & Supervisory Board Members for the Fiscal Year

Classification	Total amount of compensation (Millions of Yen)	Total amount of compensation by type (Millions of Yen)				Special compensation for retiring Executive Officer	Number of recipients
		Base compensation	Bonuses	Share options			
Directors	2,048	336	123	293	1,297	12	
(Of which, Outside Directors)	(109)	(61)	(-)	(47)	-	(7)	
Audit & Supervisory Board Members	72	72	-	-	-	4	
(Of which, Outside Audit & Supervisory Board Members)	(54)	(54)	(-)	(-)	-	(3)	
Total	2,120	408	123	293	1,297	16	

(Notes)

1. The total amount of compensation for Directors shall not exceed the maximum amount (¥1,900 million per year, including ¥200 million for Outside Directors) resolved at the 26th Annual General Shareholders' Meeting held on March 30, 2023. The number of Directors at the conclusion of this Annual General Shareholders' Meeting was twelve, including seven Outside Directors. The total amount of compensation in the table includes the amount recorded for the current fiscal year for share options, and as described in 3 and 4 below, the granting of share options has been approved separately from the above maximum amount of compensation. The amount of compensation for Directors excluding the amount recorded for share options from the total amount of compensation in the table above is within the above-mentioned maximum amount of compensation.

2. The total amount of compensation for Audit & Supervisory Board Members shall not exceed the maximum amount (¥120 million per year) resolved at the 10th Annual General Shareholders' Meeting held on March 29, 2007. The number of Audit & Supervisory Board Members at the conclusion of this Annual General Shareholders' Meeting was four.

3. With regard to the granting of share options to Directors (excluding Outside Directors), the Company resolved at the 28th Annual General Shareholders' Meeting held on March 28, 2025, to grant share acquisition rights as share options exercisable while in service (maximum 15,000 units per fiscal year) and share acquisition rights as retirement compensation share options (maximum 20,000 units per fiscal year) to Directors (excluding Outside Directors) as compensation, etc., separately from the maximum amount of compensation described in 1 above. The number of Directors (excluding Outside Directors) at the conclusion of this Annual General Shareholders' Meeting was three. The Company has granted 0 units of share acquisition rights as share options exercisable while in service and 2,943 units of share acquisition rights as retirement compensation share options to Directors (excluding Outside Directors) in the fiscal year. The details of each share acquisition right are as follows.

I. Share Acquisition Rights as share options exercisable while in service

(1) Persons to whom share acquisition rights will be allotted

Directors of the Company

(2) Class and number of shares to be issued upon exercise of share acquisition rights

The class of shares to be issued upon the exercise of share acquisition rights will be common stock of the Company, and the number of shares to be issued in each fiscal year will not exceed 1,500,000. However, if the Company splits its common stock (including allotment of its common stock without compensation; hereinafter the same will apply) or consolidates its common stock, the number of shares to be issued upon exercise of each unit of such share acquisition rights will be adjusted according to the following formula; provided that such adjustment will be made only to those that remain unexercised or uncanceled at the time of such adjustment and; provided, further, that if any fraction less than one share acquisition right arises as a result of such adjustment, such fraction shall be discarded.

Number of shares after adjustment = Number of shares before adjustment × Ratio of split or consolidation

In addition, if the Company carries out a merger, company split, share exchange, share transfer, or other action that makes it necessary to adjust the number of shares, the number of shares will be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer, or other similar actions.

(3) Total number of share acquisition rights to be issued Share acquisition rights to be issued in each fiscal year will not exceed 15,000 units.

One hundred shares will be issued for each share acquisition right; provided, however, that in the event of any adjustment in the number of shares stipulated in (2) above, the number of shares to be issued for the share acquisition rights will be adjusted accordingly.

(4) Cash payment for share acquisition rights

No cash payment is required for share acquisition rights.

Share acquisition rights are fairly issued and granted as the consideration for execution of duties and do not fall under issuance with favorable terms and conditions.

(5) Value of the assets to be contributed upon exercise of share acquisition rights

The price for one share acquisition right will be one yen.

(6) Exercise period of share acquisition rights

The exercise period will be from the date on which one year has passed from the issuance of the share acquisition rights (hereinafter "Date of Issuance") to the date on which ten years have passed from the Date of Issuance. If the final day of the exercise period falls on a holiday of the Company, the final day will be the working day immediately preceding the final day.

(7) Conditions for exercising the share acquisition rights

① Those who received an allotment of the issue of share acquisition rights (hereinafter "Holders of share acquisition rights") will remain Directors, Executive Officers, Audit &

Supervisory Board Members or employees of the Company, or its subsidiaries or affiliates at the time of exercising such rights; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances or in the event where the Holders of share acquisition rights have made applications for the exercise of share acquisition rights in accordance with the procedures prescribed by the Company by the date of retirement (or by the application date immediately following the date of retirement if it is recognized that there are justifiable grounds for not being able to make the application by the date of retirement).

- ② Share acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances.
- ③ Share acquisition rights may not be offered for pledge or disposed of in any other way.
- ④ Share acquisition rights may be exercised by the Holder of share acquisition rights, in whole or in part, according to the following categories.
 - i) The entire allotment of share acquisition rights may not be exercised prior to the date on which one year has passed from the Date of Issuance.
 - ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the Date of Issuance to the date prior to the date on which two years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).
 - iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which two years have passed from the Date of Issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the Date of Issuance to the date prior to the date on which three years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).
 - iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which three years have passed from the Date of Issuance, the total amount exercisable including the previously exercised portion will be 65%) may be exercised from the date on which three years have passed from the Date of Issuance to the date prior to the date on which four years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).
 - v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the Date of Issuance to the date on which ten years have passed from the Date of Issuance.
- ⑤ The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company and its subsidiaries and affiliates

are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. will be able to levy tax from Holders of share acquisition rights by the methods listed below.

- i) Receipt by cash
- ii) Appropriation of shares owned by the Holders of share acquisition rights
- iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights
- iv) Other methods specified by the Company

(8) Grounds and terms of acquisition of share acquisition rights

① If the General Shareholders' Meeting approves an absorption-type merger in which the Company is the absorbed company, an absorption-type company split agreement or incorporation-type company split plan in which the Company is the split company, or a share exchange agreement or share transfer plan under which the Company would become a wholly owned subsidiary, the Company may obtain new share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

② If the terms stipulated in (7) a) cease to apply to Holders of share acquisition rights before they exercise said options, the Company may obtain the share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

(9) Restriction on the acquisition of share acquisition rights by transfer

Any acquisition of share acquisition rights by transfer will require approval via a resolution of the Board of Directors of the Company.

(10) Other details of share acquisition rights

Other details of share acquisition rights will be determined by the meeting of the Board of Directors to determine the conditions of the offer of share acquisition rights.

II. Share Acquisition Rights as retirement compensation share options

(1) Persons to whom share acquisition rights will be allotted

Directors of the Company who concurrently serve as Executive Officers of the Company

(2) Class and number of shares to be issued upon exercise of share acquisition rights

The class of shares to be issued upon the exercise of share acquisition rights will be common stock of the Company, and the number of shares to be issued in each fiscal year will not exceed 2,000,000.

However, if the Company splits its common stock (including allotment of its common stock without compensation; hereinafter the same will apply) or consolidates its common stock, the number of shares to be issued upon exercise of each unit of such share acquisition rights will be adjusted according to the following formula; provided that such adjustment will be made only to those that remain unexercised or uncanceled at the time of such adjustment and; provided, further, that if any fraction less than one share acquisition right arises as a result of such adjustment, such fraction shall be discarded.

Number of shares after adjustment = Number of shares before adjustment × Ratio of split or consolidation

In addition, if the Company carries out a merger, company split, share exchange, share transfer, or other action that makes it necessary to adjust the number of shares, the number of shares will be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer, or other similar actions.

(3) Total number of share acquisition rights to be issued

Share acquisition rights to be issued in each fiscal year will not exceed 20,000 units.

One hundred shares will be issued for each share acquisition right; provided, however, that in the event of any adjustment in the number of shares stipulated in (2) above, the number of shares to be issued for the share acquisition rights will be adjusted accordingly.

(4) Cash payment for share acquisition rights

No cash payment is required for share acquisition rights.

Share acquisition rights are fairly issued and granted as the consideration for execution of duties and do not fall under issuance with favorable terms and conditions.

(5) Value of the assets to be contributed upon exercise of share acquisition rights

The price for one share acquisition right will be one yen.

(6) Exercise period of share acquisition rights

The exercise period will be from the date on which share acquisition rights are issued (hereinafter "Date of Issuance") until the date on which 40 years have passed from the Date of Issuance. If the final day of the exercise period falls on a holiday of the Company, the final day will be the working day immediately preceding the final day.

(7) Conditions for exercise of share acquisition rights

① Those who received an allotment of the issue of share acquisition rights (hereinafter "Holders of share acquisition rights"), shall exercise such rights within ten days from the date

following the date on which they retire as Directors, Executive Officers, Audit & Supervisory Board Members and employees of the Company and its subsidiaries and affiliates.

② Share acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors of the Company in consideration of circumstances.

③ Share acquisition rights may not be offered for pledge or disposed of in any other way.

④ The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company and its subsidiaries and affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. will be able to levy tax from Holders of share acquisition rights by the methods listed below.

i) Receipt by cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

(8) Grounds and terms of acquisition of share acquisition rights

① If the General Shareholders' Meeting approves an absorption-type merger in which the Company is the absorbed company, an absorption-type company split agreement or incorporation-type company split plan in which the Company is the split company, or a share exchange agreement or share transfer plan under which the Company would become a wholly owned subsidiary, the Company may obtain new share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

② If the terms stipulated in (7) a) cease to apply to Holders of share acquisition rights before they exercise said options, the Company may obtain the share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

(9) Restriction on the acquisition of share acquisition rights by transfer

Any acquisition of share acquisition rights by transfer will require approval via a resolution of the Board of Directors of the Company.

(10) Other details of share acquisition rights

Other details of share acquisition rights will be decided at the meeting of the Board of Directors of the Company to determine the conditions of the offer of share acquisition rights.

4. With regard to the granting of share options to Outside Directors, the Company resolved at the 25th Annual General Shareholders' Meeting held on March 30, 2022, to grant share acquisition rights as share options exercisable while in service (maximum 1,000 units per fiscal year) to Outside Directors as compensation, etc., separately from the maximum amount of compensation described in 1. above. The number of Outside Directors at the conclusion of this Annual General Shareholders' Meeting was five. The Company has granted 571 units of share acquisition rights as share options exercisable while in service to Outside Directors in the fiscal year. The details of such share acquisition right are as follows.

Share Acquisition Rights as share options exercisable while in service

(1) Persons to whom share acquisition rights will be allotted

Outside Directors of the Company

(2) Class and number of shares to be issued upon exercise of share acquisition rights

The class of shares to be issued upon the exercise of share acquisition rights will be common stock of the Company, and the number of shares to be issued in each fiscal year will not exceed 100,000.

However, if the Company splits its common stock (including allotment of its common stock without compensation; hereinafter the same will apply) or consolidates its common stock, the number of shares to be issued upon exercise of each unit of such share acquisition rights will be adjusted according to the following formula; provided that such adjustment will be made only to those that remain unexercised or uncanceled at the time of such adjustment and; provided, further, that if any fraction less than one share acquisition right arises as a result of such adjustment, such fraction shall be discarded.

Number of shares after adjustment = Number of shares before adjustment × Ratio of split or consolidation

In addition, if the Company carries out a merger, company split, share exchange, share transfer, or other action that makes it necessary to adjust the number of shares, the number of shares will be adjusted within a reasonable range, taking into account the conditions of the merger, company split, share exchange, share transfer, or other similar actions.

(3) Total number of share acquisition rights to be issued

Share acquisition rights to be issued in each fiscal year will not exceed 1,000 units.

One hundred shares will be issued for each share acquisition right; provided, however, that in the event of any adjustment in the number of shares stipulated in (2) above, the number of shares to be issued for the share acquisition rights will be adjusted accordingly.

(4) Cash payment for share acquisition rights

No cash payment is required for share acquisition rights.

(5) Value of the assets to be contributed upon exercise of share acquisition rights

The price for one share acquisition right will be one yen.

(6) Exercise period of share acquisition rights

The exercise period will be from the date on which one year has passed from the issuance of the share acquisition rights (hereinafter "Date of Issuance") to the date on which ten years

have passed. If the final day of the exercise period falls on a holiday of the Company, the final day will be the working day immediately preceding the final day.

(7) Conditions for exercising the share acquisition rights

① Those who received an allotment of the issue of share acquisition rights (hereinafter “Holders of share acquisition rights”) will remain Directors, Executive Officers, Audit & Supervisory Board Members or employees of the Company, or its subsidiaries or affiliates at the time of exercising such rights; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances or in the event where the Holders of share acquisition rights have made applications for the exercise of share acquisition rights in accordance with the procedures prescribed by the Company by the date of retirement (or by the application date immediately following the date of retirement if it is recognized that there are justifiable grounds for not being able to make the application by the date of retirement).

② Share acquisition rights may not be inherited; provided, however, that exceptional treatment may be allowed in this regard by the Board of Directors in consideration of circumstances.

③ Share acquisition rights may not be offered for pledge or disposed of in any other way.

④ Share acquisition rights may be exercised by the Holder of share acquisition rights, in whole or in part, according to the following categories.

i) The entire allotment of share acquisition rights may not be exercised prior to the date on which one year has passed from the Date of Issuance. ii) 15% of the allotment of share acquisition rights may be exercised from the date on which one year has passed from the Date of Issuance to the date prior to the date on which two years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).

iii) 35% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which two years have passed from the Date of Issuance, the total amount exercisable including the previously exercised portion shall be 35%) may be exercised from the date on which two years have passed from the Date of Issuance to the date prior to the date on which three years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).

iv) 65% of the allotment of share acquisition rights (if a portion of the allotment of share acquisition rights had been exercised by the date prior to the date on which three years have passed from the Date of Issuance, the total amount exercisable including the previously exercised portion will be 65%) may be exercised from the date on which three years have passed from the Date of Issuance to the date prior to the date on which four years have passed from the Date of Issuance (if a fraction less than one share acquisition right arises in the number of exercisable share acquisition rights, such fraction will be discarded).

v) The entire allotment of share acquisition rights may be exercised from the date on which four years have passed from the Date of Issuance to the date on which ten years have passed from the Date of Issuance.

⑤ The Holders of share acquisition rights have duties to pay all taxes (including but not limited to income tax, social security contributions, pensions, and employment insurance premium in all applicable jurisdictions) specified by laws and regulations in relation to share acquisition rights and shares. In cases where the Company and its subsidiaries and affiliates are obliged to levy income tax, etc., the relevant company obliged to levy income tax, etc. will be able to levy tax from Holders of share acquisition rights by the methods listed below.

i) Receipt by cash

ii) Appropriation of shares owned by the Holders of share acquisition rights

iii) Deduction from salaries, bonuses, etc. of the Holders of share acquisition rights

iv) Other methods specified by the Company

(8) Grounds and terms of acquisition of share acquisition rights

① If the General Shareholders' Meeting approves an absorption-type merger in which the Company is the absorbed company, an absorption-type company split agreement or incorporation-type company split plan in which the Company is the split company, or a share exchange agreement or share transfer plan under which the Company would become a wholly owned subsidiary, the Company may obtain new share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

② If the terms stipulated in (7)① cease to apply to Holders of share acquisition rights before they exercise said options, the Company may obtain the share acquisition rights without contribution on the date separately specified by the Company's Board of Directors.

(9) Restriction on the acquisition of share acquisition rights by transfer

Any acquisition of share acquisition rights by transfer will require approval via a resolution of the Board of Directors of the Company.

(10) Other details of share acquisition rights

Other details of share acquisition rights will be determined by the meeting of the Board of Directors to determine the conditions of the offer of share acquisition rights.

5. With regard to share options, the amount recorded as expenses during the fiscal year for share acquisition rights granted as share options is provided. Such expenses include those related to share acquisition rights granted based on the following Board of Directors resolutions including the fiscal year:

- The Board of Directors' meeting held on April 14, 2022 (Recipients: Directors (excluding Outside Directors) and Outside Directors)
- The Board of Directors' meeting held on April 13, 2023 (Recipients: Outside Directors)
- The Board of Directors' meeting held on April 12, 2024 (Recipients: Outside Directors)
- The Board of Directors' meeting held on April 15, 2025 (Recipients: Directors (excluding Outside Directors) and Outside Directors)

6. Bonuses are classified as performance-linked compensation, etc. and share options are classified as non-cash based compensation.

7. Decisions on specific details of compensation of individual Directors for the fiscal year under review has been delegated to Representative Director, Chairman, President & CEO Mr. Hiroshi Mikitani, and he has decided on the compensation within the limit of compensation resolved at the general shareholders' meeting, in accordance with the compensation policy described in (2) below. The policy and the decision-making process of compensation of the Company's Directors are subject to deliberation by the Compensation Committee, which includes Independent Outside Directors and was established in December 2025, for matters determined thereafter. For matters determined before the establishment of the Compensation Committee, explanations were provided to Independent Outside Directors at the meetings of Board of Directors and appropriate advice was obtained. The decision-making authority was delegated to Mr. Hiroshi Mikitani because he has been familiar with the Company's business since its establishment, and the individual is considered to be in the most appropriate position to see the Company's business performance as a whole from a higher perspective and evaluate the businesses each Director is in charge of.

(2) Policies on Determining the Amount of Directors' Compensation and the Calculation Method (Compensation Policies)

1) Basic Policies

The compensation for the Company's Directors is determined based on the following basic policies.

For Executive Directors, a level of compensation that is globally competitive is set to secure and maintain excellent human resources. The portion of share acquisition rights is designed to be high to promote sustainable growth of the Company by improving medium- to long-term corporate value and achieving management goals. For non-executive Directors, a level of compensation that is globally competitive is set to secure and maintain excellent human resources who will support management with global expertise.

2) Compensation Levels

We set appropriate compensation levels based on our business environment, management strategy, and human resources strategy, referencing objective market compensation survey data from external specialized institutions.

Specifically, we have implemented a globally unified compensation system. We obtain compensation levels for equivalent positions by benchmarking against comparable companies in the same industry and of similar size, both domestically and internationally. Based on this information, we determine each executive's compensation level by taking into account the individual circumstances such as the actual roles and responsibilities expected within our company. Furthermore, we apply the same method to determine compensation levels not only for our company's executives but also for critical positions throughout the entire Rakuten Group.

3) Compensation Structure

(For Executive Directors)

- a. Basic compensation (fixed, monthly payment)
- b. Performance-linked compensation (performance-linked bonuses as short-term incentive compensation, annual payment)
- c. Non-cash based compensation (stock-based compensation share option as medium to long-term incentive compensation, annual payment)
- d. Special compensation for retiring Executive Officer (eligible for directors (except for outside directors) who concurrently hold an Executive Officer position and paid upon retirement as an Executive Officer)

The ratio of basic compensation, performance-linked compensation and non-cash based compensation and special compensation for retiring Executive Officer is set based on the position and role of each Executive Director.

(For Non-executive Directors)

- a. Basic compensation (fixed, monthly payment)
- b. Non-cash based compensation (stock-based compensation share option as medium- to long-term incentive compensation, annual payment)

The ratio of basic compensation and non-cash based compensation is set based on the role of each Director.

4) Indicators and Method of Calculation of Performance-linked Compensation and Non-cash Based Compensation

(For Executive Directors)

[Indicators]

To increase awareness of the development and expansion of the Rakuten Ecosystem, multiple KPIs such as consolidated operating income (loss) of each fiscal year (note) have been selected for performance-linked compensation. They are linked to growth and profitability.

[Method of calculation]

In determining the amount of performance-linked compensation, Individual evaluations are determined based on the achievement of targets for the indicator set by the managing organization of each Executive Director. The indicator includes carbon neutrality commitment, etc. Non-cash based compensation for Executive Directors is granted with reference to the

above-mentioned indicators. The amount paid is determined based on individual evaluations and overall company performance.

(For Non-executive Directors)

Performance-linked compensation is not applicable. There are no indicators used as reference for non-cash based compensation. The Company has decided that a percentage of the total amount of compensation for each Non-executive Director shall be non-cash compensation determined based on the role of each Non-executive Director.

(Note) Consolidated operating income (loss) for the fiscal year ended December 31, 2025, is shown in “1. Business Progress and Results, Business Results for the Fiscal Year Ended December 31, 2025”.

5) Compensation Determination Process

The Company’s Board of Directors resolves the compensation policy for Directors after deliberation by the Compensation Committee, which includes Independent Outside Directors. Other decision-making processes also undergo deliberation by the Compensation Committee, which includes Independent Outside Directors. For Outside Directors as well, a fixed compensation amount is determined after deliberation by the Compensation Committee, which includes Independent Outside Directors.

The amount of individual compensation for Directors is determined by Hiroshi Mikitani, the Representative Director, Chairman, President & CEO, who is delegated this authority by the Board of Directors within the compensation limit determined at the general shareholders’ meeting and in accordance with the compensation policy. He evaluates the business each Director is in charge of while considering the Company’s overall performance and obtaining advice from Outside Directors as necessary to determine the amount of individual compensation. Thus, the Board of Directors believes that the content of individual compensation, etc. is in line with the compensation policy. The special compensation for retiring Executive Officer is calculated in accordance with internal regulations based on a resolution of the Board of Directors and is paid only to those directors (except for outside directors) who concurrently serve as Executive Officers of the Company and are permitted to receive such compensation under the said regulations.

6. Matters Concerning Outside Officers

(1) Relationship between Significant Office(s) Concurrently Held and the Company

For significant concurrent positions and relationship with the Company, please refer to the notes in "1. Names of Directors and Audit & Supervisory Board Members."

(2) Major Activities during the Fiscal Year

Classification	Name	Attendance of the meetings of the Board of Directors	Attendance of the meetings of the Audit & Supervisory Board	Major Activities and Overview of Duties that were Carried Out with Respect to Expected Roles
Outside Directors	Takaharu Ando	11 out of 11 meetings (Attendance rate 100%)	—	He offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on his wealth of experience gained from serving in various important positions in police organizations, including Commissioner General of National Police Agency, and particularly based on his wide-ranging insight into corporate governance, compliance, and risk management.
	Sarah J. M. Whitley	11 out of 11 meetings (Attendance rate 100%)	—	She offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on her wealth of experience as an investor in independent overseas asset management firms, as well as her extensive knowledge of corporate finance.
	Tsedal Neeley	11 out of 11 meetings (Attendance rate 100%)	—	She offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on her knowledge as a professor at Harvard Business School and as an Outside Director of a U.S. listed company, as well as her wide-ranging insight gained through her research on digital transformation and acculturation in companies and extensive advisory of companies worldwide.

Classification	Name	Attendance of the meetings of the Board of Directors	Attendance of the meetings of the Audit & Supervisory Board	Major Activities and Overview of Duties that were Carried Out with Respect to Expected Roles
Outside Directors	Charles B. Baxter	11 out of 11 meetings (Attendance rate 100%)	—	He offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on his extensive knowledge and wealth of experience in the Internet industry and corporate management.
	Shigeki Habuka	11 out of 11 meetings (Attendance rate 100%)	—	He offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on his wealth of experience gained from serving in various important positions in administrative agencies, including Vice-Minister for Policy Coordination of the Cabinet Office, as well as his wide-ranging insight into financial administration and external affairs.
	Takashi Mitachi	11 out of 11 meetings (Attendance rate 100%)	—	He offered advice and recommendations for ensuring the validity and appropriateness of decision-making by the Board of Directors based on his expert knowledge and wealth of experience as a management consultant.

Classification	Name	Attendance of the meetings of the Board of Directors	Attendance of the meetings of the Audit & Supervisory Board	Major Activities
Outside Audit & Supervisory Board Members	Futoshi Nakamura	11 out of 11 meetings (Attendance rate 100%)	12 out of 12 meetings (Attendance rate 100%)	He made necessary statements (questions, opinions, etc.) based on his extensive knowledge and wealth of experience gained from working in the finance and accounting section in global companies, as well as from serving as a full-time audit & supervisory board member in listed companies.
	Maki Kataoka	11 out of 11 meetings (Attendance rate 100%)	12 out of 12 meetings (Attendance rate 100%)	She made necessary statements (questions, opinions, etc.) based on her extensive expertise and wealth of experience as a certified public accountant on finance, accounting, and internal control.
	Katsuyuki Yamaguchi	11 out of 11 meetings (Attendance rate 100%)	12 out of 12 meetings (Attendance rate 100%)	He made necessary statements (questions, opinions, etc.) based on his extensive expertise and wealth of experience as a legal attorney on corporate legal affairs.

Part 5. Status of Accounting Auditor

1. Name of Accounting Auditor

EY ShinNihon LLC

2. Amount of Compensation to the Accounting Auditor for the Fiscal Year

(1) Amount of remuneration, etc. for services stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act

344 million yen

(2) Total amount of money and other financial benefits to be paid by the Company and its subsidiaries

1,075 million yen

(Notes) 1. The audit agreement between the Company and EY ShinNihon LLC does not clearly distinguish between the amount of remuneration, etc. for the accounting auditor's audit under the Companies Act and the amount of remuneration, etc. for the audit under the Financial Instruments and Exchange Act, and it is practically impossible to distinguish between them. Therefore, the amount stated in (1) above represents the total of these amounts.

2. The Audit & Supervisory Board has given its consent to the amount of remuneration, etc. of the accounting auditor after examining the content of the accounting audit plan for the fiscal year under review, including the number of audit days and personnel allocation, as explained by the accounting auditor, verifying and evaluating the audit performance of the previous fiscal year, the appropriateness of the accounting auditor's audit execution status, and scrutinizing the basis for calculating the estimates that form the premise for the remuneration.

3. Among the Company's significant subsidiaries, overseas subsidiaries are audited by certified public accountants or audit firms (including those with qualifications equivalent to these in foreign countries) other than the Company's accounting auditor (limited to those under the provisions of the Companies Act or the Financial Instruments and Exchange Act (including foreign laws equivalent to these laws)).

3. Non-Audit Services

The Company has commissioned the accounting auditor to perform non-audit services other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act, including ESG data assurance services for the Company and consulting services on financial soundness for consolidated subsidiaries, and has paid consideration for such services.

4. Policy for Deciding Dismissal or Non-Reappointment of Accounting Auditor

If the Audit & Supervisory Board recognizes that the accounting auditor falls under any of the items stipulated in Article 340, Paragraph 1 of the Companies Act, it will consider the dismissal of such accounting auditor, and if dismissal is deemed appropriate, the Audit & Supervisory Board will dismiss the accounting auditor based on the consent of all Audit & Supervisory Board Members.

In addition, if the Audit & Supervisory Board recognizes that it is difficult for the accounting auditor to properly perform its duties, or if it is otherwise deemed necessary, the Audit & Supervisory Board will determine the content of the proposal regarding the dismissal or non-reappointment of the accounting auditor to be submitted to the General Shareholders' Meeting.

Part 6. Corporate Systems and Policies

1. Systems to Ensure Proper Business Operations

The Company has resolved at the Board of Directors meeting to establish the following systems to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, as well as other systems to ensure proper business operations.

(1) System for Ensuring Directors and Employees Comply with Laws, Regulations and the “Articles of Incorporation”

Rakuten Group, Inc. has stipulated the "Rakuten Group Code of Ethics" and Rakuten Group, Inc. as well as its subsidiaries (“Rakuten Group”), shall accordingly comply with all laws and regulations and undertake business actions with a high commitment to ethics. The proper execution of duties by Directors and employees of Rakuten Group shall be absolutely ensured through: operational audits carried out by the Internal Audit Department (an independent organizational unit under the direct control of the Representative Director, Chairman and President); initiatives promoting Group-wide compliance under the leadership of the Group CCO and Company Compliance Officer appointed according to Rakuten Group, Inc.’s internal Company System structure; and by reporting the status of compliance initiatives to the Group Risk & Compliance Committee and the Board of Directors.

Moreover, Outside Directors and Audit & Supervisory Board Members including Outside Audit & Supervisory Board Members shall also thoroughly supervise and audit the execution of duties by Directors and employees. To technically and objectively verify compliance with laws, regulations and the “Articles of Incorporation”, lawyers shall also be appointed for those positions.

Additionally, compliance education about the knowledge and sense of ethics needed as a member of Rakuten Group is carried out for all executives and employees of Rakuten Group. Rakuten Group shall appropriately administer a system for internal reporting that prevents retribution against those who report and consult through establishing a point of contact for executives, current and former employees of Rakuten Group to consult and report about legal violations and other compliance issues. Rakuten Group will also collect information widely from outside the company.

(2) System for Managing and Protecting Information Related to the Execution of Duties by Directors

Any information, including written documents and digital records, regarding the execution of duties by Directors of Rakuten Group, Inc. shall be legally and properly preserved and managed in accordance with the Rakuten Group Regulations and other internal regulations. Additionally, Directors and Audit & Supervisory Board Members shall have full-time access to all information relevant to this matter.

(3) System for Risk Management

In accordance with the Group’s rules and regulations on risk management, Rakuten Group, Inc., shall: be aware of and devise/execute measures to contain risks; establish a system (i.e., PDCA cycle) with which to monitor the results of such measures; treat risks faced by its organizations in the course of business.

The Group CFO, Function CISO, Group COO, and Group CCO shall monitor the status of risks and action plans in their respective fields (i.e., finance, information security, compliance)-identified in their respective risk assessments--and treat, as needed, critical risks and those which affect the entire Group to reduce their impact and prevent materialization. The status of such risk treatment

activities shall be discussed at the Group Risk & Compliance Committee and the outcome reported to the Important Meetings. Critical risks and related measures shall be reported to management at the Rakuten Group, Inc. Board of Directors or other Important Meetings.

With regard to information and personal data management, a critical risk, the Group Information Security and Privacy Committee shall convene to report/make decisions on important measures and incidents which have occurred since the previous meeting. Furthermore, to control investment-related risks at Rakuten Group, Inc., approval by the Investment Committee must be obtained for every matter, and cases in which the investment in question exceeds established thresholds shall require approval by the Rakuten Group, Inc. Board of Directors. For the mitigation of investment-related risks at subsidiaries, certain investment projects shall be subject to discussion by the Rakuten Group, Inc.'s Investment Committee and the Rakuten Group, Inc. Board of Directors, or are reported to Rakuten Group, Inc., based on predetermined criteria depending on the nature, the scale of the project, or whether such subsidiaries are listed or unlisted, etc.

The Internal Audit Department shall independently audit the compliance status of Rakuten Group, Inc., and its subsidiaries with laws and internal regulations and periodically report its findings to the Rakuten Group, Inc. Board of Directors.

(4) System Allowing Directors to Efficiently Carry Out their Duties

An appropriate and efficient decision making system to allow Directors of Rakuten Group to execute their duties shall be formulated based on the Rakuten Group Regulations, and other internal regulations. Moreover, transparency and speed in decision making shall be sought by promoting online internal procedures.

Prompt and flexible decision-making and execution of duties shall be promoted by having Executive Officers, who were appointed by the Board of Directors, perform duties under the control of Directors.

(5) System to Report Financial Information Appropriately

A system shall be developed to ensure appropriate operations for financial reporting related to the disclosure of management information, financial information, etc. In addition, generally accepted accounting practices, and timely disclosure based on "Financial Instruments and Exchange Act" and other applicable domestic and foreign laws and regulations shall be conducted and effectiveness of these shall be evaluated accordingly.

(6) System for Rakuten Group to Engage Only in Appropriate Business Practices

In order to realize unified Group management, Rakuten Group, Inc. stipulates Rakuten Group Regulations and other internal regulations dealing with company ideals, group governance, company management, risk management, compliance, etc. Regarding the execution of subsidiaries' significant duties, Rakuten Group shall administer a system for approval or reporting to Rakuten Group, Inc based on the Rakuten Group Authority Table, Rakuten Group Guidelines and agreements with such subsidiaries, in consideration of whether such subsidiaries are listed or unlisted, etc. The Rakuten Group Regulations protect the independence of the subsidiaries while also creating the needed framework for business operations which is followed by the entire Rakuten Group.

In addition, the Internal Audit Department, which is an independent organization under the Representative Director, Chairman and President, ensures the appropriateness of operations by having a strong relationship with the organizational unit-in-charge of internal audit of each subsidiary and by conducting internal audits on Rakuten Group as a whole.

(7) Requests from Audit & Supervisory Board Member for Employees' Assistance and Employees' Independence from Directors

To assist the duties of Audit & Supervisory Board Members, the Audit & Supervisory Board Members Office is established under the Audit & Supervisory Board, and the Audit & Supervisory Board Members may give orders to employees belonging to the Audit & Supervisory Board Members Office as the need arises. Additionally, when employees assist Audit & Supervisory Board Members, the effectiveness of the orders from Audit & Supervisory Board Members shall be ensured by employees of the Audit & Supervisory Board Members Office not receiving orders from Directors and by requiring approval from the Audit & Supervisory Board Members for such employees' transfer and performance assessments.

(8) System for Directors and Employees to Report to Audit & Supervisory Board Members and for Audit & Supervisory Board Members to Carry Out Effective Audits

Directors and employees of Rakuten Group shall give all legally required reports to Audit & Supervisory Board Members and provide additional necessary reports and information if the Audit & Supervisory Board Member requests it. Rakuten Group, Inc. will ensure the effectiveness of audits through prohibiting retribution for reporting against those who report to the Audit & Supervisory Board Members. Additionally, if Rakuten Group, Inc. receives a request for prepayment of expenses or repayment from Audit & Supervisory Board Members, it shall pay the expense or debt promptly unless the expenses are proved not to be necessary for the execution of the Audit & Supervisory Board Member's duty.

2. Overview of the Operational Status of Systems to Ensure Proper Business Operations

During the fiscal year under review, operations were conducted in accordance with the aforementioned "Systems to Ensure Proper Business Operations," and the main initiatives are as follows.

(1) System for compliance

i) The Company has established a reporting system between the Group CCO and each Company Compliance Officer based on an internal Company System. Through this, the Company maintains and strengthens a system for compliance across the Group. Under this system, the Company held four meetings of the Group Risk and Compliance Committee comprising the Group CCO, Company Compliance Officers, etc., from January to December 2025. At these meetings, reports were made, and discussions were held on promotion of effective compliance at the Group level, reports on responses to important risks and compliance-related matters, sharing of best practices, and proposals of compliance management strategies.

ii) In May 2006, the Rakuten Group Code of Ethics was established, and employee training has been conducted on an ongoing basis to ensure employees are well-informed about its spirit. Specifically, Rakuten Group has carried out morning meetings focused on compliance and business ethics; provided company-wide compliance and business ethics training; delivered for role-specific training, including for new hires and managers; offered education on key internal rules; and required all employees to sign compliance pledges affirming adherence to internal regulations.

iii) The Company has stipulated Rakuten Group's internal whistleblower system in the Rakuten Group Guidelines, and the system is operating in Japan and overseas Group Companies. The status of whistleblower reports at the Company's internal whistleblowing contact point has been reported to the Board of Directors and Audit & Supervisory Board Members.

(2) System for risk management

i) Rakuten Group has formulated the Group Regulations on Risk Management, etc., and developed risk management systems by establishing a cycle of appropriate risk identification, development, and implementation of risk mitigation measures, and monitoring of the results (the so-called "PDCA cycle"). The status of response to particularly major risks is reported to the management at Board of Directors meetings or at other relevant bodies for consultation. The status of measures against Group-wide risks is reported to and discussed at the Group Risk and Compliance Committee that is held four times a year. Furthermore, regarding information management, which is one of the major risks, a system has been established in accordance with the requirements of the Information Security Management Systems (ISMS).

We will remain committed to enhancing risk management systems, which contribute to management decision-making and business operation, while carrying on our current activities."

ii) A meeting of the Investment Committee, which consists of members including external experts, is held on a monthly basis, in principle, at the Company in order to examine new investment

proposals within Rakuten Group. Additionally, proposals involving major investments exceeding certain thresholds are approved and resolved at the Board of Directors of Rakuten Group, Inc.

iii) For important matters concerning Rakuten Group, we ensure that the summaries and key discussion points are shared and deliberated upon in advance with Directors and Audit & Supervisory Board Members before being submitted to the Board of Directors, thereby aiming to improve the quality of deliberations and ensure appropriate decision-making at Board of Director meetings.

(3) System for financial reporting

i) Accounting Auditors conduct accounting audits based on the Companies Act and the Financial Instruments and Exchange Act, for the Company as well as its main subsidiaries. The Company and the Accounting Auditors mutually exchange opinions and share information on a regular basis, while sharing internal audit results, as necessary.

Meanwhile, the Company has prepared Group Accounting Policies in accordance with International Financial Reporting Standards (IFRS Accounting Standards), by which the Company properly conducts its accounting and prepares consolidated financial statements.

With respect to timely disclosure of corporate information, the Company ensures prompt and adequate disclosure based on the timely disclosure guidelines specified by Tokyo Stock Exchange, Inc., and Rakuten Group Regulations, as well as other internal regulations.

ii) In an effort to enhance the reliability of our financial reporting, information including: the annual assessment plan; progress status of the assessment; results of the assessment of effectiveness of internal controls over financial reporting at Rakuten Group are all reported to the Board of Directors and Officers in charge, in accordance with the document, "On the Revision of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)" (Business Accounting Council)."

(4) System to ensure effectiveness of audit by Audit & Supervisory Board Members

The Company ensures the effective execution of audits by Audit & Supervisory Board Members by streamlining the framework for providing reports and information to Audit & Supervisory Board Members, such as by the establishment of the Audit & Supervisory Board Members Office as an organizational unit which assists Audit & Supervisory Board Members in executing their duties.

3. Policy on Determination of Dividends and Other Distributions

Based on our financial policy of ensuring financial soundness in light of the Company's current financial situation, we have been actively pursuing various fundraising methods not solely reliant on interest-bearing debt, thereby securing funds for investment in growth businesses while also working to reduce our interest-bearing debt balance. For the current fiscal year as well, we believe that restraining cash outflows through dividends will lead to the stability of the Company's financial foundation and, ultimately, to the enhancement of shareholder value. Accordingly, at the Board of Directors meeting held on February 12, 2026, we resolved not to pay dividends for the current fiscal year.

Regarding our dividend policy, our basic approach is to pay dividends in a stable and continuous manner, taking into account investments for medium- to long-term growth and the enhancement of internal reserves to stabilize our financial foundation. There is no change to this policy going forward. The timing of dividend resumption from the fiscal year ending December 31, 2026 onward is undecided at this time, but we will endeavor to resume dividends in a timely and appropriate manner as we work toward achieving consolidated profitability and reducing interest-bearing debt.

(Reference) Transition of Dividends per Share

(Yen)

	26th Fiscal Year (January 1, 2022 - December 31, 2022)	27th Fiscal Year (January 1, 2023 - December 31, 2023)	28th Fiscal Year (January 1, 2024 - December 31, 2024)	29th Fiscal Year (January 1, 2025 - December 31, 2025)
Dividends per share	4.50	0.00	0.00	0.00

(Note) Unless otherwise noted, amounts stated in this Business Report are rounded to the nearest unit.

Consolidated Financial Statements

Consolidated Statement of Financial Position (As of December 31, 2025)

(Millions of Yen)

Assets		Liabilities and Equity	
Cash and cash equivalents	5,837,566	Liabilities	
Accounts receivable – trade	443,557	Accounts payable – trade	553,582
Financial assets for securities business	6,035,176	Deposits for banking business	12,741,293
Loans for credit card business	3,662,676	Financial liabilities for securities business	6,028,009
Investment securities for banking business	2,567,328	Derivative liabilities	77,087
Loans for banking business	5,440,459	Bonds and borrowings	1,598,052
Investment securities for insurance business	202,745	Borrowings for securities business	269,228
Derivative assets	276,706	Bonds and borrowings for credit card business	810,559
Investment securities	491,145	Borrowings for banking business	2,891,783
Other financial assets	1,115,534	Other financial liabilities	1,551,575
Investments in associates and joint ventures	27,104	Income tax payable	43,687
Property, plant and equipment	1,068,509	Provisions	390,956
Intangible assets	1,079,201	Insurance contract liabilities	136,350
Deferred tax assets	71,912	Employee retirement benefit liabilities	48,958
Other assets	484,782	Deferred tax liabilities	79,765
Total assets	28,804,400	Other liabilities	229,284
		Total liabilities	27,450,168
		Equity	
		Equity attributable to owners of the Company	992,402
		Common stock	459,508
		Capital surplus	658,458
		Other equity instruments	479,661
		Retained earnings	(1,036,141)
		Treasury stock	(5)
		Other components of equity	430,921
		Non-controlling interests	361,830
		Total equity	1,354,232
		Total liabilities and equity	28,804,400

(Note) Amounts are rounded to the nearest million yen.

Consolidated Statement of Income

(Year ended December 31, 2025)

(Millions of Yen)

Item	Amount
Continuing operations	
Revenue	2,496,575
Operating expenses	2,399,167
Other income	19,005
Other expenses	102,031
Operating income	14,382
Financial income	63,357
Financial expenses	99,403
Share of losses of investments in associates and joint ventures	(7,886)
Loss before income tax	(29,550)
Income tax expenses	93,663
Net loss	(123,213)
Net loss attributable to:	
Owners of the Company	(177,886)
Non-controlling interests	54,673
Net loss	(123,213)

(Note) Amounts are rounded to the nearest million yen.

Balance Sheet (J-GAAP) (As of December 31, 2025)

Millions of Yen

Assets		Liabilities	
Items	Amounts	Items	Amounts
Current assets	1,714,266	Current liabilities	1,477,675
Cash and deposits	397,331	Accounts payable – trade	45,469
Accounts receivable – trade	143,779	Commercial papers	42,400
Merchandise	18,385	Short-term borrowings	36,612
Supplies	193	Current portion of bonds	65,000
Prepaid expenses	14,653	Accounts payable – other	451,358
Accounts receivable – other	431,041	Accrued expenses	41,402
Income tax refund receivable	1,843	Advances received	6,728
Short-term loans to subsidiaries and associates	559,697	Deposits received	404,905
Other	147,802	Provision for point program	361,065
Allowance for doubtful accounts	(461)	Provision for bonuses	6,361
Non-current assets	3,077,006	Provision for shareholder benefit program	8,161
Property, plant and equipment	63,527	Suspense receipt	1,451
Buildings	21,936	Other	6,758
Machinery, equipment and vehicles	201	Non-current liabilities	1,736,657
Tools, furniture and fixtures	14,817	Bonds	1,574,493
Land	13,696	Long-term borrowings	82,667
Construction in progress	11,569	Provision for retirement benefits	29,433
Other	1,305	Provision for retirement benefits for directors	801
Intangible assets	110,039	Provision for shareholder benefit program	3,919
Goodwill	1,106	Provision for loss on litigation	7,114
Patent rights	1,269	Asset retirement obligations	12,338
Trademark rights	308	Other	25,888
Software	91,373	Total liabilities	3,214,333
Software in progress	14,592	Net Assets	
Other	1,389	Shareholders' equity	1,522,708
Investments and other assets	2,903,439	Common stock	459,508
Investment securities	48,336	Capital surplus	427,405
Shares of subsidiaries and associates	2,643,195	Legal capital surplus	427,044
Investments in capital of subsidiaries and associates	4,968	Other capital surplus	361
Long-term loans to subsidiaries and associates	4,869	Retained earnings	635,799
Bankruptcy and reorganization claims	5,547	Other retained earnings	635,799
Long-term prepaid expenses	1,057	Retained earnings brought forward	635,799
Guarantee deposits	10,142	Treasury stock	(5)
Deferred tax assets	166,244	Valuation and translation adjustments	10,006
Other	25,856	Net unrealized gains on investment securities	10,006
Allowance for doubtful accounts	(6,777)	Share acquisition rights	44,224
Total assets	4,791,273	Total net assets	1,576,939
		Total liabilities and net assets	4,791,273

(Note) The figures have been rounded down to the nearest million.

Income Statement (J-GAAP) (Year ended December 31, 2025)

(Millions of Yen)

Items	Amounts
Net sales	967,393
Cost of sales	266,222
Gross profit	701,170
Selling, general and administrative expenses	631,151
Operating income	70,018
Non-operating income	
Interest income	19,951
Dividend income	36,078
Foreign exchange gains	2,123
Others	2,345
Total non-operating income	60,498
Non-operating expenses	
Interest expenses	76,717
Commission expenses	8,732
Loss on debt forgiveness of subsidiaries and associates	18,567
Others	354
Total non-operating expenses	104,371
Ordinary income	26,146
Extraordinary income	
Gain on sales of property, plant and equipment	71
Gain on offset of assets and liabilities	21,222
Gain on sales of investment securities	8
Gain on liquidation of subsidiaries and associates	209
Others	0
Total extraordinary income	21,512
Extraordinary losses	
Loss on disposal of property, plant and equipment	840
Impairment losses	24,651
Provision for loss on litigation	7,114
Loss on valuation of shares of subsidiaries and associates	41,342
Loss on redemption of bonds	247
Others	433
Total extraordinary losses	74,630
Loss before income taxes	(26,971)
Income taxes - current	11,436
Income taxes - deferred	(12,652)
Total income taxes	(1,216)
Net loss	(25,754)

(Note) The figures have been rounded down to the nearest million.