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November 14, 2024
 SBI Holdings, Inc.
 (TOKYO: 8473)
 SBIFS GK

Notice Concerning Commencement of Tender Offer for Share Certificates, etc. of SBI FinTech Solutions Co., Ltd.

We are hereby announcing that at a meeting of its Board of Directors held today, SBI FINANCIAL SERVICES Co., Ltd. (hereinafter referred to as “SBIFS”), a wholly owned subsidiary of SBI Holdings, Inc. (hereinafter referred to as “SBIHD”), has resolved to acquire common shares (hereinafter referred to as “Target Company Common Shares”) of SBI FinTech Solutions Co., Ltd. (hereinafter referred to as the “Target Company”) and the Korean Depository Receipts issued in the Republic of Korea (hereinafter referred to as “Korea”) by the Korea Securities Depository (hereinafter referred to as “KSD”) with the Target Company Common Shares as underlying assets and listed on the KOSDAQ market (hereinafter referred to as “KOSDAQ”) of the Korea Exchange (hereinafter referred to as the “Target Company KDRs”; the Target Company Common Shares and the Target Company KDRs are hereinafter collectively referred to as the “Target Company Share Certificates, etc.”) via SBIFS GK (hereinafter referred to as the “Tender Offeror”), in which SBIFS owns all equity, through a tender offer (hereinafter referred to as the “Tender Offer”; the Tender Offeror’s tender offer for the Target Company KDRs in Korea concurrently with the Tender Offer (hereinafter referred to as the “Korean Tender Offeror”) and the Tender Offer are collectively referred to as the “Japan-Korea Tender Offer”) under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; hereinafter referred to as the “Act”).

Overview of SBIFS GK

Location	1-6-1 Roppongi, Minato-ku, Tokyo
Title and name of representative	Representative Member: SBI FINANCIAL SERVICES Co., Ltd. Executive Manager: Takahiro Suzuki
Business details	<ol style="list-style-type: none"> 1. Consulting services concerning business management in general and public stock offerings 2. Acquisition, holding, and management of securities 3. Credit granting, including financing, guarantee and debt factoring, and intermediary and brokering services for credit granting 4. Financial services 5. Management guidance to various related companies 6. Agency businesses for non-life insurance and solicitation businesses for life insurance 7. Advertising business 8. Real estate business 9. Developing and maintaining online financial service systems 10. Conducting marketing research and collecting and analyzing various types of information 11. Information provision services using the Internet for housing and automobile loans and other information 12. Information search services using the Internet for housing and automobile loans and other information

	13. Accepting contract applications via the Internet for loans, including housing and automobile loans, and agency and consulting services for such loans 14. All business incidental or related to the preceding items 15. All other business
Stated Capital	1,000,000 yen

This document constitutes disclosure by SBIHD pursuant to the Securities Listing Regulations and also constitutes public announcement pursuant to Article 30(1)(iv) of the Order for Enforcement of the Financial Instruments and Exchange Act (Ordinance No. 321 of 1965; as amended; hereinafter referred to as the “Order”) based on a request by the Tender Offeror to SBIHD (the wholly-owning parent of the Tender Offeror).

Details

1. Purpose, etc. of Purchase, etc.

(1) Overview of Tender Offer

The Tender Offeror is a godo kaisha (limited liability company) incorporated on January 19, 2023. All equity in it is owned by SBIFS, a wholly owned subsidiary of SBIHD and a holding company to consolidate and manage the financial services business of the corporate group (hereinafter referred to as the “SBI Group”) consisting of SBIHD, SBIHD’s subsidiaries (689 companies as of September 30, 2024) and equity method affiliates (60 companies as of that date). Since the Tender Offeror, which is a wholly owned subsidiary of SBIFS, holds shares in affiliated companies in the financial services business of the SBI Group, and the Target Company is engaged in the financial services business, the decision was made to have the Tender Offeror be the entity carrying out the Tender Offer. As of today, the Tender Offeror and its parent company, SBIFS, do not own any Target Company Share Certificates, etc., but as of today, SBIHD, the ultimate parent company of the Tender Offeror, owns 17,853,131 Target Company KDRs (ownership ratio (note 1): 77.48%), and has the Target Company as its consolidated subsidiary. The Tender Offeror and SBIHD have reached an agreement (hereinafter referred to as the “Share Transfer, etc. Agreement”) that after successful completion and settlement of the Japan-Korea Tender Offer, SBIHD will convert all 17,853,131 Target Company KDRs that it owns to 17,853,131 Target Company Common Shares (ownership ratio: 77.48%) and transfer them to the Tender Offeror, either by means of a transfer of shares or by an equity investment in kind. The specific timing, methods, and terms of this transfer have not yet been decided, and it is planned that they will be determined after the successful completion of the Japan-Korea Tender Offer. For an overview of the Share Transfer, etc. Agreement, see “(3) Material agreements concerning the Japan-Korea Tender Offer” below.

(Note 1) “Ownership Ratio” means the ratio of the 17,853,131 Target Company Common Shares corresponding to 17,853,131 Target Company KDRs held by SBIHD to the number of shares (23,041,922 Target Company Common Shares)(the Target Company holds 1,010,618 Target Company KDRs as treasury shares, so 1,010,618 shares were deducted as treasury shares) obtained by subtracting the number of treasury shares (1,010,618 shares) held by the Target Company as of September 30, 2024 from the total number of issued shares of the Target Company (24,052,540 Target Company Common Shares) as of the same date, as stated in the 14th Semi-Annual Report (hereinafter referred to as the “Target Company Semi-Annual Report”) filed by the Target Company on November 13, 2024 (rounded to two decimal places; the same hereinafter in calculation of the Ownership Ratio).

As part of a transaction (hereinafter referred to as the “Transaction”) aimed at making the Target Company a wholly owned subsidiary with SBIHD and the Tender Offeror (hereinafter collectively referred to as the “Tender Offeror, etc.”) as the only shareholders of the Target Company by acquiring all Target Company Share Certificates, etc. (excluding the Target Company Share Certificates, etc. owned by SBIHD and the treasury shares owned by the Target Company; the same hereinafter), the Tender Offeror has decided today to conduct the Japan-Korea Tender Offer at a price of 5,000 won (Note 2)

per Target Company Common Share (hereinafter referred to as the “Tender Offeror’s Tender Offer Price Per Target Company Common Share”) and per Target Company KDR (hereinafter referred to as the “Tender Offeror’s Tender Offer Price Per Target Company KDR”); the “Tender Offeror’s Tender Offer Price Per Target Company Common Share” and the “Tender Offeror’s Tender Offer Price Per Target Company KDR” are hereinafter together referred to as the “Tender Offer Price”) respectively.

(Note 2) Although the Tender Offer Price is denominated in Korean won, it would be difficult to settle the payment for the Target Company Share Certificates, etc. tendered in the Tender Offer in Japan market in Korean won, so in the Tender Offer, the Korean won will be converted into yen to settle the sale price to the shareholders, etc. of the Target Company who wish to tender their shares in the Tender Offer (hereinafter referred to as the “Tendering Shareholders, etc.”). Specifically, (i) 5,000 won, the Tender Offeror’s Tender Offer Price Per Target Company Common Share, will (ii) be converted into yen based on the middle exchange rate for conversion Korean won to Japanese yen (rounded to the nearest whole number) at MUFG Bank, Ltd. as of January 6, 2025, the business day preceding the last day of the period for the purchase, etc. in the Tender Offer (hereinafter referred to as the “Tender Offer Period”) (if the Tender Offer Period is extended, the business day preceding the last day after the extension), and further, (iii) without delay on or after the commencement date of settlement in accordance with the instructions of the Tendering Shareholders, etc. (in the case of shareholders residing in foreign countries (including shareholders that are corporations; hereinafter referred to as “Foreign Shareholders”), their standing proxies), the amount obtained by multiplying such yen-converted amount by the number of Target Company Common Shares purchased from the Tendering Shareholders, etc. will be either be remitted from SBI SECURITIES Co., Ltd., the tender offeror agent, to the location designated by Tendering Shareholders, etc. (in the case of Foreign Shareholders, their standing proxies) or paid to the account of the Tendering Shareholders, etc. whose tenders were accepted by the tender offer agent.

The Tender Offer and the Korean Tender Offer, which will be conducted in Korea in parallel with the Tender Offer, will be carried out as part of the Transaction. As stated above, as of today, all of the Target Company Common Shares are owned by KSD, and since the Target Company KDRs are Korean Depositary Receipts issued by KSD with the Target Company Common Shares as the underlying assets and listed on KOSDAQ, the Tender Offeror has decided to conduct the Korean Tender Offer for the purpose of acquiring all of the Target Company KDRs (excluding the Target Company KDRs owned by SBIHD and Target Company KDRs owned by the Target Company). Therefore, the Tender Offeror has not set a maximum number of shares to be purchased in the Korean Tender Offer. In addition, the Tender Offeror believes that setting a minimum number of shares to be purchased in the Korean Tender Offer would make the successful completion of the Korean Tender Offer unstable and might not contribute to the interests of minority shareholders holding the Target Company KDRs who would wish to tender their shares in the Korean Tender Offer, so the Tender Offeror has not set a minimum number of shares to be purchased and will purchase all of the tendered Target Company KDRs.

The Target Company KDRs fall under “share certificates, etc.” (the main paragraph of Article 27-2(1) of the Act, Article 6(1)(v) of the Ordinance, and Article 2 of the Cabinet Ordinance with respect to Disclosure of a Tender Offer for Share Certificates, Etc. by an Offeror other than the Issuing Company (Ministry of Finance Ordinance No. 38 of 1990, as amended; hereinafter referred to as the “Cabinet Ordinance”) and the Target Company is obligated to file securities reports with respect to the Target Company KDRs (Article 24(1)(iv) of the Act and Article 3-6(6)(i) of the Order), so the compensated acquisition of Target Company KDRs outside the Japanese stock exchange financial instruments market through the Korean Tender Offer constitutes a “purchase, etc.” of share certificates, etc., and since thereafter the Ownership Ratio of Share Certificates, etc. will exceed 5% (Article 27-2(1)(i) of the Act), the Target Company KDRs will be subject to the purchase, etc. Additionally, with regard to the Target Company KDRs, each Target Company KDR is convertible into one share of Target Company Common Shares pursuant to the depository agreement for the Target Company Common Shares between the Target Company and KSD, and the Ownership Ratio of Share Certificates, etc. of the Tender Offeror and its specially related party SBIHD after the Tender Offer will be two-thirds or more, so the Tender Offeror will have an obligation to conduct a

solicitation for all shares (Article 27-2(5) of the Act and Article 8(v)(iii) of the Order), and as a result, the Tender Offeror decided to make the Target Company Common Shares subject to the purchase etc. as with the Target Company KDRs and to conduct the Tender Offer in parallel with the Korean Tender Offer.

The Tender Offeror has not set a maximum or minimum number of shares to be purchased in the Korean Tender Offer, and since the Tender Offer will be conducted as part of the Transaction for the purpose of acquiring all of the Target Company Share Certificates, etc., the Tender Offeror has not set a maximum number of shares to be purchased in the Tender Offer either. The Tender Offeror also believes that if a minimum number of shares to be purchased in the Tender Offer has been set, and the number of tendered Target Company Common Shares is less than the minimum number of shares to be purchased, the Target Company KDRs cannot be purchased in the Korean Tender Offer, which could make the successful completion of the Korean Tender Offer unstable and might not be in the interests of minority shareholders holding Target Company KDRs who wish to tender their shares in the Korean Tender Offer, so the Tender Offer has not set a minimum number of shares to be purchased in the Tender Offer and will purchase all of the tendered Target Company Common Shares.

Since the Target Company is a Japanese kabushiki kaisha (stock company), the squeeze-out of the minority shareholders of the Target Company must be conducted pursuant to the Companies Act (Act No. 86 of 2005, as amended; the same hereinafter), as stated in “(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” below. On the other hand, the Target Company KDRs are listed on KOSDAQ, and while companies listed on KOSDAQ can delist at their discretion under Article 22 of the KOSDAQ Listing Rules, there is no clear standard for the shareholding ratio of the controlling shareholder, which is the criteria for delisting, and the guidance (Note 3) from Korea Exchange (hereinafter referred to as “KRX”) has also not indicated a clear standard for the shareholding ratio of the controlling shareholder, which is the criteria for delisting.

(Note 3) Under the delisting criteria for the KOSPI market, a minimum of 95% of voting rights is required, and it is impossible to rule out the possibility that KRX may require a level close to 95% of voting rights in the Transaction, which has the objective of delisting from KOSDAQ, so the Tender Offeror, etc.’s understanding is that it is desirable to acquire at least 95% of the voting rights in order to reliably carry out delisting from KOSDAQ.

However, the Tender Offeror, etc. aims to make the Target Company a wholly owned subsidiary through the Transaction, and in five instances of delisting on KOSDAQ in the last five years, delisting was permitted by KRX if the controlling shareholder acquired 90% or more of the voting rights, so if, despite the Tender Offer being completed successfully, the Tender Offeror does not acquire 2,884,599 Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (Ownership Ratio: 12.52%; Ownership Ratio of 90.00% taking SBIHD’s current holdings into account) including the Korean Tender Offer, additional Target Company Share Certificates, etc. are planned to be acquired until an Ownership Ratio of 90.00%, taking into account SBIHD’s current holdings of Target Company Share Certificates, etc., is reached. For details, see “(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” below.

In addition, the Tender Offeror, etc. intends to make the Tender Offeror, etc. the sole shareholders of the Target Company through the Transaction. The Target Company KDRs are listed on KOSDAQ as of today, but as described in “(6) Likelihood of delisting and reasons therefor” below, depending on the result of the Japan-Korea Tender Offer, they may be delisted after going through the prescribed procedures, and if the respective procedures described in “(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” below are implemented after the completion of the Japan-Korea Tender Offer, they will be delisted after going through the designated procedures. If not all Target Company Share Certificates, etc. are acquired in the Japan-Korea Tender Offer and the Target Company KDRs are delisted, the Tender Offeror plans to acquire all of the Target Company Share Certificates, etc. by implementing a series of procedures (hereinafter referred to as the “Squeeze-Out Procedures”) to make the Tender Offeror, etc. the sole shareholders of the Target Company as

described in “(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” below.

According to the Target Company, the Target Company passed a resolution at a meeting of its Board of Directors held today to express its opinion in favor of the Japan-Korea Tender Offer and recommend that the holders of the Target Company Share Certificates, etc. tender their shares in the Japan-Korea Tender Offer.

(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer

① Background, Purpose and Decision-Making Process of the Decision to Implement the Tender Offer

SBIIHD was established in July 1999 as a subsidiary of SOFTBANK FINANCE CORPORATION (currently SoftBank Corp.) under the trade name SOFTBANK INVESTMENT CORPORATION to conduct venture capital business. Its shares were listed on the Osaka Exchange NASDAQ Japan Market in December 2000 and subsequently on the First Section of the Tokyo Stock Exchange in February 2002. Due to the revision of the market classification of the Tokyo Stock Exchange in April 2022, it is currently listed on the Prime Market of the Tokyo Stock Exchange. In June 2003, through a merger with E*TRADE Japan K.K., E*TRADE SECURITIES Co., Ltd. (currently SBI SECURITIES Co., Ltd. (hereinafter referred to as “SBI Securities”)) became its subsidiary. In July 2005, the company changed its name to SBI Holdings, Inc., split off its fund management business, etc. and transferred them to SBI VENTURES K.K. and changed its trade name to SOFTBANK INVESTMENT CORPORATION (currently SBI Investment Co., Ltd.). In August 2006, the capital relationship with SoftBank Corp. was terminated, which has remained the case up to the present.

The SBI Group carries out as its core businesses “financial service business” centered around securities business, banking business, and insurance business; “asset management business”, which provides investment management and investment advice, including the establishment, offering, and management of investment trusts; “investment business” centered on private equity business managing venture capital funds, etc., and “crypto asset business” operating crypto asset exchange business, etc.; and “next generation business” which includes bio/healthcare & medical informatics business and business working on advanced Web 3-related fields. Additionally, in order to contribute directly to “regional revitalization,” which is a national strategy, the SBI Group is attempting to revitalize regional economies by contributing to the enhancement of the profitability of regional financial institutions and local companies through providing products and services owned by SBI Group companies and portfolio companies of funds managed by the SBI Group, and focusing on promoting the expansion of the SBI Group’s business foundation.

The SBI Group carries out these various businesses through its subsidiaries, and the Tender Offeror was incorporated as a subsidiary of SBIFS on January 19, 2023, under the trade name SBIFS GK for the purpose of holding shares of some subsidiaries in the financial services business.

On the other hand, according to the Target Company, the Target Company was established in April 2011 under the trade name AXES Holdings, Co., Ltd. through a joint share transfer between ZERO Co., Ltd. (currently AXES Payment Co., Ltd.) and ZEUS Co., Ltd., which are SBI Group companies operating payment services business. Subsequently, in June 2012, the company changed its name to SBI AXES Co., Ltd., was listed on KOSDAQ in December 2012, and in March 2017, the Target Company made SBI Business Solutions Co., Ltd., which was then a company in the SBI Group, a wholly-owned subsidiary. In July 2017, it changed its name to SBI FinTech Solutions, Co., Ltd. in August 2017, it established SBI Cosmoney Co., Ltd. as a joint venture with a Korean company whose main business is small international money transfers in Korea. It commenced business in March 2018, and the Target Company transformed into a comprehensive FinTech solutions company that, in addition to payment services, also offers international money transfer services, social lending services, back-office support cloud services, etc.

As of today, the Target Company group consists of the Target Company, nine consolidated subsidiaries, and one equity-method affiliate (hereinafter, collectively referred to as the “Target Company Group”), and under the corporate philosophy of “creating new value as a customer-centric innovator of financial services” under the keyword of FinTech, the company is developing and providing services to meet various needs that cannot be met by existing financial

institutions, such as providing finance services that utilize payment transaction data, international money transfer services enabling 24-hour money transfers, and cloud-based invoice management systems that support more efficient back-office operations. In addition, along with the creation of demand as a result of the relaxation of various regulations and law reforms, the external environment and social structure are undergoing drastic changes due to the COVID-19 pandemic, and within these circumstances, the company's basic management strategy is to provide innovative services that meet customer needs by utilizing FinTech technology in new areas of high latent demand that have arisen.

The details of the Target Company Group's business are as follows.

(1) Payment Service Business

The business provides three services: online payment services for e-commerce businesses to support the introduction of one-stop payment methods, brick-and-mortar store payment services that handle credit card payments for restaurants and apparel stores, and financial solution services that provide factoring, primarily for medicine compounding fee receivables.

(2) Back Office SaaS Business

This business provides two services: back-office support services exemplified by "Keihi BANK" a cloud invoice management system, and "Seikyu QUICK" an invoice management system, and security services that help strengthen security aimed at businesses.

(3) International Remittance Business

This business provides international remittance services utilizing Fintech services primarily to foreigners living and working in Korea and their families, etc.

In October 2011, SBIHD acquired 12,018 Target Company Common Shares from SBI BROADBAND FUND No. 1 Investment Limited Partnership and SBI BB Mobile Investment LPS, which are limited partnerships of the SBI Group, and following a 400:1 stock split of common shares of the Target Company on October 31, 2011, SBIHD became a shareholder owning 4,807,200 Target Company Common Shares. In April 2012, as a result of SBIHD's adoption of International Financial Reporting Standards, the Target Company became a consolidated subsidiary of SBIHD. After that, in March 2016, SBIHD acquired an additional 9,754,791 Target Company KDRs from SBI BROADBAND FUND No. 1 Investment Limited Partnership and SBI BB Mobile Investment LPS and became the largest shareholder owning 14,561,991 Target Company KDRs (Note 4) (Ownership Ratio at that time (Note 5): 73.75%). SBIHD further strengthened its capital relationship with the Target Company Group by subscribing to 3,291,140 common shares of the Target Company (after subscription, each common share was converted to one Target Company KDR) at the time of the third-party allotment capital increase by the Target Company in April 2017, resulting in the ownership of 17,853,131 Target Company KDRs (Ownership Ratio at that time (Note 6): 77.50%). Since then, the number of Target Company KDRs owned by SBIHD has not increased or decreased, but the ownership ratio has changed due to the exercise of stock acquisition rights, and as of today, SBIHD holds 17,853,131 Target Company KDRs (Ownership Ratio: 77.48%).

(Note 4) When the Target Company was listed on KOSDAQ in December 2012, it issued one Target Company KDR for each share of Target Company Common Shares with the Target Company Common Shares as the underlying asset. All of the Target Company Common Shares held by shareholders of the Target Company prior to December 2012 were deposited with KSD and a number of Target Company KDRs corresponding to the number of Target Company Common Shares held by the shareholders of the Target Company at the time of deposit were allocated to the shareholders of the Target Company. As a result, 4,807,200 Target Company KDRs were allocated to SBIHD in December 2012 for the 4,807,200 Target Company Common Shares held by SBIHD at that time.

(Note 5) It means the ratio of the 14,561,991 Target Company Common Shares corresponding to 14,561,991 Target Company KDRs held by SBIHD to the number of shares (19,746,282 Target Company

Common Shares) (the Target Company holds 1,619,118 Target Company KDRs as treasury shares, so 1,619,118 shares were deducted as treasury shares) obtained by subtracting the number of treasury shares (1,619,118 shares) held by the Target Company as of March 31, 2016 from the total number of issued shares of the Target Company (21,365,400 Target Company Common Shares) as of the same date, as stated in the 5th Securities Report filed by the Target Company on June 24, 2016.

(Note 6) It means the ratio of the 17,853,131 Target Company Common Shares corresponding to 17,853,131 Target Company KDRs held by SBIHD to the number of shares (23,037,422 Target Company Common Shares) (the Target Company holds 1,619,118 Target Company KDRs as treasury shares, so 1,619,118 shares were deducted as treasury shares) obtained by subtracting the number of treasury shares (1,619,118 shares) held by the Target Company as of March 31, 2018 from the total number of issued shares of the Target Company (24,656,540 Target Company Common Shares) as of the same date, as stated in the 7th Securities Report filed by the Target Company on June 25, 2018.

As a comprehensive financial group, the SBI Group is proud to provide highly competitive products and services to customers with various financial needs, including eliminating commissions for trading domestic stocks ahead of other companies. In addition to making SBI Shinsei Bank, Limited a consolidated subsidiary in December 2021, the SBI Group has partnered with regional financial institutions throughout Japan to provide their customers with products and services handled by the SBI Group.

On the other hand, SBIHD understands the Target Company to be a comprehensive FinTech solutions company that operates a payment service business and back-office SaaS business primarily aimed at operating companies, and SBIHD strategically positions the Target Company Group as a corporate entity that supports the core financial services businesses of banking, securities, insurance, etc. within the SBI Group using innovative services that utilized FinTech-related technologies. By leveraging the strengths of the SBI Group and the Target Company Group (hereinafter, the SBI Group and the Target Company Group are collectively referred to as “Both Groups”) to provide value-added settlement and IT solutions developed by the Target Company Group to corporate clients of the SBI Group and financial institutions with which the SBI Group has business alliance, we believe that we have supported the growth of companies nationwide, particularly small and medium-sized businesses, thereby expanding the customer base and increasing corporate value of Both Groups and contributing to “achievement of regional revitalization,” which the SBI Group as a whole has promoted as a strategy for the entire group. In addition, the Target Company has strengthened its competitiveness by reflecting the diverse needs of its customers that cannot be met by existing financial institutions in its development in the Target Company Group.

In addition, exchanges of personnel between Both Groups are carried out primarily between the Target Company Group and SBI Group companies that engage in the financial services and investment businesses, and this has improved the skills of employees of both the Target Company Group and the SBI Group, leading to the providing solutions with even more value added to client companies, and this has led to an increase in earnings.

As described above, SBIHD has been pursuing synergies as a group through various measures since April 2012, when it made the Target Company a consolidated subsidiary, and at the same time, especially starting in 2020, the needs of companies have changed dramatically, such as the need to develop remote work environments and the expansion of cashless transactions due to COVID-19, the promotion of digital transformations (DX) in the back-office field in order to adapt to the electronic bookkeeping system in accordance with the amendment of the Electronic Books Maintenance Act and invoice system, and Both Groups view such changes to the external environment as important opportunities for growth.

However, while the Target Company, being a listed company, has the advantage of enabling funds to be raised independently from the capital market, when mutually utilizing each other’s management resources, etc., it is necessary to carefully examine the usefulness and objective fairness of this as a transaction with respect to the interests of the Target

Company's minority shareholders, and in addition, it might be necessary to swiftly carry out advance investments that do not necessarily lead directly to maximizing the Target Company's profits in the short term, as well as initiatives that would result in temporary cost increases, and while these measures are necessary from the perspective of the medium to long-term growth of the SBI Group as a whole, including the Target Company Group, they are also expected to harm the interests of the Target Company's minority shareholders in the short term. In particular, although if the Target Company Group implements transactions with the SBI Group, from the perspective of protecting the interests of minority shareholders, the transaction should lead to the medium to long-term growth of the SBI Group as a whole, including the Target Company Group, and by extension contribute to increasing the shareholder value of the Target Company, it is difficult to implement these transactions in cases where short-term growth is not certain and the significance cannot be easily grasped by the Target Company's minority shareholders, so SBIHD believed that it would be difficult for the Target Company to implement the necessary measures quickly and flexibly from the viewpoint of medium to long-term growth while remaining listed.

Therefore, in order to further strengthen the Group's overall strategy and to quickly and flexibly implement the advance investments and initiatives or measures that would result in temporary cost increases as stated above, SBIHD determined that it is necessary to further strengthen the cooperation between the Target Company Group and the SBI Group companies, optimize the allocation of management resources across the Group, and strategically combine and utilize the resources and assets of each company across the Group by making the Target Company a wholly-owned subsidiary of the Tender Offeror, etc. and in that event, it will be the optimal choice for the sustainable enhancement of the corporate value of the SBI Group, including the Target Company Group, for each company of the SBI Group, including the Target Company Group, to be able to make prompt and flexible decisions on cross-group initiatives and proactively conduct transactions with the SBI Group that could lead to the medium to long-term growth of the SBI Group, including the Target Company Group, as a whole.

Since achieving the conversion of the Target Company to a wholly-owned subsidiary by the Tender Offeror, etc. will avoid potential conflicts of interest with general shareholders that may arise in the future and restrictions to ensure independence, potential benefits include: (i) being able to efficiently utilize of management resources through cooperation throughout the group, such as Sales activities utilizing the SBI Group's customer base, and provision of know-how and technology on IT investments, system operations, etc. developed through the SBI Group's business activities; (ii) being able to make necessary capital investments, such as IT investments, within the Target Company Group, without being preoccupied by short-term earnings, which can be expected to improve the quality of services and productivity of operations, thereby strengthening the earnings base from a medium to long-term perspective; and (iii) being able to reduce various costs associated with listing, such as annual listing fees and audit fees related to audits under the Financial Instruments and Exchange Act, as a result of the Target Company ceasing to be a listed company. On the other hand, potential dis-synergies that could be anticipated as a result of conversion to a wholly owned subsidiary include the potential loss of some sales to customers who have been doing business with the Target Company based on the creditworthiness acquired as a result of the Target Company's listing on KOSDAQ and the disclosed financial information, but as a member of the SBI Group headed by SBIHD, a publicly listed company, it is believed that a certain degree of creditworthiness will be maintained, and as the Target Company is already a consolidated subsidiary of SBIHD, we believe that the impact will be limited.

Therefore, by making the Target Company a wholly-owned subsidiary through the Transaction in order to reduce various costs associated with being listed, while eliminating potential conflicts of interest between the parent company and minority shareholders associated with both the parent company and subsidiary being listed and aligning the interests of the SBI Group and the Target Company Group as much as possible, and simultaneously enabling the Target Company to make prompt and flexible decisions, SBIHD determined that it would be possible to promote the Target Company's growth, based on the perspective of the SBI Group's medium to long-term perspective.

In light of these circumstances, in late May 2024, SBIHD decided that it would be best to make the Target Company a

wholly-owned subsidiary, with the Tender Offeror, etc. as the only shareholders of the Target Company, through the Transaction. Then, in late June of the same year, SBIHD commenced a full-scale consideration of making the Target Company a wholly owned subsidiary with Miura & Partners and the Korean law firm Bae, Kim & Lee LLC as legal advisors independent of the Tender Offeror, etc., SBIFS, and the Target Company, SBI SECURITIES Co., Ltd. and the Korean securities company Korea Investment & Securities Co., Ltd. as financial advisors, and the third party calculation agent AGS FAS K.K. Subsequently, on August 5, 2024, SBIHD submitted to the Target Company a proposal for the Transaction (hereinafter referred to as the "Proposal"), which included an outline of the Japan-Korea Tender Offer and the anticipated scheme for the Transaction, and on August 14, 2024, SBIHD received a communication from the Target Company that it would consider SBIHD's proposal after establishing the necessary system for consideration. Subsequently, SBIHD conducted due diligence on the Target Company beginning in late August 2024, and the due diligence was completed in early November 2024. In addition, through the Proposal and SBIHD's response on October 16, 2024 to the questions that the Special Committee (defined below) asked SBIHD on October 8, 2024, the Tender Offeror, etc., explained to the Target Company that even in the case where the Tender Offer is completed successful but the Tender Offeror fails to acquire 2,884,599 Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (Ownership Ratio: 12.52%; Ownership Ratio of 90.00% taking SBIHD's current holdings into account) together with the Korean Tender Offer, since the Tender Offeror, etc. intends to ultimately make the Target Company a wholly-owned subsidiary, it plans to acquire additional Target Company Share Certificates, etc. until its Ownership Ratio, including SBIHD's current holdings, reaches 90.00%, and thereby plans to delist the Target Company KDRs and to make the Target Company a wholly-owned subsidiary through the series of procedures as described in "(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)" below.

On the other hand, upon receipt of the Proposal from SBIHD, in order to prepare for consideration of the Transaction and negotiations with the Tender Offeror, etc., on August 14, 2024, the Target Company appointed YAMADA Consulting Group Co., Ltd. (hereinafter referred to as "Yamada Consulting") as a financial advisor and third-party calculation agent independent of the Tender Offeror, etc., SBIFS, and the Target Company, and TMI Associates as a legal advisor independent of the Tender Offeror, etc., SBIFS, and the Target Company. In addition, in light of the fact that the Target Company is a consolidated subsidiary of SBIHD and the Transaction, including the Tender Offer, constitutes an acquisition of a controlled company by the controlling shareholder, so the Transaction falls under a transaction which typically entails structural conflicts of interest and information asymmetry issues, in order to address these issues, the Target Company established a special committee (hereinafter referred to as the "Special Committee") on August 14, 2024 based on the advice of its legal advisor, TMI Associates, to ensure the fairness of the Transaction by being prudent in the Target Company's decision-making relating to the Transaction and eliminating the possibility of arbitrariness and conflicts of interest in the decision-making process of the Target Company's Board of Directors. See "(2) The decision-making process and reasons for the Target Company's support for the Tender Offer" below for the composition of the Special Committee, the authority granted to it, and the process and details of its deliberations and decisions.

Furthermore, SBIHD and the Target Company have had multiple discussions regarding the Tender Offer Price since early October 2024.

Specifically, on October 7, 2024, SBIHD submitted an initial price proposal (hereinafter referred to as the "First Proposal") to the Target Company, indicating an offer price of 4,000 won and the anticipated scheme for the Transaction. This price includes a premium of 68.07% over the closing price of the Target Company KDR of 2,380 won on October 4, 2024 (rounded to two decimal places; the same applies below in calculation of the premium ratio); a 66.53% premium over the one-month simple average closing price of 2,402 won as of the same date (rounded to the nearest whole number; the same applies below in calculating the simple average closing price); a 49.09% premium over the three-month simple average closing price of 2,638 won; and a 32.76% premium over the six-month simple average closing price of 3,013 won. This proposal was made after comprehensively considering the recent market price trend of the Target Company

KDRs, as well as the Target Company's financial situation, such as the downward trend in operating income since the fiscal year ended March 2020 and the changes in the Target Company's business environment, such as the entry of competitors and security measures.

On October 8, 2024, SBIHD received a response from the Target Company regarding the First Proposal. While no comments were provided on the proposed transaction scheme, leading SBIHD to believe that the Target Company had no particular objections, the Target Company requested a reconsideration of the Tender Offer Price, stating that the Tender Offer Price was not sufficiently considerate of the interests of the Target Company's minority shareholders.

Subsequently, after reconsidering in light of the above request from the Target Company, SBIHD submitted a revised price proposal (hereinafter referred to as the "Second Proposal") to the Target Company on October 16, 2024. In this proposal, the Tender Offer Price was increased to 4,300 won, reflecting a premium of 71.66% over the closing price of the Target Company KDR of 2,505 won on October 15, 2024; a 77.32% premium over the one-month simple average closing price of 2,425 won; a 64.75% premium over the three-month simple average closing price of 2,610 won; and a 45.81% premium over the six-month simple average closing price of 2,949 won as of the same date.

On October 17, 2024, SBIHD received a response from the Target Company regarding the Second Proposal. The Target Company again requested a reconsideration of the Tender Offer Price, stating that the Tender Offer Price was not sufficiently considerate of the interests of the minority shareholders of the Target Company.

Subsequently, after reconsidering in light of the above request from the Target Company, SBIHD submitted a further revised price proposal (hereinafter referred to as the "Third Proposal") to the Target Company on October 24, 2024. In this proposal, the Tender Offer Price was increased to 4,500 won, representing a premium of 61.87% over the closing price of the Target Company KDR of 2,780 won on the KOSDAQ on October 23, 2024; a 78.86% premium over the one-month simple average closing price of 2,516 won; a 74.89% premium over the three-month simple average closing price of 2,573 won; and a 54.59% premium over the six-month simple average closing price of 2,911 won as of the same date.

On October 25, 2024, SBIHD received a response from the Target Company regarding the Third Proposal. The Target Company again requested a reconsideration of the Tender Offer Price, stating that the Tender Offer Price was not sufficiently considerate of the interests of the owners of the Target Company KDRs, other than SBIHD.

Subsequently, after reconsidering in light of the above request from the Target Company, SBIHD submitted a further revised price proposal (hereinafter referred to as the "Fourth Proposal") to the Target Company on October 29, 2024. In this proposal, the Tender Offer Price was increased to 4,700 won, representing a premium of 56.67% over the closing price of the Target Company KDR of 3,000 won on the KOSDAQ on October 28, 2024; an 81.05% premium over the one-month simple average closing price of 2,596 won; an 83.02% premium over the three-month simple average closing price of 2,568 won; and a 62.24% premium over the six-month simple average closing price of 2,897 won as of the same date.

On October 30, 2024, SBIHD received a response from the Target Company regarding the Fourth Proposal. The Target Company once again requested a reconsideration of the Tender Offer Price, stating that the Tender Offer Price was not sufficiently considerate of the interests of the owners of the Target Company KDRs, other than SBIHD.

Subsequently, after reconsidering in light of the above request from the Target Company, SBIHD submitted a further revised price proposal (hereinafter referred to as the "Fifth Proposal") to the Target Company on November 5, 2024. In this proposal, the Tender Offer Price was increased to 4,800 won, representing a premium of 55.09% over the closing price of the Target Company KDR of 3,095 won on the KOSDAQ on November 4, 2024; a 76.08% premium over the one-month simple average closing price of 2,726 won; an 85.83% premium over the three-month simple average closing price of 2,583 won; and a 66.61% premium over the six-month simple average closing price of 2,881 won as of the same date.

On November 6, 2024, SBIHD received a response from the Target Company regarding the Fifth Proposal. The Target Company proposed that the Tender Offer Price be set at 5,000 won in order to give maximum consideration to the interests of the owners of the Target Company KDRs, other than SBIHD.

Subsequently, after reconsidering in light of the above request from the Target Company, on November 8, 2024, SBIHD responded in writing to the Target Company that it would accept the Tender Offer Price of 5,000 won, on the condition that the final decision would be made by a resolution of the Board of Directors of SBIFS scheduled to be held on November 14, 2024.

After the above consultations and negotiations, SBIHD and the Target Company reached an agreement on the Tender Offer Price of 5,000 won, on the condition that the final decision will be made by a resolution at the Board of Directors meeting of SBIFS scheduled to be held on November 14, 2024.

As a result, SBIFS has resolved at its Board of Directors meeting held today to conduct the Tender Offer through the Tender Offeror as part of the Transaction.

② The decision-making process and reasons for the Target Company's support for the Tender Offer

(i) Background of the establishment of the review system

As described in the above section " ① Background, Purpose and Decision-Making Process of the Decision to Implement the Tender Offer", the Target Company, following the submission of the Proposal by SBIHD on August 5, 2024, began the specific review of the Transaction. This review process was initiated with the establishment of the following as described in "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc. " of "2. Overview of the Tender Offer etc. " since SBIHD is the controlling shareholder of the Target Company, the Transaction, including the Tender Offer, is categorized as an acquisition of a controlled company by the controlling shareholder. Given that such transactions typically involve structural conflicts of interest and issues of information asymmetry, the Target Company took measures to address these issues. The Target Company aimed to ensure careful decision-making regarding the Transaction, eliminate any arbitrariness or potential conflicts of interest in the decision-making process of the board of directors, and safeguard the fairness of the Transaction. In order to achieve this, a review and negotiation system independent from the Tender Offeror, etc. and SBIFS was established, focusing on enhancing the Target Company corporate value and securing the interests of the Target Company minority shareholders.

Specifically, promptly after receiving the Proposal from SBIHD, on August 5, 2024, the Target Company informed SBIHD that it would establish a system necessary for consideration and hold a meeting of its Board of Directors to consider the proposal. At the Target Company's Board of Directors' meeting held on August 14, 2024, the Target Company's Board of Directors appointed TMI Associates as a legal advisor independent of the Tender Offeror, etc., SBIFS and the Target Company, and appointed Yamada Consulting as a financial advisor and third-party calculation agent independent of the Tender Offeror, etc., SBIFS and the Target Company, and established the Special Committee that consists of three members, Kota Tsutsumi (Outside Director of the Target Company), Tomohiro Sakamoto (Outside Director of the Target Company) and Yoshinori Arima (Outside Statutory Auditor of the Target Company) (for the composition of the Special Committee, the authority granted to it, and the process and details of its deliberations and decisions, please refer to "(iii) Establishment of an independent special committee of the Target Company and obtainment of its report" of "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" under "② Calculation process" under "(4) Basis for calculation of price for purchase etc. " of "2. Overview of the Tender Offer etc.") to establish a system to consider, negotiate, and make a decision regarding the Transaction from a standpoint independent of the Tender Offeror, etc. and SBIFS, and from the view point of improving the Target Company's corporate value and securing the interests of the Target Company's minority shareholders, and on August 15, 2024, the Target Company contacted SBIHD to discuss and negotiate the implementation of the Transaction.

On August 30, 2024, the Target Company confirmed at the Special Committee that there were no concerns regarding the independence, expertise and track record of TMI Associates, the legal advisor of the Target Company, and Yamada Consulting, the financial advisor and third-party calculation agent of the Target Company, and that there are no problems

with their appointment as the Target Company's legal advisor and financial advisor, respectively, and that the appointment has been approved.

In addition, the Target Company has established a system for examination, negotiation, and decision-making with respect to the Transaction (including the scope of officers and employees of the Target Company involved in the examination, negotiation, and decision-making with respect to the Transaction and their duties) from a standpoint independent of the Tender Offeror, etc. and SBIFS, as described in "(v) Establishment of an independent review system of the Target Company" under "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc.". In addition, on August 30, 2024, the Target Company received approval from the Special Committee that there are no problems with such review system from the viewpoint of independence and fairness.

(ii) Background of consideration and negotiation

Under the aforementioned structure, the Target Company has been considering the outline of the Tender Offer including the purpose of the Transaction, the impact of the Transaction on the Target Company, the details of the management policy after the Transaction and the recent trend of the market price of the Target Company KDRs, and shared the details of the Tender Offer Price proposal received from SBIHD with the Special Committee in a timely manner, and obtained the Special Committee's opinion on the negotiation policy as the Target Company taking into account the interests of the Target Company's minority shareholders. In addition, the Target Company received reports from Yamada Consulting regarding the results of the valuation of the Target Company Common Shares and the Target Company KDRs, advice regarding the negotiation policy with the Tender Offeror, etc. and other advice from a financial point of view, and advice from TMI Associates regarding the fairness of the procedures for the Transaction. Based on the above, the Target Company has carefully considered the merits of the Transaction and the appropriateness of the terms and conditions of the Transaction, and have held multiple rounds of discussions and negotiations.

Specifically, regarding the Tender Offer Price, the Target Company received an initial price proposal from SBIHD on October 7, 2024, which set the Tender Offer Price at 4,000 won (reflecting a 68.07% premium over the closing price of 2,380 Won for the Target Company KDR on the previous business day, October 4, 2024, a 66.53% premium over the one-month simple average closing price of 2,402 Won, a 49.09% premium over the three-month simple average closing price of 2,638 Won, and a 32.76% premium over the six-month simple average closing price of 3,013 Won). However, after reviewing this proposal price in the Special Committee, the Target Company concluded that the proposed price did not sufficiently consider the interests of the Target Company's minority shareholders. As a result, on October 8, 2024, the Target Company and the Special Committee requested SBIHD to re-propose the Tender Offer Price. Subsequently, on October 16, 2024, the Target Company received from SBIHD the Second Proposal, which set the Tender Offer Price at 4,300 won (reflecting a premium of 71.66% over the closing price of the Target Company KDR of 2,505 won on October 15, 2024, a premium of 77.32% over the simple average closing price of 2,425 won for the past one month up to that date, a premium of 64.75% over the simple average closing price of 2,610 won for the past three months up to that date, a premium of 45.81% over the simple average closing price of 2,949 won for the past six months up to that date). As a result of the Special Committee's review of the proposed price for the Second Proposal, the Special Committee concluded that the proposed price was not an amount that fully considered the interests of the Target Company's minority shareholders, taking into account the results of the calculations by the third-party calculation agent and the market price trends in previous years, and on October 17, 2024, the Target Company and the Special Committee requested SBIHD to re-propose the Tender Offer Price. Subsequently, on October 24, 2024, the Target Company received from SBIHD the Third Proposal, which set the Tender Offer Price at 4,500 won (reflecting a premium of 61.87% over the closing price of the Target Company KDR of 2,780 won on the KOSDAQ on October 23, 2024, a premium of 78.86% over the simple average closing price of 2,516 won for the past one month up to that date, a premium of 74.89%

over the simple average closing price of 2,573 won for the past three months up to that date, a premium of 54.59% over the simple average closing price of 2,911 won for the past six months up to that date). As a result of the Special Committee's consideration of the proposed price for the Third Proposal, the Special Committee concluded that the proposed price is not an amount that gives sufficient consideration to the interests of the owners of Target Company KDRs other than SBIHD, taking into account the changes in the market price of Target Company KDR in past years and the estimated acquisition price range for Target Company KDR by the owners of Target Company KDRs other than SBIHD. Having reached a conclusion, the Target Company and the Special Committee requested SBIHD to re-propose the Tender Offer Price on October 25, 2024. Subsequently, on October 29, 2024, the Target Company received from SBIHD the Forth Proposal, which set the Tender Offer Price at 4,700 won (reflecting a premium of 56.67% over the closing price of the Target Company KDR of 3,000 won on the KOSDAQ on October 28, 2024, a premium of 81.05% over the simple average closing price of 2,596 won for the past one month up to that date, a premium of 83.02% over the simple average closing price of 2,568 won for the past three months up to that date, and a premium of 62.24% over the simple average closing price of 2,897 won for the past six months up to that date. As a result of the Special Committee's examination of the proposed price for the Fourth Proposal, the Special Committee concluded that the proposed price is not an amount that sufficiently takes into consideration the interests of the owners of Target Company KDRs other than SBIHD, taking into consideration the changes in the market price of Target Company KDR in past years and the estimated acquisition price range of Target Company KDR by the owners of Target Company KDRs other than SBIHD. Having reached a conclusion, the Target Company and the Special Committee requested SBIHD to re-propose the Tender Offer Price on October 30, 2024. Subsequently, on November 5, 2024, the Target Company received from SBIHD the Fifth Proposal, which set the Tender Offer Price at 4,800 won (reflecting a premium of 55.09% over the closing price of the Target Company KDR of 3,095 won on the KOSDAQ on November 4, 2024, a premium of 76.08% over the simple average closing price of 2,726 won for the past one month up to that date, a premium of 85.83% over the simple average closing price of 2,583 won for the past three months up to that date, and a premium of 66.61% over the simple average closing price of 2,881 won for the past six months up to that date). As a result of the Special Committee's examination of the proposed price for the Fifth Proposal, the Target Company and the Special Committee proposed to SBIHD on November 6, 2024 that the Tender Offer Price be 5,000 won, as the Transaction falls under a transaction entails structural conflicts of interest and it is necessary to give maximum consideration to the interests of the owners of Target Company KDRs other than SBIHD. Subsequently, on November 8, 2024, the Target Company received a written response from SBIHD accepting the Tender Offer Price of 5,000 won, on the condition that the final decision would be made by a resolution of the Board of Directors meeting of SBIFS scheduled to be held on November 14, 2024. The Target Company and the Special Committee confirmed with SBIHD that the Tender Offer Price of 5,000 won was their final offer, and after considering the Tender Offer Price at the Special Committee, the Target Company and the Special Committee responded to SBIHD on November 13, 2024, agreeing to the Tender Offer Price of 5,000 won.

After the above consultations and negotiations, SBIHD and the Target Company reached an agreement on the Tender Offer Price of 5,000 won, on the condition that the final decision will be made by a resolution at the Board of Directors meeting of SBIFS scheduled to be held on November 14, 2024.

In addition, the Target Company has received necessary legal advice from its legal advisor, TMI Associates, regarding the method and process of decision-making by the Target Company's Board of Directors, including the procedures for the Transaction, and other points to note, and has received a written report (hereinafter referred to the "Report") from the Special Committee as of November 13, 2024 (for an outline of the Report and the specific activities of the Special Committee, please refer to "(iii) Establishment of an independent special committee of the Target Company and obtainment of its report" under "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc." Measures to ensure the fairness of the Tender Offer Price,

avoid conflicts of interest, and ensure the fairness of the Tender Offer below.).

(iii) Content of decision

Based on the background above, the Target Company has carefully discussed and considered whether the Target Company's enterprise value can be increased through the Transaction, whether the terms of the Transaction, including the Tender Offer Price, are appropriate, and whether the Transaction will ensure the interests of minority shareholders by being conducted through fair procedures, while taking into account the legal advice received from TMI Associates and the contents of the valuation report on the Target Company Common Shares and the Target Company KDRs obtained on November 13, 2024, from Yamada Consulting (hereinafter referred to as "the Target Company Valuation Report"), while giving maximum respect to the contents of the Report submitted by the Special Committee. As a result, the Target Company has determined that privatizing the Target Company KDRs via the Transaction will contribute to enhancing the Target Company's enterprise value as follows:

In the payment-related service industry to which the Target Company Group belongs, the number of cyber-attacks and fraudulent use cases have risen in recent years, and damage from information leaks and other incidents has expanded, making it essential for the Target Company, which handles individuals' payment information, to further strengthen information security against such risks. For that reason, it is necessary for the Target Company Group to develop systems to strengthen security as described above in its overall business areas. Additionally, continuous implementation of system modifications to maintain and improve the satisfaction of the Target Company Group's customers who continue to use their services is necessary. However, due to the impact of rising consumer prices and labor costs in recent years, the costs of servers, outsourcing, labor, etc. have been increasing every year, and there is concern that the increase in development costs due to these effects will become a burden on future profits. Additionally, the payment-related service industry is one in which competitors, including venture companies, are intensively entering the market, resulting in intensified price competition. Under such circumstances, it is not easy to transfer the increase in development costs to sales prices, making it even more difficult to maintain expected profitability.

Under these circumstances, the Target Company received a proposal for the Transaction from SBIHD on August 5, 2024, in the Proposal, which aims to make the Target Company a wholly-owned subsidiary through the Japan-Korea Tender Offer and a series of subsequent transactions. As detailed in "(1) Overview of Tender Offer" above, the Target Company KDRs are listed on KOSDAQ, and although KOSDAQ-listed companies may voluntarily delist pursuant to Article 22 of the KOSDAQ Listing Rules, there is no clear standard for the controlling shareholder's shareholding ratio that serves as the criteria for such delisting. Additionally, KRX's guidance also states that, although there is no clear standard for the controlling shareholder's shareholding ratio that serves as the delisting criteria, in five delisting cases on KOSDAQ in the past five years, delisting has been permitted by KRX if the controlling shareholder acquired 90% or more of the voting rights. Therefore, in the Proposal and responses to the Special Committee's questions to SBIHD on October 8, 2024, which were made by SBIHD on October 16th of the same month, SBIHD explained to the Target Company that even if the Tender Offer is successful but the Tender Offeror, etc. do not acquire 2,884,599 Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (ownership ratio: 12.52%, which is 90.00% taking into account SBIHD's current holdings), the Tender Offeror, etc. intend to ultimately make the Target Company a wholly-owned subsidiary and therefore intend to acquire additional Target Company Share Certificates, etc. until the ownership ratio reaches 90.00% taking into account SBIHD's current holdings, thereby resulting in the delisting of the Target Company KDRs and making the Target Company a wholly-owned subsidiary through a series of procedures described in "(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)" below. For that reason, the Target Company has considered the significance of the Transaction under the assumption that the Target Company would become a wholly-owned subsidiary of the Tender Offeror, etc. through the Transaction. As a result, the Target Company thought that by carrying out the Transaction and becoming a wholly owned subsidiary of the Tender Offeror, etc., it would be able to (i) carry out capital

investments, including systems development, from a medium- to long-term perspective, without being affected by short-term performance (share price fluctuations), (ii) invest the SBI Group's management resources (relationships with each SBI Group company and customer resources) in the Target Company, and (iii) implement measures such as facilitating fundraising by strengthening introductions to regional financial institutions. While the implementation of the above measures is expected to contribute to the increase in the Target Company's enterprise value in the medium to long term, it is possible that it will lead to a deterioration in profitability and cash flow in the short term. Therefore, if the Target Company implements these measures while remaining listed, there is a concern that the Target Company may not be able to receive sufficient valuation from capital markets, potentially resulting in short-term detriments to the holders of the Target Company KDRs, such as a decline in the market price of the Target Company KDRs. For that reason, because it is necessary to take into account the interests of the holders of the Target Company KDRs while maintaining the listing of the Target Company KDRs, it is believed that it would be difficult to implement the above measures, even if they might contribute to the improvement of the Target Company's enterprise value in the medium to long term.

Furthermore, by privatizing the Target Company KDRs, it will be possible to reduce the costs required to maintain the listing of the Target Company KDRs (such as the costs required for continuous disclosure of information like securities reports, audit costs that apply in both Korea and Japan, and costs required for operating the general shareholders' meetings and for outsourcing administrative tasks to a shareholder registry administrator), and it will also eliminate other management burdens caused by maintaining the listing of the Target Company KDRs, such as the costs of maintaining the management department and other costs required for a listed company, which will enable the Target Company to further concentrate management resources on business growth.

Furthermore, if the Target Company KDRs are privatized, the Target Company will no longer be able to raise funds from equity financing from capital markets. However, to date, the Target Company has not raised funds through public offering of equity financing and does not anticipate the need to do so in the future. In addition, the Target Company believes that its name recognition and creditworthiness are maintained more by its membership in the SBI Group than by the Target Company KDRs being listed on KOSDAQ, and it therefore recognizes that the need to maintain the listing of the Target Company KDRs is relatively reduced from the perspective of securing future human resources, business partners, and lenders. As described above, at the Target Company's Board of Directors meeting held today, the Target Company has concluded that the advantages of privatizing the Target Company KDRs outweigh the disadvantages.

Furthermore, the Tender Offer Price (5,000 won per Target Company Common Share and 5,000 won per Target Company KDR) (i) is an amount that exceeds the upper limit of the valuation results based on the market price method and an amount above the median of the valuation results based on the discounted cash flow method (hereinafter referred to as "the DCF method") in the Target Company Share Valuation Report by Yamada Consulting, which is described in "② Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc." below; (ii) is a premium of 44.93% on the closing price of the Target Company KDR of 3,450won on KOSDAQ on November 13, 2024, which is the business day immediately preceding the date of the Target Company's Board of Directors meeting regarding the Tender Offer, a premium of 69.38% on the simple average closing price of 2,952won for the one-month period up to said date, a premium of 88.54% on the simple average closing price of 2,652won for the three-month period up to said date, and a premium of 73.79% on the simple average closing price of 2,877 won for the six-month period up to said date. This premium level exceeds the premium levels (42.02% on the closing price on the business day immediately preceding the announcement date, 45.36% on the simple average closing price for the past month, 47.21% on the simple average closing price for the past three months, and 47.32% on the simple average closing price for the past six months) in management buyouts (MBOs) and parent companies acquiring all of their shares as wholly owned subsidiaries for the purpose of privatizing companies similar to the Transaction (137 cases announced between June 28, 2019, when the Ministry of Economy, Trade and Industry announced the "Guidelines for Fair M&A", and October 7, 2024; hereinafter referred to as the "Similar Cases"). In addition, considering that the price

exceeds the premium levels (22.16% on the closing price on the business day immediately preceding the announcement date, 31.08% on the simple average closing price for the past one month, 35.44% on the simple average closing price for the past three months, and 40.18% on the simple average closing price for the past six months) in cash tender offer cases in Korea announced after December 2021 (however, among the tender offer cases aimed at delisting that have already been completed after that month, there are 16 cases that qualify as first-stage tender offers), the price can be evaluated as a reasonable premium over the market price of the Target Company KDRs. (iii) The measures to ensure fairness and to avoid conflicts of interest described in " (iii) Establishment of an independent special committee of the Target Company and obtainment of its report" under "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc." below have been taken, and it is recognized that the interests of minority shareholders have been taken into consideration, and (iv) based on the fact that the Special Committee received timely reports from the Target Company and Yamada Consulting on the process and contents of the discussions and negotiations regarding the Transaction between the Tender Offeror, etc. and the Target Company, expressed opinions and advice to the Target Company and the price was determined after substantial involvement of the Special Committee in the process of discussions and negotiations with the Tender Offeror, etc., the Target Company's Board of Directors has determined that the Tender Offer Price is reasonable for the holders of the Target Company Share, Certificates, etc., and that the Japan-Korea Tender Offer will provide the holders of the Target Company Share, Certificates, etc. with a reasonable opportunity to sell the Target Company Share, Certificates, etc.

As described above, the Target Company has determined that the Transaction will contribute to the improvement of its corporate value, and that the Japan-Korea Tender Offer will provide the holders of the Target Company Share Certificates, etc. with a reasonable opportunity to sell their Target Company Share, Certificates, etc., and has resolved at its Board of Directors meeting held today to express an opinion in support of the Japan-Korea Tender Offer and to recommend that the holders of the Target Company Share, Certificates, etc. tender their shares in response to the Japan-Korea Tender Offer.

Furthermore, for details of the resolution of the Target Company's Board of Directors meeting dated today, please refer to "(vi) Approval by all non-interested directors of the Target Company and confirmation that none of the non-interested corporate auditors have objections" under "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc." below.

③ Management policy after completion of the Tender Offer

As described above in "① Background, Purpose and Decision-Making Process of the Decision to Implement the Tender Offer", SBIHD intends to continue managing the Target Company with the aim of restoring and enhancing its enterprise value and will strive to strengthen the Target Company's business by making full use of its business characteristics and strengths.

Regarding the management structure and composition of the Board of Directors of the Target Company after the Tender Offer, no decisions have been made at this time, including whether to assign officers as well as other personnel matters, and the Tender Offeror, etc. have no expectations or desires as of the date of filing this document.

(3) Material agreements concerning the Japan-Korea Tender Offer

The Tender Offeror and SBIHD have agreed that, following the completion of the Japan-Korea Tender Offer and settlement, SBIHD will convert all of its 17,853,131 Target Company KDRs held by SBIHD into 17,853,131 Target Company Common Shares (ownership ratio: 77.48%), and it will transfer them by means of a share transfer or in-kind contribution. The specific timing, method, and conditions have not yet been determined and will be determined through discussion after the completion of the Japan-Korea Tender Offer.

(4) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest

Considering that SBIHD, the ultimate parent company of the Tender Offeror, is the controlling shareholder (parent company) of the Target Company with an ownership ratio of 77.48% of the Target Company KDR, that the Transaction, including the Japan-Korea Tender Offer, constitutes an acquisition of a controlled company by a controlling shareholder, and that a structural conflict of interest may arise in the Target Company's consideration of the Transaction, the Tender Offeror and the Target Company have implemented the following measures to ensure the fairness of the Tender Offer Price, eliminate arbitrariness in decision making regarding the Transaction, and ensure its fairness and transparency. As described in "(1) Overview of Tender Offer" above, as of today, the Tender Offeror does not hold any Target Company Share Certificates, etc. However, SBIHD holds 17,853,131 Target Company KDRs (ownership ratio: 77.48%); therefore, the Target Offeror has not set a minimum number of shares to be purchased by a "majority of minority" in the Tender Offer, as doing so would destabilize the success of the Tender Offer and may not benefit the interests of the Target Company's minority shareholders who wish to tender their shares through the Tender Offer. However, as the Tender Offeror, etc. and the Target Company have implemented measures (i) through (vii) below as measures to ensure the fairness of the Tender Offer, the Tender Offeror, etc. and the Target Company believe that they have given sufficient consideration to the interests of the Target Company's minority shareholders. In addition, the measures implemented by the Target Company described below are based on explanations received from the Target Company.

- (i) Acquisition of a share valuation report by the Tender Offeror, etc. and SBIFS from an independent third-party calculation agent
- (ii) Acquisition of a share valuation report by the Target Company from an independent third-party calculation agent
- (iii) Establishment of an independent special committee in the Target Company and acquisition of a report
- (iv) Acquisition of advice by the Target Company from an independent legal advisor
- (v) Establishment of an independent review system in the Target Company
- (vi) Approval of all directors not having interests in the Target Company and unanimous opinion of all auditors not having interests in the Target Company
- (vii) Measures to secure purchase opportunities from other offerors

For details regarding the above, please refer to "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "(2) Calculation process" under "(4) Basis for calculation of price for purchase etc." of "2. Overview of the Tender Offer etc." below.

(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)

- (i) If, as a result of the Tender Offer, the Tender Offeror, etc. acquire 2,884,599 shares of the Target Company Common Shares (equivalent to 2,884,599 of the Target Company KDRs) (ownership ratio: 12.52%, which, when taking into account SBIHD's current holdings, represents an ownership ratio of 90.00% or more), in accordance with the KOSDAQ Listing Rules, the Tender Offeror, etc. intend to apply for the delisting of the Target Company KDRs from KOSDAQ after consulting with the relevant authorities and following the prescribed procedures. If the application is approved by the relevant authorities, the Target Company KDRs will be delisted through the prescribed procedures.
- (ii) Even if the application for delisting is not approved by the relevant authorities in (i) above, according to KOSDAQ's listing maintenance standards, any stock whose tradable share ratio on KOSDAQ falls below 10% will be designated as a stock under management by KRX, and if the tradable share ratio does not improve within one year from the date of designation as a stock under management, the stock will be formally delisted. Therefore, if the tradable KDR ratio of the Target Company KDRs on KOSDAQ falls below 10% as a result of the Japan-Korea Tender Offer, the Target

Company KDRs will be designated as stock under management by KRX, and since it is not expected that the tradable KDR ratio of the Target Company KDRs will improve to 10% or more within one year thereafter, unless there are special circumstances, the Target Company KDRs are expected to be formally delisted.

If the Target Company KDRs are delisted in accordance with either method (i) or (ii) above, after consultation with the KSD and other relevant authorities, the deposit agreement for the Target Company Common Shares that the Target Company has concluded with KSD will be terminated, or the Target Company KDR holders will voluntarily implement the underlying stock conversion procedures under the deposit agreement, and the Target Company KDRs held by each Target Company KDR holder will be converted into the Target Company Common Shares. As a result, if the total ownership ratio of the Target Company Common Shares of the Tender Offeror, etc. becomes 90% or more and the total number of voting rights in the Target Company held by the Target Offeror, etc. becomes 90% or more of the total number of voting rights of all shareholders of the Target Company, then, provided that SBIHD becomes a special controlling shareholder as provided for in Article 179, Paragraph 1 of the Companies Act, SBIHD plans to request that all shareholders of the Target Company (excluding the Target Offeror, etc. and the Target Company; the same applies hereinafter) sell all of their Target Company Share Certificates, etc. (hereinafter referred to as the "Request for the Sale of Shares") pursuant to the provisions of Part II, Chapter 2, Section 4-2 of the Companies Act. The Request for the Sale of Shares will stipulate that the consideration for each Target Company Common Share will be paid to the Target Company's shareholders in an amount equal to a tender offer price per Target Company Common Share. In this event, SBIHD will notify the Target Company accordingly and seek the Target Company's approval of the Request for the Sale of Shares. If the Target Company approves the Request for the Sale of Shares by resolution of its Board of Directors, SBIHD will acquire all of the Target Company Share Certificates, etc. held by all of the Target Company's shareholders as of the acquisition date specified in the Request for the Sale of Shares, in accordance with the procedures prescribed by the relevant laws and regulations and without the need for the individual consent of each of the Target Company's shareholders. SBIHD will then pay each such shareholder an amount equal to a tender offer price per share of the Target Company Common Share as consideration for each share of the Target Company Common Share held by that shareholder. According to the Target Company, if the Request for the Sale of Shares is made by SBIHD, the Target Company plans to approve such request at a meeting of its Board of Directors.

The Companies Act provides that, in order to protect the rights of minority shareholders in relation to requests for the sale of shares, pursuant to Article 179-8 of the Companies Act and other relevant laws and regulations, shareholders of the Target Company may apply to the court for the determination of the purchase price of the Target Company Share Certificates, etc. held by them. If such an application is made, the purchase price will ultimately be determined by the court.

This will be implemented in consultation with the relevant authorities after the completion of the Japan-Korea Tender Offer. Because KSD currently owns all of the Target Company Common Shares, if the Target Company KDRs held by each KDR holder are not converted into Target Company Common Shares by the effective date of the Request for the Sale of Shares, SBIHD will acquire those Target Company Common Shares from KSD. In that case, it is expected that the entire consideration for the Request for the Sale of Shares relating to the Target Company Common Shares acquired from KSD will be delivered to KSD, and that KSD will distribute the consideration for the Request for the Sale of Shares to each Target Company KDR holder in proportion to the number of Target Company KDRs they hold.

If the Tender Offer is successful but the Tender Offeror does not acquire 2,884,599 Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (ownership ratio: 12.52%, or 90.00% when taking into account SBIHD's current holdings) in conjunction with the Korean Tender Offer, the Tender Offeror intends to continue to acquire additional Target Company Share, Certificates, etc. by itself, SBIHD, or the Target Company, thereby aiming to delist the Target Company KDRs and subsequently make the Target Company a wholly-owned subsidiary by exercising its Request for the Sale of Shares. Possible methods, taking into consideration a comprehensive range of factors such as the market and the Target Company's condition, may include the Tender Offeror making another tender offer, the Target Company acquiring additional Target Company Shares, Certificates, etc. through a third-party allotment of new shares to the Tender Offeror or SBIHD, or the Target Company acquiring the Target Company KDRs. As of today, no decision has been made regarding the specific timing

or method of the Tender Offeror, etc. additional acquisition of the Target Company Share Certificates, etc. after the Tender Offer.

(6) Likelihood of delisting and reasons therefor

The Target Company KDRs are listed on KOSDAQ as of today. The Tender Offeror has not set a maximum limit on the number of shares to be purchased in the Tender Offer, and if the Tender Offeror acquires 2,884,599 of the Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) in conjunction with the Korean Tender Offer (ownership ratio: 12.52%, or 90.00% when taking into account SBIHD's current holdings), it plans to proceed with the delisting of the Target Company KDRs through the prescribed procedures in accordance with the KOSDAQ listing rules. After delisting, the Target Company KDRs will no longer be able to be traded on KOSDAQ.

In addition, even if the Tender Offer is successful but the Tender Offeror, etc. do not acquire, in conjunction with the Korean Tender Offer, 2,884,599 Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (ownership ratio: 12.52%, or 90.00% when taking into account SBIHD's current holdings), as described in "(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)" above, the Tender Offeror, etc. plan to acquire additional Target Company Share, Certificates, etc. in order to aim to delist the Target Company KDR and subsequently make the Target Company a wholly-owned subsidiary through the exercise of their Request for the Sale of Shares. Therefore, if the delisting criteria are met as a result of such additional acquisition, the Tender Offeror, etc. plan to proceed with the delisting of the Target Company KDRs through the prescribed procedures in accordance with the KOSDAQ Listing Rules. As of today, no decision has been made regarding the specific timing or method of the additional acquisition of the Target Company Share Certificates, etc. by the Tender Offeror, etc. after the Tender Offer.

2. Overview of the Tender Offer etc.

(1) Overview of the Target Company

① N a m e	SBI FinTech Solutions Co., Ltd.	
② A d d r e s s	Aoyama First Bldg. 9F, Shibuya 2-1-1, Shibuya Ward, Tokyo	
③ Title and name of representative	Yuichi Kaneko, Representative Director and CEO	
④ Business details	EC payment business and FinTech-related business group management	
⑤ Capital	1,454,100,000 yen (as of March 31, 2024)	
⑥ Establishment date	April 4, 2011	
⑦ Major shareholders and shareholding ratio (As of September 30, 2024)	SBIHD	77.48%
	Jang Mansoon	1.17%
	Yoon Sunhee	0.79%
	Kim Ikryong	0.76%
	Park Hongryeol	0.70%
	Yoon Joongmyung	0.55%
	Kim Tae Eun	0.37%
	Kee Younsea	0.30%
	Kim Jongju	0.21%
	Nam Young Woo	0.20%
⑧ Relationship between Tender Offeror and Target Company		
Capital relationship	SBIHD, the ultimate parent company of the Tender Offeror, holds 17,853,131 KDRs of the Target Company (ownership ratio: 77.48%) as of today, and it has made the Target Company the consolidated subsidiary of SBIHD. Furthermore, the Tender Offeror does not directly hold any Target Company Share Certificates, etc. as of today.	

Personal relationship	As of today, one employee has been seconded from SBIHD, the ultimate parent company of the Tender Offeror, to the Target Company group.
Transactional relationship	Not applicable.
Related party status	The Target Company is a consolidated subsidiary of SBIHD, the ultimate parent company of the Tender Offeror, and is a related party of SBIHD.

(Note 1) "Major shareholders and shareholding ratio (as of September 30, 2024)" is based on the "Status of Major Shareholders" in the Target Company's semiannual securities report.

(Note 2) The Target Company Common Shares are held in the name of KSD, the depository for the Korean Depository Receipts, and the "Major Shareholders and Shareholding Ratio (as of September 30, 2024)" reflects the beneficial ownership of those holding the Korean Depository Receipts.

(2) Schedule, etc.

① Schedule

Date of board of directors' meeting	November 14, 2024 (Thursday)
Commencement date of Tender Offer's public notice	November 15, 2024 (Friday) It will be announced electronically, and the notice thereof will be published in the Nihon Keizai Shimbun. (Electronic disclosure address: https://disclosure2.edinet-fsa.go.jp/)
Submission of Tender Offer statement	November 15, 2024 (Friday)

② Initial Tender Offer Period in the submission

November 15 (Friday), 2024, to January 7 (Tuesday), 2025 (33 business days)

(Note) Pursuant to Article 8, Paragraph 1 of the Order and Article 1, Paragraph 1, Item 3 of the Act on Holidays of Administrative Organs, December 30, 2024, is a holiday for administrative organs and is therefore not included in the Tender Offer Period. However, the tender offer agent will accept tenders from Tendering Shareholders, etc., on December 30, 2024, which is not included in the Tender Offer Period.

③ Possibility of extension upon request of the Target Company

Not applicable.

④ Contact information for period extension confirmation

Not applicable.

(3) Price for purchase etc.

① 5,000 won per Target Company Common Share

② 5,000 won per Target Company KDR

(4) Basis for calculation of price for purchase etc.

① Basis for calculation

In determining the Tender Offer Price, SBIHD requested AGS FAS Co., Ltd., a third-party calculation agent independent of the Tender Offeror, etc., SBIFS, and the Target Company, to calculate the value of the Target Company Share Certificates, etc. AGS FAS Co., Ltd. is not a related party to the Tender Offeror etc.

AGS FAS Co., Ltd. considered which valuation method to adopt when valuing the Target Company Share Certificates, etc. from among several share valuation methods, and then calculated the value of the Target Company Share Certificates, etc. using each of the following methods: (1) the market price method, since the Target Company KDRs are listed on KOSDAQ and its market share price exists; (2) the comparable company method, because there are multiple listed companies comparable to the Target Company and it is possible to infer the share value of the Target Company Share Certificates, etc. through this method; and (3) the DCF method, in order to reflect the state of future business activities in the valuation. SBIHD obtained a share valuation report (hereinafter referred to as the "Share Valuation Report") from AGS FAS Co., Ltd. dated November 13, 2024. Furthermore, as described below in "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process", because measures have been taken to ensure fairness of the Tender Offer and to avoid conflicts of interest, and because the Tender Offer Price was determined through discussion and negotiation with the Target Company and the Special Committee, SBIHD believes that the interests of the Target Company's minority shareholders have been adequately considered and therefore has not sought a fairness opinion regarding the Tender Offer Price from AGS FAS Co., Ltd.

According to the Share Valuation Report, the ranges of per-share values of the Target Company Share Certificates, etc. calculated based on the following methods are as follows. The value per Target Company KDR (in yen) has been calculated based on the exchange rate of 1 won = 0.1101 yen (using the mid-rate of MUFG Bank, Ltd. as of November 13, 2024). Since each Target Company KDR can be converted into one Target Company Common Share, the value per common share of the Target Company is the same as the value per Target Company KDR.

Market price method: from 2,652 won (292 yen) to 3,450 won (380 yen)

Comparable company method: from 4,365 won (481 yen) to 6,005 won (661 yen)

DCF method: from 4,897 won (539 yen) to 5,381 won (592 yen)

Under the market price method, the base date is November 13 2024, and the per-share value of the Target Company Share Certificates, etc. is calculated to be in the range of 2,652 won (292 yen) to 3,450 won (380 yen) based on the closing price of the Target Company KDR on KOSDAQ on the base date (3,450 won (380 yen)), the simple average closing price for the one-month period up to that date (2,952 won (325 yen)), the simple average closing price for the three-month period up to that date (2,652 won (292 yen)), and the simple average closing price for the six-month period up to that date (2,877 won (317 yen)).

Under the comparable company method, similar listed companies that are deemed to be engaged in business similar to the payment services business operated by the Target Company were used as comparable companies, and the EV/EBITDA multiple of those similar listed companies was used to calculate the value of the Target Company's stocks; the range of value per share of the Target Company Share Certificates, etc was analyzed to be between 4,365 won (481 yen) and 6,005 won (661 yen).

Under the DCF method, future cash flows are discounted based on the Target Company's business plan from the fiscal year ending March 2025 through the fiscal year ending March 2028 to their present value at a certain discounted rate, and the range of per-share value of the Target Company Share Certificates, etc. was estimated to be between 4,897 won (539 yen) and 5,381 won (592 yen).

Furthermore, in the financial forecast based on the above business plan, profit increases are expected for the fiscal years ending March 2025, March 2027, and March 2028, while a profit decrease is anticipated for the fiscal year ending March 2026 compared to the previous year. In addition, since it is difficult to specifically estimate the impact on earnings of the synergies expected to be realized through the Japan-Korea Tender Offer at this time, they have not been taken into account in the business plan that formed the basis for the DCF method.

SBIHD considered the Tender Offer Price based on the ranges of share values calculated using the market price method, comparable company method, and DCF method set out in the Share Valuation Report obtained from AGS FAS Co., Ltd., and took into consideration the results of the due diligence conducted by SBIHD on the Target Company from the period

of late August 2024 to the beginning of November 2024; the market share price trend of the Target Company KDR; whether the Target Company will support the Japan-Korea Tender Offer; and the outlook for tendering in the Japan-Korea Tender Offer, as well as the results of discussions and negotiations with the Target Company, decided on the Tender Offer Price of 5,000 won (551 yen) per share as of today. Note that in the past five years, in tender offer cases for KOSDAQ-listed stocks (i.e., the completed tender offer cases aimed at delisting, there were nine cases that were first-stage tender offers), the range of premiums granted when determining the tender offer price was 8.61% to 78.40%, with an average of 25.67%; taking into consideration factors such as the likelihood of the Target Company's support for this Tender Offer and the prospects for the successful completion of this Tender Offer, and following discussions and negotiations with the Target Company, it was ultimately decided that the final Tender Offer Price would be 5,000 won (551 yen) per Target Company common share and 5,000 won (551 yen) per Target Company KDR on November 14, 2024.

The Tender Offer Price, 5,000 won (551 yen), is calculated by adding a premium of 44.93% to the closing price of 3,450 won (380 yen) of the Target Company KDR on KOSDAQ on November 13, 2024, which is the business day immediately preceding the announcement date of the Tender Offer, and adding a premium of 69.38% to the simple average of the closing prices of 2,952 won (325 yen) for the one-month period up to that date, a premium of 88.54% on the simple average closing prices of 2,652 won (292 yen) for the three-month period up to that date, and adding a premium of 73.79% on the simple average closing price of 2,877 won (317 yen) for the six-month period up to that date.

(Note) When calculating the share value of the Target Company Share Certificates, etc., AGS FAS Co., Ltd. has, in principle, used the materials and information provided by the Target Company and publicly available information as is and has assumed that all materials and information analyzed and considered are accurate and complete. AGS FAS Co., Ltd. has not independently verified the accuracy or completeness of such materials and information and has no obligation to do so. AGS FAS Co., Ltd. assumes that there are no facts that have not been disclosed to AGS FAS Co., Ltd. that may have a material impact on the valuation of the Target Company Share Certificates, etc. It has not independently evaluated, appraised, or assessed any of the assets or liabilities of the Target Company or its affiliates (including but not limited to financial derivatives, off-balance sheet assets and liabilities, and other contingent liabilities), including any analysis or valuation of individual assets and liabilities, nor has it requested any third-party organization to evaluate, appraise, or assess such assets or liabilities. AGS FAS Co., Ltd. has assumed that the Target Company's business plans and other future information provided to it have been reasonably confirmed, considered, or prepared based on the best currently possible forecasts and judgments of the Target Company's management, and has relied on such information without independent verification. AGS FAS Co., Ltd.'s calculations are based on the financial, economic, market, and other conditions as of November 13, 2024. The results of the valuation of the Target Company's Share Certificates, etc. submitted by AGS FAS Co., Ltd. do not represent an opinion as to the fairness of the Tender Offer Price.

② Calculation process

(The process leading to the determination of the Tender Offer Price)

The Tender Offeror, with the objective of making the Target Company a wholly-owned subsidiary, has decided to conduct the Japan-Korea Tender Offer as of today as described above in "(1) Overview of Tender Offer" contained in "1. Purpose, etc. of Purchase, etc.". Based on the following background, the Tender Offer Price has been set at 5,000 won (551 yen). For more information on how the Tender Offeror determined the Tender Offer Price, please refer to "① Background, Purpose and Decision-Making Process of the Decision to Implement the Tender Offer" under "(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer" contained in "1. Purpose, etc. of Purchase, etc."

(i) Names of third parties whose opinions were sought pursuant to the calculation

Pursuant to determining the Tender Offer Price, SBIHD requested AGS FAS Co., Ltd., a third-party calculation agent

independent of the Tender Offeror etc., SBIFS and the Target Company, to calculate the value of the Target Company Share Certificates, etc. with SBIHD obtaining a Share Valuation Report from AGS FAS Co., Ltd. on November 13, 2024. AGS FAS Co., Ltd. is not related in any way to the Tender Offeror or the Target Company. As described below in “Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer”, because measures have been taken to ensure the fairness of the Tender Offer and to avoid conflicts of interest, and because the Tender Offer Price was determined through discussion and negotiation with the Target company and the Special Committee, SBIHD believes that the interests of the Target Company’s minority shareholders have been adequately considered and therefore has not sought a fairness opinion regarding the Tender Offer Price from AGS FAS Co., Ltd.

(ii) Summary of the opinion

According to the Share Valuation Report, the ranges of per-share values of Target Company Share Certificates, etc. calculated based on the following methods are as follows:

Market price method: from 2,652 won (292 yen) to 3,450 won (380 yen)

Comparable company method: from 4,365 won (481 yen) to 6,005 won (661 yen)

DCF method: from 4,897 won (539 yen) to 5,381 won (592 yen)

(iii) How the Tender Offer Price was determined based on the opinion

SBIHD considered the Tender Offer Price based on the ranges of share values calculated using the market price method, comparable company method, and DCF method set out in the Share Valuation Report and took into account the results of the due diligence conducted by SBIHD on the Target Company from the period of late August 2024 to the beginning of November 2024, market price trends of the Target Company KDR, which had been in decline since peaking at the closing price of 7,240 won (797 yen) on January 20, 2022, of the most recent 3 years, whether the Target Company will support the Japan-Korea Tender Offer; and the outlook for tendering in the Japan-Korea Tender Offer, as well as the results of discussions and negotiations with the Target Company, decided on the Tender Offer Price of 5,000 won (551 yen) per share as of November 14, 2024.

(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)

Considering that SBIHD, the ultimate parent company of the Tender Offeror, is the Target Company’s controlling shareholder (parent company) with an ownership ratio of 77.48% of Target Company KDRs; that the transaction, including the Japan-Korea Tender Offer, constitutes an acquisition of a controlled company by a controlling shareholder; and that a structural conflict of interest may arise in the Target Company's consideration of the transaction, the Tender Offeror etc. and the Target Company have each implemented the following measures to ensure the fairness of the Tender Offer Price, eliminate arbitrariness in decision-making regarding the transaction, and ensure its fairness and transparency.

As described in "(1) Overview of Tender Offer" contained in "1. Purpose, etc. of Purchase, etc." above, as of today, the Tender Offeror does not own any Target Company Share Certificates, etc.; however, SBIHD does own 17,853,131 Target Company KDR (ownership ratio: 77.48%), so setting a minimum number of shares to be purchased by the so-called "Majority of Minority" in the Tender Offer may destabilize the consummation of the Tender Offer. Believing that this may not be in the best interest of those minority shareholders of the Target Company who wish to participate, no “Majority of Minority” minimum threshold has been set for this Tender Offer. However, as the Tender Offeror etc. and the Target Company have implemented measures (i) through (vii) below in order to ensure the fairness of the Tender Offer, the Tender Offeror etc. and the Target Company believes that they have given due consideration to the interests of the Target Company’s minority shareholders. In addition, the measures implemented by the Target Company, as described below, are based on explanations received from the Target Company.

(i) Obtainment of Share Valuation Report from an independent third-party calculation agent for Tender Offeror etc. and SBIFS

In determining the Tender Offer Price, the Tender Offeror etc. requested AGS FAS Co., Ltd., a third-party calculation agent independent of the Tender Offeror etc., SBIFS, and the Target Company, to calculate the value of the Target Company Share Certificates, etc. AGS FAS Co., Ltd. is not a party related to the Tender Offeror etc.

For details, please refer to “① Basis for calculation” above.

(ii) Obtainment of share evaluation report from an independent third-party calculation agent of valuation report pertaining to the Target Company

(a) Name of calculation agent and relationship with Target Company and Tender Offeror

In considering the Tender Offer Price, the Target Company exercised caution in making a decision regarding the transaction and, in addition, took measures to eliminate arbitrariness and the risk of conflicts of interest in the decision-making process of its board of directors, as well as to ensure the fairness of the transaction. As part of these measures, the Target Company appointed Yamada Consulting as a financial advisor and third-party calculation agent independent of Tender Offeror etc., SBIFS and the Target Company, with the Target Company receiving financial advice and assistance, including advice on the valuation of the Target Company Common Share and KDR prices, negotiation strategies and methods to negotiate with the Tender Offeror etc., and a target valuation report dated today. Yamada Consulting is not a related party to the Tender Offeror etc. or the Target Company and has no material interests in the transaction, including the Tender Offer.

A significant portion of the compensation to be paid to Yamada Consulting for this transaction is to be in the form of transaction compensation, which will be paid on the condition that this transaction is announced publicly and squeeze-out procedures are completed, with the Target Company having taken into account general business practices for similar transactions and selecting Yamada Consulting as its financial advisor and third-party calculation agent based on the above-mentioned fee structure.

In addition, at its first meeting held on August 30, 2024, the Special Committee confirmed that there was no question of Yamada Consulting's independence and expertise, and granted approval for it to become the Target Company's financial advisor and independent third-party calculation agent. Moreover, the Target Company has decided that it does not need to obtain a fairness opinion and therefore did not obtain Yamada Consulting's fairness opinion, as the Tender Offeror etc. and the Target Company have taken measures to ensure the fairness of the Tender Offer, taking into consideration the interests of minority shareholders.

(b) Calculation overview

Based on a request from the Target Company, Yamada Consulting received disclosures and explanations regarding the Target Company's current business status and future business plans, calculating the value of the Target Company Common Shares and KDRs based on this information.

After considering the valuation methods for this Tender Offer, Yamada Consulting considered it appropriate to evaluate the value of the Target Company Common Shares and KDRs from multiple perspectives based on the assumption that the Target Company is a going concern and because the Target Company KDR is listed on KOSDAQ and a market price exists, the market price method was used to calculate the value of the Target Company Common Shares and KDRs, and the DCF method was used to reflect the Target Company's future business activities in the calculation.

The range of values per Target KDR calculated by Yamada Consulting based on the above is shown below. Moreover, the value (in yen) for each Target Company KDR below has been calculated at 1 won = 0.1101 yen (an exchange rate based on the average rate at MUFG Bank, Ltd. as of November 13, 2024). In addition, since each Target Company KDR can be converted into a single share of Target Company Common Shares, the value per share of Target Company Common Shares will be the same as the value for one Target Company KDR.

Market price method: from 2,652 won (292 yen) to 3,450 won (380 yen)

DCF method: from 4,233 won (466 yen) to 5,268 won (580 yen)

Under the market price method, the base date is Nov 13, 2024, and the per-share value of the Target Company KDR is calculated to be in the range of 2,652 won (292 yen) to 3,450 won (380 yen) based on the closing price of the Target Company KDR on KOSDAQ on the base date (3,450 won) (380 yen), the simple average closing price for the one-month period up to that date (2,952 won) (325 yen), the simple average closing price for the three-month period up to that date (2,652 won) (292 yen), and the simple average closing price for the six-month period up to that date (2,877 won) (317 yen).

The Target Company's business plan that Yamada Consulting used for the DCF method includes fiscal years in which a significant increase in profits is expected compared to previous fiscal years. Specifically, expectations are that operating profit and free cash flow will increase in the fiscal year ending March 2025. This is because, while provisions for doubtful accounts were incurred in the fiscal year ending March 2024, similar expenses are not expected to be incurred in the fiscal year ending March 2025, with the Target Company expected to realize a gain on the sale of affiliated company shares through the transfer of such shares it holds. In addition, due to anticipated growth in the B to B sector of the payment services business and an increase in the number of customers in the back-office SaaS business in each of the fiscal years ending March 2025 to March 2028, sales, operating profit, and free cash flow are expected to grow. It is currently difficult to specifically estimate what synergies can be expected to result from this transaction, and thus, none have been taken into account in the business plan.

Under the DCF method, based on revenue forecasts and investment plans in the Target Company's business plan from the fiscal year ending March 2025 through the fiscal year ending March 2028 (the "Business Plan"), the Target Company's enterprise value and share value were calculated by discounting the free cash flows that the Target Company is expected to generate from the fiscal year ending March 2025 onward to their present value at a certain discounted rate, and the value per Target Company KDR was calculated to be in the range of 4,233 won (466 yen) to 5,268 won (580 yen). The discount rate used is the weighted average cost of capital, which is between 9.28% and 10.28%, and the perpetual growth method is used to calculate the going concern value, with the perpetual growth rate calculated as 0.00% to 1.00%.

The Special Committee also confirmed that the Business Plan was prepared by a person independent of the Tender Offeror etc. (as described in "(v) Establishment of an independent review system of the Target Company" below, persons who participate in or assist the Tender Offeror etc. in their review, negotiations, and decisions regarding the transaction were not be included in the review system), and during the preparation process, the Special Committee was briefed on the content of the proposed Business Plan and important assumptions, etc., and confirmed the reasonableness of the final content of the business plan, important assumptions, and preparation process, etc., before approving it.

(iii) Establishment of an independent special committee of the Target Company and obtainment of its report

As described in "(i) Background of the establishment of the review system" under "② The decision-making process and reasons for the Target Company's support for the Tender Offer" under "(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer" under "1. Purpose, etc. of Purchase, etc." above, in light of the Proposal submitted by SBIHD on August 5, 2024, the Target Company believes that the Transaction constitutes an acquisition of a controlled company by a controlling shareholder, and that the structural conflict of interest may arise in the Target Company's consideration of the transaction in order to exercise caution in the Target Company's decision making, eliminate arbitrariness in the decision-making process of the Target Company's board of directors, and ensure fairness, transparency and objectivity, the Target Company's board of directors resolved on August 14, 2024 to establish the Special Committee, which is composed of three members independent from the Tender Offeror, etc., SBIFS, and the Target Company: Mr. Kota Tsutsumi (External

Director of the Target Company), Mr. Tomohiro Sakamoto (External Director of the Target Company), and Mr. Yoshinori Arima (External Auditor of the Target Company). The Target Company selected the above three individuals as the initial members of the Special Committee and has not made any changes to the members of the Special Committee. In addition, through mutual election by the members of the Special Committee, Mr. Kota Tsutsumi, an external director and independent officer of the Target Company, has been appointed as the chairman of the Special Committee. The remuneration of the members of the Special Committee will consist solely of fixed remuneration paid regardless of the success or failure of the Transaction and does not include any success fee that is contingent on the public announcement or completion of the Transaction, etc.

Pursuant to the above-mentioned board of directors resolution, the Target Company has commissioned the Special Committee to consult with the Target Company on (a) matters concerning the reasonableness of the purpose of the Transaction (including whether the Transaction will contribute to the enhancement of the Target Company's enterprise value), (b) matters concerning the appropriateness of the terms and conditions of the Transaction (including the appropriateness of the method of implementation of the Transaction and the type of consideration), (c) matters concerning the fairness of the procedures for the Transaction (including consideration of what and to what extent measures to ensure fairness should be taken), and (d) whether the decision of the Target Company's board of directors to implement the Transaction (including expressing an opinion regarding the Tender Offer) would be disadvantageous to minority shareholders (holders of the Target Company KDRs other than SBIHD) in light of the above (a) to (c) and other matters ((a) to (d) are collectively referred to as the "Consultation Matters"), and to submit a report on these points to the Target Company's board of directors.

In addition, in the above-mentioned board of directors resolution, the Target Company's board of directors meeting that will deliberate the content of the opinion expressed regarding the Tender Offer will, in light of the purpose of establishing the Special Committee, give maximum respect to the content of the Special Committee's recommendations on the Consultation Matters, and if the Special Committee determines that the transaction terms are not appropriate, the Target Company's board of directors will resolve not to support the Tender Offer. In addition, in the above board of directors resolution, the Target Company has granted the Special Committee the following authorizations: (a) if the Special Committee deems necessary, it may determine by majority vote the selection of a chairperson and other matters concerning the operation of the Special Committee; (b) the Special Committee may, at the Target Company's expense, conduct an investigation into the Transaction (including asking questions of and seeking explanations or advice from the Target Company's officers or employees involved in the Transaction or the Target Company's advisors related to the Transaction regarding matters necessary for the consideration of the Consultation Matters); (c) the Special Committee may request the Target Company to (i) convey any proposals or other opinions or questions made by the Special Committee to the Tender Offeror, etc. and (ii) arrange opportunities for the Special Committee itself to discuss matters with the Tender Offeror, etc. (including their officers or employees involved in the Transaction and their advisors related to the Transaction; the same applies hereinafter in this subparagraph (c)) and, even if the Special Committee does not request such opportunities under (ii), if the Target Company has discussions or negotiations with the Tender Offeror, etc., it will promptly report the details of such discussions or negotiations to the Special Committee, and the Special Committee may, based on such details, express its opinion to the Target Company and issue necessary instructions and requests regarding the policy for discussions and negotiations with the Tender Offeror, etc.; (d) if the Special Committee is unable to reach a unanimous agreement on the report, the conclusion approved by the majority of the members will be the report of the Special Committee, and any member who has a different opinion on all or part of the report may request that their opinion be added to the report; (e) from the perspective of convenience in conducting proceedings, even if an officer or employee of the Target Company or an advisor of the Target Company related to the Transaction is present at a Special Committee meeting, the Special Committee may request that such person leave the meeting as appropriate; (f) the Special Committee may, when it deems necessary, appoint its own attorneys, valuation agencies, certified public accountants, and other advisors at the Target Company's expense. The Special Committee has also resolved to grant itself the authority to appoint or request changes to the Target Company's advisors for the Transaction, as well as the authority

to give necessary instructions to the Target Company's advisors.

The Special Committee held a total of 11 meetings between August 30, 2024, and November 13 of the same year, and also communicated outside of meetings via email, etc., to express opinions, exchange information, and collect information, and held consultations from time to time as necessary, in order to carefully consider the Consultation Matters. Specifically, the Special Committee received explanations from the Target Company regarding its business operations and performance trends, major management issues, expected advantages and disadvantages of the Transaction for the Target Company's business, and the contents of the Target Company's business plan that will be used as the basis for considering the terms of the Transaction and the process for formulating the plan, etc., and held a question-and-answer session. In addition, SBIHD explained to the Special Committee the process that led to the proposal for the Transaction, the measures envisaged after the Transaction, the expected advantages and disadvantages of the Transaction, and the details and extent of other impacts, as well as the Target Company's planned management policy after the Transaction, and a question-and-answer session, was held. Furthermore, the Special Committee received an explanation from Yamada Consulting, the Target Company's financial advisor and third-party calculation agent, regarding the valuation of the Target Company Common Shares and KDRs, and, after engaging in a question-and-answer session regarding the valuation process, the Special Committee reviewed the reasonableness of the valuation results. In conducting the above considerations, the Special Committee has received advice appropriately from TMI Associates, the Target Company's legal advisor, regarding measures to ensure the fairness of the Transaction, including the purpose and role of the Special Committee, and measures to avoid conflicts of interest.

The Special Committee then received timely reports from the Target Company regarding the process and content of the discussions and negotiations regarding the Transaction between the Target Company and the Tender Offeror, etc. The Special Committee then recommended to the Target Company on a total of 5 occasions to increase the Tender Offer Price from the Tender Offeror, etc. The Target Company then negotiated with the Tender Offeror, etc. in accordance with this recommendation, and the Special Committee has thereby been substantially involved in the negotiation process with the Tender Offeror, etc.

Based on the above background, the Special Committee has carefully deliberated and considered the Consultation Matters, and as a result, with unanimous agreement, submitted the Report, the contents of which are outlined below, to the Target Company's board of directors as of today.

Based on the above, the Special Committee carefully deliberated and discussed the Consultation Matters, and as a result, on November 13, 2024, it submitted the following report to the Target Company's board of directors, with unanimous approval of all committee members.

A. Conclusion

As a result of its consideration, the Special Committee unanimously reports the following opinions on the Consultation Matters.

- (i) The purpose of the Transaction is reasonable.
- (ii) The terms and conditions of the Transaction are appropriate.
- (iii) The procedures for the Transaction are fair.
- (iv) Based on the above (i) through (iii) and other matters, it cannot be said that the Target Company's decision to implement the Transaction (including the Target Company's announcement of its support for the Japan-Korea Tender Offer and recommendation to tender shares) is disadvantageous to the Target Company's minority shareholders (i.e., holders of the Target Company KDRs other than SBIHD).

B. Matters concerning the rationality of the purpose of the Transaction (including whether the Transaction will contribute to the enhancement of the Target Company's corporate value)

(a) Purpose of the Transaction, etc.

The Special Committee conducted hearings and other inquiries with the Target Company and SBIHD regarding the purpose of the transaction, as well as the specific details of the expected increase in the Target Company's enterprise value due to the transaction, as described in "1. Purpose, etc. of Purchase, etc." under "(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer," and in "① Background, Purpose and Decision-Making Process of the Decision to Implement the Tender Offer" and "② The decision-making process and reasons for the Target Company's support for the Tender Offer."

(b) Summary

The Special Committee conducted a detailed examination of the appropriateness and rationality of the specific details of the management environment surrounding the Target Company and other matters described above, the existence and degree of impact on the Target Company's business expected to result from the execution of the Transaction, and the possibility of enhancing the Target Company's corporate value based on these matters, through questioning of the Tender Offeror, etc. and the Target Company.

As a result, there were no unreasonable or contradictory points in the explanations given by the Tender Offeror, etc. and the Target Company, and it was recognized that the Tender Offeror, etc. and the Target Company were in agreement on the important points. In addition, in light of the business environment surrounding the Target Company and the future initiatives within the SBI Group, the implementation of the going-private transaction, which will make the Target Company a wholly owned subsidiary of the Tender Offeror, etc., is expected to contribute to the sustainable growth of the Target Company. Even if certain measures, such as capital investments, do not directly lead to short-term profit maximization, the ability of the Target Company and the SBI Group to work together swiftly and comprehensively on such initiatives from a medium- to long-term perspective is recognized as contributing to the enhancement of the Target Company's corporate value over the medium to long term. In addition, although the Target Company will become a wholly-owned subsidiary of the Tender Offeror, etc. and will be delisted, and will no longer be able to conduct public equity finance, the Target Company does not expect to need to conduct public equity finance in the future, and there are no disadvantages to delisting in terms of fund-raising. Also, the Target Company's name recognition and credibility are maintained to a large extent by its affiliation with the SBI Group rather than by being listed, so it is not thought that there is much possibility of a disadvantage arising from delisting. On the contrary, by going private, the costs associated with maintaining the listing can be reduced, and the Target Company's financial burden will be eased. This allows for a greater focus of management resources on business growth, making the benefits of delisting outweigh the disadvantages..

Therefore, the Special Committee has determined that the purpose of the Transaction is reasonable, as the Transaction will contribute to the enhancement of the Target Company's corporate value over the medium to long term, and the disadvantages of being delisted as a result of the Transaction are almost negligible.

C. Matters concerning the appropriateness of the terms of the Transaction (including the appropriateness of the method of implementing the Transaction and the type of consideration)

(a) Valuation Report on the Target Company's Value by Yamada Consulting

According to the valuation report obtained by the Target Company from Yamada Consulting, an independent third-party valuation firm separate from the Target Company, the Tender Offeror, etc., and SBIFS, the value of one share of the Target Company Common Shares and one Target Company KDRs, based on the market price method, ranges from 2,652 won to 3,450 won, and based on the DCF method, ranges from 4,233 won to 5,268 won. The Tender Offer Price per share of the Target Company Common Shares and per unit of the Target Company KDRs in the Japan-Korea Tender Offer exceeds the upper limit of the valuation range under the market price method and also exceeds the median of the valuation range under the DCF method.

The Special Committee received a detailed explanation from Yamada Consulting regarding the valuation methods used to calculate the share value, and after asking questions and answering them, the Special Committee examined the

results and found no unreasonable points in light of general valuation practices.

Additionally, the Tender Offer Price (5,000 won per share of the Target Company Commons Shares and 5,000 won per Target Company KDRs) reflects a premium of 44.93% over the closing price of 3,450 won for the Target Company KDR on KOSDAQ on November 13, 2024, the business day prior to the meeting of the Target Company's Board of Directors regarding the expression of opinions on the Japan-Korea Tender Offer; a premium of 69.38% over the simple average closing price of 2,952 won for the most recent month; a premium of 88.54% over the simple average closing price of 2,652 won for the most recent three months; and a premium of 73.79% over the simple average closing price of 2,877 won for the most recent six months. These premiums exceed the premium levels in Similar Cases (42.02% over the closing price on the business day before the announcement, 45.36% over the simple average closing price for the most recent month, 47.21% over the simple average closing price for the most recent three months, and 47.32% over the simple average closing price for the most recent six months). Furthermore, these premiums also surpassed the premium levels in cash tender offers in Korea since December 2021 (in the 16 cases that have already concluded with the goal of delisting and involve first-round tender offers), where the premiums were 22.16% over the closing price on the business day before the announcement, 31.08% over the simple average closing price for the most recent month, 35.44% over the simple average closing price for the most recent three months, and 40.18% over the simple average closing price for the most recent six months. In light of this comparison, it has been confirmed that a reasonable premium level has been applied.

(b) Fairness of the Negotiation Process

As described in "(a) Matters concerning the fairness of the procedures for the Transactions (including the consideration of the extent to which any fairness measures should be implemented)," below, the procedures for the negotiations concerning the Transactions, including the Japan-Korea Tender Offer, are considered to be fair, and the Tender Offer Price is considered to have been determined based on the results of such negotiations.

(c) Reasonableness of the procedures after the Japan-Korea Tender Offer

The minority shareholders who did not tender their shares in the Japan-Korea Tender Offer (i.e., the holders of the Target Company KDR shares, excluding SBIHD) will ultimately receive cash in the Squeeze-Out Procedures, and the amount of cash to be delivered in the procedures is scheduled to be the same as the Tender Offer Price, with the cash to be delivered to the selling shareholders as consideration per share of the Target Company common shares.

According to the Tender Offeror etc., the share sale request is expected to take place after the delisting of the Target Company KDRs. Following discussions with relevant authorities such as KSD, the deposit agreement for the Target Company Common Shares, which the Target Company has entered into with KSD, will either be terminated, or the owners of the Target Company KDRs will voluntarily carry out the conversion procedure for the underlying shares under the deposit agreement. As a result, the Target Company KDRs owned by each shareholder will be converted into the Target Company Common Shares. This is expected to occur after SBIHD becomes the special controlling shareholder, as stipulated in Article 179, Paragraph 1 of the Companies Act. Furthermore, although KOSDAQ-listed companies are able to voluntarily delist in accordance with Article 22 of the KOSDAQ Listing Rules, there are no clear standards for the shareholding ratio of controlling shareholders that would constitute grounds for delisting, and KRX guidance also does not provide clear standards for the shareholding ratio of controlling shareholders that would constitute grounds for delisting. However, the Tender Offeror, etc. have confirmed that in five cases out of the past five years of delisting cases on KOSDAQ, delisting has been approved by KRX when the controlling shareholder has acquired 90% or more of the voting rights, and therefore, if the acquisition of 2,884,599 shares of the Target Company Common Shares (equivalent to 2,884,599 Target Company KDRs) (Ownership Ratio: 12.52%; Ownership Ratio when adding SBIHD's current holdings: 90.00%) through the Japan-Korea Tender Offer does not take place, equivalent to 2,884,599 KDRs) (Ownership Ratio: 12.52%; Ownership Ratio when factoring in SBIHD's current holdings: 90.00%) was not achieved, it is planned that additional acquisition of the Target Company's share certificates, etc. will be carried out until the Ownership Ratio when factoring in SBIHD's current holdings of the Target Company's share certificates, etc. reaches 90.00%. Therefore, if the Japan-Korea Tender Offer is successful, it is expected that a request for the sale of shares will

be made.

As described above, in the Transaction, including the Japan-Korea Tender Offer, consideration has been given to the interests of minority shareholders who did not apply for the Japan-Korea Tender Offer (holders of the Target Company KDR excluding SBIHD) in order to address the issue of so-called coercion, and the conditions for the Squeeze-Out Procedure are considered to be reasonable to a certain extent.

(d) Type of Consideration

The consideration for the Transaction is cash. SBIHD is a listed company, and it is possible to consider making the consideration for the Transaction SBIHD shares, but although listed shares have a certain degree of liquidity, they are subject to the risk of price fluctuations, and it takes a certain amount of time and procedures for shareholders who receive the consideration to convert them into cash. On the other hand, cash considerations have a lower risk of value fluctuation and are more liquid, and it is also thought that it is relatively easy for shareholders to evaluate when deciding whether to apply.

Although the Tender Offer Price is denominated in Korean won, the payment for the shares tendered in this Tender Offer will be settled in yen. Specifically, the payment will be converted from Korean won into yen (rounded to the nearest whole number) based on the midpoint exchange rate for converting Korean won to Japanese yen at MUFG Bank, Ltd. as of January 6, 2025, the business day immediately preceding the final day of the Tender Offer period (or, if the Tender Offer Period is extended, the business day immediately preceding the final day of the extended period).

In light of the above, the type of consideration is considered to be appropriate.

(e) Summary

Based on the above, the Special Committee carefully discussed and reviewed the matter and determined that the terms of the Transaction are appropriate.

D. Matters concerning the fairness of the procedures for the Transaction (including consideration of the degree to which any fairness measures should be implemented)

(a) Establishment of the Special Committee

Based on a resolution of the Board of Directors of the Target Company held on August 14, 2024, and in consideration of SBIHD being the controlling shareholder (parent company) of the Target Company, prior to deliberating and making a decision on the execution of this transaction, including the Japan-Korea Tender Offer, the Target Company's Board of Directors acknowledged that this transaction constitutes an acquisition of a controlled company by a controlling shareholder and that it involves structural issues of conflicts of interest and information asymmetry. In light of these issues, to address such concerns, ensure careful decision-making by the Target Company, eliminate arbitrariness and potential conflicts of interest in the decision-making process, and secure the fairness of this transaction, the Target Company has established a special committee consisting of three external directors: Kota Tsutsumi and Tomohiro Sakamoto, and an external statutory auditor, Yoshinori Arima. Additionally, the Target Company has decided that, when making decisions regarding this transaction, the opinions of the Special Committee will be given the utmost respect, and if the Special Committee judges that the transaction is not reasonable, the Target Company will not proceed with a decision to execute the transaction. The composition of the Special Committee has remained unchanged since its establishment.

(b) Method of Consideration by the Target Company

In considering the Transaction, the Target Company has obtained advice and opinions from Yamada Consulting, an independent financial advisor and third-party appraiser, as well as TMI Associates, its legal advisor, both of which are independent of the Target Company, the Tender Offeror, etc., and SBIFS. The Target Company is carefully evaluating and discussing the appropriateness of the Tender Offer Price, along with other terms of the Japan-Korea Tender Offer, as well as the fairness of the series of procedures involved in the Transaction, from the perspective of enhancing its corporate value and securing the collective interests of its shareholders.

In addition, the Special Committee has confirmed that there are no issues with the independence and expertise of Yamada Consulting and TMI Associates and has approved them as the Target Company's financial advisor, third-party

appraiser, and legal advisor.

(c) Discussions and negotiations by the Target Company

In accordance with the negotiation policy approved in advance by the Special Committee, the Target Company has held substantive discussions and negotiations with the Tender Offeror, etc. on multiple occasions regarding the Tender Offer Price in order to ensure its fairness from the perspective of protecting the interests of minority shareholders. Specifically, the Target Company conducted price negotiations based on the negotiation policy approved by the Special Committee through Yamada Consulting a total of 11 times.

As a result of these negotiations, the Tender Offer Price of 5,000 won per share of the Target Company Common Shares and per Target Company KDR was determined, which was 1,000 won higher than SBIHD's initial proposal of 4,000 won per share of the Target Company Common Shares and per Target Company KDR.

(d) Non-involvement of Specially Interested Parties in the Negotiation and Decision-making Processes of the Transaction

The directors who are considering and negotiating the Transaction on behalf of the Target Company do not include any persons with a special interest in the Transaction, and there are no other facts that would lead to the inference that the Target Company or the Tender Offeror, etc. or any other persons with a special interest in the Transaction have exerted undue influence on the Target Company during the process of consultation, consideration and negotiation regarding the Transaction.

Furthermore, one of the Target Company's directors, Mr. Yuichi Kaneko, who is the president and representative director, did not participate in the deliberations and resolutions at the aforementioned board of directors meeting, as he was deemed to have a potential conflict of interest regarding the Target Company's decision-making in relation to the Transaction, and he was not involved in any of the discussions and negotiations with the Tender Offeror, etc. from the Target Company's perspective.

(e) Majority of Minority Condition

In the Japan-Korea Tender Offer, the Tender Offeror, etc. have not set a minimum number of shares to be purchased that corresponds to the so-called "majority of minority," but setting a minimum number of shares to be purchased that corresponds to the majority of minority would make the completion of the Japan-Korea Tender Offer unstable, and there is a possibility that it would not contribute to the interests of minority shareholders who wish to subscribe to the Japan-Korea Tender Offer and it is thought that appropriate measures to ensure fairness have been implemented in the Japan-Korea Tender Offer and sufficient consideration has been given to the interests of the Target Company's minority shareholders, so it is thought that the fact that a lower limit corresponding to a majority of minority shareholders has not been set does not mean that appropriate measures to ensure fairness have not been implemented.

(f) Ensuring opportunities for competitive bids, etc.

The Tender Offeror, etc. have not entered into any agreements containing transaction protection clauses that prohibit the Target Company from engaging with acquisition proposals from parties other than the Tender Offeror, etc. (hereinafter referred to as "competing acquisition proposers"), nor have they made any agreements that would restrict competing acquisition proposers from engaging with the Target Company. By ensuring that the opportunity for acquisition proposals from competing acquisition proposers after the announcement of the Japan-Korea Tender Offer is not obstructed, they are taking steps to safeguard the fairness of the Japan-Korea Tender Offer.

Furthermore, the Tender Offeror, etc. have set the Tender Offer Period to 33 business days, which is longer than the shortest period of 20 business days required by law, in order to provide shareholders of the Target Company with an adequate period to consider whether to submit their tender offer applications, while also ensuring that there is an opportunity for third parties to make competing offers for the Target Company's Share Certificates, etc. In addition to ensuring such opportunities for competing offers, the setting of this Tender Offer Period takes into account the need to safeguard the fairness of the Japan-Korea Tender Offer.

Although an active market check has not been conducted in this transaction, it is considered that, in addition to information management, the Target Company's parent company, SBIHD, has expressed its intention not to sell the

Target Company KDRs, its effectiveness would likely be limited, even if an active market check were to be conducted.

(g) Summary

In light of the above, the Special Committee carefully discussed and considered the matter and, as a result, determined that the Transaction has appropriate measures to ensure fairness and that the procedures for the Transaction are fair.

E. Based on the above (a) through (d) and other matters, whether or not the Target Company's board of directors' decision to implement the Transactions (including the statement of opinion on the Japan-Korea Tender Offer) is disadvantageous to minority shareholders (holders of the Target Company KDRs excluding SBIHD)

Based on the above points B to D, after careful consideration by this Special Committee, it was decided to implement the Transaction (including the expression of opinion regarding the Japan-Korea Tender Offer). Specifically, the Target Company's Board of Directors has resolved (i) to express its support for the Japan-Korea Tender Offer and recommend that the owners of Target Company Share Certificates, etc. submit their tender offer applications, and (ii) to decide to proceed with the squeeze-out procedure using the method of a stock sale request after the Japan-Korea Tender Offer. It was determined that these decisions would not be disadvantageous to the Target Company's minority shareholders (the Target Company KDR holders except for SBIHD).

(iv) Obtainment of advice from an independent legal advisor of the Target Company

In order to ensure the fairness and appropriateness of decision-making by the Target Company's board of directors regarding the Transaction, including the Tender Offer, the Target Company has appointed TMI Associates as legal advisor independent of the Tender Offeror, etc., SBIFS, and the Target Company. The Target Company is receiving necessary legal advice from TMI Associates regarding the decision-making process and methods of the Target Company's board of directors regarding the Transaction, including the Tender Offer, as well as other points to note.

TMI Associates is not a related party to the Tender Offeror, etc. or the Target Company, and has no material interests in the transaction, including the Tender Offer. In addition, TMI Associates' fees for this transaction will be calculated by multiplying the hourly rate by the number of hours worked, regardless of the success or failure of the transaction, and will not include any success fees that are contingent on the public announcement or completion of the Transaction. In addition, at its first meeting, the Special Committee confirmed that there were no issues regarding the independence of TMI Associates and approved it as the Target Company's legal advisor.

(v) Establishment of an independent review system of the Target Company

The Target Company has established an internal structure to consider and negotiate the Transaction from a position independent of the Tender Offeror, etc. and SBIFS. Specifically, since receiving the proposal for the Transaction from SBIHD on August 5, 2024, in order to avoid any doubts about conflicts of interest, the Target Company has decided not to involve any persons who are shareholders or officers/employees of the Tender Offeror, etc., or who are relatives of such persons, in the negotiations between the Target Company the Tender Offeror, etc. regarding the terms of the Transaction, including the Tender Offer Price, and in the internal review process of the Target Company. Instead, the Target Company has established an internal review system consisting of only three directors who do not fall under any of the above categories (Mr. Junichiro Abe, Mr. Tetsuya Chinen, and Ms. Seyoung Choi) and seven employees, for a total of ten people. Under this structure, the Target Company has formulated the Business Plan on which Yamada Consulting based its DCF method valuation, and neither the Tender Offeror, etc. nor any person with a conflict of interest with the Tender Offeror, etc. had any involvement in the formulation of the Business Plan.

(vi) Approval by all non-interested directors of the Target Company and confirmation that none of the non-interested corporate auditors have objections

The Target Company, while considering the valuation report obtained from Yamada Consulting and the legal advice from TMI Associates, conducted careful discussions and deliberations on the Tender Offer Price for this

transaction, including the Tender Offer, while fully respecting the content of the report submitted by the Special Committee.

As detailed in "(iii) Content of decision" under "② The decision-making process and reasons for the Target Company's support for the Tender Offer" under "(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer" under "1. Purpose, etc. of Purchase, etc.", the Target Company believes the Transaction, including the Tender Offer, is likely to enhance its enterprise value, largely due to expected synergies resulting from the Transaction. The Tender Offer Price (5,000 won (551 yen)) was determined based on the following factors: (a) it exceeds the upper end of the range based on the market price method and falls near the median/exceeds the median of the range based on the DCF method, as calculated by Yamada Consulting for the valuation of the Target Company's common shares and KDRs; (b) it includes a premium considered above average compared to similar transactions, (c) measures have been taken to ensure fairness and avoid conflicts of interest, which is seen as consideration for the interests of minority shareholders; (d) measures were taken to avoid conflicts of interest, and multiple discussions and negotiations took place between the Target Company and SBIHD, equivalent to those conducted between independent parties. Specifically, the Target Company engaged in sincere and continuous discussions and negotiations with SBIHD, informed by consultations with the Special Committee, the valuation results and financial advice provided by Yamada Consulting on the value of the Target Company's common shares and KDRs, and legal advice from TMI Associates, which ultimately led to the determination of the price; and (e) the Special Committee, after confirming negotiation strategies in advance, receiving timely reports, and providing opinions, instructions, and requests at key negotiation stages, expressed an opinion that the Tender Offer Price is fair. In light of the above, the Target Company has judged that this Tender Offer provides shareholders with a reasonable opportunity to sell their shares. At today's Board of Directors meeting, out of the six directors, five attending directors (excluding Mr. Yuichi Kaneko) and all four corporate auditors (i.e., Tetsuya Chinen, Junichiro Abe, Seyoung Choi, Kota Tsutsumi, Tomohiro Sakamoto, Hiroki Morofuji, Rieko Hayashi, Nobuo Hori, and Yoshinori Arima) participated in the deliberations and resolutions. With unanimous consent from the five attending directors, the Board resolved to express an opinion in support of the Japan-Korea Tender Offer and to recommend that shareholders tender their shares in response to the Japan-Korea Tender Offer. Mr. Yuichi Kaneko, the President and Representative Director of the Target Company, is originally from the SBI Group. Therefore, it was determined that there may be a potential conflict of interest in the Target Company's decision-making regarding this Transaction. As a result, he did not participate in the discussions, negotiations, or the deliberations and resolutions of the board of directors related to this Transaction. Additionally, at the above board meeting, all four auditors of the Target Company expressed that they had no objections to the resolution.

(vii) Measures to secure purchase opportunities from other offerors

The Tender Offeror, etc. have not entered into any agreement with the Target Company, including transaction protection clauses that would prohibit the Target Company from engaging with competing acquirers, or any other agreements that would restrict such competing acquirers from contacting the Target Company.

Additionally, while the statutory minimum period for the tender offer is 20 business days, the Tender Offeror, etc. have set a relatively longer period of 33 business days. The Tender Offeror, etc. have set a relatively longer tender offer period than the statutory minimum in order to ensure that the shareholders of the Target Company have an adequate opportunity to make an informed decision regarding the Japan-Korea Tender Offer. At the same time, this allows others besides the Tender Offeror, etc. the opportunity to engage in competitive bids, thereby ensuring the fairness of the tender offer price.

- (Note 1) Although the Tender Offer Price is denominated in Korean won, due to challenges in settling payments for the Target Company Share, Certificates, etc., in Korean won for a Tender Offer in Japan, the proceeds of the sale will be settled with the tendering shareholders by converting Korean won into Japanese yen. Specifically:
- (i) the tender offer price per share of the Target Company Common Shares is 5,000 won;
 - (ii) this amount will

be converted into yen (rounded to the nearest whole number) based on the midpoint exchange rate for converting Korean won to Japanese yen at MUFG Bank, Ltd. as of January 6, 2025, the business day before the final day of the Tender Offer Period (or the business day before the extended final day if the Tender Offer Period is extended); and (iii) the amount obtained by multiplying the yen-converted price by the number of shares of the Target Company Common Shares purchased from the tendering shareholders will be remitted by SBI Securities, the tender offer agent, either to the location designated by the tendering shareholder (or their standing proxy, in the case of foreign shareholders) or credited directly to the account of the tendering shareholder who submitted their application to the tender offer agent, without delay after the settlement start date.

(Note 2) In calculating the value of the Target Company Common Shares and Target Company KDRs, Yamada Consulting, in principle, relied on information provided by the Target Company and publicly available information as is, assuming that these materials and information are accurate and complete, and that there are no undisclosed facts that could significantly impact the analysis or calculation of the Tender Offer Price. Yamada Consulting did not independently verify the accuracy of these materials and information. Furthermore, it is assumed that the financial forecasts for the Target Company have been prepared with reasonable care, based on the best available forecasts and judgment of the Target Company's management. Additionally, it is noted that no independent evaluations or assessments have been conducted regarding the assets and liabilities of the Target Company and its affiliates (including off-balance-sheet assets and liabilities, as well as other contingent liabilities), nor have any requests been made for appraisal or assessment by third-party institutions. It is noted that the valuation by Yamada Consulting reflects the above information as of November 13, 2024.

③ Relationship with the calculation agent

AGS FAS, the financial advisor (calculation agent) of the Tender Offeror, etc., is not a related party to either the Tender Offeror, etc. or the Target Company and does not have any significant interests in relation to this Tender Offer.

(5) Number of shares to be purchased

Type of shares	Planned purchase amount	Minimum number of shares to be purchased	Maximum number of shares to be purchased
Common Shares	5,188,791 shares	-(shares)	-(shares)
Total	5,188,791 shares	-(shares)	-(shares)

(Note 1) The number of shares planned for purchase includes the number of Target Company KDRs tendered in response to the Korean tender offer, with each KDR counted as one share of the Target Company Common Share.

(Note 2) In this tender offer, no upper or lower limit has been set for the number of shares to be purchased, so all of the tendered shares will be acquired.

(Note 3) The number of shares to be purchased represents the maximum number of Target Company Share Certificates etc. that the Tender Offeror, etc. may acquire through the Japan-Korea Tender Offer, which is 5,188,791 shares. This maximum is calculated by taking the Target Company's total number of outstanding shares as of 30 September 2024 (24,052,540 common shares), as stated in the Target Company's semi-annual report, and subtracting the number of treasury shares held by the Target Company on that date (1,010,618 shares, corresponding to 1,010,618 KDRs held as treasury shares), as well as the number of common shares (17,853,131 shares) equivalent to the 17,853,131 Target Company KDRs currently owned by SBIHD.

(Note 4) There are no plans to acquire the treasury shares held by the Target Company through this public tender offer.

(Note 5) The Target Company does not adopt the unit share system.

(6) Change in ownership percentage of shares due to the Tender Offer etc.

The number of voting rights associated with the shares held by the tender offeror prior to the tender offer.	0 shares	(The ownership ratio of shares before the tender offer: 0.00%)
The number of voting rights associated with the shares owned by the special related parties before the tender offer	17,853,131 shares	(The shareholding percentage before the tender offer: 77.48%)
The number of voting rights associated with the shares held by the tender offeror after the tender offer.	5,188,791 shares	(The ownership ratio of shares after the tender offer will be 22.52%)
The number of voting rights associated with the shares owned by special related parties after the completion of the tender offer.	17,853,131 shares	(The percentage of shares owned after the tender offer: 77.48%)
The total number of voting rights of the Target Company's shareholders	23,041,922 shares	

(Note 1) "Number of voting rights related to shares owned by special related parties before the tender offer" refers to the total number of voting rights associated with shares owned by each special related party (excluding those special related parties who are excluded from the calculation of the shareholding ratio under Article 27-2, Paragraph 1 of the Companies Act, in accordance with Article 3, Paragraph 2, Item 1 of the Enforcement Regulations). The Tender Offeror plans to verify the shares held by the special related parties and, if any corrections are necessary, will disclose the corrected information in the future.

(Note 2) "The number of voting rights of the Target Company's total shareholders" refers to the total number of voting rights of shareholders as of September 30, 2024, as stated in the Target Company's semi-annual report.

(Note 3) The "percentage of shares owned before the purchase" and the "percentage of shares owned after the purchase" are rounded to the nearest third decimal place.

(7) Purchase price: 25,944 million won

(Note) The purchase price is the amount obtained by multiplying the number of shares expected to be purchased in this Tender Offer (5,188,791 shares) by the Tender Offer price (5,000 won).

(8) Payment method

① The name of the securities company, bank, etc., responsible for the settlement of the tender offer, and the location of its head office.

SBI SECURITIES Co., Ltd., 1-6-1 Roppongi, Minato City, Tokyo

② Payment Start Date

Wednesday, January 15, 2025

③ Payment Method

After the end of the Tender Offer Period, without delay, the notice of the tender offer purchase will be mailed to the address

or location of the shareholders who have tendered their shares (for foreign shareholders, to their permanent agents).

Although the Tender Offer Price is denominated in Korean won, due to difficulties in settling payment for the Target Company's shares, etc. in Korean won for a Tender Offer in Japan, the proceeds of the sale shall be settled with the tendering shareholders by converting Korean won to Japanese yen. Specifically, ① the Tender Offer Price, denominated in Korean won, ② shall be converted to yen based on MUFG Bank, Ltd.'s Telegraphic Transfer Middle Rate for the conversion of Korean won to Japanese yen (rounded to the nearest whole yen) as of January 6, 2025, the business day immediately preceding the last day of the Tender Offer Period (or, in the event that the Tender Offer Period is extended, the business day immediately preceding the last day of the extended period), and ③ remittance shall be paid to an amount calculated by multiplying the yen conversion by the number Target Company common shares, at the direction of the tendering shareholders, without delay after the settlement commencement date, via the Tender Offer agent to the place designated by the tendering shareholders (or, for foreign shareholders, their standing proxy) or to the account of the tendering shareholder that accepted the tender from the Tender Offer agent.

Furthermore, the commencement of settlement shall be subject to the completion of the transfer of ownership of shares purchased through the Tender Offer.

④ Method of returning shares, etc.

If all or a portion of the tendered shares, etc. are not purchased, based on the conditions set forth in “① The existence and details of conditions set forth in each item of Article 27-13, Paragraph 4 of the Act,” or “② The existence of conditions for withdrawal of Tender Offers, details thereof, and method of disclosure of withdrawal” in “(9) Other conditions and methods for purchases, etc.”, the shares, etc. to be returned will be returned promptly on the business day immediately following the last day of the Tender Offer Period (or the date of withdrawal, etc. if the Tender Offer is withdrawn, etc.). With respect to the shares, the documents submitted at the time of tendering shall be returned to the tendering shareholder directly or by mail to the tendering shareholder's address at the direction of the tendering shareholder.

(9) Other conditions and methods for purchases, etc.

① The existence and details of conditions set forth in each item of Article 27-13, Paragraph 4 of the Act

As the maximum and minimum limits to the number of shares to be purchased in the Tender Offer have not been set, the Tender Offeror will purchase all of the tendered shares.

② The existence of conditions for withdrawal of Tender Offers, details thereof, and method of disclosure of withdrawal

The Tender Offer may be withdrawn if any of the matters set forth in Article 14, Paragraph 1, Items 1.1 through 1.9 and 1.13 through 1.19, Items 3.1 through 3.7 and 3.10, and Paragraph 2, Items 3 through 6 of the Order occur. In the Tender Offer, “facts equivalent to the facts listed in subitems 1 through 9” as set forth in Article 14, Paragraph 1, Item 3 of the Order refers to cases where it is found that statutory disclosure documents previously submitted by the Target Company contain false statements with respect to material matters or omits statements of material matters that should be included, and where the Tender Offeror did not know and could not have known of the existence of such false statements, etc. despite due diligence.

In the event of withdrawal, an electronic public notice will be made and a notice to the same effect will be published in the Nihon Keizai Shimbun. However, if it is difficult to give public notice by the last day of the Tender Offer Period, a public announcement shall be made according to the method stipulated in Article 20 of the Cabinet Ordinance and public notice shall be made immediately thereafter.

③ Existence of conditions for reduction of the Tender Offer Price, details thereof, and method of disclosure of reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company takes any of the actions set forth in Article 13, Paragraph 1 of the Order during the Tender Offer Period, the purchase price may be reduced in accordance with the provisions set forth in Article 19, Paragraph 1 of the Cabinet Ordinance.

In the event of a reduction of the Tender Offer Price, an electronic public notice will be made and a notice to the same effect will be published in the Nihon Keizai Shimbun. However, if it is difficult to give public notice by the last day of the Tender Offer Period, a public announcement shall be made according to the method stipulated in Article 20 of the Cabinet Ordinance and public notice shall be made immediately thereafter. In the event of a reduction of the Tender Offer Price, the Tender Offeror will purchase the tendered shares on or before the date of such public notice at the reduced purchase price.

④ Matters concerning the right of tendering shareholders, etc., to cancel agreements

Tendering shareholders etc., may cancel the agreements relating to the Tender Offer at any time during the Tender Offer Period. To cancel the agreement, please contact the Tender Offer agent's customer service center (phone number: 0800-222-2999) by 9:00 a.m. on the last day of the Tender Offer Period to complete the cancellation procedures.

Person authorized to receive notice of cancellation

SBI SECURITIES Co., Ltd., 1-6-1 Roppongi, Minato City, Tokyo

The Tender Offeror will not claim compensation for damages or penalties in the event of cancellation of agreements by tendering shareholders, etc. The cost of returning the tendered shares, etc., shall also be borne by the Tender Offeror. In the event that a tendering shareholder submits a request for cancellation of agreements relating to the Tender Offer, the tendered shares, etc. will be returned promptly after the completion of procedures for such cancellation request according to the methods stated in “④ Method of returning shares, etc.” in “(8) Payment method”.

⑤ Method of disclosure in the event of changes to the purchase conditions

The Tender Offeror may change the conditions of the Tender Offer during the Tender Offer Period, except where prohibited by Article 27-6, Paragraph 1 of the Act and Article 13, Paragraph 2 of the Order. If the Tender Offeror intends to change the conditions of the Tender Offer, the Tender Offeror will make a public notice electronically and publish a notice to the same effect in the Nihon Keizai Shimbun. However, if it is difficult to give public notice by the last day of the Tender Offer Period, a public announcement shall be made according to the method stipulated in Article 20 of the Cabinet Ordinance and public notice shall be made immediately thereafter. In the event of any change to the conditions of the Tender Offer, the Tender Offeror will purchase the tendered shares in adherence with the changed conditions on or before the date of such public notice.

⑥ Method of disclosure in the event that an amendment statement is submitted

In the event that an amendment form is submitted to the Director-General of the Kanto Local Finance Bureau, the Tender Offeror shall immediately make public the contents of the amendment statement that relate to the contents of the public notice of the commencement of the Tender Offer according to the provisions of Article 20 of the Cabinet Ordinance, except as provided in the provision of Article 27-8, Paragraph 11 of the Act. The Tender Offeror will also immediately amend the Tender Offer Explanatory Statement and deliver the amended Tender Offer Explanatory Statement to the tendering shareholders to whom the Tender Offer Explanatory Statement has already been delivered for correction. However, in the event that the amendments are minor in scope, the Tender Offeror may instead prepare a document stating the reason for the amendment, the matters subject to amendment, and the amended content, and deliver such a document to the tendering shareholders.

⑦ Method of disclosure of the result of the Tender Offer

The results of the Tender Offer will be announced publicly in the manner provided in Article 9-4 of the Order and Article 30-2 of the Cabinet Ordinance on the day immediately following the last day of the Tender Offer Period.

⑧ Others

The Tender Offer is not being made, directly or indirectly, in or to the United States, nor is it being made through the U.S. postal service or any other method or means of interstate or international commerce (including, but not limited to, facsimile,

email, Internet communications, telex and telephone), nor through any stock exchange facility in the United States. The Tender Offer may not be made by any of the above methods or means or through any of the above facilities or from within the United States.

The Tender Offer Filing or related purchase documents are not to be sent or distributed in or to the United States, or by mail or other means from within the United States, and such sending or distribution is not permitted. No application to the Tender Offer that directly or indirectly violates any of the above restrictions will be accepted.

Regarding applications to the Tender Offer, tendering shareholders (or, for foreign shareholders, their standing proxy) may be required to make the following representations and warranties to the Tender Offer agent.

That the tendering shareholder is not located in the United States at the time of application or at the time of sending the Tender Offer application form, no information (including copies thereof) regarding the Tender Offer has been received or sent, directly or indirectly, in, to, or from the United States. Neither the purchase nor the delivery of the signed Tender Offer application form is being made, directly or indirectly, through the U.S. postal service or any other method or means of interstate or international commerce (including, but not limited to, facsimile, email, Internet communications, telex and telephone), nor through any stock exchange facility in the United States. They are not acting as an agent or consignee or appointee of another person without discretionary authority (unless such other person is giving all instructions with respect to the purchase from outside the United States).

(10) Commencement date of Tender Offer's public notice

November 15, 2024 (Friday)

(11) Tender Offer agent

SBI SECURITIES Co., Ltd., 1-6-1 Roppongi, Minato City, Tokyo

3. Policies, etc. after the Tender Offer and future prospects

For policies, etc. after the Tender Offer, please refer to “(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer”, “(5) Policy on reorganization, etc. after the Tender Offer (matters related to the so-called two-step acquisition)” and “(6) Likelihood of delisting and reasons therefor” in “1. Purpose, etc. of Purchase, etc.” above.

4. Others

(1) Existence of an agreement between the Tender Offeror and the Target Company or its officers, and the details thereof

① Existence of an agreement between the Tender Offeror and the Target Company and the details thereof

According to the Target Company, the Target Company resolved at the meeting of its board of directors held today to express its opinion in support of the Japan-Korea Tender Offer and to recommend that the holders of the Target Company Share Certificates, etc. tender their shares in response to the Japan-Korea Tender Offer. For details, please refer to “(vi) Approval by all non-interested directors of the Target Company and confirmation that none of the non-interested corporate auditors have objections” in “(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)” in “② Calculation process” in “(4) Basis for calculation of price for purchase etc.” in “2. Overview of the Tender Offer etc.” above.

② Existence of an agreement between the Tender Offeror and the officers of the Target Company and the details thereof

Not applicable.

③ Background, purpose and decision-making process of the Tender Offer, and management policy after the Tender Offer

Please refer to “(2) Background, Purpose, and Decision-Making Process of the Decision to Implement the Tender Offer, and the Management Policy after the Tender Offer” in “1. Purpose, etc. of Purchase, etc.” above.

- ④ Measures to ensure the fairness of the Tender Offer, including measures to ensure the fairness of the Tender Offer Price and measures to avoid conflicts of interest

Please refer to "(Measures to ensure the fairness of the Tender Offer Price, avoid conflicts of interest, and ensure the fairness of the Tender Offer)" of "② Calculation process" under "(4) Basis for calculation of price for purchase etc. " of "2. Overview of the Tender Offer etc." above.

- (2) Other information deemed necessary for investors to decide whether to apply for the tender offer, etc.

Announcement of the "14th Fiscal Year Semiannual Report"

The Target Company published its "14th Fiscal Year Semiannual Report" on November 13, 2024. The content summary below is an excerpt from the announcement made by the Target Company. For more detailed information, please refer to the full report.

(i) Profit and loss (consolidated)

Settlement period	14 th Fiscal Year (Q2 consolidated cumulative total period)
Revenue	2,638,000,000 yen
Operating Profit	55,000,000 yen
Interim Profit (Loss) Before Tax	(77,000,000) yen
Interim Profit (Loss) (Attributable to Owners of the Parent Company)	(66,000,000) yen

(ii) Per share (consolidated)

Settlement period	14 th Fiscal Year (Q2 consolidated cumulative total period)
Interim Profit (Loss) Per Share (Attributable to Owners of the Parent Company)	(2.87) yen
Dividends per share	—

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