

[Translation]

May 29, 2025

To Whom It May Concern

Company Name: Nippon Telegraph and Telephone Corporation

Representative: Akira Shimada, President & CEO
(Code No.: 9432, Prime Market of Tokyo Stock Exchange)

**NOTICE REGARDING COMMENCEMENT OF TENDER OFFER BY NTT'S SUBSIDIARY (NTT DOCOMO, INC.)
FOR SBI SUMISHIN NET BANK, LTD. (SECURITIES CODE: 7163) AND NTT DOCOMO INC.'S EXECUTION OF THE
BUSINESS ALLIANCE AGREEMENT WITH SBI SUMISHIN NET BANK, LTD.**

Nippon Telegraph and Telephone Corporation ("NTT") hereby announces that on May 29, 2025, its subsidiary NTT DOCOMO, INC. ("NTT DOCOMO") has decided to acquire the common stock of SBI Sumishin Net Bank, Ltd. (Code No.: 7163, Standard Market of the Tokyo Stock Exchange, "SBI Sumishin Net Bank"), by way of tender offer (the "Tender Offer") in accordance with the Financial Instruments and Exchange Law (Act No. 25 of 1948, as amended), and to enter into a business alliance agreement with the Target Company, SBI Holdings, Inc. and SBI Securities Co. Ltd. and Sumitomo Mitsui Trust Bank, Limited (the "Business Alliance Agreement (The Tender Offeror, Target Company, SBI Holdings, SBI Securities)").

For details, please refer to the attached "Notice Regarding the Commencement of the Tender Offer for SBI Sumishin Net Bank, Ltd., (Securities Code: 7163) and Execution of the Business Alliance Agreement" announced by NTT DOCOMO on May 29, 2025.

In connection with the Tender Offer and the Business Alliance Agreement Business Alliance Agreement (The Tender Offeror, Target Company, SBI Holdings, SBI Securities), NTT has entered into a Capital and Business Alliance Agreement with SBI Holdings, Inc. (Code No.: 8473, Prime Market of the Tokyo Stock Exchange) as of today. For details, please refer to the "Notice Regarding the Execution of a Capital and Business Alliance Agreement with SBI Holdings, Inc." announced by NTT on May 29, 2025.

Overview of NTT DOCOMO Inc.

Address:	2-11-1 Nagatacho, Chiyoda-ku, Tokyo
Name & Title of Representative:	Yoshiaki Maeda, President and CEO
Business Profile:	Consumer communications business; smart life business; and other businesses
Capital Funds:	949,679 million yen (as of March 31, 2025)

End

This document serves not only as the disclosure required of Nippon Telegraph and Telephone Corporation under the Securities Listing Regulations, but also as a public announcement pursuant to Article 30, Paragraph 1, Clause 4 of the Order for Enforcement of the Financial Instruments and Exchange Act, made at the request of NTT DOCOMO Inc., (the Tender Offeror) to Nippon Telegraph and Telephone Corporation (parent company of the Tender Offeror).

For further inquiries, please contact:
Akaishi or Ooshima
Investor Relations
Finance and Accounting Department
Contact us by email:
<https://group.ntt/en/ir/contact/>

May 29, 2025

To Whom It May Concern

Company Name: NTT DOCOMO Inc.
Representative: President & CEO Yoshiaki Maeda
Contact: Business Alliance Department
Kitagawa, Otsuka
+81-3-5156-1688

**Notice Regarding the Commencement of the Tender Offer for SBI Sumishin Net Bank, Ltd.,
(Securities Code: 7163) and Execution of the Business Alliance Agreement**

NTT DOCOMO Inc., (the “Tender Offeror”) hereby announces that a resolution was passed on May 29, 2025 to acquire SBI Sumishin Net Bank, Ltd.’s (Code No.: 7163, Standard Market of the Tokyo Stock Exchange; the “Target Company”) common stock (the “Target Company Stock”) through a tender offer (the “Tender Offer”), pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948; including subsequent revisions; the “Act”), and a business alliance agreements were executed between the Tender Offeror, Sumitomo Mitsui Trust Bank, Limited (“SMTB”) and the Target Company (the “Business Alliance Agreement (the Tender Offeror, SMTB, & Target Company)”) and between the Target Company, SBI Holdings, Inc. (“SBI Holdings,” and collectively with SMTB, the “Agreed Non-Tendering Shareholders”), SBI Securities Co. Ltd. (“SBI Securities”) (the “Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings, & SBI Securities),” respectively.

1. Purpose of the Purchase, etc.

(1) Summary of the Tender Offer

At a meeting of the board of directors held on May 29, 2025, the Tender Offeror passed a resolution to conduct the Tender Offer as part of a series of transactions (the “**Transaction**”) that will allow it to acquire all of the Target Company Stock listed on the Standard Market of the Tokyo Stock Exchange Inc., (the “**Tokyo Stock Exchange**”) for the purpose of taking the Target Company private. Note that the Target Company Stock to be acquired does not include any treasury shares held by the Target Company, nor any of the stock owned by the Sumitomo Mitsui Trust Bank Limited (“**SMTB**”) known as Shares Held by SMTB (as defined below). As of today, the Tender Offeror and Nippon Telegraph and Telephone Corporation (“**NTT**,” for which the trade name is scheduled to be changed to NTT Corporation as of July 1, 2025), the parent company of the Tender Offeror, does not own any Target Company Stock.

The Tender Offeror resolved to respectively enter into the Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company) between the Target Company and SMTB and the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) between the Target Company, SBI Holdings, and SBI Securities at the Board of Directors' meeting held on May 29, 2025. For details of the Business Alliance Agreement, please refer to “⑥ The Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company)” and “⑦ Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities)” in “(6) Material Agreements Relating to the Tender Offer” below.

The Transaction involves (1) the Tender Offer: (2) in the event that the Tender Offeror fails to acquire all Target Company Stock through the Tender Offer (excluding any treasury shares held by the Target Company and Target Company Stock owned by SMTB (51,552,600 shares; Ownership Ratio (Note 1): 34.19%; the “Shares Held by SMTB”) as well as the Target Company Stock owned by SBI Holdings (51,552,600 shares; Ownership Ratio 34.19%; the “Shares Held by SBI Holdings,” together with the Shares Held by SMTB, collectively the “Non-Tendering Agreed Shares”), then procedures will be implemented to ensure that the Tender Offeror and the Agreed Non-Tendering Shareholders become sole shareholders of the Target Company (the “Squeeze-Out Procedures”), conducted by means of a share consolidation carried out by the Target Company (the “Share Consolidation”) pursuant to Article 180 of the Companies Act (Act No. 86 of 2005, as amended; the “Companies Act”); (3) on the condition that the Share Consolidation becomes effective, in order to secure, among other things, the distributable amounts required to allow the Target Company to buy back the Shares Held by SBI Holdings (excluding any fractions of less than one share resulting from the Share Consolidation) (the “Stock Repurchase”), the funds for the Stock Repurchase; and the funds, required for the Target Company to purchase the total sum of fractional shares generated by the Target Company’s Share Consolidation (rounded down if the total sum includes fractions of less than one share; the same shall apply hereinafter) (i) will be provided to the Target Company by the Tender Offeror through a third party allotment of class shares (non-voting shares with a put option in exchange for common stock consideration) underwritten by the Tender Offeror (the “Financing”) (Note 2) and, (ii) pursuant to Article 447, Paragraph 1 and Article 448 Paragraph 1 of the Companies Act, there will be a decrease in the amounts of Target Company’s capital, capital reserves and retained earnings reserves (the “Capital Decrease, Etc.”) (Note 3); and (4) the Stock Repurchases. As a result of these transactions, it is intended that ultimately only the Tender Offeror and SMTB will be the sole shareholders of the Target Company (voting rights ratio: 50.00%:50.00%), and subject to the Shareholder Agreement (defined below), the Tender Offeror intends to make the Target Company a consolidated subsidiary of the Tender Offeror (in addition, the Target Company will become an equity-method affiliate of SMTB) in accordance with the control standards stipulated in Article 8, Paragraph 3 of the Regulations Concerning Terms, Forms and Preparation Method of Financial Statements, etc. (Ministry of Finance Ordinance No. 59 of 1963, as amended).

The acquisition price payable by the Target Company for the Shares Held by SBI Holdings (per share prior to the Share Consolidation, the “Stock Repurchase Price”) is set for SBI Holdings, which is a company subject to the provisions in the

Corporation Tax Act (Act No. 34 of 1965, as amended; to mean the same hereinafter) stating that deemed dividends are not to be included in taxable income at a level in which, (i) the amount calculated as the net amount after tax if SBI Holdings sells the Target Company Stock in response to the Stock Repurchase at the Stock Repurchase Price 3,614.84 yen, is equivalent to (ii) the amount calculated as the net amount after tax that SBI Holdings would have obtained if it had tendered its shares in the Tender Offer at the Tender Offer Price (4,900 yen, the “Tender Offer Price”).

For details of the Share Consolidation, please refer to “(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)” below and for details on the Financing, the Capital Decrease, Etc., and the Stock Repurchases, please refer to “III. After implementation of the Tender Offer” below.

(Note 1) “Ownership Ratio” means the ratio (rounded to two decimal places; the same applies hereinafter in the calculation of ownership ratios) of the “Base Number of Shares” (150,779,696 shares), which is obtained by subtracting (i) the number of treasury shares held by the Target Company as of March 31, 2025 as stated in “(Consolidated) Financial Results Summary for the Fiscal Year Ending March 31, 2025 (Japanese GAAP)” published by the Target Company on May 9, 2025 (the “Target Company’s Financial Results Summary”) (14,104 shares) from (ii) the total number of shares issued as of March 31, 2025 (150,793,800 shares) as stated in the Target Company’s Financial Results Summary.

(Note 2) As of today, no resolution has been passed by the Target Company’s Board of Directors regarding such Capital Increase by way of Third-Party Allotment. The amount of the Capital Increase will be calculated by multiplying the number of shares held by the Target Company in SBI Holdings (excluding the shares corresponding to the fraction of less than one (1) share resulting from the Share Consolidation) by 3,614.84 yen, and the amount necessary for the Target Company to purchase the shares corresponding to the total number of fractional shares resulting from the Share Consolidation. The specific amount has not yet been determined. It is not assumed that the amount to be paid in for the third-party allotment in connection with this capital offering will fall under an amount particularly favorable to the Tender Offeror (Article 199, Paragraph 3 of the Companies Act), but if it does, the Offeror will consult with the Target Company and take the procedures required by law, such as a special resolution at a general meeting of shareholders of the Target Company.

If all of the class shares to be issued through the Financing are converted into common stock, the ratio of voting rights of the Tender Offeror and SMTB will be 65.81%: 34.19%, but the Tender Offeror and SMTB have agreed that the ratio of voting rights of the two companies after the Transaction will be 50.00%: 50.00%. The Tender Offeror and SMTB have agreed in the Shareholders Agreement that the ratio of voting rights of both companies after the Transaction will be 50.00% : 50.00% and that the Tender Offeror will not exercise its right to request the acquisition of such class shares with common shares as consideration without the consent of SMTB, so the ratio of voting rights of the Tender Offeror is not expected to exceed 50.00%.

(Note 3) In terms of the Capital Decrease, Etc., the Tender Offeror intends to ask the Target Company to reduce its amounts of capital, capital reserves and retained earnings reserve and transfer them to other capital surpluses or other retained earnings.

In relation to the Tender Offer, as of May 29, 2025, the following contracts, etc., concerning the Transaction have been agreed and signed among the Tender Offeror, the Target Company, SMTB, SBI Holdings and SBI Securities.

(i) Basic Agreement

An agreement between the Tender Offeror, the Target Company and the Target Company’s major shareholders SMTB and SBI Holdings, which sets out the terms and conditions of the Transaction (the “Basic Agreement”), including the following: (1) SMTB and SBI Holdings will not tender the Non-Tendering Agreed Shares that they hold; (2) SMTB and SBI Holdings will vote in favor of the proposal on the Share Consolidation that is to be presented at the Extraordinary Shareholders’ Meeting (as defined in “(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)” the same applies hereinafter); and (3) SBI Holdings will sell the Shares Held by SBI Holdings to the Target Company via the Stock Repurchase that will take place after the Share Consolidation has taken effect.

(ii) Shareholders Agreement

An agreement between the Tender Offeror and SMTB that specifies details regarding the operation of the Target Company and how the Target Company Stock will be handled after the Transaction (the “Shareholders Agreement”).

(iii) Memorandum of Understanding - Management

Memorandum of Understanding (the “MOU”) between the Tender Offeror, SMTB and the Target Company that specifies how the Target Company will be managed after the Transaction are concluded, including any matters that the Target Company needs to obtain prior consent from, discuss in advance with or report to the Tender Offeror & SMTB (the “MOU – Management”).

(iv) Committee Rules

Matters agreed between the Tender Offeror and SMTB that specify how committees, etc. that will be established in connection with the Shareholders Agreement will be run in the Target Company (the “Committee Rules”).

(v) Memorandum of Understanding - Compliance

MOU between the Tender Offeror, SMTB and the Target Company stating that the Target Company will comply with matters related to the Shareholders Agreement and the Committee Rules (the “MOU – Compliance”).

(vi) Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company)

A business alliance agreement between the Tender Offeror, SMTB and the Target Company that sets forth matters concerning the business alliance between the Target Company and its shareholders - the Tender Offeror and SMTB (the “Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company)”).

(vii) Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities)

An agreement between the Tender Offeror, the Target Company, SBI Holdings and SBI Securities that sets forth matters concerning the continuation of the existing business alliance between the Target Company and SBI Securities (the “Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities).”

In addition, after the Share Consolidation becomes effective, the Tender Offeror and the Target Company are considering entering into the following agreements, etc., and other matters in connection with the Transaction. The details of these agreements, etc. are expected to be considered through future discussions and negotiations, and as of today, their specific contents have not been decided.

(viii) The Business Alliance Agreement (the Tender Offeror & the Target Company)

A Business Alliance Agreement between the Tender Offeror and the Target Company, which stipulates the business alliance between the two companies (the “Business Alliance Agreement (the Tender Offeror and the Target Company)”)

(ix) The Group-Related Agreements (Tender Offeror, Target Company)

Agreements, memoranda, etc., between the Tender Offeror and the Target Company that stipulate the management regulations of Tender Offeror affiliates and the group management operating expenses of the NTT Group (the “Group-Related Agreement (Tender Offeror, Target Company)”).

(x) The Group-Related Agreements (SMTB, Target Company)

Agreements, memoranda, etc., between the SMTB and the Target Company that stipulate the management regulations of SMTB affiliates and the group management operating expenses of the SMTB Group (the “Group-Related Agreement (SMTB, Target Company)”).

For details of the above agreements, etc., please refer to “(6) Material Agreements Relating to the Tender Offer” below.

As the Tender Offeror intends to take the Target Company Stock private, the Tender Offeror has not set a maximum limit on the number of shares to be purchased in the Tender Offer and will purchase all of the tendered shares.

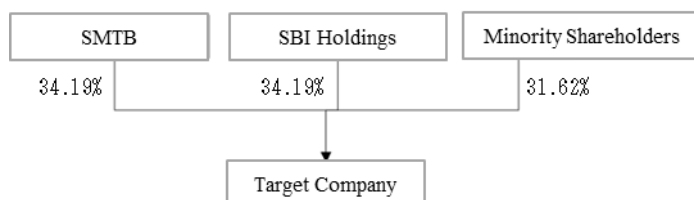
The Tender Offeror has also not set a minimum number of shares to be purchased in the Tender Offer. This is because the Tender Offeror believes that setting a minimum limit on the number of shares to be purchased would make the Tender Offer less likely to be successful and may not be in the best interests of minority shareholders who wish to tender their shares in the Tender Offer. In order to implement the Share Consolidation as part of the Squeeze-Out Procedure, a special resolution of the Target Company’s general shareholders meeting pursuant to Article 309, Paragraph 2 of the Companies Act is required, however, the Tender Offeror believes that it can reliably execute the Squeeze-Out Procedure without setting a minimum limit on the number of shares to be purchased in the Tender Offer since, in the Basic Agreement, the Tender Offeror has agreed with SMTB and SBI Holdings that they will exercise their voting rights in favor of the proposal regarding the Share Consolidation to be submitted at the Extraordinary Shareholders’ Meeting, and the total number of voting rights (1,031,052) of the Non-Tendering Agreed Shares held by SMTB and SBI Holdings exceeds two-thirds of the total number of voting rights (1,507,796) of the Base Number of Shares (150,779,696 shares).

The Transaction can be roughly depicted in the diagram below.

<Diagram of Overview and Scheme of the Transaction>

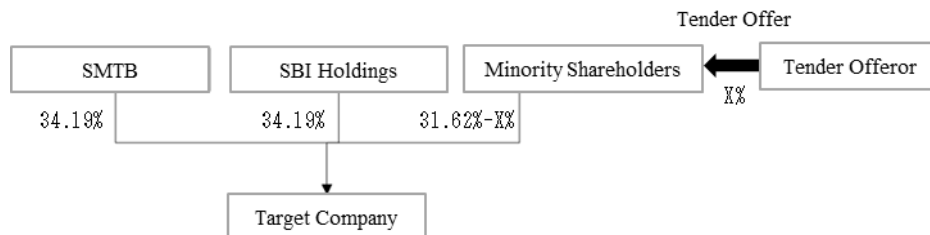
I. Prior to implementation of the Tender Offer

As of today, with regard to the Target Company Stock, SMTB owns 51,552,600 shares (Ownership Ratio: 34.19%), SBI Holdings owns 51,552,600 shares (Ownership Ratio: 34.19%), and minority shareholders own the remaining 47,674,496 shares (Ownership Ratio: 31.62%). As of today, the Tender Offeror does not own any Target Company Stock.



II. The Tender Offer (May 30, 2025, to July 10, 2025 (scheduled))

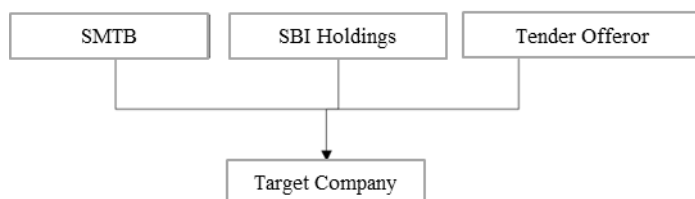
The Tender Offeror will conduct the Tender Offer for all of the Target Company Stock (excluding treasury shares held by the Target Company and the Non-Tendering Agreed Shares held by SMTB and SBI Holdings) (the Tender Offer Price is 4,900 yen).



III. After implementation of the Tender Offer

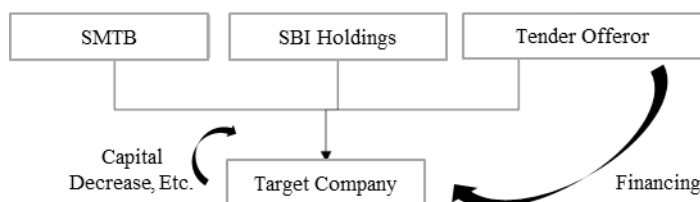
(1) The Share Consolidation (around September 2025 (scheduled))

If the Tender Offeror fails to acquire all of the Target Company Stock (excluding treasury shares held by the Target Company and the Non-Tendering Agreed Shares held by SMTB and SBI Holdings) in the Tender Offer, after the completion of the Tender Offer, it will ask the Target Company to carry out the Share Consolidation procedures and implement procedures to make the Tender Offeror, SMTB, and SBI Holdings the sole shareholders of the Target Company. In addition, it is expected that shareholders of the Target Company who hold fractional shares less than one share as a result of the Share Consolidation will receive the cash to be paid for the sale of the Target Company Stock to the Target Company that is equivalent to the total number of such fractional shares, in accordance with the procedures set out in Article 235 of the Companies Act and other relevant laws and regulations. For details, please refer to “(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)” below.



(2) The Financing and the Capital Decrease, Etc. (around October, 2025 (scheduled))

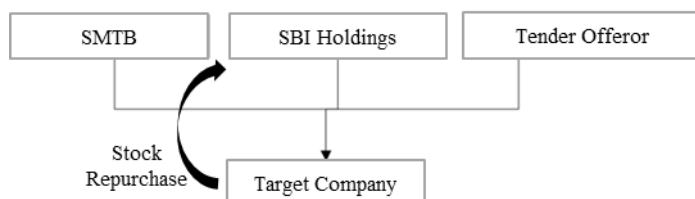
After the Share Consolidation takes effect, in order to secure the funds required for the Stock Repurchase in (3) below, the distributable amount, and the amount necessary for the Target Company to purchase the Target Company Stock equivalent to the total number of fractional shares generated by the Share Consolidation, the Target Company will implement a third-party allotment of new shares by issuing non-voting shares to the Tender Offeror alone, and the Tender Offeror will provide the Financing to the Target Company. Based on this, the Target Company will implement the Capital Decrease, Etc., (reduce the amount of its capital, capital reserve and retained earnings reserve and transfer the amounts to other capital surpluses or other retained earnings) in order to secure the distributable amount, etc., required for the Stock Repurchase in (3) below.



(3) The Stock Repurchase (around October, 2025 (scheduled))

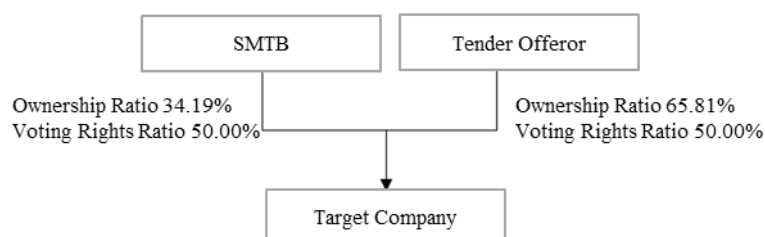
The Target Company will use the funds and the distributable amount secured through the Financing and the Capital

Decrease, Etc. described above in (2), to carry out the Stock Repurchase to acquire the Shares Held by SBI Holdings (the Stock Repurchase Price is 3,614.84 yen).



(4) After the Transaction

After the Transaction, around November 2025 (Scheduled) the voting rights ratio between the Tender Offeror and SMTB will be 50.00%:50.00% through a share split of the non-voting shares held by the Tender Offeror and conversion or amendment of some of the non-voting shares into common shares (the method and specifics of the conversion and detail changes have not yet been determined as of today). In order to make the Tender Offeror and SMTB's Ownership Ratios after the Transaction 65.81%:34.19%, and the voting rights ratio 50%:50%, the Tender Offeror will continue to hold a portion of the non-voting shares after the Transaction without converting them into common shares or changing their details. After the Transaction, the Target Company will become a consolidated subsidiary of the Tender Offeror and an equity method affiliate of SMTB.



According to the “Notice Concerning Expression of the Opinion in Support of, and Recommendation to Tender Shares in, the Tender Offer for Shares of the Company by NTT DOCOMO, INC. and Execution of Business Alliance Agreement” (the “Target Company Press Release”) released by the Target Company on May 29, 2025, the Target Company, at a meeting of the Target Company Board of Directors held on May 29, 2025, passed a resolution expressing its opinion in support of the Tender Offer and recommended that all of the Target Company shareholders tender their shares in the Tender Offer. For details about the decision-making process of the Target Company's Board of Directors, please refer to the Target Company Press Release and “⑤ Unanimous approval by all of the non-interested directors and no objection opinion of the non-interested company auditors of the Target Company” under “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below.

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

① The background, objectives and decision-making process leading to the decision to implement the Tender Offer

The Tender Offeror was established in August 1991 as NTT Mobile Communications Planning Corporation with investment from NTT. The company subsequently changed its name to NTT Mobile Communications Network, Inc. in April 1992, to NTT DoCoMo, Inc. in April 2000, and to its current name, NTT DOCOMO, INC., in October 2013. The mobile communications services offered by the Tender Offeror trace their origins back to NTT's radio paging (pager) service launched in the 23 wards of Tokyo in July 1968, and its car telephone service launched in the Tokyo area in December 1979. Subsequently, in July 1992, the Tender Offeror acquired NTT's mobile communications business (mobile phones, car phones, radio paging, ship phones, and aircraft public phones) and began operations. In October 1998, it was listed on the First Section of the Tokyo Stock Exchange, and in March 2002, it was listed on the London Stock Exchange and the New York

Stock Exchange. It was subsequently delisted from the London Stock Exchange in March 2014 and from the New York Stock Exchange in April 2018, and in December 2020, it was also delisted from the First Section of the Tokyo Stock Exchange after becoming a wholly owned subsidiary of NTT.

As of today, the Tender Offeror's group consists of the Tender Offeror, 50 consolidated subsidiaries, and 20 equity method affiliates (collectively the "Tender Offeror Group"), and is engaged in telecommunications business (mobile phone services, optical broadband services, satellite telephone services, international services, sales of terminal equipment for each service, etc.), smart life business (services through dMarkets such as video distribution, music distribution, e-book services, etc., finance and payment services, shopping services, lifestyle-related services, etc.) and other businesses (compensation services, corporate IoT (Note 1), system development, sales and maintenance contracting, etc.).

(Note 1) Abbreviation for Internet of Things, a system in which all the things around us are connected to the Internet and communicate and exchange data with each other. The Tender Offeror provides IoT solutions tailored to customer needs by utilizing its own communication technology.

Since its founding, the Tender Offeror has striven to evolve communications technology and create a variety of systems and services based on that evolution, with the aim of enriching society. The Tender Offeror wants to be a company that creates and nurtures new connections - between people and other people, people and things, people and society, and companies and society - and spreads that value throughout society and around the world. With this in mind, The Tender Offeror has adopted the group vision of "We create new connections through technology and human power, and make the world richer and happier through the creation of exciting, and the slogan of "Connecting Surprises and Happiness." With the goal of "creating a new world of communication culture," the Tender Offeror's aim is to establish more personal communication that makes the most of each individual's abilities and truly satisfies its customers.

The Tender Offeror Group has two major businesses: the consumer business and the corporate business. In the consumer business, along with the telecommunications business, the Tender Offeror is expanding its business by focusing on the smart life business, a so-called non-telecommunications field, as an alternative business pillar to telecommunications. In particular, the Tender Offeror is positioning its financial settlement services business as a pillar of revenue for its smart life business, and is aiming for further growth. The Tender Offeror provides various financial services that meet the needs of individuals and families (payment services such as dCards and dPay, investment services such as THEO+DOCOMO, insurance services such as AI Hoken, and loan services such as dSmartphone Loan). Among these, services that meet the needs of individuals and families include dCard Gold U (a gold card limited to those 29 years of age or younger), which meets the needs of young, value-for-money-conscious customers; dCard Smart Insurance Navi (an insurance comparison and application service available 24 hours a day, 365 days a year via the Internet), which meets the needs of customers who want to apply for insurance easily; and dSmartphone Loan, which meets the diversifying funding needs of diverse customers (a personal loan service that allows customers to complete procedures using just their smartphones), aiming to provide the right service at the right time. The Tender Offeror not only provides services on its own, but has also entered into various areas of finance through capital alliances with partners such as Monex, Inc. (a consolidated subsidiary of the Tender Offeror, "Monex"), DOCOMO Finance, Inc. (a consolidated subsidiary of the Tender Offeror, "DOCOMO Finance"), with aim of providing highly convenient and beneficial services for DOCOMO users.

On the other hand, the Target Company was established in June 1986 under the name of Sumishin Business Service Co., Ltd., as a wholly-owned subsidiary of The Sumitomo Trust and Banking Co., Ltd. (currently Sumitomo Mitsui Trust Bank, Limited) for the purpose of providing The Sumitomo Trust and Banking Co., Ltd. with office administrative services. In September 2004, Sumishin Business Service Co., Ltd. changed its corporate name to Sumishin Office Service Co., Ltd. after a company split in which STB Personnel Service Co., Ltd. took over all of the Target Company's operations at the time. In October 2005, SMTB and SBI Holdings agreed to jointly operate a bank that would use the Internet as its main transaction channel. Thereafter, in April 2006, Sumishin Office Service Co., Ltd. issued new shares to SBI Holdings as a capital increase through a third-party allotment and changed its corporate name to Sumishin SBI Net Bank Research Company, Ltd. in line with the conversion of its business type to a bank preparatory company. In September 2007, Sumishin SBI Net Bank Research Company, Ltd. obtained preliminary approval for a banking business license and changed its corporate name to SBI Sumishin Net Bank, Ltd., and in the same month, it obtained a banking business license and commenced its operations.

The Target Company was listed on the Standard Market of the Tokyo Stock Exchange in March 2023 and has been listed there ever since.

As of today, the Target Company's group consists of the Target Company, seven consolidated subsidiaries and two equity-method affiliates (the "Target Company Group"), and the Target Company Group operates its businesses in three segments: the "Digital Banking Business," the "BaaS Business (Note 2)" and the "THEMIX Business." The "Digital Banking Business" segment provides the banking services, such as deposit services and lending services provided primarily through the mobile application and internet channels, and the financial services including the debit card service. The "BaaS Business" segment provides the banking function to business partners. By utilizing the banking function provided by the Target Company, business partners can operate their banking services and the customers of the business partners can access the same products and services as those offered in the Digital Banking Business. The "THEMIX Business" segment operates the non-financial services including the business related to data marketing and advertising utilizing data which customers have agreed to be used (financial data platform business), forestry and forestry administration DX (Note 3) (DX platform business) and support business related to carbon credit (Note 4) (carbon credit platform business).

(Note 2) "BaaS" is an abbreviation for "Banking as a Service" and refers to a framework that enables business partners, such as non-financial institutions, to offer financial services (including deposits, lending and payments that banks handle) as a part of their own services to their customers through connecting to systems owned by banks via API (which is an abbreviation for Application Programming Interface and refers to a mechanism that connects different software, programs and web services) and other interfaces.

(Note 3) "forestry administration DX" refers to initiatives to achieve digital transformation (efforts to transform and improve the efficiency of operational processes and services by utilizing digital technologies) in the forestry and forest administration sectors.

(Note 4) "Carbon credit" refers to a framework that enables companies to issue credits for the accomplishment of greenhouse gas reduction based on reduced amounts and absorption amounts etc. through initiatives, such as the installation of energy-saving and renewable energy equipment or forest management, and to trade such credits with each other.

As to the Target Company's medium- to long-term strategies, guided by the corporate slogan of "with technology, in the spirit of integrity we will create a society where affluence circulates," and with a "customer-centric approach" at the heart of the Target Company's business, the Target Company plans to achieve further growth by creating innovative business models and new products through strengthening the technologies that have supported the Target Company's growth to date and by expanding business alliances and by further improving customer convenience and achieving high levels of customer satisfaction, in order to continue to be the bank of choice for the stakeholders. In addition, in order to evolve into an entity which goes beyond banking, the Target Company will strive to achieve sound management and organizational operations that will lay the foundation for advancing into new business areas by making full use of the state-of-the-art technologies and data and for further growth and expansion in the future.

On the other hand, the Target Company believes that the business environment and competitive environment surrounding the Target Company, an online-only bank (an "Online Bank") (Note 5), has been changing significantly. While Internet-based financial transactions have continued to expand since the Target Company commenced its operations, driven by the increasing popularity of smartphones, tablets and other digital devices in our daily lives, the competitive environment has intensified in recent years with the participation of domestic IT companies and other major corporations in the Online Bank business and the strengthening of personal finance business by major banks using digital services. In addition, the financial and capital markets surrounding the Target Company are also undergoing a major phase of transformation as evidenced by the Bank of Japan's decision, published in their result of Policy Board Meeting, to end its negative interest rate policy and eliminate yield curve control in March 2024, and to raise the policy interest rate to 0.25% in July 2024 and to 0.50% in January 2025.

(Note 5) A bank that does not have a physical store but provides services mainly via the Internet.

Since the Target Company was founded, SMTB, a principal shareholder of the Target Company, has provided the Target Company with bank management and risk management know-how, while SBI Holdings, also a principal shareholder, has provided the Target Company with know-how on internet financial services and internet-related business, in order to support

the Target Company's growth into an innovative, customer-centric, internet bank that achieves the integration of banking, securities, and trust services, while also integrating finance in both the online and physical worlds. In addition, in order to further enhance the Target Company's corporate value, the Target Company believed that it would be beneficial to form alliances and deepen partnerships with companies possessing large customer bases.

Against this background, SMTB approached NTT, the parent company of the Tender Offeror, to exchange opinions regarding a business alliance, including the possibility of capital participation in the Target Company by the Tender Offeror, then in mid-December 2022, initial discussions were held between NTT and SMTB regarding a business alliance, including the possibility of the Tender Offeror's capital participation in the Target Company, and in mid-February 2023, initial discussions were held between the Tender Offeror, which is considered to have a particularly strong business affinity with the Target Company within the NTT Group, and SMTB. Thereafter, through its initial discussions regarding the Tender Offeror's capital participation in the Target Company, as well as a business partnership with the Target Company and the effects thereof, the Tender Offeror has deepened its understanding of the Target Company.

Since the above initial discussions with SMTB, The Tender Offeror has been considering entering the banking business based on its belief that doing so would be crucial to evolving its own services and toward achieving its goal of providing one-stop financial services tailored to its customers' stages in life. At the same time, the Tender Offeror understood that, with respect to the business environment surrounding banking, while Japan's emergence from its extended era of ultra-low interest rate environments and back into a "world with interest rates" would likely strengthen revenues as a result of lending interest rates being reviewed, competition between banks has also been intensifying as, in addition to the competition between banks to secure deposits, there has also been an increase in recent years of participation in the banking industry not only typical banks, but also companies from other industries, including telecommunications companies, as well as a tendency for each bank to try to leverage points systems, as well as other means, by providing financial services including banking, settlement and securities, etc., as well as telecommunications services, to help establish its own economic sphere. In light of this business environment, in early June 2023, as a result of ongoing discussions with SMTB and the considerations based on such discussions, the Tender Offeror concluded that it would seek to expand cutting-edge banking services together with the Target Company, which since its founding has been creating new value as a "tech company" that transcends its status as a bank and developing and providing advanced platform services through the development and provision of superior security and UI/UX (Note 6) apps and platform services that utilize cutting-edge technologies such as AI-based credit screening made possible via proactive technological investments, and the Tender Offeror's own channels and the d Point Club of roughly 100 million members (however, this also includes member accounts that have been inactive for a long period of time, as well as multiple member accounts held by single individual members), the largest such membership base in all of Japan.

(Note 6) UI refers to the user interface (the visual and operational aspects of a product or service when used by a user. For example, it refers to the arrangement of application buttons and menus, text fonts, etc.) and UX refers to the user experience (the entire experience a user gets from using a product or service).

Subsequently, in late June of 2023, the Tender Offeror submitted a proposal to SMTB that it wished to make the Target Company a consolidated subsidiary, with the option of maintaining the Target Company's listing, and in late August of 2023, the Tender Offeror shared with SBI Holdings, through SMTB, information that SMTB and the Tender Offeror were engaged in initial discussions regarding the Tender Offeror's capital participation in, and business partnership with, the Target company. Alongside ongoing discussions between the Tender Offeror and SMTB, from early December of 2023 onward, the intentions of the Tender Offeror were communicated to SBI Holdings via SMTB, and the three companies advanced discussions regarding how best to enhance the Target Company's corporate value, and to generate synergy between the Target Company, the Tender Offeror, SMTB, and SBI Holdings. On June 13, 2024, the Tender Offeror, SMTB, and SBI Holdings began more specific discussions to realize the Transaction, and in order to achieve a strong alliance among the four companies, the Tender Offeror, SMTB, SBI Holdings, and the Target Company, they began investigating the possibility of making the Target Company a consolidated subsidiary of the Tender Offeror and taking the Target Company private.

On June 14, 2024, BofA Securities Japan Co., Ltd. ("BofA Securities") was appointed as a financial advisor independent of the Tender Offeror, and Anderson Mori & Tomotsune was appointed as legal advisors independent of the Tender Offeror, the Target Company, SMTB and SBI Holdings, and proceeded with a full-scale considerations into capital participation in

the Target Company.

While investigating the Transaction, in early August of 2024, the Tender Offeror and SMTB received information from SBI Holdings indicating that SBI Holdings intended to proceed with discussions with the Tender Offeror concerning the sale of all of its Target Company Stock, and the parties began discussions on the premise that the Tender Offeror and SMTB would be the sole shareholders of the Target Company.

The Tender Offeror intends to provide a wide array of payment, investment, financing, and insurance services in order to become a one-stop service provider that can offer customers a diverse variety of services suitable to the customer's unique stage in life at appropriate times, and believes that it can realize its goals by entering the banking industry through the Transaction. First, the Tender Offeror believes that it will be possible to acquire bank accounts through the utilization of service partnerships and sales channels such as the approximately 2,000 DOCOMO brand shops nationwide, and then increase bank profits by managing deposits through the acquired accounts. In addition, the Tender Offeror expects synergies from the internalization of business costs paid to financial institutions in connection with the account transfer of cell phone line usage fees and dCard billing charges. Furthermore, the Tender Offeror believes that by leveraging its strengths as a mobile phone carrier and offering benefits for the multifaceted use of mobile phone lines, financial services, and bank accounts, it will be able to acquire new financial customer contact points, reduce service cancellation rates, and improve the amount spent per transaction.

In addition, while the Tender Offeror considers the possibility that by taking the Target Company private, the Target Company may experience disadvantages in terms of human resources (human resources disadvantages such as decreased motivation of executives and staff, maintaining and securing human resources, disadvantages in business such as a decrease in the number of customers sent from SBI Holdings to the target company due to the dissolution of the system collaboration, and disadvantages in governance such as a decrease in the number of executives and employees dispatched from SBI Holdings to the Target Company), the disadvantages in terms of human resources can be covered by the alliance with the Tender Offeror in addition to maintaining employment conditions, and the disadvantages in terms of business can be covered by continuing the alliance with SBI Holdings to prevent damage to the value of the Target Company, while taking into consideration the possibility of the occurrence of the following disadvantages, the disadvantages in terms of governance can be covered by the dispatch of personnel from SMTB and the Tender Offeror. Furthermore, it is believed that the following effects and advantages would be obtained, which outweigh these disadvantages.

- (1) Increase in the number of accounts in the digital banking business, growth through expanded deposit balances stemming from conversion into a main bank

The Tender Offeror has a customer base of approximately 100 million dpoints club members, 90 million cell phone service subscriptions and 18 million d-card members, etc., and encouraging these customers to open bank accounts with the Target Company will support acquisition of a number of accounts.

In addition, it is believed that it will be able to support the Target Company in becoming a main bank and increasing the balance of its deposits by improving convenience and benefits through the redemption of dpoints based on the use of DOCOMO services and linkage with DOCOMO services such as dCard, dPay, and Monex.

- (2) Growth through expansion of the customer base and improvement of profitability in the mortgage platform area (Note 7)

It is believed that designing new benefits for customers of the Tender Offeror, such as preferential interest rates depending on the use of services provided by the Tender Offeror, and utilizing the network with agents who operate DOCOMO Shops will support the further expansion of loan plaza locations operated by the Target Company's bank agency business. In addition, by working to improve the sophistication of AI screening models by utilizing customer data and other assets held by the Tender Offeror, the Tender Offeror believes that it can achieve reduced credit costs, improved operational efficiency of screening, and help enhance the profitability of the Target Company's mortgage products. In addition, DOCOMO Finance's nationwide mortgage sales network locations will handle the Target Company's new variable-rate mortgages in addition to Flat 35, which is currently DOCOMO Finance's main product, thereby increasing the Target Company's opportunities to sell mortgages (and contributing to an increase in DOCOMO Finance's sales commissions).

(3) Expansion of the BaaS business platform and capabilities

The Tender Offeror's corporate business has a customer network of major large companies and medium-sized companies in 47 prefectures nationwide, and it is believed that it will be able to present the Target Company's BaaS platform to such corporate customers to support further expansion of the BaaS business. Furthermore, it is believed that it will be possible to strengthen the Target Company's consulting and system development capabilities by utilizing the DX support know-how that the Tender Offeror has cultivated to date, thereby contributing to improving the ability of the alliance partners to solve customer issues.

(4) Growing into a technical company that transcends the bounds of conventional banks by evolving the THEMIX business

The Tender Offeror and the NTT Group are engaged in a wide range of businesses centering on the ICT (Note 8) field and possess large-scale data collection and analysis technology, AI and machine learning technology, etc., and therefore, by combining these technologies with the THEMIX business provided by the Target Company, they will be able to contribute to the creation of new value including improvement of the accuracy of marketing measures and forecast models and support the evolution of the Target Company beyond banking and into a "tech company".

(Note 7) This refers to the mortgage business of the Target Company. This is considered to be a business area that continues to grow through the development of an attractive product lineup that meets the needs of various customers and an excellent business model that combines HIGH Tech (utilization of cutting-edge technology) and HIGH Touch (enhancement of customer contact points).

(Note 8) Abbreviation of Information and Communication Technology, which refers to technology for transmitting digitized information via the Internet and other forms of communication.

According to SMTB, the Target Company provides banking services, such as payment and settlement services, that are convenient to use on a daily basis through its superior UI/UX, and is positioned as an important digital channel with different strengths and customer bases for SMTB, which is an important part of the group strategy. SMTB also contends that realizing a capital and business alliance between the Tender Offeror and the Target Company through the Transaction and thereby drastically expanding the Target Company's customer base and strengthening points of contact with customers through the increased convenience provided by new services and other factors will not only help enhance the Target Company's corporate value, but will also contribute toward expanding SMTB's future ability to provide more products and services unique to trust banks, such as total consulting, real estate, and inheritance services suited to customers' life stages, which are already strengths for SMTB. SMTB's stated goal is to use the Transaction to realize financial well-being for all its customers and become the ideal partner for customers within this era of 100-year lifespans.

Subsequently, in early August 2024, the Tender Offeror, SMTB, and SBI Holdings reached an agreement on their intention to implement the Transaction, in which the Tender Offeror and SMTB will become the sole shareholders of the Target Company through a series of transactions, including taking the Target Company private. On December 9, 2024, the Tender Offeror and SMTB jointly submitted a non-legally binding letter of intent (the "Previous Letter of Intent") to the Target Company regarding taking the Target Company Stock private. Subsequently, from late December of 2024 until early February of 2025, the Tender Offeror conducted due diligence of the Target Company Group and held interviews to understand details pertaining to the Target Company Group. At the same time, from mid-January of 2025 to early February of 2025, the Tender Offeror and the Target Company conducted concrete discussions concerning a business alliance that included discussions about the purpose of the Transaction, as well as the management structure and business policies following the Transaction, etc.

In addition, in early November, 2024, the Tender Offeror received a proposal from SBI Holdings for a capital and business alliance that includes an investment in SBI Holdings by NTT (the "Capital and Business Alliance (SBI)"). SBI Holdings operates a wide range of businesses with a core financial business, and operates several businesses that are highly compatible with the Tender Offeror and NTT (including SBI Shinsei Bank, Limited, SBI Securities, SBI Insurance Group Co., SBI Global Asset Management Co Ltd. etc.) and therefore, the Tender Offeror and NTT have determined that collaborating with SBI Holdings will enable the Tender Offeror, NTT, and SBI Holdings to pursue even greater business development, leading

them to begin specific considerations into the Capital and Business Alliance (SBI), and in early December of 2024 the Tender Offeror and NTT jointly submitted a letter of intent to SBI Holdings to acquire up to 27,000,000 shares (Ownership Ratio (SBI) (Note 9) : 8.92%) of SBI Holdings shares under the joint names of the Tender Offeror and NTT (The “Capital and Business Alliance Letter of Intent”). The Tender Offeror has considered the terms and conditions of the Capital and Business Alliance (SBI), including the issue price, based on the share price of SBI Holdings shares on the Prime Market of the Tokyo Stock Exchange and the business value of SBI Holdings, which was calculated by conducting due diligence on SBI Holdings separately, and the Tender Offer was considered independently of whether SBI Holdings would agree to the Tender Offer, and therefore, the it is believed that the Tender Offer does not provide any consideration and does not violate the provisions of the law regarding the uniformity of tender offer prices (Article 27-2, Paragraph 3 of the Act), nor does it violate its purpose.

(Note 9) The “Ownership Ratio (SBI)” of (302,736,607 shares) is obtained by deducting the number of treasury shares (32,074 shares) held by SBI Holdings as of September 30, 2024 as stated in the Summary of Financial Results [IFRS] (Consolidated) for the Six Months Ended September 30, 2025” (hereinafter referred to as “SBI Financial Results”) released on November 8, 2024, from the total number of shares issued and outstanding as of September 30, 2024 (302,736,607 shares) as stated in the SBI Financial Results.

Since early December 2024, the Tender Offeror, NTT and SBI Holdings held discussions regarding collaboration in the following areas as well as the nature of investment, including the form of investment. In addition, the Tender Offeror and NTT conducted due diligence on SBI Holdings from mid-January of 2025 onward in parallel with these discussions.

- (1) Continuation of a business alliance between the Target Company and SBI Securities
- (2) Development and sales of products for the Tender Offeror’s customers by SBI Global Asset Management Co., Ltd. (Currently considering the composition of investment trusts etc.)
- (3) System development by NTT DATA Group for SBI Group financial service companies
- (4) Collaboration in the renewable energy business by SBI Smart Energy Corporation, NTT and NTT Anode Energy Corporation

As a result of consideration, on February 5, 2025, the Tender Offeror presented specific proposals regarding the structure of the Transaction, the Tender Offer Price and the Stock Repurchase Price to the Target Company and SBI Holdings, and on the same day, the Tender Offeror presented specific proposals regarding the investment ratio (13,500,000 shares acquired through third-party allotment; Ownership Ratio (SBI): 4.46%) and price of the Capital and Business Alliance (SBI) to SBI Holdings. (With respect to the structure of the Transaction, the Tender Offeror proposed a method of taking the Target Company private through a tender offer and the acquisition of treasury stock by the Target Company, etc., with the ultimate goal of the Tender Offeror acquiring 65.81% of the Target Company’s shares, thereby increasing its voting rights ratio to 50.00%. Same applies below.) Regarding the Tender Offer Price, the Tender Offeror considered the results of the due diligence conducted from late December 2024 to early February 2025, and the valuation analysis of the Target Company’s shares by BofA Securities. Consequently, on February 5, 2025, the Tender Offeror communicated to the Target Company its consideration to set the Tender Offer Price at 4,640 yen. The proposed Tender Offer Price of 4,640 yen represents a 59.72% premium over the closing price of 2,905 yen on November 27, 2024 (rounded to two decimal places, with the same applying to each calculation of premium hereunder), the business day before speculative reports by certain media outlets on November 28, 2024. It also includes a 63.96% premium over the average closing price for the past month of 2,830 yen, a 65.36% premium over the average for the past three months of 2,806 yen, and a 63.32% premium over the average for the past six months of 2,841 yen. Additionally, compared to the business day before the proposal date (February 4, 2025), it is equal to the closing price of 4,640 yen, 14.57% over the past month average of 4,050 yen, 29.07% over the past three months average of 3,595 yen, and 46.00% over the past six months average of 3,178 yen. Upon receiving this proposal, the Target Company responded to the Tender Offeror on February 6, 2025, expressing that the proposed price of 4,640 yen per share was not sufficiently considerate of minority shareholders and was substantially inadequate compared to the intrinsic value of the Target Company in the case where the Transaction is not implemented. The Target Company requested a review for an increase in the Tender Offer Price. However, negotiations between the Tender Offeror, NTT, and SBI Holdings on the terms of the Capital and Business Alliance (SBI), including the above investment ratio and the Tender Offer Price, failed to reach an agreement, and on February 7, 2025, the Tender Offeror and NTT decided to terminate discussions regarding the

Transaction and the Capital and Business Alliance (SBI). Subsequently, on the same day, the Tender Offeror also notified the Target Company and SMTB of its decision to terminate the Transaction.

Nevertheless, the Tender Offeror continued to explore the possibility of revisiting the Transaction with the Target Company. In the course of repeated exchanges of opinions and discussions between the Tender Offeror and SMTB regarding the structure of the Transaction and the cooperative framework, the Tender Offeror and SMTB have not changed their view that it is necessary to form alliances and deepen partnerships with companies that possess large customer bases in order to enhance the Target Company's corporate value, and in early April 2025, they reaffirm that view, also considering the purpose and importance of the Transaction at the Tender Offeror, that the execution of the Transaction would enable the Tender Offeror, SMTB, and the Target Company to maximize the business synergies among them. Following these discussions, in mid-April 2025, the Tender Offeror and NTT requested SBI Holdings to revise the terms of the capital and business alliance (SBI) to 27,000,000 shares (ownership ratio (SBI): 8.92%), the maximum number of shares as stated in the Capital and Business Alliance Letter of Intent. As a result, SBI Holdings has agreed to resume its consideration of the Transaction and the Capital and Business Alliance. As a result, SBI Holdings has agreed to resume the consideration of the transaction and the capital and business alliance. Therefore, on April 28, 2025, the Tender Offeror and Sumitomo Mitsui Trust Bank, Limited also submitted to the Target Company another non-legally binding letter of intention regarding the Transaction (the "Letter of Intent"). As a result, the Tender Offeror has resumed discussions with the Target Company regarding the Transaction, as the Target Company has consented to the resumption of such discussions.

Subsequently, the Tender Offeror conducted due diligence on the Target Company from early to late-May 2025, and in parallel, the Target Company held discussions with the Tender Offeror from late April to late May 2025 regarding a specific business alliance, including the management structure and business policies after the Transaction. The Tender Offeror also received the Target Company's revised business plan for the period from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028 (the "Target Company's Revised Business Plan") as a result of the Target Company's consideration of performance trends for the fiscal year ending March 31, 2025 and changes in the current market environment, etc.

Based on the results of such review, on May 16, 2025, the Tender Offeror presented a proposal to the Target Company and SBI Holdings regarding the specific price of the Transaction. The Tender Offeror comprehensively considered the status of the due diligence conducted from early to late-May 2025, BofA Securities' valuation analysis of the Target Company's shares based on the Target Company's performance trends for the fiscal year ending March 31, 2025, and other factors, and the Tender Offeror communicated to the Target Company that they would consider a Tender Offer Price of 4,300 yen. This price represents a premium of 27.60% over the closing price of 3,370 yen on the business day preceding the date of the proposal (May 15, 2025), a premium of 15.22% over the simple average closing price of 3,732 yen for the past month up to that date, a premium of 9.47% over the simple average closing price of 3,928 yen for the past 3 months up to that date, and a premium of 10.88% over the simple average closing price of 3,878 yen for the past 6 months up to that date.

Subsequently, the Special Committee (as defined below) requested the Target Company to reconsider the Tender Offer Price on the grounds that such Tender Offer Price is significantly inadequate compared to the intrinsic value of the Target Company's shares, does not reach a level that gives sufficient consideration to minority shareholders, and certain downward revisions in the Target Company's revised business plan do not inherently affect the profitability and profitability of the Target Company. In response, the Tender Offeror requested that the Tender Offeror reconsider the Tender Offer Price. In response, on May 20, 2025, the Tender Offeror communicated to the Target Company and SBI Holdings that the Tender Offer Price would be 4,700 yen. Such price is 39.47% of the closing price of 3,370 yen on the date of such proposal (May 20, 2025), 27.86% of the simple average closing price of 3,676 yen for the past one month until such date, 22.14% of the simple average closing price of 3,848 yen for the past three months until such date, and 22.14% of the simple average closing price of 3,848 yen for the past six months until such date. The price represents a premium of 27.86% on the simple average closing price of 3,676 yen, a premium of 22.14% on the simple average closing price of 3,848 yen over the past three months, and a premium of 20.82% on the simple average closing price of 3,890 yen over the past six months.

Subsequently, the Special Committee requested that the Tender Offeror reconsider the Tender Offer Price on the grounds that such Tender Offer Price is not at a level that gives sufficient consideration to minority shareholders. SBI Holdings also requested that the Tender Offeror reconsider the Tender Offer Price and the Treasury Share Acquisition Price, claiming that

they were extremely low valuations of the Target Company's intrinsic value and were unacceptable.

The Tender Offeror sincerely considered the above responses and held discussions and negotiations with the Target Company and SBI Holdings, and on May 26, 2025, the Tender Offeror made a proposal to the Target Company and SBI Holdings at the Tender Offer Price of 4,810 yen. This price is 46.20% of the closing price of 3,290 yen on the business day immediately preceding the date of the proposal (May 23, 2025), 34.13% of the simple average closing price of 3,586 yen for the past one month, 25.95% of the simple average closing price of 3,819 yen for the past three months, and 25.95% of the simple average closing price for the past six months. The price represents a premium of 34.13% on the simple average closing price of 3,586 yen, a premium of 26.31% on the simple average closing price of 3,808 yen for the past three months, and a premium of 23.68% on the simple average closing price of 3,889 yen for the past six months.

On the same day, the Special Committee requested the Target Company to reconsider the Tender Offer Price on the grounds that such Tender Offer Price was not at a level that gave sufficient consideration to minority shareholders. SBI Holdings also requested a reconsideration of the Tender Offer Price on the grounds that it remained unacceptable.

In response to the request for reconsideration, the Tender Offeror made a proposal to the Target Company and SBI Holdings on May 27, 2025, setting the Tender Offer Price at 4,870 yen. Such price represents a premium of 50.77% on the closing price of 3,230 yen on the business day immediately preceding such proposal date (May 26, 2025), 38.12% on the simple average closing price of 3,526 yen for the month prior to the proposal date, 28.87% on the simple average closing price of 3,779 yen for the three months prior to the proposal date, and 24.90% of the simple average closing price of 3,899 yen for the six months prior to the proposal date.

On the same day, the Tender Offeror received a request from the Special Committee to reconsider the Tender Offer Price on the grounds that such Tender Offer Price was not at a level where sufficient consideration was given to minority shareholders (i.e., synergies arising from the execution of the Transaction were fully distributed). On May 28, 2025, the Tender Offeror made a final proposal to the Target Company and SBI Holdings, setting the Tender Offer Price at 4,900 yen. This price represents a premium of 51.70% on the closing price of 3,230 yen on the business day immediately preceding the date of the proposal (May 27, 2025), 39.60% on the simple average closing price of 3,510 yen for the month prior to the proposal date, 30.28% on the simple average closing price of 3,761 yen for the three months prior to the proposal date, and 30.28% on the simple average closing price of 3,761 yen for the six months prior to the proposal date.

In response, on May 28, 2025, the Tender Offeror received a response from the Target Company agreeing to the proposal. Consequently, the Tender Offeror reached an agreement to set the Tender Offer Price at 4,900 yen and the Stock Repurchase Price at 3,614.84 yen. As a part of the Transaction, the Tender Offeror decided to commence the Tender Offer.

② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer

(i) Process of establishment of previous review system

On December 9, 2024, the Target Company received, from the Tender Offeror and SMTB, the Previous Written Expression of Intent which includes such statements that the Tender Offeror and SMTB intend to jointly take the Target Company Stock private and that SBI Holdings is assumed to sell the Target Company Stock through the Transaction (the consideration regarding the Transaction conducted by the Target Company after the receipt of the Previous Written Expression of Intent and up to February 7, 2025 shall be hereinafter referred to as the "Previous Consideration").

In response to this, given that in the Transaction, including the Tender Offer, the interests of SMTB, which is the Target Company's shareholder holding 34.19% (ownership ratio) of the Target Company Stock at the time before the implementation of the Tender Offer and was being positioned as a joint offeror with the Tender Offeror in the Previous Written Expression of Intent, and SBI Holdings, which is the Target Company's shareholder holding 34.19% (ownership ratio) of the Target Company's Shares at the time before the implementation of the Tender Offer and is also having a business alliance relationship with the Target Company, do not align with the interests of other minority shareholders the Target Company, in order to appropriately secure the interests of the Target Company's minority shareholders, eliminate the arbitrariness and conflicts of interest in the decision-making process leading to the decision to implement the Transaction, including the Tender Offer, and ensure the fairness and transparency of the Transaction, on December 13,

2024, the Target Company established a special committee (the “Previous Special Committee”) consisting of three members, Mr. Yukihiro Machida (the Target Company’s Outside Director and Independent Officer), Mr. Tomohisa Takeda (the Target Company’s Outside Director and Independent Officer), and Mr. Tamotsu Moriyama (the Target Company’s Outside Director and Independent Officer).

In addition, in mid-December 2024, the Target Company appointed Nomura Securities Co., Ltd. (“Nomura Securities”) as its own financial advisor and third-party valuation institution, and Nagashima Ohno & Tsunematsu as a legal advisor, both independent of the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings and requested Nomura Securities to calculate the value of the Target Company Stock.

Furthermore, as described in “⑥ Establishment of independent review system at the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below, the Target Company established an internal system to perform considerations, negotiations and decision-makings regarding the Transaction (including the scope and work duties of the Target Company’s officers and employees involved in considerations, negotiations and decision-makings regarding the Transaction) in a position independent from the Tender Offeror Group, SMTB and SBI Holdings, and received approval of the Previous Special Committee that there are no issues with such review system from the perspectives of independence and fairness.

The Previous Special Committee performed considerations and negotiations regarding the Transaction as described in “(iii) Process of considerations and negotiations” below. However, on February 7, 2025, the Tender Offeror notified the Target Company that it had decided to terminate considerations regarding the Transaction, therefore, the Target Company also terminated considerations regarding the Transaction and dissolved the Previous Special Committee.

(ii) Process of establishment of review system after resuming considerations

After the termination of the Previous Consideration, as described in “① The background, objectives and decision-making process leading to the decision to implement the Tender Offer” above, on April 28, 2025, the Target Company received, from the Tender Offeror and SMTB, the Written Expression of Intent which includes such statements that the Tender Offeror and SMTB intend to jointly take the Target Company Stock private and that SBI Holdings is assumed to sell the Target Company Stock through the Transaction.

In response to this, given that in the Transaction, including the Tender Offer, the interests of SMTB, which is the Target Company’s shareholder holding 34.19% (ownership ratio) of the Target Company Stock at the time before the implementation of the Tender Offer and was being positioned as a joint offeror with the Tender Offeror in the Written Expression of Intent, and SBI Holdings, which is the Target Company’s shareholder holding 34.19% (ownership ratio) of the Target Company’s Shares at the time before the implementation of the Tender Offer and is also having a business alliance relationship with the Target Company and considering the receipt of capital investment from NTT, the parent company of the Tender Offeror, through the Capital and Business Alliance (SBI) in parallel with the Transaction, do not align with the interests of other minority shareholders the Target Company, in order to appropriately secure the interests of the Target Company’s minority shareholders, eliminate the arbitrariness and conflicts of interest in the decision-making process leading to the decision to implement the Transaction, including the Tender Offer, and ensure the fairness and transparency of the Transaction, on April 30, 2025, the Target Company established a special committee (the “Special Committee”) consisting of three members, Mr. Yukihiro Machida (the Target Company’s Outside Director and Independent Officer), Mr. Tomohisa Takeda (the Target Company’s Outside Director and Independent Officer), and Mr. Tamotsu Moriyama (the Target Company’s Outside Director and Independent Officer). Considering matters such as that the details of the Transaction which was the subject of consultation with the Previous Special Committee and the Transaction which is the subject of consultation with the Special Committee are identical in their main points, that the members of the Previous Special Committee and the Special Committee are the same, and that only about three months have passed between the dissolution of the Previous Special Committee and the establishment of the Special Committee, the Special Committee has decided to perform its considerations while also referring to the content of the Previous Consideration.

In addition, as in the Previous Consideration, in late April 2025, the Target Company appointed Nomura Securities as

its own financial advisor and third-party valuation institution, and Nagashima Ohno & Tsunematsu as a legal advisor, both independent of the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings and requested Nomura Securities to calculate the value of the Target Company Stock.

Furthermore, as in the Previous Consideration, as described in “⑥ Establishment of independent review system at the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below, the Target Company established an internal system to perform considerations, negotiations and decision-makings regarding the Transaction (including the scope and work duties of the Target Company’s officers and employees involved in considerations, negotiations and decision-makings regarding the Transaction) in a position independent from the Tender Offeror Group, SMTB and SBI Holdings, and received approval of the Special Committee that there are no issues with such review system from the perspectives of independence and fairness.

(iii) Process of considerations and negotiations

After receiving the proposal for the Transaction from the Tender Offeror and before the discontinuation of considerations regarding the Transaction, the Target Company organized the review system described in “(i) Process of establishment of previous review system” above, and after resuming considerations regarding the Transaction, the Target Company organized the review system described in “(ii) Process of establishment of review system after resuming considerations” above. Then, based upon the negotiation policy and the opinions, directions, requests, etc. in important aspects of negotiation confirmed in advance by the Previous Special Committee or the Special Committee, and while receiving advice from Nomura Securities and Nagashima, Ohno & Tsunematsu, the Target Company held multiple discussions and negotiations with the Tender Offeror regarding matters such as the propriety and the appropriateness of the transaction terms, of the Transaction.

Specifically, after receiving the Previous Written Expression of Intent from the Tender Offeror and SMTB on December 9, 2024, the Target Company confirmed and considered the details of the proposal from the Tender Offeror and SMTB.

Subsequently, the Tender Offeror conducted due diligence on the Target Company from late December 2024 to early February 2025, and in parallel, from mid-January 2025 to late February 2025, the Target Company held detailed discussions with the Tender Offeror on a business alliance, including management structure and management policy after the Transaction.

In addition, on February 5, 2025, the Target Company received from the Tender Offeror a written proposal setting the Tender Offer Price at 4,640 yen. 4,640 yen proposed as the Tender Offer Price includes the following premiums: a premium of 59.72% on 2,905 yen, which is the closing price of the Target Company Stock on November 27, 2024, the business day immediately preceding November 28, 2024 on which certain media outlets published speculative reports regarding the Transaction; a premium of 63.96% on 2,830 yen, the simple average closing price for the one-month period up to that date; a premium of 65.36% on 2,806 yen, the simple average closing price for the three-month period up to that date; and a premium of 63.32% on 2,841 yen, the simple average closing price for the six-month period up to that date, and the price includes the following premiums: a premium of the amount equal to 4,640 yen, the closing price of the Target Company Stock on February 4, 2025, the business day immediately preceding the date of the said proposal; a premium of 14.57% on 4,050 yen, the simple average closing price for the one-month period up to that date; a premium of 29.07% on 3,595 yen, the simple average closing price for the three-month period up to that date; and a premium of 46.00% on 3,178 yen, the simple average closing prices for the six-month period up to that date.

In response to the proposal, on February 6, 2025, the Target Company requested the Tender Offeror to consider raising the tender offer price, stating that the proposed Tender Offer Price of 4,640 yen did not adequately reflect the interests of minority shareholders and was significantly insufficient compared to the intrinsic value of the Target Company in the event that implementation of the Transaction is not contemplated.

Then, on February 7, 2025, the Tender Offeror notified the Target Company that it had decided to discontinue considerations regarding the Transaction, and the Target Company also discontinued considerations regarding the Transaction. However, on April 28, 2025, the Target Company received the Written Expression of Intent from the Tender Offeror and SMTB, and resumed considerations regarding the Transaction.

Subsequently, the Tender Offeror conducted due diligence on the Target Company from early May 2025 to late May 2025, and in parallel, from late April 2025 to late May 2025, the Target Company held discussions with the Tender Offeror on a specific business alliance, including management structure and management policy after the Transaction.

In addition, on May 16, 2025, the Target Company received from the Tender Offeror a written first proposal setting the Tender Offer Price at 4,300 yen. 4,300 yen proposed as the Tender Offer Price includes the following premiums: a premium of 27.60% on 3,370 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 15, 2025, the business day immediately preceding the submission date of the first proposal (May 16, 2025); a premium of 15.22% on 3,732 yen, the simple average closing price for the one-month period up to that date; a premium of 9.47% on 3,928 yen, the simple average closing price for the three-month period up to that date; and a premium of 10.88% on 3,878 yen, the simple average closing price for the six-month period up to that date.

In response to the first proposal, on May 19, 2025, the Target Company requested the Tender Offeror to consider raising the Tender Offer Price, stating that the Tender Offer Price of 4,300 yen proposed in the first proposal was significantly insufficient compared to the intrinsic value of the Target Company and did not adequately reflect the interests of minority shareholders. In addition, on May 20, 2025, the Target Company received from the Tender Offeror a written second proposal setting the Tender Offer Price at 4,700 yen. 4,700 yen proposed as the Tender Offer Price includes the following premiums: a premium of 39.47% on 3,370 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 20, 2025, the submission date of the second proposal; a premium of 27.86% on 3,676 yen, the simple average closing price for the one-month period up to that date; a premium of 22.14% on 3,848 yen, the simple average closing price for the three-month period up to that date; and a premium of 20.82% on 3,890 yen, the simple average closing price for the six-month period up to that date. In response to the second proposal, on May 21, 2025, the Target Company requested the Tender Offeror to consider raising the Tender Offer Price, stating that the Tender Offer Price of 4,700 yen proposed in the second proposal did not adequately reflect the interests of minority shareholders.

On May 26, 2025, the Target Company received from the Tender Offeror a written third proposal setting the Tender Offer Price at 4,810 yen. 4,810 yen proposed as the Tender Offer Price includes the following premiums: a premium of 46.20% on 3,290 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 23, 2025, the business day immediately preceding the submission date of the third proposal; a premium of 34.13% on 3,586 yen, the simple average closing price for the one-month period up to that date; a premium of 26.31% on 3,808 yen, the simple average closing price for the three-month period up to that date; and a premium of 23.68% on 3,889 yen, the simple average closing price for the six-month period up to that date.

In response to the third proposal, on May 26, 2025, the Target Company requested the Tender Offeror to consider raising the Tender Offer Price, stating that the Tender Offer Price of 4,810 yen proposed in the third proposal did not adequately reflect the interests of minority shareholders.

On May 27, 2025, the Target Company received from the Tender Offeror a written fourth proposal setting the Tender Offer Price at 4,870 yen. 4,870 yen proposed as the Tender Offer Price includes the following premiums: a premium of 50.77% on 3,230 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 26, 2025, the business day immediately preceding the submission date of the fourth proposal; a premium of 38.12% on 3,526 yen, the simple average closing price for the one-month period up to that date; a premium of 28.87% on 3,779 yen, the simple average closing price for the three-month period up to that date; and a premium of 24.90% on 3,899 yen, the simple average closing price for the six-month period up to that date.

In response to the fourth proposal, on May 27, 2025, the Target Company requested the Tender Offeror to consider raising the Tender Offer Price, stating that the Tender Offer Price of 4,870 yen proposed in the fourth proposal did not adequately reflect the interests of minority shareholders.

On May 28, 2025, the Target Company received from the Tender Offeror a written fifth proposal setting the Tender Offer Price at 4,900 yen and the Repurchase Price at 3,614.84 yen. 4,900 yen proposed as the Tender Offer Price includes the following premiums: a premium of 51.70% on 3,230 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 27, 2025, the business day immediately preceding the submission date of the fifth proposal; a premium of 39.60% on 3,510 yen, the simple average closing price for the one-month period up to that date; a premium of 30.28% on 3,761 yen, the simple average closing price for the three-month

period up to that date; and a premium of 25.58% on 3,902 yen, the simple average closing price for the six-month period up to that date.

In response to the final proposal from the Tender Offeror, after performing careful discussions and considerations as described in “(iv) Details of the Target Company’s decision-making” below, on May 28, 2025, the Target Company responded to the Tender Offeror that it would accept setting the Tender Offer Price at 4,900 yen and the Repurchase Price at 3,614.84 yen.

In the process of the above-mentioned considerations and negotiations, the Previous Special Committee or the Special Committee has received reports from the Target Company and Nomura Securities, the Target Company’s financial advisor, as appropriate, and has made confirmations and expression its opinions. Specifically, in obtaining the Share Valuation Report (Nomura Securities) (defined in “(iv) Details of the Target Company’s decision-making” below) from Nomura Securities and in receiving proposals from the Tender Offeror regarding matters such as the Tender Offer Price, the Target Company formulated the business plan for the period from the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028 (the “Business Plan”). Then, the Target Company received confirmation from the Special Committee regarding the reasonableness of the contents, material assumptions, preparation process, and other matters of the Business Plan, and presented the Business Plan to the Tender Offeror. In addition, Nomura Securities, the Target Company’s financial advisor, has taken actions in negotiations with the Tender Offeror in accordance with the negotiation policy decided by the Previous Special Committee or the Special Committee after deliberation, and upon receipt of a proposal from the Tender Offeror regarding the Tender Offer Price, has immediately reported to the Previous Special Committee or the Special Committee each time and has taken actions in accordance with the opinions, instructions, requests, etc. of the Special Committee and the Previous Special Committee and the Special Committee substantially serve as the negotiating entity.

(iii) Details of the Target Company’s decision-making

Under the foregoing process, at the Target Company’s board of directors meeting held on May 29, 2025, based upon the contents of the share valuation report obtained from Nomura Securities as of May 28, 2025 (the “Share Valuation Report (Nomura Securities)”) and the legal advice received from Nagashima Ohno & Tsunematsu regarding points to consider when making decisions on the Transaction, including the Tender Offer, the Target Company carefully performed discussions and considerations from the perspectives such as whether or not the Transaction would contribute to the enhancement of the Target Company’s corporate value and whether or not the terms related to the Transaction including the Tender Offer Price would be appropriate, with maximum respect for the contents of the report submitted by the Special Committee on May 29, 2025 (the “Report”) (for a summary of the Report, please refer to “③ Establishment of an independent special committee and obtainment of a report from the Special Committee by the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below).

As a result, taking into consideration the following points, etc., the Target Company has come to believe that the Tender Offeror and SMTB taking the Target Company Stock private through the Transaction will create the synergies as summarized below and the Transaction will contribute to the enhancement of the Target Company Group’s corporate value.

(a) Digital Bank Business: Increase in number of accounts and expansion of deposit balances, by leveraging customer base

The Target Company believes that the number of accounts can be expected to increase by offering full banking services with superior UI/UX and advanced security, utilizing cutting-edge technologies such as mobile applications and AI, including mortgage loans and highly convenient smartphone debit, which are areas the Target Company excels at, to the Tender Offeror’s customer base, which is among the largest in Japan (approximately 100 million “d Point Club” members, approximately 90 million mobile phone service contracts, and approximately 18 million “d Card” members, etc.), and propelling the opening of bank accounts at the Target Company. Furthermore, the Target Company believes that it will be able to propel the Target Company

to become a main bank of more customers through collaboration with the Tender Offeror Group's services and through point rewards, thereby increasing deposit balance. Through these measures, the Target Company believes that there is potential for further growth in the Digital Bank Business, by way of the strengthening of its role as a platform closely connected to the lives of its customers.

(b) Mortgage Platform Domain: Strengthening of competitiveness in the mortgage market

The Target Company expects to increase the number and amount of mortgage loan executions by devising preferential interest rates and other benefits through collaboration with the services of the Tender Offeror Group, offering a competitive mortgage loan to the Tender Offeror's customer base that is among the largest in Japan, or by expanding the mortgage loan sales channel through utilization of the network of agents operating DOCOMO Shops. In addition, by utilizing DOCOMO Finance's nationwide mortgage sales network and customer data to propose financial services optimized for individual customers, the Target Company expects to strengthen its mortgage sales capabilities. Through these efforts, the Target Company believes it can differentiate itself from its competitors in the mortgage market and further strengthen its competitiveness by providing flexible services that meet the diverse needs of its customers.

(c) BaaS Business: Expansion of platform through corporate network

By utilizing the extensive corporate network of the Tender Offeror Group and approaching potential partners with whom the Target Company has had no previous contact, the Target Company believes that it will be able to expand its BaaS Business alliances. In addition, the Target Company can expect to strengthen its proposal capabilities through collaboration and personnel exchange with the Tender Offeror Group. Furthermore, through marketing services utilizing d-Points, as well as through the use of data pertaining to the Tender Offeror Group's membership base, the Target Company believes that it will be able to strengthen its consulting and system development capabilities and improve the ability of its alliance partners to resolve issues.

(d) Other measures for expansion of business: Leveraging corporate infrastructure and pursuing synergies within the group

The Target Company also expects to increase transactions and revenues in its other businesses. Particularly in business related to small and medium-sized enterprises, utilization of the Tender Offeror's business network with a large number of corporate customers and businesses is expected to increase the number of corporate accounts and expand the same-day deposit services and various settlement transactions, etc. In addition, as an NTT Group bank, the Target Company believes that it can contribute to improving profitability by increasing efficiency through consolidation of financial and settlement operations. Further, it is expected that the Target Company will strengthen its revenue base through consolidation of settlement accounts and corporate deposits, in respect of each group company; the designation of payroll transfer destinations for employees; and the opening of family accounts.

In general, the disadvantage associated with taking a company private is that the Target Company will no longer be able to enjoy the benefits that it has enjoyed as a listed company, such as enhanced recognition and enhanced social credibility. In addition, regarding the impact of becoming a member of the Tender Offeror Group, the Target Company has considered impacts on, among other factors, the motivation of its employees, the independence of the Target Company's management and business operations, and its business partners. However, the Target Company believes that the disadvantages associated with taking the Target Company Stock private and becoming a member of the Tender Offer Group will be limited, given such matters as that (a) the Target Company Group has already established a certain level of recognition, awareness and social credibility within the industry, and it is considered that the negative impact of taking the Target Company Stock private will not be significant; (b) as a result of becoming a group company of the Tender Offeror, the Target Company expects to further enhance its recognition and expand its business by leveraging the Tender Offeror Group's extensive customer base; and (c) regarding the structure after the Transaction, from the perspective of the

continuity of the Target Company's management, respecting the current management structure of the Target Company and its strength of rapid decision-making has been confirmed as a fundamental policy. For details of the Target Company's management policy after the Transaction, please refer to “③ Management policy after the Tender Offer” above.

Given the fact that SBI Holdings, which holds 34.19% (ownership ratio) of the Target Company Stock at the time before the implementation of the Tender Offer and is the parent company of SBI SECURITIES Co., Ltd. which is an important business partner of the Target Company, will cease to be a shareholder of the Target Company as a result of the Transaction, the Target Company has carefully considered the impact that such fact will have on the business operation of the Target Company. In particular, the outsourcing of the intermediary business, including the opening of the Target Company's yen deposit accounts with SBI Securities as a bank agent, is one of the primary channels for acquiring customers for the Target Company. As of March 31, 2025, of the Target Company's total deposit balance of approximately 9.8 trillion yen, the SBI Hybrid Deposit (Note 10) balance is approximately 3.2 trillion yen, which is about one-third of the total deposit balance. Accordingly, if SBI Holdings ceases to be a shareholder of the Target Company as a result of the Transaction and such business partnership is immediately terminated, there is concern that significant adverse effects may arise on the Target Company's business. However, the Target Company entered into the Business Alliance Agreement (Tender Offeror, Company, SBI Holdings and SBI Securities) as of today, and it was agreed that the business partnership between the Target Company and SBI Securities will be maintained for at least a certain period after the completion of the Transaction. Therefore, there is no concern that the Transaction will immediately have a significant adverse effect on the Target Company's business as a result of SBI Holdings ceasing to be a shareholder of the Target Company.

(Note 10) A “SBI Hybrid Deposit” is a yen deposit account that allows customers to automatically transfer funds between their accounts at SBI Securities and the Target Company. The balance of an SBI Hybrid Deposit is automatically reflected in SBI Securities' purchasing power.

Furthermore, considering various circumstances such as the following points, the Target Company has determined that the Tender Offer Price of 4,900 yen per share is an appropriate price securing the interests which should be enjoyed by the Target Company's minority shareholders, and that the Tender Offer provides a reasonable opportunity for the Target Company's minority shareholders to sell the Target Company Stock at a price with an appropriate premium.

- (a) The Tender Offer Price has agreed upon as a result of thorough negotiations between the Tender Offeror and the Target Company after sufficient measures had been taken by the Target Company to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as described in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below.
- (b) Compared to the valuation of the Target Company Stock by Nomura Securities described in “② Obtainment of a share valuation report from an independent third-party valuation institution by the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest below, the Tender Offer Price exceeds the upper limit of the range set based on the average market price analysis or the comparable company analysis, and falls within the range set based on the DDM analysis (as described in “(ii) Outline of valuation” in “② Obtainment of a share valuation report from an independent third-party valuation institution by the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below.).
- (c) The Tender Offer Price is equivalent to the amount obtained by adding a premium of (i) 49.16% to the closing price (3,285 yen) of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 28, 2025, the business day immediately prior to the announcement date of the Transactions, (ii) 41.37% to the simple average of the closing prices (3,466 yen) during the one-month period ending on the said day, (iii) 30.77% to the simple average of the closing prices (3,747 yen) during the three-month period ending on the said day, or (iv) 25.61 % to the simple average of the closing prices (3,901 yen) during the six-month period ending on the said day. On the other hand, an analysis of premiums seen in 84 example cases of tender offers in the past (excluding REIT-related cases, management buyouts (MBOs) (Note 11), employee buyouts (EBOs)

(Note 12), hostile tender offers, cases where the target company had not resolved to express its opinion in support of the tender offer at the time of its announcement, two-step tender offers, share exchanges, and cases where there had been a certain extent of capital relationship between the tender offeror and the target company) that (i) were announced on or after June 28, 2019 when the M&A Guidelines were published, (ii) were conducted for the purpose of full acquisition or privatization of domestic listed companies, and (iii) did not set an upper limit on the number of shares to be purchased, showed that the median and average of such premiums in relation to (i) the closing prices on the business day immediately prior to the respective announcement dates were 56.68% and 67.28%, (ii) the simple average of the closing prices during the immediately preceding one-month periods were 54.46% and 67.61%, (iii) the simple average of the closing prices during the immediately preceding three-month periods were 55.95% and 69.20%, and (iv) the simple average of the closing prices during the immediately preceding six-month periods were 54.61% and 68.74%. The premium for the Tender Offer Price is generally on par with and not inferior to these example cases and is therefore considered to be reasonable.

- (d) In light of the fact that the Transaction is being considered at a point in time about two years and two months after the listing of the Target Company Stock on March 29, 2023, and considering the interests of minority shareholders who have owned the Target Company Stock since the period immediately after the listing of the Target Company, it can be evaluated that, compared to the public offering price of 1,200 yen at the time of listing, the share price has basically been consistently higher than the said public offering price since the listing, and therefore there have been opportunities to secure the interests of the shareholders at the time of the listing.
- (e) The Tender Offer Price has been determined to be appropriate in the Report dated today received from the Special Committee as described in “③ Establishment of an independent special committee and obtainment of a report from the Special Committee by the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below.

(Note 11) “Management buyout (MBO)” means a transaction in which the tender offeror is an officer of the Target Company, or in which the tender offeror conducts a tender offer under a request from the officers of the Target Company and in which the tender offeror shares common interests with the officers of the Target Company.

(Note 12) “Employee buyout (EBO)” generally refers to a transaction in which employees of the acquired company invest all or part of the acquisition funds to acquire shares of the acquired company on the assumption that the acquired company’s business will continue.

Based on the above, the Target Company determined that the Transaction, including the Tender Offer, will contribute to the enhancement of the Target Company’s corporate value, and that the terms of the Transaction, including the Tender Offer Price, are appropriate, and at the Target Company’s board of directors meeting held on May 29, 2025, the Target Company resolved to express its opinion in support of the Tender Offer, and to recommend the Target Company’s shareholders to tender their shares in the Tender Offer.

For the method of resolution at the Target Company’s board of directors meeting mentioned above, please refer to “⑤ Unanimous approval by all of the non-interested directors and no objection opinion of the non-interested company auditors of the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” below.

③ Management policy after the Tender Offer

After the Transaction, the basic policy for the Target Company will be to respect the current management structure and the Target Company’s strength in quick decision-making, from the perspective of maintaining continuity. At the same time, the goal is to accelerate collaboration within the Tender Offeror Group, including the Target Company, to enhance the probability of the Tender Offeror Group’s growth, including the Target Company. To achieve this goal, personnel responsible for promoting synergy with the Tender Offeror Group will be dispatched to each division, along with responsible managers, to establish the optimal structure for strengthening the Target Company’s management foundation.

Following the Stock Repurchase, SBI Holdings will no longer be a shareholder of the Target Company. However, the Tender Offeror and SMTB will support the smooth operation of the Target Company's existing business operations by dispatching personnel skilled in overall bank management to ensure strong operational continuity. Additionally, respecting the Target Company's historical progress, an agreement was reached among the Tender Offeror, the Target Company, and SBI Securities to continue the existing business partnership between the Target Company, SBI Holdings and SBI Securities. Accordingly, the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) was officially concluded on May 29, 2025. Further, on this basis, the Target Company plans to further develop its business through business alliances with the Tender Offeror, Monex, and DOCOMO Finance, etc. (currently discussing with the Tender Offeror the establishment of a new loyalty program that offers savings based on deposit balances, etc.; details of the alliance with Monex, Inc. and DOCOMO Finance will be discussed in detail in the future), while continuing to be the chosen entity of its own existing customers and SBI Securities' customers.

In addition, as part of implementing the measures described in “① The background, objectives and decision-making process leading to the decision to implement the Tender Offer” above, and with the objective of building an appropriate management structure to realize the effects mentioned, it is planned that individuals nominated by the Tender Offeror and SMTB will be appointed as officers of the Target Company. It is planned that Mr. Noriaki Maruyama, President and Representative Director of the Target Company, will be appointed as a representative director of the Target Company after the Transaction in the Shareholder Agreement, but the specific details of the measures and the specific timing and candidates for the appointment of directors other than Mr. Noriaki Maruyama have not been determined at present. The details of the Target Company's management structure, including these points, will be determined through discussions with the Target Company after the completion of the Tender Offer.

Furthermore, on May 29, 2025, the Tender Offeror entered into a Shareholders Agreement with SMTB. In this agreement, it was mutually agreed that upon the completion of the Transaction, the Tender Offeror would have the right to appoint a majority of the Target Company's directors. For details of the Shareholders Agreement, please refer to “② The Shareholder Agreement” in “(6) Material Agreements Relating to the Tender Offer” below.

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

As of today, the Tender Offeror does not own any Target Company Stock, and the Tender Offer does not constitute a tender offer by a controlling shareholder. In addition, it is not planned that all or part of the management of the Target Company will directly or indirectly invest in the Tender Offeror, and the Transaction, including the Tender Offer, does not fall under the category of a so-called management buyout (MBO) transaction.

However, considering the following factors: (i) the Tender Offeror has agreed with SMTB and SBI Holdings, the main shareholders of the Target Company, not to tender Non-Tendering Agreed Shares; (ii) the Tender Offeror intends to take Target Company Stock private, with the sole shareholders being the Tender Offeror and SMTB; (iii) the Stock Repurchase is planned to be executed on the condition that the Share Consolidation becomes effective. To ensure fairness of the Tender Offer Price, eliminate arbitrariness in the decision-making process for the Transaction, and guarantee the fairness, transparency, and objectivity of the decision-making process, while also avoiding any possibility of conflicts of interest, the following measures have been implemented.

The Tender Offeror has not set a minimum threshold for the number of shares to be purchased under the so-called “Majority of Minority” condition in this Tender Offer. This decision was made because setting such a minimum threshold could destabilize the success of the Tender Offer and, paradoxically, might not benefit the minority shareholders of the Target Company who wish to participate in the tender offer. As such, no minimum threshold for the “Majority of Minority” condition has been established in this Tender Offer. However, the Tender Offeror believes that sufficient consideration has been given to the interests of minority shareholders of the Target Company, as the following measures have been implemented by the Tender Offeror and the Target Company, respectively.

Furthermore, the measures undertaken by the Target Company described below are based on the Target Company's press release and explanations received from the Target Company.

① Acquisition of Share Valuation Report from an Independent Financial Advisor and Third-party Appraiser independent of the Tender Offeror

In determining the Tender Offer Price, the Tender Offeror engaged BofA Securities, a financial advisor and third-party appraiser independent of the Tender Offeror Group, the Target Company Group, SMTB, and SBI Holdings, to perform a valuation of the Target Company's shares. BofA Securities is not affiliated with any of the related parties of the Tender Offeror Group, the Target Company Group, Sumitomo Mitsui Trust Bank, or SBI Holdings, and it does not have any significant conflicts of interest concerning this transaction.

For a summary of the share valuation report on the value of the Target Company's shares obtained by the Tender Offeror from BofA Securities (the "Share Valuation Report (BofA Securities)"), please refer to the "(i) Basis of Calculation" and "(ii) Background to Calculation" in "(4) Basis of Calculation of Tender Offer Price, etc." in "2. Overview of purchase, etc." below.

② Obtainment of a share valuation report from an independent third-party valuation institution by the Target Company

(i) Name of valuation institution and its relationship with the Target Company and the Tender Offeror

In expressing its opinion regarding the Tender Offer, in order to ensure fairness in its decision-making process regarding the Tender Offer Price, the Target Company requested Nomura Securities, a financial advisor and third-party valuation institution independent from the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings, to calculate the value of the Target Company Stock. Furthermore, Nomura Securities is not a related party of the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings, and has no material interest in the Transaction.

Since the Target Company believes that the interests of the Target Company's minority shareholders have been sufficiently considered based on the other measures to ensure the fairness of the Tender Offer Price which have been implemented in relation to the Transaction, the Target Company has not obtained an opinion letter (fairness opinion) regarding the fairness of the Tender Offer Price. In addition, the remuneration for Nomura Securities in relation to the Transaction includes contingency fees, which would be payable subject to the successful completion of the Tender Offer. The Target Company has appointed Nomura Securities as its financial advisor and third-party valuation institution under the above remuneration structure because the Target Company has determined that, taking into consideration the general customary practices in similar kinds of transactions, the fact that the remuneration includes contingency fees, which would be payable subject to the successful completion of the Tender Offer, does not deny the independence of Nomura Securities.

(ii) Outline of valuation

After considering the valuation method for the Tender Offer, Nomura Securities calculated the value of the Target Company Stock by applying (i) average market price analysis, since the Target Company Stock are listed on the Standard Market of the Tokyo Stock Exchange and its share price in the market exists, (ii) comparable company analysis, since there are listed companies comparable to the Target Company, allowing for an analogical inference of the value of the Target Company Stock from a comparison of similar companies, and (iii) dividend discount model analysis, which is a method of analyzing share value by discounting to the present value, at the cost of capital, the profits attributable to shareholders after taking into account the internal reserves, etc. necessary to maintain a certain capital structure, and is widely used in the evaluation of financial institutions (the "DDM Analysis") in order to reflect the status of future business activities in the valuation. The Target Company obtained the Share Valuation Report (Nomura Securities) as of May 28, 2025.

The ranges of values per share of the Target Company Stock calculated by Nomura Securities according to the above-mentioned analyses are as follows.

Average market price analysis (I):	from 2,806 yen to 2,978 yen
Average market price analysis (II):	from 3,256 yen to 3,901 yen
Comparable company analysis:	from 3,773 yen to 4,393 yen
DDM Analysis:	from 4,398 yen to 5,871 yen

The range of values per share of the Target Company Stock obtained from the average market price analysis (I) is 2,806

yen to 2,978 yen, which is calculated based on the following prices quoted on the Standard Market of the Tokyo Stock Exchange, by using November 27, 2024 as the record date to eliminate the impact on stock prices caused by speculative reports by certain media outlets (November 28, 2024), the date prior to such reports, November 27, 2024 (the “Record Date 1”): 2,905 yen, the closing price of the Target Company Stock as of the record date; 2,978 yen, the simple average closing price over the most recent five business days; 2,830 yen, the simple average closing price over the most recent one-month period; 2,806 yen, the simple average closing price over the most recent three-month period; and 2,841 yen, the simple average closing price over the most recent six-month period. In addition, the range of values per share of the Target Company Stock obtained from the average market price analysis (II) is 3,256 yen to 3,901 yen, which is calculated based on the following prices quoted on the Standard Market of the Tokyo Stock Exchange, by using May 28 (the “Record Date 2”), 2025 as the record date, which is the business day immediately prior to the date of the announcement of the Tender Offer: 3,285 yen, the closing price of the Target Company Stock as of the record date; 3,256 yen, the simple average closing price over the most recent five business days; 3,466 yen, the simple average closing price over the most recent one-month period; 3,747 yen, the simple average closing price over the most recent three-month period; and 3,901 yen, the simple average closing price over the most recent six-month period.

The range of values per share of the Target Company Stock obtained from the comparable company analysis is 3,773 yen to 4,393 yen, which is derived by calculating the value of the Target Company Stock through comparisons of matters such as the market share prices and financial indicators showing the profitability of the Target Company with those of the listed companies engaged in businesses that are relatively similar to those conducted by the Target Company.

The range of values per share of the Target Company Stock obtained from the DDM Analysis is 4,398 yen to 5,871 yen, which is derived by calculating the value of the Target Company Stock by discounting to the present value, at a certain discount rate, the profits attributable to shareholders after taking into account the internal reserves, etc. necessary to maintain a certain capital structure, which the Target Company is expected to generate during and after the fiscal year ending March 31, 2026, after considering assumptions that seem reasonable such as the Business Plan prepared by the Target Company. Please note that the synergistic effects expected to be realized through the implementation of the Tender Offer are not included in the Business Plan because it is difficult to estimate them specifically at the time of calculation.

In addition, the Business Plan, which forms the basis of the calculation under the DDM Analysis mentioned above, includes a fiscal year in which a significant increase in profits is expected compared with the previous fiscal year. Specifically, in the fiscal years ending March 31, 2027 and March 31, 2028, a significant increase in net income is expected compared with the previous fiscal year primarily due to an increase in investment income resulting from an increase in funds under management.

As described in “③ Establishment of an independent special committee and obtainment of a report from the Special Committee by the Target Company” below, the Special Committee received explanations from the Target Company regarding the contents, assumptions, preparation process, and other matters of the Business Plan which forms the basis of the financial projections used to calculate the value of the Target Company Stock, and explanations from Nomura Securities regarding the calculation method, the figures, assumptions and other matters used in the calculation, and then held a question and answer session. The Special Committee found no particularly unreasonable points and confirmed that the calculation method and calculation results were deemed to be reasonable.

(Note) In calculating the value of the Target Company Stock, Nomura Securities has not independently verified the accuracy or completeness of public information and any information provided to Nomura Securities on the assumption that such information was accurate and complete. Nomura Securities has not independently evaluated, appraised or assessed and has not requested any third-party institution to appraise or assess the assets or liabilities (including derivatives, off-balance-sheet assets and liabilities, and other contingent liabilities) of the Target Company and its affiliated companies, including any analysis and valuation of individual assets and liabilities. It is assumed that the Target Company’s financial projections (including profit plan and other information) have been reasonably considered and formulated based on the best and honest estimates and judgments currently available to the management of the Target Company. The calculation by Nomura Securities reflected information and economic conditions obtained by Nomura Securities before May 28, 2025. The sole purpose of the calculation by Nomura Securities is to serve as a reference for the Target Company’s board of directors in its consideration of the value of the Target Company Stock.

③ Establishment of an independent special committee and obtainment of a report from the Special Committee by the Target Company

(i) Background of establishment, etc. of the Previous Special Committee

As stated in “(i) Process of establishment of previous review system” in “② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer” in “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy” above, regarding the Transaction, including the Tender Offer, in order to appropriately secure the interests of the Target Company’s minority shareholders, eliminate the arbitrariness and the conflicts of interest in the Target Company’s decision-making process leading to the decision to implement the Transaction, including the Tender Offer, and ensure the fairness and transparency of the Transaction, the Target Company, by resolution of the board of directors on December 13, 2024, established the Previous Special Committee consisting of three members, Mr. Yukihiro Machida (the Target Company’s outside director and independent officer), Mr. Tomohisa Takeda (the Target Company’s outside director and independent officer), and Mr. Tamotsu Moriyama (the Target Company’s outside director and independent officer), who have no interest in the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings as well as the success or failure of the Transaction, including the Tender Offer. None of the members of the Previous Special Committee have been changed since its establishment, and Mr. Yukihiro Machida was elected as the chairperson of the Previous Special Committee by committee members’ mutual vote. The remuneration for the members of the Previous Special Committee was determined to be a fixed amount and did not include contingency fees, which would be payable subject to the announcement or successful completion of the Transaction, including the Tender Offer, etc.

By the resolution above, the Target Company’s board of directors consulted the Previous Special Committee on (a) whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of the Target Company’s corporate value); (b) whether the terms and conditions of the Transaction are appropriate (including whether the method of the Transaction and the type of consideration for the Transaction are appropriate); (c) whether the procedures for the Transaction are fair (including consideration of what type and level of measures should be taken to ensure fairness); (d) if the Transaction is implemented through a tender offer, whether the board of directors should support the Tender Offer and recommend that the Target Company’s shareholders tender their shares in the Tender Offer; and (e) whether making a decision to implement the Transaction (if the Transaction is implemented through the Tender Offer, including the board of directors expressing its opinion in support of the Tender Offer and to recommend that the Target Company’s shareholders tender their shares in the Tender Offer) is not disadvantageous to the general shareholders (including the minority shareholders) of the Target Company (matters (a) through (e) are collectively referred to hereinafter as the “Previous Consulted Matters”) and delegated the Previous Special Committee to submit a report on these matters to the Target Company. In addition, the Target Company’s board of directors also resolved at the meeting on December 13, 2024, that the decision-making of the Target Company’s board of directors regarding the Transaction shall be made with the utmost respect for the determination of the Previous Special Committee, and, in particular, if the Previous Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target Company’s board of directors shall not decide to implement the Transaction (if the Transaction is implemented through the Tender Offer, the Target Company’s board of directors shall not support the Tender Offer and shall not recommend that the Target Company’s shareholders tender their shares in the Tender Offer).

Furthermore, the Target Company’s board of directors resolved at the meeting on December 13, 2024, that the Target Company’s board of directors shall grant the Previous Special Committee each of (a) the authority to confirm in advance the policy and to receive reports on the status in a timely manner with respect to discussions and negotiations with the Tender Offeror, SMTB and SBI Holdings, and other related parties regarding the Transaction, to express opinions and to make recommendations and requests to the Target Company’s board of directors with respect to discussions and negotiations regarding the Transaction, and, as necessary, to discuss and negotiate directly with related parties, including the Tender Offeror, to the extent permitted by laws and regulations; (b) the authority to request

reports and information from the executive directors of the Target Company and other persons from time to time on the progress, status of consideration, and other matters relating to the Transaction; (c) to the extent necessary, the authority to appoint, at the Target Company's expense, the Previous Special Committee's own financial, legal and other advisors (the "Advisors"); and (d) the authority to evaluate the Advisors of the Target Company, and comment on or approve (including ex-post approve) the appointment of the Advisors of the Target Company.

The Previous Special Committee held a total of six (6) meetings from December 18, 2024 to February 5, 2025, and also carried out the duties regarding the Previous Consulted Matters by reporting and sharing information, discussing and making decisions, etc. as necessary via email, etc. between meetings. Specifically, in the first Previous Special Committee meeting held on December 18, 2024, the Previous Special Committee confirmed that there was no problem with the independence and expertise of Nomura Securities, which is appointed by the Target Company as the financial advisor and a third-party valuation institution of the Target Company, and Nagashima Ohno & Tsunematsu, which is appointed by the Target Company as the legal advisor of the Target Company, therefore, the Previous Special Committee approved them as the financial advisor and the third-party valuation institution, and legal advisor of the Target Company, respectively. After confirming that the Previous Special Committee can also receive expert advice from Nomura Securities and Nagashima Ohno & Tsunematsu as necessary, the Previous Special Committee decided not to appoint its own external advisors. Furthermore, the Previous Special Committee confirmed that there was no problem, from the viewpoint of independence and fairness, with the review system for the Transaction established within the Target Company (including scope and duties of officers and employees of the Target Company involved in the consideration, negotiation, and decision-making regarding the Transaction) and approved it.

(ii) Background of establishment, etc. of the Special Committee

After the consideration of the Transaction was canceled in February 2025, as stated in "(ii) Process of establishment of review system after resuming considerations" in "② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy" above, following the receipt of the Written Expression of Intent from the Tender Offeror and SMTB, regarding the Transaction, including the Tender Offer, in order to appropriately secure the interests of the Target Company's minority shareholders, eliminate the arbitrariness and the conflicts of interest in the Target Company's decision-making process leading to the decision to implement the Transaction, including the Tender Offer, and ensure the fairness and transparency of the Transaction, the Target Company, by resolution of the board of directors on April 30, 2025, established the Special Committee consisting of three members, Mr. Yukihiro Machida (the Target Company's outside director and independent officer), Mr. Tomohisa Takeda (the Target Company's outside director and independent officer), and Mr. Tamotsu Moriyama (the Target Company's outside director and independent officer), who have no interest in the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings as well as the success or failure of the Transaction, including the Tender Offer. None of the members of the Special Committee have been changed since its establishment, and Mr. Yukihiro Machida was elected as the chairperson of the Special Committee by committee members' mutual vote. No additional remuneration will be paid to the members of the Special Committee for serving as members of the Special Committee, given that a fixed amount of remuneration has already been paid to them for serving as members of the Previous Special Committee and that the matters to be considered by the Special Committee are substantially a continuation of those of the Previous Special Committee.

By the resolution above, the Target Company's board of directors consulted the Special Committee on (a) whether the purpose of the Transaction is legitimate and reasonable (including whether the Transaction will contribute to the enhancement of the Target Company's corporate value); (b) whether the terms and conditions of the Transaction are appropriate (including whether the method of the Transaction and the type of consideration for the Transaction are appropriate); (c) whether the procedures for the Transaction are fair (including consideration of what type and level of measures should be taken to ensure fairness); (d) if the Transaction is implemented through a tender offer, whether the board of directors should support the Tender Offer and recommend that the Target Company's shareholders tender their

shares in the Tender Offer; and (e) whether making a decision to implement the Transaction (if the Transaction is implemented through the Tender Offer, including the board of directors expressing its opinion in support of the Tender Offer and to recommend that the Target Company's shareholders tender their shares in the Tender Offer) is not disadvantageous to the general shareholders (including the minority shareholders) of the Target Company (matters (a) through (e) are collectively referred to hereinafter as the "Consulted Matters") and delegated the Special Committee to submit a report on these matters to the Target Company. In addition, the Target Company's board of directors also resolved at the meeting on April 30, 2025, that the decision-making of the Target Company's board of directors regarding the Transaction shall be made with the utmost respect for the determination of the Special Committee, and, in particular, if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target Company's board of directors shall not decide to implement the Transaction (if the Transaction is implemented through the Tender Offer, the Target Company's board of directors shall not support the Tender Offer and shall not recommend that the Target Company's shareholders tender their shares in the Tender Offer).

Furthermore, the Target Company's board of directors resolved at the meeting on April 30, 2025, that the Target Company's board of directors shall grant the Special Committee each of (a) the authority to confirm in advance the policy and to receive reports on the status in a timely manner with respect to discussions and negotiations with the Tender Offeror, SMTB and SBI Holdings, and other related parties regarding the Transaction, to express opinions and to make recommendations and requests to the Target Company's board of directors with respect to discussions and negotiations regarding the Transaction, and, as necessary, to discuss and negotiate directly with related parties, including the Tender Offeror, to the extent permitted by laws and regulations, as necessary; (b) the authority to request reports and information from the executive directors of the Target Company and other persons from time to time on the progress, status of consideration, and other matters relating to the Transaction; (c) to the extent necessary, the authority to appoint, at the Target Company's expense, the Special Committee's own Advisors; and (d) the authority to evaluate the Advisors of the Target Company, and comment on or approve (including ex-post approve) the appointment of the Advisors of the Target Company.

(iii) Background of consideration

The Special Committee has held a total of 7 meetings from May 7, 2025 to May 29, 2025, and also has carried out the duties regarding the Consulted Matters by reporting and sharing information, discussing and making decisions, etc. as necessary via email, etc. between meetings. Specifically, in the first Special Committee meeting held on May 7, 2025, the Special Committee confirmed that there was no problem with the independence and expertise of Nomura Securities, which is appointed by the Target Company as the financial advisor and a third-party valuation institution of the Target Company, and Nagashima Ohno & Tsunematsu, which is appointed by the Target Company as the legal advisor of the Target Company, therefore, the Special Committee approved them as the financial advisor and the third-party valuation institution, and legal advisor of the Target Company, respectively. After confirming that the Special Committee can also receive expert advice from Nomura Securities and Nagashima Ohno & Tsunematsu as necessary, the Special Committee decided not to appoint its own external advisors. Furthermore, the Special Committee confirmed that there was no problem, from the viewpoint of independence and fairness, with the review system for the Transaction established within the Target Company (including scope and duties of officers and employees of the Target Company involved in the consideration, negotiation, and decision-making regarding the Transaction) and approved it.

With regard to the specific discussion in the Special Committee, it received explanations from the Target Company regarding including the content, important assumptions, and the background of making of the Business Plan made by the Target Company, and confirmed the reasonableness of these matters.

In addition, the Special Committee (i) confirmed in writing with the Tender Offeror and SMTB details of updates (if any) on the answers provided by them during the course of the Previous Consideration regarding the purpose and background of the Transaction and the management policy after the Transaction, etc., and (ii) confirmed with the Target Company details of updates (if any) on the answers provided by the Target Company during the course of the Previous Consideration regarding the purpose and background of the Transaction and the management policy after the Transaction, etc.. Through procedures (i) and (ii) above, the Special Committee has confirmed including the purpose

and background of the Transaction and management policy after the Transaction for the Tender Offeror, SMTB and the Target Company.

Moreover, the Special Committee confirmed the reasonableness of these matters after a question-and-answer session, discussion and consideration taking into account an explanation from Nomura Securities including the contents of the share valuation conducted based on the Business Plan, the basis for calculating the discount rate in the DDM method, and the important preconditions in the comparable company analysis including the reasons for selecting comparable companies.

Furthermore, the Special Committee received explanations from Nomura Securities and Nagashima Ohno & Tsunematsu regarding the contents of the measures to ensure fairness of the procedural aspects of the Transaction and the measures to avoid conflicts of interest including the decision-making method and decision-making process by the Target Company's board of directors regarding the Transaction, and other measures to avoid conflicts of interest and has discussed and considered the measures to be taken to ensure the fairness of the procedures for the Transaction.

Taking into account the advice from a financial perspective received from Nomura Securities, the Special Committee discussed and considered the negotiation policy, including conducting sufficient negotiations in line with the general negotiation process conducted in M&A transactions between mutually independent third parties, in order to obtain a higher Tender Offer Price from the Tender Offeror. Since receiving the first proposal from the Tender Offeror on May 16, 2025, in which the Tender Offer Price was set at 4,300 yen per share, each time it received a proposal from the Tender Offeror regarding the Tender Offer Price, the Special Committee held discussions and negotiations with the Tender Offeror regarding the Tender Offer Price through direct written communication, etc. with the Tender Offeror after the Special Committee discussed and considered its negotiation policy with the Tender Offeror taking into account the advice from a financial perspective received from Nomura Securities. As a result, the Special Committee received a final proposal from the Tender Offeror on May 28 2025, in which the Tender Offer Price was set at 4,900 yen per share.

(iv) Details of determination

Under the process above, at the Target Company's request, taking into account the advice from a financial perspective received from Nomura Securities, the Target Company's financial advisor, the contents of the Share Valuation Report (Nomura Securities) and the advice from a legal perspective received from Nagashima, Ohno & Tsunematsu, the Special Committee carefully discussed and considered regarding the Consulted Matters, and as a result, it submitted to the Target Company's board of directors on May 29, 2025 a Report with substantially the following contents under the unanimous agreement of all the Special Committee members.

(A) Contents of the report

- (i) The Transaction will contribute to the enhancement of the Target Company's corporate value and it is legitimate and reasonable.
- (ii) The terms of the Transaction, including the Tender Offer Price, are appropriate.
- (iii) The procedures for the Transaction are fair, as sufficient measures to ensure fairness have been implemented with respect to the procedures for the Transaction.
- (iv) The Target Company's Board of Directors should express its opinion in support of the Tender Offer and resolve to recommend that the Target Company's shareholders tender their shares in the Tender Offer.
- (v) The Transaction is not disadvantageous to the Target Company's general shareholders (including the minority shareholders).

(B) Reasons for the report

- (i) Whether the Transaction will contribute to the enhancement of the Target Company's corporate value
 - The Tender Offeror and SMTB (the "Tender Offeror, etc.") believe that in the Target Company's business environment, where competition for customers with other banks to secure deposits is continuing to intensify, the

Target Company will be able to establish its firm position as the largest internet banking company in Japan by the Tender Offeror, which has the largest domestic membership base, engaging in capital participation in the Target Company through the Transaction, and, by the Target Company utilizing the Tender Offerors' customer base, brand, financial services, the latest digital technology and research and development capabilities. In addition, the Tender Offeror, etc. are confident that the Tender Offeror's contribution to the creation of new value, including to strengthen the Target Company's Mortgage PF (mortgage loan) business area, to further expand the BaaS platform, and to improve the accuracy of marketing measures and forecasting models of the Target Company by utilizing the Tender Offeror's large-scale data collection and analysis technology, AI and machine learning technology, etc., will enhance the Target Company's corporate value.

- The Tender Offeror, etc. believe that, with respect to the existing business collaboration between the Target Company and SMTB, further strengthening of business collaboration will be enabled after the completion of the Transaction and that this will contribute to the enhancement of the Target Company's corporate value.
- The Tender Offeror, etc. recognize the disadvantages of the Transaction as follows: (a) the business operations of the Target Company may be affected as a result of SBI Holdings ceasing to be a shareholder of the Target Company, and (b) the Target Company's employees' motivation and retention may be adversely affected as a result of taking the Target Company Stock private.
- However, the Tender Offeror, etc. believe that the adverse effects of (a) above can be minimized by the Target Company entering into the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings and SBI Securities) with the Tender Offeror, SBI Holdings and SBI Securities and continuing the dispatch of personnel skilled in overall bank management from SMTB and accepting dispatch of personnel familiar with financial businesses from the Tender Offeror Group. The Tender Offeror, etc. also believe that enhancing the added value and competitiveness of the Target Company by utilizing the Tender Offeror's customer base, brand, financial services, the latest digital technology and research and development capabilities, and creating a new standard in finance and growing sustainably as a world-leading FinTech company will lead to the maintenance and improvement of employee morale, and that the concern regarding (b) above is also low. The Tender Offeror, etc. plans to consider a compensation plan to replace the restricted stock compensation plan of the Target Company as well.
- Regarding the view of the Tender Offeror, etc. above, the Target Company's management has expressed that they recognize the advantages to the Target Company's business, and while there are some questions regarding the feasibility in certain aspects, they expressed their view that it is basically in line with their views.
- In addition, the Target Company's management has considered the possible disadvantages of the Transaction to the Target Company from the perspectives that (a) the business operations of the Target Company may be affected as a result of SBI Holdings ceasing to be a shareholder of the Target Company; (b) the Target Company will no longer be able to enjoy the benefits that it has enjoyed as a listed company, such as enhanced recognition and enhanced social credibility; and (c) as a result of becoming a member of the Tender Offeror Group, the motivation of employees of the Target Company, the independence of the Target Company's management and business operations, and relationships with its business partners may be affected. However, it came to believe that, since the Target Company plans to enter into the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) on May 29, 2025, there is no concern that the Transaction will immediately have a significant adverse effect on the Target Company's business as a result of SBI Holdings ceasing to be a shareholder of the Target Company (related to (a) above); the disadvantages of taking the Target Company Stock private will be limited, given that the Target Company Group has already established a certain level of recognition, awareness and social credibility within the industry, and that, when it becomes a group company of the Tender Offeror, the Target Company's total recognition is expected to be enhanced (related to (b) above); and the disadvantages associated with the Target Company becoming a member of the Tender Offeror Group will be limited, given that it is confirmed that after the Transaction, the basic policy which is to be concluded in connection with the Transaction will be to respect the current management structure and the Target Company's strength in quick decision-making (related to (c) above).

- As described in “(6) Material Agreements Relating to the Tender Offer” below, the Tender Offerors, the Target Company, SBI Holdings and SBI Securities will execute a series of agreements, etc. as of May 29, 2025. From the details of these agreements, it can be expected that (a) it is sufficient as the current framework for the Tender Offeror, etc. to implement actually each of the measures to enhance the corporate value of the Target Company after the Transaction, (b) the Business Alliance Agreement (Tender Offeror, the Target Company, SBI Holdings & SBI Securities) will continue the existing business alliance between the Target Company and SBI Holdings' subsidiaries and affiliated companies, including SBI Securities, after the Transaction, and the details of the Business Alliance Agreement (Tender Offeror, the Target Company, SBI Holdings & SBI Securities) will be sufficient to ensure that the business collaboration with SBI Securities is not suddenly impaired due to SBI Holdings ceasing to be a shareholder of the Target Company as a result of the Transaction (c) although one concern regarding the Transaction was that the speed of decision-making on management issues would be impaired as a result of becoming a subsidiary of the Tender Offeror, the details of a series of agreements take into consideration the Target Company's quick decision-making to a certain extent, and (d) certain allowances for the retention of the Target Company's officers and employees can be expected; therefore, the Target Company believes that these will contribute to the realization of synergy and suppression of dis-synergy from the Transaction.
- After careful discussion and consideration, taking into account the above view, the Special Committee finds that the Transaction will contribute to the enhancement of the Target Company's corporate value and it is legitimate and reasonable considering the reasons such as the following: (a) the expectation that deposit accounts and deposit balances will increase through collaboration with the Tender Offeror is supported by the Tender Offeror's domestic customer base, one of the largest in Japan, and from this perspective, the likelihood that the Transaction will contribute to enhancing the corporate value of the Target Company is considered high; (b) while there is a certain degree of uncertainty regarding the sustainability of the current customer acquisition channels in the medium- to long-term, the significance of obtaining a new large-scale and stable customer acquisition channel is considered significant; (c) although a certain period of time will be required for system development and other initiatives with respect to the collaboration with the Tender Offeror (including Monex Securities, a subsidiary of the Tender Offeror), such initiatives are, to a certain extent, expected to address concerns arising from the fact that SBI Holdings will cease to be a shareholder of the Target Company as a result of the Transaction; (d) the synergies expected by the Target Company's management regarding the mortgage platform business area and BaaS business can be considered reasonably achievable, and the expectations for synergies resulting from becoming a subsidiary of the Tender Offeror are considered to clearly outweigh concerns regarding the impacts thereof; and (e) while there were concerns that the managerial mobility and motivation of officers and employees that have supported the Target Company's growth to date may be impaired by becoming a subsidiary of the Tender Offeror, the Tender Offeror demonstrated a certain level of understanding regarding the necessity of maintaining managerial mobility and motivation of officers and employees during the negotiations regarding the Transaction, and taking into account that considerations regarding such concerns appear to have been reflected in the relevant agreements, it is considered that the management after the Transaction would be conducted in a manner that would not compromise the strong point of the Target Company, and that to a certain level, a corporate culture where officers and employees can continue to work with high motivation can be expected to be maintained.
- (ii) Fairness and appropriateness of the transaction terms of the Transaction
 - After the Target Company received the initial price proposal from the Tender Offeror on May 16, 2025, Nomura Securities has taken actions in negotiations with the Tender Offeror in accordance with the negotiation policy decided by the Special Committee after deliberation, and upon receipt of a proposal from the Tender Offeror regarding the Tender Offer Price, has immediately reported to the Special Committee each time and has taken actions in accordance with the opinions, instructions, requests, etc. of the Special Committee; thereby, the Special Committee substantially fulfilled its role as the primary negotiator. During the negotiation process, the Special

Committee has communicated to the Tender Offeror its views on the appropriateness of the indicators to be referenced in considering the Tender Offer Price, and also communicated that the Special Committee is prepared to postpone disclosure even if an agreement has been reached between the Tender Offeror and SBI Holdings if the Special Committee deemed necessary for the negotiation to be conducted fully, and as such, the Special Committee has taken measures to ensure that sufficient negotiations are conducted in accordance with appropriate indicators. Also, the Special Committee used the Tender Offeror's request to announce the Transaction on May 29, 2025, as a bargaining chip to extract the maximum price from the Tender Offeror. As a result, the Target Company secured a total increase of 13.95% from the initial offer price of 4,300 yen through four rounds of negotiations. Specifically, the additional increase from the proposal to set the final Tender Offer Price at 4,870 yen on May 27, 2025, was obtained through further negotiations conducted by the Target Company through Nomura Securities from late on that same day until early in the following morning on May 28. The Special Committee considered the possibility of further increases but ultimately determined that the room for further increases was limited and that attempting further negotiations would be of little significance. Therefore, the Tender Offer Price is the price agreed as a result of thorough negotiations between the Target Company and the Tender Offeror, with the Special Committee acting as the substantive decision-maker, which is conducted in parallel with and as an additional measure to the sufficient negotiations between the Tender Offeror and SBI Holdings, which holds 34.19% of the Target Company Share and is expected to exert substantial bargaining power over the Tender Offeror.

- The Special Committee determined that there were no unreasonable points in the content of the Business Plan used by Nomura Securities as a basis for calculating the value of the Target Company Stock in consideration that (a) the Business Plan the Business plan is not prepared in the course of the Transaction, but rather as a continuation of the process of formulating business plans for the fiscal year ending in March 2026 or later, which had already started at the Target Company in October 2024 and (b) none of the directors of the Target Company who are enrolled in the Tender Offeror, etc. were involved in the formulation of the Business Plan.
- In addition, the Special Committee confirmed that, although the Business Plan has been revised downward from the business plan used for the Previous Consideration, this downward revision is based on a review of related forecasts taking into consideration the deviation between the forecast for the fourth quarter of the fiscal year ending March 2025 given on the business plan used for the Previous Consideration and the actual results for the fourth quarter of the fiscal year ending March 2025 (mainly due to a downward shift of the deposit balance of the Target Company), there are no changes in the assumptions underlying the Business Plan or the approach to the formulation thereof, and this revision is reasonable based on objective circumstances, namely fluctuations in actual recent results from forecasts.
- The share valuation method adopted by Nomura Securities is a valuation method commonly used in the valuation of shares in the transactions taking the Target Company's shares private, and no unreasonable points were found in the reasons for adopting each valuation method, nor were any unreasonable points found in the reasonableness of the valuation content.
- In light of the calculation results from Nomura Securities, the Tender Offer Price (4,900 yen per Company Stock) exceeds the upper limit of the range set based on the average market price analysis or the comparable company analysis, and falls within the range set based on the DDM analysis. The comparison with the calculation results further cements that the Tender Offer Price is reasonable. As for the premium on the Tender Offer Price, an analysis of premiums seen in 84 example cases of tender offers in the past (excluding REIT-related cases, management buyouts (MBO), employee buyouts (EBO), counter tender offer cases, cases where the target company had not resolved to express its opinion in support of the tender offer at the time of its announcement, two-step tender offers, share exchanges, and cases where there had been a certain extent of capital relationship between the tender offeror and the target company) that (a) were announced on or after June 28, 2019 when the M&A Guidelines were published, (b) were conducted for the purpose of full acquisition or privatization of

domestic listed companies, and (c) with no upper limit on the number of shares to be purchased, showed that the median and average of such premiums in relation to (a) the closing prices on the business day immediately prior to the date of the announcement were 56.68% and 67.28%, (b) the simple average of the closing prices during the immediately preceding one-month periods were 54.46% and 67.61%, (c) the simple average of the closing prices during the immediately preceding three-month periods were 55.95% and 69.20%, and (d) the simple average of the closing prices during the immediately preceding six-month periods were 54.61% and 68.74%. The level of such premium of the Tender Offer Price is comparable to those figures. . In particular, on May 9, 2025, the Target Company published its financial results for the fiscal year ended on March 31, 2025 and its forecast for the fiscal year ending on March 31, 2026. Accordingly, the Target Company believes that the importance should be placed on the recent stock prices, as they reflect the current situation of the Target Company. The premium on the market share price on the business day immediately prior to the date of announcement of the Tender Offer Price (49.16%) and the premium on the simple average of the closing prices during the one-month period ending on the said date (41.37%) is at a close level of the median of the premiums on the market share prices on the business days immediately prior to the date of announcement of the tender offer prices (56.68%), or the median of the premiums on the simple average of the closing prices during the one-month period ending on the said date (54.46%) in the above referenced example cases.

- From the above, the Tender Offer Price (including the consideration to be delivered to the Target Company's shareholders in the Share Consolidation after the consummation of the Tender Offer) is considered to be reasonable price agreed as a result of thorough negotiations between the Target Company and the Tender Offeror, with the Special Committee acting as the substantive decision-maker, and is reasonable in light of the calculation results of the Target Company Stock by a third-party valuation institution and comparisons with premium levels in past similar transactions.
- With respect to the scheme for the Transaction, including the calculation of the Stock Repurchase Price by SBI Holdings (the amount calculated as the net amount after tax if SBI Holdings subscribes to the Stock Repurchase will be equivalent to the amount calculated as the net amount after tax that SBI Holdings would have obtained if it had tendered its shares at the Tender Offer Price), there are no unreasonable points and it is reasonable.
- Since (a) NTT will enter into a capital and business alliance agreement with SBI Holdings, and NTT will invest in SBI Holdings, and (b) the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) is scheduled to be executed concurrently with the Transaction, with respect to the point whether the Transaction is contrary to the purpose of the uniformity of the Tender Offer Price (Article 27-2, Paragraph 3 of the Act) by granting SBI Holdings special benefits that differ from those of minority shareholders, the Tender Offeror has explained that (a) the conditions for NTT's investment in SBI Holdings were reviewed by considering the market share price of SBI Holdings on the Prime Market of the Tokyo Stock Exchange, and the business value of SBI Holdings calculated by conducting a separate due diligence on SBI Holdings, independently of SBI Holdings' decision to agree to or reject the Tender Offer, and therefore, no consideration will be provided in connection with the Tender Offer, and (b) the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) stipulates the continuation of existing business alliances between the Target Company and SBI Securities and other subsidiaries and affiliates of SBI Holdings following the completion of this Transaction, as well as the collaboration between the Target Company, SBI Securities, and the Tender Offeror to support the Target Company's growth. This agreement was reviewed independently of SBI Holdings' decision to agree to or reject the Tender Offer, and based on the explanation above, the NTT's investment in SBI Holdings and the execution of the Business Alliance Agreement (the Tender Offer, the Target Company, SBI Holdings & SBI Securities) are not considered to grant any special benefits on SBI Holdings that differ from those of minority shareholders, additionally, the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities) stipulates the mutually beneficial collaboration among the Target Company, the Tender Offeror, SBI Holdings, and SBI Securities, and does not particularly benefit SBI Holdings nor SBI Securities. Therefore, it does not provide special benefits to any minority shareholders as a result of this Transaction, and they are not considered to be contrary to the purpose of

the uniformity of the Tender Offer Price.

- Based on the above, the Special Committee determines that the terms of the Transaction are fair and reasonable.
- (iii) Fairness of the procedures for the Transaction
- In the Transaction, the Target Company has taken various measures to ensure fairness, including (a) establishment of the Special Committee, (b) obtaining independent professional advice from outside experts, (c) obtaining the Share Valuation Report (Nomura Securities) from an independent third-party valuation institution with expertise, (d) establishment of an independent review system at the Target Company, (e) ensuring that the Target Company's shareholders are provided with an opportunity to reach an appropriate decision on participation in the Tender Offer.
 - With respect to (a) above, the members of the Special Committee are the same as the Previous Special Committee and the remuneration therefor, along with the remuneration for the members of the Previous Special Committee, was a fixed amount and did not include contingency fees, which would be payable subject to the announcement or successful completion of the Transaction, including the Tender Offer, etc. In light of the fact that each member of the Special Committee considered the Transaction through substantial discussions for the benefit of the Target Company and its shareholders, including minority shareholders, and that the Special Committee conducted negotiations with the Tender Offeror regarding the Tender Offer Price, with the Special Committee acting as the substantive decision-maker, it is considered that the Special Committee effectively functioned in the procedures for the consideration of the Transaction.
 - With respect to (d) above, although the project team of the Target Company for the consideration of implementing the Transaction includes the Target Company's officers and employees who were previously enrolled in SMTB or SBI Holdings, in light of circumstances described in "⑥ Establishment of independent review system at the Target Company," there are nothing unreasonable in the Target Company's assessment and the Target Company determined that from the viewpoint of independence and fairness, there was no problem with the review system, of the Target Company (including scope and duties of officers and employees of the Target Company involved in the consideration, negotiation, and decision-making regarding the Transaction) and approved it.
 - With respect to (e) above, in the Basic Agreement, the Target Company has received a sincere proposal for an acquisition price exceeding the Tender Offer Price, and, a provision has been stipulated that if the Tender Offeror does not agree to raise the Tender Offer Price, the Target Company shall withdraw or change its opinion in support of the Tender Offer and the Target Company, in addition to suspending the obligation not to engage in discussions, etc. regarding transactions that compete with the Transaction involving SMTB and SBI Holdings, shall be able to conduct sincere discussions regarding matters related to the Basic Agreement, which does not unduly restrict opportunities for persons other than the Tender Offeror to purchase the Target Company Share.
 - Although the Tender Offeror has not set a so-called "majority of minority" in the Tender Offer, considering that setting such "majority of minority" may make the consummation of the Tender Offer uncertain and rather may not contribute to the interests of the Target Company's minority shareholders who wish to sell their Company Stock in the Tender Offer, even if the "majority of minority" was not set, it would not be necessarily evaluated as insufficient measures to ensure the fairness. Especially in the Tender Offer, since the Transaction can be judged to contribute to the enhancement of the Target Company's corporate value and provides the Target Company's minority shareholders with a reasonable opportunity to recover their investment, it can be considered that there is a certain rational for not making the consummation of the Tender Offer particularly uncertain. Given that other measures to ensure the fairness have been fully implemented and are substantially functioning, no doubt regarding the fairness of the procedures for the Tender Offer would arise by the fact that the "majority-of-minority" is not set.
 - Based on the above, the measures to ensure the fairness of the procedures for the Transaction have been taken, no special circumstances that would hinder the fairness of the procedures for the Transaction have been identified, and the procedures are fair, with adequate measures taken to ensure fairness in the process.

(iv) Summary

- As stated in (i) through (iii) above, the Tender Offer is considered to contribute to the enhancement of the Target Company's corporate value, the terms of the transaction are reasonable, and fair procedures have been implemented.
- The Special Committee believes that the Target Company should express its opinion in support of the Tender Offer and resolve to recommend that the Target Company's shareholders tender their shares in the Tender Offer, and determines that the Transaction is not disadvantageous to the general shareholders (including the minority shareholders) of the Target Company.

④ Obtainment of advice from an independent legal adviser by the Target Company

In order to ensure transparency and reasonableness of the decision-making process of the Target Company's board of directors regarding the Transaction, as stated in "(ii) Process of establishment of review system after resuming considerations" in "② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy" above, the Target Company has appointed Nagashima Ohno & Tsunematsu as a legal advisor independent from the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings, and received necessary legal advice from Nagashima Ohno & Tsunematsu on the points to note when the decision-making regarding the Transaction, for example, the decision-making process and decision-making method regarding the Transaction including the Tender Offer.

Furthermore, Nagashima Ohno & Tsunematsu is not a related party of the Tender Offeror Group, the Target Company Group, SMTB and SBI Holdings, and has no material interest regarding the Transaction including the Tender Offer. The Special Committee approved Nagashima Ohno & Tsunematsu as the legal advisor of the Target Company after having confirmed the independence of Nagashima Ohno & Tsunematsu at the first meeting of the Special Committee. The remuneration for Nagashima Ohno & Tsunematsu does not include contingency fees, which would be payable subject to the announcement or successful completion of the Transaction.

⑤ Unanimous approval by all of the non-interested directors and no objection opinion of the non-interested company auditors of the Target Company

The Target Company carefully discussed and considered with respect to the Transaction including the Tender Offer taking into account the content of the Report submitted from the Special Committee stated in "③ Establishment of an independent special committee and obtainment of a report from the Special Committee by the Target Company," legal advice stated in "④ Obtainment of advice from an independent legal adviser by the Target Company" and the Share Valuation Report (Nomura Securities) stated in "② Obtainment of a share valuation report from an independent third-party valuation institution by the Target Company," etc.

As a result, as described in "② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer" in "(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy" above, the Target Company resolved at its meeting held today to express its opinion in support of the Tender Offer and recommend that the Target Company's shareholders tender their Company Shares in the Tender Offer upon unanimous approval by all of the directors who participated in the discussions and resolutions (eight (8) directors excluding Mr. Manatomo Yoneyama and Mr. Noriyoshi Kimura among a total of ten (10) directors).

All of the Target Company auditors of the Target Company participated in the Target Company's board of directors meeting above and all of the Target Company auditors who participated expressed their opinion that they had no objection to above resolution.

Among ten (10) directors of the Target Company, Mr. Manatomo Yoneyama and Mr. Noriyoshi Kimura, from the perspective of avoiding any possibility of conflicts of interest, did not participate in any discussion or resolution at the above board of directors meeting, nor did they participate in any discussion or negotiation with the Tender Offeror

regarding the Transaction on behalf of the Target Company because Mr. Manatomo Yoneyama concurrently serves as the Director, Senior Managing Executive Officer (prior to March 31, 2025, Director, Managing Executive Officer) of SMTB, and Mr. Noriyoshi Kimura concurrently serves as the Senior Managing Executive Officer of SBI Holdings.

In addition, among those on the board of directors of the Target Company, Mr. Yasunaga Matsumoto, Chairman (transferred to the Target Company in April 2024), and Mr. Ryota Okazawa, Director and Managing Executive Officer (transferred to the Target Company in November 2023), were previously enrolled in SMTB, while Mr. Noriaki Maruyama, President and CEO (transferred to the Target Company in April 2014), and Mr. Tomokazu Yokoi, Director, Deputy President, and Executive Officer (transferred to the Target Company in February 2022), were previously enrolled in SBI Holdings. However, none of these directors is currently enrolled in SMTB or SBI Holdings, nor is any in a position to receive instructions from SMTB or SBI Holdings. Furthermore, none of these directors has been involved in any way in the consideration of the Transaction by SMTB or SBI Holdings, nor are they in a position to be able to do so. Moreover, given that, although SMTB is jointly making the proposal with the Tender Offeror, it does not intend to acquire Company Shares additionally, and that SBI Holdings, like the Target Company's minority shareholders, is in a position transferring its Company Shares through the Transaction, the risk of conflicts of interest arising between SMTB and/or SBI Holdings and the Target Company's minority shareholders in the Transaction is not equivalent to the risk of conflicts of interest arising from a takeover by a controlling shareholder or an MBO, which have a structural problem of conflicts of interest, and the risk of conflicts of interest arising between SMTB and/or SBI Holdings and the Target Company's minority shareholders is considered relatively small. Based on the above, the Target Company has determined that none of these directors has any interest that would require that they be excluded from the consideration of the Transaction, including participation in the discussions and resolutions of the board of directors of the Target Company.

In addition, among the Target Company auditors of the Target Company, Mr. Fumihito Eno (transferred to the Target Company in June 2024) was previously enrolled in SMTB, while Mr. Toshiharu Fujita (transferred to the Target Company in June 2014) was previously enrolled in SBI Holdings. However, neither of these company auditors is currently enrolled in SMTB or SBI Holdings, nor is either in a position to receive instructions from SMTB or SBI Holdings. Furthermore, neither of them has been involved in any way in the consideration of the Transaction by SMTB or SBI Holdings, nor are they in a position to be able to do so. Moreover, given that, although SMTB is jointly making the proposal with the Tender Offeror, it does not intend to acquire Company Shares additionally, and that SBI Holdings, like the Target Company's minority shareholders, is in a position transferring its Company Shares through the Transaction, the risk of conflicts of interest arising between SMTB and/or SBI Holdings and the Target Company's minority shareholders in the Transaction is not equivalent to the risk of conflicts of interest arising from a takeover by a controlling shareholder or an MBO, which have a structural problem of conflicts of interest, and the risk of conflicts of interest arising between SMTB and SBI Holdings and the Target Company's minority shareholders is considered relatively small. Based on the above, the Target Company has determined that neither of these company auditors has any interest that would require that they be excluded from the discussions of the board of directors of the Target Company regarding the Transaction.

⑥ Establishment of independent review system at the Target Company

As stated in “② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer” in “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy” above, in order to conduct the consideration, negotiation and decision-making regarding the Transaction including the Tender Offer, from a position independent from the Tender Offeror Group, SMTB and SBI Holdings, the Target Company established a project team composed of officers and employees who are independent from the Tender Offeror Group, SMTB and SBI Holdings after commencing the consideration for the implementation of the Transaction. The project team does not include any officers or employees who hold concurrent positions with the Tender Offeror Group, SMTB or SBI Holdings. Although this project team includes the Target Company's officers and employees (including two of the Target Company's Directors: Tomokazu Yokoi, Director, Deputy President, and Executive Officer; and Ryota Okazawa, Director and Managing Executive

Officer) who were previously enrolled in SMTB or SBI Holdings, they are assigned to the project team, considering that (a) their central involvement is essential for the flexible and effective consideration, negotiation, and decision-making regarding the Transaction because all of these officers and employees play important roles in the Target Company's management policy considerations, business planning, and banking operations and are difficult to replace, and, for the reasons set out below, (b) the Target Company believes that it is unlikely that the involvement of such officers and employees who were previously enrolled in SMTB or SBI Holdings in the project team would raise doubts about the fairness of the procedures:

- (i) The Target Company has operated independently from SMTB and SBI Holdings as a listed company since March 29, 2023;
- (ii) With respect to the relevant officers and employees, (A) none of them is currently enrolled in SMTB or SBI Holdings, nor are they in any position to receive instructions from SMTB or SBI Holdings, (B) those who worked at SMTB at the time SMTB initiated the initial considerations that led to the proposal of the Transaction have no knowledge relating to the Transaction (the same applies for Yasunaga Matsumoto, Chairman) and are not involved in any shape or form in the consideration of the Transaction at SMTB, and (C) none of them is former officers or employees of the bidder in the Tender Offer (the Tender Offeror);
- (iii) Given that, (A) although SMTB is jointly making the proposal with the Tender Offeror, it does not intend to acquire Company Shares additionally, and that (B) SBI Holdings, like the Target Company's minority shareholders, is in a position transferring its Company Shares through the Transaction, the risk of conflicts of interest arising between SMTB and/or SBI Holdings and the Target Company's minority shareholders in the Transaction is not equivalent to the risk of conflicts of interest arising from a takeover by a controlling shareholder or an MBO, which have a structural problem of conflicts of interest, and the risk of conflicts of interest arising between SMTB and/or SBI Holdings and the Target Company's minority shareholders is considered relatively small; and
- (iv) The Special Committee has been established, and measures to ensure fairness have been implemented. In particular, in respect of the terms of transactions with the Tender Offeror, which typically require consideration for the minority shareholders, the Target Company asked the Special Committee to provide an opinion every time a negotiation is held, and essentially the Special Committee played in a roll as the principal negotiator, and ensured the independence in the consideration.

In addition, the Target Company obtained the approval of the Previous Special Committee at the first meeting of the Previous Special Committee held on December 18, 2024 that, taking the handling above into consideration, there were no issues, from the viewpoint of independence and fairness, with the review system of the Target Company (including scope and duties of officers and employees of the Target Company involved in the consideration, negotiation, and decision-making regarding the Transaction). Further, the Target Company also obtained the approval of the Special Committee at the first meeting of the Special Committee held on May 7, 2025 that there are no issues, from the viewpoint of independence and fairness, with the review system of the Target Company (including scope and duties of officers and employees of the Target Company involved in the consideration, negotiation, and decision-making regarding the Transaction).

⑦ Ensuring objective circumstances to secure the fairness of the Tender Offer

In the Basic Agreement, SMTB and SBI Holdings agree not to enter into any competing transaction or agreement with any person other than the Tender Offeror in connection with a competing transaction, not to provide any person other than the Tender Offeror with any information or other information regarding the Target Company in connection with such transaction, and not to offer or solicit any competing transaction or enter into any discussion or negotiation regarding a competing transaction, the Tender Offeror and the Target Company have not entered into any agreement that would restrict the Target Company from contacting a competing takeover offeror, such as an agreement containing a transaction protection clause that would prohibit the Target Company from contacting a competing takeover offeror.

In addition, despite the fact that the minimum period stipulated under laws and regulations is 20 business days, the Tender Offeror has set 30 business days as the period for purchases, etc., under the Tender Offer (the "Tender Offer

Period”). By setting the Tender Offer Period to a period longer than the minimum period required by law, the Tender Offeror ensures that the shareholders of the Target Company are provided with an opportunity to reach an appropriate decision on participation in the Tender Offer, and it also provides an opportunity for persons other than the Tender Offeror to acquire the Target Company Stock as a counter-measure, ensuring the fairness of the Tender Offer.

(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)

As described in “(1) Summary of the Tender Offer” above, if the Tender Offeror is unable to acquire all of the Target Company Stock (excluding the treasury shares held by the Target Company and the Non-Tendering Agreed Shares) through the Tender Offer, after the completion of the Tender Offer, the Tender Offeror plans to conduct the Squeeze-Out Procedures for the purpose of making the Tender Offeror, SMTB and SBI Holdings the sole shareholders of the Target Company and taking the Target Company Stock private, in the following manner.

Specifically, the Tender Offeror plans to request the Target Company to hold an extraordinary shareholders’ meeting (the “Extraordinary Shareholders’ Meeting”) promptly after the completion of the settlement of the Tender Offer, which will include as agenda items, the Share Consolidation and the partial amendment of the Articles of Incorporation to abolish the provisions regarding the number of shares constituting one unit of share subject to the Share Consolidation becoming effective. SMTB and SBI Holdings plan to vote in favor of each of the above proposals at the Extraordinary Shareholders’ Meeting. As of today, the date of the Extraordinary Shareholders’ Meeting is scheduled to be held in or around August 2025. The Tender Offeror believes that it is desirable to hold the Extraordinary Shareholders’ Meeting as early as possible from the viewpoint of enhancing the Target Company’s corporate value, and will request the Target Company to make a public notice setting the record date during the Tender Offer Period so that the record date for the Extraordinary Shareholders’ Meeting will be a date that falls after the commencement of settlement for the Tender Offer.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders’ Meeting, the shareholders of the Target Company will own the number of the Target Company Stock corresponding to the percentage of Share Consolidation approved at the Extraordinary Shareholders’ Meeting on the effective date of the Share Consolidation. If the Share Consolidation results in fractions of less than one share, Target Company shareholders whose number of shares include a fraction will, in accordance with the procedures set forth in Article 235 of the Companies Act and other relevant laws and ordinances, be granted the money that would be obtained by the Target Company purchasing the shares equivalent to the total number of fractions (if the total number of fractions is less than 1 share, the fractions will be truncated, the same applying hereinafter).

Regarding the purchase price of the Target Company Stock equivalent to the total number of fractions, after calculating to ensure that the amount of money to be paid to the Target Company shareholders who did not tender their Company shares in the Tender Offer (excluding the Tender Offeror, SMTB, SBI Holdings and the Target Company) resulting from the sale is the same as the Tender Offer Price multiplied by the number of the Target Company Stock held by such shareholders, the Tender Offeror plans to ask the Target Company to petition the court for permission to sell voluntarily. Further, the ratio of the Share Consolidation has not yet been determined as of today, however, the Tender Offeror plans to ask the Target Company to determine the ratio to meet the following conditions: (a) the Tender Offeror, SMTB and SBI Holdings will hold all the issued Target Company Stock (excluding the treasury shares held by the Target Company), and (b) the number of shares held by shareholders of the Target Company who did not tender their shares in the Tender Offer (excluding the Tender Offeror, SMTB, SBI Holdings and the Target Company) will be a fraction less than one share, and (c) for SBI Holdings, a corporation to which the rules for the exclusion from gross income of deemed dividends apply, (i) the amount calculated as the net proceeds after tax in the event that SBI Holdings accepts the Stock Repurchase at the Stock Purchase Price will be equal to (ii) the amount calculated as the net proceeds after tax that would be obtained if SBI Holdings were to tender their Company Shares in the Tender Offer at the Tender Offer Price. Specific procedures regarding the Share Consolidation will be announced by the Target Company promptly after they are determined through discussions between the Tender Offeror and the Target Company. If it is expected that there is no ratio of the Share Consolidation that would satisfy all of the above conditions on the effective date of the Share Consolidation, because there are shareholders other than the Tender Offeror, SMTB or SBI Holdings who hold the same or more Target Company Stock as those held by any of the Tender Offeror, SMTB or SBI Holdings, or if there is another reason, the Tender Offeror will, upon consultation with SMTB, SBI Holdings and the Target Company, implement the measures required to achieve the objectives of the Squeeze-Out Procedures.

In the Companies Act, for the purpose of protecting the rights of minority shareholders relating to the Share Consolidation, there

are following provisions: if the Share Consolidation results in a fraction below one share, in accordance with the provisions of Article 182-4 of and 182-5 of the Companies Act and other related laws and regulations the shareholders of the Target Company (excluding the Tender Offeror, SMTB, SBI Holdings and the Target Company) can require that the Target Company purchase all the fractions of shares they hold at a fair price, and that they can file a petition for the Court to determine the price of the Target Company Stock.

As stated above, with respect to the Share Consolidation, the number of the Target Company Stock held by shareholders of the Target Company who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, SMTB, SBI Holdings and the Target Company) is planned to become fractions of less than one share, therefore, the shareholders of the Target Company opposed to the Share Consolidation (excluding the Tender Offeror, SMTB, SBI Holdings) can file an above petition. The purchase price of the Target Company Stock when the above petition is filed will ultimately be decided by the court.

With respect to the restricted shares of the Target Company granted to the officers and employees of the Target Company as restricted stock compensation (the “Restricted Shares”), the allotment agreement shall provide that (a) during the restricted period, the Target Company shall not grant any fraction of less than one (1) share of the restricted shares to the grantee in the Share Consolidation (as a result of such Share Consolidation, the Restricted Shares held by the grantee shall be reduced to a (a) If, during the transfer restriction period, the general shareholders’ meeting of the Target Company approves the Share Consolidation (limited to cases where the Share Consolidation results in the grantee holding only a fraction of less than one share) (provided, however, that the effective date of the Share Consolidation (the “Effective Date”) falls before the expiration of the transfer restriction period), then the number of the Transfer Restricted Shares calculated in accordance with the formula set forth in the allocation agreement will be reduced by the amount of the Share Consolidation to a fraction of one share, and (b) in the case stipulated in (a) above, the Target Company shall, as of the business day immediately prior to the Effective Date, acquire without consideration all of the Restricted Shares of which the transfer restrictions have not been lifted as of the same date, as of the business day immediately prior to the Effective Date. In the Squeeze-Out Procedures, in accordance with the provisions of (a) of the allotment agreement above, the Restricted Shares whose transfer restrictions have been lifted as of the business day immediately prior to the Effective Date shall be subject to the Share Consolidation, and in accordance with the provisions of (b) of the above-mentioned allotment agreement, the Restricted Shares whose transfer restrictions have not been lifted as of the same date will be acquired by the Target Company without consideration the time as of the business day immediately preceding the Effective Date. (The Tender Offeror plans to consider the introduction of a new incentive plan in place of the Restricted Shares in consultation with the Target Company in the future, but as the date hereof, such discussions have not commenced and the details of such plan have not yet been determined.)

The method and timing of implementation of the above procedures may be subject to change depending on circumstances such as amendments to relevant laws and regulations, their enforcement, and interpretation by the authorities. However, even in such cases, the plan is to adopt a method whereby money is ultimately paid to the shareholders of the Company who did not tender their Company Shares in the Tender Offer (excluding the Tender Offeror, SMTB, SBI Holdings and the Target Company), and, in such cases, the plan is to do valuations so that the amount of money paid to such shareholders will be the same as the Tender Offer Price multiplied by the number of the Target Company Stock held by such shareholders.

The Target Company will promptly announce the above specific procedures for, and when they will be implemented as soon as they are decided upon discussion between the Tender Offeror and the Target Company. The Tender Offer does not in any way solicit the approval from shareholders of the Target Company at the Extraordinary Shareholders’ Meeting. Furthermore, please confirm the tax treatment of tenders to the Tender Offer, and each of the aforementioned procedures, with specialists such as tax accountants, etc. at your own responsibility.

(5) The Prospects of Delisting, and the Reasons Therefor

As of today, the Target Company Stock is listed on the Standard Market of the Tokyo Stock Exchange. However, because the Tender Offeror has not set the upper limit of the number of shares to be acquired, depending on the outcome of the Tender Offer, the Target Company Stock may be delisted in accordance with the criteria for delisting on the Tokyo Stock Exchange after following the prescribed procedures.

Even if such criteria are not met upon completion of the procedures for the Tender Offer, the plan is to execute the Squeeze-Out Procedures as described in “(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)” above after the Tender Offer is completed, in which case the Target Company Stock will be delisted after

following the prescribed procedures in accordance with the delisting criteria of the Tokyo Stock Exchange. After the delisting, the Target Company Stock cannot be traded on the Standard Market of the Tokyo Stock Exchange.

(6) Material Agreements Relating to the Tender Offer

Upon the Tender Offer, the following agreements, etc., relating to the Transaction were agreed upon and executed between the Tender Offeror, the Target Company, SMTB, SBI Holdings and SBI Securities as of May 29, 2025.

① The Basic Agreement

The Tender Offeror, the Target Company and the Agreed Non-Tendering Shareholders, have entered the Basic Agreement that sets out a series of conditions pertaining to the Transaction, including (i) the Agreed Non-Tendering Shareholders will not accept the Tender Offer with respect to the Non-Tendering Agreed Shares held by them, (ii) the Tender Offeror and the Agreed Non-Tendering Shareholders will vote in favor of the proposal for the Share Consolidation to be submitted to the Extraordinary Shareholders' Meeting, (iii) SBI Holdings will sell its Shares Held by SBI Holdings to the Target Company through the Stock Repurchase after the Share Consolidation becomes effective. The overview is as follows.

A. Obligations of the Target Company with respect to the Tender Offer

- a. The Target Company will make a statement of opinion to support the Tender Offer and recommend that the shareholders of the Target Company tender their shares in the Tender Offer until the last day of the Tender Offer Period (the "Expiration Date of the Tender Offer Period").
- b. However, if (i) a person other than the Tender Offeror launches a tender offer for the shares of the Target Company (provided, however, that such tender offer must not have a maximum number of shares to be purchased) by 3 business days prior to the Expiration Date of the Tender Offer Period or if a person other than the Tender Offeror commences a tender offer for the shares of the Target Company (excluding a counteroffer) or receives a sincere written offer for such tender offer (the "Counteroffer"), (ii) the purchase price for the Counter Offer exceeds the Tender Offer Price, or (iii) the Target Company's board of directors reasonably determines that there is a reasonable possibility that the Target Company's maintenance of the expression of an affirmative opinion constitutes a breach of the Target Company's duty of care as a director of the Target Company, the Target Company may request the Tender Offeror to hold discussions regarding a change in the Tender Offer Price no later than five business days prior to the Expiration Date of the Tender Offer Period. If the Tender Offeror does not change the Tender Offer Price to an amount equal to or more than the Purchase Price for the Counteroffer by the date on which five (5) business days have elapsed from the date of such request or the Expiration Date of the Tender Offer Period, whichever is earlier, the Target Company may request the Tender Offeror to hold consultations with respect to a change in the Tender Offer Price by 3 business days prior to the Expiration Date of the Tender Offer Period. In such case, the Tender Offeror will, at the Target Company's request, suspend the obligations of the Agreed Non-Tendering Shareholders with respect to (iii) and (iv) of F.(b) below, and will also hold discussions in good faith with respect to the Basic Agreement in light of the opinion of the Special Committee.

B. Non-tendering of the Non-tendered Agreed Shares

If the Agreed Non-Tendering Shareholders do not tender all of their Non-Tendering Agreed Shares and receive a tender offer proposal for the shares of the Target Company from a party other than the Tender Offeror, they shall promptly notify the Tender Offeror and the other Agreed Non-Tendering Shareholders of such fact and the details of such proposal and discuss the response in good faith until the expiration of the Tender Offer Period.

C. Implementation of the Squeeze-Out Procedure

If the Tender Offeror is unable to acquire all of the shares of the Target Company (excluding the treasury shares held by the Target Company and the Non-Tendering Shareholders), as soon as practicable after the settlement of the Tender Offer, the Target Company will implement the procedures necessary to make the Tender Offeror and the Non-Tendering Shareholders the only shareholders of the Target Company, and the Tender Offeror and the Non-Tendering Shareholders will take all actions necessary to implement such procedures (including exercising their voting rights in favor of the proposal for the Share Consolidation to be submitted to the Extraordinary Shareholders Meeting). The Tender Offeror and the Non-Tendering Shareholders shall take all necessary actions (including exercising their voting rights in favor of the proposal for the Share Consolidation to be submitted to the Extraordinary Shareholders Meeting).

D. The Financing, the Capital Reduction, etc., and the Stock Repurchase

After the completion of the Squeeze-Out Procedures, the Tender Offeror, the Target Company and SBI Holdings will implement the Financing, the Capital Reduction, etc. and the Stock Repurchase and related necessary procedures in order to make the Target Company a consolidated subsidiary of the Tender Offeror.

E. Implementation Voting Rights Ratio Adjustment

After completion of D above, the Tender Offeror, the Target Company and SMTB will take necessary procedures (including, but not limited to, stock splits and changes in share details) to make the investment ratio of the Tender Offeror and SMTB 65.81%:34.19% and the voting right ratio 50%:50%.

F. Covenants

- a. If the Target Company receives, directly or indirectly, any proposal, solicitation, application or request for discussion from any party other than the Tender Offeror relating to a transaction that substantially conflicts with the Transaction or makes or may reasonably make it difficult to execute the Transaction (including any tender offer, reorganization or other transaction to acquire shares, etc. of the Target Company, regardless of method, or any transaction to dispose of all or a material part of the shares, etc. or business of the Target Company's group, the "Competing Transaction"), or if the Target Company engages in discussions with any party other than the Tender Offeror relating to a Competing Transaction, the Target Company shall promptly notify the Tender Offeror and the Non-Tendering Shareholders of the details of such proposal, solicitation, application or request for discussion, to the extent reasonable, and shall consult with them in good faith regarding the response.
- b. The Agreed Non-Tendering Shareholders (i) shall not exercise their shareholder rights in the Target Company without the prior written consent of the Tender Offeror, and (ii) shall vote against any proposal that, if approved, would have a material impact on the financial condition, etc. of the Target Company at the annual general shareholders meeting of the Target Company to be held in June 2025. In addition, the Agreed Non-Tendering Shareholders may not (iii) assign, create or provide security over, or dispose of (including tendering their shares in a tender offer other than the Tender Offer) any shares, etc. of the Target Company until the time of execution of the Acquisition of the Treasury Stock, (iv) conduct any competing transaction or agreement related to a competing transaction with any person other than the Tender Offeror, not to provide any person other than the Tender Offeror with any information or other information regarding the Target Company in connection with such transaction, and not to offer or solicit any offer for a competing transaction or to hold any discussion regarding a competing transaction; and (v) conduct any sale or purchase of the Target Company's shares or other securities, or any other transaction that would result in a conflict of interest with the Tender Offeror.

G. Representations and Warranties

- a. The Tender Offeror, the Target Company and the Non-Tendering Shareholders have each made representations and warranties with respect to the following matters.
 - The Tender Offeror
 - (a) Valid incorporation and existence; (b) Possession of rights and capacity necessary for execution and performance of the Basic Agreement, as well as for the implementation of procedures necessary for execution and performance of the Basic Agreement; (c) Enforceability; (d) Absence of conflict with laws and regulations; (e) Acquisition and performance of licenses and permits; and (f) Absence of bankruptcy proceedings, etc.
 - SBI Holdings
 - (a) Valid incorporation and existence; (b) Possession of the rights and capacity necessary for the execution performance of the Basic Agreement, as well as for the implementation of procedures necessary for execution and performance of the Basic Agreement; (c) Enforceability; (d) Absence of any conflict with laws and regulations; (e) Acquisition and performance of licenses and approvals; (f) Legal and valid ownership of the Shares Held by SBI Holdings (g) The absence of bankruptcy proceedings, etc.
 - SMTB

(a) Valid incorporation and existence; (b) Possession of rights and capacity necessary for the execution and performance of the Basic Agreement, as well as for the implementation of procedures necessary for execution and performance of the Basic Agreement; (c) Enforceability; (d) Absence of conflict with laws and regulations; (e) Acquisition and performance of licenses and approvals; (f) Legal and valid ownership of Shares Held by SMTB and non-possession of shares, etc. of the Target other than the Shares Held by SMTB; and (g) Absence of bankruptcy proceedings, etc.

- Target Company

(a) Valid of incorporation and existence; (b) Possession of rights and capacity to act necessary for execution and performance of the Basic Agreement, and performance of procedures required for execution and performance of the Basic Agreement; (c) Enforceability; (d) Absence of conflict with laws and regulations; (e) Acquisition and performance of licenses and permits; (f) Absence of bankruptcy proceedings; (g) Truthfulness and accuracy of public information such as securities reports; (h) Absence of undisclosed material facts; (i) Compliance with laws and regulations; and (j) Absence of disputes.

H. Release and Termination

The Basic Agreement will immediately terminate if the Tender Offer is lawfully withdrawn pursuant to the Act and other applicable laws and regulations, or if the Tender Offer is consummated but no resolution is passed at the Extraordinary General Meeting of Shareholders to approve the proposal for the Share Consolidation within three months of the settlement of the Tender Offer (However, if it is reasonably expected that such approval resolution will not be passed by such deadline due to reasons beyond the control of the parties, each party may, upon written notice to the other party, request consultations regarding the extension of such period, and if such consultations result in agreement, such period may be extended by three (3) months. The other party shall not unreasonably refuse, delay or withhold such agreement.).

② The Shareholder Agreement

The Tender Offeror and SMTB have entered into the Shareholders Agreement, which sets forth the details regarding the operation of the Target Company after the Transaction and the handling of Target Company Stock. The overview is as follows.

A. Matters relating to the organization and operation of the Target Company

a. Establishment of Shareholders' Council and Management Council

A Shareholders' Council shall be established as a body for discussion between the Tender Offeror and SMTB with respect to the management of the Target Company, and a Management Council shall be established as a body for discussion between the Tender Offeror, SMTB and the Target Company to ensure the smooth operation of the Target Company.

b. Nomination Rights of Directors of the Target Company

The number of directors shall be eight (8), and the Tender Offeror shall have the right to nominate a majority of the total number of directors. The specific number of directors to be nominated by the Tender Offeror and SMTB shall be determined by mutual consultation and agreement between the parties with reference to the ratio of the number of shares of the Target Company held by the Tender Offeror and SMTB, on the assumption that the composition will not hinder the accounting for the Tender Offeror to make the Target Company a consolidated subsidiary. The number of representative directors of the Target Company at the time of completion of the Transaction shall be three, two of whom shall be appointed by the Tender Offeror (including Mr. Noriaki Maruyama until his retirement) and one of whom shall be appointed by SMTB.

B. Restrictions on the transfer of the Target Company Stock

The Tender Offeror and SMTB shall not assign, offer as security or otherwise dispose of all or part of the shares of the Target Company to any third party, or have them succeeded by merger, company split or otherwise, without the prior written consent of the other party.

③ MOU – Management

The Tender Offeror, SMTB and the Target Company have entered into the Memorandum of Understanding (the “MOU”), which sets forth the operation of the Target Company after the implementation of Transaction, including matters to be approved in advance, matters to be discussed and reported to the Tender Offeror and SMTB by Target Company.

④ The Committee Rules

In connection with the Shareholders Agreement, the Tender Offeror and SMTB have established the Committee Rules, which stipulate the method of operation of the Committee and Management Council to be established at the Target Company after the Stock Repurchase becomes effective.

⑤ MOU – Compliance

The Tender Offeror, SMTB and the Target Company have entered into the Shareholders Agreement, which provides that the Target Company shall comply with the matters relating to MOU – Management and the Committee Rules.

⑥ The Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company)

The Tender Offeror, SMTB and the Target Company have entered into the Business Alliance Agreement (the Tender Offeror, SMTB & the Target Company), which provides for a business alliance after the Transaction between the Target Company and the Tender Offeror and SMTB, which will be its shareholders.

⑦ The Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities)

The Tender Offeror, the Target Company, SBI Holdings and SBI Securities have entered into the Business Alliance Agreement (the Tender Offeror, the Target Company, SBI Holdings & SBI Securities), which provides for the continuation of the existing business alliance between the Target Company and SBI Holdings' subsidiaries and affiliates, including SBI Securities, and for collaboration among the Tender Offeror, the Target Company and SBI Securities for the growth of the Target Company. The specific details of such agreement are to be discussed and agreed upon between the parties prior to the completion of the Stock Repurchase.

In addition, the Tender Offeror and the Target Company are considering agreeing to each of the following agreements, etc., in connection with the Transaction after the Share Consolidation takes effect. The details of each of these agreements and other details are expected to be evaluated after discussion and negotiation in the future, and as of today, the specific details have not yet been determined.

⑧ The Business Alliance Agreement (the Tender Offeror & the Target Company)

The Tender Offeror and the Target Company are considering agreeing on the Business Alliance Agreement (the Tender Offeror & the Target Company), which provides for a business alliance between the two companies.

⑨ The Group-Related Agreements (The Tender Offer & the Target Company)

The Tender Offeror and the Target Company are considering agreeing on the Tender Offeror's regulations pertaining to management of affiliate companies and the Group-Related Agreements (the Tender Offeror & the Target Company), which stipulate the group management and operating expenses of NTT, the parent company of the Tender Offeror.

⑩ The Group-Related Agreements (SMTB & the Target Company)

SMTB and the Target Company are considering agreeing on the Group-Related Agreements (SMTB & Target Company), which stipulate the management regulations of SMTB affiliates and the group management operating expenses of the SMTB Group.

2. Overview of purchase, etc.

(1) Overview of the Target Company

1.	Name	SBI Sumishin Net Bank Ltd.	
2.	Location	3-2-1 Roppongi, Minato-ku, Tokyo	
3.	Name & Title of Representative	Noriaki Maruyama, President and Representative Director (CEO)	
4.	Description of Business	Banking services such as deposit and lending services through mobile apps and the Internet, debit card services, and financial services such as BaaS (Banking as a Service) business	
5.	Capital Stock	31,000 million yen (as of March 31, 2025)	
6.	Date of Establishment	June 3, 1986	
7.	Major Shareholders and Shareholding Ratios (As of September 30, 2024)	Sumitomo Mitsui Trust Bank, Limited.	34.19%
		SBI Holdings, Inc.	34.19%
		Japan Securities Finance Co.	3.02%

	RBC IST 15 PCT LENDING ACCOUNT-CLIENT ACCOUNT (Standing proxy: Citibank, N.A. Tokyo Branch)	0.92%
	The Master Trust Bank of Japan, Ltd. (Trust Account)	0.79%
	The Custody Bank of Japan, Ltd. (Trust Account)	0.79%
	Akira Katayama	0.76%
	GOVERNMENT OF NORWAY (Standing proxy: Citibank, N.A. Tokyo Branch)	0.73%
	Central Tanshi Co., Ltd.	0.68%
	Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	0.49%
8. Relationship between the Tender Offeror and the Target Company		
	Capital Relationship	Not applicable
	Personnel Relationship	Not applicable
	Business Relationships	There is no material business relationship between the Tender Offeror and the Target Company.
	Applicability of affiliated persons	Not applicable

(Note) The “7. Major Shareholders and Shareholding Ratios (as of September 30, 2024)” is based on the “Status of Major Shareholders” in the Target Company’s 18th Semi-annual Securities Report filed on November 27, 2024.

(2) Schedule and Other Matters

(i) Schedule

Date of resolution of the meeting of the board of directors	Thursday May 29, 2025
Tender offer commencement announcement date	An electronic public notice will be posted on Friday May 30, 2025, and a notice thereof will be posted on Nikkei newspaper. (URL of the public notice http://disclosure2.edinet-fsa.go.jp/)
Tender offer registration statement submission date	Friday, May 30, 2025

(ii) Initial Period of Purchase Set at the Time of Submission of Registration Statement

From Friday, May 30, 2025 to Thursday, July 10, 2025 (30 business days)

(iii) Possibility for Extension at Request of the Target Company

Not applicable

(3) Tender Offer Price

4,900 yen per Common Share

(4) Basis of Calculation of Tender Offer Price, etc.

(i) Basis of Calculation

In determining the Tender Offer Price, the Tender Offeror requested BofA Securities, which is a financial advisor and third-party valuation institution independent from the Tender Offeror Group, the Target Company, SMTB, and SBI Holdings, to calculate the share value of the Target Company. BofA Securities is not a related party of the Tender Offeror Group, the Target Company, SMTB or SBI Holdings, and does not have any material interest in the Transaction.

BofA Securities considered the several share value calculation methods to determine the method that should be used to value the Target Company’s shares, and used the average market price analysis, which takes into account the trend of the market share price of the Target Company, the comparable company analysis based on market valuations of several listed companies that are comparable to the Target Company, and the DDM Analysis to reflect the future business activity status in the valuation, and valued the Target Company Stock based on the assumptions set forth in the following (Note) and certain other conditions. The Tender Offeror obtained the Share Valuation Report (BofA Securities) from BofA Securities on May 29, 2025. The Tender Offeror has

not obtained a fairness opinion (fairness opinion) on the Tender Offer Price from BofA Securities, as the Tender Offeror believes that the fairness of the Transaction, including the Tender Offer Price, is ensured, given that the Tender Offeror and the Target Company have implemented measures to ensure fairness.

According to the Share Valuation Report (BofA Securities), each of the methods used, and per-share price ranges for the Target Company Stock, calculated based on the selected methods and applicable methods, are as follows. Please refer to the following (Note) for description of the assumptions and points to note regarding preparation of the Share Valuation Report by BofA Securities and the valuation analyses underlying the valuation report.

Average market price analysis:	3,285 yen to 3,901 yen
Comparable company analysis:	2,039 yen to 4,291 yen
DDM Analysis:	2,704 yen to 5,193 yen

Under the average market price analysis, using the reference date of May 28 2025, the per-share price range of the Target Company Stock was calculated as 3,285 yen to 3,901 yen, based on the closing price of the Target Stock of 3,285 yen on the Standard Market of the Tokyo Stock Exchange on the reference date, a simple average closing price of 3,466 yen for the most recent one-month period, a simple average closing price of 3,747 yen for the three-month period up to that date, and a simple average closing price of 3,901 yen for the six-month period up to that date.

Under the comparable company analysis, the per-share value of the Target Company Stock was calculated by referring to comparable listed companies that are considered to be similar to the Target Company's main business, which is banking, and using the multiples of shareholders' equity per share and net income per share to the market share price, and the range of per-share value of the Target Company Stock was analyzed to be 2,039 yen to 4,291 yen.

Under the DDM Analysis, the Tender Offeror used the financial forecasts prepared for the fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2031, to which revisions were made to the financial outlook etc., of the business plan prepared by the Target Company for fiscal year ending March 31, 2026 to the fiscal year ending March 31, 2028, based on the results of due diligence conducted on the Target Company by the Tender Offeror during the period from around early to late-May 2025, then the equity ratio required for the Target Company to operate its business stably was set, and the equity in excess of such ratio was discounted to present value at a certain cost of equity as cash flow to be attributable to shareholders, calculating the range of per-share value of the Target Company's shares to be 2,704 yen to 5,193 yen. The financial forecast also incorporates certain dis-synergies estimated by the Tender Offeror that may arise from SBI Holdings ceasing to be a shareholder of the Target Company as a result of the Transaction, as well as certain growth synergies estimated by the Tender Offeror that are expected to be realized from the Target Company's utilization of the management resources of the Tender Offeror Group on the assumption that the Transaction is implemented.

The Tender Offeror has decided to commence the Tender Offer on May 29, 2025, at the Tender Offer Price of 4,900 yen and the Stock Repurchase Price of 3,614.84 yen. The Tender Offer Price of 4,900 yen includes the following premiums: a premium of 49.16% on 3,285 yen, which is the closing price of the Target Company Stock on the Standard Market of the Tokyo Stock Exchange on May 28, 2025, the business day immediately prior to the announcement of the Tender Offer; a premium of 41.37% on 3,466 yen, the simple average closing price for the one-month period up to that date; a premium of 30.77% on 3,747 yen, the simple average closing price for the three-month period up to that date; and a premium of 25.61% on 3,901 yen, the simple average closing price for the six-month up to that date.

(ii) Background to Calculation

(Background Leading to Determination of the Tender Offer Price)

On May 29, 2025, the Tender Offeror decided to commence the Tender Offer as part of the Transaction, under the circumstances stated in “① The background, objectives and decision-making process leading to the decision to implement the Tender Offer” in “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy” in “1. Purpose of the Purchase, etc.” above, the Tender Offeror has reached an agreement to commence the Tender Offer on May 28, 2025 at the Tender Offer Price of 4,900 yen and the Stock Repurchase Price of

3,614.84.

The name of the third party from whom the opinions were received at the time of calculation, a summary of such opinions, and the reasons for determining the Tender Offer Price and the Stock Repurchase Price based on such opinions are described in “① The background, objectives and decision-making process leading to the decision to implement the Tender Offer” in “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy” in “1. Purpose of the Purchase, etc.” and “(i) Basis of Calculation” above.

(Note: The above Share Valuation Report (BofA Securities) is submitted to the Board of Directors of the Tender Offeror for its convenience in connection with and for the purpose of its consideration of the Tender Offer Price from a financial point of view in its capacity as the Board of Directors of the Tender Offeror. The Share Valuation Report (BofA Securities) does not express any view or opinion as to the consideration to be received by holders of any class of securities, creditors or other interested parties of any related party in connection with the Transaction, including any differences in the consideration to be received by the Target Company’s shareholders or SBI Holdings. The Share Valuation Report (BofA Securities) does not express any opinion or view as to the fairness of the Tender Offer Price or any terms or other aspect or outcome of the Transaction, including, without limitation, the form or structure of the Transaction or any contract, arrangement or agreement entered into with respect to the Transaction or otherwise. (including, without limitation, the form or structure of the Transaction or any agreements, arrangements or understandings made with respect to the Transaction or otherwise), nor does it express any opinion or view as to the relative merits of the Transaction as compared to other strategies or transactions that could be adopted or implemented by the Tender Offeror or the business decisions of the Tender Offeror with respect to the promotion or implementation of the Transaction. Further, BofA Securities expresses no opinion or recommendation as to how shareholders should vote or act with respect to the Transaction or any matter related thereto. Further, BofA Securities has not expressed any opinion or view on any legal, regulatory, accounting, tax or other similar point relating to the Target Company, SBI Holdings, SMTB, the Tender Offeror or the Transaction based on the Tender Offeror’s instructions, and has relied on the Tender Offeror’s evaluation (it is understood that the Tender Offeror has obtained any necessary professional advice with respect to those points). Furthermore, BofA Securities expresses no opinion or view as to the fairness (financial or otherwise) of any compensation to any officer, director or employee of any party to this transaction with respect to the amount, nature or other aspect of such compensation relative to the Offer Price or otherwise. The Share Valuation Report (BofA Securities) does not express any opinion as to the price at which the Target Company’s shares should trade at any time, including after the Transaction has been announced or commenced.

In preparing The Share Valuation Report (BofA Securities) and conducting the valuation analyses underlying it, BofA Securities has not independently verified such information or any other financial or other information and data that is publicly available or has been furnished to, or otherwise reviewed or discussed with, BofA Securities, and has relied upon the accuracy and completeness and relied on the representations of the management of the Tender Offeror that it is not aware of any facts or circumstances that would cause such information or data to be inaccurate or misleading in any material respect. In addition, BofA Securities has also reviewed the financial projections of the Target Company provided by the Tender Offeror (the “Financial Projections”) on which the Share Valuation Report (the “BofA Securities Report”) is based and certain estimates of the amount and timing of additional expenses and reductions in revenues and of cost savings and increases in revenues that the Tender Offeror’s management expects will result from the Transaction, and has received a representation from the Tender Offeror that they reflect the best currently available estimates and good faith judgments by the Tender Offeror’s management as to the future performance of the Target Company and that they have been reasonably prepared based on the Tender Offeror’s assessment of the likelihood of achieving the future financial performance reflected in these financial projections, also made the assumption in performing the analysis at the direction of the Tender Offeror. The Share Valuation Report (BofA Securities) necessarily assumes (except as otherwise noted in such analysis) financial, economic, currency exchange, market and other conditions and circumstances as of the date of the BofA Securities valuation report and is based on information available to BofA Securities as of such date. It is understood that BofA Securities is under no obligation to update, revise, or reaffirm the Share Valuation Report (BofA Securities), although events occurring after the date of this Share Valuation Report (BofA Securities) may affect the contents of the Share Valuation Report (BofA Securities).

As noted above, the foregoing description of the analysis by BofA Securities is a summary of the principal financial analyses presented by BofA Securities to the Tender Offeror’s Board of Directors in connection with the above Share Valuation Report (BofA Securities) and is not an exhaustive list of all analyses performed by BofA Securities in connection with the Share Valuation Report (BofA Securities). BofA Securities). The preparation of this Share Valuation Report (BofA Securities) and the analysis underlying it is a complex process involving various judgments regarding the appropriateness and relevance of financial analysis methods and the application of the methods to specific situations, and therefore the analysis by BofA Securities must be considered as a whole or in context. In addition, selecting only certain analyses or factors, or focusing only on information presented in tabular form, without considering all analyses and factors considered or all explanatory statements relating to the analyses, could create a misunderstanding or incomplete understanding of the processes underlying BofA Securities’ analyses. The fact that a particular analysis is mentioned in the above summary does not imply

that such analysis was given more weight than the other analyses described in the same summary.

In conducting its analysis, BofA Securities considers industry performance, general business and economic conditions, and other matters, many of which are beyond the control of the Tender Offeror and the Target Company. The projections regarding the future performance of the Target underlying the analysis by BofA Securities are not necessarily indicative of actual values or future results, and actual values or future results may be significantly better or worse than such projections. The BofA Securities analysis was made as part of the analysis in the Share Valuation Report (BofA Securities) and was provided to the Tender Offeror's Board of Directors in connection with the filing of the Share Valuation Report (BofA Securities). The analysis of BofA securities is not intended to be an appraisal, nor does it represent the price at which the company or business would actually be sold or at which any securities have traded or may trade in the future. Accordingly, the projections used in the above analysis and the valuation ranges derived from said analysis are inherently subject to significant uncertainty and they should not be construed as representing BofA Securities' opinion as to the actual value of the Target Company.

The Share Valuation Report (BofA Securities), as described above, is only one of many factors considered by the Tender Offeror's Board of Directors (in its capacity as such) in considering the Transaction and should not be construed as a factor determining the views of the Tender Offeror's Board of Directors or management regarding the Transaction or the Tender Offer Price.

BofA Securities has not made an independent appraisal or assessment of the assets or liabilities (whether contingent or contingent) of the Target Company, SBI Holdings, SMTB, the Tender Offeror or any other entity, and BofA Securities has not conducted its own appraisal or assessment of the assets or liabilities (whether contingent or otherwise) of the Target, SBI Holdings, SMTB, the Tender Offeror or any other entity, nor has it been provided with any such appraisal or assessment, nor has it made any physical inspection of the property or assets of the Target, SBI Holdings, SMTB, the Tender Offeror or any other entity. Further, BofA Securities also assumes, with the consent of the Tender Offeror, that there are no material undisclosed liabilities of or related to the Target or any other entity for which adequate reserves, indemnification agreements or other provisions have not been established. BofA Securities has not made an evaluation of the solvency or fair value of the Target Company, SBI Holdings, SMTB, the Tender Offeror or any other entity under any local, national or other laws or regulations relating to bankruptcy, insolvency or similar matters.

BofA Securities will act as financial advisor to the Tender Offeror in connection with the Transaction and will receive a fee for such services (the entire amount of which is contingent upon the closing of the Tender Offer).

BofA Securities and its affiliates are full-service securities firms and commercial banks that provide investment banking, corporate and private banking, asset and investment management, financing and financial advisory services, and other commercial services and products to a wide range of corporations, government agencies, and individuals, and it also engages in securities, commodities and derivatives trading, foreign exchange and other brokerage activities, and proprietary investments. BofA Securities and its affiliates may, in the ordinary course of their business, invest in the shares, bonds and other securities or other financial instruments of the Tender Offeror, SBI Holdings, SMTB, the Target Company and their respective affiliates for their own account or for the accounts of their customers, manage funds investing in such securities and instruments, acquire or hold long or short positions in such securities and instruments, provide funds for such positions, buy and sell such securities and instruments, or otherwise execute transactions.

BofA Securities and its affiliates have provided, and may provide in the future, investment banking services, commercial banking services and other financial services to the Tender Offeror and certain of its affiliates, and have received and may receive fees for the provision of such services.

Further, BofA Securities and its affiliates have provided, and may in the future provide, investment banking services, commercial banking services and other financial services (including acting as underwriter and joint bookrunner for the initial public offering of the Target Company on March) to SBI Holdings, the Target Company and certain of their affiliates, and has received, and may in the future receive, fees for the provision of such services.

BofA Securities does not provide legal, accounting or tax-related advice.

(iii) Relationship with Appraiser Organization

BofA Securities, which is a financial advisor to the Tender Offeror, is not a related party of the Tender Offeror Group, the Target Company Group, SMTB or SBI Holdings, and does not have any material interest in the Transaction.

(5) Number of Shares to be Purchased

Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
47,674,496 (shares)	- (shares)	- (shares)

(Note 1) Since the maximum and minimum limits to the number of shares to be purchased through the Tender Offer are not set, all of the shares tendered in the Tender Offer (the "Tendered Shares") will be purchased by the Tender Offeror.

(Note 2) Since no maximum or minimum limits to the number of shares to be purchased through the Tender Offer have been set, the

maximum number of shares to be purchased by the Tender Offeror in the Tender Offer is stated (47,674,496 shares). Such maximum number is calculated by subtracting the number of Non-Tendering Agreed Shares (103,105,200 shares) from the total number of issued shares (150,779,696 shares) as of March 31, 2025, minus the number of treasury shares (14,104 shares).

(Note 3) Shares of less than one unit are also subject to the Tender Offer. Note that if shareholders exercise their right to sell shares of less than one unit pursuant to the Companies Act, the Target Company might repurchase its own shares during the Tender Offer Period in accordance with the procedures set forth in laws and ordinances.

(Note 4) There is no plan to acquire treasury shares held by the Target Company through the Tender Offer.

(6) Ownership Ratio of Share Certificates, etc., after the Purchase, etc.

Number of voting rights pertaining to shares held by the Tender Offeror before the purchase	— unit	(Ownership Ratio of share certificates prior to the purchase etc.: 0.00%)
Number of voting rights pertaining to shares held by specially related parties before the purchase	1,031,052 Units	(Ownership Ratio of share certificates prior to the purchase etc.: 68.38%)
Number of voting rights pertaining to shares held by the Tender Offeror after the purchase	476,744 Units	(Ownership Ratio of share certificates after the purchase: 31.62%)
Number of voting rights pertaining to shares held by specially related parties after the purchase	1,031,052 Units	(Ownership Ratio of share certificates after the purchase: 68.38%)
Number of voting rights of all shareholders of the Target Company	1,506,898 Units	

(Note 1) The “number of voting rights pertaining to shares held by the Tender Offeror after the purchase” is the number of voting rights represented by the number of share certificates, etc., to be purchased in the Tender Offer (47,674,496 shares).

(Note 2) For “number of voting rights pertaining to shares held by specially related parties before the purchase” and “number of voting rights pertaining to shares held by specially related parties after the purchase” the figure stated is the total number of voting rights represented by shares held by each of the specially related parties (provided, however, that among the specially related parties, persons who are excluded from specially related parties pursuant to Article 3(2)(i) of the Cabinet Office Ordinance on Disclosure of Tender Offer for Share Certificates, etc. by Persons Other than Issuers (Ministry of Finance Ordinance No. 38 of 1990, as amended; the “Ordinance”) are excluded from the calculation of the share Ownership Ratio as prescribed in each item of Article 27-2(1) of the Act). Note that if this document needs to be corrected after the Target Company Stock that will be owned by the specially related parties have been confirmed, the Tender Offeror plans to disclose the details of such correction.

(Note 3) The “number of voting rights of all shareholders of the Target Company” is the number of voting rights of all shareholders as of September 30, 2024 (1,506,898 units) as stated in the Target Company’s 18th Semi-annual Securities Report filed by the Target Company on November 27, 2024. However, since shares constituting less than one unit (excluding shares constituting less than one unit held by shareholders who are Agreed Non-Tendering Shareholders and treasury shares constituting less than one unit held by the Target Company) are also subject to the Tender Offer, in calculating the “Ownership Ratio of shares before the purchase” and the “Ownership Ratio of shares after the purchase” the number of voting rights (1,507,796 units) represented by the number of shares (150,779,696 shares), which is the total number of issued shares as of March 31, 2025 (150,793,800 shares) stated in the Target Company’s financial report less the number of treasury shares (14,104 shares) held by the Target Company as of March 31, 2025, is used as the denominator.

(Note 4) “Ownership Ratio of share certificates, etc., before the purchase, etc.” and “Ownership Ratio of share certificates, etc., after the purchase, etc.” are rounded to two decimal places.

(7) Purchase price: 233,605,030,400 yen

Note: The purchase price stated is the number of shares scheduled to be purchased (47,674,496 shares) in the Tender Offer multiplied by the Tender Offer Price (4,900 yen).

(8) Settlement Method

- (i) Name and Address of the Principal Office of the Financial Instruments Business Operator and Bank to Settle the Tender Offer
Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo

- (ii) Settlement Commencement Date
Thursday, July 17, 2025

(iii) Settlement Method

After the Tender Offer Period ends, a notification of the purchase, etc., through the Tender Offer will be sent, without delay, to the addresses or locations of tendering shareholders, etc. (the address or location of the standing proxies in the case of Foreign Shareholders, etc.).

Purchase, etc., will be executed in cash. The money for the sale pertaining to share certificates that were tendered will be remitted (transfer fees may be incurred) without delay to the location specified by the participating shareholder (or their standing proxy in the case of a foreign shareholder) by the tender offer agent, or to the account of the participating shareholder whose offer was accepted by the tender offer agent.

(iv) Method of Returning the Share Certificates, etc.

If the purchase, etc., is not made for all of the share certificates, etc., based on the conditions described below in “(1) Existence and Details of Conditions Stated in Items under Article 27-13, Paragraph 4 of the Act” or “(2) Existence of Conditions for Withdrawal, etc., of Tender Offer; the Details Thereof; and Method to Disclosing the Withdrawal, etc.” in “(9) Other Conditions and Methods of Purchase, etc.,” share certificates, etc., that must be returned will be returned by restoring tendering shareholder accounts opened with the tender offer agent to their conditions at the time tenders were conducted promptly two business days (or the day withdrawals, etc. are executed in cases where the tender offer is withdrawn, etc.) of the last day of the Tender Offer Period.

(9) Other Conditions and Methods of Purchase, etc.

- (i) Existence and Details of Conditions Stated in Items under Article 27-13, Paragraph 4 of the Act

Since the Tender Offeror has not set a maximum or minimum number of shares to be purchased in the Tender Offer, the Tender Offeror will purchase all of the tendered shares.

- (ii) Existence of Conditions for Withdrawal, etc., of Tender Offer; the Details Thereof; and Method of Disclosing the Withdrawal, etc.

If any circumstances set forth in Item 1 (a) to (j) or (m) to (s) or Item 3 (a) to (h) or (j) under Article 14, Paragraph 1 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965; including subsequent revisions, the “Order”) or set forth in Item 4 and Item 3 to Item 6 under the same Article, Paragraph 2 of the Order have arisen, then the Tender Offer might be withdrawn, etc. In the Tender Offer, “Facts equivalent to those set forth in sub-items (a) to sub-item (i)” set forth in Article 14, Paragraph 1, Item 3(n) of the Order means (i) the case where it is found that a statutory disclosure document submitted by the Target Company in the past contains a false statement with respect to a material matter or omits a material statement that should be stated, or (ii) if any of the facts listed in (a) through (g) of the same Item occurs at any of the Target Company’s material subsidiaries.

If the period of measures and period of prohibition of acquisition do not expire in relation to the Tender Offeror’s prior notification to the Fair Trade Commission under Article 10, Paragraph 2 (the Act on Prohibition of Private Monopoly and Maintenance of Fair Trade (Act No. 54 of 1942, including subsequent amendments “Antimonopoly Act”) does by the day before the expiration of the Tender Offer Period (including cases of extension thereof), in the event that prior notice of a cease and desist order is given, and in the event that a petition for an emergency cease and desist order is filed with the court as a person who is suspected of violating the provisions of Article 10, Paragraph 1 of the Antimonopoly Act, the Tender Offer may be withdrawn as if the “Permission, etc.” set forth in Article 14, Paragraph 1, Item 4 of the Order could not be

obtained.

In addition, if it has not been possible to obtain the Financial Services Agency's approval, pursuant to Article 52-9, Paragraph 1 of the Banking Act (Act No. 59 of 1980, as amended) (the approval received by the Tender Offeror and the approval received by NTT are collectively the "Approval") by the day before the expiration of the Tender Offer Period (including cases where it has been extended), if the Tender Offeror obtains the Approval from the Commissioner of the Financial Services Agency but the Approval is subject to conditions (referring to conditions stipulated in Article 54, Paragraph 1 of the Banking Act) to which the Tender Offeror cannot agree, or if the Approval is revoked or withdrawn before the last day of the Tender Offer Period, the Tender Offer may be withdrawn as if the "Permission, etc." set forth in Article 14, Paragraph 1, Item 4 of the Order could not be obtained.

In case of such withdrawal etc., an electronic public notice will be issued and words to that effect will be posted in the Nihon Keizai Shimbun. However, if it is difficult to make a public announcement by the last day of the Tender Offer Period, a public announcement will be given pursuant to the method provided for in Article 20 of the Ordinance, and a public notice shall be issued immediately thereafter.

(iii) Existence of Conditions to Reduce the Purchase Price; the Details Thereof; and the Method of Disclosure of Such Reduction

Pursuant to Article 27-6, Paragraph 1, Item 1 of the Act, if the Target Company has engaged in an act 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 standard set forth in the provisions of Paragraph 1 of Article 19 of the Ordinance.

When attempting to reduce the Purchase Price, an electronic public notice shall be issued and words to that effect shall be posted in the Nihon Keizai Shimbun. However, if it is difficult to make a public announcement by the last day of the Tender Offer Period, a public announcement will be given pursuant to the method provided for in Article 20 of the Ordinance, and a public notice shall be issued immediately thereafter. If the Purchase Price is reduced, share certificates, etc., tendered on and after the day on which that public notice was given would be purchased at the reduced purchase price.

(iv) Matters Concerning the Right to Cancel Agreements of Tendering Shareholders, etc.

Tendering shareholders, etc., may cancel any agreement pertaining to the Tender Offer at any time during the Tender Offer Period.

If a tendering shareholder wishes to cancel agreement pertaining to the Tender Offer, please deliver or send a cancellation document (a document stating that the contract related to the tender offer will be canceled) to the tender offer agent's head office or any branch nationwide by 4:00 p.m. on the last day of the tender offer period. However, if the cancellation is sent by mail, it must arrive by 4:00 p.m. on the last day of the tender offer period. In addition, as business hours vary between the head office and each of the nationwide branches, so please check beforehand before canceling.

Cancellation of an agreement tendered through online trading is to be made by online trading operations or by delivery of or sending a cancellation document. If the cancellation is made by online trading operations, please follow the instructions on the relevant screen and complete the cancellation procedures by 16:00 on the last day of the Tender Offer Period. For shares handled by online trading, it is possible to cancel an agreement tendered at the branch where you are conducting transactions by performing the cancellation procedure through online trading operations. Requests for cancellation of agreement including shares constituting less than one unit will be accepted at the branch where you are conducting transactions.

Person with Authority to Receive the Cancellation Document:
Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo
(and other branches of Daiwa Securities Co., Ltd. throughout Japan)

Even if a tendering shareholder, etc., cancels an agreement, the Tender Offeror will not make a claim for damages or penalties against the tendering shareholder, etc. Further, expenses involved in returning the tendered share certificates, etc., are borne by the Tender Offeror. If cancellation is requested, the tendered share certificates, etc., will be returned promptly after the completion of the procedures for such request for cancellation in the manner described in "(iv) Method of Returning the Share Certificates, etc." in "(8) Settlement Method."

(v) Methods of Disclosure of Change in Conditions of Purchase etc.

Unless prohibited in Article 27-6 Paragraph 1 of the Act and Article 13 of the Order, the Tender Offeror may change the terms of purchase etc., during the Tender Offer Period.

If they intend to change the conditions of the purchase, they shall issue an electronic public notice about the details, etc., of the change and provide notice thereof in the Nihon Keizai Shimbun. However, if it is difficult to make a public announcement by the last day of the Tender Offer Period, a public announcement will be given pursuant to the method provided for in Article 20 of the Ordinance, and a public notice will be issued immediately thereafter. If the conditions of purchase are changed, the tendered share certificates, etc., on and before the day on which that public notice was issued, will be purchased in accordance with the changed conditions of purchase.

(vi) Method of Disclosure of Submission of an Amendment Report

In cases in which an amendment report is submitted to the Kanto Finance Bureau (however, excluding cases provided for in the provision of Paragraph 11 of Article 27-8 of the Act), details of the amendment report that is relevant to the details stated in the public notice of commencement of the Tender Offer shall be immediately announced publicly, using the method provided for in Article 20 of the Ordinance. Furthermore, the Tender Offer explanatory statement shall be amended immediately, and an amended Tender Offer explanatory statement shall be delivered to the tendering shareholders, etc., to whom a Tender Offer explanatory statement has already been delivered. However, if the extent of the amendment is limited, the Tender Offeror may instead distribute to the tendering shareholders, etc. a document that states the reason for the amendment, the matters being amended, and the details thereof.

(vii) Method of Disclosure of Outcome of the Tender Offer

The outcome of the Tender Offer will be published on the day following the last day of the Tender Offer Period using the method stipulated in Article 9-4 of the Order and Article 30-2 of the Ordinance.

(viii) Others

The tender offer shall not be conducted within the US or directed to the US whether directly or indirectly, and it shall not be conducted using the post or inter-state trade or international trade methods or means of the US (including but not limited to telephone, telex, facsimile, electronic mail and internet communication) and it shall not be conducted via a securities exchange within the US. Application for the Tender Offer cannot be made via the method or means above or via the facilities shown above, or from within the US.

In addition, the Tender Offer notification document or related tender documents are not to be sent or distributed by post or any other method within the United States, to the US, or from the United States, and such sending or distribution cannot be undertaken. No application for the Tender Offer would be accepted if it directly or indirectly breaches the restrictions above.

An applicant for the Tender Offer (and their standing proxy in the case of a foreign shareholder etc.) may be required to make the following representation and warranty to tender offer agent:

The applicant is not present in the US at the time of the application or at the time of sending the Tender Offer application form. The applicant will not receive or send any information pertaining to the Tender Offer or any document pertaining to the tender etc. (including its copy) in the United States or to or from the United States whether directly or indirectly. In connection with the Tender Offer or the signing and delivery of the Tender Offer application, it has not used, directly or indirectly, the U.S. postal service or any other means or instrumentality of interstate or international commerce (including but not limited to telephone, telex, facsimile, e-mail, and Internet communications), or securities exchange facilities in the United States. Not be a person acting as an agent or fiduciary or assignee without discretionary authority of another person (unless such other person is giving all instructions with respect to the tender etc. from outside the United States).

(10) Date of Public Notice of Commencement of the Tender Offer

Friday, May 30, 2025

(11) Tender Offer Agent

Daiwa Securities Co. Ltd. 1-9-1 Marunouchi, Chiyoda-ku, Tokyo

3. Post-Tender Offer Policies and Future Outlook

For the policy, etc., after the Tender Offer, please refer to “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy,” “(4) Policy for Organizational Restructuring after the Tender Offer (Matters Relating to the So-Called “Two- Step Acquisition”)” and “(5) The Prospects of Delisting, and the Reasons Therefor” in “1. Purpose of the Purchase, etc.”.

4. Other Matters

(1) Existence and Details of Agreements Between the Tender Offeror and the Target Company or its Officers

(i) Agreement between the Tender Offeror and the Target Company

According to the press release of the Target Company, the Board of Directors meeting held on May 29, 2025, the Target Company resolved to express an opinion in support of the Tender Offer and to recommend that all of the Target Company’s shareholders tender their shares in the Tender Offer.

For details, please refer to the Target Company’s Press Release and “⑤ Unanimous approval by all of the non-interested directors and no objection opinion of the non-interested company auditors of the Target Company” in “(3) Measures to ensure the fairness of the Tender Offer such as measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest” in “② Decision-making process and reasons leading to the decision by the Target Company to support the Tender Offer” in “(2) Background, Purpose, and Decision-Making Process of the Decision to Conduct the Tender Offer, and Post-Tender Offer Management Policy” of “1. Purpose of the Purchase, etc.”.

The Tender Offeror, the Target Company, SMTB and SBI Holdings, which are the major shareholders of the Target Company, have entered the Basic Agreement dated May 29, 2025, that sets out a series of conditions pertaining to the Transaction, including (i) SMTB and SBI Holdings will not accept the Tender Offer with respect to the Non-Tendering Agreed Shares held by them, (ii) SMTB and SBI Holdings will vote in favor of the proposal for the Share Consolidation to be submitted to the Extraordinary Shareholders’ Meeting, (iii) SBI Holdings will not accept the Tender Offer with respect to the Shares held by SBI Holdings, Limited, and (iv) SMTB, Limited and SBI Holdings, Limited will not accept the Tender Offer with respect to the Shares held by them. (iii) SBI Holdings will sell its SBI Holdings-owned shares to the Target Company through the Stock Repurchase after the Share Consolidation becomes effective. For details of the Basic Agreement, please refer to “(6) Material Agreement Regarding the Tender Offer” under “1. Purpose, etc., of Purchase, etc.”.

The Tender Offeror has entered into the Memorandum of Operation, the Memorandum of Compliance and the Business Alliance Agreement (between the Tender Offeror, SMTB and the Target Company) with SMTB and the Target Company, dated as of May 29, 2025. The Tender Offeror is considering entering into the Business Alliance Agreement (the Tender Offeror and the Target Company) and the Group Related Agreement with the Target Company after the Share Consolidation takes effect, but the details of each of these agreements, etc. are expected to be discussed and negotiated among the parties concerned in the future, and as of today, specific details have not yet been determined. For details, please refer to “(6) Material Agreements Relating to the Tender Offer” under “1. Purpose, etc., of Purchase, etc.”.

(ii) Agreement between the Tender Offeror and the Officers of the Target Company

Not applicable.

(2) Other Information Necessary for the Investors to Decide on Whether to Tender in the Tender Offer

(1) Release of “Accounts Bulletin for Fiscal Year Ending March 31, 2025: Japanese standard (consolidated)”

The Target Company released the “Accounts Bulletin for Fiscal Year Ending March 31, 2025: Japanese standard (consolidated)” on May 9, 2025. It has been stated that the details within the release have not been audited by an auditing firm under Article 193-2, Paragraph 1 of the Act. The following summary of the release is an excerpt of the release by the Target Company. Please refer to the details in the release for further details.

(i) Profit and Loss Status

Accounting Period	Cumulative fiscal year ending March 31, 2025
Ordinary Income	146,521 million yen
Operating Expenses	108,331 million yen
Ordinary Income	38,189 million yen
Extraordinary Income	3,679 million yen
Extraordinary Loss	94 million yen
Current Net Income	28,127 million yen

(2) Per-share status

Accounting Period	Cumulative fiscal year ending March 31, 2025
Current Term Per-Share Net Profit	186.54 yen
Current Net Earnings per Share after Potential Share Adjustment	— yen
Per-share Dividend	19.00 yen

(ii) Announcement of “Notice of Revision to the Dividend Forecast (No Dividends) For FYE March 2026”

At a meeting of the board of directors held today, the Target Company decided to revise the dividend forecast for the fiscal year ending March 31, 2026 and not to pay an interim dividend and a year-end dividend for the fiscal year ending March 31, 2026 subject to the completion of the Tender Offer. For details, please refer to the material above announced by the Target Company.

(3) Announcement of the Capital and Business Alliance (SBI)

SBI Holdings announced matters concerning the Capital and Business Alliance (SBI), including the investment in SBI Holdings by NTT, at the Board of Directors meeting held on May 29, 2025. For details, please refer to “Notice Regarding the Execution of a Capital and Business Alliance Agreement between SBI Holdings, Inc. and Nippon Telegraph and Telephone Corporation” announced by NTT on May 29, 2025, and the “Notice Regarding the Execution of a Capital and Business Alliance Agreement between Nippon Telegraph and Telephone Corporation and SBI Holdings, Inc.” released by SBI Holdings on May 29, 2025.

END

[Soliciting Regulations]

This press release is intended to announce the Tender Offer to the general public and is not intended to solicit an offer to sell any securities including share certificates, etc. If a shareholder wishes to tender his or her shares, each shareholder is requested to exercise his/her own judgment after carefully reading the explanatory statement concerning the Tender Offer. This press release is not, and does not constitute any part of, an offer or solicitation of sales, or a solicitation of purchase offer, of securities. This press release (or any part of it) or the fact of its distribution does not provide a basis for any agreement pertaining to the Tender Offer, and it may not be relied upon when executing any such agreement.

[Regulations of the United States]

The Tender Offer is to be conducted in accordance with the procedures and information disclosure standards prescribed in the Financial Instruments and Exchange Act of Japan. However, such procedures and information disclosure standards are not necessarily the same as the procedures and information disclosure standards in the U.S. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934, as amended (the “U.S. Securities Exchange Act of 1934”), and the rules prescribed thereunder do not apply to the Tender Offer, and the Tender Offer does not conform to those procedures and standards. None of the financial statements contained in this press release and its reference materials have been prepared based on the U.S. accounting standards, and they are not necessarily equivalent to those of U.S. companies. Moreover, as the Tender Offeror and the Target Company are companies incorporated outside the U.S. and all or some of their directors are non-U.S. residents, it may be difficult to enforce any rights or claims arising under the U.S. federal securities laws. In addition, it may not be possible to commence legal actions against a non-U.S. company or its directors in a non-U.S. court on the grounds of a violation of the U.S. securities laws. Furthermore, a company incorporated outside the U.S. and its subsidiaries and affiliates may not necessarily be compelled to submit to the jurisdiction of U.S. courts.

Unless otherwise provided, all procedures for the Tender Offer shall be conducted entirely in the Japanese language. Some or all of the documents relating to the Tender Offer are or will be prepared in the English language. However, should there be any inconsistency between the document in English and that in Japanese, the Japanese document shall prevail. This press release and its reference materials contain “forward-looking statements.” Due to any known or unknown risks, uncertainties, or any other factors, it is possible that actual results may substantially differ from the projections, etc. as expressly or implicitly indicated in any “forward-looking statements.” None of the Tender

Offeror, the Target Company or their affiliates gives any assurance that such projections, etc. expressly or implicitly indicated in any “forward-looking statements” will result in being correct. The “forward-looking statements” in this press release and its reference materials have been prepared based on the information held by the Tender Offeror and the Target Company as of the date indicated in this press release, and unless otherwise required by applicable laws and regulations or the financial instruments exchanges rules, none of the Tender Offeror, the Target Company or their affiliates is obligated to update or modify such statements in order to reflect any events or circumstances in the future.

The respective financial advisors to the Tender Offeror and the Target Company, and the Tender Offer Agent, including their affiliates, may, within their ordinary course of business and to the extent permitted under the related financial instruments and exchange laws and regulations and other applicable laws and regulations of Japan, purchase or take actions to purchase the Target Company’s shares of common stock for their own account or for their customers’ accounts outside the Tender Offer before the commencement of the Tender Offer or during the period of purchase for the Tender Offer in accordance with the requirements under Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934. If any information concerning such purchase is disclosed in Japan, disclosure of such information will also be made in the English language on the website (or by another disclosure method) of the party conducting such purchase.

[Other Countries]

In certain countries or regions, the announcement, issuance or distribution of this press release may be restricted by laws or regulations. In such cases, please note and comply with such restrictions. The announcement, issuance or distribution of this press release does not constitute any solicitation of an offer to sell or offer to purchase securities including shares concerning the Tender Offer, and is being distributed only for informational purposes.