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## Notice of the 42<sup>nd</sup> Annual General Meeting of Shareholders



### <Request to Shareholders>

**In consideration of measures to prevent the spread of the novel coronavirus (“COVID-19”), we strongly encourage shareholders to refrain from coming to the meeting venue.**

- Please note that all participating officers, including the Chairman, will be participating in the meeting remotely through a web conferencing system and will not be present at the venue.
- Shareholders can also cast their votes or ask questions through our website.

Please see the enclosed leaflet for details on response to COVID-19 in this General Meeting of Shareholders.

### Proposals

- Proposal 1:** Appropriation of Surplus  
**Proposal 2:** Partial Amendment to the Articles of Incorporation  
**Proposal 3:** Election of Nine Board Directors

\*No souvenirs will be provided for shareholders attending this General Meeting of Shareholders. We appreciate your understanding in advance.

# Corporate Philosophy and Vision

## Corporate Philosophy Information Revolution - Happiness for everyone

Since our founding, the SoftBank Group (the “Group”) has sought to use the Information Revolution to contribute to the wellbeing of people and society.

What does happiness mean?

Different people will give different answers: “To love and be loved;” “To live each day to the fullest;” “To express oneself;” “To smile.” But in essence, happiness is a form of inspiration. Why is the Group engaged in its business and what does it aim to achieve? The answer is simple: to bring happiness and give inspiration to people - a vision that has guided us since our founding and is encapsulated in our corporate philosophy.

The performance of computers has increased rapidly and humanity is facing its own big bang - an era of ultra-powerful computers that will usher in an Information Revolution of unlimited potential. It is vital that this transformation be brought about in the right way, so that it adds happiness to humanity.

This vision is a driving force for the Group as we continue to pursue growth.

## Vision Becoming a Corporate Group needed most by people around the world

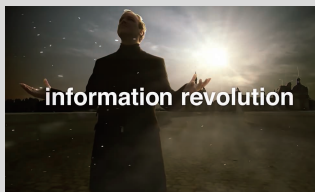
The SoftBank Group’s aim is to contribute to people’s happiness through the Information Revolution, and to become “the corporate group needed most by people around the world.” To achieve its vision, the Group will continue to concentrate its operations in the information industry, and advance the Information Revolution with leading technologies essential to the times and superior business models.

### The SoftBank Group’s aim

A corporate group growing  
for the next 300 years

Strategic synergy group

Successors for the next  
generation



## Information Revolution

What does the Information Revolution mean for us? What does it bring to people and society? And why did we make “Information Revolution - Happiness for everyone” our corporate philosophy?

The rapid advancement of information technology will be a wellspring that brings new powers to help comfort people in their sorrow and bring them happiness by enabling them to better empathize with one another and share what touches them.

This video expresses our determination to drive the Information Revolution.



## To Our Shareholders



Representative Director,  
Corporate Officer,  
Chairman & CEO

**Masayoshi Son**

I am pleased to notify you of the 42<sup>nd</sup> Annual General Meeting of Shareholders.

The equity market outlook remains uncertain due to the impact of factors such as monetary tightening in various countries and heightened geopolitical risks. The net asset value (“NAV”<sup>\*1</sup>) of SoftBank Group Corp. (“SBG” or the “Company”) at the end of FY2021 decreased to ¥18.5 trillion from the end of the previous fiscal year due to a softening in the stock prices of our portfolio companies. In our consolidated financial results, we posted investment losses of ¥3.4 trillion and a net loss<sup>\*2</sup> of ¥1.7 trillion.

Facing such challenging market environment, we continue to target mid- to long-term growth by investing in the field of AI (Artificial Intelligence), while maintaining a robust financial position by adhering to our financial policy regarding LTV<sup>\*3</sup> and cash on hand. In FY2021, we raised ¥5.6 trillion mainly through the sale of public stocks and asset-backed financing, while making investments worth ¥5.2 trillion, mainly through SoftBank Vision Fund 2. As a result, the cumulative number of companies invested in by the SoftBank Vision Funds and other funds<sup>\*4</sup> reached 475<sup>\*5</sup>. The seeds for future growth are steadily growing, and notably the number of new listings of portfolio

companies was 27<sup>\*6</sup> in FY2021, a record high.

The Company also announced in February 2022 that SBG and NVIDIA Corporation (“NVIDIA”) agreed to terminate the agreement on the sale of Arm Limited (“Arm”) to NVIDIA and began preparations for the listing of Arm. We have high expectations that Arm will become the center of technological innovation not only in mobile, in which Arm already has a large market share, but also in areas such as the cloud, autonomous driving, IoT, and the metaverse.

We will maintain financial soundness and solidify our defenses by adhering to our financial policy while appropriately responding to any deterioration in the business environment. At the same time, we will work to maximize NAV over the mid- to long-term through unicorn investments via SoftBank Vision Funds and other funds and through the further growth of Arm as two wheels of growth for the Company. This is the way we work to build the future together with AI entrepreneurs as a “Vision Capitalist for the Information Revolution.” I would like to ask all shareholders for their continued support.

June 9, 2022

- (Notes)
1. Net Asset Value = equity value of holdings - adjusted interest-bearing debt (as of March 31, 2022)
  2. Net loss attributable to owners of the parent
  3. Loan to Value is the ratio of liabilities to assets held
  4. SoftBank Vision Fund 1, SoftBank Vision Fund 2, and SoftBank Latin America Funds
  5. As of March 31, 2022, except for SoftBank Vision Fund 2, which is as of May 6, 2022. Includes investments in which all interests have been sold. Includes 15 companies that have been approved by the Investment Committee but in which the investment has not yet been completed.
  6. Total of portfolio companies of SoftBank Vision Funds and other funds and portfolio companies of SBG

## <Request to Shareholders>

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- Please note that all participating officers, including the Chairman, will be participating in the meeting remotely through a web conferencing system and will not be present at the venue.
- Shareholders can also cast their votes or ask questions through our website.

Please see the enclosed leaflet for details on response to COVID-19 in this General Meeting of Shareholders.

There may be a change to the procedures of this General Meeting of Shareholders, including those associated with response to COVID-19, live stream of the meeting, and communication failure experienced by those participating in the meeting online. Such change, if any, will be posted on our website (<https://group.softbank/en/ir/investors/shareholders>).

## Notice of the 42<sup>nd</sup> Annual General Meeting of Shareholders

**Date and time:** 10 a.m. JST, June 24, 2022

**Venue:** PORT HALL, Office Tower 1F, Tokyo Portcity Takeshiba  
1-7-1, Kaigan, Minato-ku, Tokyo

**Agenda of the Meeting:** **Matters for reporting:** ▶ Business Report, Consolidated Financial Statements for FY2021 (April 1, 2021 to March 31, 2022) and results of audits by the Independent Auditor and Audit & Supervisory Board of Consolidated Financial Statements

▶ Non-consolidated Financial Statements for FY2021 (April 1, 2021 to March 31, 2022)

**Matters for approval:** **Proposal 1:** Appropriation of Surplus

**Proposal 2:** Partial Amendment to the Articles of Incorporation

**Proposal 3:** Election of Nine Board Directors

- SBG will post any revisions made to the Reference Materials for the Annual General Meeting of Shareholders, the Business Report, or Consolidated Financial Statements and Non-consolidated Financial Statements on its website.
- The following matters are not stated in this Notice or the Appendix, as they are made available to the shareholders on SBG's website pursuant to applicable laws and regulations and Article 14 of the Articles of Incorporation of SBG.

- **Business Report** ... Status of SoftBank Group Corp. / (5) Overview of system to ensure appropriateness of the operation and its implementation status
- **Consolidated Financial Statements** ... Consolidated Statement of Changes in Equity, Notes to Consolidated Financial Statements
- **Non-consolidated Financial Statements** ... Statement of Changes in Equity, Notes to Non-consolidated Financial Statements

SBG Website  
<https://group.softbank/en/>



# Live Streaming Information / Questions and Opinions through the Internet / Notice on the Web

## Live Streaming Information

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The 42<sup>nd</sup> Annual General Meeting of Shareholders will be available for viewing through our website.

### How to view:

Please view the live stream by accessing the “The 42<sup>nd</sup> Annual General Meeting of Shareholders” page of SBG’s website.



<https://group.softbank/en/ir/investors/shareholders>

### Date and time of streaming:

From 10 a.m. JST, June 24, 2022

### [Viewing the Meeting after the conclusion of the live stream](#)

· If for any reason live streaming service cannot be provided, notice will be given on the “The 42<sup>nd</sup> Annual General Meeting of Shareholders” page.

The Meeting will be available on video on demand through SBG’s website.

\*On-demand video of the Business Report will be available only for one year from June 24, 2022.

## Questions regarding the Agenda of the Meeting through the Internet

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Questions from shareholders regarding the Agenda of the Meeting are accepted via the Internet. Please see the enclosed leaflet for details.

## Notice on the Web

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The main content of this Notice can be viewed easily on your computer or smartphone.

### How to view:

Please access the website below or use the QR code to view the Notice.

<https://s.srdb.jp/9984/>



## Guide to Exercising Voting Rights

Voting rights are important rights that enable our shareholders to participate in the management of SBG. Voting rights can be exercised as shown below. Please refer to the Reference Materials for the Annual General Meeting of Shareholders and exercise your right to vote.

### If you are exercising your voting rights through the Internet

Please access SBG's designated website for voting, follow the instructions on the screen and enter your approval or disapproval of the proposals.

**Deadline for exercising voting rights:** 5:45 p.m. JST, June 23, 2022

#### How to read the QR code:

You can login to the website for voting without entering the login ID and password.

1. Please read the QR code printed on the lower right of the voting form using a smartphone.
2. Please follow the instructions on the screen and enter your approval or disapproval of the proposals.

You may exercise your voting rights using the QR code only once.

If you wish to exercise your voting rights again or exercise them without using the QR code, please confirm "How to enter the login ID and password" below.

#### How to enter the login ID and password:

Website for voting

<https://evote.tr.mufg.jp/>

1. Please access the website for voting above from a PC or smartphone.
2. Please enter the login ID and temporary password printed on the voting form, and click "Login."
3. Please change the temporary password to a new password.
4. Please follow the instructions on the screen and enter your approval or disapproval of the proposals.

### If you are exercising your voting rights by mail

Please return the enclosed voting form upon clearly indicating your approval or disapproval of each proposal.

#### Request to mail ahead of time

There are many voting forms arriving after the deadline for exercising voting rights. Mailing of your voting form ahead of time is appreciated.

**Deadline for exercising voting rights:** Received by 5:45 p.m. JST, June 23, 2022

### If you are attending the Meeting

Shareholders can exercise their voting rights and ask questions via SBG's designated website on the day of the Meeting.

In consideration of measures to prevent the spread of COVID-19, we strongly encourage shareholders to refrain from coming to the meeting venue. If you wish to attend, you must apply in advance. A maximum of 50 shareholders may attend the Meeting (on a first-come-first-served basis).

Please see the enclosed leaflet for details.

Please refer to the following page on "how to fill out the voting form."

## How to fill out the voting form

Please indicate your approval or disapproval of the proposals in the form.

### Proposals 1, 2

- If you approve ⇒ Circle “**Approve**”
- If you disapprove ⇒ Circle “**Disapprove**”

### Proposal 3

- If you approve of all candidates ⇒ Circle “**Approve**”
- If you disapprove of all candidates ⇒ Circle “**Disapprove**”
- If you wish to indicate approval or disapproval for certain candidates ⇒ Circle “**Approve**” or “**Disapprove**,” and indicate their candidate number.

## Frequently asked questions regarding advance exercise of voting rights

**Q1** If I exercise my voting rights twice by returning the voting form and through the Internet, etc., which one will be effective?

**A1** SBG will treat the exercise of your voting right through the Internet, etc. as effective.

**Q2** If I exercise my voting rights more than once through the Internet, etc., will they all be effective?

**A2** If you exercise your voting rights more than once, the last exercise of your voting rights shall be deemed to be effective.

**Q3** If I have approved receipt of notice of convocation by electromagnetic means, how can I request a voting form or other documents?

**A3** SBG does not issue a voting form or other documents to those shareholders who have approved the receipt of notice of convocation by electromagnetic means unless requested to do so by those shareholders. Please ask the Helpdesk as shown below.

### Electronic Voting Platform

Nominee shareholders such as managing trust banks and others (including standing proxies) will be able to use the electronic voting platform as a method to electronically exercise voting rights at the Annual General Meeting of Shareholders of SBG in addition to the method to exercise voting rights through the Internet stated in the above, if the shareholders have applied in advance for the use of the electronic voting platform operated by a joint venture established by Tokyo Stock Exchange, Inc. and other parties.

### Method for receiving a notice of convocation

If you wish to receive a notice of convocation by e-mail, please follow the procedure on the voting website on your PC or other devices.

**For inquiries regarding the system, please contact:**

Helpdesk

(Corporate Agency Division, Mitsubishi UFJ Trust  
and Banking Corporation)

Phone: **0120-173-027** (Toll free)

(Business hours: 9:00-21:00)

## Proposal 1: Appropriation of Surplus

The fundamental policy of SBG is to focus on investing actively for sustained growth as well as returning profits to shareholders, while maintaining a sound financial status. Under this policy, SBG, in principle, is to provide dividends twice a year, an interim dividend and a year-end dividend. Accordingly, the year-end dividend for FY2021 is proposed as indicated below.

As an interim dividend of ¥22.00 per share has been distributed, the total dividend payout for this fiscal year will be ¥44.00 per share.

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**1 Type of dividend property:**

Cash

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**2 Matter concerning allotment of dividend property to shareholders and its total amount:**

¥22.00 per common share of SoftBank Group Corp., for a total of ¥36,229,384,884

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**3 Effective date of dividend of surplus:**

June 27, 2022

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## **Proposal 2: Partial Amendment to the Articles of Incorporation**

### **1. Reasons for amendment**

The amending provisions set out in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) will be enforced from September 1, 2022, so the Company proposes the following amendments to the Company's Articles of Incorporation in order to prepare for the introduction of the system for providing materials for the General Meeting of Shareholders in electronic format.

- (1) The proposed amended Article 14, Paragraph 1 will stipulate to the effect that measures for provision in electronic format are to be taken in relation to information constituting the contents of reference documents, etc. for the General Meeting of Shareholders.
- (2) The proposed amended Article 14, Paragraph 2 will establish provisions that limit the scope of matters stated in written documents delivered to shareholders who request delivery of written documents.
- (3) The provisions of "Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders via the Internet" (Article 14 of the current Articles of Incorporation) will become unnecessary, so those provisions will be deleted.
- (4) As a consequence of the additions and deletion stated above, supplementary provisions related to the effective date and the like will be established.

## 2. Details of the amendments

(Underlined text indicate amendments)

Current Articles of Incorporation	Proposed Amendments
<p><u>(DISCLOSURE AND DEEMED PROVISION OF REFERENCE MATERIALS FOR THE GENERAL MEETING OF SHAREHOLDERS VIA THE INTERNET)</u></p> <p><u>ARTICLE 14. In convening the General Meeting of Shareholders, the Company may deem that information regarding matters that should be described or shown in the reference materials for the General Meeting of Shareholders, business reports, financial statements and consolidated financial statements (including the Independent Auditors' Report or the Audit Report regarding such consolidated financial statements) has been provided to the shareholders, if such information is disclosed over the Internet in accordance with the Ordinance of the Ministry of Justice.</u></p>	<p>(Deleted)</p>
<p>(New)</p>	<p><u>(MEASURES FOR PROVISION IN ELECTRONIC FORMAT, ETC.)</u></p> <p><u>ARTICLE 14. In convening a General Meeting of Shareholders, the Company shall take measures for provision in electronic format in relation to information constituting the contents of reference documents, etc. for the General Meeting of Shareholders.</u></p> <p><u>2. Of the matters subject to measures for provision in electronic format, the Company may forgo stating all or part of the matters stipulated by ordinance of the Ministry of Justice in written documents delivered to shareholders who have requested delivery of written documents before the record date for voting rights.</u></p>

(Underlined text indicate amendments)

Current Articles of Incorporation	Proposed Amendments
(New)	<p><u>Supplementary Provisions</u></p> <ol style="list-style-type: none"><li data-bbox="836 465 1417 770">1. <u>The amendment to Article 14 of the Articles of Incorporation shall become effective on and from September 1, 2022, which is when the amending provisions set out in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) are enforced (the “Enforcement Date”).</u></li><li data-bbox="836 779 1417 1084">2. <u>Notwithstanding the provisions of the preceding paragraph, Article 14 of the Articles of Incorporation (Disclosure and Deemed Provision of Reference Materials for the General Meeting of Shareholders via the Internet) shall be effective in relation to a General Meeting of Shareholders whose date falls within six (6) months after the Enforcement Date.</u></li><li data-bbox="836 1093 1417 1326">3. <u>These Supplementary Provisions shall be deleted after the later of the day on which six (6) months will have elapsed since the Enforcement Date or the day on which three (3) months will have elapsed since a General Meeting of Shareholders provided for in the preceding paragraph.</u></li></ol>

### Proposal 3: Election of Nine Board Directors

The terms of office of the present nine (9) Board Directors will expire at the conclusion of this Annual General Meeting of Shareholders. It is proposed that nine (9) Board Directors be elected.

Board Director nominees are as follows:

Candidate No.		Name		Current position at SBG
1	Reappointed	Masayoshi Son		Representative Director, Corporate Officer, Chairman & CEO
2	Reappointed	Yoshimitsu Goto		Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSusO
3	Reappointed	Ken Miyauchi		Board Director
4	Reappointed	Kentaro Kawabe		Board Director
5	Reappointed	Masami Iijima	External Board Director Independent Officer	Board Director
6	Reappointed	Yutaka Matsuo	External Board Director Independent Officer	Board Director
7	Reappointed	Keiko Erikawa	External Board Director Independent Officer	Board Director
8	Reappointed	Kenneth A. Siegel	External Board Director	Board Director
9	Newly appointed	David Chao	External Board Director Independent Officer	-

Candidate  
No.

1



Number of shares held  
in SBG

460,161,164 shares

Reappointed

**Masayoshi Son** (Date of birth: August 11, 1957, 64 years old)

**Biography, titles, responsibilities and significant concurrent positions**

- Sep. 1981 Founded SBG, Chairman & CEO
- Jan. 1996 President & CEO, Yahoo Japan Corporation (currently Z Holdings Corporation)
- Oct. 2005 Director, Alibaba.com Corporation (currently Alibaba Group Holding Limited)
- Apr. 2006 Chairman of the Board, President & CEO, Vodafone K.K. (currently SoftBank Corp.)
- Jun. 2015 Director, Yahoo Japan Corporation (currently Z Holdings Corporation)
- Sep. 2016 Chairman and Executive Director, ARM Holdings plc
- Jun. 2017 Chairman & CEO, SBG
- Mar. 2018 Chairman and Director, Arm Limited (to present)
- Nov. 2020 Representative Director, Corporate Officer, Chairman & CEO, SBG (to present)
- Apr. 2021 Board Director, Founder, SoftBank Corp. (to present)

**Reason for nomination**

Since founding SBG in September 1981, Mr. Masayoshi Son has been at the helm of the Group's management for 41 years, achieving remarkable growth for the Group through advancement into the Internet, telecommunications and AI businesses, investment in the world's largest e-commerce company Alibaba Group Holding Limited, acquisition of UK-based ARM Holdings plc and founding SoftBank Vision Fund, among other efforts.

The Board would like to elect Mr. Son as a Board Director nominee for the further growth of the Group.

Candidate  
No.

2



Number of shares held  
in SBG

1,078,600 shares

Reappointed

**Yoshimitsu Goto** (Date of birth: February 15, 1963, 59 years old)

**Biography, titles, responsibilities and significant concurrent positions**

- Apr. 1987 Joined The Yasuda Trust and Banking Co., Ltd. (currently Mizuho Trust & Banking Co., Ltd.)
- Jun. 2000 Joined SBG
- Oct. 2000 Head of Finance Department, SBG
- Apr. 2006 Director, Vodafone K.K. (currently SoftBank Corp.)
- Jul. 2012 Corporate Officer, Senior Vice President, SBG
- Oct. 2013 President & CEO and acting owner, Fukuoka SoftBank HAWKS Corp. (to present)
- Jun. 2014 Board Director, SBG
- Jun. 2015 Senior Vice President, SBG
- Jun. 2017 Senior Vice President, SBG
- Apr. 2018 Senior Vice President & CFO & CISO, SBG
- Jun. 2020 Board Director, Senior Vice President, CFO, CISO & CSusO, SBG
- Nov. 2020 Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSusO, SBG (to present)

**Reason for nomination**

Mr. Yoshimitsu Goto joined SBG in June 2000, and assumed the positions of Senior Vice President and Head of Finance Department in July 2012, and Senior Vice President & CFO & CISO in April 2018, serving a vital role in financing for investment and business management of SBG.

Also, having served in various positions including Director of SoftBank Corp. and President & CEO and acting owner of Fukuoka SoftBank HAWKS Corp., he has extensive knowledge and experience related to finance and business management.

The Board would like to elect Mr. Goto as a Board Director nominee for the further growth of the Group.

Candidate  
No.

3

Reappointed

**Ken Miyauchi**

(Date of birth: November 1, 1949, 72 years old)



Number of shares held  
in SBG  
2,532,460 shares

**Biography, titles, responsibilities and significant concurrent positions**

Feb. 1977 Joined Japan Management Association  
Oct. 1984 Joined SBG  
Feb. 1988 Board Director, SBG  
Apr. 2006 Executive Vice President, Director & COO, Vodafone K.K. (currently SoftBank Corp.)  
Jun. 2007 Representative Director & COO, SoftBank Mobile Corp. (currently SoftBank Corp.)  
Jun. 2012 Director, Yahoo Japan Corporation (currently Z Holdings Corporation)  
Jun. 2013 Representative Board Director, Senior Executive Vice President of SBG  
Apr. 2015 President & CEO, SoftBank Mobile Corp. (currently SoftBank Corp.)  
Apr. 2018 Board Director, SBG (to present)  
Jun. 2018 President & CEO, SoftBank Corp.  
Apr. 2021 Chairman, SoftBank Corp. (to present)

**Reason for nomination**

Mr. Ken Miyauchi joined SBG in October 1984 shortly after SBG's founding. In the course of a career focused on the fields of sales and marketing, he significantly expanded the packaged computer software distribution business that SBG was originally engaged in, and contributed to growing the domestic telecommunications business that SBG entered through acquisitions. He assumed the position of President & CEO of SoftBank Corp. in April 2015 and has led the Group's domestic business in Japan. The Board would like to elect Mr. Miyauchi as a Board Director nominee for the further growth of the Group.

Candidate  
No.

4

Reappointed

**Kentaro Kawabe**

(Date of birth: October 19, 1974, 47 years old)



Number of shares held  
in SBG  
200 shares

**Biography, titles, responsibilities and significant concurrent positions**

Dec. 1996 Director, Dennotai Corporation  
Sep. 1999 CEO, Dennotai Corporation  
Aug. 2000 Joined Yahoo Japan Corporation (currently Z Holdings Corporation)  
May 2009 Representative Director, GyaO Corporation (currently GYAO Corporation)  
Apr. 2012 Corporate Officer, Chief Operating Officer (COO), President of Media Business Group, Yahoo Japan Corporation (currently Z Holdings Corporation)  
Jun. 2018 President and Representative Director, President Corporate Officer, CEO (Chief Executive Officer), Yahoo Japan Corporation (currently Z Holdings Corporation)  
Sep. 2018 Board Director, SoftBank Corp. (to present)  
Oct. 2019 President and Representative Director, President Corporate Officer, CEO (Chief Executive Officer), Yahoo Japan Corporation  
Jan. 2020 Executive Director, ZOZO, Inc. (to present)  
Mar. 2021 President and Representative Director, Co-CEO, Z Holdings Corporation (to present)  
Jun. 2021 Board Director, SBG (to present)

**Reason for nomination**

Mr. Kentaro Kawabe assumed the positions of Chief Operating Officer (COO) of Yahoo Japan Corporation (currently Z Holdings Corporation) in April 2012, and President and Representative Director, President Corporate Officer and Chief Executive Officer (CEO) of the company in June 2018. Having proactively expanded the company's business and played a vital role in its growth under his own leadership, he has extensive knowledge and experience related to business management and technology. The Board would like to elect Mr. Kawabe as a Board Director nominee for the further growth of the Group.

Candidate  
No.

5



**Masami Iijima**

(Date of birth: September 23, 1950, 71 years old)



Number of shares held  
in SBG

1,000 shares

**Biography, titles, responsibilities and significant concurrent positions**

- Apr. 1974 Joined MITSUI & CO., LTD.
- Apr. 2006 Managing Officer, Chief Operating Officer of Iron & Steel Raw Materials and Non-Ferrous Metals Business Unit, MITSUI & CO., LTD.
- Apr. 2007 Managing Officer, Chief Operating Officer of Mineral & Metal Resources Business Unit, MITSUI & CO., LTD.
- Apr. 2008 Executive Managing Officer, MITSUI & CO., LTD.
- Jun. 2008 Representative Director, Executive Managing Officer, MITSUI & CO., LTD.
- Oct. 2008 Representative Director, Senior Executive Managing Officer, MITSUI & CO., LTD.
- Apr. 2009 Representative Director, President and Chief Executive Officer, MITSUI & CO., LTD.
- Apr. 2015 Representative Director, Chairman of the Board of Directors, MITSUI & CO., LTD.
- Jun. 2016 Director, Ricoh Company, Ltd. (to present)
- Jun. 2018 Board Director, SBG (to present)
- Jun. 2019 Director, Isetan Mitsukoshi Holdings Ltd. (to present)
- Jun. 2019 Counsellor, Bank of Japan (to present)
- Apr. 2021 Director, MITSUI & CO., LTD.
- Jun. 2021 Counselor, MITSUI & CO., LTD. (to present)
- Jun. 2021 Director (Audit & Supervisory Committee member), Takeda Pharmaceutical Company Limited (to present)

**Reason for nomination and expected role**

After assuming the position of Representative Director, President and Chief Executive Officer of MITSUI & CO., LTD. in April 2009, Mr. Masami Iijima led the company's management for six years and played a major role in its growth. In April 2015, he became Representative Director, Chairman of the Board of Directors of MITSUI & CO., LTD. He has extensive knowledge and experience related to corporate management and corporate governance, including contributions to management oversight and improvement of the effectiveness of the Board of Directors. Mr. Iijima has offered advice on the Group's long-term strategies and played a vital role in business judgments and decision-making processes at the Board.

He has also expressed views from the standpoint of minority shareholders of SBG, and has led development of objective discussions from an independent perspective as Chairperson of the voluntary Nominating & Compensation Committee, and thus the Board recognizes that he has made significant contributions to the improvement of enterprise value of SBG through the supervisory function.

The Board expects that Mr. Iijima will use his wealth of knowledge and experience to supervise SBG and offer advice, and would like to elect him as an External Board Director nominee for the further growth of the Group.

Mr. Iijima attended 14 out of 14 Board of Directors meetings held in FY2021, amounting to an attendance rate of 100%.

He is an External Board Director (Independent Officer) of SBG and will have been in the position for four years at the conclusion of this Annual General Meeting of Shareholders.

Candidate  
No.

6



## Yutaka Matsuo

(Date of birth: January 26, 1975, 47 years old)



Number of shares held  
in SBG

### Biography, titles, responsibilities and significant concurrent positions

- Apr. 2002 Researcher, National Institute of Advanced Industrial Science and Technology
- Aug. 2005 Visiting Scholar, Stanford University
- Oct. 2007 Associate Professor, Graduate School of Engineering, the University of Tokyo
- Apr. 2019 Professor, Graduate School of Engineering, the University of Tokyo (to present)
- Jun. 2019 Board Director, SBG (to present)

### Reason for nomination and expected role

Performing research into artificial intelligence (AI) over many years, Dr. Yutaka Matsuo was a visiting scholar at Stanford University in August 2005 and, in April 2019, became a professor at the Graduate School of Engineering of the University of Tokyo. He has extensive knowledge and experience as a leading expert on AI, having served as a member of Government-led working groups. Although Dr. Matsuo does not have management experience, the Board believes that through his high level of expertise he can properly perform his duties as an External Board Director of SBG. In addition to offering advice on the Group's long-term strategies and playing a vital role in business judgments and decision-making processes at the Board, Dr. Matsuo has also expressed views from the standpoint of minority shareholders of SBG. Also at the voluntary Nominating & Compensation Committee, he has made objective comments from an independent perspective as a member of the committee. The Board recognizes that he has made significant contributions to the improvement of enterprise value of SBG through the supervisory function.

The Board expects that Dr. Matsuo will use his wealth of knowledge and experience to supervise SBG and offer advice, and would like to elect him as an External Board Director nominee for the further growth of the Group.

Dr. Matsuo attended 14 out of 14 Board of Directors meetings held in FY2021, amounting to an attendance rate of 100%.

He is an External Board Director (Independent Officer) of SBG and will have been in the position for three years at the conclusion of this Annual General Meeting of Shareholders.



Candidate  
No.

7



**Keiko Erikawa**

(Date of birth: January 3, 1949, 73 years old)



Number of shares held  
in SBG

213,000 shares

**Biography, titles, responsibilities and significant concurrent positions**

Jul. 1978	Senior Executive Director, KOEI Co., Ltd. (currently KOEI TECMO GAMES CO., LTD.)
Apr. 1994	Director, foundation for the Fusion Of Science and Technology (to present)
Jun. 2001	Chairman and CEO, KOEI Corporation (currently KOEI TECMO AMERICA Corporation)
May 2007	Head Director, Association of Media in Digital (to present)
Jun. 2013	Chairman (Representative Director), KOEI TECMO GAMES CO., LTD.
Jun. 2013	Chairman (Representative Director), KOEI TECMO HOLDINGS CO., LTD. (to present)
Jun. 2014	Board Director, TECMO KOEI EUROPE LIMITED (currently KOEI TECMO EUROPE LIMITED) (to present)
Apr. 2015	Chairman Emeritus (Director), KOEI TECMO GAMES CO., LTD. (to present)
Jun. 2021	Board Director, SBG (to present)

**Reason for nomination and expected role**

Since founding KOEI Co., Ltd. (currently KOEI TECMO GAMES CO., LTD.), Ms. Keiko Erikawa has played a vital role in developing and strengthening the business foundation of the KOEI TECMO Group as a corporate manager and a finance manager, and therefore has extensive knowledge and experience related to corporate management and technology. In addition to offering advice on the Group's long-term strategies and playing a vital role in business judgments and decision-making processes at the Board, Ms. Erikawa has also expressed views from the standpoint of minority shareholders of SBG and thus the Board recognizes that she has made significant contributions to the improvement of enterprise value of SBG through the supervisory function.

The Board expects that Ms. Erikawa will use her wealth of knowledge and experience to supervise SBG and offer advice, and would like to elect her as an External Board Director nominee for the further growth of the Group.

Ms. Erikawa attended 11 out of 12 Board of Directors meetings held in FY2021, amounting to an attendance rate of 92%.

She is an External Board Director (Independent Officer) of SBG and will have been in the position for one year at the conclusion of this Annual General Meeting of Shareholders.

Candidate  
No.

8

External  
Board  
Director

Reappointed

**Kenneth A. Siegel**

(Date of birth: October 11, 1958, 63 years old)



Number of shares held  
in SBG

**Biography, titles, responsibilities and significant concurrent positions**

Aug. 1986 Joined Morrison & Foerster LLP  
Jan. 1994 Partner, Morrison & Foerster LLP  
Aug. 1996 Managing Partner, Morrison & Foerster Tokyo Office (Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho) (to present)  
Jan. 2009 Member of Executive Committee, Morrison & Foerster LLP  
Jan. 2009 Board Director, Member of Executive Committee, Morrison & Foerster LLP (to present)  
Jun. 2021 Board Director, SBG (to present)

**Reason for nomination and expected role**

After joining Morrison & Foerster LLP in August 1986, Mr. Kenneth A. Siegel became Managing Partner of Morrison & Foerster Tokyo Office (Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho) in August 1996, and assumed the position of Board Director, Member of Executive Committee of Morrison & Foerster LLP in January 2009. Having engaged in corporate acquisitions, joint venture deals, and strategic alliances, Mr. Siegel has extensive knowledge and experience as a lawyer. In addition to offering advice on the Group's long-term strategies and playing a vital role in business judgments and decision-making processes at the Board, Mr. Siegel has also expressed views from the standpoint of minority shareholders of SBG and thus the Board recognizes that he has made significant contributions to the improvement of enterprise value of SBG through the supervisory function.

The Board expects that Mr. Siegel will use his wealth of knowledge and experience to supervise SBG and offer advice, and would like to elect him as an External Board Director nominee for the further growth of the Group.

Mr. Siegel attended 12 out of 12 Board of Directors meetings held in FY2021, amounting to an attendance rate of 100%.

He is an External Board Director of SBG and will have been in the position for one year at the conclusion of this Annual General Meeting of Shareholders.

Candidate  
No.

9

External Board Director	Independent Officer	Newly appointed
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## David Chao

(Date of birth: November 15, 1966, 55 years old)



### Biography, titles, responsibilities and significant concurrent positions

- Jun. 1988 Joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.)
- Jun. 1989 Joined Apple Computer, Inc. (currently Apple Japan, Inc.)
- Aug. 1993 Joined U.S. McKinsey & Company (McKinsey & Company, Inc.)
- May 1996 Co-Founder and CTO, Japan Communications Inc.
- Jan. 1997 Co-Founder and General Partner, DCM Ventures (to present)

Number of shares held  
in SBG

### Reason for nomination and expected role

After joining Apple Computer, Inc. in June 1989, Mr. David Chao was instrumental in the company's rapid growth and also managed the company's startup investment portfolio in the U.S. After joining U.S. McKinsey & Company in August 1993, Mr. Chao worked in the telecommunications and software industries, where he was involved in technology, marketing, and financial strategy development projects. Thereafter, having co-founded Japan Communications Inc. in May 1996, where he served as Chief Financial Officer, Chief Technology Officer, and Director, before becoming Co-Founder and General Partner of DCM Ventures in January 1997, Mr. Chao has extensive knowledge and experience in investment, business management, and technology.

The Board expects that Mr. Chao will use his wealth of knowledge and experience to supervise SBG and offer advice, and would like to elect him as an External Board Director nominee for the further growth of the Group.

- (Notes)
1. The age of each candidate is as of the conclusion of this General Meeting of Shareholders.
  2. ARM Holdings plc changed its company name to SVF HOLDCO (UK) LIMITED on March 19, 2018.
  3. Mr. Masayoshi Son, a candidate for Board Director, concurrently holds the post of the managing partner of Son Assets Management, LLC with whom SBG has a business relationship, such as for office management. He also concurrently holds the post of President of the Masason Foundation with whom SBG has concluded an agreement on secondment.
  4. SBG has concluded an agreement on a co-investment program with restricted rights to receive distributions, with Mr. Masayoshi Son, a candidate for Board Director, and MASA USA LLC, which is controlled by him.
  5. SBG provides loans to Messrs. Yoshimitsu Goto and Ken Miyauchi, candidates for Board Director, designating the use of the loans for the purchase of SBG's shares.
  6. Mr. Ken Miyauchi, a candidate for Board Director, concurrently holds a Representative Director post at SoftBank Corp. SBG has concluded an agreement on secondment with the company.
  7. Mr. Kenneth A. Siegel, a candidate for Board Director, concurrently holds a managing partner post at Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho, and a post of Board Director, Member of Executive Committee at Morrison & Foerster LLP. SBG has transactions including legal/advisory engagement with the firm.
  8. SBG has made limited partner investments in A-Fund II, L.P. and A-Fund III, L.P., which are managed by DCM Ventures, where Mr. David Chao, a candidate for Board Director, serves as Co-Founder and General Partner.
  9. Mr. David Chao, a candidate for Board Director, is a Board Member of Plenty Unlimited Inc., which is a specified related party of SBG, and was a Board Member of Renren inc., which has been a specified related party of SBG, within the past 10 years.
  10. SBG has selected candidates for Independent Officers in accordance with the independence standards established by the Tokyo Stock Exchange, Inc.
  11. When performing their duties as Board Directors, in order to have them perform their duties as expected and enable SBG to employ talented personnel, it is stipulated in the Articles of Incorporation that SBG may conclude an agreement with Board Directors (excluding executive board directors, etc.) to limit the liability for damages to the extent specified therein. SBG has concluded an agreement with Mr. Masami Iijima, Dr. Yutaka Matsuo, Ms. Keiko Erikawa and Mr. Kenneth A. Siegel to limit the liability for damages. With regard to this proposal, subject to the approval of election of Mr. Masami Iijima, Dr. Yutaka Matsuo, Ms. Keiko Erikawa and Mr. Kenneth A. Siegel, SBG will continue an agreement with each of them on the same terms and conditions. With regard to this proposal, subject to the approval of election of Mr. David Chao, SBG will newly enter into an agreement with him on the same terms and conditions.
  12. SBG has concluded a directors and officers liability insurance (D&O insurance) contract that covers all Board Directors, as stipulated in Article 430-3, Paragraph 1 of the Companies Act. If this proposal is approved as it was originally proposed, and each candidate assumes office as Board Director, they will be insured under the insurance contract. Damages caused as a result of the insured Board Directors assuming responsibilities regarding the execution of their duties or receiving claims pertaining to the pursuit of such responsibilities will be covered. However, there are certain exemptions for compensation, such as damages arising from acts of the insured committed with awareness that they violate laws and regulations. The premiums are paid by SBG, including riders. Therefore, the insured do not bear the actual premiums. SBG will renew this insurance contract during the term of office of each candidate on December 1, 2022.

**(Reference)****Skill sets (skill matrix) of Board Directors (incumbent/candidate) and Audit & Supervisory Board Members (incumbent)**

Shows up to three (3) areas in which SBG has particular expectations of its Board Directors (incumbent/candidate) and Audit & Supervisory Board Members (incumbent).

Name	Position at SBG	Years served	Corporate management	Banking M&A	Finance Accounting	Law Governance	Technology	Academic background	Diversity
Masayoshi Son (64 years old)	Representative Director Nominating & Compensation Committee member	40 years and 9 months	○	○			○		
Yoshimitsu Goto (59 years old)	Board Director	2 years	○	○	○				
Ken Miyauchi (72 years old)	Board Director	34 years and 4 months	○	○			○		
Kentaro Kawabe (47 years old)	Board Director	1 year	○	○			○		
Masami Iijima (71 years old)	External Board Director Independent Officer Nominating & Compensation Committee member	4 years	○	○		○			
Yutaka Matsuo (47 years old)	External Board Director Independent Officer Nominating & Compensation Committee member	3 years		○			○	○	
Keiko Erikawa (73 years old)	External Board Director Independent Officer	1 year	○				○		○
Kenneth A. Siegel (63 years old)	External Board Director	1 year		○		○			○
David Chao (55 years old)	External Board Director Independent Officer	-	○				○		○
Maurice Atsushi Toyama (67 years old)	Full-time External Audit & Supervisory Board Member Independent Officer	7 years		○	○				
Yuji Nakata (63 years old)	Full-time External Audit & Supervisory Board Member Independent Officer	1 year		○		○			
Soichiro Uno (59 years old)	External Audit & Supervisory Board Member	18 years		○		○			
Keiichi Otsuka (66 years old)	External Audit & Supervisory Board Member Independent Officer	1 year		○	○				

- (Notes)
1. Ages shown are ages as of the conclusion of this Annual General Meeting of Shareholders.
  2. Years served is the number of years as of the conclusion of this Annual General Meeting of Shareholders.
  3. Mr. Yoshimitsu Goto has been serving as Board Director of SBG for two years since he assumed the position in June 2020, and he also served as Board Director for one year from June 2014. The total number of years he has been in the position as Board Director is three years.

# NEWS FLASH

Annual Topics  
2021.4 - 2022.3

## FY2020

Achieved carbon neutrality, reducing greenhouse gas emissions from business activities to virtually zero



## 2021.6

Operated large COVID-19 vaccination sites for healthcare workers and others; began offering workplace vaccinations

August

July

June

May

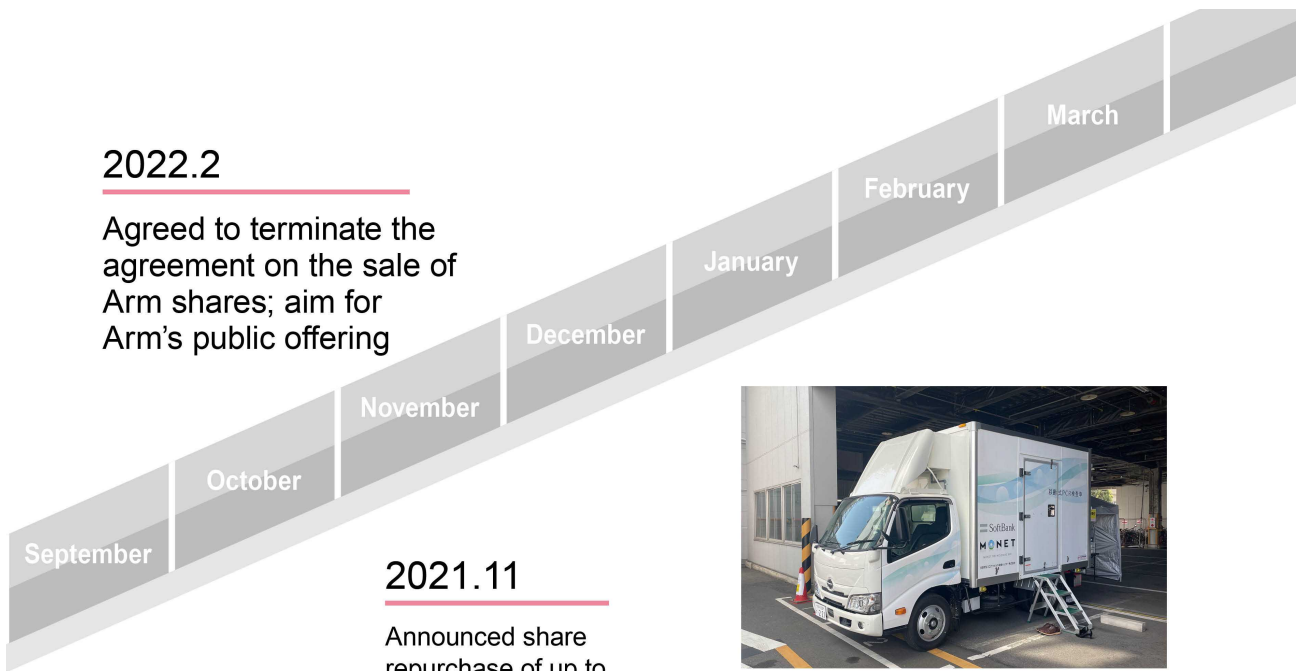
April

## 2021.6

Selected as a constituent of FTSE4Good Index Series and FTSE Blossom Japan Index, leading ESG indexes

## 2021.5

Retired treasury stock (17.55% of the total number of shares issued before the retirement)



**2022.2**

Agreed to terminate the agreement on the sale of Arm shares; aim for Arm's public offering

**2021.11**

Announced share repurchase of up to ¥1 trillion

**2021.9**

Formed agreement with Deutsche Telekom on long-term strategic partnership and equity share swap for T-Mobile shares

**FY2021**

Invested in a cumulative total of 449 companies<sup>\*2</sup> via SoftBank Vision Funds and SoftBank Latin America Funds; 24 of them were listed in FY2021



**2022.2**

Developed a vehicle designed to provide mobile COVID-19 testing services<sup>\*1</sup>

**2022.3**

Number of PayPay registered users exceeded 46 million



\*1 Started providing services to municipalities and enterprises from April 1, 2022  
 \*2 Total number of companies in which investments have been made by SoftBank Vision Fund 1, SoftBank Vision Fund 2, and SoftBank Latin America Funds since their establishment up to March 31, 2022, and joint ventures with existing portfolio companies. Includes investments in which all interests have been sold.

## Abbreviations Used in the Business Report

Company names or abbreviations used in the Business Report, unless otherwise stated or interpreted differently in the context, are as follows.

Company name or abbreviation	Definition
SBG or the Company	SoftBank Group Corp. (stand-alone basis)
the Group	SoftBank Group Corp. and its subsidiaries
* Each of the following abbreviations indicates the respective company, and its subsidiaries, if any.	
SB Northstar	SB Northstar LP
SoftBank Vision Fund 1 or SVF1* <sup>1</sup>	SoftBank Vision Fund L.P. and its alternative investment vehicles
SoftBank Vision Fund 2 or SVF2* <sup>1</sup>	SoftBank Vision Fund II-2 L.P. and its alternative investment vehicles
SBIA	SB Investment Advisers (UK) Limited
SoftBank Latin America Funds* <sup>2</sup>	SBLA Latin America Fund LLC
SoftBank Latin America Fund 1 or SBLAF1	SBLA Holdings (Cayman) L.P. and SBLA Latin America Fund (Cayman) L.P.
SoftBank Latin America Fund 2 or SBLAF2	SBLA Holdings II DE LLC and SLA Holdco I LLC
Sprint	Sprint Corporation
T-Mobile	T-Mobile US, Inc. after merging with Sprint
Arm	Arm Limited
Alibaba	Alibaba Group Holding Limited
NVIDIA	NVIDIA Corporation

(Notes) 1. SoftBank Vision Fund 1 and SoftBank Vision Fund 2 are collectively referred to as SoftBank Vision Funds.  
 2. Including SoftBank Latin America Fund 1 and SoftBank Latin America Fund 2.

### Changes in Segment Classification

Latin America Funds, which were previously included within “Others,” are added to reportable segments from the first quarter of FY2021 in light of their greater financial importance.

The SVF1 and Other SBIA-Managed Funds segment has been renamed to the SoftBank Vision Funds segment from the second quarter of FY2021.



## Status of the Group

### 1 Status of assets and profit and loss

Fiscal year (¥ million)	2018	2019	2020	2021
Net sales	6,093,548	5,238,938	5,628,167	6,221,534
Income before income taxes	1,682,673	50,038	5,670,456	(869,562)
Net income attributable to owners of the parent	1,411,199	(961,576)	4,987,962	(1,708,029)
Total assets	36,096,476	37,257,292	45,750,453	47,544,670
Total equity	9,009,204	7,372,917	11,955,593	11,707,762
Equity attributable to owners of the parent	7,621,481	5,913,613	10,213,093	9,975,674
Ratio of equity attributable to owners of the parent to total assets (%)	21.1	15.9	22.3	21.0
Ratio of net income to equity, attributable to owners of the parent (ROE) (%)	22.0	(14.2)	61.9	(16.9)

#### Per share (¥)

Basic earnings per share	634.08	(478.50)	2,619.61	(1,018.58)
Equity attributable to owners of the parent per share	3,380.33	2,619.32	5,588.80	5,755.92

- (Notes)
- The Group prepares its consolidated financial statements based on International Financial Reporting Standards.
  - In FY2019, IFRS 16 "Leases" was adopted. As the cumulative effect of applying IFRS 16 "Leases" is recognized as an adjustment to the opening retained earnings at the date of initial application (April 1, 2019), information for FY2018 is not restated.
  - SBG conducted a share split at a ratio of two-for-one effective June 28, 2019. "Basic earnings per share" and "Equity attributable to owners of the parent per share" are calculated assuming that the share split was conducted at the beginning of FY2018.
  - In FY2019, as it became highly probable that Sprint would no longer be a subsidiary of the Group after its merge with T-Mobile US, Inc. ("T-Mobile"), Sprint has been classified as a discontinued operation. In association with this, net sales and income before income taxes for FY2018 have been revised.
  - In FY2020, as Brightstar was excluded from the scope of consolidation of the Group as a result of the sale of all shares, Brightstar has been classified as a discontinued operation. In association with this, net sales and income before income taxes for FY2019 have been revised.
  - Net sales and income before income taxes from FY2018 to FY2020 indicate the amounts for continuing operations and do not include those for discontinued operations.
  - The equity attributable to owners of the parent used in equity attributable to owners of the parent per share is the equity attributable to owners of the parent less the amount not attributed to common shareholders of SBG.

## 2 Overview of operations for this fiscal year

### 1) Results of operations

In FY2021, SBG's income before income taxes deteriorated by ¥6,540.0 billion year on year to loss of ¥869.6 billion, and net income attributable to owners of the parent<sup>\*1</sup> likewise deteriorated significantly to loss of ¥1,708.0 billion. These significant deteriorations were caused by the recording of loss on investments totaling ¥3,434.7 billion, mainly reflecting a decline in the share prices of many listed portfolio companies of SoftBank Vision Funds.

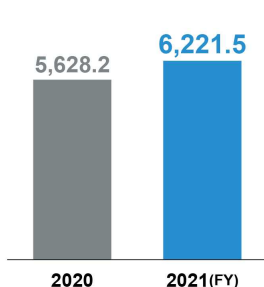
Of the loss on investments, ¥3,738.8 billion (of which, ¥972.7 billion was attributable to third-party interests) was from SoftBank Vision Fund 1, SoftBank Vision Fund 2, and others. While SoftBank Vision Fund 1 recorded realized gain (net) of ¥1,226.1 billion<sup>\*2</sup> as a result of sale of a portion of its holdings and other activities, it recorded unrealized losses on valuation (net) of ¥3,632.2 billion for its listed portfolio companies among its investments held at the fiscal year-end, due to the decline in the share prices of many as the high interest rate outlook led to the general avoidance of high-growth technology stocks in addition to multiple factors such as overhang concerns<sup>\*3</sup> and regulatory tightening. For unlisted portfolio companies, SoftBank Vision Fund 1 recorded unrealized gains on valuation (net) of ¥709.8 billion due to an increase in the fair value of

certain portfolio companies on the back of up rounds and strong business performance. SoftBank Vision Fund 2 recorded realized gain of ¥128.6 billion<sup>\*4</sup> as a result of partial sale of investments. However, it recorded unrealized loss on valuation (net) of ¥265.5 billion due to a decline in the share prices of listed portfolio companies and a decrease in the fair value of unlisted portfolio companies.

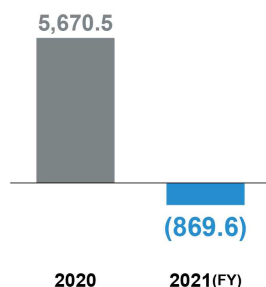
Furthermore, derivative gain (excluding gain (loss) on investments) of ¥1,234.7 billion was recorded in connection with financing using Alibaba shares<sup>\*5</sup>, while foreign exchange loss of ¥706.1 billion was recorded due to the impact of the weaker yen<sup>\*6</sup>.

With respect to shareholder returns, on November 8, 2021, SBG decided to repurchase either up to 250 million shares of its own stock or ¥1 trillion of them, in order to enhance shareholder returns and to realize fair shareholder value by rectifying the situation where SBG shares are traded at a deep discount to NAV. By the end of March 2022, SBG had repurchased 67.26 million shares of its own stock at a total cost of ¥344.6 billion<sup>\*7</sup>.

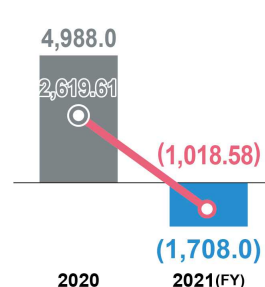
**Net sales**  
(continuing operations) (¥ billion)



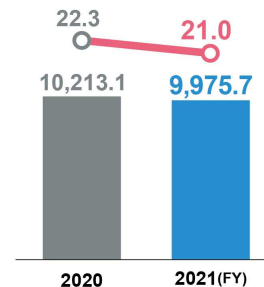
**Income before income taxes**  
(continuing operations) (¥ billion)



**Net income** (¥ billion)  
(Net income attributable to owners of the parent)  
○ Basic earnings per share (¥)



**Equity attributable to owners of the parent** (¥ billion)  
○ Ratio of equity attributable to owners of the parent to total assets (%)



### Impact of the Situation in Russia and Ukraine

SBG and SoftBank Vision Funds have no direct investments in Russian or Ukrainian companies as of March 31, 2022. In addition, no Russian investors are included as the LP of SVF1. Although some Group companies and investees may have operating businesses in Russia or Ukraine or conduct business with Russian companies (including those that have already withdrawn or ceased operations or ceased transactions), the impact of such operations or transactions on the Group's consolidated financial statements is limited.

However, there are growing concerns of a global economic slowdown as the energy prices have surged in the wake of economic sanctions against Russia following Russia's invasion of Ukraine, combined with the onset of monetary tightening in the U.S. to curb inflation as well as supply chain disruptions due to the COVID-19 pandemic. These macroeconomic headwinds have contributed to an increase in volatility across global stock markets, which has adversely affected the value of SBG's equity holdings and NAV. SBG is striving to ensure the liquidity and diversity of the investment portfolio while adhering to its financial policy of maintaining a prudent LTV<sup>8</sup> and cash position. Like many other international funds, SoftBank Vision Funds and SoftBank Latin America Funds are not immune to changes in the external environment, hence SBG continues to carefully construct and manage the funds' investment portfolios by closely monitoring the market and placing emphasis on assessing the fundamentals of the investees.

- (Notes)
1. Including income taxes of ¥592.6 billion, apart from loss before income taxes.
  2. Of the amount, ¥1,463.8 billion had been recorded as unrealized gains on investments (net) in past fiscal years.
  3. Concerns that major shareholders might sell many shares in the future
  4. Of the amount, ¥314.1 billion had been recorded as unrealized gains on investments (net) in past fiscal years.
  5. Prepaid forward contracts using Alibaba shares entered into in FY2019 to FY2021
  6. Foreign exchange loss resulted from the weaker yen, mainly because the U.S. dollar-denominated debt (borrowings from subsidiaries, foreign currency-denominated straight bonds and others) of SBG and financing subsidiaries in Japan exceeded their U.S. dollar-denominated cash and deposits and loan receivables.
  7. Repurchased a cumulative total of 83.31 million shares for a total amount of ¥433.0 billion by the end of April 2022.
  8. The ratio of liabilities to assets held, calculated as adjusted net interest-bearing debt divided by equity value of holdings. SBG strives to maintain this ratio below 25% in normal times in financial markets, with an upper threshold of 35% in times of emergency. Equity value of holdings and adjusted net interest-bearing debt each exclude amounts to be settled at maturity or borrowings that are part of asset-backed financing. The calculation of adjusted net interest-bearing debt also excludes, from the Group's consolidated figures, interest-bearing debt and cash and cash equivalents, etc. attributable to listed subsidiaries such as SoftBank Corp. (including Z Holdings Corporation and other subsidiaries), entities managed on a self-financing basis, such as SoftBank Vision Fund 1, SoftBank Vision Fund 2, SoftBank Latin America Funds, Arm, and PayPay Corporation, and SB Northstar LP, an asset management subsidiary.

## 2) Results by reportable segment



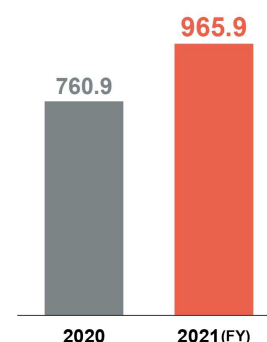
### Investment Business of Holding Companies

#### Main businesses

##### ▶ Investment activities by SBG and its subsidiaries

Segment income for FY2021 was ¥965.9 billion. The main factors include the recording of a derivative gain of ¥1,133.0 billion in connection with financing using Alibaba shares, and a gain relating to settlement of ¥200.0 billion due to partial in-kind settlement through the delivery of Alibaba shares, as well as the recording of a gain of ¥70.3 billion\*<sup>1</sup> relating to investments in T-Mobile and Deutsche Telekom. However, a loss on investments of ¥229.7 billion was recorded for listed stocks and other instruments.

#### ■ Segment income (¥ billion)



(Note) 1. Sum of derivative gain related to investments, unrealized gain on valuation, and gain on sale of T-Mobile shares



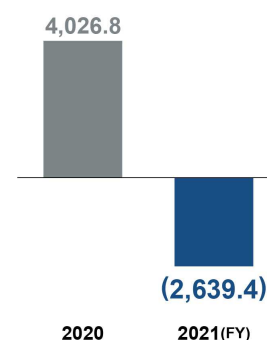
### SoftBank Vision Funds

#### Main businesses

##### ▶ Investment activities by SVF1 and SVF2

Segment loss for FY2021 was ¥2,639.4 billion. Although realized gain on investments (net) was recorded due to partial sale of shares in some listed portfolio companies, unrealized loss (net) of over ¥3 trillion was recorded on investments held at the end of FY2021 as share prices declined in a wide range of listed portfolio companies, including Coupang, Inc., DiDi Global Inc., and Grab Holdings, Ltd. As a result, loss on investments amounted to ¥3,547.4 billion. In the calculation of segment income, ¥972.7 billion was deducted as loss attributable to third-party interests.

#### ■ Segment income (¥ billion)



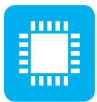
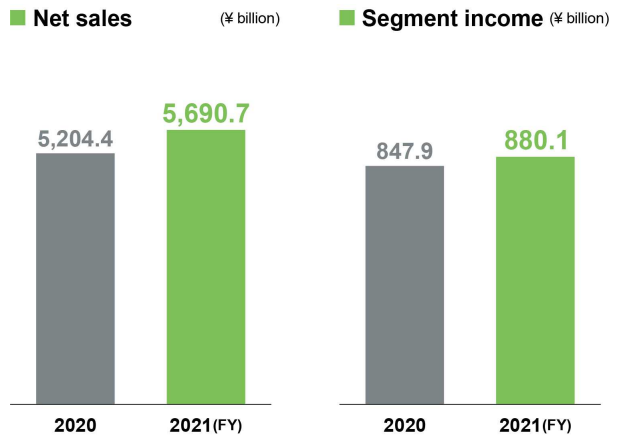


# SoftBank

## Main businesses

- ▶ Provision of mobile services, sale of mobile devices, and provision of broadband and solution services in Japan
- ▶ Internet advertising and e-commerce business

Segment income for FY2021 increased by 3.8% year on year to ¥880.1 billion. Income in the Yahoo! JAPAN/LINE business mainly due to increased sales resulting from the consolidation of LINE Corporation, and income in the enterprise business due to rising demand for remote working and the digitization of enterprises increased along with greater gain on investments, despite the negative impact such as the reduction of mobile service communications fees.

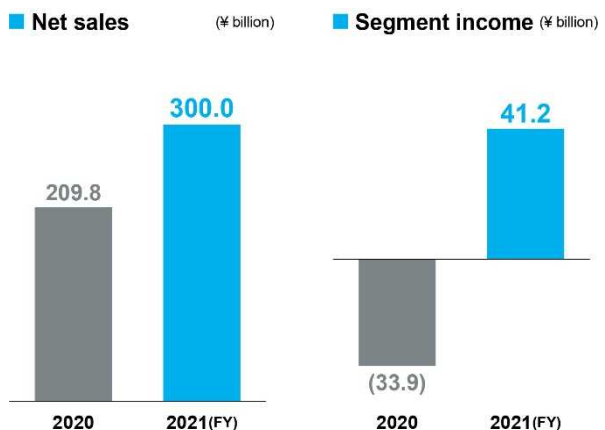


# Arm

## Main businesses

- ▶ Design of microprocessor intellectual property and related technologies
- ▶ Sale of software tools and provision of related services

Segment income for FY2021 was ¥41.2 billion. The turnaround was achieved owing to a significant 43.0% increase in net sales driven by the expansion of Arm's market share amid strong growth in the semiconductor industry and the contribution of technologies developed through years of planned R&D investment made after the acquisition of Arm, as well as cost control effects. In February 2022, SBG announced that it would terminate its agreement to sell all of its shares in Arm to NVIDIA, and would prepare for a public listing of Arm.





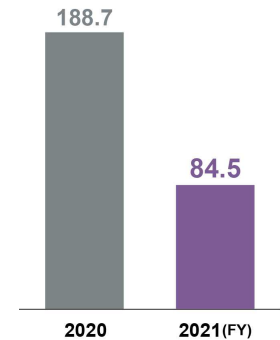
## Latin America Funds

### Main businesses

#### ▶ Investment activities by SoftBank Latin America Funds

Segment income for FY2021 was ¥84.5 billion. Unrealized gain on valuation of investments (net) totaled ¥118.9 billion, mainly attributable to an increase in the fair value of unlisted portfolio companies due to the stronger local currencies against the U.S. dollar, while the share prices of listed portfolio companies declined. In contrast, realized loss on investments of ¥9.1 billion was recorded in association with two portfolio companies.

#### ■ Segment income (¥ billion)



## Others

### Main businesses

- ▶ Smartphone payment business
- ▶ Alternative investment management business
- ▶ Fukuoka SoftBank HAWKS-related businesses

PayPay Corporation and Fortress Investment Group LLC recorded losses before income tax of ¥60.5 billion and ¥30.8 billion, respectively, while a gain of ¥72.9 billion was recorded relating to the loss of control of a subsidiary<sup>\*2</sup>, following its sale in June 2021. As a result, segment loss was ¥22.3 billion. PayPay Corporation, which is engaged in smartphone payment services, increased revenue, mainly due to growth in gross merchandise volume and the introduction of payment fees to small and medium-sized merchants in October 2021, and narrowed loss before income tax year on year.

(Note) 2. Boston Dynamics, Inc.

### 3) Sustainability

SBG recognizes the importance of considering sustainability in its corporate activities in order to achieve sustainable social development and mid-to-long-term growth for the Group, and is promoting various initiatives in cooperation with the Group companies.

#### [Social: Promotion of Women Empowerment]

The Group believes that the driving force for the growth of the entire Group is each female employee being able to fully express her individuality and abilities, and is actively advancing the hiring and promotion to management positions of female employees. As of March 2022, female employees made up approximately 45% of the total employees of SBG, while accounting for approximately 22% of managers.



SoftBank Corp. has set a goal of doubling the ratio of female managers in FY2021 (7.1%) to 15% by FY2030 and tripling it to 20% by FY2035. To achieve this goal, SoftBank Corp. has established a “Advancement of Women Promotion Committee” consisting of officers and external experts to discuss policies and measures for promoting and strengthening the empowerment of women, while providing workshops on career development for female employees, a mentoring program for leaders, and other support.

#### [Social: Our Response to COVID-19]

While COVID-19 is having a major impact on society, SBG has been implementing various initiatives in cooperation with the Group companies. In FY2021, the Group conducted workplace vaccinations and large-scale vaccinations. By the end of March 2022, approximately 230,000 doses\*<sup>1</sup> had been administered at 12 sites nationwide to employees of the Group companies, their families, business partners, healthcare workers, local residents, and others.

In addition, SB Coronavirus Inspection Center Corp., established in July 2020, has a PCR testing capacity of 21,000 tests per day, supporting people's lives and safety in the time we live with COVID-19. Furthermore, it has established a system that can quickly provide highly accurate testing without being restricted by location. Using the COVID-19 Testing Vehicle developed in February 2022, it can flexibly respond to the demand for testing that fluctuates depending on the situation.



COVID-19 Testing Vehicle

## [Environmental: Working to Achieve Decarbonized Society]

Recognizing that climate change is a global and urgent social issue, the Group contributes to the decarbonization of society as a whole by reducing greenhouse gas emissions from its business activities, and promoting the spread of renewable energy through the Group's energy-related businesses.

With regard to the greenhouse gas emission reduction, SBG has continued to achieve carbon neutrality since FY2020, reducing greenhouse gas emissions from its business activities to virtually zero. SoftBank Corp., Z Holdings Corporation, and Arm Limited have set their own greenhouse gas reduction targets and aim to achieve carbon neutrality by 2030.

SB Energy Corp. has a total of 50 solar and wind power plants in operation in Japan and overseas (Mongolia), with a generating capacity of approximately 773 MW<sup>2</sup>, enough to supply the annual power consumption of approximately 270,000 ordinary Japanese households. In addition, SB Energy Global Holdings Limited and its subsidiaries own and operate four solar power plants in the U.S., with a generating capacity of approximately 1,300 MW<sup>3</sup>. SB Power Corp. also provides “*Shizen-Denki*,” an electric power service for households with a virtually 100% renewable energy ratio<sup>4</sup>.



Miyagi Osato Solar Park

## [Contribution to Solving Environmental and Social Issues through Our Investment Business]

Through our investment businesses such as SoftBank Vision Funds, the Group has invested in a number of companies that contribute to solving environmental and social issues.

### Examples of Portfolio Companies That Contribute to Solving Environmental and Social Issues

#### Environmental: Enpal

Enpal contributes to the expansion of renewable energy at low cost by providing solar power and energy storage systems on a lease basis with no upfront costs. It has already installed approximately 14,000 solar power systems and aims to install one million over the next 10 years.



#### Social: Papa

Papa provides a service that matches people who need support in their daily lives, such as the elderly, with those who can provide support. The support providers are called “Papa pal” and, after appropriate examination and training, act as a familiar presence for the users, helping them to reduce loneliness through companionship and achieve independent and healthy lifestyles.



- (Notes)
1. Total of first to third vaccinations, including those conducted at Tokyo Nogizaka Vaccination Center and WeWork Minatomirai Site, where the Group cooperates in vaccinations
  2. As of April 2022
  3. As of April 2022
  4. By combining electricity supplied to customers with non-fossil certificates with renewable energy designation, it can virtually supply electricity with a 100% renewable energy ratio and zero CO2 emissions.



#### 4) Capital expenditure

During FY2021, the Group executed capital expenditures to expand businesses such as the SoftBank segment.

The breakdown of the capital expenditure by segment is as follows.

Name of segment	Amount invested (¥ million)
■ Investment Business of Holding Companies	3,238
■ SoftBank Vision Funds	334
■ SoftBank	632,711
■ Arm	15,313
■ Latin America Funds	20
■ Others	97,678
Total	749,294

- (Notes)
1. Amounts indicate the amount of assets accepted.
  2. The amounts of capital expenditure do not include consumption taxes.
  3. The amounts of capital expenditure include the purchase of property and equipment, right-of-use assets and intangible assets and the investments in long-term prepaid expenses associated with equipment.

The breakdown of major capital expenditure is as follows.

##### ■ SoftBank

- Base station facilities
- Switching facilities
- Network facilities
- Servers and network-related equipment

## 5) Financing activities

The amount of interest-bearing debt\* of the Group increased by ¥2,944.5 billion in FY2021, attributable mainly to increased financing using stocks held by the Group.

At SBG, interest-bearing debt increased by ¥1,285.2 billion, primarily due to the issuance of foreign currency-denominated straight corporate bonds. Additionally, interest-bearing debt at wholly-owned subsidiaries established for the purpose of monetizing holding assets increased by ¥2,433.8 billion, mainly due to an increase in asset-backed financing. As for other consolidated subsidiaries, interest-bearing debt increased at SoftBank Vision Fund 2, Z Holdings Corporation, and SoftBank Corp., while interest-bearing debt decreased at SB Northstar LP, SB Energy Holdings Limited, and SoftBank Vision Fund 1.

The outline of major transactions is as follows.

### (1) Borrowings

The amount of borrowings by the Group from financial institutions decreased by ¥66.1 billion in FY2021. Major changes in the outstanding balance of borrowings at the Group are as follows:

Company name	Description	Details
SoftBank Group Corp.	Increase of ¥102.2 billion	Renewal and increase of credit line facility
Skywalk Finance GK	Decrease of ¥162.6 billion	Repayment of borrowing before maturity and implementation of new borrowing using Alibaba shares
Delaware Project 6 L.L.C.	Decrease of ¥229.7 billion	Repayment of borrowing using T-Mobile shares
Project 1 (Cayman) Limited	Increase of ¥413.7 billion	Borrowing using Deutsche Telekom shares
SB Northstar LP	Decrease of ¥1,833.0 billion	Mainly repayment of borrowing using listed shares
SB Energy Holdings Limited	Decrease of ¥114.0 billion	Decrease in borrowing due to sale of SB Energy Holdings Limited
SoftBank Vision Fund 1	Decrease of ¥107.7 billion	Mainly repayment of borrowing using listed shares
SoftBank Vision Fund 2	Increase of ¥731.5 billion	Mainly borrowing using shareholdings
Z Holdings Corporation	Increase of ¥157.7 billion	Increase in long-term borrowing
Kronos I (UK) Limited	Increase of ¥961.5 billion	Borrowing using Arm shares

(Note) Interest-bearing debt excludes deposits for banking business and lease liabilities at PayPay Bank Corporation.

#### ■ **Status of the credit line facility by SoftBank Group Corp.**

Upon the expiration of the term of the credit line facility structured in FY2020, a yen credit line facility for a total amount of ¥154.7 billion and a foreign currency credit line facility for a total amount of \$3.73 billion were newly executed between SBG and a group of financial institutions in August 2021. In November 2021, the total amount of the yen credit line facility was revised to ¥124.7 billion and the total amount of the foreign currency credit line facility was revised to \$4.5 billion. As of the end of FY2021, the outstanding balance of the loan for the credit line facilities was \$4.5 billion.

#### ■ **Borrowing by wholly-owned subsidiaries of SBG using their shareholdings**

Skywalk Finance GK increased its \$8.13 billion line of credit, which was set up using Alibaba shares in March 2021, by \$1.88 billion and additionally borrowed the same amount in June 2021. In December 2021, Skywalk Finance GK repaid all the amounts borrowed using this line of credit, and newly set up a \$6.0 billion line of credit and borrowed the same amount. In September 2021, Delaware Project 6 L.L.C. repaid \$4.38 billion borrowed using T-Mobile shares, and newly set up a \$2.06 billion line of credit and borrowed the same amount. In October 2021, Project 1 (Cayman) Limited borrowed €2.64 billion using Deutsche Telekom shares. In March 2022, Kronos I (UK) Limited borrowed \$8.0 billion using Arm shares.

#### ■ **Repayment of borrowing by SB Northstar LP**

SB Northstar LP, an asset management subsidiary, repaid most of its short-term borrowing for use in transactions of listed shares and borrowing made through the line of credit using Alibaba shares.

#### ■ **Borrowing and repayment of borrowing by SoftBank Vision Fund 1**

SoftBank Vision Fund 1 made borrowing using the line of credit set up using its shareholdings and repaid a portion of those borrowings.

#### ■ **Borrowing by SoftBank Vision Fund 2**

SoftBank Vision Fund 2 made borrowing of \$7.0 billion using its shareholdings and repaid a portion of those borrowings.

#### ■ **Borrowing by Z Holdings Corporation**

Z Holdings Corporation made new long-term borrowing of ¥150 billion from a group of financial institutions.

## (2) Corporate bonds

Total outstanding balance of corporate bonds for FY2021 increased by ¥1,442.0 billion. Of this amount, ¥1,172.7 billion increased at SBG and the remainder increased at SoftBank Corp. and Z Holdings Corporation.

Major issuance and redemption of corporate bonds by the Group are as follows:

### ■ SoftBank Group Corp.

(Yen-denominated subordinated corporate bonds)

In FY2021, SBG issued yen-denominated subordinated corporate bonds of a total of ¥1,050.0 billion in face value for the purpose of refinancing, and redeemed yen-denominated subordinated corporate bonds of a total of ¥766.0 billion in face value at maturity. As a result, the total outstanding balance of yen-denominated subordinated corporate bonds increased by ¥284.0 billion in face value.

Date of transaction	Transaction	Bond	Issue value
September 16, 2021	New issuance	4 <sup>th</sup> Unsecured Subordinated Corporate Bonds (with a subordination provision)	¥50.0 billion
September 30, 2021	New issuance	3 <sup>rd</sup> Unsecured Subordinated Corporate Bonds (with a subordination provision)	¥450.0 billion
December 17, 2021	Redemption at maturity	1 <sup>st</sup> Unsecured Subordinated Corporate Bonds (with a subordination provision)	¥361.6 billion
February 4, 2022	New issuance	5 <sup>th</sup> Unsecured Subordinated Corporate Bonds (with a subordination provision)	¥550.0 billion
February 9, 2022	Redemption at maturity	2 <sup>nd</sup> Unsecured Subordinated Corporate Bonds (with a subordination provision)	¥404.4 billion

(Yen-denominated hybrid corporate bonds)

In FY2021, SBG issued yen-denominated hybrid corporate bonds of a total of ¥405.0 billion in face value for the purpose of refinancing, and using proceeds from this together with proceeds from yen-denominated hybrid corporate bonds of a total of ¥177.0 billion issued in FY2020, redeemed yen-denominated hybrid bonds of a total of ¥455.6 billion in face value on the first optional redemption date before maturity. As a result, the total outstanding balance of yen-denominated hybrid corporate bonds at the end of FY2021 decreased by ¥50.6 billion in face value.

Date of transaction	Transaction	Bond	Issue value
June 21, 2021	New issuance	5 <sup>th</sup> Unsecured Bonds with Optional Interest Deferral and Callable Clauses	¥405.0 billion
September 16, 2021	Redemption before maturity	1 <sup>st</sup> Unsecured Bonds with Optional Interest Deferral and Callable Clauses	¥55.6 billion
September 30, 2021	Redemption before maturity	3 <sup>rd</sup> Unsecured Bonds with Optional Interest Deferral and Callable Clauses	¥400.0 billion

(Foreign currency-denominated straight corporate bonds)

In July 2021, SBG issued foreign currency-denominated straight corporate bonds of a total of \$3,850 million in face value and a total of €2,950 million in face value (totaling ¥874.5 billion in yen terms). As a result of this, as well as due to the effect of exchange rate fluctuations and other factors, the total outstanding balance of foreign currency-denominated straight corporate bonds in face value increased by ¥956.0 billion in yen terms.

Date of transaction	Transaction	Bond	Issue value
July 6, 2021	New issuance	USD-denominated Senior Notes due 2025	\$550 million
July 6, 2021	New issuance	USD-denominated Senior Notes due 2026	\$800 million
July 6, 2021	New issuance	USD-denominated Senior Notes due 2028	\$1,000 million
July 6, 2021	New issuance	USD-denominated Senior Notes due 2031	\$1,500 million
July 6, 2021	New issuance	Euro-denominated Senior Notes due 2024	€750 million
July 6, 2021	New issuance	Euro-denominated Senior Notes due 2027	€800 million
July 6, 2021	New issuance	Euro-denominated Senior Notes due 2029	€800 million
July 6, 2021	New issuance	Euro-denominated Senior Notes due 2032	€600 million

As a result of all of the aforementioned transactions, SBG's total outstanding balance of corporate bonds in face value increased by ¥1,189.4 billion.

#### ■ SoftBank Corp. and Z Holdings Corporation

SoftBank Corp. issued yen-denominated straight corporate bonds of a total of ¥100.0 billion in face value in June 2021, a total of ¥80.0 billion in face value in October 2021, and a total of ¥30.0 billion in face value in January 2022. Z Holdings Corporation issued yen-denominated straight corporate bonds of a total of ¥100.0 billion in face value in July 2021, and redeemed yen-denominated straight corporate bonds of a total of ¥25.0 billion in face value in December 2021 and a total of ¥15.0 billion in face value in February 2022.

**6) Status of transfer of business, absorption by corporate split-up or establishment by corporate split-up**

Not applicable.

**7) Status of acquisition of business of other companies**

Not applicable.

**8) Status of succession of rights and obligations regarding other corporate business through merger by absorption or absorption by corporate split-up**

Effective July 1, 2021, SBG merged Net Culture GK, a wholly-owned subsidiary of SBG.

**9) Status of holding of shares of other companies and acquisition and disposition of stock acquisition rights**

- (1) On June 21, 2021, SBG sold the majority of shares in Boston Dynamics, Inc. (“Boston Dynamics”) held by SBG through a wholly-owned subsidiary to Hyundai Motor Company and its affiliates (collectively, the “Hyundai Motor Group”) and Euisun Chung, Chairman of Hyundai Motor Group. On the same date, Hyundai Motor Group and Euisun Chung subscribed for additional shares of Boston Dynamics. Upon completion of the transaction, Boston Dynamics ceased to be a consolidated subsidiary of SBG.
- (2) SoftBank Corp., a subsidiary of SBG, acquired shares, etc., (approximately 41.4% of voting rights) of eMnet Japan, Inc. through a tender offer implemented from May 24, 2021 to June 21, 2021, and consolidated the company. As a result, eMnet Japan, Inc. became a consolidated subsidiary of SBG.

**10) Other important matters related to the status of the Group**

On September 13, 2020 (U.S. time), SoftBank Group Capital Limited (“SBGC”), a wholly-owned subsidiary of SBG, and SVF1 entered into an agreement (the “Agreement”) with NVIDIA, whereby SBG would sell all of its shares in Arm held by SBGC and SVF1 to NVIDIA (the “Transaction”).

However, NVIDIA and SBG agreed to terminate the Agreement on February 8, 2022, because of significant regulatory challenges preventing the consummation of the Transaction, despite good faith efforts by the parties.

## 11) Important management issues

### **Key businesses**

The management of SBG recognizes investment funds (SoftBank Vision Fund 1, SoftBank Vision Fund 2 and SoftBank Latin America Funds), Arm, and SoftBank Corp. as its most important businesses in terms of the extremely large investments made therein by SBG and the impact each has on SBG's consolidated earnings. The priority management issues to address in each business are as follows.

#### **a. Success of investment funds**

SoftBank Vision Fund 1 (SVF1), SoftBank Vision Fund 2 (SVF2), and SoftBank Latin America Funds aim to maximize returns from a medium- to long-term perspective by making investments in high-growth-potential technology companies that are leveraging data and AI. SVF1 began its operation in 2017 and SVF2 and SoftBank Latin America Funds began their operations in 2019.

SBG participates in each fund as a limited partner and its wholly-owned subsidiaries that manage each fund (SBIA, which manages SVF1, and SBGA, which manages SVF2 and SoftBank Latin America Funds; collectively, the "Fund Management Subsidiaries") are entitled to receive management and performance fees from SVF1 and SoftBank Latin America Funds and management and performance-linked management fees from SVF2, measured in reference to the investment activities of the funds.

The success of these investment funds is crucial to the implementation of SBG's business model as a strategic investment holding company. The Fund Management Subsidiaries seek to maximize returns of the funds over time through the following efforts.

#### **i. Managing large amounts of funds over the medium to long term**

SVF1, SVF2 and SoftBank Latin America Funds have the characteristics of being long-term private funds with a duration of over a decade, in addition to their large amount of committed capital. As of March 31, 2022, the total committed capital for each fund is USD 98.6 billion for SVF1, USD 56.0 billion for SVF2, and USD 7.3 billion for SoftBank Latin America Funds. Leveraging such distinctive features, the funds have developed unique investment portfolios mainly comprising private companies valued at more than USD 1 billion at the time of investment, colloquially known as "unicorns," or companies that are considered to have potential to become such. Moreover, by conducting medium- to long-term investment in companies that have established a presence across industries and types of technology and maintaining a level of geographic and strategic diversity across their portfolios, the Fund Management Subsidiaries curb the effect of short-term market fluctuations while pursuing medium- to long-term returns.

## **ii. Enhancing the value of portfolio companies**

The Fund Management Subsidiaries seek to maximize the equity value of the holdings of the funds by carefully selecting investments and promoting the growth of portfolio companies through a wide range of support and network connections. For example, they seek to identify and execute opportunities to accelerate profitability and growth of their portfolio companies by establishing partnerships and collaboration across the greater ecosystem of the Group and its partners. They also provide portfolio company leaders with access to a global team of operating specialists, as well as counsel from in-market resources as they seek to navigate growth. Moreover, they encourage sustained growth by monitoring the profitability and governance structures of portfolio companies, in addition to supporting their business activities.

## **iii. Realization of investment through optimal exit strategies**

Due to differences in the timing of the start of operations, each fund is in a different phase of its investment cycle. SVF2 and SoftBank Latin America Funds are actively pursuing new investments, while SVF1 is primarily focused on realizing value creation on invested capital as its investment period ended in September 2019. In the realization of investments, it is crucial to selectively exit assets in a timely and appropriate manner in order to maximize return and ultimately make distributions to limited partners including SBG. While the funds may exit through sale to a third party by mergers and acquisitions, the principal exit strategy is via the public listing of a portfolio company. For a public portfolio company, the Fund Management Subsidiaries have a mechanism in place to systematically sell funds' shareholdings while prudently assessing the competitive landscape and share price trends. Moreover, the funds may selectively utilize financing structures, collateralizing listed assets in order to precede distributions to limited partners while determining the optimal timing of the sales.

In FY2021, a total of 24 portfolio companies went public, the majority of which took place in the first half of the period. In the recent past, stock market volatility has increased due to heightened geopolitical risks and concerns about the monetary policies of the U.S. and other major central banks. Each fund aims to maximize returns from a medium- to long-term perspective while minimizing the impact of short-term market fluctuations. As long-term investment vehicles, these funds have a life cycle of over a decade to determine the optimal means and timing of exits.



#### **iv. Building an appropriate management system**

Creating a strong organization, especially attracting and retaining top talent, is critical to the reproducibility of investment successes and sustained growth of the funds. The Fund Management Subsidiaries are overseen by CEO Rajeev Misra, who is Corporate Officer, Executive Vice President of SBG, and run by senior leadership from a variety of backgrounds including investment banking, venture capital, and technology. To date, they have built and continue to improve an organizational structure with investment, operating, capital, functional and management teams that match the needs and scale of their managing assets and global operations. By taking a team approach with a group of experts, the Fund Management Subsidiaries aim to accumulate and share institutional knowledge to achieve sustained growth for each fund. They are also focused on attracting and developing their diverse, quality talent to further strengthen the organization.

#### **b. The success of Arm's IPO and long-term strategy**

Arm is a global leader in the development of semiconductor technology, which is central to pervasive computing, a trend that is shaping today's connected world. Arm's processor technology is the world's most widely licensed and deployed semiconductor design of its kind and is used in virtually all smartphones, the majority of tablets and digital TVs, and a significant proportion of all chips with embedded processors. Since being acquired by SBG in 2016, Arm has increased investment in R&D and expanding its product portfolio and addressable markets. Arm is now preparing for a potential public listing. To achieve sustainable long-term growth, Arm focuses on maintaining or gaining share in markets such as mobile computing, AI, IoT, cloud, autonomous driving, and the Metaverse, increasing the royalty revenue it receives per chip, and introducing new business models to help more companies gain access to Arm's technology.

#### **Industry trends and their impact**

Semiconductor industry trends can have a significant impact on Arm's financial results, both positively and negatively. The semiconductor industry has grown very strongly due to long-term trends such as more products and services depending on increasing amounts of embedded intelligence, such as cars providing more driver information and assistance, and smartphones improving camera technology generation after generation for better photography. Some markets have shown particularly strong growth in FY2021 including 5G smartphones and networking equipment as well as embedded and automotive applications, where Arm has good exposure. This growth has benefited Arm's technology royalty revenue to increase by 20.1% year on year, as it grows with industry sales. In addition, industry growth also accelerated Arm's customers' design activity, creating new opportunities for Arm to license its latest technologies and thus driving non-royalty revenue (technology licensing revenue and software and services revenue) to increase by 61.0% year on year.

World semiconductor market\*<sup>1</sup>

(Billions of USD)

	Apr 2019 to Mar 2020	Apr 2020 to Mar 2021	Apr 2021 to Mar 2022
Overall market			
Market value	419	459	584
YoY growth	(7.8%)	9.6%	27.2%
Arm-addressable market			
Market value	238	259	320
YoY growth	0.6%	9.0%	23.3%
Arm segment* <sup>2</sup>			
Technology royalty revenue	1.10	1.28	1.54
YoY growth	-	16.7%	20.1%

- (Notes) 1. World Semiconductor Trade Statistics (WSTS) as of May 2022. Arm-addressable market excludes memory and analogue chips. This data is compiled on the basis of data submitted by semiconductor companies participating in the survey.  
2. In FY2020, it was decided that the Internet-of-Things Services Group (ISG) businesses would be managed separately from Arm's remaining business. Accordingly, operating results for Arm presented in the Arm segment have since excluded the contribution of the ISG businesses, and operating results for FY2019 have been retrospectively presented.

**c. Steady growth in the corporate value of the SoftBank Corp. group**

In response to the spread of COVID-19, which has continued since 2020, the digitalization of every facet of human life and business has been progressing in Japan. Cutting-edge technologies including 5G, for which commercial services were launched in March 2020, as well as AI, IoT, big data, and blockchain, have further supported this progress in digitalization. Going forward, the digitalization of society will likely continue to progress even more, and a digital transformation that is changing the structure of industry itself looks set to accelerate even further. In this environment, under its Beyond Carrier growth strategy, the SoftBank Corp. group, which is responsible for the Group's domestic operations, will strive to spur sustainable growth of its core telecommunications business, as it goes beyond the confines of telecommunications carriers to proactively develop business in various fields of the information and technology sector, with the aim of maximizing its corporate value. Specifically, the group is working to (1) drive further growth in the telecommunications business, (2) drive growth of the Yahoo! JAPAN/LINE business, (3) develop and expand new business fields, and (4) streamline costs.

In terms of its financial strategy, the SoftBank Corp. group believes that adjusted free cash flow\*<sup>3</sup> is a key performance indicator. The group will continue aiming to steadily generate adjusted free cash flow so that it can make investments in growth while maintaining high shareholder returns. Furthermore, the group positions medium- to long-term corporate value increase and the return of profits to shareholders as an important management issue; based on the concept of total returns, which encompasses dividends and share repurchases, the group's policy is to provide continuous and stable shareholder returns while also giving comprehensive consideration to factors such as performance trends and financial position.

- (Note) 3. Adjusted free cash flow = free cash flow ± cash flow relating to non-recurring transactions with the parent company SoftBank Group Corp. + (proceeds from the securitization of installment sales receivables – repayments thereof)

## **Company-wide**

### **a. Constructing stable financial foundations**

In the financial management of the Group, SBG, as a strategic investment holding company, exercises control over its investment portfolio comprising subsidiaries and other Group companies. Given that this business model is susceptible to the impacts of fluctuations in the equity value of holdings, including stock market trends, SBG aims to ensure safety by conducting stable financial management that curbs such impacts as much as possible. Specifically, SBG aims to manage its LTV (loan to value, calculated as adjusted net interest-bearing debt ÷ equity value of holdings,<sup>4</sup> the ratio of liabilities to holding assets) below 25% in normal times in financial markets, with an upper threshold of 35% even in times of emergency, while controlling liabilities appropriately in accordance with the status of investment activities, including new investments, divestments, and changes in the value of investment assets. Moreover, SBG strives to maintain safety by securing funds sufficient to redeem bonds for at least the next two years on hand through selling or monetizing its investment assets, in addition to receiving dividends from subsidiaries and other investees and distributions from investment funds within the Group, such as SVF1 and SVF2, in which SBG participates as a limited partner.

In FY2021, SBG received distributions totaling USD 15.2 billion from SVF1 and SVF2 and reinvested these distributions, primarily to fund certain new investments in SVF2. In FY2022 and beyond, SBG will continue striving to conduct business management as a sustainable investment holding company by “recycling” investment funds in the manner described above, while observing its financial policy of maintaining LTV and liquidity on hand.

(Note) 4. Equity value of holdings and adjusted net interest-bearing debt each exclude amounts to be settled at maturity or borrowings that are part of asset-backed finance. The calculation of adjusted net interest-bearing debt also excludes interest-bearing debt and cash and cash equivalents, etc. attributable to entities managed on a self-financing basis such as SoftBank Corp. (including its subsidiaries such as Z Holdings Corporation), SoftBank Vision Fund 1, SoftBank Vision Fund 2, SoftBank Latin America Funds, Arm, and PayPay Corporation, as well as SB Northstar, an asset management subsidiary.

### **b. Building an investment portfolio with liquidity and diversity**

To preserve and sustainably increase the equity value of holdings as a strategic investment holding company, it is essential for SBG to ensure the liquidity and diversity of its investment portfolio. Regarding liquidity, in the investment businesses of SBG and entities such as SVF1 and SVF2, intensive investments are being made in unlisted, late-stage companies in information and technology fields with rapid rates of business growth that have established business models and competitive advantages and are deemed highly likely to go public in the near future by the Group. As progress is made on the listing of these investees, SBG believes that it can ultimately expect to improve future liquidity.


Turning to diversity in the investment portfolio, the composition of shares of Alibaba Group Holding Limited in SBG's equity value of holdings had decreased to just over 20% as of March 31, 2022, indicating that SBG is already making progress on diversifying the investment portfolio. It is crucial to further increase the diversity of the investment portfolio while continuing to hold Alibaba shares. To this end, SBG is working to improve the diversity of its investment portfolio by obtaining funds through financing that utilizes its equity holdings (prepaid forward contracts and margin loans, etc.) and allocating these funds to make new investments, as well as increasing the value of each investment. In addition, the companies that SBG invests in through its investment funds have in common the fact that they utilize AI, while these investees are spread out across a wide range of industries, such as the consumer, transportation, healthcare, real estate and education sectors, as well as across geographies such as the U.S., Europe, China, Latin America and other countries and regions. Such portfolio construction thus mitigates the impact that a change in certain industries or regions can have on SBG's overall portfolio.

**c. Promoting sustainability**

Under its corporate philosophy of "Information Revolution - Happiness for everyone," the Group seeks to realize the sustainable development of society and its own growth over the medium to long term. The Group therefore recognizes the importance of considering sustainability in its corporate activities and is addressing risks related to the environment, society, and governance (ESG). At the same time, the Group views responding to ESG-related issues as an opportunity to create new corporate value.

In promoting sustainability, SBG has formulated the sustainability vision: "Help shape the next 300 years for our future generations and the planet." Guided by the vision, SBG has identified six activity themes and high-priority Strategic Material Issues that it needs to focus on.

As a governance framework related to sustainability, SBG has appointed the CFO, who is the chief officer responsible for financial strategy, as Chief Sustainability Officer (CSusO), who is responsible for promoting sustainability. This framework is designed to realize sustainable growth and to create medium- to long-term corporate value by enabling risks and opportunities to be considered from both financial and non-financial aspects. Furthermore, the Sustainability Committee comprising mainly executive officers has been established to promote multifaceted discussion on material issues, forward direction, risks, and opportunities. The committee supervises consensus formation between relevant parties and promotion of specific activities, and reports to the Board of Directors.



In FY2021, Sustainability Committee meetings were held in October and December 2021 and March 2022. The committee recognized important issues, including integration of environmental and social factors into investee selection and monitoring processes after investment, proactive response to climate change, and implementation of human rights due diligence, and discussed its policy for responding to these issues going forward. The committee also discussed disclosure of climate change information in accordance with the framework of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and enhancing disclosure of ESG-related information, including human capital, tax matters, and information security.

Looking ahead, SBG aims to enhance its responses to the issues described above. For this, SBG will step up the implementation of Group-wide activities, such as further strengthening integration of environmental and social factors in investee selection and monitoring processes after investment, setting Group targets for climate change measures, enhancing human rights due diligence measures, and collecting and disclosing ESG-related information furthermore. Moreover, SBG believes that it is crucial to clearly establish its Group-wide approach to AI ethics as it conducts the Group's businesses around the central theme of AI. Based on this belief, SBG will be working to formulate a Group policy on AI ethics.

### 3 Major subsidiaries (as of March 31, 2022)

Company name	Capital	Voting rights <sup>*1</sup> (%)	Principal business activities
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#### ■ Investment Business of Holding Companies

SoftBank Group Capital Limited	US\$5,508 thousand	100	- Holding company
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#### ■ SoftBank

SoftBank Corp.	¥204,309 million	40.68 [40.68]	- Provision of mobile services, sale of mobile devices, and provision of broadband and solution services in Japan
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#### ■ Arm

Arm Limited	US\$1,273 thousand	100 [100]	- Design of microprocessor intellectual property and related technologies - Sale of software tools and provision of related services
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Company name	Capital accepted	Investment ratio (%)	Principal business activities
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#### ■ SoftBank Vision Funds

SoftBank Vision Fund L.P.	US\$87 billion	33.58 <sup>*2</sup>	- Investment funds in the technology sectors
SoftBank Vision Fund II-2 L.P.	US\$48 billion <sup>*3</sup>	100 [82.75] <sup>*4</sup>	- Investment funds in the technology sectors

#### ■ Latin America Funds

SBLA Latin America Fund LLC	US\$7 billion <sup>*3</sup>	100 [82.75] <sup>*4</sup>	- Investment funds in the technology sectors
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- (Notes)
- The figures in brackets represent percentage of indirectly owned voting rights.
  - Including investments through the incentive schemes related to SoftBank Vision Fund 1.
  - Including capital in the form of preferred equity, and equity under a co-investment program with restricted rights to receive distributions, which has been introduced by each of SoftBank Vision Fund 2 and SoftBank Latin America Funds together with MASA USA LLC, which is controlled by Mr. Masayoshi Son, Representative Director, Corporate Officer, Chairman & CEO of SBG. For details of the co-investment program with restricted rights to receive distributions, please also refer to the "Notes to Consolidated Financial Statements (Other Notes)" posted on SBG's website on the Internet (<https://group.softbank/en>).
  - The figures in brackets represent the ratio of equity interests of the Group under the co-investment program with restricted rights to receive distributions.

#### 4 Major business offices (as of March 31, 2022)

Company name	Major offices
<b>■ Investment Business of Holding Companies</b>	
SoftBank Group Corp.	Head office: Minato-ku, Tokyo
SoftBank Group Capital Limited	Head office: London, UK
<b>■ SoftBank Vision Funds</b>	
SoftBank Vision Fund L.P.	Head office: Jersey, Channel Islands
SoftBank Vision Fund II-2 L.P.	Head office: Jersey, Channel Islands
<b>■ SoftBank</b>	
SoftBank Corp.	Head office: Minato-ku, Tokyo Sales office: Chuo-ku, Sapporo; Miyagino-ku, Sendai; Nakamura-ku, Nagoya; Kita-ku, Osaka; Kanazawa, Ishikawa Pref; Naka-ku, Hiroshima; Takamatsu, Kagawa Pref; Hakata-ku, Fukuoka
<b>■ Arm</b>	
Arm Limited	Head office: Cambridgeshire, UK Sales office: California, U.S.; Texas, U.S.; Karnataka, India; Sophia Antipolis, France; Manchester, UK; Kohoku-ku, Yokohama
<b>■ Latin America Funds</b>	
SBLA Latin America Fund LLC	Head office: Delaware, U.S.

## 5 Employees (as of March 31, 2022)

Name of segment	Number of employees (people)	
■ Investment Business of Holding Companies	401	[33]
■ SoftBank Vision Funds	387	[—]
■ SoftBank	49,581	[21,096]
■ Arm	6,012	[287]
■ Latin America Funds	76	[—]
■ Others	3,264	[1,019]
Total	59,721	[22,435]

(Notes) 1. The number of employees is the number of persons at work.  
 2. The figures in brackets in the "Number of employees" column show the annual average number of temporary employees hired.

## 6 Status of major lenders (as of March 31, 2022)

Lenders	Amount of loans (¥ million)	Lenders	Amount of loans (¥ million)
Mizuho Bank	812,223	MUFG Bank	303,926
JPMorgan Chase Bank	637,016	Barclays	288,968
Sumitomo Mitsui Banking Corporation	618,174	BNP Paribas	253,944
Deutsche Bank	384,340	Sumitomo Mitsui Trust Bank	240,163
Goldman Sachs	364,206	Citibank	210,395



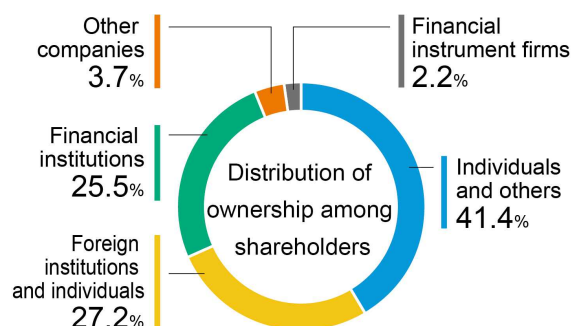
## Status of SoftBank Group Corp.

### 1 Status of shares (as of March 31, 2022)

1) Shares authorized 7,200,000,000 shares

2) Shares issued 1,722,953,730 shares  
(Including 76,163,508 shares of treasury stock)

3) Number of shareholders 291,391



### 4) Principal shareholders

Name of shareholders	Number of shares held (thousands)	Percentage of total shares issued (%)
Masayoshi Son	460,161	27.94
The Master Trust Bank of Japan, Ltd. (Trust Account)	294,958	17.91
Custody Bank of Japan, Ltd. (Trust Account)	100,460	6.10
JP MORGAN CHASE BANK 380763	29,066	1.77
STATE STREET BANK WEST CLIENT - TREATY 505234	20,423	1.24
SON CORPORATION LLC	19,060	1.16
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	18,742	1.14
Son Assets Management, LLC	18,504	1.12
SSBTC CLIENT OMNIBUS ACCOUNT	18,218	1.11
JP MORGAN CHASE BANK 385781	17,119	1.04

- (Notes)
- Percentage of total shares issued is calculated by deducting treasury stock (76,163,508 shares).
  - Of the above numbers of shares held, those held by The Master Trust Bank of Japan, Ltd. and Custody Bank of Japan, Ltd. are all related to trust operations.
  - As for principal shareholders, the number of shares held effectively by Mr. Masayoshi Son, verified by SBG, is presented as has been hitherto on a combined basis (by means of name-based aggregation), while those held by other principal shareholders are presented precisely as reported in the register of shareholders.

## 2 Status of Stock Acquisition Rights (as of March 31, 2022)

### 1) Status of Stock Acquisition Rights held by SoftBank Group Corp.'s Executive Officers issued as compensation for discharge of duties

Title	Name of stock acquisition rights (date of issuance)	Number of stock acquisition rights	Class and number of shares to be issued or transferred upon exercise of the stock acquisition rights	Exercise price (per share)	Exercise period	Number of stock acquisition right holder
Board Directors (excluding External Board Directors)	SoftBank Group Corp. July 2017 Stock Acquisition Rights (July 28, 2017)	500	Common stock 100,000 shares	¥4,791	August 1, 2019 to July 31, 2023	1

(Note) SBG conducted a share split at a two-for-one ratio effective June 28, 2019. As a result, the figures in the "Class and number of shares to be issued or transferred upon exercise of the stock acquisition rights" and "Exercise price (per share)" have been adjusted to reflect this.

### 2) Status of Stock Acquisition Rights issued to employees as compensation for discharge of duties in this fiscal year

Title	Name of stock acquisition rights (date of issuance)	Number of stock acquisition rights	Class and number of shares to be transferred upon exercise of the stock acquisition rights	Exercise price (per share)	Exercise period	Number of people granted
Corporate officers and employees of SBG	SoftBank Group Corp. August 2021 Stock Acquisition Rights (August 27, 2021)	1,484	Common stock 148,400 shares	¥1	September 1, 2024 to August 31, 2028	192
Employees of subsidiaries of SBG	SoftBank Group Corp. August 2021 Stock Acquisition Rights (August 27, 2021)	9	Common stock 900 shares	¥1	September 1, 2024 to August 31, 2028	3

### 3) Status of other Stock Acquisition Rights

Not applicable.

### 3 Status of Executive Officers

#### 1) Status of Board Directors and Audit & Supervisory Board Members (as of March 31, 2022)

Name	Title	Area of responsibility and status of significant concurrent position
Masayoshi Son	Representative Director, Corporate Officer, Chairman & CEO	Board Director, Founder, SoftBank Corp. Chairman and Director, Arm Limited
Yoshimitsu Goto	Board Director, Corporate Officer, Senior Vice President, CFO, CISO & CSusO	President & CEO and acting owner, Fukuoka SoftBank HAWKS Corp.
Ken Miyauchi	Board Director	Chairman, SoftBank Corp.
Kentaro Kawabe	Board Director	Board Director, SoftBank Corp. President and Representative Director, Co-CEO, Z Holdings Corporation Executive Director, ZOZO, Inc.
Masami Iijima External Independent Officer	Board Director	Counselor, MITSUI & CO., LTD. Director, Ricoh Company, Ltd. Director, Isetan Mitsukoshi Holdings Ltd. Counsellor, Bank of Japan Director (Audit & Supervisory Committee member), Takeda Pharmaceutical Company Limited
Yutaka Matsuo External Independent Officer	Board Director	Professor, Graduate School of Engineering, the University of Tokyo
Lip-Bu Tan External Independent Officer	Board Director	Founder and Chairman, Walden International, Inc. Executive Chair of the Board of Directors, Cadence Design Systems Inc. Director of the Board, Schneider Electric Corporation
Keiko Erikawa External Independent Officer	Board Director	Chairman (Representative Director), KOEI TECMO HOLDINGS CO., LTD. Chairman Emeritus (Director), KOEI TECMO GAMES CO., LTD. Board Director, KOEI TECMO EUROPE LIMITED Director, foundation for the Fusion of Science and Technology Head Director, Association of Media in Digital
Kenneth A. Siegel External	Board Director	Managing Partner, Morrison & Foerster Tokyo Office (Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho) Board Director, Member of Executive Committee, Morrison & Foerster LLP

Name	Title	Area of responsibility and status of significant concurrent position
<b>Maurice Atsushi Toyama</b> External Independent Officer	Full-time Audit & Supervisory Board Member	Certified public accountant, State of California, U.S.
<b>Yuji Nakata</b> External Independent Officer	Full-time Audit & Supervisory Board Member	—
<b>Soichiro Uno</b> External	Audit & Supervisory Board Member	Partner, Nagashima Ohno & Tsunematsu Director (Audit & Supervisory Committee Member), Dream Incubator Inc. Director (Audit/Supervisory Committee Member), Terumo Corporation
<b>Keiichi Otsuka</b> External Independent Officer	Audit & Supervisory Board Member	Certified public accountant Representative of Otsuka CPA Office Audit & Supervisory Board Member, TBK Co., Ltd. Director, Shizuoka Bank (Europe) S.A.

- (Notes)
1. Full-time Audit & Supervisory Board Member, Mr. Maurice Atsushi Toyama is a certified public accountant, State of California, U.S., Audit & Supervisory Board Member, Mr. Keiichi Otsuka is a certified public accountant, and they have considerable knowledge for finance and accounting.
  2. Mr. Ronald D. Fisher and Mr. Simon Segars retired from the position of Board Director on June 23, 2021.
  3. Mr. Masato Suzuki and Mr. Hidekazu Kubokawa retired from the position of Audit & Supervisory Board Member on June 23, 2021.
  4. Mr. Kentaro Kawabe, Ms. Keiko Erikawa and Mr. Kenneth A. Siegel assumed the position of Board Director on June 23, 2021.
  5. Mr. Yuji Nakata and Mr. Keiichi Otsuka assumed the position of Audit & Supervisory Board Member on June 23, 2021.
  6. Ms. Yuko Kawamoto retired from the position of Board Director by resignation on June 22, 2021.

## 2) Amount of compensation paid to Board Directors and Audit & Supervisory Board Members

### (1) Matters involving the policy on deciding executive compensation and the associated method of calculation

#### a. Overview of the executive compensation system

In order to realize the vision of “Information Revolution - Happiness for everyone,” the executive compensation policy of SBG is decided by a resolution of the Board of Directors, accounting for the societal and relative status of each officer, as well as the degree of their respective contributions to SBG, while referring to compensation survey results conducted by professional organizations so that the system provides compensation that is reasonably competitive and can attract global talent that share the same aspirations. Individual amount of compensation is determined pursuant to the procedure described in “e. Organization and procedures for deciding executive compensation.”

For Board Directors whose main duties are as officers of subsidiaries and the Group companies, compensation is determined by respecting the compensation policy of each company, based on the “Cluster of No. 1 Strategy” for us to grow together through the synergy group, and such compensation is paid by subsidiaries and the Group companies.

#### b. Components of the executive compensation

Total compensation paid to Board Directors (excluding External Board Directors) comprises basic compensation, which is fixed compensation, and performance-based compensation, which changes depending on the performance. The performance-based compensation comprises cash bonuses as an incentive for short-term performance and stock compensation (non-monetary compensation) as an incentive to improve our corporate value over the mid-to-long term, and their proportion is determined individually.

The compensation for External Board Directors and Audit & Supervisory Board Members consists exclusively of fixed compensation because they are independent of business execution.

#### c. Details of fixed compensation

Basic compensation is set as an annual amount on an individual basis, and is paid in cash in monthly installments. The amount of compensation is decided on an individual basis, taking into consideration whether the officer is full-time or part-time, as well as their positions and the duties they are in charge of.

#### d. Details of performance-based compensation

Cash bonuses as an incentive for short-term performance are paid every fiscal year, as compensation for the execution of duties while executive officers are in office.

Stock compensation (non-monetary compensation) as an incentive to improve corporate value over the mid-to-long term, is provided in the form of stock options using stock acquisition rights, with an aim to encourage executives to make continuous management effort, while sharing mutual interest with shareholders through share price increase. The contents of stock acquisition rights include normal stock options (with exercise price calculated based on the market price at the time of allotment) and share-based stock options (with exercise price of ¥1). The exercisable period will be set within the range of 10 years from the day following their allotment date.

The amount of cash bonuses and the number of stock acquisition rights allotted as stock compensation are decided based on multiple performance indicators for adequately rewarding the results achieved through business activities. Specifically, it is decided on an individual basis, and shall take into consideration individual performance based on each officer's ability and achievements, as well as company performance including consolidated results, the stock price and NAV (Net Asset Value).

[Key performance indicators as basis for performance-based compensation (for the fiscal year ended March 31, 2022)]

Net sales	Income before income taxes	Net income attributable to owners of the parent	Highest stock price
¥6,221,534 million	¥(869,562) million	¥(1,708,029) million	¥10,220

e. Organization and procedures for deciding executive compensation

Executive compensation is paid within the range of the aggregate amount of compensation approved by the resolution of the General Meeting of Shareholders, subject to confirmation that it is in line with the SBG compensation policy stated in "a. Overview of the executive compensation system," and is found to be both rational and reasonable.

Regarding the range of the aggregate amount of compensation, the monetary compensation and the stock compensation paid to Board Directors were resolved at an amount not exceeding ¥5 billion per year, respectively, at the 38<sup>th</sup> Annual General Meeting of Shareholders held on June 20, 2018, and SBG was served by 12 Board Directors (including three External Directors) at the time of the resolution. The compensation paid to Audit & Supervisory Board Members was resolved at an amount not exceeding ¥160 million per year at the 41<sup>st</sup> Annual General Meeting of Shareholders held on June 23, 2021, and SBG was served by four Audit & Supervisory Board Members (including four External Audit & Supervisory Board Members) at the time of the resolution.

Compensation of Board Directors for the relevant fiscal year has been decided by Representative Director, Corporate Officer, Chairman & CEO (Masayoshi Son), who is the founder of SBG responsible for the business results of SBG as a whole, based on the deliberations of the

Nominating & Compensation Committee, a voluntary advisory body to the Board of Directors, within the range of authority entrusted to him by the resolution of the Board of Directors following the Annual General Meeting of Shareholders for the previous fiscal year. The Nominating & Compensation Committee of SBG, which aims to ensure rationality and reasonableness in deciding compensation, shall have review of the proposed compensation from multiple viewpoints including the consistency with the SBG compensation policy and report back to the Board of Directors on its deliberation details. The Board of Directors believes that the deliberations are in line with the SBG compensation policy.

To ensure independence, compensation of the Audit & Supervisory Board Members for the relevant fiscal year shall be decided by the consultation among the Audit & Supervisory Board Members, after the conclusion of the Annual General Meeting of Shareholders for the previous fiscal year.

(2) Total amount of compensation paid by each title

Title	Number of people	Subtotals for each type of compensation (¥ million)			Total amount of compensation (¥ million)
		Fixed compensation (Basic compensation)	Performance-based compensation (Bonus)	Others	
Board Directors (excluding External Board Directors)	2 people	96	258	1	355
External Board Directors	6 people	183	-	-	183
Audit & Supervisory Board Members (excluding External Audit & Supervisory Board Members)	1 person	6	-	-	6
External Audit & Supervisory Board Members	5 people	80	-	-	80
<b>Total</b>	<b>14 people</b>	<b>365</b>	<b>258</b>	<b>1</b>	<b>624</b>

- (Notes)
1. Aside from the above, there was no compensation paid to External Officers as Board Directors and Audit & Supervisory Board Members from the subsidiaries of SBG for this fiscal year.
  2. Pursuant to the resolution of the 38<sup>th</sup> Annual General Meeting of Shareholders held on June 20, 2018 regarding the annual aggregate compensation of Board Directors, monetary compensation shall not exceed ¥5,000 million per year, while compensation in the form of stock acquisition rights allotted as stock options separately from the aforementioned compensation shall not exceed ¥5,000 million per year.
  3. Pursuant to the resolution of the 41<sup>st</sup> Annual General Meeting of Shareholders held on June 23, 2021 regarding the annual aggregate compensation of Audit & Supervisory Board Members, monetary compensation shall not exceed ¥160 million per year.

(3) Total consolidated compensation paid to those whose total consolidated compensation is ¥100 million or more

Name	Amount of consolidated compensation (¥ million)	Title	Company name	Subtotals for each type of compensation (¥ million)			
				Basic compensation	Bonus	Share-based payment [of which undetermined amount]	Others
Masayoshi Son	100	Board Director	SoftBank Group Corp.	12	50	-	-
			SoftBank Corp.	-	-	38 [-]	-
Yoshimitsu Goto	293	Board Director	SoftBank Group Corp.	84	208	-	1
Ken Miyauchi	539	Board Director	SoftBank Corp.	96	-	*4 443 [-]	-
Kentaro Kawabe	344	Board Director	Z Holdings Corporation	66	208	71 [-]	-
Ronald D. Fisher	126	*5 -	SB Investment Advisers (US) Inc.	110	-	-	16
Simon Segars	1,151	*5 -	Arm Limited	34	1,116	(3) [(3)]	3

- (Notes)
1. Company name and subtotals for each type of compensation are stated based on the compensation agreements between each Board Director and the Group.
  2. Amounts of share-based payment were recognized, measured, and presented in the consolidated statement of income in accordance with IFRS 2, "Share-based payment." Of these, cash-settled share-based payment, whose compensation was determined by the share price on the settlement date, was calculated based on the share price at the end of this fiscal year if the settlement date was not reached then. Under the circumstances when the share price declined from the end of the previous fiscal year to the current fiscal year, the compensation amount could be negative.
  3. "Of which undetermined amount" included in share-based payment refers to an amount of cash-settled share-based payment that was calculated based on the share price at the end of this fiscal year rather than based on the share price on the settlement date, which basically shall be used to determine the amount, as such settlement date was not reached then. This amount will fluctuate subject to the share price in the period up to the settlement date.
  4. ¥380 million out of share-based payment to Mr. Ken Miyauchi from SoftBank Corp. represents the amount to be paid in the form of restricted stock scheduled to be granted as compensation for the fiscal year ended March 31, 2022.
  5. Mr. Ronald D. Fisher and Mr. Simon Segars retired from the position of Board Director of SBG at the conclusion of the Annual General Meeting of Shareholders held on June 23, 2021. Mr. Kentaro Kawabe was elected and assumed the position of Board Director of SBG at the same Annual General Meeting of Shareholders. Their figures represent the amount of consolidated compensation for their respective tenure of office.



### 3) Description of limited liability agreement

SBG and each of its non-executive Board Directors Masami Iijima, Yutaka Matsuo, Lip-Bu Tan, Keiko Erikawa, and Kenneth A. Siegel and its Audit & Supervisory Board Members have concluded a contract to limit liability for damage stipulated in Paragraph 1, Article 423 of the Companies Act in accordance with Paragraph 1, Article 427 of the Companies Act.

The amount of limit of liability for damage is stipulated in the relevant contract as ¥10 million or the minimum amount of limit of liability that the relevant laws and regulations stipulate, whichever is higher.

### 4) Description of directors and officers liability insurance contract

SBG has concluded a directors and officers liability insurance (D&O insurance) contract, as stipulated in Paragraph 1, Article 430-3 of the Companies Act, with Board Directors, Audit & Supervisory Board Members, Executive Officers, employees in managerial positions, and others of SBG and some of its subsidiaries as the insured.

The insurance contract covers damages caused as a result of the insured assuming liability regarding the execution of their duties or receiving claims pertaining to the pursuit of such liability. However, the policy does include certain exemption clauses, such as no compensation being given for liability attributable to acts in violation of laws or regulations that were carried out with full knowledge of their illegality.

### 5) Items on External Officers

#### 1. Relationship with companies where External Officers hold a significant concurrent position

SBG has transactions related to research and development with the University of Tokyo, where Board Director Yutaka Matsuo holds a significant concurrent position. However, the amount of such transactions is extremely immaterial, accounting for less than 1% of operating expenses of SBG and is less than 1% of ordinary revenue of the University of Tokyo.

SBG has transactions including legal/advisory engagement with Morrison & Foerster Gaikokuho Jimu Bengoshi Jimusho and Morrison & Foerster LLP, where Board Director Kenneth A. Siegel holds a significant concurrent position.

#### 2. Relationship with specific parties such as major business partners

Not applicable.

### 3. Major activities for this fiscal year

Title	Name	Attendance to Board of Directors meeting	Attendance to Audit & Supervisory Board meeting	Major activities
Board Director	Masami Iijima	100% Attended 14 out of 14 meetings	-	Makes remarks to support business judgments and decision making based on his extensive knowledge and broad experience of global corporate management and governance. Also, as Chairperson of the voluntary Nominating & Compensation Committee, leads objective discussions from an independent standpoint, and plays an important role in consulting with the Board of Directors.
Board Director	Yutaka Matsuo	100% Attended 14 out of 14 meetings	-	Makes remarks to support business judgments and decision making based on his extensive knowledge and broad experience of artificial intelligence (AI) and other technologies as a leading expert in the field, acquired through his engagement in AI research over many years. Also, as a member of the voluntary Nominating & Compensation Committee, expresses objective opinions from an independent standpoint, and plays an important role in consulting with the Board of Directors.
Board Director	Lip-Bu Tan	92.9% Attended 13 out of 14 meetings	-	Makes remarks to support business judgments and decision making based on his extensive knowledge and broad experience of investment and corporate management, acquired through his career as management of an international venture capital company specialized in the technology field.
Board Director	Keiko Erikawa	91.7% Attended 11 out of 12 meetings	-	Makes remarks to support business judgments and decision making based on her extensive knowledge and broad experience of corporate management and technology, acquired through her career as management of a digital entertainment company with global business development and as finance manager.
Board Director	Kenneth A. Siegel	100% Attended 12 out of 12 meetings	-	Makes remarks to support business judgments and decision making based on his extensive knowledge and broad experience of M&A and strategic alliances, acquired through his career as an attorney at an international law firm.

Title	Name	Attendance to Board of Directors meeting	Attendance to Audit & Supervisory Board meeting	Major activities
Full-time Audit & Supervisory Board Member	Maurice Atsushi Toyama	100% Attended 14 out of 14 meetings	100% Attended 14 out of 14 meetings	Makes remarks based on his extensive knowledge and experience as a certified public accountant, State of California, U.S.
Full-time Audit & Supervisory Board Member	Yuji Nakata	100% Attended 12 out of 12 meetings	100% Attended 11 out of 11 meetings	Makes remarks based on his extensive knowledge and experience, acquired through his career as risk management manager at financial institutions.
Audit & Supervisory Board Member	Soichiro Uno	100% Attended 14 out of 14 meetings	100% Attended 14 out of 14 meetings	Makes remarks based on his extensive knowledge and experience as a lawyer.
Audit & Supervisory Board Member	Keiichi Otsuka	91.7% Attended 11 out of 12 meetings	100% Attended 11 out of 11 meetings	Makes remarks based on his extensive knowledge and experience as a certified public accountant.

- (Notes)
1. Number of attendance excludes the number of the Board of Directors meetings held in writing or electronically.
  2. The attendance and activities of Board Directors, Ms. Keiko Erikawa and Mr. Kenneth A. Siegel are since their appointment on June 23, 2021.
  3. The attendance and activities of Audit & Supervisory Board Members, Mr. Yuji Nakata and Mr. Keiichi Otsuka are since their appointment on June 23, 2021.

## 4 Status of Independent Auditor

### 1) Name

Deloitte Touche Tohmatsu LLC

### 2) Amount of remuneration to be paid

Amount of remuneration that SBG should pay in this fiscal year	
a. Amount of remuneration for the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Act	¥860 million
b. Amount of remuneration for the services in addition to the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Act	¥106 million
Aggregate amount of cash and other profits to be paid by SBG and its subsidiaries	¥4,005 million

- (Notes)
1. As the audit agreement between the Independent Auditor and SBG does not stipulate that the remuneration for auditing services be classified into remuneration for the audit based on the Financial Instruments and Exchange Act and the remuneration for the audit based on the Companies Act, there is no classification practically between the two kinds of remuneration. Therefore, the amount described in a. is the aggregate amount of the aforementioned remuneration.
  2. Description of services in addition to the services pursuant to Paragraph 1, Article 2 of the Certified Public Accountant Act:  
Mainly preparation of comfort letters when issuing corporate bonds.
  3. Deloitte LLP audits SoftBank Group Capital Limited, Arm Limited, SoftBank Vision Fund L.P., and SoftBank Vision Fund II-2 L.P., out of significant subsidiaries of SBG. Deloitte & Touche LLP audits SBLA Latin America Fund LLC, out of significant subsidiaries of SBG.
  4. The Audit & Supervisory Board, based on the "Practical Guidelines for Cooperation with Accounting Auditors" published by the Japan Audit & Supervisory Board Members Association, reviewed and examined the plan details of the audit conducted by the Independent Auditor, the performance status of accounting audit duties, and the basis for calculating remuneration estimates, and from the results, has given consent prescribed in Paragraph 1, Article 399 of the Companies Act for the remuneration paid to the Independent Auditor.

### 3) Decision-making policy of dismissal or not reappointing of Independent Auditor

The Independent Auditor may be dismissed by the Audit & Supervisory Board with unanimity of Audit & Supervisory Board Members when the Independent Auditor corresponds to any of Paragraph 1, Article 340 of the Companies Act.

Other than those cases above, the Audit & Supervisory Board shall submit a proposal on dismissal or not reappointing the Independent Auditor to the Annual General Meeting of Shareholders when it is acknowledged that the execution of appropriate audit is difficult due to the occurrence of an event which impairs the qualification or independency of the Independent Auditor.

### 4) Description on limited liability agreement

Not applicable.

## 5 Overview of system to ensure appropriateness of the operations and its implementation status

The overview of the system to ensure appropriateness of the operations and its implementation status is made available on SBG's website (<https://group.softbank/en>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of SBG.

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(Note) Within this Business Report amounts less than stated units are rounded, and ratios less than stated units are rounded.

## Consolidated Financial Statements

### Consolidated Statement of Financial Position

(As of March 31, 2022)

(Amounts less than one million yen are rounded.)

Account	Millions of yen	Account	Millions of yen
<b>&lt;ASSETS&gt;</b>		<b>&lt;LIABILITIES&gt;</b>	
<b>Current assets</b>	<b>¥10,028,589</b>	<b>Current liabilities</b>	<b>¥12,381,462</b>
Cash and cash equivalents	5,169,001	Interest-bearing debt	7,328,862
Trade and other receivables	2,361,149	Lease liabilities	240,241
Derivative financial assets	1,050,446	Deposits for banking business	1,331,385
Other financial assets	971,125	Trade and other payables	1,968,864
Inventories	142,767	Derivative financial liabilities	119,592
Other current assets	334,101	Other financial liabilities	554,814
		Income taxes payable	183,388
<b>Non-current assets</b>	<b>37,516,081</b>	Provisions	34,056
Property, plant and equipment	1,842,749	Other current liabilities	620,260
Right-of-use assets	914,743		
Goodwill	4,897,913	<b>Non-current liabilities</b>	<b>23,455,446</b>
Intangible assets	2,427,580	Interest-bearing debt	14,128,570
Costs to obtain contracts	330,899	Lease liabilities	625,907
Investments accounted for using the equity method	5,234,519	Third-party interests in SVF1 and SVF2	5,559,835
Investments from SVF1 and SVF2 accounted for using FVTPL	13,766,391	Derivative financial liabilities	174,003
Investment securities	4,208,567	Other financial liabilities	210,512
Derivative financial assets	1,333,787	Provisions	107,961
Other financial assets	2,250,640	Deferred tax liabilities	2,436,034
Deferred tax assets	163,255	Other non-current liabilities	212,624
Other non-current assets	145,038	<b>Total liabilities</b>	<b>35,836,908</b>
		<b>&lt;EQUITY&gt;</b>	
		<b>Equity attributable to owners of the parent</b>	<b>9,975,674</b>
		Common stock	238,772
		Capital surplus	2,634,574
		Other equity instruments	496,876
		Retained earnings	4,515,704
		Treasury stock	(406,410)
		Accumulated other comprehensive income	2,496,158
		<b>Non-controlling interests</b>	<b>1,732,088</b>
		<b>Total equity</b>	<b>11,707,762</b>
<b>Total assets</b>	<b>¥47,544,670</b>	<b>Total liabilities and equity</b>	<b>¥47,544,670</b>

# Consolidated Statement of Income

(Fiscal year ended March 31, 2022)

(Amounts less than one million yen are rounded.)

Account	Millions of yen
<b>Net sales</b>	<b>¥6,221,534</b>
Cost of sales	(2,955,960)
<b>Gross profit</b>	<b>3,265,574</b>
<b>Gain on investments</b>	
Gain on investments at Investment Business of Holding Companies	104,362
Loss on investments at SVF1, SVF2, and others	(3,738,825)
Gain on investments at Latin America Funds	111,070
Gain on other investments	88,651
<b>Total gain on investments</b>	<b>(3,434,742)</b>
Selling, general and administrative expenses	(2,551,722)
Finance cost	(382,512)
Foreign exchange loss	(706,111)
Income on equity method investments	341,385
Derivative gain (excluding gain (loss) on investments)	1,234,708
Change in third-party interests in SVF1 and SVF2	972,674
Other gain	391,184
<b>Income before income tax</b>	<b>(869,562)</b>
Income taxes	(592,637)
<b>Net income</b>	<b>(1,462,199)</b>
<b>Net income attributable to:</b>	
Owners of the parent	(1,708,029)
Non-controlling interests	245,830
<b>Net income</b>	<b>¥(1,462,199)</b>

## Non-consolidated Financial Statements

# Non-consolidated Balance Sheet

(As of March 31, 2022)

(Millions of yen)

Account	Amount	Account	Amount
<b>&lt;ASSETS&gt;</b>		<b>&lt;LIABILITIES&gt;</b>	
<b>Current assets</b>	<b>¥2,598,185</b>	<b>Current liabilities</b>	<b>¥8,349,949</b>
Cash and deposits	2,464,531	Short-term loans payable	4,892,861
Accounts receivable - trade	671	Current portion of long-term loans payable	2,593,275
Prepaid expense	4,829	Commercial papers	256,800
Short-term loans receivable	2,054	Current portion of bonds payable	477,428
Other current assets	126,099	Accounts payable - other	10,423
		Accrued expenses	75,672
<b>Non-current assets</b>	<b>19,761,840</b>	Income taxes payable	632
<b>Property and equipment, net</b>	<b>7,726</b>	Provision for bonuses	1,303
Assets for rent	1,907	Other current liabilities	41,555
Buildings	4,645		
Tools, furniture and fixtures	826	<b>Non-current liabilities</b>	<b>11,302,407</b>
Land	337	Bonds payable	6,326,139
Other	11	Long-term loans payable	4,667,673
<b>Intangible assets</b>	<b>2,946</b>	Deferred tax liabilities	296,193
Trademark right	76	Asset retirement obligations	1,516
Software	2,621	Other liabilities	10,887
Other intangibles	250	<b>Total liabilities</b>	<b>19,652,357</b>
<b>Investments and other assets</b>	<b>19,751,168</b>	<b>&lt;NET ASSETS&gt;</b>	
Investment securities	470,783	<b>Shareholders' equity</b>	<b>2,266,247</b>
Investments in subsidiaries and affiliated companies	8,782,019	<b>Capital stock</b>	<b>238,772</b>
Investments in consolidated and affiliated Godo Kaisha and partnerships	9,235,901	<b>Capital surplus</b>	<b>472,079</b>
Long-term loans receivable	1,802,487	Legal capital surplus	472,079
Other assets	33,737	<b>Retained earnings</b>	<b>1,961,806</b>
Less: Allowance for doubtful accounts	(573,758)	Legal retained earnings	1,414
		Other retained earnings	1,960,392
<b>Deferred assets</b>	<b>52,087</b>	Retained earnings brought forward	1,960,392
Bond issuance cost	52,087	<b>Less: Treasury shares</b>	<b>(406,410)</b>
		<b>Valuation and translation adjustments</b>	<b>482,408</b>
		Valuation difference on available-for-sale securities	482,408
		<b>Subscription rights to shares</b>	<b>11,100</b>
		<b>Total net assets</b>	<b>2,759,755</b>
<b>Total assets</b>	<b>¥22,412,112</b>	<b>Total liabilities and net assets</b>	<b>¥22,412,112</b>

Amounts less than one million yen are rounded to the nearest million.

# Non-consolidated Statement of Income

(For the fiscal year from April 1, 2021 to March 31, 2022)

(Millions of yen)

Account	Amount	
<b>Operating revenue</b>		<b>¥856,003</b>
Dividends from subsidiaries and affiliated companies	855,275	
Other operating revenue	728	
<b>Operating expenses</b>		<b>68,742</b>
<b>Operating income</b>		<b>787,261</b>
<b>Non-operating income</b>		<b>119,945</b>
Interest income	30,726	
Interest on securities	14,995	
Dividend income	86	
Gain on investments in partnerships	49,178	
Gain arising from investment securities received without consideration	12,798	
Other non-operating income	12,163	
<b>Non-operating expenses</b>		<b>1,107,469</b>
Interest expenses	163,833	
Interest on bonds payable	188,797	
Foreign exchange loss, net	685,919	
Refinancing-related expenses	29,328	
Provision of allowance for doubtful accounts	9,233	
Other non-operating expenses	30,359	
<b>Ordinary loss</b>		<b>200,263</b>
<b>Extraordinary income</b>		<b>489,243</b>
Gain on sales of investment securities	272,069	
Gain on sales of investments in subsidiaries and affiliated companies	116,013	
Gain on sales of investments in consolidated and affiliated Godo Kaisha and partnerships	12,084	
Gain on liquidation of subsidiaries and affiliated companies	89,077	
<b>Extraordinary loss</b>		<b>619,475</b>
Loss on sale of investments in consolidated and affiliated partnerships	2,917	
Loss on valuation of investments in subsidiaries and affiliated companies	1,767	
Loss on valuation of investments in consolidated and affiliated Godo Kaisha and partnerships	57,910	
Provision of allowance for doubtful accounts	532,727	
Bad debts written off	24,154	
<b>Loss before income taxes</b>		<b>330,496</b>
Income taxes		5
Income taxes-deferred		21,889
<b>Net loss</b>		<b>¥352,390</b>

Amounts less than one million yen are rounded to the nearest million.



(TRANSLATION)

### INDEPENDENT AUDITOR'S REPORT

May 16, 2022

To the Board of Directors of  
SoftBank Group Corp.:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

Naofumi Yamazumi

Designated Engagement Partner,  
Certified Public Accountant:

Ryo Sakai

Designated Engagement Partner,  
Certified Public Accountant:

Yusuke Masuda

#### Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of SoftBank Group Corp. and its consolidated subsidiaries (the "Group"), namely, the consolidated statement of financial position as of March 31, 2022, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2021 to March 31, 2022, and the related notes.

In our opinion, the accompanying consolidated financial statements, prepared with the omission of a part of the disclosures required under International Financial Reporting Standards pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting, present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022, and its consolidated financial performance for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Other Information**

The other information comprises the information included in the Business Report and the supplemental schedules of business report. Management is responsible for the preparation and disclosure of the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are pursuant to the provisions of the second sentence of the first paragraph of Article 120 of the Ordinance on Company Accounting which allows companies to prepare consolidated financial statements with the omission of a part of the disclosures required under International Financial Reporting Standards, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

### **Notes to the Readers of Independent Auditor's Report**

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

(TRANSLATION)

## INDEPENDENT AUDITOR'S REPORT

May 16, 2022

To the Board of Directors of  
SoftBank Group Corp.:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

Naofumi Yamazumi

Designated Engagement Partner,  
Certified Public Accountant:

Ryo Sakai

Designated Engagement Partner,  
Certified Public Accountant:

Yusuke Masuda

### Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of SoftBank Group Corp. (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2022, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 42nd fiscal year from April 1, 2021 to March 31, 2022, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

The other information comprises the information included in the Business Report and the supplemental schedules of business report. Management is responsible for the preparation and disclosure of the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements**

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

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.


Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- 
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

## Audit Report

With respect to the Directors' performance of their duties during the business year from April 1, 2021 to March 31, 2022, the Audit & Supervisory Board has prepared this Audit Report after deliberations, as unanimous opinion of all Audit & Supervisory Board Members based on the Audit Report prepared by each Audit & Supervisory Board Member, and hereby report as follows:

1. Method and Contents of Audit by Audit & Supervisory Board Members and the Audit & Supervisory Board
  - (1) The Audit & Supervisory Board has established the audit policies in this fiscal year, audit plan, etc. and received a report from each Audit & Supervisory Board Member regarding the status of implementation of their audits and results thereof. In addition, the Audit & Supervisory Board has received reports from the Directors, etc. and the Independent Auditors regarding the status of performance of their duties, and requested explanations as necessary.
  - (2) In conformity with the Audit & Supervisory Board Members auditing standards established by the Audit & Supervisory Board, and in accordance with the audit policies in this fiscal year, audit plan, etc., each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding with the Directors, the Internal Audit and other employees, etc., endeavored to collect information and maintain and improve the audit environment, and has conducted audit by the following methods.
    - (a) Each Audit & Supervisory Board Member has attended the meetings of the Board of Directors and other important meetings, received reports on the status of performance of duties from the Directors and other employees and requested explanations as necessary, examined important approval/decision documents, and inspected the status of the corporate affairs and assets. With respect to the major subsidiaries including overseas subsidiaries, each Audit & Supervisory Board Member endeavored to facilitate a mutual understanding and exchanged information with the Directors and Audit & Supervisory Board Members, etc. of each subsidiary and received from subsidiaries reports on their respective business as necessary.
    - (b) Each Audit & Supervisory Board Member received regular reports from Directors and employees concerning the architecture and implementation of (i) the contents of the Board of Directors' resolutions regarding the development and maintenance of the system to ensure that the Directors listed within the Business Report, during the performance of their duties, complied with all laws, regulations and the Articles of Incorporation of the Company and other systems that are set forth in Paragraphs 1 and 3, Article 100 of the Ordinance for Enforcement of the Companies Act of Japan as being necessary for ensuring the appropriateness of the corporate affairs of corporate group consisting of a joint stock company (*kabushiki kaisha*) and its subsidiaries, and (ii) the systems (internal control systems) based on such resolutions, and requested further information as necessary, making remarks when appropriate.
    - (c) Each Audit & Supervisory Board Member monitored and verified whether the Independent Auditors maintained its independence and properly conducted its audit, received a report from the Independent Auditors on the status of its performance of duties, and requested explanations as necessary. Each Audit & Supervisory Board Member was notified by the Independent Auditors that it had established a "system to ensure that the performance of the duties of the Independent Auditors was properly conducted" (the matters listed in the items of Article 131 of the Ordinance on Accounting of Companies) in accordance with the "Quality Control Standards for Audits" (Business Accounting Council on October 28, 2005), and requested explanations as necessary.

Based on the above-described methods, each Audit & Supervisory Board Member examined the Business Report and the accompanying supplemental schedules, and the Consolidated Financial Statements (the Consolidated Statements of Financial Position, the Consolidated Statements of Income, the Consolidated Statements of Changes in Equity, and notes to Consolidated Financial Statements, which were prepared in accordance with the provision of the latter clause in the Paragraph 1, Article 120 of the Ordinance on Accounting of Companies that prescribes certain omissions of disclosure items required under the International Financial Reporting Standards) as well as, the Non-consolidated Financial Statements (the Balance Sheet, the Statement of Income and Statement of Changes in Equity, and notes to Non-consolidated Financial Statements) and the accompanying supplemental schedules thereto, for the business year under consideration.

2. Results of Audit

(1) Results of Audit of Business Report, etc.

- (a) We acknowledge that the Business Report and the accompanying supplemental schedules thereto fairly present the status of the Company in conformity with the applicable laws and regulations and the Articles of Incorporation of the Company.
- (b) We acknowledge that no misconduct or material fact constituting a violation of any law or regulation or the Articles of Incorporation of the Company was found with respect to the Directors' performance of their duties.
- (c) We acknowledge that the Board of Directors' resolutions with respect to the internal control systems are appropriate. We did not find any matter to be mentioned with respect to the information provided in the Business Report or the Directors' performance of their duties concerning the internal control systems.

(2) Results of Audit of Consolidated Financial Statements

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

(3) Results of Audit of Non-consolidated Financial Statements and their Accompanying Supplemental Schedules

We acknowledge that the methods and results of audit performed by the Independent Auditors, Deloitte Touche Tohmatsu LLC, are appropriate.

May 16, 2022

Audit & Supervisory Board of SoftBank Group Corp.

Full-time Audit & Supervisory Board Member: Maurice Atsushi Toyama (Seal)

Full-time Audit & Supervisory Board Member: Yuji Nakata (Seal)

External Audit & Supervisory Board Member: Soichiro Uno (Seal)

External Audit & Supervisory Board Member: Keiichi Otsuka (Seal)

(Note) Full-time Audit & Supervisory Board Members Maurice Atsushi Toyama and Yuji Nakata, and Audit & Supervisory Board Members Soichiro Uno and Keiichi Otsuka are External Audit & Supervisory Board Members set forth in Item 16, Article 2 and Paragraph 3, Article 335 of the Companies Act of Japan.

(Note) Business Report, Consolidated Financial Statements and Non-consolidated Financial Statements provided with the Notice as Reference are a subset of statements utilized by the Audit & Supervisory Board during the course of preparing the Audit Report. "Overview of system to ensure appropriateness of the operations and its implementation status." Consolidated Statements of Changes in Equity, Notes to Consolidated Financial Statements, Statement of Changes in Equity, and Notes to Non-consolidated Financial Statements are made available on our website (<https://group.softbank/>), pursuant to the applicable laws and Article 14 of the Articles of Incorporation of SoftBank Group Corp. Accordingly, these notes are not provided in the Notice or the Appendix.



## Overview of Stock Administration

Company name (Corporate name)	SoftBank Group Corp.
Location of head office	1-7-1, Kaigan, Minato-ku, Tokyo 105-7537 Phone: +81-3-6889-2000
Business year	From April 1 to March 31 of the next year
Year-end dividend record date	March 31
Interim dividend record date	September 30
Annual general meeting of shareholders	Every year in June
Stock exchange registration	Tokyo Stock Exchange, Prime Market
Reporting method	Electronic Reporting on the below site. <a href="https://group.softbank/">https://group.softbank/</a> (available only in Japanese) In the event that electronic public notices cannot be provided due to accidents or other unavoidable circumstances, public notice shall be given in the Nikkei.

■ **Procedures to change registration details such as address and name, to designate bank accounts to receive dividend payment transfers, and to submit “My Number” individual number under the Social Security and Tax Number System**

**For shareholders who have accounts at securities firms, etc.:**

Please contact the securities firm where you opened your account.

**For shareholders who have special accounts:**  
Please contact Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation. (Contact info is shown below.) You may also contact branches of Mitsubishi UFJ Trust and Banking Corporation.

■ **Procedures to receive unclaimed dividends**

For procedures relating to past dividend payment periods, please contact branches of Mitsubishi UFJ Trust and Banking Corporation.

■ **For inquiries to administrators of registers of shareholders and special account management institutions**

Please contact:

Corporate Agency Division, Mitsubishi UFJ Trust and Banking Corporation

1-1 Nikko-cho, Fuchu-shi, Tokyo

**Phone: 0120-232-711 (Toll free)**

(Business hours: 9:00-17:00 weekdays, excluding Saturdays, Sundays and holidays)

Mail to:

PO Box No.29 Shin Tokyo Post Office 137-8081

(Note) For inquiries to special account management institutions related to the stocks of the former ACCA Networks, Co., Ltd., please contact:  
Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited  
2-8-4 Izumi, Suginami-ku, Tokyo 168-0063  
Phone: 0120-782-031 (Toll free) (Business hours: 9:00-17:00, weekdays, excluding Saturdays, Sundays and holidays)

Frequently asked questions regarding dividends	<b>Q1</b>	What should I do if I have not received dividends, but do not have a dividend receipt?
	<b>A1</b>	Please contact the address above if you have lost your dividend receipt. They will send you the procedure form.
	<b>Q2</b>	What should I do if the payment period for my dividend receipt (bank handling period) has expired?
	<b>A2</b>	Please affix your seal to the “Claim seal” section on the front of the dividend receipt, and fill out the required items in the “Designated remittance method” section on the back of the receipt, and send it to the mailing address above. Or, affix your seal to the “Claim seal” section on the front of the dividend receipt, and bring it to the counter at branches of Mitsubishi UFJ Trust and Banking Corporation. Please be advised that if the receipt period stated on the back of the dividend receipt has expired, you will not be able to receive dividends even if you have the dividend receipt.

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