

August 10, 2022
Company name Rakuten Group, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange Prime Market)

Announcement Regarding Establishment of Rakuten Securities Holdings and Reorganization of Securities Business

Rakuten Group, Inc. (hereinafter “the Company”) announces that at a Board of Directors meeting held today, we resolved that Rakuten Card, Inc. (hereinafter “Rakuten Card”), a consolidated subsidiary of the Company, will transfer all shares of Rakuten Securities, Inc. (hereinafter “Rakuten Securities”), also a consolidated subsidiary of the Company, and Rakuten Investment Management, Inc. (hereinafter, “Rakuten Investment Management”) to the Company, through the payment of dividends in kind. Next, Rakuten Securities and Rakuten Investment Management will establish Rakuten Securities Holdings, Inc. (hereinafter “Rakuten Securities Holdings”) through a joint stock transfer. The parent company of Rakuten Securities etc will transfer from the Company to Rakuten Securities Holdings effective on October 3, and we will prepare for the listing of Rakuten Securities Holdings.

1. Background etc

As announced in the disclosure “Announcement Regarding Start of Preparation for the Initial Public Offering of Rakuten Securities, Inc.” dated May 24, 2022, Rakuten Securities, a consolidated subsidiary of the Company, believes that through the preparation of listing of shares, it will be possible to carry out management with a more autonomous perspective, and to consider various growth and financial strategies, including its own financing.

Rakuten Securities has steadily expanded its customer base while demonstrating synergies within the FinTech Company, and in June this year, the number of accounts exceeded 8 million, making it one of the largest Internet securities companies in Japan. Assets under management are steadily expanding. In addition, Rakuten Investment Management, which is a consolidated subsidiary of the Company and is responsible for the creation and management of investment trusts, and Rakuten Wallet, Inc. (hereinafter, “Rakuten Wallet”), which is responsible for crypto asset trading services, have also contributed significantly to the expansion of the securities-related business provided by the Group. It is assumed that the three companies will continue to be important consolidated subsidiaries of the Company in developing the Fintech business. We

aim to further expand our customer base and business performance in the securities business. We believe that achieving diverse growth in all fields will contribute to the expansion of the Rakuten Ecosystem, and Rakuten Securities, Rakuten Investment Management, and Rakuten Wallet will become consolidated subsidiaries of Rakuten Securities Holdings, which will be newly established directly under the Company. In the disclosure dated May 24, Rakuten Securities announced that it would start preparing for listing, but due to the above-mentioned organizational changes, Rakuten Securities Holdings will become the entity that applies for listing.

Regarding the listing of Rakuten Securities Holdings shares and related acts including the above, approval of the relevant authorities may be a prerequisite, and depending on the results of the examination in the preparatory process, there is a possibility we may even conclude that a further reorganization of the Group may be required, or that Rakuten Securities Holdings may not go public. Therefore, the scheduled listing date has not yet been decided at this time, but we will disclose it as necessary based on the progress.

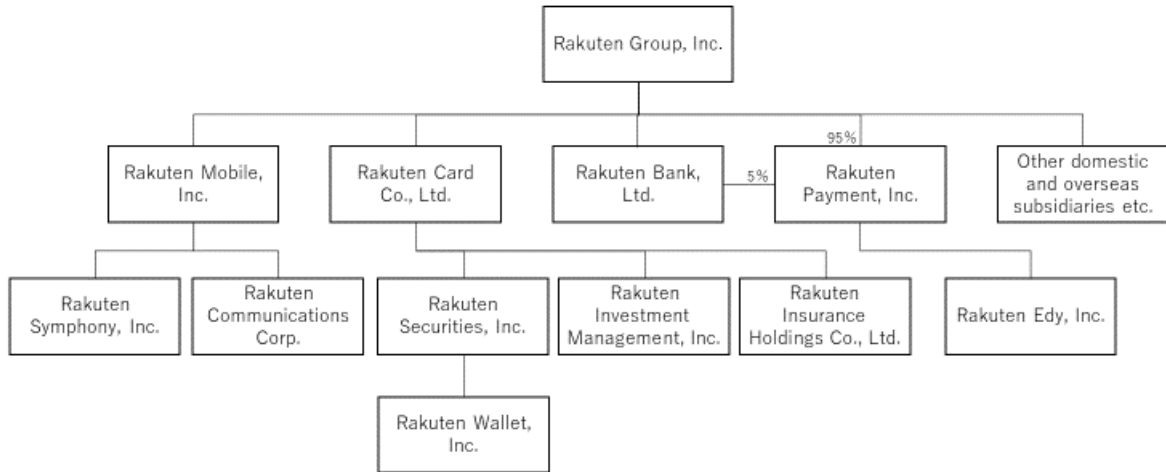
2. Summary of the organizational changes

Rakuten Card will distribute Rakuten Securities shares and Rakuten Investment Management shares to the Company on October 1 (scheduled). After that, Rakuten Securities and Rakuten Investment Management will establish Rakuten Securities Holdings, through a joint stock transfer, effective on October 3 (scheduled). In addition, Rakuten Securities will transfer all shares of Rakuten Wallet to Rakuten Securities Holdings in a reorganization with payment of dividends in kind.

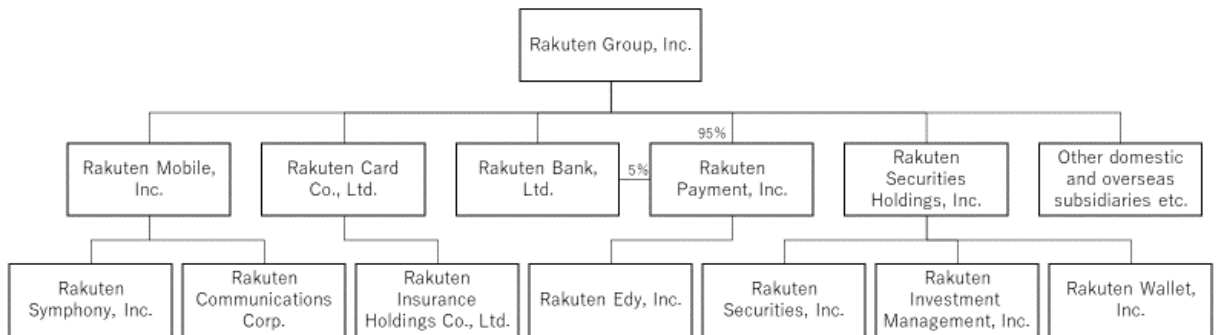
Details regarding Rakuten Securities Holdings, the newly established company, will be disclosed as necessary. Since this is a reorganization within the Group, the impact on the Company's consolidated financial results will be minor.

(For reference) Group organization chart after reorganization

■ Current



■ After reorganization (October 3, 2022)



Note 1: Some group companies are omitted.

Note 2: The shareholding ratio of companies for which no ratio is stated is 100%.

Note: This disclosure document is not part of an investment offer for any securities. This disclosure document is a statement to publicly announce the possibility of issuing new shares of a group company, and was not prepared for the purpose of soliciting investment or similar acts both in Japan and overseas. In addition, this disclosure document does not constitute an offer of securities in the United States. You may not offer or sell securities in the United States unless you register or are exempt from registration under the Securities Act of 1933. When a public offering of securities is made in the United States, an English prospectus prepared under the Securities Act of 1933 of the United States will be used. The prospectus may be obtained from the issuer or seller of the securities, which provides detailed information about the issuer and its management as well as its financial statements. No public offering of securities will be made in the United States in this case.