

(Translation)



February 14, 2024

Company name	WealthNavi Inc.	
Representative	Representative Director & CEO	Kazuhisa Shibayama
	(Code: 7342; Growth Market of Tokyo Stock Exchange)	
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## **Announcement Regarding Capital and Business Alliance with MUFG Bank, Ltd., Issuance of New Shares through Third-Party Allotment, and Change in Major Shareholder and Other Affiliates**

WealthNavi Inc. (the “Company”) hereby announces that its Board of Directors, at a meeting held on February 14, 2024, has resolved to enter into an agreement on capital and business alliance (the “Capital and Business Alliance”) with MUFG Bank, Ltd. (“MUFG Bank” or the “Allottee”), a consolidated subsidiary of MUFG Financial Group, Inc. (“MUFG”) (the “Capital and Business Alliance Agreement”), and to issue new shares (the “Shares”) through third-party allotment to MUFG Bank pursuant to the Capital and Business Alliance Agreement (the “Third-Party Allotment”), the details of which are as described below. In order to facilitate the Capital and Business Alliance, the Company intends to nominate one candidate designated by MUFG Bank as an outside director candidate at the Annual General Meeting of Shareholders (scheduled to be held on March 26, 2024). The Company hereby further announces that, as a result of the above, the Company will become an equity method affiliate of MUFG Bank, and there will be changes to the Company’s major shareholder and other affiliates.

### I . Capital and Business Alliance with MUFG Bank

#### 1. Purpose and Reasons for the Capital and Business Alliance

MUFG forms a corporate group that includes commercial banks, trust banks and securities companies, as well as credit card companies, consumer finance companies and asset management companies under its umbrella (“MUFG Group”) and provides a variety of financial services by uniting top-class companies in major financial sectors. Focusing on “digital transformation (DX)” as one of the key strategies highlighted in its Medium-term Business Plan since fiscal year 2021, MUFG has enhanced contact points for digital services for all its customers and promoted digitalization in its products and services. MUFG can offer tailored proposals according to each customer’s life events, based on an enhanced data platform and applications integrated among group companies, with the aim of providing group-wide support for customers throughout their lives, illustrating the importance of the “lifetime value” concept.

The Company, operating with its mission of “Helping working families build wealth,” provides its fully

automated robo-advisor “WealthNavi” online to build and maintain a long-term, globally diversified portfolio to build wealth for a more comfortable retirement. Since the launch of its service in July 2016, we have continued to release a series of new functions based on its capabilities in product development. After launching “Robo-NISA,” a tax-free managed account service using NISA (Nippon Individual Savings Account, a tax-exempt small investment program in Japan) account in February 2021, the Company now offers an enhanced service fully aligned with New NISA which started in January 2024. Based on these track records, the Company is the top robo-advisor in Japan (Note) in terms of assets under management and number of users, with assets under management exceeding 1 trillion yen as of January 11, 2024. The Company is also committed to building a personal financial platform, extending its services beyond asset management.

In Japan, it is expected to accelerate the shift from savings to investment backed by the increasing demand for asset building from working families and the enhanced regulatory support including the upgrade of the NISA program. However, competition among financial institutions, including the provision of services that meet the needs of customers, has been intensifying. In order to continue being their financial service provider of choice, we believe it is necessary to understand our customers and offer services tailored to each customer over the medium- to long-term and provide supportive solutions to solve our customers’ diversifying challenges related to asset management-related issues.

The Company and MUFG Bank have made joint efforts to address customers’ diversified asset building needs through their “WealthNavi for MUFG Bank” robo-advisor that was launched in November 2020 to provide enhanced services to MUFG Bank customers. Moreover, based on the recognition of the issues above, the Company and MUFG Bank have held a series of talks about potential collaborations beyond the framework of the existing business alliance, with the aim of further evolving services and offering greater added value to individual customers’ asset building.

Therefore, under this Capital and Business Alliance, the Company and MUFG Bank reached an agreement on the development and provision of a Money Advisory Platform (“MAP”) to solve customers’ financial issues throughout their lifetime, as well as promoting use of its robo-advisor services and “Robo-NISA,” through a combination of MUFG Group’s wide-ranging customer base and product lineup and our outstanding capabilities in agile planning and product development. We are determined to make contributions to individuals’ sound asset building and pursue the enhancement of both parties’ corporate value by executing the strategy stated in “2. Details of the Capital and Business Alliance” below.

(Note) Calculated by the Company, based on the Japan Investment Advisors Association’s “Statistical Release on Asset Under Management (Latest Version) (as of End of September 2023)”

## 2. Details of the Capital and Business Alliance

The Company and MUFG Bank will, combine the strengths of both parties to accelerate support for asset building in the retail market mainly consisting of working families and to offer services tailored to each customer over the medium- to long-term, with the aim of contributing to Japanese individuals’ sound asset building.

Specifically, the Company and MUFG Bank will strengthen their existing collaboration in the robo-advisor business including “Robo-NISA,” and will additionally join hands in developing and providing the Money Advisory Platform, which will include services related to not only asset management but also others, such as life insurance, pensions, financial education, and housing loans. The main elements are as follows, and the Company and MUFG Bank are planning to enhance and upgrade our service lineup in a phased manner, with the launch of enhanced collaboration in robo-advisor services and start of development of the Money Advisory Platform by the end of 2024, followed by the latter’s release in 2025.

(Robo-advisor business)

- Enhanced collaboration for referral of more customers who need fully-automated asset management services to “WealthNavi for MUFG Bank”, leveraging MUFG Bank’s customer base
- Initiatives to attract and acquire customers for the Company’s robo-advisor business “WealthNavi for MUFG Bank”, by guiding users of MUFG Bank Direct internet banking service to “WealthNavi for MUFG Bank” and including “WealthNavi for MUFG Bank” in MUFG Group’s loyalty program
- Potential collaboration between the Company and MUFG Group (including Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. and au Kabucom Securities Co., Ltd.)

(Money Advisory Platform)

The Money Advisory Platform is intended to provide customers with optimal advice on financial products based on algorithms and collected customer data on their age, family structure, and PFM (personal financial management), aiming to offer the best customer experience.

- Development and service launch of the Money Advisory Platform through joint planning and discussion
- Provision of advice from a neutral standpoint, throughout customers’ lifetimes according to their specific circumstances, with a scope that will be extended in a phased manner from asset management to life insurance, pensions, financial education, housing loans, etc.
- Cross-selling to MUFG Bank Direct internet banking service users and potential utilization of the Company’s advisory service at MUFG Bank branches
- More extensive and in-depth collaborations between WealthNavi and MUFG Group (Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., au Kabucom Securities Co., Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ NICOS Co., Ltd., etc.), such as including “WealthNavi for MUFG Bank” in MUFG Group’s loyalty program, to contribute to the shift from savings to investment trend in Japan.

Under the Capital and Business Alliance Agreement, it is also stipulated that the Company shall own the intellectual property rights and all other related rights arising in relation to the Money Advisory Platform developed by the Company in collaboration with MUFG Bank in the course of the Capital and Business Alliance (provided, however, that prior approval from MUFG Bank shall be required when licensing the Money Advisory Platform to certain financial group competitors of the MUFG Group) and that MUFG Bank shall obtain prior approval from the Company if MUFG Bank transfers the Shares or acquires additional shares and other securities of the Company.

### 3. Overview of the Other Party in the Capital and Business Alliance

Please refer to “II. Issuance of New Shares through the Third-Party Allotment, 6. Reasons for Selecting Allottee and Other Related Matters, (1) Overview of the Allottee” below.

### 4. Schedule of the Capital and Business Alliance

(1) Resolution Date of the Board of Directors	February 14, 2024
(2) Execution date of the Capital and Business Alliance Agreement	February 14, 2024
(3) Payment period for the Third-	From March 4, 2024 to March 25, 2024 (scheduled)

Party Allotment (Note)	
(4) Date of the Annual General Meeting of Shareholders	March 26, 2024 (scheduled)

(Note) The Third-Party Allotment is subject to the conditions such as that the Securities Registration Statement under the Financial Instruments and Exchange Act has become effective and that MUFG Bank obtains the necessary approvals and licenses from the relevant authorities (including completion of procedures under the Banking Act and the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade) for the implementation of the Third-Party Allotment (the “Conditions Precedent”). However, as the timing for obtaining such approvals and licenses from the relevant authorities cannot be determined, the payment period has been set.

#### 5. Future Prospects

Please refer to “II. Issuance of New Shares through the Third-Party Allotment, 8. Future Prospects” below.

## II. Issuance of New Shares through the Third-Party Allotment

### 1. Outline of Offering

(1)	Payment period (Note)	From March 4, 2024 to March 25, 2024 (scheduled)
(2)	Number of shares to be newly issued	9,110,000 shares
(3)	Issue price	JPY 1,718 per share
(4)	Amount of fund to be raised	JPY 15,650,980,000 (estimated amount of net proceeds: JPY 15,430,980,000)
(5)	Method of offering or allotment (Allottee)	All new shares are allocated to MUFG Bank through a third-party allotment.
(6)	Others	The Third-Party Allotment is subject to the effectiveness of the securities registration statement filed under the Financial Instruments and Exchange Act of Japan.

(Note) The Third-Party Allotment is subject to the satisfaction of the Conditions Precedent. However, as the timing for obtaining approvals and licenses from the relevant authorities cannot be determined, the payment period has been set.

### 2. Purpose and Reason for Offering

As described in “I. Capital and Business Alliance with MUFG Bank, 1. Purpose and Reasons for the Capital and Business Alliance” above, the Third-Party Allotment will be implemented as part of the Capital and Business Alliance, and the Company and MUFG Bank believe that building a strong alliance through the Capital and Business Alliance and providing higher value-added services will lead to medium- to long-term improvements in the corporate value and the interests of existing shareholders for both companies.

Furthermore, the Company believes that using the funds obtained through the Third-Party Allotment to satisfy the above funding needs, and to demonstrate the effects of collaboration more quickly through the Capital and Business Alliance with MUFG Bank will contribute to the medium- to long-term improvements in the Company’s value and the interests of its existing shareholders.

### 3. Amount, Use and Scheduled Time of Expenditure of Funds to be Raised

#### (1) Amount of funds to be raised

(1)	Total paid-in amount	JPY 15,650,980,000
(2)	Estimated amount of issuance expenses	JPY 220,000,000
(3)	Estimated amount of net proceeds	JPY 15,430,980,000

(Notes) 1. Consumption tax and other related tax are not included in the estimated amount of issuance expenses.

2. The breakdown of estimated amount of issuance expenses is registration fees, expenses for preparing securities registration statement, attorney fees and advisory fees.

#### (2) Specific use of funds to be raised

The specific use of funds to be raised and its scheduled time of expenditure is as follows:

Specific use of funds to be raised	Amount (JPY million)	Scheduled time of expenditure
(i) Marketing expenses to expand the customer	3,000	April 2024 – December 2026

	base in the robo-advisor business		
(ii)	Funds for planning, development and operation of the Money Advisory Platform as well as system and data infrastructure enhancement	4,000	April 2024 – December 2026
(iii)	Marketing expenses to expand the customer base in the Money Advisory Platform	3,000	April 2024 – December 2026
(iv)	Funds for future M&A and capital and business alliance to enhance the Money Advisory Platform	5,431	April 2024 – December 2026

(Note) The raised funds will be managed in a bank account or other highly secure manner until its actual disbursement.

(i) Marketing expenses to expand the customer base in the robo-advisor business

The Company provides “WealthNavi,” which is ranked first in the robo-advisor market in Japan (Note) in terms of assets under management and number of investors, and is growing steadily. The new NISA program has started in January 2024, and the Company believe that public interest in asset management will further increase going forward. As the new NISA program has expanded the tax exemption limit and the tax exemption period compared to the previous NISA program, the Company expects that asset management using the new NISA program is to grow significantly in the future. Simultaneously, competition in customer acquisition rises among financial institutions.

In order to encourage more customers to use the Company’s services, the Company intends to allocate JPY 3,000 million for marketing expenses such as TV commercials and digital marketing for the period from April 2024 to December 2026 with the aim of raising awareness and expanding the customer base of “WealthNavi” including “Robo-NISA”, which is fully aligned with the new NISA program. The Company believes that promoting the expansion of the customer base in the robo-advisor business will serve the rapid start-up and growth of the Money Advisory Platform.

(ii) Funds for planning, development and operation of the Money Advisory Platform as well as system and data infrastructure enhancement

The Money Advisory Platform, one of the Company’s new businesses, provides holistic financial advice tailored for each customer on asset management, insurance, pensions, financial education, mortgages and other related financial services to support customers throughout their lifetimes according to their specific circumstances. The Company believes that it will be able to accelerate support for asset building among the customers, especially the working families, and contribute to the shift from savings to investment trend in Japan by providing the Money Advisory Platform.

The Company intends to allocate JPY 4,000 million for the period from April 2024 to December 2026 to the Money Advisory Platform for the development and release of the service and the phased expansion of service after its release. It includes recruiting human resources to enhance product development capabilities to achieve an optimal customer experience, and strengthening customer support to provide a wider range of advice to customers, and for the enhancement of a system and data infrastructure to ensure smooth operation of the whole business.

(iii) Marketing expenses to expand the customer base in the Money Advisory Platform

Flexible and intensive marketing will be necessary for several years after the launch of services to expand the

customer base of the Money Advisory Platform. The business alliance between the two companies will enable marketing activities using a wider variety of channels than ever before, including online and bank branches. The two companies will also leverage their extensive knowledge, such as mass marketing through TV commercials and newspaper and magazine advertisements, digital marketing through online advertisements and SNS, and direct marketing through e-mails and DMs, to raise awareness of their services and acquire new customers. The Company intends to allocate JPY 3,000 million for expenses mainly for marketing activities described above for the period from April 2024 to December 2026.

(iv) Funds for future M&A and capital and business alliance to enhance the Money Advisory Platform

Through the Capital and Business Alliance, the Company will, by leveraging the MUFG Group's customer base, accelerate customer acquisition of "WealthNavi" as well as develop and provide the Money Advisory Platform that solves financial issues over the lifetime by combining the Company's product development capabilities and the MUFG Group's customer base and product lineup. To accelerate the development of the Money Advisory Platform and the expansion of service, the Company believes that strategic investments will be effective for further expanding the Money Advisory Platform to enhance business portfolios and capabilities, such as the expansion of a scope of advice and strengthening business and system development capabilities. By December 2026, the Company intends to allocate JPY 5,431 million for M&A and capital and business alliances. The Company expects to invest between JPY 500 million and JPY 3,000 million per M&A and capital and business alliance. The Company has decided to allocate JPY 5,431 million for M&A and capital and business alliance so that the Company will be able to implement multiple projects in the same period or to deal with projects exceeding the expected size.

There are currently no explicit intentions for M&A and capital and business alliance; however, the Company will make disclosures at an appropriate time, if any. Moreover, upon no realization of M&A and capital and business alliance contributing to the enhancement of corporate value, the Company intends to allocate the funds as working capital necessary for future business expansion, and will disclose to that effect in a timely manner.

(Note) Calculated by the Company based on the Japan Investment Advisor Association's "Statistical Release on Asset Under Management (Latest Version) (as of the end of September 2023)"

#### 4. Rationality of Use of Funds

The Company believes that the use of funds to be raised through the Third-Party Allotment is reasonable as the Company is of the view that the use of the funds as described in "3. Amount, Use and Scheduled Time of Expenditure of Funds to be Raised, (2) Specific use of funds to be raised" above will contribute to the enhancement of the Company's value and the interests of its existing shareholders over the medium- to long-term.

#### 5. Rationality of Terms and Conditions for Issuance

(1) Basis for calculation of the paid-in amount and the specific details thereof

The Company determined the paid-in amount to be JPY 1,718 per share (rounded to the nearest unit) (the same applies hereinafter in this paragraph), referring to the average closing price of the Company's shares on Tokyo Stock Exchange during the one-month period (from January 15, 2024 to February 13, 2024) prior to the business day immediately preceding the date of resolution of the Board of Directors held on February 14, 2024 (the "Resolution Date of Board of Directors").

In determining the amount to be paid in, the simple average of the closing prices of the Company's shares on the

Tokyo Stock Exchange during the one-month period (from January 15, 2024 to February 13, 2024) prior to the business day immediately preceding the Resolution Date of Board of Directors was used as a basis for determining the amount to be paid in since the market price of the Company's shares tended to fluctuate in a reasonably large range, and therefore, the Company has determined that using a level value of the average share price over a certain period of time would be more objective and reasonable basis for the calculation, as it would exclude special factors such as the effect of temporary share price fluctuations, rather than using a specific point in time as a basis. In fact, while the lowest closing price of the Nikkei Stock Average during the one-month period prior to the business day immediately preceding the Resolution Date of Board of Directors was the closing price on January 18, 2024, JPY 35,466.17, the highest closing price of the Nikkei Stock Average during such period was the closing price on February 13, 2024, JPY 37,963.97, which is a deviation of 7.04% (rounded to two decimal places; the same applies hereinafter), the lowest closing price of the Company's shares during such period was JPY 1,612, the closing price on February 2, 2024, the highest closing price of the Company's shares during such period was JPY 1,859, the closing price on January 22, 2024, which is a deviation of 15.32%. Thus, the Company has determined as described above, taking such difference in the deviation rates into consideration. The Company has determined that using the average closing price for the one-month period closest to the most recent market price as a reference is more objective and reasonable as a basis for calculation, compared to the three-month and six-month periods prior to the business day immediately preceding the Resolution Date of Board of Directors.

The amount to be paid in for the Shares will be premium of 0.59% (rounded to two decimal places) against the closing price of JPY 1,708 on the business day immediately preceding the Resolution Date of Board of Directors (February 13, 2024), premium of 3.56% against the average closing price of JPY 1,659 for the three months (from November 14, 2023 to February 13, 2024) prior to the business day immediately preceding the Resolution Date of Board of Directors, and premium of 20.56% against the average closing price of JPY 1,425 for the six months prior to the same date (from August 14, 2023 to February 13, 2024).

The above amount of paid in is in accordance with the "Rules Concerning Handling of Allotment of New Shares to Third Party, Etc." provided by Japan Securities Dealers Association, and the Company has determined that such amount is not particularly favorable to the Allottee.

The Company has obtained the opinion of its Audit and Supervisory Committee (all three of whom are outside directors) that the amount to be paid in for the Shares is not particularly favorable to the Allottee and is legal, since the method of determining the amount to be paid in for the Shares is based on the market price, which is an objective indicator representing the value of the Company's shares, and complies with to the "Rules Concerning Handling of Allotment of New Shares to Third Party, Etc." of Japan Securities Dealers Association.

(2) Grounds for determining the volume of issuance and the scale of share dilution are reasonable

The number of the Company's common shares to be issued by the Third-Party Allotment is 9,110,000 shares (91,100 voting rights), which is equivalent to 18.41% (18.43% of voting rights; rounded to two decimal places) of the total number of issued 49,490,339 shares (494,249 voting rights) as of December 31, 2023 and will result in certain dilution.

However, as the Third-Party Allotment will be implemented as part of the Capital and Business Alliance, and the strengthening of the alliance with MUFG Bank through the Third-Party Allotment will contribute to the enhancement of the Company's value and the interests of its existing shareholders over the medium- to long-term, the Company believes that the volume of issuance and the scale of share dilution through the Third-Party Allotment are reasonable.

## 6. Reasons for Selecting Allottee and Other Related Matters



## (1) Overview of the Allottee

(as of March 31, 2023; except as otherwise noted)

(1)	Company name	MUFG Bank, Ltd.		
(2)	Location	2-7-1, Marunouchi, Chiyoda-ku, Tokyo, Japan		
(3)	Representative	President & CEO Junichi Hanzawa		
(4)	Business details	Financial and other ancillary businesses		
(5)	Stated capital	JPY 1,711,958 million		
(6)	Date of incorporation	August 15, 1919		
(7)	Number of issued shares	12,707,738,122 shares		
(8)	Fiscal year end	March 31		
(9)	Number of employees	94,631 (consolidated)		
(10)	Major customers	-		
(11)	Major banks	-		
(12)	Major shareholders and their shareholding ratio	MUFG Financial Group, Inc. 100.00%		
(13)	Relationship between the Company and the Allottee			
	Capital relationship	N/A. A subsidiary of MUFG, the parent company of MUFG Bank, holds shares in the Company on a temporary basis for its securities business. Funds managed by equity method affiliates of MUFG Bank owns 0.33% of the voting rights in the Company. (as of December 31, 2023)		
	Personnel relationship	N/A. One candidate nominated by MUFG Bank is scheduled to be presented as a candidate for outside director of the Company at the Company's Annual General Meeting of Shareholders (scheduled to be held on March 26, 2024).		
	Business relationship	In collaboration with MUFG Bank, which has a broad customer base, and the Company, an asset management robo-advisor business, the Company provides “WealthNavi for MUFG Bank”. The two companies also engage in long-term borrowing transactions through subordinated loans and transactions related to deposits and withdrawals by the Company’s customers.		
	Related party relationship	N/A.		
(14)	Consolidated business and financial performances for the most recent three years			
	Fiscal year	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2023
	Consolidated net assets	12,571,975	12,242,901	12,258,588
	Consolidated total assets	290,269,735	299,610,983	313,849,208
	Consolidated net assets per share (JPY)	984.24	954.38	951.87
	Consolidated ordinary revenue	4,120,160	4,050,858	6,629,819
	Consolidated ordinary income	430,887	824,838	286,969

Profit for the period attributable to shareholders of parent company	307,761	503,001	602,034
Consolidated income for the period per share (JPY)	24.91	40.72	48.74
Dividend per share (JPY)	Common share 18.44	Common share 35.06	Common share 20.21
	Class II preferred share 60.00	Class II preferred share 60.00	Class II preferred share 60.00
	Class IV preferred share 18.60	Class IV preferred share 18.60	Class IV preferred share 18.60
	Class VI preferred share 210.90	Class VI preferred share 210.90	Class VI preferred share 210.90
	Class VII preferred share 115.00	Class VII preferred share 115.00	Class VII preferred share 115.00

(Note) 1. The unit is JPY 1 million; however, except as otherwise noted.

2. The parent company of the Allottee, MUFG, is listed on the Prime Market of Tokyo Stock Exchange. Following the confirmation on the website of Tokyo Stock Exchange of its basic policy and status of maintenance for eliminating anti-social forces described in the “Report on Corporate Governance” (latest update on November 2, 2023) that MUFG submitted to Tokyo Stock Exchange, the Company has concluded that the Allottee and its officers and major shareholders have no relationship with anti-social forces and has submitted a written confirmation to the Tokyo Stock Exchange, indicating that the Allottee has no relationship with anti-social forces.

### (2) Reasons for selecting the Allottee

As described in “I. Capital and Business Alliance with MUFG Bank, 1. Purpose and Reasons for the Capital and Business Alliance” above, the Company has determined that the most appropriate ways of enhancing the Company’s value and the interests of its existing shareholders over the medium- to long-term are to satisfy the funding needs as described in “3. Amount, Use and Scheduled Time of Expenditure of Funds to be Raised, (2) Specific use of funds to be raised” above by the Third-Party Allotment with MUFG Bank as the allottee, and to realize the effects of strengthening collaboration with MUFG Bank through the Capital and Business Alliance as soon as possible.

### (3) Holding policy of the Allottee

The Company has orally confirmed that the Allottee intends to hold the Company’s shares acquired through the Third-Party Allotment over the medium- to long- term.

In addition, in the Capital and Business Alliance Agreement, the Allottee agrees that during the alliance period, it shall not transfer, succeed or dispose of the Shares except with the prior written consent of the Company, and that, in principle, it shall not acquire additional shares and other securities of the Company without the prior written consent of the Company.

Moreover, the Company will obtain from the Allottee a written commitment to agree that if all or part of the Shares are transferred within two years from payment for the Third-Party Allotment, the Allottee will immediately report the details thereof to the Company in writing, and the Company will report provide the details of such report to Tokyo Stock Exchange, Inc. and that the details of such report will be made available for public inspection.

(4) Details confirmed on the existence of property required for payment by the Allottee

The Company has confirmed that the Allottee has sufficient cash and deposits to pay for the Third-Party Allotment, based on the amount of cash and deposits (JPY 87,975,310 million) provided in the Interim Consolidated Balance Sheet in the 19th Semi-Annual Report (for the period from April 1, 2023 to September 30, 2023) filed by the Allottee on November 29, 2023.

7. Major Shareholders and the Shareholding Ratio after the Third-Party Allotment

Before the Third-Party Allotment (As of December 31, 2023)		After the Third-Party Allotment	
Kazuhisa Shibayama	21.45%	Kazuhisa Shibayama	18.11%
MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT (standing proxy: Citibank, N.A., Tokyo Branch)	6.38%	MUFG Bank	15.55%
Custody Bank of Japan, Ltd. (Trust account)	3.18%	MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT (standing proxy: Citibank, N.A., Tokyo Branch)	5.39%
NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT (standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	2.54%	Custody Bank of Japan, Ltd. (Trust account)	2.69%
THE BANK OF NEW YORK 133652 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	2.24%	NORTHERN TRUST CO. (AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT (standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	2.14%
STATE STREET BANK AND TRUST COMPANY 505303 (standing proxy: Mizuho Bank, Ltd., Settlement Sales	2.08%	THE BANK OF NEW YORK 133652 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.89%

Department)			
STATE STREET BANK AND TRUST COMPANY 505019 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.79%	STATE STREET BANK AND TRUST COMPANY 505303 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.75%
The Master Trust Bank of Japan, Ltd. (Trust account)	1.79%	STATE STREET BANK AND TRUST COMPANY 505019 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.51%
SBI SECURITIES Co., Ltd.	1.62%	The Master Trust Bank of Japan, Ltd. (Trust account)	1.51%
J.P. MORGAN BANK LUXEMBOURG S.A. 384513 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.37%	SBI SECURITIES Co., Ltd.	1.37%

- (Note)
1. The above information is based on the shareholders' register as of December 31, 2023.
  2. The shareholding ratio is the ratio of the number of shares (excluding treasury shares) held to the total number of issued shares. The figure is rounded to two decimal places.
  3. The shareholding ratios after third-party allotment were calculated adding together the total number of shares before third-party allotment (as of December 31, 2023) (excluding treasury shares) and the total number of new shares to be issued through the Third-Party Allotment.

#### 8. Future Prospects

Although we believe that the Capital and Business Alliance and the Third-Party Allotment will contribute to the enhancement of the corporate value and shareholder value of the Company, the specific impact on the Company's business results for the fiscal year ending December 31, 2024 has not yet been determined at this time, and if there arises any matter to be announced as the two companies work out the details of the business alliance in the future, the Company will promptly disclose such information.

#### 9. Disclosure regarding the Procedures under the Code of Corporate Conduct

There is no requirement for the receipt of an independent third-party opinion or the procedures for shareholder approval under Article 432 of the Securities Listing Regulations promulgated by the Tokyo Stock Exchange, since the Third-Party Allotment (i) will result in dilution of less than 25% and (ii) does not cause any change in controlling shareholders.

#### 10. Operating Results and Equity Finance for the Most Recent Three Years

##### (1) Operating results for most recent three years

Fiscal year	Year ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2023
Operating revenue	4,647,506	6,573,470	8,167,922
Operating profit or operating loss	(432,702)	209,814	523,672

(minus)			
Ordinary profit or ordinary loss (minus)	(491,659)	214,266	519,529
Current net earnings or current net loss (minus)	(495,459)	289,689	375,277
Net income per share or net loss per share (minus) (JPY)	(10.85)	6.07	7.65
Dividends per share (JPY)	—	—	—
Net assets per share (JPY)	213.62	226.98	245.70

- (Note) 1. Unit: thousands of yen (except as noted otherwise)
2. The audit for the results for the fiscal year ending December 31, 2023 pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act has not been completed and therefore the Company has not received the audit report.

(2) The total number of issued shares and dilutive shares (as of December 31, 2023)

	Number of shares	Ratio to total number of issued shares
Number of issued shares	49,490,339 shares	100.00%
Number of dilutive shares at current conversion price (exercise price)	1,741,683 shares	3.52%
Number of dilutive shares at minimum conversion price (exercise price)	— shares	—
Number of dilutive shares at maximum conversion price (exercise price)	— shares	—

(Note) All of the above dilutive shares are based on stock options.

(3) Recent stock prices

(i) Stock prices for the recent three years (JPY)

	Fiscal year ended December, 2021	Fiscal year ended December, 2022	Fiscal year ended December, 2023
Opening	2,649	2,089	1,340
High	4,740	2,859	2,016
Low	1,956	1,231	996
Closing	2,043	1,352	1,950

(ii) Stock prices for the recent six months (JPY)

	September 2023	October	November	December	January 2024	February
Opening	1,210	1,275	1,103	1,741	1,880	1,675
High	1,327	1,315	1,800	2,016	2,040	1,718

Low	1,118	996	1,067	1,356	1,640	1,591
Closing	1,269	1,099	1,724	1,950	1,715	1,708

(Note) For February 2024, the status is through February 13, 2024.

(iii) Stock price on the business day immediately preceding the date of the resolution authorizing (JPY)

	February 13, 2024
Opening	1,710
High	1,718
Low	1,672
Closing	1,708

(4) Equity finance in the recent three years

(i) Capital increase through a public offering

• Issuance of new shares in international offering

Payment Date	December 3, 2021
Amount of Proceeds to Be Raised	JPY 2,840,124,000 (estimated net proceeds)
Issue Price	JPY 3,183
Number of Outstanding Shares at the timing of Offering	45,593,749 shares
Number of shares to be issued in the Offering	940,000 shares
Total number of Outstanding Shares after the Offering	46,533,749 shares
Initial use of proceeds at the time of issuance	(1) JPY 2,414 million for advertising to acquire new customers (2) JPY 426 million for hiring and personnel expenses related to business expansion
Scheduled timing of expenditure at the time of issuance	By the end of the fiscal year ended December 2023
Current status of application	(1) Advertising expenses to acquire new clients The Company allocated JPY 1,200 million for the fiscal year ended December 31, 2022 and JPY 1,214 million for the fiscal year ended December 31, 2023 for advertising expenses to increase awareness of its services such as asset management service, known as “WealthNavi,” a robo-advisor, and “Robo NISA”, a new service that automatically and discretionally manages assets in NISA accounts and to promote understanding of the services. (2) Hiring and personnel expenses related to business expansion To expand our business, the Company allocated JPY 200 million in the fiscal year ended December 31, 2022 and JPY 226 million in the fiscal year ended December 31, 2023 as recruiting and personnel expenses for engineers required to develop new services and additional functions to the robo-advisor “WealthNavi” with a view to becoming a “personal finance platform,” and sales and marketing personnel

	needed to acquire new customers and expand the network of alliance partners. As described above, all funds have been allocated by the scheduled timing of expenditure.
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(ii) Third-party allotment

• Issuance of new shares as restricted stock to employees of the Company

Payment Date	November 10, 2023
Amount of Proceeds to Be Raised	JPY 12,008,400
Issue Price	JPY 1,200
Number of Outstanding Shares at the timing of Offering	49,351,617 shares
Number of shares to be issued in the Offering	10,007 shares
Total number of Outstanding Shares after the Offering	49,361,624 shares
Allottee	21 Employees 10,007 shares
Initial use of proceeds at the time of issuance	Not applicable.
Scheduled timing of expenditure at the time of issuance	Not applicable.
Current status of application	Not applicable.

• Issuance of new shares as restricted stock to directors and employees of the Company

Payment Date	May 12, 2023
Amount of Proceeds to Be Raised	JPY 83,522,190
Issue Price	JPY 1,167
Number of Outstanding Shares at the timing of Offering	48,874,999 shares
Number of shares to be issued in the Offering	71,570 shares
Total number of Outstanding Shares after the Offering	48,946,569 shares
Allottee	4 Directors 12,857 shares 40 Employees 58,713 shares
Initial use of proceeds at	Not applicable.

the time of issuance	
Scheduled timing of expenditure at the time of issuance	Not applicable.
Current status of application	Not applicable.

• Issuance of new shares as restricted stock to directors, executive officers and employees of the Company

Payment Date	May 13, 2022
Amount of Proceeds to Be Raised	JPY 34,267,500
Issue Price	JPY 2,250
Number of Outstanding Shares at the timing of Offering	47,319,170 shares
Number of shares to be issued in the Offering	15,230 shares
Total number of Outstanding Shares after the Offering	47,334,400 shares
Allottee	4 Directors 5,002 shares 3 Executive officers 3,336 shares 10 Employees 6,892 shares
Initial use of proceeds at the time of issuance	Not applicable.
Scheduled timing of expenditure at the time of issuance	Not applicable.
Current status of application	Not applicable.

• Issuance of new shares as restricted stock to directors, executive officers and employees of the Company

Payment Date	May 14, 2021
Amount of Proceeds to Be Raised	JPY 10,016,500
Issue Price	JPY 4,355
Number of Outstanding Shares at the timing of Offering	45,591,449 shares
Number of shares to be issued in the Offering	2,300 shares
Total number of Outstanding Shares after	45,593,749 shares



the Offering	
Allottee	4 Directors 920 shares 4 Executive officers 460 shares 4 Employees 920 shares
Initial use of proceeds at the time of issuance	Not applicable.
Scheduled timing of expenditure at the time of issuance	Not applicable.
Current status of application	Not applicable.

#### 11. Outline of the Offering

(i) Type/Number of Shares:	Common stock of the Company 9,110,000 shares
(ii) Amount to be paid:	JPY 1,718 per share
(iii) Total amount of issue price:	JPY 15,650,980,000
(iv) Amount of stated capital to be increased:	JPY 7,825,490,000
(v) Amount of additional paid-in capital to be increased:	JPY 7,825,490,000
(vi) Method of Subscription or Allotment:	Third-party allotment
(vii) Subscription Period:	From March 4, 2024 to March 25, 2024
(viii) Payment Period:	From March 4, 2024 to March 25, 2024
(ix) Planned allottee	MUFG Bank
(x) Others	Each of the Items above shall be subject to the effectiveness of the Securities Registration Statement filed under the Financial Instruments and Exchange Act.

### III. Change in Major Shareholder and Other Associated Companies

#### 1. Reason for the Change

MUFG Bank's holding ratio of voting rights of the Company is expected to be 15.56% as a result of the Third-Party Allotment, and accordingly, MUFG Bank is expected to newly become a major shareholder of the Company. In addition to the Third-Party Allotment, MUFG Bank and its 100% parent company, MUFG, are expected to newly become other associated companies of the Company if one candidate nominated by MUFG Bank is elected as an outside director of the Company at the Company's Annual General Meeting of Shareholders to be held on March 26, 2024.

#### 2. Outline of the Shareholder to be Changed and MUFG (Their Associated Company)

With respect to the overview of MUFG Bank, please see "II. Issuance of New Shares through Third-Party Allotment, 6. Reasons for Selecting Allottee and Other Related Matters, (1) Overview of the Allottee" above.

##### Outline of MUFG (Other affiliated companies)

(1) Trade name	Mitsubishi UFJ Financial Group, Inc.
(2) Location	2-7-1, Marunouchi, Chiyoda-ku, Tokyo
(3) Name and title of representative	Hironori Kamezawa President & Group CEO

(4)	Business details	Management of affiliated subsidiaries, as well as the performance of ancillary functions	
(5)	Paid-in capital	JPY 2,141,513 million	
(6)	Date of establishment	April 2, 2001	
(7)	Consolidated net assets	JPY 18,272,857 million	
(8)	Consolidated total assets	JPY 386,799,477 million	
(9)	Major shareholders and their shareholding ratio	The Master Trust Bank of Japan, Ltd. (trust account)	16.13%
		Custody Bank of Japan, Ltd. (trust account)	6.15%
		SSBTC CLIENT OMNIBUS ACCOUNT (standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch)	2.13%
		THE BANK OF NEW YORK MELLON AS DEPOSITARY BANK FOR DR HOLDERS (standing proxy: MUFG Bank, Ltd.)	2.00%
		STATE STREET BANK WEST CLIENT TREATY 505234 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.81%
		The Master Trust Bank of Japan, Ltd. (Meiji Yasuda Life Insurance Company, retirement benefit trust account)	1.45%
		JP MORGAN CHASE BANK 385781 (standing proxy: Mizuho Bank, Ltd., Settlement Sales Department)	1.37%
		JPMorgan Securities Japan Co., Ltd.	1.26%
		TOYOTA MOTOR CORPORATION	1.23%
		GOVERNMENT OF NORWAY (standing proxy: Citibank, N.A., Tokyo Branch)	1.22%
(10)	Relationship between the listed company and the shareholders	Capital relationship	Not applicable. (Subsidiaries of MUFG hold shares of the Company for the purposes of temporary holding for securities services. In addition, a fund managed by an equity method affiliate of MUFG Bank, a subsidiary of MUFG, owns 0.33% of the voting rights in the Company.) (As of December 31, 2023)
		Personnel relationship	Not applicable. One candidate nominated by the MUFG Bank, a subsidiary of MUFG, is scheduled to be presented as a candidate for outside director of the Company at the Company's Annual General Meeting of Shareholders (scheduled to be held on March 26, 2024).
		Business relationship	Offers "WealthNavi for MUFG Bank" in cooperation with MUFG Bank, a subsidiary of MUFG with a broad customer base, and the Company, a provider of an asset management robo-advisor business. In addition, the two companies engage in long-term borrowing transactions through subordinated loans and transactions related to deposits and withdrawals of the Company's customers.

- (Note) 1. As of March 31, 2023 (except as noted otherwise).  
2. The shareholding ratio is the ratio to the total number of issued shares (excluding treasury shares).

3. Number of Voting Rights Held (Number of Shares) by MUFG Bank and the Ratio to the Total Number of Voting Rights of Shareholders, and the Number of Voting Rights Held (Number of Shares) by MUFG and the Ratio to the Total Number of Voting Rights of Shareholders, before and after the Change

(1) MUFG Bank

	Attribution	Number of voting rights (Number of shares held) (Percentage of voting rights held)			Rank in major shareholders
		Portion directly held	Portion subject to aggregation	Total	
		Before Change	—	—	
After Change	Major Shareholder Other associated company	91,100 units (9,110,000 shares) (15.56%)	—	91,100 units (9,110,000 shares) (15.56%)	Second

(2) MUFG

	Attribution	Number of voting rights (Number of shares held) (Percentage of voting rights held)		
		Portion directly held	Portion subject to aggregation	Total
		Before Change	—	—
After Change	Other associated company	—	91,100 units (9,110,000 shares) (15.56%)	91,100 units (9,110,000 shares) (15.56%)

- (Note)
1. The ratio to the total number of voting rights of shareholders after the change is calculated as the ratio to the total number of voting rights (585,349 units), which is the total number of voting rights as of December 31, 2023 (494,249 units) plus the number of voting rights to be increased by the Third-Party Allotment (91,100 units). The figures are rounded off to two decimal places.
  2. "Rank in major shareholders" is based on the shareholder register as of December 31, 2023.

4. Change in Unlisted Parent Companies, etc., Subject to Disclosure

If the payment for the Third-Party Allotment is completed and one candidate nominated by MUFG Bank is elected as an outside director of the Company, MUFG Bank and MUFG will become new parent companies, etc., of the Company. However, since MUFG Bank is a wholly owned subsidiary of MUFG and MUFG is the parent company, etc., with the greatest influence on the Company, it will not be the unlisted parent company, etc., subject to disclosure.

5. Scheduled Date of the Change

The change in the major shareholder pertaining to MUFG Bank is expected to occur on the date when the payment for the Third-Party Allotment is completed (any day from March 4, 2024 to March 25, 2024). The changes in other associated companies pertaining to MUFG Bank and MUFG are expected to occur after the completion of the payment for the Third-Party Allotment and on the date when one candidate nominated by MUFG Bank is elected as an outside director of the Company at the Company's Annual General Meeting of Shareholders (to be held on

March 26, 2024) and such election becomes effective.

#### 6. Future Prospects

For future prospects, please refer to “II. Issuance of New Shares through Third-Party Allotment, 8. Future Prospects” above.

End