

April 4, 2024

Company name	Rakuten Group, Inc.
Representative	Hiroshi Mikitani Chairman and CEO (Stock Code: 4755, TSE Prime)

Announcement Regarding the Issuance of USD-Denominated Senior Notes

Rakuten Group, Inc. (hereinafter “the Company”) announced that it has determined to issue USD-denominated senior notes due 2029 in overseas markets outside Japan under the following conditions.

Background and Purposes of the Transaction

As announced in our presentation “FY2022 Fourth Quarter and Full Year Consolidated Financial Results CEO Group Strategy” dated February 14, 2023, under our policy of conducting disciplined management with due consideration to the balance between growth investment and mid- to long-term financial soundness without excessive dependence on interest-bearing debt, we are working to strengthen our financial soundness.

We have worked to procure various non-interest-bearing debt funding, including the issuance of new equity through a public offering and concurrent third-party allotments, the secondary offering of shares of Rakuten Bank, Ltd. owned by the Company, and the partial transfer of shares of Rakuten Securities, Inc. to Mizuho Securities Co., Ltd. by Rakuten Securities Holdings, Inc.

Against this backdrop, we are currently working on balance sheet management through reduction of total debt and proactive debt maturity management.

As part of our efforts for proactive debt maturity management, we issued USD denominated senior notes due 2027, and conducted cash tender offers for certain of our USD denominated senior notes due 2024 in February 2024. In addition, with the aim of diversifying fundraising methods and expanding our investor base, we have submitted a shelf registration for Series 1 Bond-type Class Shares in February 2024.

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When we issued the USD denominated senior notes in February, we promoted our financial policies, such as reduction of total debt and proactive debt maturity management, and as a result, according to the underwriters, strong demand from investors was confirmed. Since then, we have received requests from numerous investors for a subsequent bond with a longer maturity. Given this, and to further implement the aforementioned financial policy, we have determined the conditions for USD denominated senior notes due 2029 pursuant to the conditions set forth in the table below. The proceeds from the senior notes will be used for the redemption or repurchase, or both, of the senior notes issued by the Company maturing on or after 2024.

1. Issuer	Rakuten Group, Inc.
2. Type	USD-denominated senior notes due in 2029
3. Principal amount	USD 2,000 million
4. Offering price	99.512% of principal amount
5. Interest rate	9.75% per year
6. Coupon rate after currency swap*	6.03932% per year
7. Maturity date	April 15, 2029
8. Subordination	In the event of liquidation of the issuer, the notes shall rank <i>pari passu</i> with unsecured and unsubordinated debts and take priority over stock and subordinated debts.
9. Offering	The notes will be offered in overseas markets, centered on the United States, Europe, and Asia. (However, in the United States, sales will be limited to qualified institutional investors in accordance with Rule 144A under the United States Securities Act of 1933).
10. Listing	The notes will be listed on the Singapore Exchange Securities Trading Limited.
11. Closing date	April 10, 2024

*Weighted average of coupon rates of multiple currency swaps entered into by Rakuten Group, Inc.

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