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April 1, 2024

Company name: SBI RHEOS HIFUMI Inc.
Name of representative: Hideto Fujino, Representative Director,
Chairman, President, Group CEO
(Securities code: 165A; TSE Growth Market)
Inquiries: Jiro Iwata, Managing Director, Group
CAO

**Notice Concerning Establishment of “SBI RHEOS HIFUMI Inc.”
and Change in Sub-subsidiary Through Dividends in Kind From Subsidiary**

SBI RHEOS HIFUMI Inc. (the “Company”) hereby announces that, through a sole-share transfer of Rheos Capital Works Inc. (“Rheos Capital Works”) conducted today, the Company was established as the holding company (wholly owning parent company) of Rheos Capital Works, and the shares of the Company were listed on the TSE Growth Market.

In addition, at the general meeting of shareholders of the Company’s wholly owned subsidiary Rheos Capital Works held today, Rheos Capital Works resolved to transfer all of the shares of Rheos Capital Partners, Inc. (“Rheos Capital Partners”) it holds to the Company as dividends in kind.

As a result, the Company will hold all of the shares of Rheos Capital Partners directly, resulting in a change in a sub-subsidiary. The details are as follows.

1. Establishment of SBI RHEOS HIFUMI Inc.

(1) Outline of SBI RHEOS HIFUMI Inc.

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|------------------------|---|
| Name | SBI RHEOS HIFUMI Inc. |
| Location | Marunouchi 1-11-1, Chiyoda-ku, Tokyo |
| Representative | Hideto Fujino, Representative Director, Chairman, President, Group CEO |
| Establishment date | April 1, 2024 |
| Method | Establishment of a wholly owning parent company through sole-share transfer |
| Business activities | Formulation of management strategies, business administration, and incidental or related operations for Group companies engaged in investment trust management business and investment advisory business (business related to discretionary investment contracts), etc. |
| Capitalization | ¥322 million |
| Stock exchange listing | TSE Growth Market (Securities code: 165A) |

(2) Officer structure

The officer structure of the Company is as follows.

| Titles | Name |
|---|---|
| Representative Director, Chairman, President, Group CEO | Hideto Fujino (Representative Director, Chairman, President & CEO, Chief Investment Officer of Rheos Capital Works) |
| Representative Director, Deputy President, Group COO | Mitsuhiro Yuasa (Representative Director, Deputy President & COO of Rheos Capital Works) |
| Senior Managing Director, Group CHRO | Miki Shiramizu (Senior Managing Director & CHRO of Rheos Capital Works) |
| Managing Director, Group CAO | Jiro Iwata (Managing Director & CAO of Rheos Capital Works) |
| Director, Group CCO | Takeshi Nakamichi (Director & CCO of Rheos Capital Works) |
| Director | Tomoya Asakura (Director of Rheos Capital Works) |
| Independent Director | Rie Nakamura (Independent Director of Rheos Capital Works) |
| Independent Director | Toshiya Kakiuchi (Independent Director of Rheos Capital Works) |
| Independent Director | Akira Sato (Independent Director of Rheos Capital Works) |
| Full-time Independent Auditor & Supervisory Board Member | Shuzo Takami (Full-time Independent Auditor & Supervisory Board Member of Rheos Capital Works) |
| Full-time Auditor | Osamu Takahashi (Full-time Auditor of Rheos Capital Works) |
| Independent Auditor & Supervisory Board Member | Kazuhiro Yasuda (Independent Auditor & Supervisory Board Member of Rheos Capital Works) |
| Independent Auditor & Supervisory Board Member | Koji Wada (Independent Auditor & Supervisory Board Member of Rheos Capital Works) |

(Note 1) The Company has registered Independent Directors Ms. Rie Nakamura, Mr. Toshiya Kakiuchi and Mr. Akira Sato as independent officers with the Tokyo Stock Exchange.

(Note 2) The Company has registered Independent Auditor & Supervisory Board Members Mr. Shuzo Takami, Mr. Kazuhiro Yasuda and Mr. Koji Wada as independent officers with the Tokyo Stock Exchange.

2. Change in sub-subsidiary

(1) Objectives and method

From the perspective of further strengthening collaboration and synergy within the Group, among other aims, the Company will make Rheos Capital Partners a direct investment subsidiary of the Company using the dividend-in-kind method whereby Rheos Capital Works will transfer all of the shares it holds of its consolidated subsidiary Rheos Capital Partners to the Company.

Under the new Group structure, Rheos Capital Works will continue to focus on the management of assets entrusted from clients and sales of investment trusts, while the Company will be responsible for formulating management and M&A strategies for the entire Group and executing corporate actions.

(2) Outline of Rheos Capital Partners, which is a direct investment subsidiary of the Company*

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|---|--|
| Name | Rheos Capital Partners, Inc. |
| Location | Marunouchi 1-11-1, Chiyoda-ku, Tokyo |
| Representative | Tsutomu Awaji, Representative Director |
| Business activities | Arrangement, operation, management, etc. of investment limited partnerships and other similar associations, etc. |
| Capitalization | ¥100 million |
| Establishment date | April 16, 2021 |
| Percentage owned by the Company after the acquisition | 100% |

* This matter is disclosed on a voluntary basis and some disclosure content has been omitted.

(3) Schedule

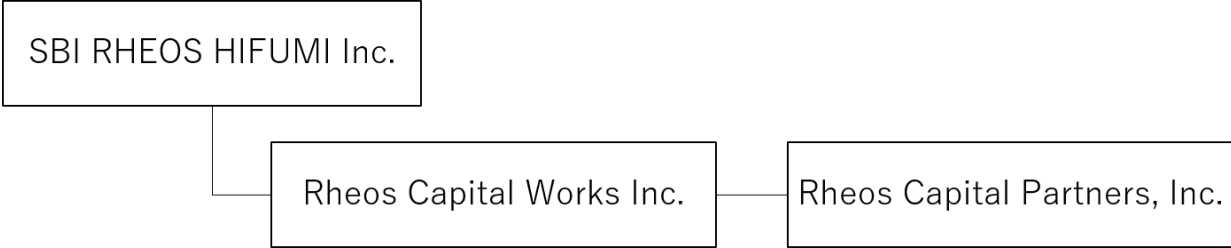
| | |
|---|-----------------------|
| Resolution of the Board of Directors of the Company: | Monday, April 1, 2024 |
| Extraordinary general meeting of shareholders of Rheos Capital Works: | Monday, April 1, 2024 |
| Effective date (dividends in kind): | Monday, April 1, 2024 |

3. Future outlook

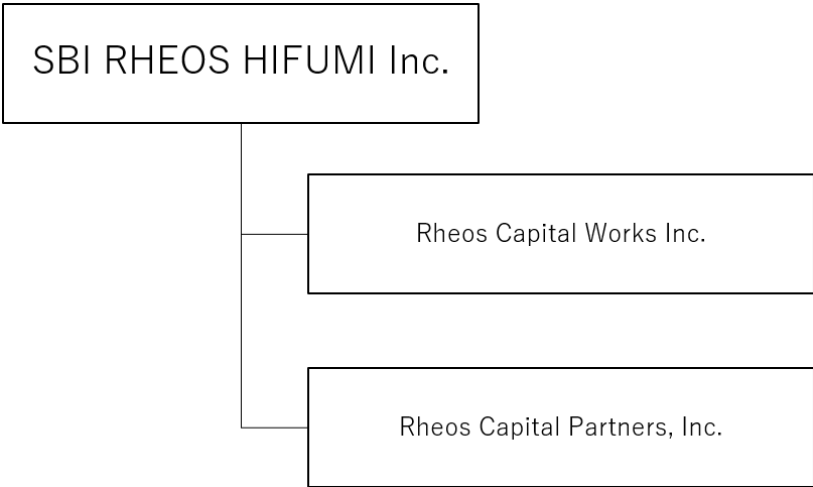
This matter involves transactions within the Group, and will not result in a change in the Company's non-consolidated or consolidated net assets or have an impact on operating results.

<Reference>

Group structure after the sole-share transfer



Group structure after the change in sub-subsidiary



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