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May 7, 2025

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 Issuance of Stock Options (Stock Acquisition Rights)

SBI RHEOS HIFUMI Inc. (the “Company”) hereby announces that the Board of Directors, at its meeting held on May 7, 2025, has resolved to issue stock acquisition rights as stock options to Directors and employees of its Group companies in accordance with the provisions of Articles 236, 238, and 240 of the Companies Act.

I. Objectives of and reasons for offering stock acquisition rights

The Company has decided to issue stock acquisition rights to Directors and employees of the Group to further raise motivation and morale, and strengthen cohesion across the Group, as it aims to enhance the Group’s performance and corporate value over the medium- to long-term.

The increase in the total number of the Company’s common shares upon the exercise of all the stock acquisition rights represents 1.38% of the total number of issued and outstanding shares. However, in principle, the stock acquisition rights holders must be officers and employees of the Group at the time of exercising their rights. Additionally, the number of stock acquisition rights exercisable in any given year is limited to 20% of the number allotted. This structure is intended to serve as a medium-to long-term incentive for officers and employees of the Group to increase the Company's stock price. The Company recognizes that the issuance of these rights will ultimately contribute to enhancing the Company’s corporate and shareholder value. For this reason, the Company also recognizes that the issuance of the stock acquisition rights will contribute to the interests of existing shareholders and that its effects on the dilution of its stock are reasonable.

II. Terms and conditions of the issuance of stock acquisition rights

(1)	Name of the stock acquisition rights	The third series of stock acquisition rights of SBI RHEOS HIFUMI Inc.
(2)	Number of the stock acquisition rights	14,240 rights
(3)	Allotment date of the stock acquisition rights	May 28, 2025
(4)	Class and number of shares subject to the stock acquisition rights	Common shares: 1,424,000 shares (Number of shares to be delivered upon the exercise of one stock acquisition right: 100 shares of common stock of the Company)
(5)	Amount to be paid in for the stock acquisition rights	The amount to be paid in for the stock acquisition rights shall be the fair value calculated using the Black-Scholes model as of the allotment date of the stock acquisition rights. However, the Company's subsidiaries shall provide monetary receivables equivalent to the total amount to be paid in for the stock acquisition rights to persons eligible for the allotment of the stock

	acquisition rights, and the Company shall, in turn, offset these monetary receivables (for which it has assumed a concomitant obligation from its subsidiaries) against the payment obligation for the amount to be paid in for the stock acquisition rights.
(6) Value of assets to be contributed upon exercise of the stock acquisition rights	<p>The value of the assets to be contributed upon the exercise of the stock acquisition rights shall be the amount obtained by multiplying the amount to be paid in per share issued under each of the stock acquisition rights upon the exercise of the stock acquisition rights (the “Exercise Price”) by the number of shares granted.</p> <p>The initial Exercise Price shall be the amount obtained by multiplying the average closing price of the Company's common shares on the Tokyo Stock Exchange, Inc. on all days of the month immediately preceding the month in which the allotment date of the stock acquisition rights falls (excluding any day on which such shares were not traded) by 1.05, with any fractions of one yen resulting from the calculation rounded up; provided, however, that if the amount obtained is less than the closing price on the allotment date of the stock acquisition rights (or, if such shares were not traded, the closing price on the immediately preceding trading day), the Exercise Price shall be such closing price.</p>
(7) Exercise period of the stock acquisition rights	The exercise period shall commence on June 1, 2027, and end on April 30, 2035.
(8) Matters concerning the amount of increase in share capital and legal capital surplus when new shares are issued upon the exercise of the stock acquisition rights	The amount of increase in share capital when new shares are issued upon the exercise of the stock acquisition rights shall be the amount obtained by multiplying the maximum amount of increase in share capital, etc. calculated in accordance with the provisions of Article 17, paragraph (1) of the Regulations on Corporate Accounting by 0.5. Any fractions of one yen resulting from the calculation shall be rounded up. The amount of increase in legal capital surplus shall be the amount obtained by deducting the amount of increase in share capital from the maximum amount of increase in share capital, etc.
(9) Conditions for exercise of the stock acquisition rights	<p>(i) The stock acquisition rights holders must, at the time of exercising their rights, be serving in the capacity of Director, Auditor & Supervisory Board Member, or employee of the Company or its subsidiaries, or have entered into an advisory agreement with the Company. However, in the event of retirement due to expiration of term of office, mandatory retirement age, the Company’s request, or illness arising in the course of duty, as well as in cases of transfer or other justifiable reasons, such rights may be exercised either within six months from the date of loss of position (provided, however, that such exercise falls within the prescribed exercise period), or within six months from the date of commencement of the exercise period, subject to approval by the Board of Directors of the Company and written notification to the stock acquisition rights holders.</p> <p>(ii) Any other applicable reasons or conditions shall be determined in accordance with the provisions of the allotment agreement executed between the Company and the stock acquisition rights holders.</p>
(10) Restrictions on transfer of the stock acquisition rights	Any acquisition of the stock acquisition rights through transfer shall require the approval of the Board of Directors of the Company.
(11) Date of payment to be made in exchange for the stock acquisition rights	May 28, 2025

<p>(12) Persons eligible for the allotment of stock acquisition rights and their number</p>	<p>One Director of the Company's subsidiary: 800 rights 56 employees of the Company's subsidiaries: 13,440 rights</p>
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