

Notice: This is a translation of a notice in Japanese and is made solely for the convenience of foreign shareholders.  
In the case of any discrepancy between the translation and the Japanese original, the latter shall prevail.

## The Notice of Convocation

(Securities Code 4373)  
(Date of commencement of electronic provision measures) May 23, 2025  
(Date of mailing) May 30, 2025

To Shareholders:

### **Notice of Convocation of the 9th Ordinary General Meeting of Shareholders**

Dear Madam/Sir:

You are hereby notified that the 9th Ordinary General Meeting of Shareholders of Simplex Holdings, Inc. (the “Company”) will be held as stated below.

In convening this General Meeting of Shareholders, the Company has taken electronic provision measures, which electronically provide information contained in the Reference Documents, etc. for the General Meeting of Shareholders (the “matters subject to electronic provision measures”), and has posted this information on the following websites on the Internet. Please access either of the following websites to view the information.

[The Company website (“Shareholders’ Meeting” page)]

<https://www.simplex.holdings/en/ir/stock/meeting/>

When accessing from the Company website top page (<https://www.simplex.holdings/en/>), please click on “Investor Relations,” “Stock Information,” and “Shareholders’ Meeting” in this order to view the information.

[Website for Shareholders’ Meeting materials]

<https://d.sokai.jp/4373/teiji/>

[The Tokyo Stock Exchange (TSE) website (Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the TSE website above, enter “Simplex Holdings” in the “Issue name (company name)” field or our securities code “4373” in the “Code” field, and click on “Search” to find search results. Then, click on “Basic information” and “Documents for public inspection/PR information” in this order to find “[Notice of General Shareholders Meeting / Informational Materials for a General Shareholders Meeting]” in the “Filed information available for public inspection” section.

Shareholders' voting rights may be exercised by mailing the Voting Rights Exercise Form sent with this Notice of Convocation or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders, and exercise your voting rights no later than 6:00 p.m. on Friday, June 13, 2025.

Yours faithfully,

Hideki Kaneko  
Representative Director, President and CEO  
Simplex Holdings, Inc.  
19F Toranomon Hills Mori Tower,  
1-23-1 Toranomon, Minato-ku, Tokyo,  
Japan

<u>Particulars</u>	
1. <b>Date and Time:</b>	10:00 a.m. on Saturday, June 14, 2025 (Japan time)
2. <b>Place:</b>	Main Hall, Toranomon Hills Forum 5F Toranomon Hills Mori Tower, 1-23-3 Toranomon, Minato-ku, Tokyo
3. <b>Purpose:</b>	

**Matters to be reported:**

1. Report on the Business Report, Consolidated Financial Statements, and report on the results of audit by the Independent Auditor and the Audit and Supervisory Committee for Consolidated Financial Statements for the 9th fiscal year (from April 1, 2024 to March 31, 2025);
2. Report on the Non-consolidated Financial Statements for the 9th fiscal year (from April 1, 2024 to March 31, 2025)

**Matters to be resolved:**

**First Proposal:** Election of Four (4) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

**Second Proposal:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

**-End-**

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- \* Should any of the matters subject to electronic provision measures require revisions, the revised versions will be posted on each of the above websites on the Internet.
- \* Among the matters subject to electronic provision measures, the following matters will not be provided in the paper copy to shareholders who made a request for delivery of documents, in accordance with the provisions of laws and regulations and Article 16 of the Articles of Incorporation of the Company. Accordingly, the Business Report, Consolidated Financial Statements, and Non-consolidated Financial Statements contained in such paper copy constitute only part of the documents audited by the Independent Auditor and the Audit and Supervisory Committee Members in the preparation of the Independent Auditor's Report and the Audit Report, respectively.
  - (i) "Risk Factors" and "Share Acquisition Rights" in the Business Report
  - (ii) "Consolidated Statements of Changes in Equity" and "Notes to Consolidated Financial Statements" as part of the Consolidated Financial Statements
  - (iii) "Non-consolidated Statements of Changes in Net Assets" and "Notes to Non-consolidated Financial Statements" as part of the Non-consolidated Financial Statements
- \* The results of the resolutions of this General Meeting of Shareholders will be posted on the Company's website (<https://www.simplex.holdings/en/ir/>) after the conclusion of this meeting, in lieu of sending written notice of resolutions.

**“Smart Convocation” service allows you to view the convocation notice more smartly**

The Company has introduced the Smart Convocation service that allows you to view the main content of the convocation notice with your smartphone or other devices.

Please access the URL or the QR Code below to view the Smart Convocation webpage.  
(For this translation, the QR Code is omitted.)

<https://p.sokai.jp/4373/>

\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

\* This service is only available in Japanese.

**<Important notice for shareholders attending the meeting in person>**

- We will **provide gifts to shareholders** at the meeting, but **only one per shareholder attending the meeting, regardless of the number of voting rights you exercised or that of Voting Rights Exercise Forms you bring with you.**
- We will **hold a social gathering for shareholders** after the close of this meeting as a valuable opportunity for exchange and conversation between shareholders and the Company's management. **Buffet-style meal and soft drinks will be available at the venue. Your attendance will be welcomed.**
- Although a sufficient number of seats will be available at the venue, **we may restrict entry to the venue if all seats are occupied.**
- Please bring the Voting Rights Exercise Form sent with this Notice of Convocation and submit the form at the reception.
- From a perspective of saving paper resources, we will **not provide a printed copy of this Convocation Notice at the venue of the meeting.** Please bring your smartphone or any other device that can access the Internet.
- Please arrange for an interpreter if necessary. One interpreter may attend the meeting for one shareholder.

**Live stream of the General Meeting of Shareholders and Information on Pre-submission of Questions**

The General Meeting of Shareholders will be live-streamed on the website below.

A preliminary application is not required to view the live stream.

In addition, we ask shareholders to pre-submit questions through the website.

- (1) How to access the website  
<https://links-v.pdcp.jp/4373/2025/simplexholdings/>
  - (i) Please access the website via the URL above or by scanning the QR Code to the right.  
(For this translation, the QR Code is omitted.)
  - (ii) Please enter your login ID (nine-digit Shareholder ID number printed on the Voting Rights Exercise Form) and password (seven-digit zip code) on the authentication screen (login screen) to log in.
- (2) How to view the live stream  
After logging in, please click "View Live" on the menu screen to proceed to the viewing screen.  
\* The viewing screen will become accessible on Saturday, June 14, 2025 at 9:30 a.m.
- (3) How to pre-submit questions  
We accept questions and messages for the General Meeting of Shareholders in advance.  
After logging in, please click "Advance Questions" on the menu screen and fill out the form.  
**Submission deadline: Sunday, June 8, 2025 by 12:00 p.m.**
  - \* Please note that you cannot exercise your voting rights on this website.
  - \* If the live stream is cancelled for any reason, we will announce it on the Company's website.
  - \* We will distribute a video of part of the General Meeting of Shareholders on-demand at a later date.  
(This service is only available in Japanese.)

## **Guidance for Means of Exercising Voting Rights:**

Voting rights exercised at the General Meeting of Shareholders represent an important right of the shareholders.

Please exercise your voting rights after reviewing the Reference Documents for the General Meeting of Shareholders.

There are three means of exercising voting rights as described below.

### **When exercising voting rights via the Internet:**

**Deadline for exercise: vote is required to be received by 6:00 p.m. on Friday, June 13, 2025**

Please indicate your approval or disapproval of each proposal following the guidance on the next page.

### **When exercising voting rights in writing (by mail):**

**Deadline for exercise: Voting Rights Exercise Form is required to be arrived by 6:00 p.m. on Friday, June 13, 2025**

Please indicate your vote for or against each proposal on the Voting Rights Exercise Form sent with this Notice of Convocation and return by mail.

### **When attending the meeting in person:**

**Date and time of the meeting: 10:00 a.m. on Saturday, June 14, 2025**

Please submit the Voting Rights Exercise Form sent with this Notice of Convocation at the reception.

## **How to Fill Out Voting Rights Exercise Form**

Please indicate your approval or disapproval of each proposal.

### **First and Second Proposals**

- If you approve the election of all candidates, put a circle in the “贊 (approve)” box.
- If you disapprove the election of all candidates, put a circle in the “否 (disapprove)” box.
- If you disapprove the election of a certain candidate(s), put a circle in the “贊 (approve)” box, and also write the candidate number for each candidate you disapprove to be elected.

\* If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the voting form, we will treat it as if you indicated your approval.

\* If you exercise your voting rights both in writing (by mail) and via the Internet, only the vote exercised via the Internet will be recognized as valid.

\* If you exercise your voting rights redundantly via the Internet, only the last vote will be recognized as valid.

## [Exercise of Voting Rights via the Internet]

### Scanning the QR code (“Smart Voting”)

You can log into the voting rights exercise website for Smart Voting without entering a voting rights exercise code or password.

1. Scan the QR code on the lower right of the Voting Rights Exercise Form.  
\* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.
2. Follow the instructions on the screen and enter your approval or disapproval.

Exercising voting rights through Smart Voting is valid only once.

If you wish to change the content of your vote after exercising your voting rights, please access the website for PC, enter the “Voting Rights Exercise Code” and “password” printed on the Voting Rights Exercise Form to log in, and exercise your voting rights again.

\* Please rescan the QR code to go to the website for PC.

### Entering the Voting Rights Exercise Code and password

Voting Rights Exercise Website: <https://www.web54.net>

1. Access the voting rights exercise website.

Click “Next.”

2. Enter the “Voting Rights Exercise Code” printed on the Voting Rights Exercise Form.

Enter the “Voting Rights Exercise Code.”

Click “Log in.”

3. Enter the “password” in the Voting Rights Exercise Form.

Enter the “password.”

Set a new password that you will actually use.

Click “Register.”

4. Follow the instructions on the screen and enter your approval or disapproval.

For inquiries regarding how to operate your computer, smartphone or any other device to exercise voting rights via the Internet, please call the help desk below.

Stock Transfer Agency Web Support  
Sumitomo Mitsui Trust Bank, Limited  
Tel: 0120-652-031 (toll-free in Japan)  
Hours: 9:00 a.m. to 9:00 p.m.

Institutional investors may use the electronic voting platform for institutional investors operated by ICJ, Inc.

## Reference Documents for the General Meeting of Shareholders

### Proposals and Matters for Reference

**First Proposal:** Election of Four (4) Directors (Excluding Directors Who Are Audit and Supervisory Committee Members)

The terms of office of all four (4) Directors (excluding Directors who are Audit and Supervisory Committee Members; hereinafter the same shall apply in this proposal) will expire at the close of this General Meeting of Shareholders.

Therefore, it is proposed that four (4) Directors be elected.

The Audit and Supervisory Committee has expressed no objection to this proposal.

The candidates for Directors are as follows:

Candidate No.	Name	Current position and responsibilities at the Company	Nomination and Compensation Committee Member*	Attribute
1	Hideki Kaneko	Representative Director, President and CEO	<input type="radio"/>	Reelection
2	Kozo Sukema	Director, Vice President and Co-COO	—	Reelection
3	Masataka Soda	Director, Vice President and Co-COO	—	Reelection
4	Keisuke Enosawa	Director and CFO	—	Reelection

Reelection: Candidate for reelection as director

\* The Company has established a voluntary Nomination and Compensation Committee as an advisory committee to the Board of Directors in order to improve the transparency and objectivity of the deliberation process regarding the election and dismissal of Directors and the compensation system. The Committee discussed the election and dismissal of Directors, their compensation and others in advance. The Board of Directors makes decisions with the utmost respect for the Committee's recommendations. The Committee consists of three or more of the Company's Directors, and more than half of the Committee members are Outside Directors.  
( the Committee member,  Chairperson of the Committee)

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
1	 Hideki Kaneko (September 1, 1963) Reelection	April 1987: Joined Arthur Andersen & Co. (currently Accenture Japan Ltd.) November 1990: Joined CATS Software Inc. November 1991: Joined Salomon Brothers Asia Ltd. (currently Citigroup Inc.) September 1997: Joined Simplex Risk Management (currently Simplex Inc.) August 2000: Representative Director and President, Simplex Inc. (present post)* April 2008: Director, Simplex U.S.A., Inc. (present post) June 2008: Representative Director and President, Simplex Business Solutions, Inc. (currently Xspear Consulting, Inc.) December 2016: Founded the Company and appointed as Representative Director, President and CEO (present post) February 2017: Representative Director, Simplex Global Inc. June 2017: Director, Simplex Global Inc. (present post) June 2021: Representative Director, Chairman and President, Deep Percept Inc. (present post)* November 2022: Director, SIMPLEX QUANTUM Inc. (present post) February 2023: Director and Co-Chairperson, SBI Simplex Solutions Co., Ltd. (present post)* (Years in office as Director) 8 years and 6 months (Attendance in meetings of the Board of Directors) 13/13 meetings (Reasons for selection as a candidate for Director) Mr. Hideki Kaneko is selected as a candidate for Director because he has been responsible for the management of the Group as Representative Director and President since 2000 and has promoted the formulation and implementation of management strategies for many years. Therefore, we believe that he will continue to promote the business of the Group and contribute to enhancing the corporate value.	9,981,900 shares

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
2	 Kozo Sukema (July 29, 1972)  Reelection	April 1996: Joined Andersen Consulting (currently Accenture Japan Ltd.) November 1999: Joined ACCESS Co., Ltd. June 2003: Joined Accenture Japan Ltd. January 2005: Joined USEN Corporation August 2008: Joined Simplex Technology, Inc. (currently Simplex Inc.) January 2014: Senior Managing Officer, Simplex Inc. December 2016: Senior Managing Director, Simplex Inc. January 2017: Senior Managing Director, the Company April 2020: Director and Vice President, Simplex Inc.; Director, Deep Percept Inc. March 2021: Director, Vice President and Co-COO, the Company (present post) June 2022: Director, Xspear Consulting, Inc. February 2023: Representative Director and President, SBI Simplex Solutions Co., Ltd. (present post)* January 2024: Managing Director, SBI SECURITIES Co., Ltd. (present post)* Representative Director, SBI BITS Co., Ltd. (present post)* (Years in office as Director) 4 years and 3 months (Attendance in meetings of the Board of Directors) 13/13 meetings (Reasons for selection as a candidate for Director) Mr. Kozo Sukema is selected as a candidate for Director because he has extensive business execution experience and achievements in a wide range of business areas as Co-COO, and has contributed to the expansion of the Group through deep diving into customers. Therefore, we believe that he will continue to contribute to enhancing the corporate value of the Group.	375,000 shares

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
3	 Masataka Soda (October 30, 1978) Reelection	July 2002: Joined Accenture Japan Ltd. May 2007: Joined Simplex Technology, Inc. (currently Simplex Inc.) October 2007: Joined Accenture Japan Ltd. March 2011: Joined Simplex Consulting, Inc. (currently Simplex Inc.). June 2017: Senior Managing Director, Simplex Inc.; Director, Simplex Business Solutions, Inc. (currently Xspear Consulting, Inc.) March 2019: Director, Deep Percept Inc. (present post)* April 2020: Director and Vice President, Simplex Inc. (present post)* February 2021: Representative Director and President, Xspear Consulting, Inc. (present post)* March 2021: Director, Vice President and Co-COO, the Company (present post) (Years in office as Director) 4 years and 3 months (Attendance in meetings of the Board of Directors) 13/13 meetings (Reasons for selection as a candidate for Director) Mr. Masataka Soda is selected as a candidate for Director because he has contributed to acquiring new customers in a wide range of business areas as Co-COO, including the promotion of the new businesses launch as Representative Director and President of Xspear Consulting, Inc. Therefore, we believe that he will continue to contribute to enhancing the corporate value of the Group.	277,800 shares

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
4	 Keisuke Enosawa (September 1, 1983) Reelection	July 2007: Joined Simplex Technology, Inc. (currently Simplex Inc.) January 2017: Transferred to the Company March 2019: Statutory Auditor, Deep Percept Inc. March 2021: Director and CFO, the Company (present post) February 2023: Statutory Auditor, SBI Simplex Solutions Co., Ltd. (present post)* (Years in office as Director) 4 years and 3 months (Attendance in meetings of the Board of Directors) 13/13 meetings (Reasons for selection as a candidate for Director) Mr. Keisuke Enosawa is selected as a candidate for Director because he has extensive business execution experience and achievements in the corporate division as CFO, and has contributed to strengthening governance and improving organizational capabilities. Therefore, we believe that he will continue to contribute to the sustained growth of the Group by leveraging such experience and knowledge.	100,150 shares

Notes:

1. Each candidate has no special interest in the Company.
2. “Number of shares of the Company owned” represents the number of shares beneficially owned by each candidate.
3. An asterisk (\*) indicates important concurrent positions held in other organizations.
4. The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided for in Article 430-3, Paragraph (1) of the Companies Act. This insurance agreement covers compensation for damages and other losses of the insured persons, including the Company’s Directors. If each candidate is elected and assumes office as a Director, he will be the insured person under the insurance agreement. The insurance agreement is scheduled to be renewed at the next renewal. Please refer to Business Report “3. Status of Officers (3) Outline of Directors and Officers Liability Insurance Agreement” for the outline of the content of such agreement.

**Second Proposal:** Election of Three (3) Directors Who Are Audit and Supervisory Committee Members

The term of office of Mr. Naoto Hirota and Ms. Mari Takahashi as Directors who are Audit and Supervisory Committee Members will expire at the close of this General Meeting of Shareholders.

Therefore, it is proposed that three (3) Directors who are Audit and Supervisory Committee Members be elected, adding one (1) new member to enhance the audit and supervisory structure of the Audit and Supervisory Committee.

The Audit and Supervisory Committee has approved for this proposal.

The candidates for Directors who are Audit and Supervisory Committee Members are as follows:

Candidate No.	Name	Current position and responsibilities at the Company	Nomination and Compensation Committee Member*	Attribute
1	Naoto Hirota	Director (Audit and Supervisory Committee Member)	—	Reelection Outside Independent
2	Mari Takahashi	Director (Audit and Supervisory Committee Member)	—	Reelection Outside Independent
3	Yoko Sugita	—	—	New election Outside Independent

New election: Candidate for new election as director

Reelection: Candidate for reelection as director

Outside: Candidate as outside director

Independent: Independent Officer who satisfies the requirements of independence stipulated by Tokyo Stock Exchange, Inc.

\* The Company has established a voluntary Nomination and Compensation Committee as an advisory committee to the Board of Directors in order to improve the transparency and objectivity of the deliberation process regarding the election and dismissal of Directors and the compensation system. The Committee discussed the election and dismissal of Directors, their compensation and others in advance. The Board of Directors makes decisions with the utmost respect for the Committee's recommendations. The Committee consists of three or more of the Company's Directors, and more than half of the Committee members are Outside Directors.

(○ the Committee member, ◎ Chairperson of the Committee)

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
1	 Naoto Hirota (June 4, 1958)  Reelection Outside Independent	<p>April 1981: Joined The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2009: Executive Officer, The Mitsubishi Bank, Ltd. (currently MUFG Bank, Ltd.)</p> <p>April 2011: Director and Deputy President, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>Managing Executive Officer, Mitsubishi UFJ Securities Holdings Co., Ltd.</p> <p>July 2012: Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.</p> <p>May 2014: Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>May 2015: Senior Managing Executive Officer, The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2015: Senior Managing Executive Officer, Mitsubishi UFJ Financial Group, Inc.</p> <p>June 2017: Director (Audit and Supervisory Committee Member), The Bank of Tokyo-Mitsubishi UFJ, Ltd. (currently MUFG Bank, Ltd.)</p> <p>June 2019: Director, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.</p> <p>June 2021: Director and Chairperson, Chitose Corporation</p> <p>July 2021: Outside Director (Audit and Supervisory Committee Member), the Company (present post)</p> <p>June 2023: Outside Director, Omikenshi Co.,Ltd (present post)*</p> <p>(Years in office as Director)  4 years  (Attendance in meetings of the Board of Directors)  13/13 meetings</p> <p>(Reasons for selection as a candidate for Outside Director and a summary of expected roles)  Mr. Naoto Hirota is selected as a candidate for Outside Director because he has a wealth of experience in and extensive insight into business execution and corporate management at financial institutions and other firms. Therefore, we expect that he will continue to leverage such knowledge to supervise and advise our directors on executing their duties from a professional perspective, particularly for ensuring the soundness and appropriateness of the Company's corporate activities.</p>	— shares

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
2	 Mari Takahashi (December 5, 1975)  Reelection Outside Independent	October 2002: Public prosecutor March 2011: Registered as attorney-at-law January 2017: Joined Authense Law Office (currently Authense LPC) (present post)* June 2022: External Audit & Supervisory Board Member, SHiDAX CORPORATION June 2023: Outside Director (Audit and Supervisory Committee Member), the Company (present post)  (Years in office as Director) 2 years (Attendance in meetings of the Board of Directors) 13/13 meetings (Reasons for selection as a candidate for Outside Director and a summary of expected roles) Ms. Mari Takahashi is selected as a candidate for Outside Director because she has gained many years of experience in and insight into the legal profession, particularly by handling numerous trials as a public prosecutor and an attorney-at-law. Therefore, we expect that she will continue to leverage such knowledge to supervise and advise our directors on executing their duties from a professional perspective, particularly for strengthening the governance and compliance of the Company's corporate activities.	- shares

Candidate No.	Name (Date of birth)	Resume, position and responsibilities at the Company	Number of shares of the Company owned
3	 Yoko Sugita (September 18, 1976)  New election Outside Independent	April 1999: Joined Tokyo Office of Asahi Audit Corporation (currently KPMG AZSA LLC) March 2002: Registered as a Certified Public Accountant (Japan) January 2004: Joined San Francisco Office of BDO Seidman, LLP October 2008: Registered as a Certified Public Accountant (New Hampshire, USA) January 2009: Joined Advantage Partners, LLP January 2015: Joined Phronesis Partners Co., Ltd. January 2019: Partner, Phronesis Partners Co., Ltd. November 2019: Outside Director, ELEPHANT DESIGN HOLDINGS Ltd. (present post) September 2021: Outside Director (Audit and Supervisory Committee Member), Sparty, Inc. (present post) June 6, 2023: Substitute Outside Director (Audit & Supervisory Committee Member), Japan Airport Terminal Co., Ltd. (present post) March 2025: Partner, BLUEPASS CAPITAL INC. (present post)*  (Years in office as Director) – (Attendance in meetings of the Board of Directors) –/– meetings (Reasons for selection as a candidate for Outside Director and a summary of expected roles) Ms. Yoko Sugita is selected as a candidate for Outside Director because she possesses expertise and experience as a certified public accountant in Japan and the United States, as well as a wealth of work experience at audit firms and private equity funds. Therefore, we expect that she will leverage such knowledge to supervise and advise our directors on executing their duties from a professional perspective, for strengthening our auditing and supervisory systems and financial base.	– shares

Notes: 1. Each candidate has no special interest in the Company.

2. An asterisk (\*) indicates important concurrent positions held in other organizations.

3. Mr. Naoto Hirota, Ms. Mari Takahashi, and Ms. Yoko Sugita are candidates for Outside Directors.

4. Mr. Naoto Hirota and Mari Takahashi are currently the Company's Outside Directors who are Audit and Supervisory Committee Members. The term of office as the Company's Outside Directors who are Audit and Supervisory Committee Members of Mr. Naoto Hirota will be four (4) years at the close of this General Meeting of Shareholders. Meanwhile, the term of office as the Company's Outside Director who is an Audit and Supervisory Committee Member of Ms. Mari Takahashi will be two (2) years at the close of this General Meeting of Shareholders.

5. Pursuant to Article 427, Paragraph (1) of the Companies Act, the Company has entered into an agreement with Mr. Naoto Hirota, and Ms. Mari Takahashi to limit their liability for damages under Article 423, Paragraph (1) of the Companies Act. The maximum amount of liability for damages under the said agreement is the minimum liability amount provided in Article 425, Paragraph (1) of the Companies Act. If their reelection is approved, the Company will maintain such agreements with them. If the election of Ms. Yoko Sugita is approved, the Company will enter into a liability limitation agreement with her having the same condition.

6. The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided for in Article 430-3, Paragraph (1) of the Companies Act. This insurance agreement covers compensation for damages and other losses of the insured persons, including the Company's Directors who are Audit and Supervisory Committee Members. If each candidate is elected and assumes office as a Director who is an Audit and Supervisory Committee Member, he will be the insured person under the insurance agreement. The insurance agreement is scheduled to be renewed at the next renewal. Please refer to Business Report "3. Status of Officers (3) Outline of Directors and Officers Liability Insurance Agreement" for the outline of the content of such agreement.

7. The Company has designated Mr. Naoto Hirota and Ms. Mari Takahashi as Independent Directors as stipulated by the Tokyo Stock Exchange, Inc. and has registered them with the Exchange. If their reelection is approved, they will continue to be Independent Directors. Ms. Yoko Sugita also satisfies the requirements for an Independent Director as stipulated by the Tokyo Stock Exchange, Inc. If her election is approved, the Company will designate her as an Independent Director. The Company determines the independence of Independent Outside Directors under the qualification requirements for independence as stipulated by the Tokyo Stock Exchange, Inc. In selecting Independent Outside Directors, the Company strives to select candidates who have a high level of expertise, extensive experience, and knowledge and achievements of management in general, and who can contribute to the sustained growth of the Group and the enhancement of corporate value over the medium- to long-term through constructive discussions at meetings of the Board of Directors and other.

8. Mr. Naoto Hirota formerly served as a director of MUFG Bank, Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. These entities were subject to a business improvement order issued by the Financial Services Agency of Japan due to inappropriate sharing of customer information between them and Morgan Stanley MUFG Securities Co., Ltd., deficiencies in the management of corporate-related information, and the execution, oversight, or facilitation of securities-related business activities not permitted for banks.

## (Reference) Skills Matrix for the Candidates for Directors

If First Proposal and Second Proposal are approved as originally proposed, the Board composition will be as follows:

\*The relevant areas are indicated by ● as the main skills.  
(This does not represent all the expertise and experience possessed by the director.)

Name	Current position at the Company		Corporate management	IT / Technology	Finance / Accounting	Internationality	Human resources / Talent development	Legal / Compliance
Hideki Kaneko	Reelection	Representative Director, President and CEO	●	●		●	●	
Kozo Sukema	Reelection	Director, Vice President and Co-COO	●	●			●	
Masataka Soda	Reelection	Director, Vice President and Co-COO	●	●			●	
Keisuke Enosawa	Reelection	Director and CFO	●		●			●
Ryozo Akiyama	Incumbent Outside Independent	Director (Audit and Supervisory Committee Member)	●	●		●		
Noriyuki Ogasawara	Incumbent Outside Independent	Director (Audit and Supervisory Committee Member)	●				●	●
Yoko Sugita	New election Outside Independent	Director (Audit and Supervisory Committee Member)	●		●	●		
Mari Takahashi	Reelection Outside Independent	Director (Audit and Supervisory Committee Member)	●				●	●
Yasuto Hamanishi	Incumbent Outside Independent	Director (Audit and Supervisory Committee Member)	●		●	●		
Naoto Hirota	Reelection Outside Independent	Director (Audit and Supervisory Committee Member)	●			●		●

New election: Director to be newly elected

Reelection: Director to be reelected

Incumbent: Incumbent Director

Outside: Outside Director

Independent: Independent Officer who satisfies the requirements of independence stipulated by Tokyo Stock Exchange, Inc.

## Skill Description

Corporate management	Experience and expertise as a corporate manager, including experience as a director
IT/Technology	Knowledge and insights on IT, DX or other technologies, and work experience and expertise in system development and operations
Finance/Accounting	Certified Public Accountant, Certified Tax Accountant, work experience in an accounting or finance department, or other experience or expertise in the finance or accounting field
Internationality	Corporate management or work experience in global companies, or experience and expertise in overseas business development and the like
Personnel affairs/ Human resources development	Work experience in a personnel department, and other experience and expertise in the human resources and organizational fields such as personnel training, and design and development of internal systems
Legal/Compliance	Experience as an attorney-at-law or work experience in a legal or compliance department, as well as experience and expertise in risk management or corporate governance

End

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## Business Report (from April 1, 2024 to March 31, 2025)

### 1. Matters concerning Present State of the Simplex Group (Corporate Group)

#### Summary of Key Performance Indicators

	FY3/2024	FY3/2025 (Current fiscal year)	YoY	
			Change	Change (%)
Revenue (Millions of yen)	40,708	47,394	6,686	16.4
Gross profit (Millions of yen)	17,450	19,638	2,187	12.5
Operating profit (Millions of yen)	8,850	10,804	1,954	22.1
Profit (Millions of yen)	6,194	7,781	1,587	25.6
Profit attributable to owners of parent (Millions of yen)	6,194	7,781	1,587	25.6
Total assets (Millions of yen)	79,248	79,022	(226)	(0.3)
Total equity (Millions of yen)	47,089	48,810	1,721	3.7
Basic earnings per share (Note 1) (Yen)	107.54	133.82	26.28	24.4
Equity attributable to owners of parent per share (Note 2) (Yen)	809.33	857.07	47.74	5.9
Dividend per share [of which interim dividend per share] (Yen)	42.00 [—]	50.00 [—]	8.00	19.0

Notes: 1. Basic earnings per share is calculated based on the average number of shares outstanding during the period (less treasury shares).

As of March 31, 2024: 57,593,635 shares As of March 31, 2025: 58,144,696 shares

2. Equity attributable to owners of parent per share is calculated based on the shares issued at the end of period (less treasury shares)

As of March 31, 2024: 58,182,803 shares As of March 31, 2025: 56,949,528 shares

(1) Overview and Results of Operations

Matters worthy of note with respect to earnings for the fiscal year ended March 31, 2024 (the current fiscal year) are summarized as follows:

- i) Revenue significantly increased year-on-year to 47,394 million yen (up 16.4% from 40,708 million yen for the previous fiscal year), hitting a record high, driven by robust sales in System Integration and Operation Service and new contracts won by Strategy/DX Consulting.

While gross profit increased significantly year-on-year to 19,638 million yen (up 12.5% from 17,450 million yen for the previous fiscal year), the gross profit margin decreased year-on-year to 41.4% (compared with 42.9% for the previous fiscal year).

Selling, general and administrative expenses increased year-on-year to 7,307 million yen (up 15.0% from 6,354 million yen for the previous fiscal year) due mainly to the opening of a new office and the expansion of the existing one as well as the implementation of measures for strengthening mid-career recruitment. Research and development expenses decreased year-on-year to 1,475 million yen (down 20.6% from 1,858 million yen for the previous fiscal year).

In addition, we recognized 117 million yen in amortization of identifiable assets (compared with 356 million yen for the previous fiscal year), 398 million yen in other income, and 333 million yen in other expenses.

As a result, operating profit amounted to 10,804 million yen (up 22.1% from 8,850 million yen for the previous fiscal year), and the operating profit margin came in at 22.8% (compared with 21.7% for the previous fiscal year). Profit before tax increased year-on-year to 10,729 million yen (up 22.7% from 8,744 million yen for the previous fiscal year), with 25 million yen, 197 million yen, and 97 million yen recognized as finance income, finance costs, and share of profit of investments accounted for using equity method, respectively.

Income tax expense amounted to 2,948 million yen (compared with 2,551 million yen for the previous fiscal year) and profit attributable to owners of parent increased year-on-year to 7,781 million yen (up 25.6% from 6,194 million yen for the previous fiscal year).

- ii) By service category, revenue from Strategy/DX Consulting amounted to 7,510 million yen, which significantly exceeded revenue of 4,206 million yen for the previous fiscal year, and the gross profit margin was 49.7%, which also exceeded the margin of 48.8% for the previous fiscal year.

Revenue from System Integration amounted to 26,320 million yen, which exceeded revenue of 24,417 million yen for the previous fiscal year, but the gross profit margin was 39.8%, which fell short of the margin of 43.8% for the previous fiscal year, due mainly to the effect of accounting for the decision made in the second quarter to cancel an insurance system integration project.

Revenue from Operation Service amounted to 13,518 million yen and the gross profit margin was 39.7%, which exceeded both revenue of 12,078 million yen and the gross profit margin of 39.0% for the previous fiscal year.

(Reference)

Breakdown of revenue by service category

(Millions of yen, unless otherwise indicated)

	FY3/2024			FY3/2025 (Current fiscal year)			
	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	Revenue	Percentage of total revenue (%)	Gross profit margin (%)	YoY change
Strategy/DX Consulting	4,206	10.3	48.8	7,510	15.8	49.7	3,304
System Integration	24,417	60.0	43.8	26,320	55.5	39.8	1,903
Operation Service	12,078	29.7	39.0	13,518	28.5	39.7	1,440
Other	7	0.0	100.0	45	0.1	100.0	38
Total	40,708	100.0	42.9	47,394	100.0	41.4	6,686

Note: System Integration includes system engineering and other services.

Operation Service includes operation and maintenance, subscription services, and licensing.

Other consists primarily of the sale of goods, such as hardware and middleware.

Capital Expenditures

The Group made a capital investment of 883 million yen in the current fiscal year.

Financing of the Group

The Group has entered into commitment line agreements totaling 3,000 million yen with two financial institutions and overdraft agreements totaling 7,000 million yen with four financial institutions in order to raise working capital safely and efficiently.

(2) Assets, Profits and Losses for the Three Most Recent Fiscal Years

Assets, Profits and Losses of the Corporate Group

Items	FY3/2022	FY3/2023	FY3/2024	FY3/2025 (Current fiscal year)
Revenue (Millions of yen)	30,579	34,946	40,708	47,394
Operating profit (Millions of yen)	6,362	7,451	8,850	10,804
Profit (Millions of yen)	4,205	5,432	6,194	7,781
Basic earnings per share (Note) (Yen)	83.06	96.91	107.54	133.82
Total assets (Millions of yen)	66,934	70,266	79,248	79,022
Total equity (Millions of yen)	37,294	41,984	47,089	48,810

Note: In accordance with a resolution of the Board of Directors' meeting held on June 24, 2021, the Company conducted a 100-for-1 stock split of ordinary shares effective on July 10, 2021. Basic earnings per share was calculated based on the assumption that the stock split had been conducted at the beginning of the fiscal year ended March 31, 2022.

Basic earnings per share is calculated based on the average number of shares outstanding during the period.

(3) Principal Subsidiaries

List of Principal Subsidiaries

Name of subsidiary	Issued capital (Millions of yen)	Percentage of voting rights directly or indirectly held by the Company (%)	Main business
Simplex Inc.	4,750	100.0	Consulting service, system development, operations and maintenance
Xspear Consulting, Inc.	20	100.0	Consulting services focused on strategy/DX
Deep Percept Inc.	200	100.0	AI consulting service, system development
Simplex Global Inc. (U.S.)	11	100.0	Consulting services for foreign companies
Simplex U.S.A., Inc. (U.S.)	21	100.0	Marketing for the U.S. market, R&D
Simplex Consulting Hong Kong, Limited (Hong Kong, PRC)	6	100.0	Consulting service for Japanese companies aiming to enter into Asian market, system development, operations and maintenance

Note: The status of the specified wholly owned subsidiary as of the end of the current fiscal year is as follows:

- Name of the specified wholly owned subsidiary: Simplex Inc.
- Address of the specified wholly owned subsidiary: 1-23-1 Toranomon, Minato-ku, Tokyo
- Carrying amount of the specified wholly owned subsidiary held by the Company: 24,529 million yen
- Total assets of the Company: 32,162 million yen

(4) Issues to be Addressed

The Group believes that it has achieved a strong position as a top brand in Japan in Financial Frontier Areas (Note 1), which has led to sustained growth of the Group. Meanwhile, looking at the current climate, Digital Transformation (DX), which fully utilizes state of the art technology to reform business models themselves, is a top priority in every industry. Given this trend, we position the expansion of our business area beyond Financial Frontier Areas as one of our priority initiatives. By addressing this, we aim to appropriately respond to changes in the market environment and client needs, while also driving further growth of the Group.

To achieve these goals, we believe that our priority is to secure and retain highly skilled professionals, who are the source of our competitiveness. Towards resolving this issue, the Group has formulated key strategies as follows.

i) Business domain expansion

For business domain expansion, we strengthen our Strategy/DX Consulting services targeting diverse non-financial industries such as government, telecommunications, manufacturing, and entertainment, with our wholly owned subsidiary, Xspear Consulting Inc., which is our consulting firm that started in April 2021 as the nucleus of the Company.

We also actively seek orders from financial institutions (existing clients) for consulting projects that are not directly related to system development, and aim to win DX projects in fields where the Group has not been involved in before.

Specifically, as the main areas of focus of the Medium-Term Business Plan 2027 (MTBP2027), we will increase the number of consultants through mid-career hiring of experienced consultants and secondment of tech personnel within the Group, and strengthen cross-selling to financial clients to drive conversion to recurring business. In addition, we will also focus on acquiring boutique consulting firms that will contribute to inorganic growth over the future.

ii) Deep dive into business domains

In recent years, the Financial Frontier Areas also has seen increasing demand for Digital Transformation (DX). Through the promotion of the Simplex Way (Note 2), we aim for steady growth by providing even higher value-added services as a DX partner for financial institutions.

Specifically, in Capital Market where advanced Biz x Tech is required, we will selectively choose orders for key large-scale projects that develop the central platform at major financial institutions with the expectation for sustainable growth in the medium- to long-term, while steadily building up orders for stable projects. Meanwhile, in Financial Retail, we aim to be a game changer for financial institutions who have long held on to their principles of relying on in-house system development by achieving overwhelming success of the joint venture scheme with SBI SECURITIES Co., Ltd.

Furthermore in the non-financial domain, we also promote strategies aimed at achieving high profitability in domains with high barriers to entry by adhering to the Simplex Way and leveraging its abundant experience and expertise in Financial Frontier Areas, where the Group has aggressively introduced new technologies ahead of other industries. In this way, the Group will deep dive into the targeted business domains.

Specifically, we will maximize synergies with Xspear Consulting, Inc., a consulting firm specializing in DX, and promote the expansion of Enterprise DX by winning projects utilizing key technologies such as UI/UX, cloud, and web3 that we have cultivated in the financial domain.

iii) Strengthening of recruitment and development

One of the key management resources in the Group's business is human resources. Our challenge, and at the same time one of our key strategic priorities is to secure and retain hybrid talent with strong skills in both business and technology to meet the demands of our clients.

To hire talent who will engage in DX for our client companies, we strive to secure talent who will contribute to the Group's growth by strengthening recruitment of mid-career hires with a high level of expertise in addition to new graduate recruitment targeting only the highest potential businesspersons.

We also aim to improve our employee retention rate and reduce the turnover rate by improving and implementing retention measures. Specifically, we aim to improve our employee retention through various measures, including provision of environmental support and system development to help realize career plans that fit individual work styles while giving both job satisfaction and ease of work, provision of further training opportunities, and improvement in labor's share of corporate profit.

Notes:

1. We define Financial Frontier Areas as areas in which we assist financial institution clients to incorporate technology into their business, including their front-office (profit-earning) operations such as trading and risk management operations. The principal clients operate in the banking, securities, and online securities industries.
2. The Simplex Way is a word coined by the Simplex Group. It refers to a business model in which a project team formed by hybrid talent proficient in both business and technology is responsible in all aspects from consulting, design through to system development, operation and maintenance, and provides comprehensive technology solutions with full cycle coverage and direct client engagement.

(5) Principal Businesses (as of March 31, 2025)

Since its establishment in 1997, the Simplex Group has developed its business as a technology partner of major financial institutions including Japan's leading banks, general securities firms and online securities firms, and has continued to grow steadily to establish a status as a top brand player in Japan in Financial Frontier Areas.

Currently, we are expanding our business areas into the Cross Frontier Domain. We offer a wide range of high value-added services to a wider client base than financial institutions by leveraging the cutting-edge technologies such as AI, UI/UX design, cloud, and web3, which we have fostered in the Financial Frontier Areas.

Meanwhile, we define Cross Frontier Domain as business areas where technology plays a vital role for clients' business success. The Financial Frontier Areas has propelled the business with technology as the main driver and are thus recognized as one of the principal areas of the Cross Frontier Domain.

The Group has two operating companies, Simplex Inc. and Xspear Consulting, Inc., which execute business strategy, and the Company focuses on and strengthen its function as a holding company, which formulates and promotes the Group's strategy and implements appropriate governance and monitoring, thereby aiming to further enhance its corporate value. As of the end of the current fiscal year, the Company has six consolidated subsidiaries and two equity-method associates.

i) Business areas

Since the Group operates in a single segment that focuses on the provision of IT solutions for success of our clients, segment information is not provided. For reference, the Group's business areas classified by taking into account major clients and markets are summarized as below.

(a) Strategy/DX Consulting

We deliver DX-specialized strategic proposals and tactical support to various office levels from C-level to business planning divisions based on the latest technology stack, as represented by AI, UI/UX design, cloud, and web3.

With Xspear Consulting, Inc., a consulting firm stated in April 2021, as a main service provider, the Group provides various consulting services, including Strategy Consulting, IT Consulting, Development Support, and DX Talent Development.

In addition to actively hiring mid-career professionals who have consulting experience, Xspear Consulting, Inc. is simultaneously promoting the secondment of tech-savvy personnel with a proven track record within the Group. This capability of having skilled professionals to promote DX in both consulting and technology differentiates us from other consulting firms.

**(b) Capital Markets**

We provide IT solutions, including trading and risk management platforms for use by institutional investors such as dealers and traders, mainly to major banks, general securities firms, and other financial institutions.

As our core business since our inception, we are promoting cross-selling to financial institution clients through services rich in contents (e.g., trade management, portfolio valuation, risk assessment, stress test, scenario analysis, regulatory compliance support) as well as services with wide asset class coverage (e.g., interest rates derivatives, FX derivatives, credit derivatives, fixed income, listed instruments).

Some financial institutions previously had problems with sophisticated position and risk management after the financial crisis that followed Lehman's collapse as they used different systems for different financial instruments in a disorganized manner. Currently, we provide a one plat solution, which enables the unified management of market transactions across financial instruments to those clients.

**(c) Financial Retail**

We provide IT solutions, such as financial instruments trading platforms for individual investors, mainly to online securities firms, online FX firms, cryptoasset exchange service providers, and other financial institutions. Such platforms include *SPRINT* for stock option and futures option trading, *SimplexFX* for FX trading, *Simplex Crypto Assets* for cryptoasset trading, and *Simplex Personal Assets* for asset management, all of which are provided as SaaS services.

While it has become more crucial for financial institutions to enhance their financial services by utilizing digital technology, we have been providing full support enabling our financial institution clients to maximize their profitability through our trading platforms, which are highly trusted as a top brand in the domestic market with an abundant track record of adoption, and our consulting services which address the fine attributes of the latest market trends since our market entry in 2005.

Currently, business with in-house oriented financial institutions, who have long held on to their policy to develop their platforms in-house, is on the rise. We are promoting deep-diving into the financial retail domain by steadily expanding the scope of support for financial institutions who relied on their own in-house systems and to whom we were not able to reach out before.

The Group has provided IT solutions that support the full range of insurance operations from insurance design and application to contract management mainly to life and non-life, and other insurance companies since 2013. The business area was previously classified as Insurance, which will now undergo changes as we aim to capture large-scale legacy system renewal projects from insurance companies. To facilitate this transition, we will enhance our planning support, including identifying the functional requirements of existing systems and understanding business workflows as part of our Strategy/DX Consulting services. As a result of this strategic shift, sales of existing system development support services for insurance companies are expected to come mainly from our current clients in the foreseeable future. Consequently, starting from the fiscal year ending March 31, 2026, Insurance will be positioned as part of the business area of Financial Retail.

**(d) Enterprise DX**

We provide IT solutions specializing in DX support mainly to clients in non-financial industries such as government, telecommunications, manufacturing, and entertainment.

We define Enterprise DX as areas of non-financial industries in which we have not achieved a certain threshold level of revenue.

We are working to maximize synergies with Xspear Consulting, Inc., a consulting firm specializing in DX, and promote the acquisition of projects utilizing key technologies such as AI, UI/UX, cloud, and web3 that we have cultivated in the financial domain.

ii) Service categories

Since the Group operates in a single segment that focuses on the provision of IT solutions for success of our clients, segment information is not provided. For reference, the Group's major lines of service are summarized as below.

(a) Strategy/DX Consulting

Please refer to "i) Business areas (a) Strategy/DX Consulting" above.

(b) System Integration

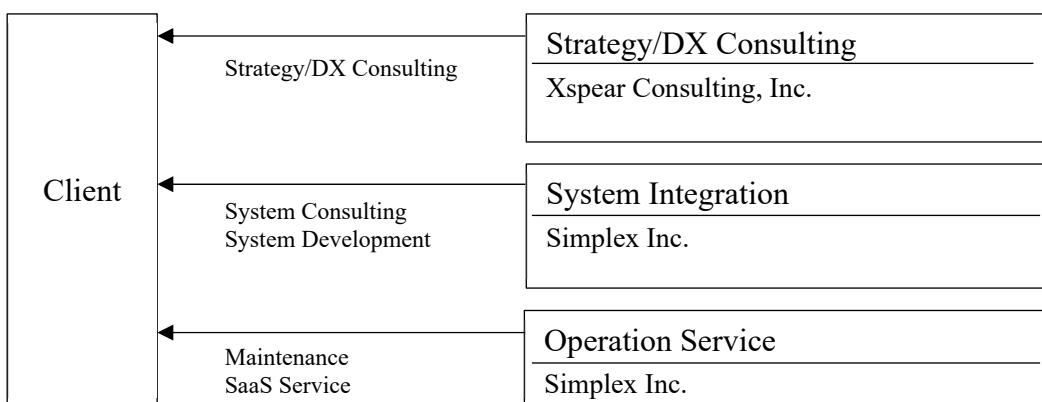
We provide users and systems divisions of clients in a wide range of industries with system development support that covers all processes of design, development, and testing phases.

With Simplex Inc., a tech firm that is the nucleus of the Group since its establishment in 1997, as a main service provider, we provide IT solutions for success of our clients.

(c) Operation Service

We provide maintenance and SaaS services after system launch to almost all clients to whom we have provided a certain threshold level of system development support. With Simplex Inc., a company responsible for upstream system development support, as a main service provider, we provide system improvement proposals that hold the key to success in DX projects, while monitoring the system 24 hours a day 365 days a year standing by in case system troubles occur.

iii) Business system diagram



Note: Arrows indicate the main flow of services.

Glossary

UI/UX	Abbreviation for User Interface/User Experience. The former refers to a set of interactive elements such as input and display methods when users use devices such as PCs and smartphones, while the latter refers to the user experience gained through services and other means.
Web3	It refers to a decentralized network on the Internet made possible using blockchain technology. Typical examples are crypto assets, metaverse (a three-dimensional virtual space on the Internet), and Non-Fungible Token (NFT, a token that uses blockchain technology to identify items and content on the Internet and to control their owners).

(6) Principal Offices and Plants (as of March 31, 2025)

Tranomon Office (Head office)

Toranomon Hills Mori Tower, 1-23-1 Takanomono, Minato-ku, Tokyo

Azabudai Office

Azabudai Hills Mori JP Tower, 1-3-1 Azabudai, Minato-ku, Tokyo

(7) Employees (as of March 31, 2025)  
Present State of the Corporate Group

Number of employees	Average age	Average years of service
1,560 [159] persons	31.3 years old	4.3 years

Note: The number of employees is the number of employees currently on duty (excluding individuals seconded from the Group to other companies and including individuals seconded to the Group from other outside companies). The yearly average number of temporary employees (including part-timers and temporary workers from staffing companies) is separately indicated in the square bracket.

Present Status of the Company

Number of employees	Average age	Average years of service
104 [46] persons	35.1 years old	4.7 years

Note: The number of employees is the number of employees currently on duty (excluding individuals seconded from the Company to other companies and including individuals seconded to the Company from other outside companies). The yearly average number of temporary employees (including part-timers and temporary workers from staffing companies) is separately indicated in the square bracket.

(8) Principal Lenders (as of March 31, 2025)

Lender	Balance of borrowings
MUFG Bank, Ltd.	7,500 million yen
Sumitomo Mitsui Banking Corporation	2,000 million yen
Mizuho Bank, Ltd.	1,500 million yen
Sumitomo Mitsui Trust Bank, Limited	1,500 million yen
The Norinchukin Bank	1,500 million yen
Resona Bank, Limited	800 million yen

## 2. Matters Concerning Shares of the Company (as of March 31, 2025)

(1) Total number of shares authorized to be issued by the Company: 114,704,000 shares  
 (2) Total number of issued shares: 58,707,975 shares  
 (3) Number of shareholders: 4,487  
 (4) Principal shareholders

Name of shareholder	Number of shares held	Percentage of shares held (Note 1)
Hideki Kaneko	7,072,812 shares	12.4%
The Master Trust Bank of Japan, Ltd. (trust account)	6,760,900 shares	11.9%
Custody Bank of Japan, Ltd. (trust account)	3,481,400 shares	6.1%
SBI Holdings, Inc.	3,296,200 shares	5.8%
MLPFS CUSTODY ACCOUNT (Note 2)	3,000,000 shares	5.3%
Mitsuru Igarashi	2,222,800 shares	3.9%
Kenichi Tanaka	1,500,000 shares	2.6%
TK & Company, Inc. (Note 3)	1,454,544 shares	2.6%
YK & Company, Inc. (Note 3)	1,454,544 shares	2.6%
Karita & Company Inc.	1,310,600 shares	2.3%

Notes: 1. The percentage of shares held is calculated after deducting treasury shares (1,758,447 shares).  
 2. Mr. Mitsuru Igarashi, a founding member of the Company, is a beneficial owner.  
 3. Mr. Hideki Kaneko, Representative Director and President of the Company, is a beneficial owner.

### 3. Status of Officers

#### (1) Directors (as of March 31, 2025)

Position in the Company outside the Company	Name	Significant concurrent positions
Representative Director and President CEO	Hideki Kaneko	Representative Director, President, Simplex Inc. Representative Director, Chairman and President, Deep Percept Inc. Director, Co-Chairperson, SBI Simplex Solutions Co., Ltd.
Director and Vice President and Co-COO	Kozo Sukema	Managing Director, SBI SECURITIES Co., Ltd. Representative Director, SBI BITS Co., Ltd. Representative Director, President, SBI Simplex Solutions Co., Ltd.
Director and Vice President and Co-COO	Masataka Soda	Director, Vice President, Simplex Inc. Representative Director and President, Xspear Consulting, Inc. Director, Deep Percept Inc.
Director and CFO	Keisuke Enosawa	Statutory Auditor, SBI Simplex Solutions Co., Ltd.
Director (Audit and Supervisory Committee Member)	Ryozo Akiyama	Representative Director and President, Elan Vital Ltd.
Director (Audit and Supervisory Committee Member)	Noriyuki Ogasawara	Director and Chairman, Simplex Asset Management Co., Ltd. Director, Simplex Capital Investment Co., Ltd. Outside Director, Japan Investment Corporation
Director (Audit and Supervisory Committee Member)	Mari Takahashi	Attorney-at-law, Authense Law Office
Director (Audit and Supervisory Committee Member)	Yasuto Hamanishi	Advisor, TECHNO RYOWA LTD.
Director (Audit and Supervisory Committee Member)	Naoto Hirota	Outside Director, Omikenshi Co., Ltd.

Notes: 1. Directors (Audit and Supervisory Committee Members) Mr. Ryozo Akiyama, Mr. Noriyuki Ogasawara, Ms. Mari Takahashi, Mr. Yasuto Hamanishi, and Mr. Naoto Hirota are Outside Directors.

2. Significant concurrent positions held by Outside Directors are listed in the table above. Note that Simplex Inc., Xspear Consulting, Inc., and Deep Percept Inc. are wholly owned subsidiaries of the Company and there are no business relationships to be noted between the Company and the other companies where Outside Directors hold concurrent positions.
3. The Company has designated Mr. Ryozo Akiyama, Mr. Noriyuki Ogasawara, Ms. Mari Takahashi, Mr. Yasuto Hamanishi, and Mr. Naoto Hirota as Independent Directors as stipulated by the Tokyo Stock Exchange, Inc. and has registered them with the Exchange.
4. We do not appoint any full-time Audit and Supervisory Committee Members because we can effectively support its functions by assigning employees to assist the committee. These employees provide the necessary support for audit operations.

#### (2) Outline of Liability Limitation Agreement

The Company has entered into an agreement with each Director (Audit and Supervisory Committee Member) in accordance with the provisions of Article 427, Paragraph (1) of the Companies Act of Japan, to limit their liabilities for damages stipulated in Article 423, Paragraph (1) of the same Act.

The maximum amount of liability for damages under such agreement shall be the minimum liability amount stipulated in Article 425, Paragraph (1) of the Companies Act if the Director (Audit and Supervisory Committee Member) performs his/her duties in good faith and without gross negligence.

(3) Outline of Directors and Officers Liability Insurance Agreement

The Company has entered into a directors and officers liability insurance agreement with an insurance company as provided for in Article 430-3, Paragraph (1) of the Companies Act. The outline of the content of such agreement is as follows:

i) Scope of insured persons

All directors, executive officers, statutory auditors, etc. of the Company and of all the Company's subsidiaries.

ii) Outline of the contents of the insurance agreements

This insurance agreement covers compensation for damages and litigation costs to be borne by the insured persons in the event of claims made against them during the policy period for actions taken or inaction in their role as an officer of the Company, or any violation of laws and regulations or stock exchange rules concerning the purchase and sale, offer or solicitation of securities of the Company or registration of securities relating thereto. However, measures are taken so that the properness of the performance of duties by officers is not impaired by excluding the damages of officers themselves who illegally obtained personal benefits or favors, engaged in other criminal acts or intentionally committed illegal acts from the scope of compensation. The insurance premiums are all paid by the Company, thus essentially imposing no burden on the insured.

(4) Compensation, etc. of Directors

i) Total amount of compensation for the current fiscal year

Category	Total amount of compensation (Millions of yen)	Number of applicable Directors (persons)
Directors (excluding Audit and Supervisory Committee Members) [of which Outside Directors]	634 [-]	4 [0]
Directors (Audit and Supervisory Committee Members) [of which Outside Directors]	63 [63]	6 [6]
Total [of which Outside Directors]	697 [63]	10 [6]

Notes: 1. Amounts are rounded to the nearest million yen.

2. The Extraordinary General Meeting of Shareholders held on March 17, 2021 resolved to set the maximum amount of compensation for Directors (excluding Audit and Supervisory Committee Members) at 900 million yen per year (excluding employee salaries for Directors who concurrently serve as employees). The number of Directors (excluding Audit and Supervisory Committee Members) was five (including no Outside Directors) as of the conclusion of the said General Meeting of Shareholders. The said meeting resolved to set the maximum amount of compensation for Directors (Audit and Supervisory Committee Members) at 100 million yen per year. The number of Directors (Audit and Supervisory Committee Members) was five (including five Outside Directors) as of the conclusion of the said General Meeting of Shareholders.

3. The table above includes one Outside Director who was an Audit and Supervisory Committee Member and retired at the conclusion of the 8th Ordinary General Meeting of Shareholders held on June 16, 2024.

ii) Policy, etc. on determination of details of compensation for officers, etc.

At the Company, the Board of Directors resolves a policy on determining the details of compensation, etc. for individual Directors (excluding Audit and Supervisory Committee Members). At the said Board of Directors' meeting, details of such decision-making policy are resolved as originally proposed by the Nomination and Compensation Committee. The Board of Directors has determined that compensation, etc. for individual Directors (excluding Audit and Supervisory Committee Members) for the current fiscal year is in line with the said decision-making policy, since it has confirmed that the method of determining the details of compensation, etc. and the details of compensation, etc. determined for each individual Director (excluding Audit and Supervisory Committee Member) are consistent with the policy resolved by the Board of Directors. The details of the policy for determining the details of compensation, etc. of individual Directors (excluding Audit and Supervisory Committee Members) are as follows.

All compensation, etc. of Directors (excluding Audit and Supervisory Committee Members) shall be paid as monetary compensation that is not linked to performance, in the form of monthly monetary compensation and bonuses, both of which are subject to a resolution of the Board of Directors. Performance-linked compensation, etc. and non-monetary compensation, etc. shall not be paid. The Nomination and Compensation Committee makes a draft decision on the amount of monthly monetary compensation, taking into consideration such factors as position, responsibilities, years of service, and the degree of contribution of each Director, and the Company's performance. The Committee also makes a draft decision on monetary bonuses when it deems necessary to grant them from the viewpoint of providing appropriate incentives, after comprehensively considering the Company's performance and other factors. Bonuses in the form of monetary compensation shall be paid within three months after the end of the fiscal year.

(5) Matters concerning Outside Officers

Activities for the current fiscal year

	<b>Summary of attendance, statements made, and duties performed with respect to the role expected of an outside director</b>
Ryozo Akiyama Director (Audit and Supervisory Committee Member)	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit and Supervisory Committee held during the current fiscal year. He has a wealth of knowledge gained through his work experience at a major general consulting firm and his many years of experience as a representative director. He provides useful advice to ensure that the Company makes appropriate decisions when developing its business strategies. At meetings of the Board of Directors, he has made statements to ensure the adequacy and appropriateness of decision-making by the Board of Directors. At meetings of the Audit and Supervisory Committee, he has exchanged opinions on audits and made other statements as appropriate from a professional standpoint.
Noriyuki Ogasawara Director (Audit and Supervisory Committee Member)	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit and Supervisory Committee held during the current fiscal year. He has many years of experience at financial institutions, etc. and extensive knowledge as a person with corporate experience, and has contributed to ensuring the soundness and appropriateness of management decision-making. At meetings of the Board of Directors, he has made statements to ensure the adequacy and appropriateness of decision-making by the Board of Directors. At meetings of the Audit and Supervisory Committee, he has exchanged opinions on audits and made other statements as appropriate from a professional standpoint. In addition, as the chairperson of the Nomination and Compensation Committee, he attended all 2 meetings of the Committee held during the current fiscal year and led the supervisory function in the process of selecting candidate officers and determining compensation, etc. for officers of the Company from an objective and neutral standpoint.
Mari Takahashi Director (Audit and Supervisory Committee Member)	She attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit and Supervisory Committee held during the current fiscal year. She has gained many years of experience in and insight into the legal profession, particularly by handling numerous trials as a public prosecutor and an attorney-at-law, and has provided sufficient advice, particularly for strengthening the governance and compliance of the Company's corporate activities, leveraging such knowledge. At meetings of the Board of Directors, she has made statements to ensure the adequacy and appropriateness of decision-making by the Board of Directors. At meetings of the Audit and Supervisory Committee, she has exchanged opinions on audits and made other statements as appropriate from a professional standpoint.

	Summary of attendance, statements made, and duties performed with respect to the role expected of an outside director
Yasuto Hamanishi Director (Audit and Supervisory Committee Member)	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit and Supervisory Committee held during the current fiscal year. He has many years of experience and insight at financial institutions and the insight gained therefrom, including his experience as the head of the global investment banking division, and has provided sufficient advice to ensure the soundness of corporate management from a higher perspective of the Group. At meetings of the Board of Directors, he has made statements to ensure the adequacy and appropriateness of decision-making by the Board of Directors. At meetings of the Audit and Supervisory Committee, he has exchanged opinions on audits and made other statements as appropriate from a professional standpoint.
Naoto Hirota Director (Audit and Supervisory Committee Member)	He attended all 13 meetings of the Board of Directors and all 14 meetings of the Audit and Supervisory Committee held during the current fiscal year. He has extensive experience in business execution and corporate management at financial institutions, etc., and the wide-ranging insight he has gained therefrom, which contributes to ensuring the soundness and appropriateness of corporate activities. At meetings of the Board of Directors, he has made statements to ensure the adequacy and appropriateness of decision-making by the Board of Directors. At meetings of the Audit and Supervisory Committee, he has exchanged opinions on audits and made other statements as appropriate from a professional standpoint.

#### 4. Independent Auditor

(1) Name of Independent Auditor

Grant Thornton Taiyo LLC

(2) Amount of compensation, etc.

	Amount of compensation, etc.
Amount of compensation paid to Independent Auditor for the current fiscal year	30 million yen
Total amount of cash and other material benefits payable to Independent Auditor by the Company and its subsidiaries:	44 million yen

Notes: 1. The amount of compensations for auditing pursuant to the Companies Act and the amount of compensations for auditing pursuant to the Financial Instruments and Exchange Act are not divided in the Auditing Agreement concluded between the Company and the Independent Auditor. Also, it is practically impossible to state separately, so the amount stated in “Amount of compensation paid to Independent Auditor for the current fiscal year” in the table above represents the total amount paid by the Company.

2. After having performed the necessary verification as to the appropriateness of matters such as the content of the Independent Auditor’s audit plan, the status of performance of their duties, and the basis for the calculation of the estimated compensation for the independent auditor, based on the size and nature of the Company’s business, the Audit and Supervisory Committee has consented to the amount of compensation, etc. to be paid to the Independent Auditor.

(3) Policy on determination of dismissal or refusal of re-election of the Independent Auditor  
In case of an impediment in the Independent Auditor’s execution of their duties, lack of independence and qualification of the Independent Auditor as required by laws, or other such events that necessitate to dismiss or refuse to re-elect the Independent Auditor, the Audit and Supervisory Committee will decide the content of proposals on the dismissal or refusal of re-election of the Independent Auditor to be submitted to the General Meeting of Shareholders.

If the Audit and Supervisory Committee determines that the Independent Auditor falls under any event for dismissal provided for in Article 340, paragraph (1) of the Companies Act, it will dismiss the Independent Auditor with unanimous consent of the Audit and Supervisory Committee members.

(4) Matters concerning disciplinary action ordering suspension of operations imposed on the Independent Auditor in the past two years

Outline of the disciplinary action issued by the Financial Services Agency on December 26, 2023

- i) Entity on which the disciplinary action was imposed
  - Grant Thornton Taiyo LLC
- ii) Description of the disciplinary action
  - Suspension of operations related to the conclusion of new contracts for a period of three months (from January 1, 2024 to March 31, 2024, excluding the conclusion of new contracts associated with the changes of the terms of auditing agreements with or listings of stocks of audited companies with whom an auditing agreement exists)
  - Business improvement order (improvement of the operation control structure)
- iii) Reason for the disposition
  - In auditing the Amendment Report of another company, two certified public accountants, who are partners of the auditing firm, in negligence of due care, attested financial documents containing materials misstatements as if they contained no misstatements.

## 5. Basic Policy on Internal Control Systems

The following is a summary of decisions made regarding the development of a system to ensure that the execution of duties by Directors complies with laws and regulations and the Articles of Incorporation, as well as other systems to ensure the appropriateness of the Company's operations.

- (1) System to ensure that the execution of duties by Directors and employees complies with laws and regulations and the Articles of Incorporation
  - i) Directors and employees are constantly reminded that compliance with laws and regulations, the Articles of Incorporation and social ethics is a prerequisite for corporate activities.
  - ii) The Audit and Supervisory Committee verifies that the execution of duties by Directors complies with laws and regulations every fiscal year.
- (2) System to store and manage information related to the execution of duties by Directors  
Information related to the execution of duties by Directors (including information related to the conduct of employees) is recorded in documents or electromagnetic media, and is stored and managed appropriately in accordance with internal rules.
- (3) Regulations and other systems for managing risk of loss
  - i) The Company has established organizational rules, segregation of duties rules, rules on administrative authority and other similar rules to clarify the responsibility structure and decision-making procedures, thereby managing risks in overall management.
  - ii) The Company has established risk management regulations and other rules to ensure that risks that may occur in its business operations are identified and detected early and that the extent of damage from such risks is prevented from expanding.
  - iii) In the event that risk materializes, the Company takes prompt action, headed by the Executive Committee, and put in place a system to prevent and minimize the spread of damage.
- (4) System to ensure that Directors execute their duties efficiently
  - i) Executive Directors responsible for business execution are appointed by resolution of the Board of Directors. Executive Directors execute operations in accordance with the Company's policies determined by the Board of Directors and under the direction of Representative Directors.
  - ii) In order to ensure that Directors execute their duties efficiently, the Board of Directors meets at least once a month, and meets on an extraordinary basis whenever necessary, where important matters of the Company are resolved and Executive Directors report on the status of their duties.
  - iii) The Executive Committee, composed of Executive Directors, meets at least twice a month to make decisions on important matters related to the execution of operational matters. The authority of determining such matters is delegated to Representative Directors by the Board of Directors, thereby ensuring efficient decision-making.
- (5) System to ensure the appropriateness of business operations in the corporate group
  - i) In order to ensure the appropriateness of business operations within the corporate group, the Company appropriately manages its subsidiaries and provides guidance and advice as necessary in accordance with the Regulations on Management of Affiliated Companies.
  - ii) The Company's Independent Auditor, the Audit and Supervisory Committee, and the Internal Audit Office conduct audits of subsidiaries as necessary.

(6) In the event the Audit and Supervisory Committee requests that employees be assigned to assist in their duties, matters related to the relevant employees, matters related to ensuring the effectiveness of the instructions given to such employees, and matters related to the independence of such employees from Directors (excluding Directors who are Audit and Supervisory Committee Members) When the Audit and Supervisory Committee deems it necessary to have employees to assist their duties, the Company will assign such employees. In such cases, the Audit and Supervisory Committee gives instructions and orders to the employees, and the consent of the Audit and Supervisory Committee shall be obtained for the personnel changes, evaluations, decisions on disciplinary actions, etc. of said assistant employees

(7) System for Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees to report to the Audit and Supervisory Committee, other systems for reporting to the Audit and Supervisory Committee, and systems to ensure that reporters will not receive detrimental treatment because of such reporting

- i) Directors (excluding Directors who are Audit and Supervisory Committee Members) and employees shall report to the Audit and Supervisory Committee on important matters that may affect the Company's business operations or financial performance each time they arise and on the following matters.
  - Matters resolved by the Executive Committee
  - Status of activities related to the establishment of internal control systems
  - Details of matters subject to whistleblowing as stipulated in the Internal Reporting Regulations
  - Other information related to meetings and minutes requested by the Audit and Supervisory Committee
- ii) The Company has established the Internal Reporting Regulations to ensure an appropriate mechanism for reporting to the Company and its subsidiaries about violations of laws and misconduct observed. The regulations stipulate that the whistleblower shall not be treated disadvantageously for such reporting or reporting to the Audit and Supervisory Committee.

(8) Matters concerning procedures for prepayment or reimbursement of expenses arising from the execution of duties by Audit and Supervisory Committee members (limited to those related to the execution of duties of the Audit and Supervisory Committee), policy related to the handling of expenses or liabilities arising from the execution of other related duties, and other systems to ensure that audits by the Audit and Supervisory Committee are conducted effectively

- i) The Audit and Supervisory Committee regularly exchanges information and opinions with Representative Directors and the Internal Audit Office.
- ii) Audit and Supervisory Committee members may attend all important meetings when deemed necessary by the Audit and Supervisory Committee.
- iii) The Company shall promptly pay expenses necessary for the execution of duties by Audit and Supervisory Committee members (limited to those related to the execution of duties of the Audit and Supervisory Committee), upon request by any of such members.

(9) System for eliminating antisocial forces

- i) The Company, at the organizational level, takes a firm stance against antisocial forces that threaten social order and sound corporate activities, in accordance with the Rules for Elimination of Antisocial Forces.
- ii) In the event of unreasonable demands by antisocial forces, the Company will immediately deal with such demands in cooperation with the police and other relevant organizations.

(10) System to ensure the reliability of financial reporting

The Company strives to develop, maintain, and improve a system to effectively implement internal control over financial reporting.

### **(Outline of the Operational Status of Internal Control System)**

#### **(1) System to ensure that Directors execute their duties efficiently**

The Company has established the Regulations of the Board of Directors to clarify matters to be resolved by the Board of Directors and to ensure that Directors act in accordance with laws, regulations, and the Articles of Incorporation. During the current fiscal year, the Board of Directors met 13 times to discuss each agenda item, monitor the status of business execution, and actively exchange opinions, and therefore, the Company believes that the effectiveness of decision-making and supervision of business execution is ensured.

In addition, in accordance with the Regulations on Administrative Authority, the Company has established the Executive Committee consisting of Executive Directors to deliberate and examine important management matters for which the authority to make decisions is delegated to Representative Directors by the Board of Directors. The Executive Committee met 25 times during the current fiscal year to speed up decision-making.

#### **(2) Regulations and other systems for managing risk of loss**

Information security risk is considered to be among the highest risks of loss. The Company has established a basic policy for information security and other information system-related regulations, and conducts periodic risk assessments from the viewpoint of confidentiality, integrity, and availability.

#### **(3) System for eliminating antisocial forces**

The Company incorporates provisions regarding the elimination of antisocial forces in its contracts with business partners, etc., and continuously exchanges information with its legal counsel regarding its response to antisocial forces.

## **6. Policy on Determination of Dividends from Surplus, etc.**

The Company believes that prioritizing investments for growth that helps strengthen its business foundation will contribute to achieving profit growth and improving its corporate value in a sustainable manner while maintaining its financial soundness based on its strong cashflow-generating capability.

In addition, the Company is committed to pursuing a management approach mindful of capital efficiency and has therefore set an ROE target as one of its KPIs. The Company is also aware that providing shareholder returns, which helps increase capital efficiency, is a key measure in capital allocation.

Based on this belief, the Company seeks to enhance shareholder returns by paying dividends as a fundamental measure, comprehensively considering trends in business performance, ROE level, opportunities of investments for growth, and other factors.

Specifically, the Company has set a dividend policy of stably and sustainably increasing dividend per share through profit growth, with a target dividend payout ratio of 40% on a consolidated basis.

Based on the above dividend policy, the Company has decided to pay 50 yen per share as the year-end dividend for the fiscal year ended March 31, 2025.

## CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	(Reference) Previous fiscal year (As of March 31, 2024)	(Millions of yen) Current fiscal year (As of March 31, 2025)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	13,731	13,438
Trade and other receivables	10,093	13,021
Inventories	1	—
Other current assets	1,787	1,100
Total current assets	<u>25,611</u>	<u>27,559</u>
Non-current assets		
Property, plant and equipment	1,521	1,674
Right-of-use assets	5,732	3,826
Goodwill	36,476	36,476
Intangible assets	317	130
Investments accounted for using equity method	1,859	1,956
Other financial assets	5,359	4,459
Deferred tax assets	1,510	2,152
Other non-current assets	863	790
Total non-current assets	<u>53,637</u>	<u>51,463</u>
Total assets	<u>79,248</u>	<u>79,022</u>
<b>Liabilities</b>		
Current liabilities		
Trade and other payables	2,837	2,826
Borrowings	16,906	1,480
Lease liabilities	1,909	2,016
Other financial liabilities	2	2
Income taxes payable	2,243	2,507
Provisions	2,966	3,890
Other current liabilities	1,082	1,954
Total current liabilities	<u>27,945</u>	<u>14,674</u>
Non-current liabilities		
Borrowings	—	13,320
Lease liabilities	3,805	1,809
Provisions	408	409
Total non-current liabilities	<u>4,214</u>	<u>15,538</u>
Total liabilities	<u>32,159</u>	<u>30,212</u>
<b>Equity</b>		
Share capital	1,189	1,350
Capital surplus	27,153	27,385
Retained earnings	18,350	23,679
Treasury shares	(0)	(4,386)
Other components of equity	399	782
Total equity attributable to owners of parent	<u>47,089</u>	<u>48,810</u>
Total equity	<u>47,089</u>	<u>48,810</u>
Total liabilities and equity	<u>79,248</u>	<u>79,022</u>

Note: Amounts less than a million yen are rounded off to the nearest million yen.

## CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	(Reference) Previous fiscal year (from April 1, 2023 to March 31, 2024)	(Millions of yen)
	Current fiscal year (from April 1, 2024 to March 31, 2025)	
Revenue	40,708	47,394
Cost of sales	(23,257)	(27,756)
Gross profit	17,450	19,638
Amortization of identifiable assets	(356)	(117)
Selling, general and administrative expenses	(6,354)	(7,307)
Research and development expenses	(1,858)	(1,475)
Other income	60	398
Other expenses	(93)	(333)
Operating profit	8,850	10,804
Finance income	34	25
Finance costs	(162)	(197)
Share of profit of investments accounted for using equity method	22	97
Profit before tax	8,744	10,729
Income tax expense	(2,551)	(2,948)
Profit	6,194	7,781
Profit attributable to:		
Owners of parent	6,194	7,781
Profit	6,194	7,781

Note: Amounts less than a million yen are rounded off to the nearest million yen.

## NON-CONSOLIDATED BALANCE SHEETS

	(Reference) Previous fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)	(Millions of yen)
<b>Assets</b>			
<b>Current assets</b>			
Cash and deposits	6,030	3,501	
Accounts receivable	–	55	
Prepaid expenses	111	145	
Income taxes receivable	498	–	
Other	488	763	
<b>Total current assets</b>	<u>7,127</u>	<u>4,463</u>	
<b>Non-current assets</b>			
Investments and other assets			
Investment securities	377	355	
Shares of subsidiaries and associates	26,881	26,881	
Long-term prepaid expenses	0	1	
Deferred tax assets	277	462	
<b>Total non-current assets</b>	<u>27,535</u>	<u>27,699</u>	
<b>Total assets</b>	<u>34,662</u>	<u>32,162</u>	
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable - other	760	792	
Accrued expenses	169	246	
Income taxes payable	79	746	
Accrued consumption taxes	60	154	
Provision for bonuses	900	1,401	
Other	78	110	
<b>Total current liabilities</b>	<u>2,047</u>	<u>3,450</u>	
<b>Total liabilities</b>	<u>2,047</u>	<u>3,450</u>	
<b>Net assets</b>			
<b>Shareholders' equity</b>			
Share capital	1,189	1,350	
Capital surplus			
Legal capital surplus	1,089	1,250	
Other capital surplus	25,776	25,776	
<b>Total capital surplus</b>	<u>26,865</u>	<u>27,026</u>	
<b>Retained earnings</b>			
Other retained earnings	4,562	4,700	
Retained earnings brought forward	4,562	4,700	
<b>Total retained earnings</b>	<u>4,562</u>	<u>4,700</u>	
<b>Treasury shares</b>	(0)	(4,386)	
<b>Share acquisition rights</b>	–	22	
<b>Total shareholders' equity</b>	<u>32,616</u>	<u>28,690</u>	
<b>Total net assets</b>	<u>32,616</u>	<u>28,712</u>	
<b>Total liabilities and net assets</b>	<u>34,662</u>	<u>32,162</u>	

Note: Amounts less than a million yen are rounded off to the nearest million yen.

## NON-CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	(Reference) Previous fiscal year (from April 1, 2023 to March 31, 2024)	(Millions of yen)
	Current fiscal year (from April 1, 2024 to March 31, 2025)	
Operating revenue	7,207	7,373
Operating costs	—	—
Gross profit	7,207	7,373
Selling, general and administrative expenses	3,728	4,653
Operating profit	3,480	2,720
Non-operating income		
Interest and dividend income	0	3
Foreign exchange gains	0	0
Miscellaneous income	0	1
Total non-operating income	0	5
Non-operating expenses		
Miscellaneous losses	—	1
Total non-operating expenses	—	1
Ordinary profit	3,480	2,724
Extraordinary income		
Gain on sale of investment securities	—	391
Extraordinary losses		
Profit before income taxes	3,480	3,114
Income taxes – current	218	719
Income taxes – deferred	(89)	(185)
Profit	3,351	2,581

Note: Amounts less than a million yen are rounded off to the nearest million yen.

## **Audit Report**

### Independent Auditors' Report on Consolidated Financial Statements

#### **Independent Auditor's Report**

(English Translation)

May 13, 2025

To the Board of Directors of  
Simplex Holdings, Inc.:

Grant Thornton Taiyo LLC  
Tokyo Office

Takeshi Iwasaki  
Certified Public Accountant  
Designated Engagement Partner

Koichiro Watanabe  
Certified Public Accountant  
Designated Engagement Partner

Takahiro Tsuji  
Certified Public Accountant  
Designated Engagement Partner

#### **Opinion**

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated statements of financial position, the consolidated statements of profit or loss, the consolidated statements of changes in equity, and the notes to the consolidated financial statements of Simplex Holdings, Inc. (the "Company") for the fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Group, which consists of the Company and its consolidated subsidiaries, applicable to the current fiscal year in conformity with accounting principles with the omission of a part of the disclosures required under International Financial Reporting Standards ("IFRS") as allowed by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

#### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

The other information comprises the Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties with regard to the design, implementation, and maintenance of the reporting process for the other information.

Our audit opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Audit and Supervisory Committee for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in conformity with accounting principles with the omission of a part of the disclosures required under IFRS as allowed by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting, and for designing, implementing, and maintaining such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements on a going concern basis, and disclosing, as applicable, matters related to going concern in accordance with accounting principles with the omission of a part of the disclosures required under IFRS as allowed by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting.

Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties within the designing, implementation, and maintenance of the financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our responsibilities are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the consolidated financial statements based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.

- Conclude on the appropriateness of management's use of the going concern basis for preparing the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the consolidated financial statements or, if the notes to the consolidated financial statements on material uncertainty are inadequate, to express a qualified opinion with exceptions on the consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the presentation of the consolidated financial statements and the notes thereto are in conformity with accounting principles with the omission of a part of the disclosures required under IFRS as allowed by the provisions of the latter part of Article 120, Paragraph 1 of the Regulations on Corporate Accounting, as well as evaluate the overall presentation, structure, and content of the consolidated financial statements, including the related notes thereto, and whether the consolidated financial statements represent the underlying transactions and accounting events in a manner that achieves fair presentation.
- Plan and perform an audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which constitutes the basis for us to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and inspection of the audit of the consolidated financial statements. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Committee with a statement that we have complied with the relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate obstruction factors or safeguards applied to reduce obstruction factors to an acceptable level.

### **Conflicts of Interest**

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

## Independent Auditors' Report on Non-consolidated Financial Statements

### **Independent Auditor's Report**

(English Translation)

May 13 2025

To the Board of Directors of  
Simplex Holdings, Inc.:

Grant Thornton Taiyo LLC  
Tokyo Office

Takeshi Iwasaki  
Certified Public Accountant  
Designated Engagement Partner

Koichiro Watanabe  
Certified Public Accountant  
Designated Engagement Partner

Takahiro Tsuji  
Certified Public Accountant  
Designated Engagement Partner

### **Opinion**

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying non-consolidated financial statements, which comprise the non-consolidated balance sheet, the non-consolidated statements of profit or loss, the non-consolidated statements of changes in net assets, the notes to the non-consolidated financial statements, and the related supplementary schedules of Simplex Holdings, Inc. (the "Company") (the "non-consolidated financial statements, etc.") for the 9th fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the non-consolidated financial statements, etc. referred to above present fairly, in all material respects, the financial position and results of operations of the Company applicable to the current fiscal year in conformity with accounting principles generally accepted in Japan.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc. section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements, etc. in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

The other information comprises the Business Report and its supplementary schedules. Management is responsible for the preparation and disclosure of the other information. Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties with regard to the design, implementation, and maintenance of the reporting process for the other information.

Our audit opinion on the non-consolidated financial statements, etc. does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the non-consolidated financial statements, etc., our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements, etc. or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Responsibilities of Management and Audit and Supervisory Committee for the Non-Consolidated Financial Statements, Etc.**

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements, etc. in accordance with accounting principles generally accepted in Japan, and for designing, implementing, and maintaining such internal control as management determines is necessary to enable the preparation and fair presentation of the non-consolidated financial statements, etc. that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, etc., management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements, etc. on a going concern basis, and disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit and Supervisory Committee is responsible for overseeing the Directors' execution of duties within the designing, implementation, and maintenance of the financial reporting process.

## **Auditor's Responsibilities for the Audit of the Non-consolidated Financial Statements, Etc.**

Our responsibilities are to obtain reasonable assurance about whether the non-consolidated financial statements, etc. as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion on the non-consolidated financial statements, etc. based on our audit from an independent point of view. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements, etc.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, etc. whether due to fraud or error, design and perform audit procedures responsive to those risks. Selecting audit procedures to be applied is at the discretion of the auditor. Obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, in making those risk assessments, an understanding of internal control relevant to the audit of the non-consolidated financial statements, etc. in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used by management and their method of application, as well as the reasonableness of accounting estimates made by management and related notes thereto.
- Conclude on the appropriateness of management's use of the going concern basis for preparing the non-consolidated financial statements, etc. and, based on the audit evidence obtained, whether a material

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related notes to the non-consolidated financial statements, etc. or, if the notes to the non-consolidated financial statements, etc. on material uncertainty are inadequate, to express a qualified opinion with exceptions on the non-consolidated financial statements, etc. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate whether the presentation of the non-consolidated financial statements, etc. and the notes thereto are in accordance with accounting principles generally accepted in Japan, as well as evaluate the overall presentation, structure, and content of the non-consolidated financial statements, etc., including the related notes thereto, and whether the non-consolidated financial statements, etc. represent the underlying transactions and accounting events in a manner that achieve fair presentation.

We communicate with Audit & Supervisory Committee regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit, and other matters required by auditing standards.

We also provide Audit & Supervisory Committee with a statement that we have complied with the relevant ethical requirements in Japan regarding independence, and communicate with it all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate obstruction factors or safeguards applied to reduce obstruction factors to an acceptable level.

### **Conflicts of Interest**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act.

## Audit and Supervisory Committee's Audit Report

### **AUDIT REPORT** (English Translation)

Audit and Supervisory Committee has audited the Directors' execution of duties during the 9th fiscal year from April 1, 2024 through March 31, 2025. The Committee hereby reports the methods and results of the audit as follows:

#### 1. Methods of Audit and Details thereof

Audit and Supervisory Committee received reports regularly from Directors, employees, and other personnel on the contents of the resolutions of the Board of Directors concerning the matters listed in Article 399-13, Paragraph 1, Item 1 (b) and (c) of the Companies Act, as well as the development an operation status of systems that have been put in place based on said resolutions (internal control systems), and then requested explanations when necessary, expressed its opinion, and conducted audits by the following methods.

- (i) In accordance with audit policies, division of duties, and other relevant matters established by Audit and Supervisory Committee, the Committee, in cooperation with the internal audit office and other employees, attended important meetings, received reports from Directors, employees, and other personnel on matters concerning the execution of their duties, requested explanations when necessary, inspected important authorized documents and others, and examined the operations and financial positions at the head office. Additionally, in regard to the Company's subsidiaries, Audit and Supervisory Committee sought to facilitate communication and exchange information with directors, statutory auditors, and others of its subsidiaries and, when necessary, received reports from these subsidiaries on the state of their business.
- (ii) Audit and Supervisory Committee monitored and verified whether the independent auditor maintained its independence and conducted its audits in an appropriate manner, received reports from the independent auditor on the status of the execution of its duties and, when necessary, requested explanations. Also, Audit and Supervisory Committee received a notification from the independent auditor that it is taking steps to improve the "system for ensuring appropriate execution of duties" (matters specified in the items under Article 131 of the Regulations on Corporate Accounting) in accordance with the "Quality Control Standards for Audit" (Business Accounting Council) and other standards, and requested explanations when necessary.

Based on the foregoing methods, Audit and Supervisory Committee examined the Business Report and its supplementary schedules, the non-consolidated financial statements (the non-consolidated balance sheet, the non-consolidated statements of profit or loss, the non-consolidated statements of changes in net assets, and the notes to non-consolidated financial statements) and the related supplementary schedules, and the consolidated financial statements (the consolidated statements of financial position, the consolidated statements of profit or loss, the consolidated statements of changes in equity, and the notes to the consolidated financial statements) for the current fiscal year.

2. Results of Audit:

(1) Results of audit of Business Report and other documents

In our opinion:

- (i) the Business Report and its supplementary schedules fairly represent the state of the Company in accordance with the applicable laws and regulations as well as the Articles of Incorporation of the Company;
- (ii) no misconduct or material fact constituting a violation of applicable laws or regulations or the Articles of Incorporation of the Company was found with respect to Directors in the execution of their duties; and
- (iii) the contents of the resolutions of the Board of Directors regarding internal control systems are appropriate. Furthermore, there are no matters that we should point out regarding the contents of the Business Report and Directors' execution of their duties related to internal control systems.

(2) Results of audit of the non-consolidated financial statements and the related supplementary schedules

In our opinion, the methods and results of the audit conducted by the independent auditor, Grant Thornton Taiyo LLC, are appropriate.

(3) Results of audit of the consolidated financial statements

In our opinion, the methods and results of the audit conducted by the independent auditor, Grant Thornton Taiyo LLC, are appropriate.

May 14, 2025

Audit and Supervisory Committee of Simplex Holdings, Inc.

Audit and Supervisory Committee Member:

Ryozo Akiyama

Audit and Supervisory Committee Member:

Noriyuki Ogasawara

Audit and Supervisory Committee Member:

Mari Takahashi

Audit and Supervisory Committee Member:

Yasuto Hamanishi

Audit and Supervisory Committee Member:

Naoto Hirota

Note: Audit and Supervisory Committee Members Ryozo Akiyama, Noriyuki Ogasawara, Mari Takahashi, Yasuto Hamanishi, and Naoto Hirota are Outside Directors as defined in Article 2, Item 15 and Article 331, Paragraph 6 of the Companies Act.

## Simplex Group's Efforts to Realize a More Sustainable Society

As we lead businesses through technology, we believe it is our responsibility to think ahead to the future of global environment which lays the foundation for sustainable and continued growth.

Based on our management philosophy of “Innovation from Japan to the world,” we have established a “5DNA” code of conduct as well as Simplex Philosophy to define our core values, and we are committed to offering “meaningful and rewarding work” by focusing on human resources as they are our source of continuous innovation and abundant creativity.

As a result of various sustainability efforts we have made based on such philosophy, we have received the following certifications and evaluations from external organizations:



(Simplex Inc.)

Through our business activities, Simplex Group confronts the issues that must be dealt with to realize a sustainable society and aims to achieve the kind of sustainable development that grows together with the global environment and society.

For more details on our efforts for sustainability, please access to the Company's website:  
<https://www.simplex.holdings/en/sustainability/>

