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September 13, 2023

Company name: Rheos Capital Works Inc.
Name of representative: Hideto Fujino, Representative
Director, Chairman, President &
CEO, Chief Investment Officer
(Securities code: 7330; TSE Growth Market)
Inquiries: Jiro Iwata, Managing Director &
CAO

**Notice of Commencement of Preparations
for Transition to a Holding Company Structure via Sole-Share Transfer**

Rheos Capital Works Inc. (the “Company”) hereby announces that the Board of Directors, at a meeting held today, determined to adopt a policy of transitioning to a holding company structure by April 1, 2024, and resolved to commence preparations for this transition as set forth below.

The transition to a holding company structure will be conducted subject to approval at a general meeting of shareholders and obtaining the necessary approvals from the relevant authorities. Details will be announced as soon as they are decided.

1. Background and purpose for the transition to a holding company structure

Under the slogan of “Installment investment for everyone in Japan with Hifumi,” we have been working to spread installment investment with Hifumi throughout Japan and realize our management philosophy of “Contributing to society through capital markets” by promoting initiatives to “learn about money, make installment investments with Hifumi, and support through mutual aid,” with a view to bringing more people “to the center of the next prosperity,” and to spread investment culture and increase the penetration and value of the Hifumi brand.

In order to achieve a world where all people can enjoy the benefits of financial services through financial inclusion (*), as well as to expand the balance of assets under management by taking advantage of the new NISA and other system reforms that will start in January 2024, expand the client base, and increase recognition of the Hifumi brand through further cooperation with the SBI Group, we have decided that it is desirable to adopt a new group structure that specializes in high-level investment functions as well as business management and strategic planning functions, and therefore we have begun to consider the transition to a holding company structure. As a result, the Company will continue to focus on the management of assets entrusted from clients and sales of investment trusts, while the newly established holding company will be responsible for formulating management and M&A strategies for the entire Group and executing corporate actions.

(*) Financial inclusion means ensuring that all people have access to and can benefit from financial services.

2. Method of transition to a holding company structure, etc.

The Company will establish a holding company via sole-share transfer (the “Share Transfer”), whereby the Company will become a wholly owned subsidiary through the Share Transfer. As a result, the Company’s shares will become delisted, but the Company plans to apply for a listing on the Growth Market of the Tokyo Stock Exchange, Inc. (technical listing) for the shares of the holding company to be delivered to the Company’s shareholders in exchange for their shares, thereby effectively maintaining the listing of the shares.

Although it was resolved at the annual general meeting of shareholders held in June 2023 to change the trade name of the Company from “Rheos Capital Works Inc.” to “SBI RHEOS HIFUMI Inc.,” since the trade name of the holding company to be established is scheduled to be “SBI RHEOS HIFUMI Inc.,” it is planned that a new resolution will be passed at the general meeting of shareholders to decide on the Share Transfer that the trade name of the Company will not be changed, and that the trade name of the Company will continue to be “Rheos Capital Works Inc.”

3. Schedule for transition to a holding company structure

October 18, 2023 (planned)	Board of Directors meeting to approve the Share Transfer plan
November 21, 2023 (planned)	General meeting of shareholders to approve the Share Transfer plan (record date: September 30, 2023)
April 1, 2024 (planned)	Effective date of the Share Transfer

However, the above schedule may be changed depending on the necessity of the progress of the procedures for the Share Transfer or other reasons.

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