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**(Progress of Disclosure) Notice of basic agreement on business collaboration,
business between NEC Capital Solution, SBI Shinsei Bank and Showa Leasing
collaboration**

Tokyo, September 30, 2024 ---At a meeting of the Board of Directors held today, NEC Capital Solutions Limited (hereinafter, “the Company”) resolved the business collaboration between the Company, SBI Shinsei Bank, Limited (hereinafter, “SBI Shinsei Bank”) and Showa Leasing Co., Ltd. (hereinafter, “Showa Leasing”), a wholly owned subsidiary of SBI Shinsei Bank. This business collaboration is based on the basic agreement on the business collaboration, which was disclosed in the "Notice regarding the Basic Agreement on the Business collaboration, Business collaboration, License Agreement on the Use of Marks, etc., and Changes in Major Shareholders and Other Affiliated Companies" dated July 12, 2024, and is subject to SBI Shinsei Bank's acquisition of 7,172,278 shares of the Company (voting rights ownership ratio: 33.32%).

1. Reasons for the business collaboration

The SBI Shinsei Bank Group is a hybrid comprehensive financial group that combines both bank and non-bank functions, and since joining the SBI Group in December 2021 it has actively engaged with the financial ecosystem and functions provided by the SBI Group to provide products, services, and functions that are genuinely desired by its customers. The customer base and financial functions possessed by the SBI Shinsei Bank Group include many elements not present in the Company, and our perception is that there is extraordinary potential in a collaboration aimed at expanding our customer base and revenue opportunities. The Company decided to business agreement with SBI Shinsei Bank at the acquisition by SBI Shinsei Bank of common shares of the Company.

2. Contents of agreement on business collaboration

(1) Purpose of the business collaboration

Through this business collaboration, the Company, SBI Shinsei Bank, and Showa Leasing will utilize their customer bases, know-how, infrastructure, and other resources to strengthen their existing businesses in leasing, finance, and investments and that aims to create new business opportunities and other positive outcomes. Moreover, there will be no change in the management philosophy or basic approach of the Company, which as a listed company will maintain independent management and autonomous operations, continuing both its existing business, including the foundation provided by NEC sales channels, and its business activities and investment in areas of future growth.

(2) Acquisition by SBI Shinsei Bank of the common shares of the Company

SBI Shinsei Bank will acquire, in directly negotiated off-market transactions, 4,314,112 shares (representing 20.04% of voting rights) of the 8,110,000 shares (37.68% of voting rights) of the Company's stock held by NEC Corporation (headquarters: Minato-ku, Tokyo; President and CEO Takayuki Morita; hereinafter, "NEC"), and 2,858,166 shares (13.28% of voting rights) of the 5,373,000 shares (24.96% of voting rights) of the Company's stock held by Sumitomo Mitsui Finance and Leasing Company, Limited (headquarters: Chiyoda-ku, Tokyo; President Masaki Tachibana; hereinafter, "SMFL"). Even after the transfer of shares, NEC will hold 3,795,888 shares of the Company's stock (17.63% of voting rights), and SMFL will hold 2,514,834 shares of the Company's stock (11.68% of voting rights). As an important partner that provides financial services to the NEC Group, the Company will maintain close relationships with NEC.

3. Overview of counterparty

(1) Overview of SBI Shinsei Bank (as of March 31, 2024)

(1)	Name	SBI Shinsei Bank, Limited		
(2)	Location	4-3 Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo		
(3)	Representative Position/name	Representative Director, President Katsuya Kawashima		
(4)	Nature of business	Banking		
(5)	Share capital	512.2 billion yen		
(6)	Date established	December 1, 1952		
(7)	Major shareholders and percentage of shares held (as of March 31, 2024)	SBI Regional Bank Holdings Co., Ltd.: 64.81% Deposit Insurance Corporation of Japan: 11.11% The Resolution and Collection Corporation: 11.11% S-Grant Co., Ltd: 12.96%		
(8)	Relationship with the Company	Capital relationship	Not applicable.	
		Personnel relationship	Not applicable.	
		Business relationship	The business relationship with the Company consists of loan execution, transactions involving syndication of real estate non-recourse loans, etc.	
		Applicability to related parties	Not applicable.	
(9)	Management performance and financial status for the past three years (Consolidated) (unit: million yen)			
	Fiscal year-end	FYE March 2022	FYE March 2023	FYE March 2024
	Net assets	924,316	966,506	966,724
	Total assets	10,311,448	13,694,831	16,048,988
	Net assets per share (yen)	4,484.01	16,033,315,142.95	17,828,740,928.75

Net sales	217,500	240,200	267,900
Operating income	31,000	56,500	64,300
Ordinary income	28,299	52,136	61,072
Profit attributable to owners of parent	20,385	42,771	57,924
Net income per share (yen)	96.78	712,851,750.13	990,851,470.11
Dividend per share (yen)	12.00	12.00	40,000,000.00

Notes:

- Effective October 2, 2023, a share consolidation at a ratio of 20,000,000 shares to one share of common stock was implemented.
Effective March 15, 2024, a stock split of 6 shares per 1 share of common stock was also implemented. Net assets per share are calculated on the assumption that the share consolidation and stock split took place at the beginning of the previous fiscal year.
- Total revenue for business management purposes is presented here instead of the net sales that would be used for an ordinary company.
- Ordinary business profit after net credit costs for business management purposes is presented here instead of the ordinary income that would be used for an ordinary company.
- Effective October 2, 2023, a share consolidation at a ratio of 20,000,000 shares to one share of common stock was implemented.
Effective March 15, 2024, a stock split of 6 shares per 1 share of common stock was also implemented. Net income per share is calculated on the assumption that the share consolidation and stock split took place at the beginning of the previous fiscal year.
- Effective October 2, 2023, a share consolidation at a ratio of 20,000,000 shares to one share of common stock was implemented.
Effective March 15, 2024, a stock split of 6 shares per 1 share of common stock was also implemented.
The amount presented for dividend per share for the fiscal year ended March 31, 2024 (40,000,000.00 yen) takes into account the share consolidation and the stock split.

(2) Overview of Showa Leasing (as of March 31, 2024)

(1) Name	Showa Leasing Co., Ltd.
(2) Location	4-3 Nihonbashi-Muromachi 2-chome, Chuo-ku, Tokyo
(3) Representative Position/name	President & CEO Shoichi Hirano
(4) Nature of business	General leasing operations Leasing, installment sales, and financing operations for information equipment, industrial equipment and machine tools, construction equipment, medical equipment, commercial facilities, aircraft, and others Operations related to the solicitation of life insurance
(5) Share capital	29.36 billion yen
(6) Date	April 2, 1969

established			
(7) Major shareholders and percentage of shares held (as of March 31, 2024)	SBI Shinsei Bank, Limited 100%		
(8) Relationship with the Company	Capital relationship	Not applicable.	
	Personnel relationship	Not applicable.	
	Business relationship	The business relationship with the Company consists of sales of receivables and the execution of collaborative leases, etc.	
	Applicability to related parties	Not applicable.	
(9) Management performance and financial status for the past three years (Consolidated)	(unit: million yen)		
Fiscal year-end	FYE March 2022	FYE March 2023	FYE March 2024
Net assets	107,867	100,953	100,499
Total assets	644,830	647,702	696,355
Net assets per share (yen)	346.33	323.40	321.64
Net sales	102,773	103,738	118,026
Operating income	4,550	3,961	4,756
Ordinary income	4,752	4,436	5,398
Profit attributable to owners of parent	3,488	2,965	3,597
Net income per share (yen)	11.39	9.68	11.74
Dividend per share (yen)	32.70	16.40	—

4. Schedule

(1) Date of Board of Directors resolution (agreement on business collaboration)	September 30, 2024
(2) Date of conclusion of agreement on business collaboration	October 2, 2024 (scheduled)
(3) Date of execution of share transfer	October 2, 2024 (scheduled)

5. Outlook going forward

The impact on our performance for the current fiscal year of this agreement is currently being examined. If necessary, we will promptly provide appropriate disclosure in relation to the impact on our performance for the current fiscal year.

Contact Information:

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