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July 22, 2025

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(Disclosure Update) Announcement of Final Agreement Signing for Joint Venture

Money Forward, Inc. (the Company) hereby announces that, as previously disclosed in our announcement dated April 16, 2025, titled " Notice Regarding the Initiation of Discussions on the Provision of BaaS/Digital Banking with Sumitomo Mitsui Financial Group and Sumitomo Mitsui Banking Corporation" that our company has resolved at today's Board of Directors meeting to enter into a legally binding agreement (the "Final Agreement") with the SMBC Group, as planned. This joint venture involves Sumitomo Mitsui Financial Group (Head Office: Chiyoda-ku, Tokyo; Director President and Group CEO: Toru Nakashima, "Sumitomo Mitsui Financial Group," collectively referred to as "SMBC Group") and Sumitomo Mitsui Banking Corporation (President and CEO: Akihiro Fukutome, "Sumitomo Mitsui Banking Corporation").

Please note that any confirmed or changed items from the previous timely disclosure, which were previously marked as "TBD," are underlined. Items previously disclosed as "planned" have been implemented or confirmed as scheduled.

(1) Establishment of a Subsidiary

We have established a wholly owned subsidiary, SMF Inc. ("New Subsidiary"), with the aim of advancing system development in preparation for transitioning to a joint venture with the SMBC Group.

Overview of the Established Subsidiary

(1) Company name	<u>SMF Inc.</u>
(2) Address	<u>1-21, Shibaura 3-chome, Minato-ku, Tokyo</u>
(3) Name of title of representative	<u>Norifumi Yoshimoto</u> <u>Representative Director</u>
(4) Business description	<u>System development</u>
(5) Capital an capital reserve	<u>Capital: 250 million yen</u> <u>Capital reserve: 250 million yen</u>
(6) Date of incorporation	<u>May 23, 2025</u>
(7) Fiscal year	<u>March 31</u>
(8) Voting rights ratio	<u>The Company: 100%</u>

(2) Conversion of the New Subsidiary into a Joint Venture Company

Through a third-party allotment of shares by the New Subsidiary to the Company and Sumitomo Mitsui Banking Corporation, and the subsequent subscription and payment for these shares by the Company and Sumitomo Mitsui Banking Corporation (the "Investment"), the New Subsidiary will become a joint venture company (the "Joint Venture Company") of the Company and Sumitomo Mitsui Banking Corporation. The ownership ratio will be 50% for the Company and 50% for Sumitomo Mitsui Banking Corporation. After becoming a joint venture company, the Joint Venture Company will be an equity-method affiliate of both our company and Sumitomo Mitsui Banking Corporation.

(1) Overview of the Joint Venture Company' Partner

(1)	Company name	Sumitomo Mitsui Banking Corporation		
(2)	Address	1-2, Marunouchi 1-chome, Chiyoda-Ku, Tokyo		
(3)	Name and title of representative	Akihiro Fukutome President		
(4)	Business description	Deposit taking, lending, securities brokering and trading, securities investment, money transfer, foreign currency exchange, corporate bond trustee services and custody services, financial futures underwriting, investment trust sales and other commercial banking activities		
(5)	Capital	1,770,996 million yen		
(6)	Date of incorporation	June 6, 1996		
(7)	Relationship with the Company	Capital relationship	No applicable matters	
		Human relationship	No applicable matters	
		Business relationship	There are borrowings of funds and other banking transactions. The Company utilizes API services provided by the bank.	
		Related parties	No applicable matters	
(8)	Consolidated operating results and consolidated financial position for the past three years (Unit: million yen)			
Fiscal year		Fiscal year ended March 2023	Fiscal year ended March 2024	Fiscal year ended March 2025
Net assets		9,735,509	11,494,278	11,410,174
Total assets		252,567,523	272,298,248	281,800,788
Net assets per share (yen)		90,237.03	106,279.71	105,969.48
Ordinary revenue		4,991,948	7,754,385	8,848,877
Ordinary income		1,125,928	1,356,572	1,735,832
Profit attributable to owners of Parent		807,042	901,935	1,236,342
Net income per share (yen)		7,595.81	8,488.93	11,636.20
Dividend per share (yen)		4,385	7,469	5,641

(2) Overview of the Investment

(1) Allottee	<u>the Company</u>
(2) Number of new shares issued	<u>5,556 common shares</u>
(3) Payment date	<u>August 2025 (planned)</u>
(4) Increase in Capital and Capital reserve	<u>Capital : 250 million yen</u> <u>Capital reserve : 250 million yen</u>

(1) Allottee	<u>Sumitomo Mitsui Banking Corporation</u>
(2) Number of new shares issued	<u>55,556 common shares</u>
(3) Payment date	<u>August 2025 (planned)</u>
(4) Increase in Capital and Capital reserve	<u>Capital: 2,500 million yen</u> <u>Capital reserve: 2,500 million yen</u>

(3) Business Activities of the Joint Venture Company

In the future, the Joint Venture Company will aim to develop new digital banking services and consider providing Banking as a Service (BaaS) to business enterprises and financial institutions using the APIs realized through this initiative. Details regarding the overview, services, and schedule of the BaaS/digital bank will be reviewed by the Joint Venture Company and will be announced once they are finalized.

(4) Overview of the Joint Venture Company After the Investment

(1) Company name	<u>SMBC Money Forward Bank Preparatory Corporation</u>	
(2) Address	<u>1-21, Shibaura 3-chome, Minato-ku, Tokyo</u>	
(3) Name and title of representative	<u>Norifumi Yoshimoto</u> <u>Representative Director</u>	
(4) Business description	Preparation for the establishment of a new bank	
(5) Capital and capital reserve	<u>Capital: 3,000 million yen</u> <u>Capital reserve: 3,000 million yen</u>	
(6) Date of incorporation	<u>May 23, 2025</u>	
(7) Fiscal year	<u>March 31</u>	
(8) Voting rights ratio	<u>(Before the Investment) the Company: 100%</u> <u>(After the Investment) the Company: 50%, <u>Sumitomo Mitsui Banking Corporation: 50%</u></u>	
(9) Relationship with the Company	Capital relationship	At the time of establishment, our company's ownership ratio in the said company is 100%. However, following the investment, our company's ownership ratio is expected to become 50%, and Sumitomo Mitsui Banking Corporation's ownership ratio is expected to become 50%.
	Human relationship	At the time of establishment, one of our executive officers also serves as a director. After the investment, both our company and Sumitomo Mitsui Banking Corporation plan to appoint three directors each from among their own officers and employees, resulting in a total of six directors.

		Our employees engaged in this business will continue to work on this project within the said company.
	Business relationship	After the establishment of the joint venture company, it is planned that the said company will outsource certain back-office operations to the Company.

(5) Performance Outlook of the Joint Venture Company

The performance outlook for the Joint Venture Company is currently undetermined, as the specific details will be discussed between both companies in the future.

(6) Schedule for the Conversion into a Joint Venture Company

Date of resolution by board of directors (the Company)	July 22, 2025
Date of signing the Final Agreement	July 22, 2025
Payment date for the investment	August 2025 (planned)

(5) Outlook

The impact of the establishment of the Joint Venture Company on the consolidated financial results for the current fiscal year is expected to be minimal. Additionally, while we believe that this initiative will contribute to the improvement of the Company's performance and corporate value in the medium to long term. We will carefully assess the impact on our performance, and if any matters arise that require disclosure, we will promptly make such disclosures.