



June 30, 2025

To whom it may concern,

LY Corporation
Takeshi Idezawa
President and Representative Director, CEO
Stock Code: 4689

Matters Concerning Controlling Shareholder, Etc.

LY Corporation (hereinafter the “Company”) hereby announces that with regard to SoftBank Group Corp. (hereinafter “SBG”), SoftBank Group Japan Corporation (hereinafter “SBGJ”), SoftBank Corp. (hereinafter “SoftBank”), and A Holdings Corporation (hereinafter “AHD”), which are parent companies of the Company, the matters concerning controlling shareholders, etc. are as described below.

1. Trade name, etc. of parent company, controlling shareholder (excluding parent company), other affiliated company or parent company of other affiliated company

(As of March 31, 2025)

Name	Attribute	Ratio of voting rights held (%)			Financial instruments exchange, etc. on which the issued shares, etc. are listed
		Voting rights directly held	Voting rights subject to aggregation	Total	
SoftBank Group Corp.	Parent company	—	62.5	62.5	Prime Market of Tokyo Stock Exchange, Inc.
SoftBank Group Japan Corporation	Parent company	—	62.5	62.5	—
SoftBank Corp.	Parent company	0.0	62.5	62.5	Prime Market of Tokyo Stock Exchange, Inc.
A Holdings Corporation	Parent company; largest and major shareholder	62.5	—	62.5	—

Disclaimer

This is an English translation of the release. This translation is prepared and provided for the reader's convenience. All readers are recommended to refer to the original version of the release in Japanese for complete information.

2. Name of the company within the category of parent company, etc. that is recognized as having the greatest influence on the Company and reason for having such recognition

Name	SoftBank Corp.
Reason	SoftBank and NAVER and others,* each directly hold 50% of AHD's voting rights, and AHD directly holds 62.5% of the voting rights in the Company. AHD is classified as a consolidated subsidiary of SoftBank.

*NAVER and others refer to NAVER Corporation and its wholly owned subsidiary, NAVER J.Hub Corporation.

3. Positioning of the Company in the corporate group centering on the parent company, etc. and other relationships between the Company and the parent company, etc.

(1) Relationship with the parent companies

(i) AHD

AHD is the parent company of the Company holding 62.5% of the Company's voting rights, as well as the largest and major shareholder.

(ii) SoftBank, SBGJ, SBG

SoftBank, SBGJ, and SBG are each parent companies that effectively hold 62.5% of the Company's voting rights. SBG, SBGJ, and SoftBank are indirect parent companies of the Company, holding the Company's voting rights through AHD, which is the direct parent company of the Company. SoftBank is the parent company of AHD; SBGJ is the parent company of SoftBank; and SBG is the parent company of SBGJ.

(2) Ensuring independence from the parent company, etc.

The Company relies very little on the group companies of the parent companies for its business transactions. Most of its partners in its transactions are consumers or corporations with no investment relationship with the Company.

The Company's Board of Directors is composed of six directors, four of whom are independent outside directors, ensuring independence. In addition, as an advisory body to the Board of Directors, the Company establishes a Governance Committee composed of said four independent outside directors. The aforementioned Committee discusses important matters related to corporate governance, etc. of the Company group, including monitoring the decision-makings in transactions between the Company and related parties such as the parent companies, in order to strengthen the supervisory function of the Board of Directors to further improve corporate governance and protect the Company's minority shareholders.

Furthermore, there are no directors of the Company who concurrently serve as directors of the parent companies, and there are no directors invited from the parent companies who concurrently serve as directors or employees of the parent companies.

Based on the above, the Company judges that its independence from its parent company, etc. is sufficiently ensured.

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4. Matters concerning transactions with controlling shareholder, etc. (As of March 31, 2025)

Type	Name of company	Location	Capital stock or investments in capital (JPY million)	Description of business	% of the Company's voting rights held	Relationship with related party	Content of transaction	Transaction amount (JPY million)	Item	Balance at end of period (JPY million)
Parent company	A Holdings Corporation	Minato-ku, Tokyo	100	Holding company	62.5%	Acquisition of the Company's shares	Acquisition of the Company's shares (Note)	149,953	—	—

(Note) Based on the resolution of the Board of Directors meeting held on August 2, 2024, the Company has acquired 386,475,800 shares of its common stock through a tender offer at a purchase price of JPY388 per share. The tender offer price was determined by taking into consideration the fact that: a) the closing price of the Company's common stock on August 1, 2024 was JPY367, and b) the simple average of the daily closing prices over the one-month period ending on August 1, 2024, was JPY388. Given that the one-month average price represented a relatively higher valuation compared to the closing price on August 1, 2024, the Company resolved to adopt such average price of JPY388 as the tender offer price.

5. Status of implementation of measures to protect minority shareholders in transactions, etc. with controlling shareholders

The Company has enacted the “Regulations for Appropriate Business Transactions and Practices by LY Corporation, its Parent Company, Subsidiaries, and Affiliates.” In these regulations, the Company has intentionally and expressly stipulated the prohibition of: transactions with the parent companies which are clearly advantageous or disadvantageous compared to transactions with third parties or to comparable transactions; and transactions for the purpose of shifting profits, losses, or risks. Through these efforts, the Company strives to ensure fair and appropriate transactions.

For transactions with the parent companies that exceed a certain amount, the Governance Committee conducts a preliminary review. Furthermore, the division responsible for governance conducts a review of related party transactions that do not require deliberation by the Governance Committee. For transactions meeting specific criteria, the independent outside director serving as a full-time Audit and Supervisory Committee member is authorized by the Governance Committee to conduct a prior review from the same perspectives as the Governance Committee.

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