

July 17, 2025

Junpei Yokozawa, President
LIFENET INSURANCE COMPANY
(Securities Code: 7157, TSE Growth)

Notice Concerning Capital and Business Alliance with Advance Create Co., Ltd. and Subscription by way of Third-Party Allotment of Shares

TOKYO, July 17, 2025 – LIFENET INSURANCE COMPANY (“Lifenet”, TSE Growth 7157, President Junpei Yokozawa, URL: <https://ir.lifenet-seimei.co.jp/en/>) hereby announces that, at the Board of Directors held on July 17, 2025, Lifenet has resolved to enter into a business alliance agreement (the “Business Alliance Agreement”) with Advance Create Co., Ltd. (“Advance Create”) to form a business alliance for marketing, etc. (the “Alliance”) and an investment agreement (the “Investment Agreement”) with Advance Create to subscribe for the issuance of new shares of common stock of Advance Create (the “Common Shares”) and new shares of Class A share (the “Class A Shares”) by way of third-party allotment to Lifenet.

In connection with the Alliance, pursuant to the Investment Agreement and investment agreements entered into on the same day respectively, between Advance Create and each of investors, SBI Holdings, Inc. (“SBI Holdings”), FWD Life Insurance Co., Limited., Broad-minded Co.,Ltd., and MetLife Life Insurance K.K., together with SBI Holdings, FWD Life Insurance Co., Limited., Broad-minded Co.,Ltd., and MetLife Life Insurance K.K., Lifenet will subscribe for the issuance of new shares of the Common Shares by way of third-party allotment (the “Third-Party Allotment of Common Shares”) and new shares of Class A Shares by way of third-party allotment (the “Third-Party Allotment of Class A Shares”) (collectively, the “Third-Party Allotment”).

The execution of the Alliance and the Third-Party Allotment is conditional on all of the Third-Party Allotment Related Proposals (as defined below) being approved at the extraordinary general meeting of shareholders of Advance Create to be held on August 15, 2025 (the “EGM”), and the effectiveness of the securities registration statement becoming effective pursuant to the Financial Instruments and Exchange Act, etc. The proposals to be tabled at the EGM are expected to be the Third-Party Allotment of Common Shares, the Third-Party Allotment of Class A Shares, the increase in the total number of authorized shares of Common Shares of Advance Create necessary for the implementation of the Third-Party Allotment, and the amendment of the Articles of Incorporation to establish new provisions concerning the Class A Shares (collectively, the “Third-Party Allotment Related Proposals”).

1. Background of the Alliance

Since our business commencement in 2008, we have focused on the online channel to provide simple, easy-to-understand, and affordable insurance products and services. Through initiatives such as the active promotion of the Lifenet brand, we have established a solid position as a leading player in the online life insurance market and have achieved steady growth, with the number of policies-in-force reaching approximately 650,000.

In recent years, as the digitalization of financial services accelerates, the number of competitors entering the online life insurance market has increased, and the needs of consumers who wish to purchase life insurance online continue to grow. Furthermore, various technologies of the AI era are expected to dramatically improve

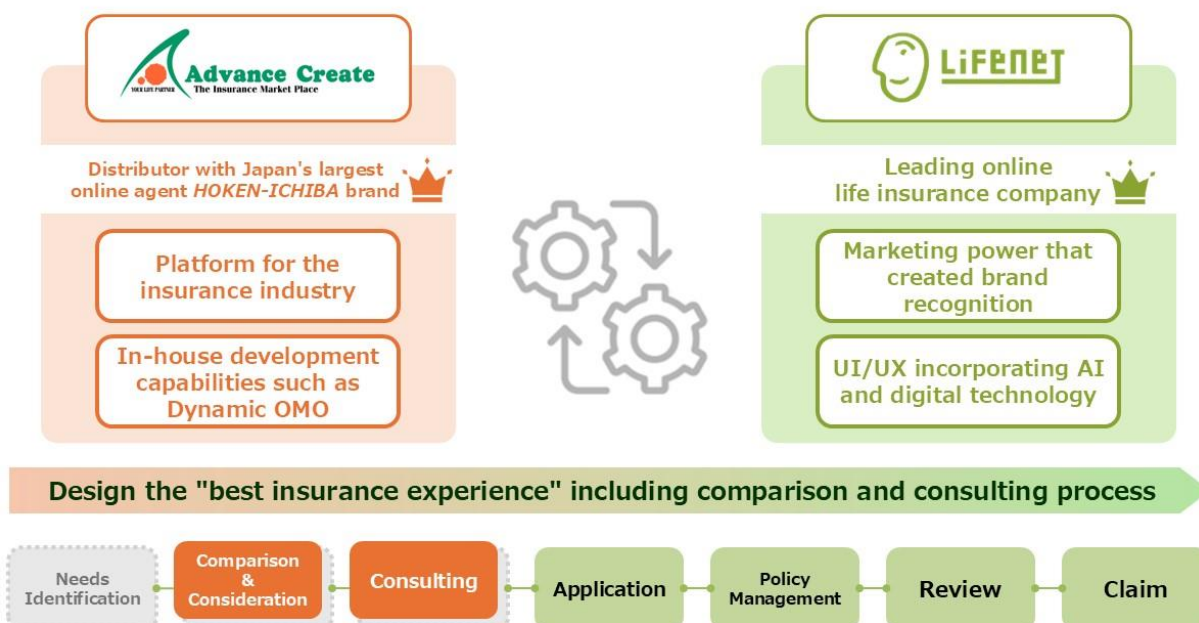
the convenience of life insurance for consumers. We see this significant environmental change not only as a tailwind for our business growth but also believe it holds immense potential to further expand the online life insurance market itself.

Based on this understanding of the business environment, in our mid-term business plan ending in fiscal 2028, announced in May 2024, we have designated "Tech & Services" as one of our priority areas. Our strategy is based on providing the highest standard of services by utilizing technology. Furthermore, under the new management structure launched in June 2025, we are committed to delivering the "Best Insurance Experience" to our customers. We are taking on the challenge of creating a new future for life insurance by leveraging our cultivated strengths in marketing capabilities and our UI/UX development expertise driven by digital technology.

To deliver this "Best Insurance Experience" to an even greater number of customers, we have decided to move beyond the framework of a single insurer and enter into this capital and business alliance with Advance Create. Advance Create possesses a powerful brand in *Hoken Ichiba*, one of Japan's largest insurance comparison websites used by over 20 million people annually, and a unique model called "Dynamic OMO (Online Merges with Offline)," a unique online consultation system specializing in insurance sales. They have extensive experience and know-how as a distributor of online insurance.

We recognize Advance Create as the best partner to lead the online life insurance market, which is expected to see further growth. We believe that by combining our respective strengths and creating new value in the online insurance experience, we can unleash the potential of this market and the online insurance sector, leading to business growth and enhanced corporate value for both companies. In addition, the establishment of a capital relationship through this alliance, we will build a more solid relationship that goes beyond that of a mere sales partner for our insurance products, allowing for the mutual utilization of our management resources and customer bases. This will enable Lifenet to deliver the "Best Insurance Experience" even to customers who want to compare insurance products. This is a customer segment that is difficult for us to approach alone as an insurer. We believe this will contribute to the expansion of the online life insurance market.

This alliance is also intended to improve Advance Create's financial foundation and facilitate the re-acceleration of its business growth. In the future, subject to approval from the Financial Services Agency, we are considering making Advance Create an equity-method affiliate. Through this collaboration between a leading insurer and distributor in the online insurance market, we will work to create new insurance experience value and achieve mutual business growth and enhanced corporate value by expanding the online life insurance market.



2. Details of the Alliance

(1) Details of the Business Alliance Agreement

Pursuant to the Business Alliance Agreement, Lifenet and Advance Create have agreed to pursue specific initiatives that will enable them to establish a sustainable competitive advantage, as outlined below:

(a) Multi-channel initiatives to complement online services

Realize transformation of life insurance into the products that “customers choose and purchase themselves.” By utilizing AI, avatars, and other technologies that complement the online process of selecting insurance, as well as OMO model consulting.

(b) Marketing optimization

Realize high-quality marketing measures, including the mutual transfer of know-how in the creation and operation of websites with superior UI/UX, as well as the provision of easy-to-understand information, thereby making it easier for customers to choose insurance.

(c) Contribution to the healthy growth and ongoing development of the online insurance agency market

Facilitate best-practice rules for online insurance agencies, leveraging the unique strengths of both companies as online operators, encourage the legitimate growth of online distributors and, as a result, contribute to the expansion and sound development of the online insurance market.

(d) Joint development of future insurance products

Examine the possibility of developing a new insurance product and service utilizing the knowledge and customer experience know-how of both companies, delivering value to customers in the future.

(2) Basis Shares or Equity Interests of the Other Party to be Newly Acquired

2,980,000 shares of Common Shares, 447,000,000 yen (150 yen per share)

17,020,000 shares of Class A Shares, 2,553,000,000 yen (150 yen per share)

As of July 17, 2025, Lifenet owns 250,000 shares of Common Shares (Lifenet's ownership ratio of total voting rights is 1.09%). However, if all of the Class A Shares to be issued at this time were converted to Common Shares, Lifenet's ownership ratio of total number of shares issued will be 29.08%.

The Business Alliance Agreement is scheduled to be executed concurrently with the investment agreement to be entered into between Lifenet and Advance Create on July 17, 2025, in relation to the subscription for Common Share and Class A Shares (the "Investment Agreement"). Pursuant to the Investment Agreement, Advance Create will conduct the Third-Party Allotment of Common Shares and the Third-Party Allotment of Class A Shares, with Lifenet subscribing for 2,980,000 Common Shares and 17,020,000 Class A Shares, subject to the condition that the Business Alliance Agreement remains effective as at the Payment Date (as defined therein).

3. Overview of the Business Alliance Partner

(1)	Name	Advance Create Co., Ltd.	
(2)	Location	3-5-7 Kawaramachi, Chuo-ku, Osaka	
(3)	Name and title of representative	President, Representative Director Yoshiharu Hamada	
(4)	Business Profile	Insurance Agency Business, Media Business, Reinsurance Business, ASP Business, BPO Business, and Media Rep Business	
(5)	Amount of Capital	3,357 million yen (as of March 31, 2025)	
(6)	Date of Establishment	October 1995	
(7)	Major shareholders and shareholding ratio (As of June 30, 2025)	Hamada Holdings Co., Ltd.	19.19%
		Yoshiharu Hamada	6.89%
		The Master Trust Bank of Japan, Ltd. (Trust Account)	5.08%
		SUMITOMO LIFE INSURANCE COMPANY (Standing proxy: The Custody Bank of Japan, Ltd.)	4.30%
		MetLife Life Insurance K.K.. (Standing Agent: Citibank, N.A., Tokyo Branch)	4.30%
		Dai-ichi Life Holdings, Inc.	4.30%
		Akiko Hamada	4.13%
		FWD Life Insurance Co., Limited. (Standing proxy: The Japan Custody Bank, Ltd.)	3.68%
		Fukoku Mutual Life Insurance Company (Standing proxy: The Japan Custody Bank, Ltd.)	3.05%
		SMBC Nikko Securities Inc.	2.20%
(8)	Relationship between Lifenet	Capital relationship	Lifenet holds 250,000 shares of Advance Create.
		Personal Relationship	Not applicable.
		Business relationship	Advance Create has an insurance agency contract with Lifenet and acts as an intermediary for insurance sales.
		Status of Related Parties	Not applicable.
(9)	Consolidated operating results and consolidated financial position for the last three years		

Accounting reference period	September 2022	September 2023	September 2024
Consolidated net assets	835 million yen	(2,329) million yen	(4,973) million yen
Consolidated total assets	10,450 million yen	8,479 million yen	6,860 million yen
Consolidated net assets per share	38.21 yen	(106.30) yen	(223.19) yen
Consolidated net sales	9,463 million yen	10,374 million yen	7,856 million yen
Consolidated operating profit	94 million yen	(1,302) million yen	(711) million yen
Consolidated ordinary income	48 million yen	(1,472) million yen	(808) million yen
Profit attributable to owners of parent	(1,249) million yen	(2,433) million yen	(2,250) million yen
Consolidated net income per share	(57.10) yen	(111.14) yen	(102.26) yen
Dividend per share	32.50 yen	35.00 yen	17.50 yen

4. Schedule

(1)	Resolution Date of Board of Directors	July 17, 2025
(2)	Contract date	July 17, 2025
(3)	Alliance Commencement Date	July 17, 2025
(4)	Payment for the Third-Party Allotment	September 5, 2025

5. Future Outlook

The Alliance does not have much impact on Lifenet's business forecast for the fiscal year ending March 2026. We will promptly disclose any matters that should be disclosed in the future regarding the Alliance.

6. Details and Purpose of Agreement on Governance between Lifenet and Shareholders or Agreement on Disposition or Increase of Purchase of Shares Held by Shareholders

The Investment Agreement entered into by and between Lifenet and Advance Create provides as follows:

- (i) Matters Requiring Prior Consent
 - Prior consent for important decision-making by Advance Create
- (ii) Matters Requiring Prior Consultation and Other Matters Concerning the Operation of Advance Create
 - Lifenet shall have the right to nominate one (1) Director of Advance Create.
 - Matters to be discussed in advance include: (i) formulation and revision of business plans and annual budgets, (ii) appointment or dismissal of directors and auditors.
 - Lifenet shall respect to the maximum extent that Advance Create will maintain its listing and operate independently as a listed company, and shall cooperate to the maximum extent with respect to the maintenance of such listing and the independence of Advance Create.
- (iii) Limitation on Further Purchase
 - Lifenet shall respect Advance Create 's independence as a listed company and, until September 30, 2025, Lifenet shall not without consultation with Advance Create conduct, or cause Lifenet's group and its officers and employees to conduct, any act which results in the ratio of voting rights of the number of the Common Shares (as defined in the Investment Agreement) owned directly or by its subsidiaries being 20% or more (including, but not limited to, acquisition through a financial instruments market, acquisition outside a

financial instruments market including acquisition through a tender offer, and acquisition through a reorganization) ;provided, however, this excludes acquisitions through tender offers as stipulated in the Founder Shareholders Agreement defined below.

(iv) Limitation on Put Option for the Class A Shares in exchange for cash

- In the event that the distributable amount of Advance Create for the most recent consolidated fiscal year exceeds 1,000,000,000 yen, Lifenet may exercise its right to acquire the Class A Shares in exchange for cash, limited to an amount equivalent to 50% of the amount exceeding 1,000,000,000 yen.

Lifenet and SBI Holdings plan to enter into a shareholders' agreement (the "Investor Shareholders Agreement") after July 17 2025, in connection with the Third-Party Allotment.

The Investor Shareholders Agreement is expected to include, in summary, the following provisions.

(i) Prior coordination regarding important decisions

- Regarding the exercise of shareholder rights related to important matters at Advance Create, if the combined voting rights held by both parties, their subsidiaries, and affiliated companies (assuming that all of Class A Shares have been converted into Common Shares) exceed (i) 20%, Lifenet and SBI Holdings shall consult in good faith prior to making a decision, and (ii) exceed 15% but are less than 20%, Lifenet and SBI Holdings shall not make any decisions without the prior written consent of the other party.

(ii) Preemptive Purchase Right

- If Lifenet and SBI Holdings desire to transfer all or part of their shares in Advance Create to a third party, the other party may purchase or have a third party designated by it purchase the shares in Advance Create.

(iii) Restrictions on Share Transfers, etc.

- SBI Holdings shall not sell shares of Advance Create to third parties until the date of completion of the approvals and licenses necessary for the acquisition of Common Shares (including the conversion of Class A Shares held by Lifenet into Common Shares) to or December 31, 2029, whichever comes first.
- However, the above restrictions shall not apply in the following cases:
 - (a) Sale of shares of Advance Create for the purpose of complying with the listing maintenance standards of the Standard Market of the Tokyo Stock Exchange in the event that the ratio of outstanding shares of Advance Create does not comply with the listing maintenance standards;
 - (b) Sale of the Common Shares for a period of one month from the date on which the closing market price of the Common Shares falls by 50% or more compared to the closing price five business days prior; or
 - (c) Transfer of Advance Create shares from each party to its subsidiaries or affiliated companies.

Advance Create's shareholders Mr. Yoshiharu Hamada (Representative Director of Advance Create), Hamada Holdings Co., Ltd., and Ms. Akiko Hamada, as well as the intended allottees, SBI Holdings and Lifenet, have entered into the Shareholders Agreement (the "Founder Shareholders Agreement") as of July 17 2025, for the implementation of the Third-Party Allotment.

The Founders Shareholders Agreement stipulates that the contract period shall be until January 31,

2029, and that if Advance Create violates the following financial covenants (except in cases where Mr. Yoshiharu Hamada is unable to perform his duties as Representative Director of Advance Create for a long period of time due to reasons not attributable to his own fault, or in cases where he loses his position as Representative Director, etc.) and SBI Holdings and Lifenet conduct a tender offer for the shares of Advance Create, Mr. Yoshiharu Hamada, Hamada Holdings Co., Ltd., and Ms. Akiko Hamada (collectively, the “Founder Shareholders”) shall be obligated to tender their shares in the tender offer. Furthermore, restrictions on the creation of security interests and the transfer of the shares to third-parties will be imposed on the shares of Advance Create held by Mr. Yoshiharu Hamada, Hamada Holdings Co., Ltd., and Ms. Akiko Hamada.

I. Financial Covenants

In the case of violation of any of (i) through (iii) below:

- (i) In the event that Advance Create records an operating loss in its consolidated statement of income for the fiscal year ending September 2026, September 2027 and September 2028, the selling and general expenses (excluding marketing expenses within the scope of Advance Create's ordinary course of business activities and insurance claims paid in the reinsurance business) of Advance Create for either of those single fiscal years shall not exceed 5 billion yen; provided, however, that if the Founder Shareholders obtain prior written approval from SBI Holdings and Lifenet, such amount shall be replaced by the amount so approved.;
- (ii) To ensure that Advance Create does not record an ordinary loss for any single fiscal year in its consolidated statement of income for the fiscal year ending September 2026 and thereafter; or
- (iii) To ensure that, from the date of execution of the Founder Shareholders Agreement onward, the amount of net assets on Advance Create's consolidated balance sheet as of the end of each fiscal year is maintained at no less than zero.

II. Restrictions on creation of security interests and restrictions on transfer to third parties

The Founder Shareholders agree that, during the term of the Founder Shareholders Agreement, Founder Shareholders shall not, in principle, (i) establish any transfer security interest, pledge, or other security interest on the offering shares for the purpose of securing debts incurred by themselves or third parties, unless SBI Holdings and Lifenet have given prior written consent, and (ii) transfer, lend, or otherwise dispose of the offering shares to third parties, except as provided for in the Founder Shareholders Agreement.

About LIFENET URL: <https://ir.lifenet-seimei.co.jp/en/>

LIFENET INSURANCE COMPANY has developed the LIFENET Manifesto that embodies our mission of “Help our customers embrace life more fully through management with integrity, and offering easy-to-understand, affordable, convenient products and services.” We have consistently delivered customer-oriented products and services since our business commencement. As the leading online life insurer, we aim to realize “a society where next generation can be nurtured with confidence in the future.”

Contact:

Investor Relations, Corporate Planning Department

Tel: +81-3-5216-7900

e-mail: ir@lifenet-seimei.co.jp

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