

**Recognition of Gain on Sale of Investment Securities in Non-Consolidated Financial Results**  
**Following Completion of Settlement of Alibaba Prepaid Forward Contracts**

SoftBank Group Corp. ("SBG") announced today that it will record a gain on sale of investment securities of JPY 546.1 billion as extraordinary income in its non-consolidated financial results for the fiscal year ending March 31, 2025, as a result of the settlement of certain intra-group transactions (collectively referred to as the "Intra-group Transactions", comprising the Intra-group Share Loan Agreement and the Intra-group Prepaid Forward Contracts, as defined below) between SBG and Gawain II 2022 Holdings Limited ("Gawain II"), a wholly owned subsidiary, related to the prepaid forward contracts using shares of Alibaba Group Holding Limited ("Alibaba").

As stated in "2. Impact on financial results," no gain on sale of investment securities will be recognized in SBG's consolidated financial results.

**1. Summary of the settlement of the Intra-group Transactions**

Several of SBG's wholly owned subsidiaries have been raising funds using Alibaba shares by entering into prepaid forward contracts with several financial institutions. Among them, Gawain II entered into prepaid forward contracts with financial institutions in May 2022 and June 2022, using 304 million Alibaba shares (equivalent to 38 million ADRs) (the "Prepaid Forward Contracts"). These shares were borrowed from SBG through a share loan agreement (the "Intra-group Share Loan Agreement"). Concurrently, SBG and Gawain II entered into prepaid forward contracts (the "Intra-group Prepaid Forward Contracts").

Between May 2024 and July 2024, Gawain II settled all of the Prepaid Forward Contracts in several tranches, all in physical form. Upon the final settlement in July 2024, SBG transferred 304 million Alibaba shares to Gawain II, which Gawain II then used to settle the Intra-group Share Loan Agreement. At the same time, SBG and Gawain II settled the Intra-group Prepaid Forward Contracts.

In connection with the settlement of the Intra-group Transactions, neither SBG, Gawain, nor the financial institutions have bought or sold any new Alibaba shares in the market.

**2. Impact on financial results**

In connection with the settlement of the Intra-group Transactions, SBG will record a gain on sale of investment securities of JPY 546.1 billion as extraordinary income in its non-consolidated financial results for the fiscal year ending March 31, 2025.

No gain on sale of investment securities will be recognized in SBG's consolidated financial results as these are intra-group transactions. The gain or loss on each prepaid forward contract with financial institutions is recognized by the time of settlement.