



September 30, 2024

To whom it may concern

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**Notice Regarding the Conclusion of an Agreement for Cooperation in Going Private with T-Gaia Corporation**

Sumitomo Corporation hereby announces that it has today entered into an agreement (the "Privatization Cooperation Agreement") with BCJ-82-1, Inc. ("the Acquirer") and T-Gaia Inc. ("T-Gaia") regarding making T-Gaia a wholly owned subsidiary of the Acquirer through the "Transaction." The Acquirer, which owns common stock in T-Gaia (T-Gaia Shares) and was incorporated on August 13, 2024, for the primary purpose of controlling and managing the business activities of T-Gaia, is a wholly owned subsidiary of BCJ-82-2 Inc., which is in turn a wholly owned subsidiary of BCJ-81. BCJ-81 indirectly owns all the voting rights through investment funds and groups of funds advised by Bain Capital Private Equity, LP (hereinafter individually or collectively referred to as "Bain Capital").

1 . Reasons for entering into the Privatization Cooperation Agreement

T-Gaia has built a solid position as the largest mobile phone sales agent. It is engaged in the consumer business, which mainly sells cell phones and other products to consumers, the corporate business, which sells cell phones and other products to corporations and provides solution services and the regional development and QUO CARD business, which sells PIN numbers and gift cards.

Since the establishment of Sumisho Telemate in June 1995, Sumitomo Corporation has provided T-Gaia with strategic support to increase its corporate value and enhance HR support through means such as secondment of employees. However, the environment surrounding the cell phone sales agent business has drastically changed in recent years, and the roles and expectations of cell phone sales agents by telecommunications carriers have also changed significantly. In light of this, and following a review of our business portfolio, we have decided that it is desirable to transfer our T-Gaia shares.

We believe that it is desirable for us to transfer our T-Gaia shares to a new partner that can complement T-Gaia's growth strategy and contribute to the enhancement of the company's corporate value, such that both T-Gaia and said partner can continue to grow. We therefore initiated a bidding process by approaching multiple candidates to select the most appropriate recipient of T-Gaia shares from the perspective of Sumitomo Corporation, T-Gaia and T-Gaia's minority shareholders, and carefully considered the terms and

conditions, including the structure proposed by each candidate. As a result, we have concluded that Bain Capital is the most suitable recipient, not only from the perspective of maximizing our economic value, but also from the perspective of ensuring that the Transaction is executed smoothly, including the procurement of the necessary funds for the Transaction. Moreover, T-Gaia also carefully considered the stock valuation and the direction of its business strategy after the implementation of the Transaction and other factors in consultation with T-Gaia's special committee (the "Special Committee") and concluded that the best proposal was indeed that of Bain Capital. Subsequently, Bain Capital, T-Gaia and Sumitomo Corporation held discussions with the result that Sumitomo Corporation today entered into the Privatization Cooperation Agreement with the Acquirer and T-Gaia. As described in "2. Outline of the Transaction" in the Privatization Cooperation Agreement, Sumitomo Corporation has agreed to allow the Acquirer to take T-Gaia private. For details, please refer to T-Gaia's press release dated today, "Our Views Concerning the Tender Offer for Shares in T-Gaia by BCJ-82-1 Corporation".

## 2. Outline of the Transaction

The Acquirer intends to take T-Gaia private in accordance with the procedure outlined below.

( 1 ) Implementation of the Acquirer's tender offer for T-Gaia's shares ("The Acquirer's Tender Offer for Shares in T-Gaia")

The Acquirer will conduct its tender offer for shares in T-Gaia with the purchase price ("The Acquirer's Tender Offer Price for Shares in T-Gaia") set at 2,670 yen. In addition, in its tender offer, the Acquirer has set the minimum number of shares to be purchased at 7,076,300 shares. Sumitomo Corporation has agreed in the Privatization Cooperation Agreement that it will not tender its T-Gaia shares in the Acquirer's Tender Offer for Shares in T-Gaia.

( 2 ) Implementation of the tender offer by T-Gaia for T-Gaia's shares ("T-Gaia's Tender Offer for T-Gaia's Shares (1)")

If the Acquirer's Tender Offer for Shares in T-Gaia is consummated, T-Gaia's Tender Offer for T-Gaia's Shares (1) will be implemented. The purchase price in T-Gaia's Tender Offer (1) for T-Gaia's shares ("T-Gaia's Tender Offer Price for T-Gaia's Shares (1)") is 2,045 yen. Furthermore, Sumitomo Corporation has agreed in the Privatization Cooperation Agreement to tender 7,600,000 shares of the T-Gaia stock it holds in T-Gaia's Tender Offer for T-Gaia's Shares (1).

( 3 ) Implementation of T-Gaia's Tender Offer for T-Gaia's shares ("T-Gaia's Tender Offer for T-Gaia's Shares (2)")

If T-Gaia's Tender Offer for T-Gaia's Shares (1) is consummated, T-Gaia will implement T-Gaia's Tender offer for T-Gaia's Shares (2) with the intent of acquiring all of the shares in T-Gaia possessed by T-Gaia's shareholders Hikari Tsushin, Inc. ("Hikari Tsushin"), UH Partners 2 ("UH Partners 2"), UH Partners 3 Inc. ("UH Partners 3"), and SIIL Corporation ("SIIL") and all of the above shareholders collectively referred to as the "Hikari Tsushin Group". The purchase price in T-Gaia's Tender Offer for T-Gaia's Shares (2) ("T-Gaia's Tender Price Offer for T-Gaia's Shares") is 2,473 yen. Sumitomo Corporation has agreed in the Privatization Cooperation Agreement that it will not tender its T-Gaia

shares in T-Gaia's Tender Offer for T-Gaia's Shares (2).

- (4) Implementation of the "Squeeze-Out," a series of procedures to make the Acquirer and Sumitomo Corporation the sole shareholders of T-Gaia

In the event that the Acquirer and Sumitomo Corporation are not the only shareholders of T-Gaia as a result of the Acquirer's Tender Offer for Shares in T-Gaia, T-Gaia's Tender Offer for T-Gaia's Shares (1), T-Gaia's Tender Offer for T-Gaia's Shares (2), T-Gaia will, as a Squeeze-Out, implement a reverse stock split, effective on the date after the settlement of T-Gaia's Tender Offer for T-Gaia's Shares (2), in which the number of T-Gaia shares held by the other shareholders of T-Gaia will be reduced to a fraction of a share. However, if it becomes clear during the period between the commencement date of settlement of the Acquirer's Tender Offer for Shares in T-Gaia and the date of determination of the reverse stock split proposal at T-Gaia's General Meeting of Shareholders for the Squeeze-Out, that there is a possibility that such a reverse stock split will make it impossible for all shareholders of T-Gaia to be only the Acquirer, T-Gaia will implement a reverse stock split at a ratio that will result in the number of T-Gaia shares held by T-Gaia shareholders other than Sumitomo Corporation being less than one share.

- (5) Transfer of T-Gaia shares held by Sumitomo Corporation to the Acquirer (the "Negotiated Share Transfer")

After the effective date of the Squeeze-Out, Sumitomo Corporation will sell all the T-Gaia shares that it will own following the Squeeze-Out to the Acquirer through the Negotiated Share Transfer.

### 3. Background to Sumitomo Corporation's agreement to the purchase price and other terms and conditions for each of the transactions comprising the Transaction

The background to our deliberations regarding the Transaction and the execution of the Privatization Cooperation Agreement is described in "1. Reasons for Entering into the Privatization Cooperation Agreement." However, in the course of our deliberations, we received a proposal from Bain Capital that a structure consisting of the Acquirer's Tender Offer for Shares in T-Gaia, T-Gaia's Tender Offer for T-Gaia's Shares (1), T-Gaia's Tender Offer for T-Gaia's Shares (2) and a Negotiated Share Transfer would be optimal in terms of ensuring fairness among shareholders, including T-Gaia's minority shareholders, when realizing the Transaction.

On the basis of this, with respect to the purchase price and other terms and conditions of each of the transactions comprising the Transaction, and with a view to ensuring the fairness of the Transaction and in consideration of the Sumitomo Corporation's accountability to its stakeholders, including its shareholders, Sumitomo Corporation, Bain Capital, T-Gaia and the Special Committee discussed the terms and conditions of each transaction, including the Tender Offer Price.

Based on these discussions, Bain Capital also held discussions with the Hikari Tsushin Group, and as a result, an agreement was reached.

The purchase price and other terms and conditions for each of the transactions comprising the Transaction are designed to take T-Gaia private through the Transaction with the approval of the Hikari Tsushin Group,

thereby providing minority shareholders of T-Gaia with an opportunity to sell their shares at the highest possible price through the Acquirer's Tender Offer for Shares in T-Gaia. Specifically, by setting T-Gaia's Tender Offer Price for T-Gaia's Shares (1) and T-Gaia's Tender Offer Price for T-Gaia's Shares (2) lower than the Acquirer's Tender Offer Price for Shares in T-Gaia, T-Gaia will be able to provide minority shareholders of T-Gaia with an opportunity to sell their shares at a higher price after the Acquirer's Tender Offer for Shares in T-Gaia compared to the case where T-Gaia's Tender Offer for T-Gaia's Shares (1) and T-Gaia's Tender Offer for T-Gaia's Shares (2) are not implemented. T-Gaia's Tender Offer for T-Gaia's Shares (1) is set so that the after-tax net proceeds if Sumitomo Corporation were to tender its shares in T-Gaia's Tender Offer for T-Gaia's Shares (1) would be less than or equal to the after-tax net proceeds if Sumitomo Corporation were to tender its shares in the Acquirer's Tender Offer for Shares in T-Gaia. On the other hand, T-Gaia's Tender Offer Price for T-Gaia's Shares (2) is set so that the after-tax net proceeds if the Hikari Tsushin Group were to tender its shares in T-Gaia's Tender Offer for T-Gaia's Shares (2) would be higher than the after-tax net proceeds if it were to tender its shares in the Acquirer's Tender Offer for Shares in T-Gaia. The prices were set in this way because in the course of the Acquirer's discussions with Hikari Tsushin Group regarding the Transaction, it came to light that the Hikari Tsushin Group would not accept the sale of T-Gaia's shares unless it could obtain after-tax proceeds from the sale of T-Gaia's shares in excess of the amount it would have received if it had tendered its shares in the Acquirer's Tender Offer to Buy Shares in T-Gaia, and in the event that the Hikari Tsushin Group did not agree to the sale of T-Gaia's shares, it would not be possible to take T-Gaia private. Hence, Sumitomo Corporation recognized that the purchase price should be set based on the fact that it would not be possible to provide minority shareholders of T-Gaia with an opportunity to sell their shares in the first place if the Hikari Tsushin Group's agreement could not be obtained. This agreement was reached after a considerable period of discussions among Bain Capital, Sumitomo Corporation, T-Gaia, the Special Committee and the Hikari Tsushin Group.

From our perspective, while giving consideration to each of our shareholders within the distributable amount of 57.7 billion yen of T-Gaia, we believe that the sale of T-Gaia shares held by us and the privatization of T-Gaia are optimally designed to contribute to the interests of our shareholders as well as those of T-Gaia by setting the difference between T-Gaia's Tender Offer Price for T-Gaia's Shares (1) and T-Gaia's Tender Offer Price for T-Gaia's Shares (2) and The Acquirer's Tender Offer Price for Shares in T-Gaia as the Transaction Price, and that the Transaction will be in the interests of all of T-Gaia's shareholders. Furthermore, the price per share (2,412 yen), which is calculated by dividing the transfer price in the transaction by the total number of T-Gaia shares held by us has a proportionate premium in comparison to the closing price of T-Gaia's shares on the Tokyo Stock Exchange Prime Market on June 21, 2024, the date of speculation by some media organizations regarding the Transaction, and the average closing prices of T-Gaia's shares for the past 1 month, 3 months and 6 months based on the same date.

The Board of Directors of T-Gaia consulted the Special Committee established by T-Gaia, and The Special Committee submitted a report that the objective of the Transaction is reasonable and legitimate as it contributes to enhance the corporate value of T-Gaia. Regarding the terms and conditions, including the purchase price, of each of the transactions comprising the Transaction, on the premise that the fairness of the

Transaction as a whole is to be ensured and that T-Gaia's minority shareholders are protected, the Special Committee reported that T-Gaia's Tender Offer Price for T-Gaia's Shares (1) and T-Gaia's Tender Offer Price for T-Gaia's Shares (2) are considered to have a certain level of reasonableness. The Special Committee also reported that although The Acquirer's Tender Offer Price for Shares in T-Gaia is not at a level of recommendation to tender shares, the reasonableness for T-Gaia to endorse The Acquirer's Tender Offer for Shares in T-Gaia and leave the decision on whether to tender shares in the Acquirer's Tender Offer for Shares in T-Gaia to the discretion of T-Gaia's shareholders is satisfied. Based on the opinion of the Special Committee, the T-Gaia Board of Directors also endorsed the Transaction and resolved to leave the decision on whether to tender shares in the Acquirer's Tender Offer for Shares in T-Gaia to the discretion of T-Gaia's shareholders, taking the neutral stance regarding recommendation to tender shares.

4. Number of shares to be transferred in the Transaction, transfer price and number of shares held before and after the Transaction

|     |   |  |
|-----|---|--|
| (1) | Number of shares to be transferred in the transaction | 23,345,400 shares<br>(Ownership percentage of voting rights: 41.80%) |
| (2) | Transfer price in the Transaction                     | 56.3 billion yen   |
| (3) | Number of shares held prior to this transaction       | 23,345,400 shares<br>(Ownership percentage of voting rights: 41.80%) |
| (4) | Number of shares held after the Transaction           | 0 shares<br>(Ownership percentage of voting rights: 0.0%)            |

Note: The "Voting Rights Ownership Ratio" refers to the percentage calculated based on the following: (i) the total number of issued shares as of June 30, 2024 (56,074,000 shares), as stated in the "Summary of Financial Results for the First Quarter of the Fiscal Year Ending March 2025 [Japanese Standards] (Consolidated)" (hereinafter referred to as "the Financial Results Summary") published by T-Gaia on August 1, 2024, minus (ii) the total number of treasury shares owned by T-Gaia as of June 30, 2024 (253,709 shares), as recorded in the Financial Results Summary and treasury shares which T-Gaia acquired through requests for the purchase of fractional unit shares (86 shares), minus the number of treasury shares disposed of on July 19, 2024 (27,200 shares), as stated in the "Notice Regarding Completion of Payment for Disposal of Treasury Shares as Restricted Stock Compensation" published by the relevant party on July 19, 2024. This results in 226,595 treasury shares, which are then subtracted from the total number of shares to give 55,847,405 shares. The Voting Rights Ownership Ratio is the proportion of voting rights (558,474 rights) calculated based on this figure, rounded to the third decimal place.

5. Schedule of the Transaction (planned)

|     |   |                            |
|-----|---|----------------------------|
| (1) | Conclusion of the Privatization Cooperation | Monday, September 30, 2024 |
|-----|---|----------------------------|

|      |  |   |
|------|--|---|
|      | Agreement  |   |
| (2)  | Purchase Period for the Acquirer's Tender Offer for Shares in T-Gaia         | From Tuesday, October 1, 2024<br>Through Wednesday, November 20, 2024                 |
| (3)  | Publication of Results for the Acquirer's Tender Offer for Shares in T-Gaia  | Thursday, November 21, 2024   |
| (4)  | Settlement Start Date for the Acquirer's Tender Offer for Shares in T-Gaia   | Wednesday, November 27, 2024  |
| (5)  | Purchase Period for T-Gaia's Tender Offer for T-Gaia's Shares (1)            | From Tuesday, November 26, 2024<br>Through Monday, December 23, 2024                  |
| (6)  | Publication of the Results for T-Gaia's Tender Offer for T-Gaia's Shares (1) | Tuesday, December 24, 2024  |
| (7)  | Settlement Start Date for T-Gaia's Tender Offer for T-Gaia's Shares (1)      | Tuesday, January 21, 2025   |
| (8)  | Purchase Period for the T-Gaia's Tender Offer for T-Gaia's Shares (2)        | From Thursday, December 26, 2024<br>Through Thursday, January 30, 2025                |
| (9)  | Publication of the Results for T-Gaia's Tender Offer for T-Gaia's Shares (2) | Friday, January 31, 2025  |
| (10) | Settlement Start Date for T-Gaia's Tender Offer for T-Gaia's Shares (2)      | Tuesday, February 25, 2025  |
| (11) | Effective date of reverse stock split  | Scheduled during the fiscal year ending March 31, 2025                                |
| (12) | Effective date of the share transfer   | Scheduled during the first or second quarter of the fiscal year ending March 31, 2026 |

(Note) The schedule may change depending on the progress of the procedures.

## 6. Company Overview

|     |          |  |
|-----|----------|--|
| (1) | Name     | Sumitomo Corporation   |
| (2) | Location | Otemachi Place East Tower, 2-3-2 Otemachi, Chiyoda-ku, Tokyo |

|     |                                  |   |
|-----|----------------------------------|---|
| (3) | Name and title of representative | Shingo Ueno, Representative Director, President and Chief Executive Officer |
| (4) | Business                         | Integrated trading company  |
| (5) | Capital stock                    | 220,423 million yen (as of June 30, 2024)                                   |
| (6) | Date of Establishment            | December 1919   |

#### 7. T-Gaia Overview

|     |  |  |                           |                           |
|-----|--|--|---------------------------|---------------------------|
| (1) | Name   | T-Gaia Corporation   |                           |                           |
| (2) | Location   | Ebisu Neonato 14-18F, 4-1-18 Ebisu, Shibuya-ku, Tokyo  |                           |                           |
| (3) | Name and title of representative   | Masato Ishida, President, CEO and Executive Officer  |                           |                           |
| (4) | Business   | Sales agency for cell phone handsets and other products, agency for sales of telecommunication services, settlement services |                           |                           |
| (5) | Capital stock  | 3,154 million yen (as of June 30, 2024)  |                           |                           |
| (6) | Date of Establishment  | February 1992  |                           |                           |
| (7) | Major shareholders and shareholding ratio (As of March 31, 2024) (Note)                              | Sumitomo Corporation   | 41.82%                    |                           |
|     |  | UH Partners 2 Inc.   | 9.88%                     |                           |
|     |  | Hikari Tsushin, Inc.   | 8.48%                     |                           |
|     |  | UH Partners 3 Inc.   | 7.50%                     |                           |
|     |  | The Master Trust Bank of Japan, Ltd. (trust account)   | 5.08%                     |                           |
|     |  | S.I.L. Corporation   | 3.02%                     |                           |
|     |  | T-Gaia Employee Stock Ownership Plan   | 1.79%                     |                           |
|     |  | The Custody Bank of Japan, Ltd. (trust account)  | 1.77%                     |                           |
|     |  | MSIP CLIENT SECURITIES   | 0.74%                     |                           |
|     |  | THE BANK OF NEW YORK MELLON 140040   | 0.59%                     |                           |
| (8) | Sumitomo Corporation's Relationship with T-Gaia  |  |                           |                           |
|     | Capital ties   | As of today, Sumitomo Corporation holds 23,345,400 shares of T-Gaia stock (41.80% of voting rights).                         |                           |                           |
|     | Personal relations   | One employee of Sumitomo Corporation concurrently serves as a director of T-Gaia.  |                           |                           |
|     | Business relations   | Sumitomo Corporation and T-Gaia conduct transactions in the sales and management of cell phones.                             |                           |                           |
| (9) | T-Gaia's consolidated financial position and consolidated operating results for the past three years |  |                           |                           |
|     | Accounting period  | Year ended March 31, 2022  | Year ended March 31, 2023 | Year ended March 31, 2024 |
|     | Net assets   | 70,483 million yen   | 74,887 million yen        | 77,404 million yen        |

|  |                     |                     |                     |
|--|---------------------|---------------------|---------------------|
| Total assets   | 241,227 million yen | 246,068 million yen | 248,260 million yen |
| Net assets per share                                   | 1,263.30 yen        | 1,333.28 yen        | 1,385.42 yen        |
| Net sales  | 476,464 million yen | 453,604 million yen | 448,954 million yen |
| Operating income                                       | 10,567 million yen  | 6,994 million yen   | 8,051 million yen   |
| Ordinary income  | 15,381 million yen  | 11,637 million yen  | 12,390 million yen  |
| Attributable to:<br>Shareholders of the parent company | 10,579 million yen  | 7,938 million yen   | 7,013 million yen   |
| Net income   |                     |                     |                     |
| Net income per share                                   | 189.74 yen          | 142.31 yen          | 125.66 yen          |
| Dividend per share                                     | 75.00 yen           | 75.00 yen           | 75.00 yen           |

(Note) "(7) Major Shareholders and Shareholding Ratio (as of March 31, 2024)" is taken from "Status of Major Shareholders" in the Securities Report for the fiscal year ended March 31, 2024 (33rd period) filed by T-Gaia on June 21, 2024.

## 8. Outlook

If the Transaction is consummated pursuant to the Privatization Cooperation Agreement, all T-Gaia shares owned by Sumitomo Corporation will ultimately be sold.

If the Transaction proceeds as described above, we expect to record a gain of approximately 55 billion yen in total in our non-consolidated financial results for the fiscal years ending March 31, 2025 and 2026. Moreover, in the consolidated financial statements for the fiscal year ending March 31, 2025, T-Gaia will no longer be accounted for by the equity method, and Sumitomo Corporation expects to recognize a gain of approximately 18 billion yen from the revaluation of its shares. The revaluation gain and other values related to this transaction have already been included in the "Elimination/Corporate" segment in the consolidated earnings forecast for the fiscal year ending March 31, 2025, which was announced on July 31, 2024.

(Reference) Forecast of consolidated financial results for the fiscal year ending March 31, 2025 (announced on July 31, 2024) and consolidated results for the previous fiscal year

|  | Net income attributable to owners of the parent | Basic earnings per share |
|--|---|--------------------------|
| Unit   | Millions of yen                                 | Yen (to hundredth place) |
| Forecast for the current fiscal year ending March 31, 2025 | 530,000   | 435.95                   |
| Results for the  | 386,352   | 315.87                   |



|   |  |  |
|---|--|--|
| previous period<br>year ended March<br>31, 2024 |  |  |
|---|--|--|

(Note) Cautionary statement regarding forward-looking information

The disclosure of our business objectives and other forward-looking statements are based on assumptions, forecasts, and information currently available to us regarding future events. Accordingly, we do not guarantee the achievement of these objectives or forecasts, or the future performance of Sumitomo Corporation. Therefore, please refrain from relying completely on this information, and please be aware that we are under no obligation to periodically revise it.