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February 24, 2022

Notice of Capital and Business Alliance with Resona Holdings, Inc.

Company name: BrainPad Inc.
Listing: Tokyo Stock Exchange
Securities code: 3655
URL: <https://www.brainpad.co.jp/english/>
Representative: Takafumi Kusano CEO/Representative Director/Co-Founder
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Our company announce that the board of directors has resolved at a meeting held on February 22, 2022, to enter into a capital and business alliance agreement with Resona Holdings, Inc. (Head office: Koto-ku, Tokyo; Masahiro Minami, Director, President and Representative Executive Officer) for the purpose of accelerating efforts to further expand the business domains of both companies and contribute to the development of regional economies.

1. Reason for the capital and business alliance

Since 2019, our company and Resona Group have been taking on the challenge of transforming their business models by adding value to financial and non-financial data. Through this capital and business alliance, we will promote the fusion of Resona Group's financial digital platform business and our company's data science know-how, which has the best group of data scientists in Japan. In addition, we will expand our business domains without being bound by existing business frameworks, and aim to revitalize regional economies and build a sustainable society.

2. Details of the capital and business alliance

(1) Details of the alliance

① Strengthen development of new services based on data

We will analyze high frequency and wide range of digital data to understand customers' values and behavioral changes at an early stage, and provide solutions and services with high convenience and new experience value.

② Aiming to provide data utilization services to regional financial institutions, etc.

We aim to provide data analysis and utilization services that enable regional financial institutions and general corporations to solve their problems and test their hypotheses through the financial digital platform* provided by the Resona Group.

(*) An open platform business for financial services that provides unique products and services to regional financial institutions, general business corporations and local governments without full-scale system integration through strategic use of API linkage, etc.

(2) Number of shares to be newly acquired by Resona Holdings, Inc. and percentage of total shares issued 223,000 shares (1.00% of our company's total shares)

As part of the capital and business alliance, Seinosuke Sato, Chairman and Representative Director, and Takafumi Kusano, President and Representative Director, will transfer 111,500 shares each of our company held by them (223,000 shares in total) to Resona Holdings, Inc. through a relative transaction on February 24, 2022 in off-floor trading on the Tokyo Stock Exchange (ToSTNeT-1).

In addition, our company has confirmed that Resona Holdings, Inc. intends to acquire additional shares of our company's common stock in the capital and business alliance, up to a maximum of 2.5% of the total number of our company's issued shares in the market, etc. in the future.

(3) Outline of the other party to the capital and business alliance (as of September 30, 2021)

(1) Name	Resona Holdings, Inc.		
(2) Location	1-5-65 Kiba, Koto-ku, Tokyo		
(3) Representative	President and Representative Executive Officer Masahiro Minami		
(4) Description of business	Bank holding company		
(5) Capital stock	50.5 billion yen		
(6) Date of establishment	December 12, 2001		
(7) Major shareholders and their shareholding ratios	The Master Trust Bank of Japan, Ltd. (Trust account) 12.59%		
	Custody Bank of Japan, Ltd. (Trust account) 5.52%		
	The Dai-ichi Life Insurance Company, Limited 3.10%		
	SMBC Nikko Securities Inc. 2.57%		
	Nippon Life Insurance Company 2.24%		
	Custody Bank of Japan, Ltd. (Trust account 7) 2.02%		
	AMUNDI GROUP (Standing proxy: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch) 1.86%		
	STATE STREET BANK AND TRUSTCOMPANY 505001 (Standing proxy: Settlement Sales Department, Mizuho Bank, Ltd.) 1.85%		
	STATE STREET BANK WEST CLIENT -TREATY 505234 (Standing proxy: Settlement Sales Department, Mizuho Bank, Ltd.) 1.56%		
(8) Relationship with listed company	Capital ties	Not applicable.	
	Personal relations	Not applicable.	
	Business Relationship	There are transactions related to support for data utilization from our company to this company.	
	Applicability to related parties	Not applicable.	
(9) Consolidated business results and consolidated financial position of the company for the most 3 recent year			
Fiscal Year	March 2019	March 2020	March 2021
Consolidated net assets (million yen)	2,356,178	2,316,543	2,519,645
Consolidated total assets (million yen)	59,110,075	60,512,454	73,697,682
Net assets per share (yen)	911.17	904.60	1,008.82
Consolidated ordinary revenues (million yen)	860,706	880,544	823,600
Consolidated ordinary income (million yen)	203,018	214,290	190,960
Attributable to shareholders of the parent company Net income (million yen)	175,162	152,426	124,481
Net income per share (yen)	75.63	66.27	54.19
Dividend per share (yen)	21.00	21.00	21.00

(4) Schedule

Resolution by the Board of Directors

February 22, 2022

Conclusion of Capital and Business Alliance Agreement

February 22, 2022

(5) Outlook for the future

Since our company has had a business relationship with Resona Holdings, Inc. and the amount of the transaction with Resona Holdings is included in the forecast for the current fiscal year, our company will not revise its earnings forecast due to this matter at this time. Our company will make a separate announcement if there is expected to be a significant impact on our business performance depending on the progress of the alliance.