



Notice of Convocation of the Extraordinary General Meeting of Shareholders



Securities code 4765

Morningstar Japan K.K.

- Date and Time 10:00 a.m., March 29, 2023
(Wednesday)
- Venue Palace Hotel
Aoi (2nd floor)
Tokyo1-1-1, Marunouchi, Chiyoda-ku,
Tokyo, Japan

Please refer to the "Extraordinary General Meeting of Shareholders Venue Guide Map" at the end of this notice to avoid any mistakes.

After this extraordinary general meeting of shareholders, we will hold a "Recent Management Report: New Challenges and Strategies for Leap Forward."

This Extraordinary General Meeting of Shareholders and the recent management briefing will be streamed (live) on the Internet.

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To our shareholders:



Representative Director and
President

Tomoya Asakura

We would like to express our sincere appreciation to our shareholders for their continued, exceptional support.

The Company was incorporated on March 27, 1998 as a joint venture between the current SBI Holdings, Inc., and Morningstar, Inc., with the objective of “Providing abundant and unbiased financial information from a neutral and objective perspective and contributing to the appropriate asset formation of investors”. With your tremendous support, we will celebrate the 25th anniversary of our foundation on March 27 this year. Just two years and three months after its foundation, the Company was listed on the NASDAQ Japan Market (currently, the Tokyo Stock Exchange). Since then, the Company has promoted two businesses, the “Financial Services Business”, which focuses on financial information, and the “Asset Management Business”, which manages assets. Owing to these two businesses, the Company expects to increase profits and dividends for the 14th consecutive year at the end of the current fiscal year. As for the listing of the Company, it changed its market section to the first section of the Tokyo Stock Exchange in October 2020 and it was able to be listed on the Prime Market of the Tokyo Stock Exchange in April 2022.

In terms of the Company’s current business, the Asset Management Business has grown to account for approximately 75% of consolidated sales and profits. With regard to the business environment surrounding the Company in the future, we assume that the new NISA, under the “Doubling Asset-Based Income Plan” to take effect in January 2024, will bring about a full-fledged shift “from savings to investment” and “from savings to asset formation”, and we intend to take this opportunity to significantly expand our Asset Management Business.

On the other hand, Morningstar Inc. intends to leverage the power of the “Morningstar” brand to develop global and independent ratings, data, software and other services in the Japanese market, and as a result of discussions between the two companies, the Company and Morningstar Inc. of the United States have reached an agreement on the termination of the license agreement and return of the “Morningstar” brand.

Since its foundation, the Company has strived to increase the value of the “Morningstar” brand in Japan, where it has been widely recognized by investors, financial institutions, the media and many others. In fact, Morningstar, Inc. greatly appreciated the Company’s efforts to increase the value of the “Morningstar” brand in Japan and will pay 8 billion yen as consideration for the return of “Morningstar” brand by the Company to Morningstar, Inc. We will make effective use of the 8 billion yen to be received, including through the acquisition of asset management companies in Japan and abroad, and will consider further enhancing shareholder returns for our shareholders. As only the “Morningstar” brand will be returned in the return of the license on this occasion, the Financial Services Business will continue to offer current products and services under the “Wellness Advisor” brand on and after March 30, 2023.

We sincerely ask our shareholders for their continued support.

March 2023

To our shareholders:

Securities Code: 4765
(Sending date) March 14, 2023
(Commencement date of measures for electronic provision) March 7, 2023
1-6-1, Roppongi, Minato-ku, Tokyo, Japan
Morningstar Japan K.K.
Tomoya Asakura, Representative Director

Notice of Convocation of the Extraordinary General Meeting of Shareholders

The Company cordially invites you to attend the Extraordinary General Meeting of Shareholders of the Company, which will be held as described below.

If you are unable to attend the meeting, you can exercise your voting rights by any of the methods described below. We kindly request you to read the Reference Document for the General Meeting of Shareholders and the Measures for Electronic Provision described below and exercise your voting rights no later than **5:45 p.m., (Tuesday) March 28, 2023.**

[Exercise your voting rights via mail]

Indicate “for” or “against” for each agenda item on the voting form enclosed herewith and return it so that it reaches us by the deadline above.

[Exercise your voting rights via the Internet]

Refer to “Information on the Exercise of Voting Rights via the Internet” on page 4 and exercise your voting rights no later than the deadline above.

Sincerely yours, Tomoya Asakura

1. Date and time	10:00 a.m., (Wednesday) March 29, 2023
2. Venue	1-1-1, Marunouchi, Chiyoda-ku, Tokyo, Japan Function Room Aoi (2nd floor) Palace Hotel Tokyo Please make sure to come to the correct location by reviewing the “Information Map of the Venue for the Extraordinary General Meeting of Shareholders” provided at the end of this document.
3 Purposes	Items to be resolved: Proposal No. 1: Partial Amendments to the Articles of Incorporation (Change of Trade Name) Proposal No. 2: Approval of an Absorption-type Company Split Agreement with a Subsidiary

Information on measures to be taken against COVID-19 for this Extraordinary General Meeting of Shareholders

If you plan to attend the meeting, we kindly ask you to take good care of your health until the date of the meeting and to not force yourself to attend if you feel unwell.

We will live-stream the Annual Meeting of Shareholders on the Internet (live coverage) so that you can watch the meeting at home without coming to the venue.

In addition, you can exercise your voting rights in advance in writing or via the Internet. We would appreciate it if you would consider these options.

- At the venue of the Annual Meeting of Shareholders, we will arrange seats in a way that will allow for sufficient space between them to prevent infection. In order to secure sufficient space, we cannot place tables at our shareholders' seats. Therefore, we cannot serve coffee in cups.
- Our staff members attending the meeting will assign you a seat. If there are insufficient seats for shareholders, we may restrict the number of shareholders who can enter the venue. Thus, you may not be able to enter even if you come to the venue.
- **At the entrance of the venue, we would like to ask for your cooperation in measuring your temperature with a thermograph or other similar device, disinfecting your hands with alcohol and wearing a mask.**
- Our staff members will wear masks, gloves and the like at the Extraordinary General Meeting of Shareholders.

Electronic provision of documents for general meetings of shareholders

In calling the General Meeting of Shareholders, information contained in the Reference Documents for the General Meeting of Shareholders, etc. (matters to be provided electronically) has been provided electronically and posted on the Internet on the following websites under the title, "Notice of the Extraordinary General Meeting of Shareholders". We would appreciate it if you would access one of the websites and confirm the information.

[The Company website]

<https://www.morningstar.co.jp/company/ir/meeting/index.html>



(Please access the above website and select "General Meeting of Shareholders" from the menu to confirm.)

[SBI Asset Management Co., Ltd. website]

http://www.sbiasset.co.jp/gaiyo/gaiyo_gai.html



(Please access the above website and select "Corporate Information" and then select "**Morningstar Japan K.K. Notice of Extraordinary General Meeting of Shareholders**" from the menu to confirm.)

[Website for documents for general meetings of shareholders]

<https://d.sokai.jp/4765/23983510/>



[Tokyo Stock Exchange website (TSE Listed Company Search)]

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>



(Please access the TSE website above, enter and search for "Morningstar" under "Issue name (company name)" or enter and search for our Securities Code "4765" under "Code," select "Basic information" and "Documents for public inspection / PR information" in that order, and then confirm from the "Notice of General Shareholder Meetings/Information Material for a General Shareholders Meeting" column under "Documents for public inspection.")

- If you do not indicate your approval or disapproval of each proposal on the voting form you return, we will treat it as an indication of approval for company proposals and disapproval for shareholder proposals.
- When you attend the meeting, we kindly request that you submit the enclosed voting form at the reception desk of the venue.
- If you wish to exercise your voting rights by proxy, you can attend the Annual Meeting of Shareholders by appointing as your proxy another shareholder holding voting rights; provided, however, that your proxy needs to submit a power of attorney and your voting form as documents evidencing the proxy's authority to represent.
- According to the amendment of the Companies Act, matters relating to the measures for electronic provision, such as the Reference Documents for the General Meeting of Shareholders, shall, in principle, be accessed via the aforementioned websites for confirmation, and shall be sent in paper form only to shareholders who have requested the delivery of paper-based documents by the record date. However, regardless of whether or not a request for the delivery of paper-based documents is made, paper-based documents containing matters relating to the measures for electronic provision (excluding, however, "Financial Statements, etc. for the Most Recent Business Year of the Successor Company in an Absorption-type Company Split" in "Proposal No. 2: Approval of an Absorption-type Company Split Agreement with a Subsidiary" in the Reference Document for the General Meeting of Shareholders) are sent to all shareholders uniformly for this Extraordinary General Meeting of Shareholders.
- While paper-based documents containing matters relating to the measures for electronic provision shall also be sent to shareholders who have requested the delivery of paper-based documents, such documents exclude the "Financial Statements, etc. for the Most Recent Business Year of the Successor Company in an Absorption-type Company Split" in "Proposal No. 2: Approval of an Absorption-type Company Split Agreement with a Subsidiary" in the Reference Document for the General Meeting of Shareholders, in accordance with laws and regulations and the provisions of Article 15 of the Articles of Incorporation of the Company.
- If any amendments are made to this Notice of Convocation or to the Measures for Electronic Provision, a notice to that effect, the matters before the amendments and those after the amendments will be posted on the websites of each company and the TSE website on the Internet mentioned above.
- The venue, starting time and other details of the Annual Meeting of Shareholders are subject to change due to any circumstance arising up to the day of the meeting. The details of such change will be posted on the Company's website on the Internet.
- The results of the resolutions at the meeting will be posted on the Company's website on the Internet.

[The Company's website \(https://www.morningstar.co.jp/\)](https://www.morningstar.co.jp/)

We will live-stream the Annual Meeting of Shareholders and the Briefing Session on Our Latest Management Situation on the Internet (live coverage).

You can watch the Annual Meeting of Shareholders and the Briefing Session on Our Latest Management Situation in real time without coming to the venue. We hope that you will utilize this opportunity.

After the close of the Extraordinary Meeting of Shareholders, we will hold the Briefing Session on Our Latest Management Situation regarding Strategies for New Challenges and Growth at the same venue.

We will continue to live-stream the Briefing Session on Our Latest Management Situation following the Annual Meeting of Shareholders.

At the Briefing Session on Our Latest Management Situation, Tomoya Asakura, the Company's Representative Director, will explain the details of the businesses of the Group, its latest management situation, the future outlook and other relevant topics separately from the Extraordinary General Meeting of Shareholders.

Please refer to "[Information on Live-Streaming of the Annual Meeting of Shareholders and the Briefing Session on Our Latest Management Situation](#)" attached hereto to watch the live-stream.

Please be advised that you cannot exercise your voting rights by **watching the live-stream of the Annual Meeting of Shareholders**. You need to exercise your voting rights via the Internet or by mail.



Information on the Exercise of Voting Rights via the Internet

You can exercise your voting rights via the Website for Exercising Voting Rights in lieu of exercising voting rights in writing.

Scanning a QR Code

You can log into the Website for Exercising Voting Rights without entering your Login ID and tentative password.

Please scan the QR Code for login printed on the right side of the voting form enclosed herewith and enter necessary information in accordance with the guidance on the screen.

You can use the QR Code to log into the website only once. If you exercise your voting rights again or exercise them without using the QR Code, see “Entering Your Login ID and Tentative Password” on the right.

Entering Your Login ID and Tentative Password

Exercise of voting rights Website for Exercising Voting Rights <https://evote.tr.mufg.jp/>

Please log into the website with your code and password for exercising your voting rights, which are printed on the right side of the voting form enclosed herewith, and enter necessary information in accordance with the guidance on the screen.

The image shows a voting form on the left and a website login page on the right. The voting form includes a QR code labeled "Example" and a "Login QR Code" button. The website page shows a login form with a "Login ID or Password" field and a "Login" button. Red boxes and arrows indicate the flow of information: the QR code on the form is used to log in via the website, and the login ID and password on the website are used to log in via the form.

- (1) The deadline for exercising your voting rights is 5:45 p.m., (Tuesday) March 28, 2023.
- (2) If you exercise your voting rights both in writing and via the Internet, we will treat your exercise via the Internet as valid.
- (3) If you exercise your voting rights via the Internet multiple times, we will treat your last exercise as valid.
- (4) Your password (including your changes) is valid for this meeting only. We will issue a new password for the next Annual Meeting of Shareholders when it is held.

(5) You need to pay the cost of your Internet connection. (Notice)

- Your password is a means to verify your identity as a voter. The Company will never ask you about your password.
- If you enter an incorrect password a certain number of times, your password will be locked and you will not be able to use it. If it is locked, follow the procedures in accordance with the guidance on the screen.
- The provider of the Website for Exercising Voting Rights has verified that it operates with general Internet connection devices. However, it may not be available for certain types of devices.
- Should you have any questions, please contact the Securities Agency Division of Mitsubishi UFJ Trust and Banking Corporation, the Company's shareholder register administrator.

Securities Agency Division of Mitsubishi UFJ Trust and Banking Corporation (Helpdesk)

- (1) Dedicated point of contact for inquiries on how to use the Website for Exercising Voting Rights and other related matters:
0120-173-027 (toll free) (available from 9:00 a.m. to 9:00 p.m.)
- (2) Point of contact for inquiries on matters concerning share administration other than the above:
0120-232-711 (toll free) (available from 9:00 a.m. to 5:00 p.m. on weekdays)

* QR Code is a registered trademark of DENSO WAVE INCORPORATED.

Reference Document for the Annual Meeting of Shareholders

Proposal No. 1 Partial Amendments to the Articles of Incorporation (Change of Trade Name)

1. Reasons for the proposal

On January 27, 2023, the Company concluded an agreement with Morningstar Inc. of the United States to terminate its license agreement and receive 8 billion yen as consideration for the return of “Morningstar” brand by the Company to Morningstar, Inc.

In accordance with the agreement, the use of the “Morningstar” brand will cease on March 30, 2023, and accordingly, the Articles of Incorporation shall be partially amended in order to amend the trade name of the Company as well.

The new trade name shall be "SBI Global Asset Management Co., Ltd." in order to represent its intention to further promote the expansion of the SBI Group's Asset Management Business and to provide higher value to domestic and foreign investors through its asset management business as a core company in the Group's asset management business by using the Group's advanced and innovative image.

2. Details of the amendments

The details of the amendments to the Articles of Incorporation are as follows. The effective date of the amendments to the Articles of Incorporation shall be March 30, 2023.

(Underlines indicate changes.)

Current Articles of Incorporation	Proposed amendments
(Trade Name) Article 1 The Company shall be named <u>Morningstar Kabushikigaisha</u> and shall be referred to in English as <u>Morningstar Japan K.K.</u>	(Trade Name) Article 1 The Company shall be named <u>SBI Global Asset Management Kabushikigaisha</u> and shall be referred to in English as <u>SBI Global Asset Management Co., Ltd.</u>

Proposal No. 2 Approval of an Absorption-type Company Split Agreement with a Subsidiary

1. Reason for the absorption-type company split

With the termination of the license agreement with Morningstar, Inc., we will no longer use the “Morningstar” brand, but will continue to engage in our Financial Services Business under the “Wealth Advisor” brand.

In connection with this brand change, the Company will conduct an absorption-type company split (hereafter, the “Absorption-type Company Split”) effective March 30, 2023 so that the Company’s financial services business will be assigned to Morningstar Asset Management Co., Ltd. (hereafter, “Morning Star Asset Management”), a wholly-owned subsidiary of the Company, under the absorption-type company split agreement with regard to the Absorption-type Company Split executed on January 27, 2023. This proposal requests the approval of the Absorption-type Company Split Agreement described above.

We will change the trade name of Morning Star Asset Management to “Wealth Advisor Co., Ltd.” on March 30, 2023. In addition, our subsidiary, E-Advisor Co., Ltd. (hereinafter “E-Advisor”), currently operates equity-related businesses, including the “Stock Newspaper Web”. At the same time as the Absorption-type Company Split, the Company will conduct an absorption-type merger effective March 30, 2023, in which Morningstar Asset Management Co., Ltd. is the surviving company and E-Advisor is the disappearing company, in order to integrate management resources and enhance operational efficiency and profitability.

2. Summary of the content of the absorption-type company split agreement

Absorption-type Company Split Agreement

Morningstar Japan K.K. (hereafter referred to as “MJ”) and Morningstar Asset Management Co., Ltd. (hereafter referred to as “MAM”) hereby enter into this absorption-type company split agreement (hereafter referred to as the “Agreement”), as follows:

Article 1 (Absorption-type company split)

MJ shall cause MAM to succeed to the rights and obligations which the MJ has with respect to its financial services business (hereafter referred to as the “Business”) by way of an absorption-type company split (hereafter referred to as the “Company Split”).

Article 2 (Trade names and addresses of companies involved in the company split)

The trade names and addresses of MJ and MAM are as follows:

- (1) MJ: Company name: Morningstar Japan K.K. Address: 1-6-1, Roppongi, Minato-ku, Tokyo, Japan
- (2) MAM: Company Name: Morning Star Asset Management Co., Ltd. Address: 1-6-1, Roppongi, Minato-ku, Tokyo, Japan

Article 3 (Rights and obligations to be succeeded to by MAM through the Company Split)

Through the Company Split, MAM shall succeed to assets, obligations and other rights and obligations of MJ, as described in "Schedule of Rights and Obligations to be Succeeded to" attached hereto. In addition, with respect to MJ's obligations to be succeeded to by MAM, such obligations shall be assumed through noncumulative taking of obligations; however, in the event that MJ has repaid its obligations to its creditors with respect to such obligations after the effective date of the Company Split provided in Article 5, MJ may claim the full amount of such repaid obligations from MAM.

Article 4 (Money, etc. to be paid upon the Company Split)

Upon the Company Split, MAM shall not pay money, etc. to MJ as consideration for the rights and obligations to be succeeded to through the Company Split.

Article 5 (Effective date of the Company Split)

The effective date of the Company Split shall be March 30, 2023. Provided, however, if necessary in accordance with the progress of the procedures for the Company Split, the date may be changed upon consultation between MJ and MAM, as provided in Article 790 of the Companies Act. In such case, MJ shall give public notice of the changed effective date by the day immediately preceding the original effective date (If the effective date after the change is earlier than the effective date before the change, the effective date after the change).

Article 6 (Transfer procedures)

If registration, recording, notification, or other procedures are required in connection with the transfer of rights to assets to be succeeded to by MAM, such procedures shall be carried out through cooperation between MJ and MAM.

Article 7 (Institutional decision)

By March 29, 2023, MJ and MAM shall make an decision on matters necessary for the execution of the Agreement and the Company Split.

Article 8 (Duty of care of a good manager)

During the period between the execution of this Agreement and the effective date of the Company Split, each of MJ and MAM shall execute its business and manage its property with the due care of a good manager, and with respect to any act that may materially affect their property and rights and obligations, they shall take such action after prior consultation between MJ and MAM.

Article 9 (Non-competition obligation)

Even after the Company Split becomes effective, MJ shall be free from the non-competition obligation set forth in Article 21 of the Companies Act and may engage in any business that competes with the Business and other businesses of MAM.

Article 10 (Change of circumstances)

During the period from the execution date of the Agreement to the effective date, if there is any material change in the condition of the property or business of MJ or MAM, any event that seriously interferes with the execution of the Company Split, or any other event that renders it difficult to achieve the purpose of the Agreement, MJ or MAM may change or cancel the Agreement upon mutual consultation between both parties.

Article 11 (Matters not stipulated)

In addition to what is provided for in the Agreement, necessary matters concerning the Company Split shall be determined as appropriate through mutual consultation between MJ and MAM in accordance with the purpose of the Agreement.

IN WITNESS WHEREOF, MJ and MAM have executed the Agreement in one original copy by affixing their respective names and seals hereto, with MAM retaining the original copy and MJ retaining one copy of the original.

January 27, 2023

MJ: Morningstar Japan K.K.
1-6-1, Roppongi, Minato-ku, Tokyo, Japan
Tomoya Asakura, Representative Director

MAM: Morning Star Asset Management Co., Ltd.
1-6-1, Roppongi, Minato-ku, Tokyo, Japan
Tomoya Asakura, Representative Director

(Attachment)

Schedule of Rights and Obligations to be Succeeded to

1. Assets to be succeeded to

(1) Current assets

Cash and cash equivalents, accounts receivable, prepaid expenses and all other current assets belonging to the Business (excluding, however, accrued interest, suspense consumption tax paid, provisional taxes, loans, crypto-assets, deposits paid, and current assets not belonging to the Business.)

(2) Non-current assets

Leasehold improvement and accumulated depreciation thereof, fixtures and equipment and accumulated depreciation thereof, trademark rights, software, software in progress, goodwill and all other non-current assets belonging to the Business (excluding leasehold improvement and accumulated depreciation thereof, fixtures and equipment and accumulated depreciation thereof, trademark rights, telephone subscription rights, investments in subsidiaries and affiliates, investment securities, long-term prepaid expenses, deferred tax assets, goodwill and part of long-term guarantee deposits not belonging to the Business.)

2. Obligations to be succeeded to

(1) Current liabilities

Accounts payable-other, advances received and all other current liabilities belonging to the Business (excluding, however, dividends payable, consumption taxes payable, suspense receipt of consumption taxes, income taxes payable, withholding tax, borrowings and current liabilities that do not belong to the Business.)

(2) No non-current liabilities

3. Contractual rights and obligations to be succeeded to (excluding labor contracts)

Contractual position under any software license agreement, maintenance and operation service agreement, software development outsourcing agreement, outsourcing agreement and all other agreements belonging to the Business on the effective date, and rights and obligations incidental to these agreements

4. Rights and obligations under labor contracts

The status of workers engaged in the Business under labor contracts as well as the rights and obligations incidental to these contracts shall not be succeeded to. The workers engaged in the Business will be seconded to MAM on the effective date after consultation with MJ.

5. Other rights and obligations, etc.

(1) Intellectual property rights

Copyrights, trademarks, design rights, patents, utility model rights, domain names, know-how and all other intellectual property rights exclusively used for the Business on the effective date (including rights pending application and the right to register such rights).

(2) Other

All necessary licenses, permissions, approvals, registrations, notifications, etc. for MAM to continue the Business

3. Summary of the content stipulated in Article 183 of the Ordinance for Enforcement of the Companies Act

(1) Adequacy of consideration

① Number of shares to be issued

Morningstar Asset Management, the successor company in the absorption-type company split, will not allot shares to the Company, the split company in the absorption-type company split, in connection with the Absorption-type Company Split.

Since Morningstar Asset Management is a wholly-owned subsidiary of the Company, we have determined that it is reasonable.

② Amounts of share capital and reserves

Morningstar Asset Management, the successor company in the absorption-type company split, will not increase any share capital or legal capital surplus at the time of the Absorption-type Company Split. Since Morningstar Asset Management is a wholly-owned subsidiary of the Company, we have determined that it is reasonable in light of the rights and obligations to be succeeded to from the Company.

(2) Financial statements, etc. for the most recent business year of the successor company in an absorption-type company split

Please refer to the Attachment, "Financial Statements, etc. for the Most Recent Business Year (April 1, 2021 to March 31, 2022) of Morningstar Asset Management."

(3) Disposition of important property, bearing of material obligations and other events that have a significant impact on the status of company property after the last day of the most recent business year of the successor company in an absorption-type company split

Conclusion of an absorption-type merger agreement between Morningstar Asset Management and E-Advisor

On January 27, 2023, Morningstar Asset Management, the successor company in an absorption-type split, entered into an absorption-type merger agreement with E-Advisor, a wholly owned subsidiary of the Company, whereby Morningstar Asset Management will be the surviving company and E-Advisor will be the disappearing company. The absorption-type merger is to take effect on March 30, 2023.

(4) Disposition of important property, bearing of material obligations and other events that have a significant impact on the status of company property after the last day of the most recent business year of the Company

① Absorption-type merger of SBI Asset Management Group, Inc.

On October 1, 2022, the Company executed an absorption-type merger in which the Company is the surviving company and SBI Asset Management Group, Inc., which was then a wholly-owned subsidiary of the Company, is the disappearing company.

② Shinsei Investment Management Co., Ltd.

On October 3, 2022, the Company acquired all 9,900 shares of Shinsei Investment Management Co., Ltd. for 1.3 billion yen, making the company a wholly-owned subsidiary.

③ Conclusion of the termination agreement with Morningstar, Inc.

As described in "1. Reasons for the proposal" of Proposal No. 1, on January 27, 2023, the Company concluded an agreement with Morningstar Inc. of the United States mainly to terminate its license agreement and receive 8 billion yen as consideration for the return of the "Morningstar" brand to Morningstar, Inc. Under the terms of the agreement, the Company will terminate the use of the "Morningstar" brand on March 30, 2023.

Reference: Group Company Chart
As of March 29, 2023



With the shareholders' approval of Proposal 1 and Proposal 2 of this Extraordinary General Meeting of Shareholders, we would like to conduct the following strategic reorganization of the Group to take on new challenges to grow.

As a holding company, the Company will place under its umbrella Wealth Advisor Co., Ltd., which engages in Financial Services Business, SBI Asset Management Co., Ltd., which engages in Asset Management Business in Japan, and Carret Asset Management LLC, which provides asset management services in the United States, in order to increase the corporate value of the Group by optimizing the allocation of management resources across the Group, taking prompt action on environmental changes, and strengthening governance.

SBI Asset Management Co., Ltd. and Shinsei Investment Management Co., Ltd. will merge on April 1, 2023.

April 1, 2023 (scheduled, after reorganization)



Guide map for the venue of the Extraordinary Meeting of Shareholders

venue

Palace Hotel Tokyo 2th floor AOI
1-1-1, Marunouchi, Chiyoda-ku, Tokyo TEL 03-3211-521

transportation

JR About 8 minutes on foot from the Marunouchi North Exit of
JR "Tokyo Station"

Subway Directly connected to the underground passage from the C13b exit of
the subway "Otemachi Station"



* There is no parking lot available, so please refrain from coming by car.



It uses a universal design font that is easy to read and difficult to read.

(Attachment)

“Financial Statements, etc. for the Most Recent Business Year of the Successor Company in an Absorption-type Company Split” in “Proposal No. 2: Approval of an Absorption-type Company Split Agreement with a Subsidiary” in the Reference Document for the General Meeting of Shareholders

Morning Star Asset Management Co., Ltd.

21st Fiscal Year

From April 1, 2021
to March 31, 2022

Business Report

Financial Statements

Annexed Detailed Statement

21st Fiscal Year Business Report

From April 1, 2021

to March 31, 2022

Morning Star Asset Management Co., Ltd.

(Documents to be Provided)

Business Report

From April 1, 2021

to March 31, 2022

I Current State of the Company

1. Progress and results of business

The total value of assets under the contract of the investment advisory services and outstanding net assets of fund wraps for the fiscal year under review amounted to 326.2 billion yen, representing a significant increase of 78.5 billion yen (31.7%) from 247.7 billion yen at the end of the previous fiscal year.

Under these circumstances, net sales for the fiscal year under review increased by 2,865,000 yen (7.9%) to 39,130,000 yen from 36,265,000 yen in the previous fiscal year. Ordinary income increased by 7,269,000 yen (22.9%) to 38,955,000 yen from 31,686,000 yen in the previous fiscal year due to an increase in interest income on investment securities. As a result, profit increased by 6,329,000 yen (30.2%) to 27,264,000 yen from 20,935,000 yen in the previous fiscal year.

2. Fund procurement

Not applicable

3. Capital investment

Not applicable

4. Changes in assets, profits and losses

(Thousand yen)

Category	18th Fiscal Year From April 1, 2018 to March 31, 2019	19th Fiscal Year From April 1, 2019 to March 31, 2020	20th Fiscal Year From April 1, 2020 to March 31, 2021	21st Fiscal Year From April 1, 2021 to March 31, 2022
Sales	38,770	39,717	36,265	39,130
Ordinary income	31,190	31,451	31,686	38,955
Profit	15,308	21,116	20,935	27,264
Profit per share	25,514.27	35,194.78	34,892.85	45,441.64
Total assets	217,840	222,718	254,970	268,873
Net assets	206,240	209,479	243,177	257,063
Net assets per share	343,734.21	349,132.44	405,295.75	428,438.88

Notes: 1. Amounts less than 1,000 yen are rounded down.

However, profit per share and net assets per share are rounded down to the nearest yen.

2. Profit per share is calculated based on the average total number of shares outstanding during the period.

3. Net assets per share is calculated based on the total number of shares outstanding at the end of the period.

5. Issues to deal with

We will seek to increase revenues and profits by strengthening alliances with financial institutions to increase the number of investment advisory contracts and by increasing the total value of assets under contract through the provision of high-quality and appropriate investment advisory services.

6. Main businesses

Business	Major services
Asset Management Business	Investment advisory, asset management consulting

7. Major business offices and plants

Name	Address
Headquarters	1-6-1, Roppongi, Minato-ku, Tokyo, Japan

8. Employees

Number of employees	Change in number from the end of the previous fiscal year
6 people	- people

Notes: 1. Employees do not include temporary workers and part-time workers.
2. All employees are concurrently on secondment assignment from Morningstar Japan K.K., the parent company, and its subsidiaries.

9. Important parent company

Relationship with the parent company

The parent companies of the Company are SBI Asset Management Group, Inc. and its parent companies, Morningstar Japan K.K., SBI Global Asset Management, Co., Ltd. and SBI Holdings, Inc.

The Company purchases fund data from Morningstar Japan K.K.

10. Major creditors and amount borrowed

Not applicable

II Shares

1. Total Number of Shares Authorized to Be Issued : 2,400 shares

2. Total Number of Shares Outstanding : 600 shares

3. Number of shareholders : 1 person

4. Major shareholders

Name of shareholder	Investments in the Company	
	Number of shares owned	Investment ratio
SBI Asset Management Group, Inc.	600 shares	100%

5. Other important matters related to shareholders

Not applicable

III Share acquisition rights and others

Not applicable

IV Executive Officers (as of March 31, 2021)

1. Name, etc. of Directors and Corporate Auditors

Name	Position and responsibility	Significant concurrent positions	
Tomoya Asakura	Representative Director	SBI Global Asset Management Co., Ltd.	Director
		Morningstar Japan K.K.	Representative Director Executive Officer and President
		SBI Asset Management Group, Inc.	Representative Director
		E-Advisor Co., Ltd.	Representative Director and President
		SBI Asset Management Co., Ltd.	Director
		SBI Bond Investment Management Co., Ltd.	Director
		SBI Regional Revitalization Asset Management Co., Ltd.	Director
		SBI Alternative Asset Management Co., Ltd.	Director
		Carret Holdings, Inc.	Director
		SBI Sumishin Net Bank, Ltd.	Director
		SBI Insurance Group Co., Ltd.	Director
		SBI Regional Business Succession Investment Co., Ltd.	Director
		Money Tap Co., Ltd.	Director
		SBI NEO FINANCIAL SERVICES Co., Ltd.	Director
SB Energy Corp.	Director		
SBI Estate Finance Co., Ltd.	Director		
Hiroyuki Chida	Director, General Manager of Investment Management Division	Morningstar Japan K.K.	Executive Officer, General Manager of Stock Analysis Division
		E-Advisor Co., Ltd.	Director, General Manager of Investment Advice Business Division
		SBI Alternative Asset Management Co., Ltd.	Director
Kazuhisa Ogawa	Director	Morningstar Japan K.K.	Director, Executive Officer and General Manager of Administration Division
		SBI Asset Management Group, Inc.	Director
		E-Advisor Co., Ltd.	Director
		Carret Holdings, Inc.	Director
		SBI Bond Investment Management Co., Ltd.	Corporate Auditor
		SBI Regional Revitalization Asset Management Co., Ltd.	Corporate Auditor
Atsuo Goto	Corporate Auditor	Morningstar Japan K.K.	Corporate Auditor
		SBI Asset Management Group, Inc.	Corporate Auditor
		E-Advisor Co., Ltd.	Corporate Auditor
		SBI Asset Management Co., Ltd.	Corporate Auditor

* Note 1 Director Hiroyuki Chida resigned effective May 16, 2022. At the extraordinary general meeting of shareholders held on the same day, Ken Takeishi was newly appointed as a director.

* Note 2 Director Kazuhisa Ogawa resigned effective May 16, 2022. At the extraordinary general meeting of shareholders held on the same day, Yasuyuki Ogasawara was newly appointed as a director.

2. Remuneration and other amounts paid to Directors and Corporate Auditors

Not applicable

V Accounting Auditor

We do not have an accounting auditor.

21st Fiscal Year Financial Statements

From April 1, 2021
to March 31, 2022

Morning Star Asset Management Co., Ltd.

Balance sheet

As of March 31, 2022

(Thousand yen)

Item	Amount	Item	Amount
[Assets]		[Liabilities]	
Current assets	77,497	Current liabilities	11,809
Cash and cash equivalents	62,845	Accounts payable-other	7,729
Accounts receivable	12,823	Income taxes payable	3,622
Prepaid expenses	809	Other	458
Other	1,018		
Non-current assets	191,375		
Tangible fixed assets	226		
Buildings	185	Total liabilities	11,809
Fixtures and equipment	41		
		[Net assets]	
Investments and other assets	191,148	Shareholders' equity	298,682
Investment securities	184,616	Share capital	30,000
Long-term guarantee deposits	5,000	Retained earnings	268,682
Deferred tax assets	1,531	Legal retained earnings	9,000
		Other retained earnings	259,682
		Retained earnings brought forward	259,682
		Total valuation and translation adjustments	△ 41,619
		Valuation difference on available- for-sale securities	△ 41,619
		Total net assets	257,063
Total assets	268,873	Total liabilities and net assets	268,873

Note: Amounts less than 1,000 yen are rounded down.

Statement of income

From April 1, 2021
to March 31, 2022

(Thousand yen)

Item	Amount	
Sales		39,130
Cost of sales		25,227
Gross profit		13,902
Selling, general and administrative expenses		667
Operating income		13,235
Non-operating income		
Interest income	25,719	
Miscellaneous income	0	25,719
Ordinary income		38,955
Profit before income taxes		38,955
Income taxes - current	8,479	
Income taxes - deferred	3,210	11,690
Profit		27,264

Note: Amounts less than 1,000 yen are rounded down.

Statement of Changes in Equity

From April 1, 2021
to March 31, 2022

(Thousand yen)

	Shareholders' equity					Valuation and translation adjustments		Total net assets
	Share capital	Retained earnings			Total shareholders' equity	Valuation difference on available-for-sale securities	Total valuation and translation adjustments	
		Legal retained earnings	Other retained earnings	Total retained earnings				
			Retained earnings brought forward					
Balance as of April 1, 2021	30,000	9,000	232,417	241,417	271,417	△ 28,240	△ 28,240	243,177
Changes in items during fiscal year								
Profit			27,264	27,264	27,264			27,264
Net changes in items other than shareholders' equity during fiscal year						△ 13,379	△ 13,379	△ 13,379
Total changes in items during fiscal year	—	—	27,264	27,264	27,264	△ 13,379	△ 13,379	13,885
Balance as of March 31, 2022	30,000	9,000	259,682	268,682	298,682	△ 41,619	△ 41,619	257,063

Explanatory Notes on the Unconsolidated Financial Statements

I Notes on Matters concerning Significant Accounting Policies

1. Valuation standards and methods for assets

Available- for-sale securities

Other than shares without a market price Market value method based on market prices at the end of the period (Valuation difference is included directly in net assets and the cost of securities sold is calculated using the moving average method.)

2. Depreciation method for non-current assets

(1) Tangible fixed assets

The straight-line method is used.

(2) Intangible fixed assets

Software for internal use is amortized using the straight-line method over the internal useful life (5 years).

3. Basis for recording revenues and expenses

The details of the principal performance obligations of the Asset Management Business of the Company and the ordinary point in time at which such performance obligations are satisfied (the ordinary point in time at which revenue is recognized) are as follows:

Investment advisory service fees The Company provides investment advisory services for clients' investment assets managed under investment advisory agreements. Fees are recognized as revenue when it is determined that services will be provided and that the relevant fees will be paid.

II Notes on Changes in Accounting Policies

(Application of Accounting Standard for Revenue Recognition, etc.)

The Company has applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29, March 31, 2020; hereinafter referred to as the "Revenue Recognition Accounting Standard") from the beginning of the fiscal year under review to recognize revenue in the amount expected to be received in exchange for promised goods or services when control over such goods or services passes to the customer. This has no impact on the financial statements.

(Application of Accounting Standard for Fair Value Measurement, etc.)

The Company has applied the Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30, July 4, 2019; hereinafter referred to as the "Fair Value Measurement Accounting Standard") and other standards from the beginning of the fiscal year under review, and in accordance with the transitional treatment set forth in Section 19 of the Fair Value Measurement Accounting Standard and Section 44-2 of the Accounting Standard for Financial Instruments (ASBJ Statement No. 10, July 4, 2019), the Company has decided to apply the new accounting policies set forth in the Fair Value Measurement Accounting Standard and other standards in the future. This has no impact on the financial statements.

III Notes on Changes in Presentation

Not applicable

IV Notes on the Statement of Changes in Equity

1. Total number of shares outstanding

(Shares)

Class of shares	Number of shares at the end of the previous fiscal year	Increase in the number of shares during the fiscal year under review	Decrease in the number of shares during the fiscal year under review	Number of shares at the end of the fiscal year under review
Common stock	600	—	—	600

2. Number of treasury shares

Not applicable

3. Dividends of surplus

Not applicable

21st Fiscal Year Annexed Detailed Statement (Financial Statements)

From April 1, 2021
to March 31, 2022

Morning Star Asset Management Co., Ltd.

1. Details of tangible fixed assets and intangible fixed assets

(Thousand yen)

Category	Type of assets	Beginning book value	Increase during the period under review	Decrease during the period under review	Amortization for the period under review	Ending book value	Accumulated depreciation	Acquisition price at end of period
Tangible fixed assets	Leasehold improvement	214	-	-	28	185	213	399
	Fixtures and equipment	58	-	-	17	41	688	729
	Total	273	-	-	46	226	902	1,129
Intangible fixed assets	Software	959	-	-	959	-		
	Total	959	-	-	959	-		

2. Details of selling, general and administrative expenses

(Thousand yen)

Item	Amount	Description
Welfare expenses	56	
Insurance premium	48	
Packing and freight costs	0	
Membership fee	100	
System operating expenses	0	
System usage fee	104	
Depreciation (Tangible fixed assets)	46	
Taxes and dues	23	
Remuneration paid	216	
Bank charges	2	
Miscellaneous expenses	67	
Selling, general and administrative expenses	667	

Audit Report

I, the Corporate Auditor, have audited the performance of duties by the Directors during the 21st fiscal year from April 1, 2021 to March 31, 2022. The methods and results thereof are as follows.

1. Method and content of audit

In addition to communicating with the directors and employees, and striving to develop an environment for collecting information and auditing, I, the Corporate Auditor, attended meetings of the Board of Directors and other important meetings, received reports from the directors and employees on the status of the performance of their duties, requested explanations as necessary, inspected important approval documents, etc., and investigated the status of operations and assets. Based on the methods described above, I reviewed the Business Report and its Annexed Detailed Statements for the fiscal year under review.

In addition, I inspected the accounting books and related materials, and examined the Financial Statements for the fiscal year under review (Balance Sheet, Statement of Income, Statement of Changes in Equity and Explanatory Notes to the Unconsolidated Financial Statements) and their Annexed Detailed Statements.

2. Results of the audit

(1) Results of audits of the Business Report, etc.

- (i) I acknowledge that the Business Report and its Annexed Detailed Statement accurately describe the status of the Company, in accordance with laws and regulations and the Articles of Incorporation.
- (ii) I have found no misconduct or material facts in violation of laws and regulations or the Articles of Incorporation in connection with the performance of duties by directors.

(2) Results of audit of Financial Statements and their Annexed Detailed Statements

I acknowledge that the Financial Statements and their Annexed Detailed Statements fairly present, in all material respects, the status of the company's assets and profits and losses.

June 21, 2022

Morning Star Asset Management Co., Ltd.

Corporate Auditor Atsuo Goto