25-D-0939
October 21, 2025

SoftBank Group to Issue Hybrid Securities–Equity Content at "Medium" or "50" (Against 100 of a Stock)

The following is Japan Credit Rating Agency, Ltd. (JCR)'s opinion on the issuance of foreign currency denominated subordinated bonds (the "Securities") by SoftBank Group Corp. (security code: 9984).

SoftBank Group Corp. (the "Company") today announced the issuance of the Securities to investors. Based on the Company's financial structure and JCR's assumed issue amounts of the Securities, JCR determines that a rating review is unnecessary. The assessment of equity content of the Securities and its rationale are as follows.

<Assessment of Equity Content of Securities and Rationale>
JCR determines the equity content of the Securities at "medium" or "50" (against 100 of a stock).

JCR takes into account that "there is no obligation to redeem principal or no maturity," "there is no obligation to pay interest and dividends" and "ranking of claims at the time of bankruptcy is subordinated" when assessing the equity content of hybrid securities.

While the period to maturity is long 35.5 years, 40 years, and 37 years for the Securities, early redemption is possible after a lapse of 5 years and 3 months, 9 years and 9 months, and 6 years and 9 months from the issuance of each series of the Securities. In addition, early redemption as a result of the occurrence of Tax Events, Rating Events owing to changes in the assessment of equity content by a credit rating agency or other events are also possible. As for the interest rates, they are set to step up by 25 bps after a lapse of 5.5 years, 10 years, and 7 years, and by 5 bps (cumulative 30 bps) after a lapse of 20.5 years, 25 years, and 22 years, and by 70 bps (cumulative 100 bps) after a lapse of 25.5 years, 30 years, and 27 years. The Company has expressed its intention for replacement of the Securities by issuing replacement securities, etc. at the time of early redemption. However, the necessity for replacement is determined by the Company based on its financial condition, etc., not by numerical criteria, making the replacement language's effectiveness hardly sufficient. On the other hand, considering the step-up interest rate structure, the Company's discretion regarding early redemption is likely to be substantially constrained when the cumulative interest rate increase reaches 100bps. JCR incorporates these points into the assessment of permanence of the principal.

Based on the above factors, JCR considers that it is unlikely that the Company will make early redemption without replacement when its creditworthiness declines and factored this view in the assessment of the effective redemption obligation and maturity for the Securities. This judgment reflects, among others, that (i) JCR, through an interview with the Company, was able to ascertain the Company's future financial management policy including the position of the Securities, (ii) the Company has long been winning the confidence of investors and creditors by maintaining good relations with them in the financial market, and (iii) the Company has track records of refinancing the subordinated instruments raised with another subordinated instruments.

As for the interest, the fact that there is no clause for mandatory interest suspension weakens the similarity of the Securities to common stock. However, the optional interest suspension clause provides a mechanism whereby the interest payments can be suspended in a stressful situation. JCR takes into consideration the mechanisms for maturity and interest suspension discussed above, as well as other factors including the ranking of claims to the Subordinated Bonds at the time of bankruptcy being subordinated to the senior obligations of the Company.

Furthermore, JCR will consider lowering the assessment of the equity content to a debt level, given that after 5.5 years, 10 years, and 7 years have passed since the issuance of each of the Securities, respectively, (i) remaining periods of all of the Securities become less than 30 years and (ii) the periods until the cumulative interest rate step-ups reach 100 basis points become less than 20 years.

Akihisa Motonishi, Naoki Muramatsu for Issuer
Kiichi Sugiura, Seito Achiha for Hybrid Securities

Details of the Securities

Issue	Amount (bn)	Issue Date	Redemption Date	Coupon
USD-denominated Hybrid Notes Due 2061	TBD	TBD	TBD	(Note)

Note: Step-ups are scheduled for 25bps after 5.5 years, 5bps (cumulative 30bps) after 20.5 years, and 70bps (cumulative 100bps) after 25.5 years from the Issue Date.

Early Redemption/Purchase:	Early redemption after a lapse of 5 years and 3 months from issuance Early redemption upon occurrence of Tax Events, Rating Events and Change of Control Events Purchase
Replacement:	There has been representation of intention for replacement.
Optional Interest Suspension:	The Company may suspend interest payment at its discretion.
Accumulation/Non-Accumulation:	Accumulation
Ranking of Claims:	The Securities are subordinated to all debts (excluding the Securities and the subordinated debts ranking pari passu with the Securities) and rank pari passu with the first preferred shares.

Issue	Amount (bn)	Issue Date	Redemption Date	Coupon
USD-denominated Hybrid Notes Due 2065	TBD	TBD	TBD	(Note)

Note: Step-ups are scheduled for 25bps after 10 years, 5bps (cumulative 30bps) after 25 years, and 70bps (cumulative 100bps) after 30 years from the Issue Date..

Early Redemption/Purchase:	Early redemption after a lapse of 9 years and 9 months from issuance Early redemption upon occurrence of Tax Events, Rating Events and Change of Control Events Purchase
Replacement:	There has been representation of intention for replacement.
Optional Interest Suspension:	The Company may suspend interest payment at its discretion.
Accumulation/Non-Accumulation:	Accumulation
Ranking of Claims:	The Securities are subordinated to all debts (excluding the Securities and the subordinated debts ranking pari passu with the Securities) and rank pari passu with the first preferred shares.

Issue	Amount (bn)	Issue Date	Redemption Date	Coupon
EUR-denominated Hybrid Notes Due 2062	TBD	TBD	TBD	(Note)

Note: Step-ups are scheduled for 25bps after 7 years, 5bps (cumulative 30bps) after 22 years, and 70bps (cumulative 100bps) after 27 years from the Issue Date.

Early Redemption/Purchase:	Early redemption after a lapse of 6 years and 9 months from issuance Early redemption upon occurrence of Tax Events, Rating Events and Change of Control Events Purchase
Replacement:	There has been representation of intention for replacement.
Optional Interest Suspension:	The Company may suspend interest payment at its discretion.
Accumulation/Non-Accumulation:	Accumulation
Ranking of Claims:	The Securities are subordinated to all debts (excluding the Securities and the subordinated debts ranking pari passu with the Securities) and rank pari passu with the first preferred shares.

<Reference>
Issuer: SoftBank Group Corp.
Long-term Issuer Rating: A Outlook: Negative

Japan Credit Rating Agency, Ltd.
Jiji Press Building, 5-15-8 Ginza, Chuo-ku, Tokyo 104-0061, Japan
Tel. +81 3 3544 7013, Fax. +81 3 3544 7026