

NOTICE TO THE HOLDERS OF THE OUTSTANDING
The Shizuoka Bank, Ltd. (the “Bank”)
U.S.\$300,000,000 Floating Rate Convertible Bonds due 2023 (the “Bonds”)
(ISIN: XS1744326940 Common Code: 174432694)

NOTICE IS HEREBY GIVEN by the Bank to the holders (“**Bondholders**”) of the outstanding U.S.\$300,000,000 Floating Rate Convertible Bonds due 2023 (ISIN: XS1744326940 Common Code: 174432694) (the “**Bonds**”), of the occurrence of a Corporate Event.

As previously communicated in the Bank’s notice to Bondholders dated 25 May 2022, the board of directors of the Bank adopted a share transfer plan to be submitted to the general meeting of shareholders for approval (the “**Share Transfer Plan**”) in accordance with Article 772 Item 1 of the Companies Act of Japan (Act No. 86 of 2005), pursuant to which the Bank would, with effect from 3 October 2022 (the “**Holding Company Establishment Date**”), become a wholly-owned subsidiary of Shizuoka Financial Group, Inc., a holding company to be newly established on the Holding Company Establishment Date (the “**Holding Company**”), subject to approval by the shareholders of the Bank and satisfaction of certain other conditions precedent. The Share Transfer Plan was approved by the Bank’s shareholders at the general meeting of shareholders held on 17 June 2022. The passing of such proposed resolution constitutes a Corporate Event as defined in the Conditions, and the Corporate Event Effective Date shall be the Holding Company Establishment Date.

Subject to the satisfaction of other conditions precedent for the consummation of the transaction contemplated under the Share Transfer Plan, the Bank proposes to effect a substitution of the Bank with the Holding Company (the “**New Obligor**”) as the primary obligor of the Bonds with effect from the Corporate Event Effective Date in accordance with Conditions 6.4 and 12.2, by executing a supplemental trust deed (the “**Supplemental Trust Deed**”) on the Corporate Event Effective Date. In accordance with Condition 12.2(ii), the payment obligations of the New Obligor under the Trust Deed and the Bonds will be guaranteed by the Bank. In addition, pursuant to the Share Transfer Plan, the New Obligor will deliver on the Corporate Event Effective Date stock acquisition rights exercisable for shares of common stock of the New Obligor (the “**New Stock Acquisition Rights**”) to the Bondholders in place of the Stock Acquisition Rights, in the ratio of one New Stock Acquisition Right for each Stock Acquisition Right outstanding. In accordance with Condition 6.5.3(i), each New Stock Acquisition Right will be exercisable for shares of common stock of the New Obligor at an initial conversion price fixed in accordance with the following formula:

$$\text{Conversion Price of the New Stock Acquisition Rights} = \text{Conversion Price of the Stock Acquisition Rights in effect immediately prior to the Corporate Event Effective Date} \times 1$$

In accordance with Condition 5.1.4(c), the Bank has determined that a suspension of the exercise of Stock Acquisition Rights is necessary and that the Stock Acquisition Rights may not be exercised during the period commencing on 26 August 2022 and ending on 17 October 2022.

As previously communicated in the Bank’s notice to Bondholders dated 25 May 2022, in accordance with Condition 5.1.8, the condition to the exercise of the Stock Acquisition Rights set forth in Condition 5.1.5(i) shall not be applicable during the period from (and including) the date of that notice to (and including) the Corporate Event Effective Date, subject to suspension by the Bank in accordance with Condition 5.1.4(c) as described above. For the avoidance of doubt, the condition to the exercise of the Stock Acquisition Rights set forth in Condition 5.1.5(ii) remains applicable.

THE SHIZUOKA BANK, LTD.



Capitalised terms used herein not otherwise defined herein have the meanings set out in the Trust Deed, including the terms and conditions of the Bonds, and the Agency Agreement.

This notice is given by
THE SHIZUOKA BANK, LTD.

17 June 2022