



September 6, 2024

## Notice Concerning Commencement of Tender Offer for Shares, Etc., of EDGE Technology Inc. by The Chiba Bank, Ltd. (Summary\*)

**To realize “Creating the Optimal Customer Experience,” aiming to further enhance DX strategy and customer experience through the use of AI technology.**

The Chiba Bank, Ltd. (President: Tsutomu Yonemoto) (“**Chiba Bank**”) hereby announces that its Board of Directors has resolved at the meeting held on September 6, 2024, to acquire the common shares and the share options of EDGE Technology Inc. (Representative Director: Koji Sumimoto) (“**EDGE Technology**”) through a tender offer (the “**Tender Offer**”) pursuant to the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended).

\*Please refer to the website ([https://www.chibabank.co.jp/english/pdf/topic/2024/topic20240906\\_01.pdf](https://www.chibabank.co.jp/english/pdf/topic/2024/topic20240906_01.pdf)).

### ■ Background and Circumstance

The Chiba Bank Group has set “creating a local community better suited to bringing each person’s hope to life” as the “Purpose” and, under the current Mid-term plan, “Evolution of the customer-focused business model” as the operational guidelines, and is prioritizing efforts to strengthen the five value creation bases (“DX,” “GX,” “Alliances,” “Human Capital,” and “Group Governance”). Especially in the DX field, Chiba Bank considers that deepening alliances with different industries and promoting collaboration will result in providing the value to each stakeholder.

Under these circumstances, Chiba Bank received a proposal from Mr. Koji Sumimoto, the Representative Director of EDGE Technology, to sell his shares of EDGE Technology, and has decided to implement the Tender Offer because it considered that this project would contribute to the enhancement of the corporate value of both companies and realize the synergies.

### ■ What We Aspire for

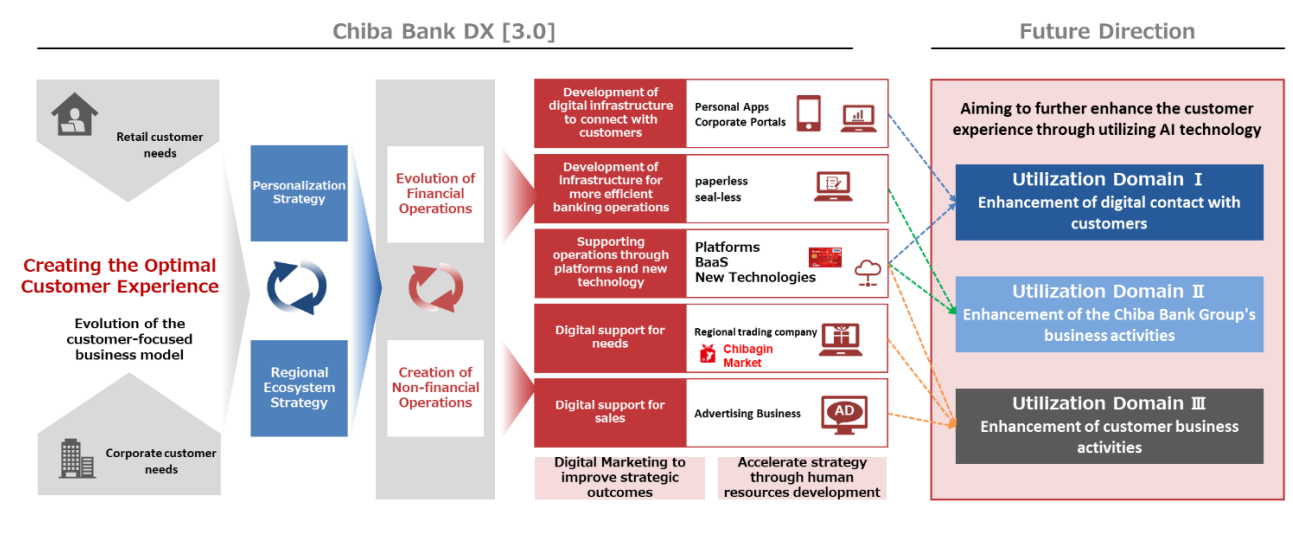
Under the “Purpose” and “Vision,” the universal management philosophy, the Chiba Bank Group is working to further improve engagement with its customers by creating the optimal customer experience through DX. The Chiba Bank Group is further strengthening its framework by establishing the AI Solution Lab within the Digital Strategy Division to oversee the use of AI within the Group on Monday, September 2, 2024, and aims to further enhance the customer experience through the use of AI technology in the three areas of “Digital Contact with Customers,” “Chiba Bank Group’s Business Activities,” and “Customer’s Business Activities.”

Through this transaction, the Chiba Bank Group expects to realize a variety of synergies far beyond the existing

framework, including further enhancement of One-to-One marketing, business reforms using AI and its deployment to alliance banks, and “DX for the whole region,” including the provision of AI solutions. In addition, the Chiba Bank Group expects that EDGE Technology will be able to strengthen its solution proposals for solving social issues with AI business at its core by maximizing the utilization of the Chiba Bank Group's management resources.

The Chiba Bank Group and EDGE Technology share the same philosophy and direction of aiming for their own growth through solving social issues, and will strive to further enhance the corporate value of both companies by mutually utilizing their management resources and realizing more sophisticated DX strategy utilizing AI through various collaborations.

#### [What We Aspire for]



#### ■ Outline of the Tender Offer

Target Company	EDGE Technology Inc. (Securities Code: 4268)
Methods and Processes	Tender offer for the common shares and the share options
Tender Offer Period	From Monday, September 9, 2024 to Wednesday, October 23, 2024 (30 business days)
Tender Offer Price	Common shares: 841 yen per share Share options: 1 yen per unit
Premium	A premium to the closing price on September 5, 2024: 58.98 % A premium to the simple average of the closing price for the past one (1) month up to September 5, 2024: 53.47 % A premium to the simple average of the closing price for the past three (3) months up to September 5, 2024: 48.06 % A premium to the simple average of the closing price for the past six (6) months up to September 5, 2024: 41.82 %
Minimum Number of Shares to Be Purchased	7,190,600 shares
Maximum Number of Shares to Be Purchased	None
Aggregate Tender Offer Price	About 9,070 million yen

Financing Method	To be financed with cash on hand
Others	The Board of Directors of EDGE Technology, following the opinion of its Special Committee, expressed its opinion to support the Tender Offer and recommended its shareholders to tender their shares in the Tender Offer. Chiba Bank entered into a tender agreement with Mr. Koji Sumimoto, the Representative Director and the largest shareholder of EDGE Technology.

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# Acquisition of EDGE Technology Inc. through a Tender Offer

September 6, 2024  
The Chiba Bank, Ltd.

(Securities code: 8331;  
Tokyo Stock Exchange, Prime Market)



# **1. Highlights of the Tender Offer**

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## **2. Understanding of Current Situation / Growth Strategies**

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## **3. Purpose of the Tender Offer / What We Aspire for**

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## **4. Synergy / AI Strategy**

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## Key Points of the Tender Offer

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- Chiba Bank will implement the Tender Offer as part of the transaction to make EDGE Technology a wholly-owned subsidiary and will realize, through the mutual utilization of management resources, the upgrading of its AI strategy and the creation of synergies.
- On September 6, 2024, the Board of Directors of EDGE Technology, following the opinion of its Special Committee, expressed its opinion to support the Tender Offer and recommended its shareholders to tender their shares in the Tender Offer. On the same day, Chiba Bank entered into a tender agreement with Mr. Koji Sumimoto, the Representative Director and the largest shareholder of EDGE Technology.
- The aggregate tender offer price is approximately 9 billion yen. The settlement date of the Tender Offer will be on October 30, 2024. Chiba Bank will make EDGE Technology its wholly-owned subsidiary through the squeeze-out procedure.

## Strategic Purpose of the Chiba Bank Group

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- To utilize AI technology to further advance the “Creating the Optimal Customer Experience” in the DX strategy.
- To enhance the corporate value by accelerating growth and improving service quality through inorganic investments.

Tender Offeror	The Chiba Bank, Ltd.
Target Company	EDGE Technology Inc.
Tender Offer Period	From Monday, September 9, 2024 to Wednesday, October 23, 2024 (30 business days)
Tender Offer Price	841 yen per share
Premium	A premium to the closing price on September 5, 2024: 58.98 % A premium to the simple average of the closing price for the past one (1) month up to September 5, 2024: 53.47 % A premium to the simple average of the closing price for the past three (3) months up to September 5, 2024: 48.06 % A premium to the simple average of the closing price for the past six (6) months up to September 5, 2024: 41.82 %
Minimum Number of Shares to Be Purchased	7,190,600 shares
Maximum Number of Shares to Be Purchased	None
Aggregate Tender Offer Price	9,070 million yen
Upcoming Procedures	<div><div>September 6, 2024</div><div>Announcement of the Tender Offer</div><div>September 9, 2024</div><div>Commencement of the Tender Offer</div><div>October 24, 2024</div><div>Announcement of the result of the Tender Offer</div><div>October 30, 2024</div><div>Settlement commencement date of the Tender Offer</div></div>

\*Please refer to the Timely Disclosure as to share options.

Edge Technology Inc. has built up its own AI personnel database since its establishment in 2014 and has its strength in its unique position in the “AI x Freelance” area.

Representative Director	Mr. Koji Sumimoto
Listed Market	TSE Growth (4268): Listed on February 17, 2022
Date of Incorporation	May 12, 2014
Address	7-1 Kanda-Mikuracho, Chiyoda-ku, Tokyo
Number of Employees (excluding temporary employees)	98 people (as of April 2024)
Business	<p>EDGE Technology conducts the planning, data collection, model development, and production implementation of data-driven projects in a continuous streamlined method and provides skills and human resources for the projects with its own AI database which is focused on freelancers.</p> <ul style="list-style-type: none"><li>➤ AI Solution Services Providing purpose-built solutions, technical advisory and professional services</li><li>➤ AI Education Services Offering a wide range of highly specialized AI courses with experienced instructors</li><li>➤ AI Product Services Developing and selling AI-implemented products to solve issues and improve operational efficiency</li></ul>
Characteristics	EDGE Technology’s main business is the development of AI solutions using freelancers. EDGE Technology has established a leading position with no clear competitors in the “AI x Freelance” positioning.

Sales	2,862 million yen
Operating profit	101 million yen
Operating profit ratio	3.5%
Total assets	981 million yen

(Fiscal year ended April 2024)

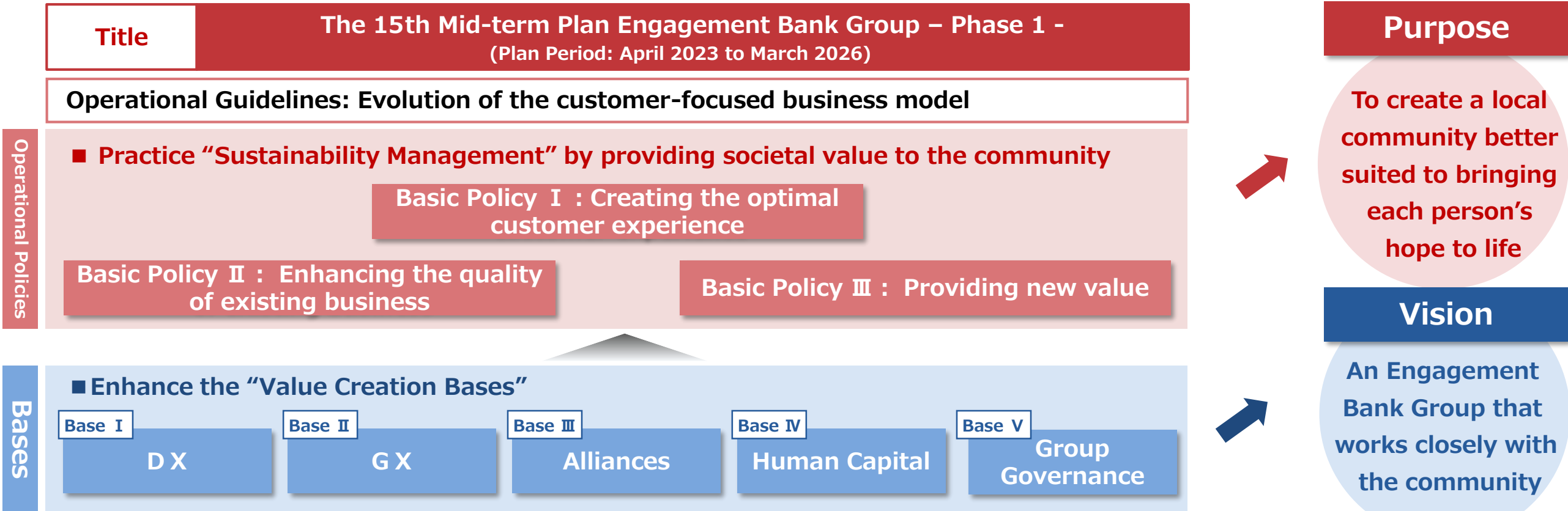


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As we pursue our “Purpose” and “Vision”, we are facing further accelerating changes of the environment.

## Understanding of Current Situation

- The Chiba Bank Group is committed to **“the evolution of the customer-focused business model”** under its current Mid-term Plan, under the “Purpose” of **“creating a local community better suited to bringing each person’s hope to life”**.
- In order to **solve social issues that the Chiba Bank Group and local stakeholders commonly face in this accelerating changes of the environment**, such as the declining birthrate, aging population, labor shortage, and DX demands, it is necessary to further expand the foundation for value creation.

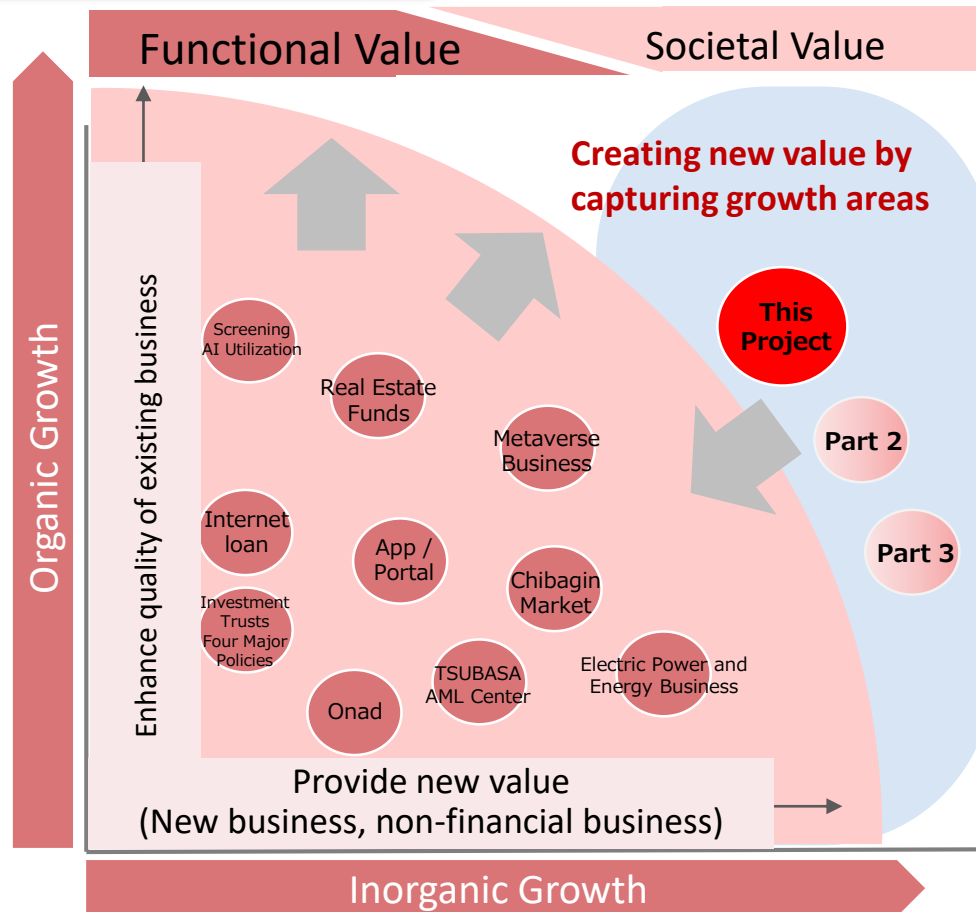


## Direction of growth strategies in the current Mid-term Plan

### Growth Strategies

- The Chiba Bank Group's strategy for value creation and sustainable growth aims to enhance the quality of existing businesses (organic growth) and provide new value (inorganic growth).
- To enhance the corporate value by accelerating growth and improving service quality through inorganic investments utilizing capital.

### Expansion of Business areas



### Accelerate Growth Strategies

- Expand service areas in **DX and non-financial businesses**
- Strengthening the **horizontal integration function (roll-up)** with existing businesses

### Capital Utilization

- Balanced growth investment and enhanced returns

### Enhancement of Corporate Value

- Improvement of ROE and PBR

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Strengthening our capability to solve social issues by utilizing external management resources to respond to accelerating changes of environment.

## Purpose of the Tender Offer

### ① Responding to changes of environment

- **To improve labor productivity by utilizing AI** to solve social issues such as the declining birthrate, aging population, and labor shortage.

### ② Utilizing external management resources

- Chiba Bank will gain **prior access to freelance AI personnel network** of EDGE Technology, which has a strong presence in the AI industry which is continuously facing competition for talent.
- EDGE Technology can **leverage its strengths in AI Solutions, AI Education, and AI Products** by utilizing the Chiba Bank Group's extensive customer base.

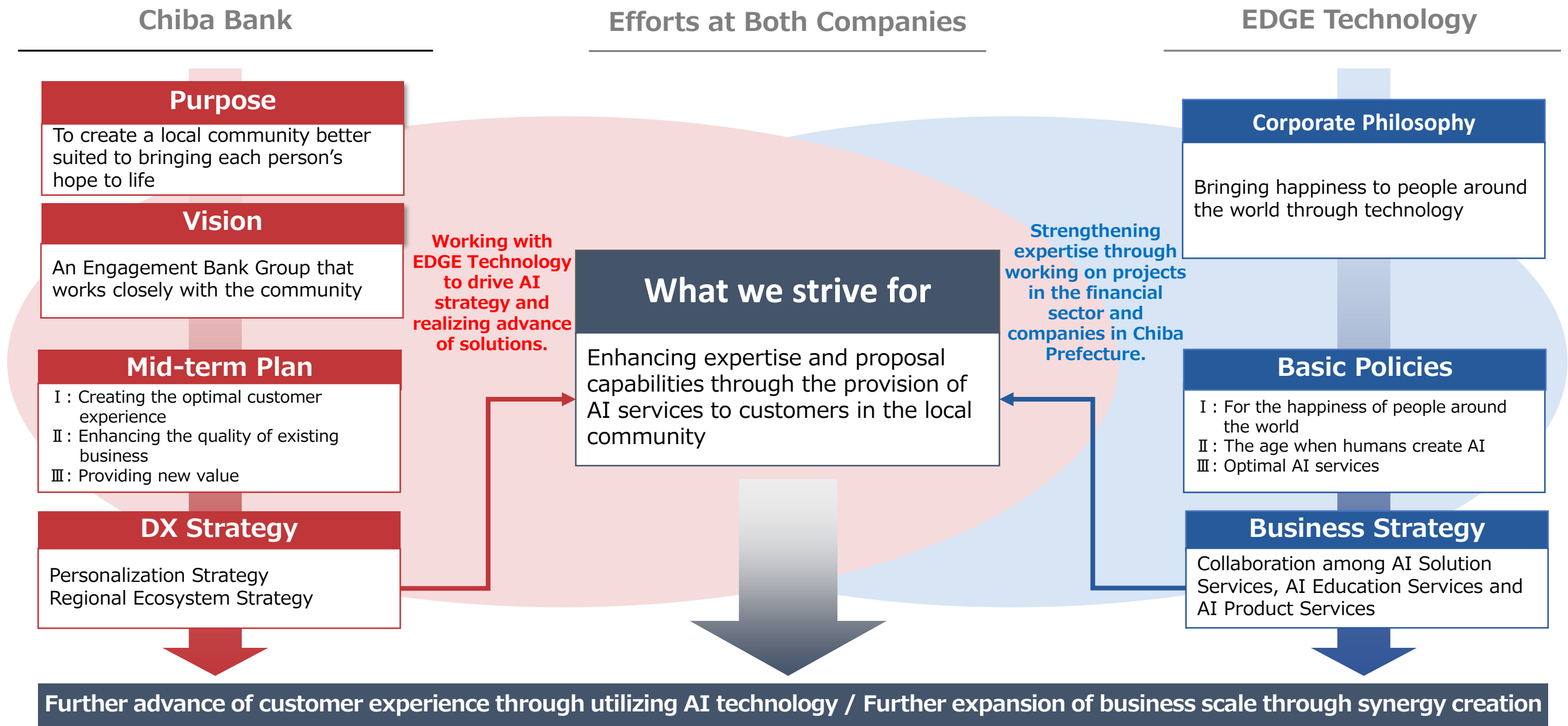
### ③ Synergies with existing businesses

- Realizing **“DX for the whole region”** by promoting further improvement of the existing DX business and providing more value to customers in the local community.
- Accelerating **improvements of digital marketing** and **efficiency of banking operations**.
- Leading to **horizontal expansion into alliances** and **expansion of group business**

### ④ Inorganic growth

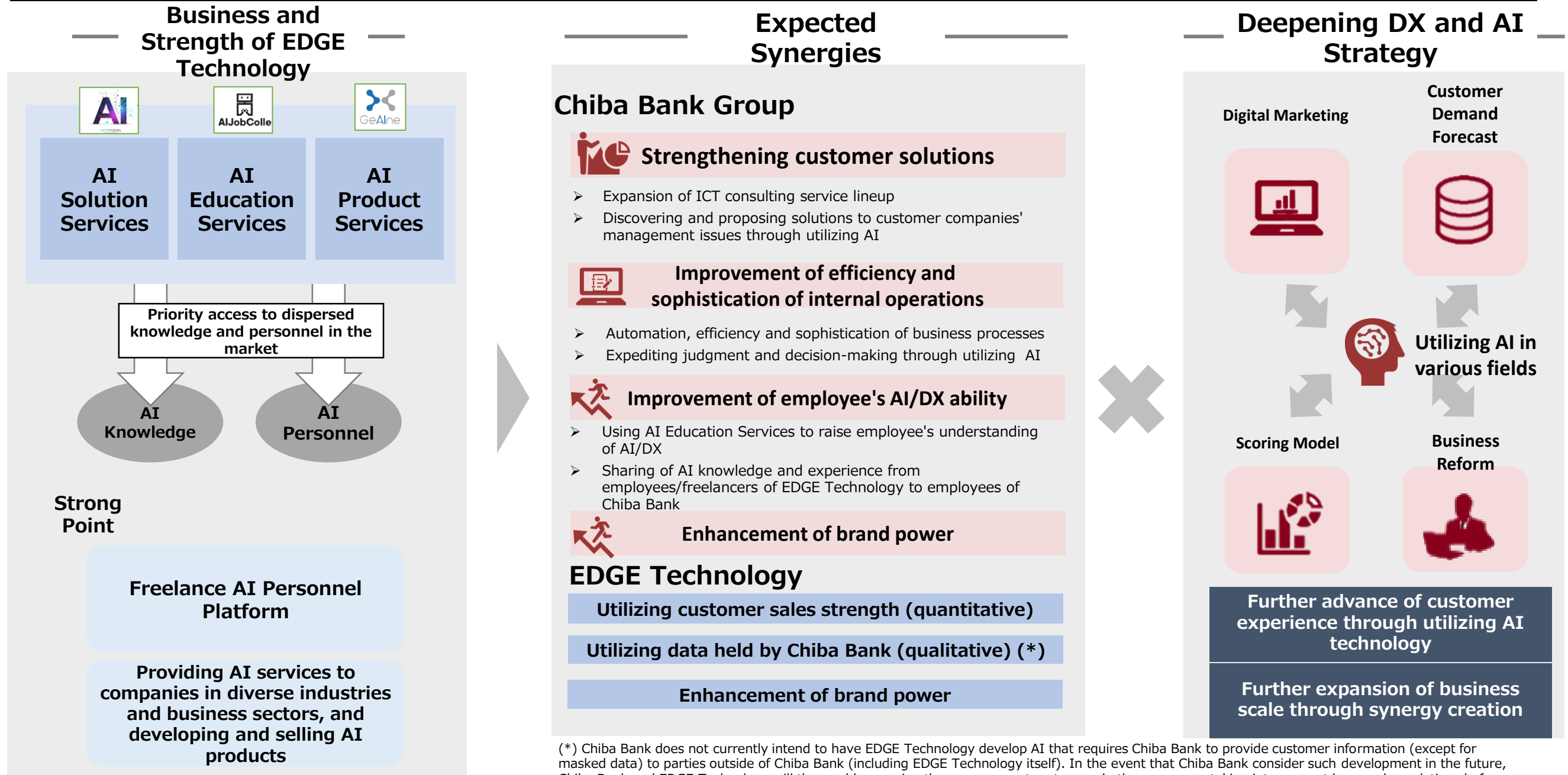
- Increased exposure in non-financial businesses will enable **strategic diversification of business portfolio**.

Enhancing expertise and proposal capabilities through the provision of AI services to customers in the local community



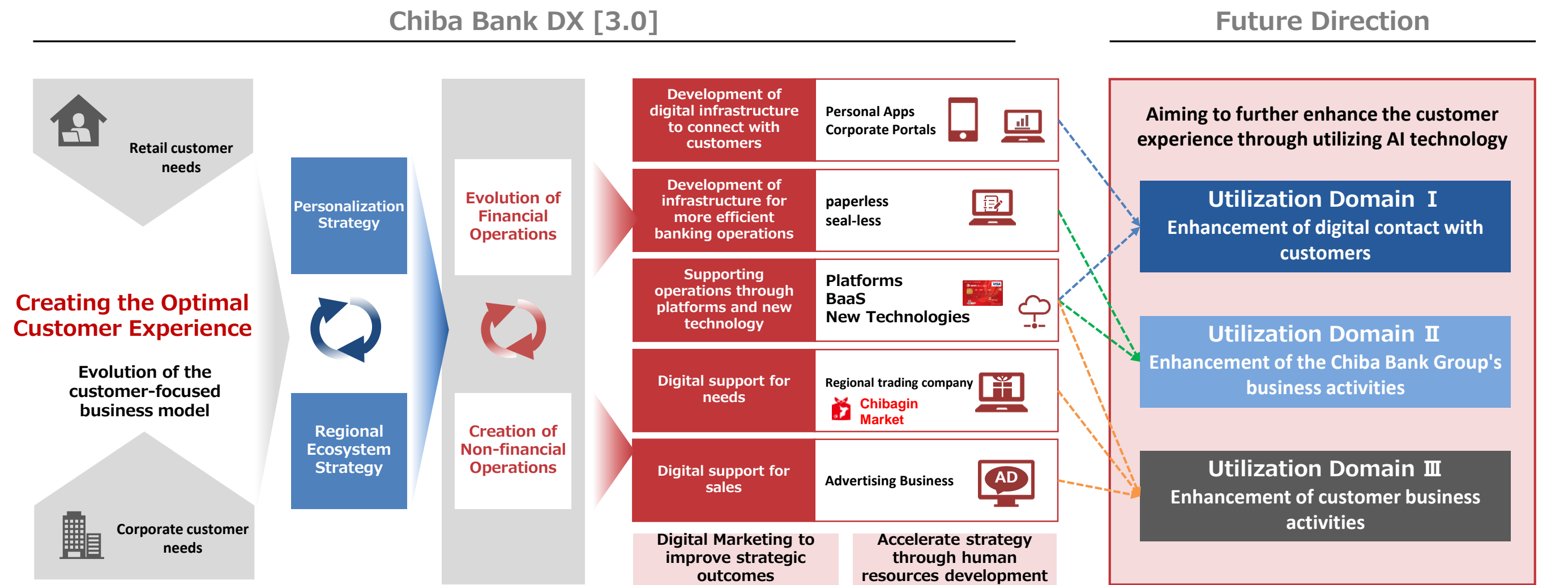
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Pursuing synergies by combining EDGE Technology's strength and the Chiba Bank Group's business base.





Utilizing AI technology in each business area to further advance the “Creating the Optimal Customer Experience.”



Utilizing AI technology in each business area to further advance the “Creating the Optimal Customer Experience.”

Aiming to further enhance the customer  
experience through utilizing AI

**Utilization Domain I**  
Enhancement of digital contact  
with customers

**Utilization Domain II**  
Enhancement of the Chiba  
Bank Group's business  
activities

**Utilization Domain III**  
Enhancement of customer  
business activities

## AI Utilization Domains

- Further advancing **marketing with data and machine learning** to enable marketing by prediction
  - Transform the customer experience by **utilizing AI in digital services** such as “the Chibagin app and “Corporate portal”
  - Enhance customer experience by **incorporating AI technology into products and services for customers**  
⇒ Further enhance One-to-One marketing through “detection” and “prediction” using data and AI
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- Transforming the way employees work by **utilizing AI in Chiba Bank Group's operations.**
  - Packaging effective AI solutions and **laterally expanding them to alliance banks (TSUBASA / CYP)**  
⇒ Consider AI-based business reforms for all business activities of the Chiba Bank Group.
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- **Listening to the needs of customers in the companies and government in the local community. Developing and providing AI solutions** to increase engagement with the community.
  - Packaging effective AI solutions and **horizontally expanding them to wide range of customers in the community.**
  - Developing AI solutions across regions in collaboration with alliance banks (TSUBASA / CYP)  
⇒ “DX for the whole region,” including the provision of AI solutions, not just ICT

## **[Regulations on Solicitation]**

This material is to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting the sale of shares. If shareholders wish to make an offer to sell their shares, they are advised to first read the tender offer explanatory statement for the Tender Offer and make an offer to sell their shares pursuant to their own independent decision. This material does not constitute, nor form part of, an offer or solicitation to sell, or a solicitation of an offer to purchase, any securities. In addition, neither this material (nor any part of it) nor the fact of its distribution shall form the basis of any agreement regarding the Tender Offer, nor may it be relied on in connection with executing any such agreement.

## **[U.S. Regulations]**

The Tender Offer will not be conducted, directly or indirectly, in or targeted at the United States, nor through the U.S. postal mail services or other interstate or international commercial methods or means (including, but not limited to, telephone, telex, facsimile, e-mail, and Internet communication), nor through any stock exchange facilities in the United States. No tender in the Tender Offer may be made through any of the aforementioned methods or means, through the said stock exchange facilities, or from the United States. In addition, this material will, or may, be sent or distributed in, to, or from the United States by the postal mail services or other means, and no such sending or distribution may be made. No tender in the Tender Offer that violates, directly or indirectly, any of the aforementioned restrictions will be accepted.

Solicitation to purchase securities or other equivalent instruments is not conducted to residents in the United States or within the United States. Even if such securities or other equivalent instruments are sent to the Tender Offeror by residents in the United States or from the United States, they will not be accepted.

## **[Other Countries]**

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If you have any comments, opinions, or inquiries regarding this material, please contact the IR department below.

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