



SUMITOMO MITSUI
CARD



SUMITOMO MITSUI
BANKING CORPORATION

[NEWS RELEASE]

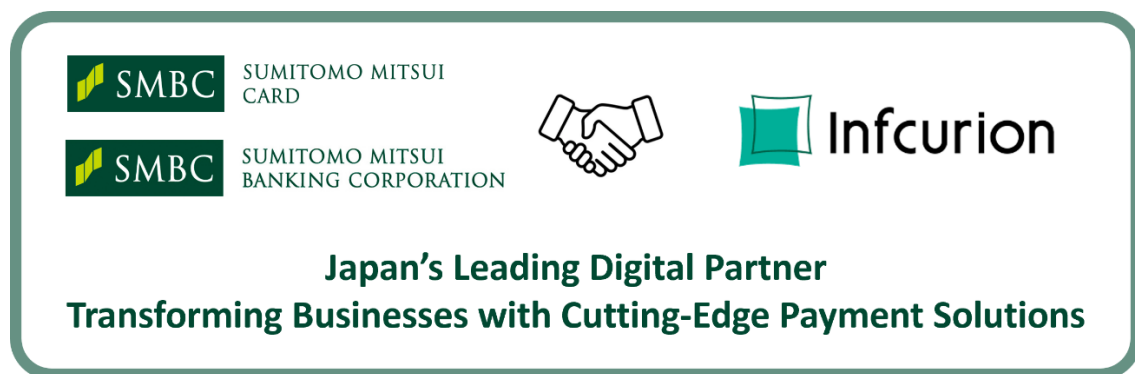
Sep 27, 2024

Infcurion, Inc.
Sumitomo Mitsui Card Company, Limited
Sumitomo Mitsui Banking Corporation

SMBC Group and Infcurion Sign Capital and Business Alliance

Accelerating Corporate Digital Transformation by Sumitomo Mitsui Card's Payment Solutions and Infcurion's Cutting-Edge Payment Platform

Sumitomo Mitsui Card Company, Limited ("SMCC"), Sumitomo Mitsui Banking Corporation ("SMBC," collectively with SMCC "SMBC Group"), and Infcurion, Inc. ("Infcurion," collectively with the SMBC Group and Infcurion "the two groups") have entered into a capital and business alliance agreement ("the Alliance") to collaborate in the areas of payment and financial services for business clients.



In this Alliance, Infcurion will play a pivotal role in advancing the SMBC Group's Japanese cashless payment strategy, spearheaded by SMCC. Together, the two groups aim to offer Japan's leading payment platform, fundamentally transforming business operations and contributing to the secular growth of Japan's payments market. SMBC will participate in this Alliance to broaden the scope of collaboration between the two groups.

The SMBC Group has invested in Infcurion by subscribing to new shares issued by Infcurion and acquiring shares from certain existing shareholders, excluding Infcurion's management. Consequently, Infcurion will become an equity-method affiliate of Sumitomo Mitsui Financial Group, Inc. Despite this, Infcurion will retain its independence with its capital and management structures still centered around its executive team. By balancing the continued growth of its existing businesses with the advantages of the Alliance, Infcurion aims to accelerate its business growth while continuing to pursue an IPO at the best possible time.

This Alliance will be implemented in full compliance with applicable laws and regulations, and where required, upon the completion of all necessary legal and regulatory procedures.

1. Background

Driven by the Japanese government's "Cashless Vision" initiative and shifts in lifestyle and work practices following the COVID-19 pandemic, consumers have significantly increased their use of cashless payments. As the cashless payment market continues to expand, technological advancements, the entry of new players, and the increasingly diversified needs from both businesses and consumers have brought constant change to the industry.

With smartphones becoming a key payment method and integral part of consumers' daily lives, businesses are increasingly recognizing the need to offer payments, services, and marketing all in an integrated fashion through their own apps.

In recent years, legal reforms in Japan related to accounting and financial processes have accelerated the digitalization of B2B transactions. Cashless payments in the B2B sector have helped alleviate workload pressures caused by labor shortages and inefficiencies. Furthermore, businesses are increasingly seeking to enhance real-time cash flow visibility and leverage accumulated transaction data to improve marketing accuracy and generate new business value.

Under such circumstances, under its cashless payment strategy, the SMBC Group has been leveraging all of its resources while expanding collaborations with external partners to enhance its services.

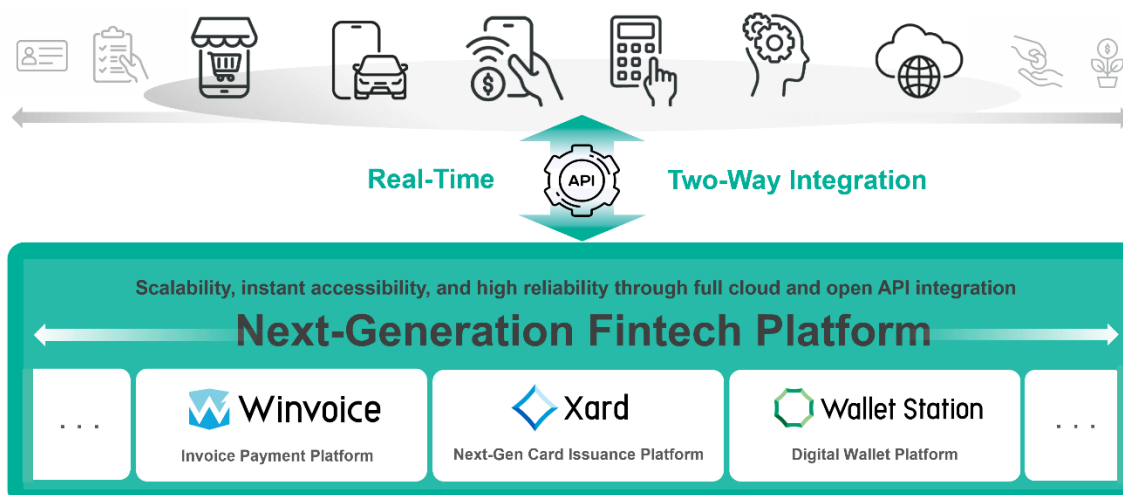
Services for businesses include enhancing expense management efficiency by offering a variety of corporate cards, as well as providing innovative products and services such as the "stera" payment platform for merchants.



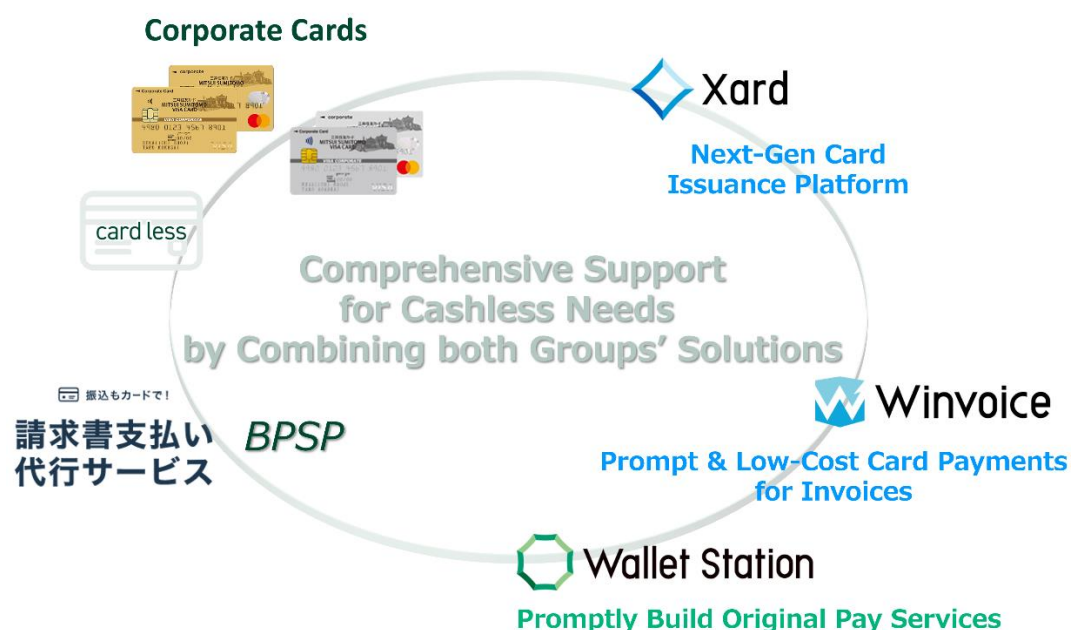
On the other hand, Infcurion, as a leading pioneer in Embedded Fintech, has been developing a wide range of payment-related products that combine payments, finance, and technology. Infcurion has been engaged with relevant stakeholders to implement advanced payment infrastructures, such as open APIs.

One example is the next-generation corporate card issuing platform "Xard," which can be integrated into various businesses and services. Since its inception, more than 1.5 million corporate cards have been issued through "Xard" in just three years. "Winvoice," an invoice payment platform and "Wallet Station," a digital wallet platform for businesses and financial institutions are also next-generation fintech solutions. These platforms enable non-financial businesses to offer financial services combined with their own products and services.

Creating New Industries and Services Through Integrated Fintech



By integrating SMBC Group's diverse solutions with Infcurion's advanced payment products, the two groups will develop and deliver a comprehensive solution platform that supports the digital transformation of businesses. With payments at its core, both parties aim to contribute to the evolution and expansion of the payments market as Japan's leading digital partner, empowering businesses to grow and transform operations.



The SMBC Group holds the belief that Infcurion's competitive edge stems from its entrepreneurial corporate culture, its proven track record of solving diverse payment challenges through collaboration with various businesses, and its talented team of consultants and engineers. Infcurion plans to utilize the newly raised capital to strengthen its product development capabilities, including expanding its workforce.

2.Strategy by Business Area

The SMBC Group and Infcurion will collaborate on providing solutions for both B2B and B2C businesses while also exploring collaborations in other areas aligning with customer needs.

(1) Payment and Financial Services for B2B Businesses

Building on the corporate card services offered by SMCC and Infcurion, the two companies will combine their knowledge and expertise to introduce a new corporate card solution equipped with industry-leading functionality and convenience, including instant issuance of corporate credit cards and mobile payments capabilities.

By leveraging the scalability of Infcurion's next-generation card issuance platform "Xard" and the SMBC Group's expertise in credit management, the two groups will develop a new model for co-branded cards. Additionally, integrating Infcurion's "Winvoice" invoice payment platform with corporate cards will provide a seamless and unified solution. The two groups are committed to developing even more convenient and advanced solutions by combining the products and expertise.

By integrating SMBC Group's financial services with Infcurion's consulting expertise and API integration technology, the two groups will create a one-stop platform that bridges financial and non-financial businesses. This platform will manage everything from invoicing to payments and collections, providing businesses with a seamless way to address their financial and operational needs in a digital, remote-friendly way.

(2) Payment and Financial Services for B2C Businesses

The two groups plan to integrate Sumitomo Mitsui Card's extensive payment solutions with Infcurion's "Wallet Station" digital wallet platform and features to allow our business clients to provide their Original Pay. By leveraging the digital wallet infrastructure of "Wallet Station" and Original Pay features, the two groups aim to develop platforms tailored to the needs and business models of clients.

This initiative will improve customer convenience for businesses, reduce friction at checkout by the promoting cashless payments, and enhance marketing accuracy through the use of payment data.

In addition, by leveraging the extensive financial solutions of both groups and Infcurion's consulting expertise, comprehensive support will be provided for businesses' cashless strategies, including assistance with financial strategy planning, addressing challenges such as integrating multiple customer IDs, and developing essential app features.

Beyond these efforts, by combining the two groups' products with the the SMBC Group's extensive customer base, the Alliance will strengthen the ability to provide payment and financial service solutions for businesses, creating new value and transforming clients' operation.

(Reference) Corporate Overview of each company

(1) SMBC Group

Sumitomo Mitsui Banking and Sumitomo Mitsui Card began offering “Olive,” their comprehensive financial service for individual customers, in March 2023. Functions such as bank accounts, card payments, financing, online securities, and online insurance can all be accessed seamlessly on a mobile app. Over 3 million customers opened accounts in the first year following the service launch, and it has been well-received as a “NEW STANDARD” in financial services. The Group strives to expand its services through collaborations and partnerships beyond the boundaries of the SMBC Group with leading players in financial and non-financial industries.

Company Name	Sumitomo Mitsui Banking Corporation
Representative	Akihiro Fukutome, President and CEO
Business	Banking

Company Name	Sumitomo Mitsui Card Company, Limited
Representative	Yukihiko Onishi, President and Representative Director
Business	Credit card business; debit card, prepaid card, and other payment businesses; loan business; guarantee business; gift card business; and other ancillary businesses

(2) Infcurion

Since its establishment in 2006, Infcurion has been a leading company in Embedded Fintech, with a mission of "Redefining the impossible through payments." The company has created numerous payment-related products that combine payments, finance, and technology. CEO Hiroki Maruyama was involved in the establishment of the Fintech Association of Japan and, as its first chairman, worked to establish the social infrastructure necessary to promote advanced technological foundations such as open APIs in the financial and payment industries. He has been involved in raising awareness of the industry for many years through collaborations with government agencies and private companies. Building on its extensive experience and achievements in the payment sector, Infcurion aims to continue co-creating unprecedented services with many businesses.

Company Name	Infcurion, Inc.
Representative	Hiroki Maruyama, President and CEO
Business	Consulting and system provision focused on the financial and payment fields

End of Release

◆For Inquiries Regarding This Release◆

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