



## RAKUTEN GROUP, INC.

Offers to Purchase for Cash up to \$1 Billion

Combined Aggregate Purchase Price (Exclusive of  
Accrued Interest) of the Outstanding Notes Listed  
Below

Subject to the 3.546% Tender Cap and Priorities Set Forth  
Herein

The Offers (as defined below) will expire at 5:00 p.m., Eastern Time, on Friday, February 23, 2024, unless extended or earlier terminated (such date and time, as the same may be extended, the “*Expiration Time*”). Holders of Notes must validly tender and not validly withdraw their Notes at or prior to 5:00 p.m., Eastern Time, on Wednesday, February 7, 2024 (such date and time, as it may be extended, the “*Early Tender Time*”), in order to be eligible to receive the applicable Total Consideration (as defined below), which includes an early tender premium of \$30 per \$1,000 principal amount of the Notes accepted for purchase pursuant to the Offers (the “*Early Tender Premium*”). If you tender your Notes following the Early Tender Time but at or prior to the Expiration Time, you will be eligible to receive only the applicable Tender Offer Consideration (as defined below), which is an amount equal to the applicable Total Consideration minus the applicable Early Tender Premium.

Tendered Notes may be validly withdrawn at any time at or prior to 5:00 p.m., Eastern Time, on Wednesday, February 7, 2024 (such date and time, as it may be extended, the “*Withdrawal Deadline*”), but not thereafter. The Offers are being made upon the terms and subject to conditions, including the Financing Condition (as defined below), set forth in this offer to purchase (this “*Offer to Purchase*”).

Rakuten Group, Inc. (“Rakuten,” “we,” “us” and “our”), hereby offers to purchase for cash for a combined aggregate purchase price (exclusive of accrued and unpaid interest) of up to \$1 billion (the “*Total Maximum Amount*”) (the offer for each series of Notes (as defined below), an “*Offer*” and, collectively, the “*Offers*”), upon the terms and subject to the conditions set forth in this Offer to Purchase and in the priority set forth in the table below, (i) our 10.25% Senior Notes due 2024 (the “*10.250% Notes*”) (the “*10.250% Notes Tender Offer*”), with no upper limit, and (ii) up to \$100 million aggregate purchase price (the “*3.546% Tender Cap*”) in respect of our 3.546% Senior Notes due 2024 (the “*3.546% Notes*” and, together with the 10.250% Notes, the “*Notes*” and each series, a “*series of Notes*”), in each case, exclusive of accrued and unpaid interest. Subject to the Total Maximum Amount and the 3.546% Tender Cap specified below, the amount of a series of Notes that is purchased in the Offers on any Settlement Date (as defined below) will be based on the order of priority (the “*Acceptance Priority Level*”) for such series set forth in the table below, subject to the proration arrangements applicable to the Offers. The Total Maximum Amount and the 3.546% Tender Cap may be increased or decreased at our sole discretion.

Rakuten is engaging in the Offers, and related Financing Transaction (as defined below), to proactively manage and extend the maturity profile of its debt. We expect to fund the Offers with the net proceeds from the Financing Transaction and cash on hand. After the settlement of the Offers, we also intend to make further offers to purchase certain of our Japanese-yen denominated senior bonds scheduled to mature in or after 2024. To the extent that proceeds from the Financing Transaction remain after the settlement of the Offers, we intend to use such proceeds as part of the funds for such offers or otherwise to reduce our bonds outstanding.

We are not offering to sell or soliciting offers to purchase any securities, including in the Financing Transaction, nor are we offering to purchase or soliciting offers to sell any securities, other than the Notes, by means of this Offer to Purchase.

The following table sets forth certain terms of the Offers:

Title of Notes	Issuer	CUSIP / ISIN / Common Code	Principal Amount Outstanding	Tender Cap (purchase price)(1)	Acceptance Priority Level(2)	Authorized Denominations (principal amount)	Tender Offer Consideration (3)(4)	Early Tender Premium (3)	Total Consideration (3)(4)(5)
10.250% Senior Notes due 2024	Rakuten Group, Inc.	Rule 144A: CUSIP: 75102W AD0 ISIN: US75102WAD02 Common Code: 254337714  Regulation S: CUSIP: J64264 AC8 ISIN: USJ64264AC82 Common Code: 254635782	\$950,000,000	—	1	\$200,000 and integral multiples of \$1,000 in excess thereof	\$1,006.76	\$30.00	\$1,036.76
3.546% Senior Notes due 2024	Rakuten Group, Inc.	CUSIP: n/a ISIN: XS2080765154 Common Code: 208076515	\$800,000,000	\$100,000,000	2	\$200,000 and integral multiples of \$1,000 in excess thereof	\$956.75	\$30.00	\$986.75

(1) The 3.546% Notes' Maximum Amount of \$100 million represents the maximum aggregate purchase price in respect of 3.546% Notes that will be purchased in the 3.546% Notes Tender Offer. The 3.546% Tender Cap can be increased or decreased at our sole discretion, and in each case are exclusive of accrued and unpaid interest.

(2) Subject to the Total Maximum Amount, the 3.546% Tender Cap and proration, the principal amount of each series of Notes that is purchased in each of the Tender Offers will be determined in accordance with the applicable acceptance priority level (in numerical priority order) specified in this column.

(3) Per \$1,000 principal amount.

(4) Excludes accrued and unpaid interest, which will also be paid.

(5) Includes the Early Tender Premium.

*The Dealer Managers for the Offers are:*

**Goldman Sachs & Co. LLC**

**Morgan Stanley**

**Daiwa Capital Markets**

**Mizuho**

January 25, 2024

**Rakuten's obligation to accept for purchase and to pay for any of the Notes in the Offers is subject to the satisfaction or waiver of a number of conditions, including the completion by Rakuten of the private placements of senior notes announced concurrently with the Offers (the "Financing Transaction") to fund the Total Consideration for Notes to be purchased pursuant to the Offers, on terms and subject to conditions reasonably satisfactory to us (the "Financing Condition"). This Offer to Purchase is not an offer to sell or a solicitation of an offer to buy any securities in the Financing Transaction or otherwise. See "Principal Terms of the Offers" and "Conditions of the Offers."**

**The amounts of each series of Notes that are purchased on any Settlement Date (as defined herein) will be determined in accordance with the Acceptance Priority Levels set forth on the front cover of this Offer to Purchase, with 1 being the highest Acceptance Priority Level and 2 being the lowest Acceptance Priority Level, provided that we will only accept for purchase Notes with an aggregate purchase price (excluding accrued interest) up to the Total Maximum Amount. In addition, no more than \$100 million aggregate purchase price of 3.546% Notes will be purchased in the Offers. The 3.546% Tender Cap may be increased or decreased by Rakuten at its sole discretion.**

Subject to the 3.546% Tender Cap and the Total Maximum Amount, holders of Notes (each a "*Holder*" and collectively, "*Holders*") that are validly tendered (and not validly withdrawn) at or prior to the Early Tender Time and accepted for purchase will receive the applicable Total Consideration. The applicable Total Consideration includes the applicable Early Tender Premium set forth in the table on the cover page of this Offer to Purchase and will be payable on the Initial Settlement Date (as defined herein) (or the Final Settlement Date (as defined herein) if we elect not to have an Initial Settlement Date). Early tenders will be accepted in priority of tenders that are not early tenders, and if the 3.546% Tender Cap and the Total Maximum Amount are full at early deadline, no further tenders will be accepted. Subject to the 3.546% Tender Cap and the Total Maximum Amount, Holders of Notes tendered following the Early Tender Time, but at or prior to the Expiration Time, and accepted for purchase will receive the applicable Tender Offer Consideration, which will be payable on the Final Settlement Date. The "*Tender Offer Consideration*" for a series of Notes will equal the applicable Total Consideration minus the applicable Early Tender Premium. We may, at our option, elect to pay the Total Consideration after the Early Tender Time but before the Expiration Time (the date of such payment, the "*Initial Settlement Date*"). We expect to have an Initial Settlement Date, and assuming that the conditions to the Offers are satisfied or waived, such Initial Settlement Date may be as early as three business days following the Early Tender Time. "*Business day*" means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in the United States are generally authorized or obligated by law or executive order to close. The Tender Offer Consideration will be payable promptly after the Expiration Time (the date of such payment, the "*Final Settlement Date*" and, together with the Initial Settlement Date, if any, each a "*Settlement Date*"). Assuming that the conditions to the Offers are satisfied or waived, the Final Settlement Date is expected to occur three business days after the Expiration Time.

In addition to the Total Consideration or the Tender Offer Consideration, as applicable, all Holders of Notes accepted for purchase will also receive accrued and unpaid interest from, and including, the last interest payment date for such series of Notes to, but excluding, the applicable Settlement Date.

Tenders of Notes may be withdrawn at any time at or prior to the Withdrawal Deadline, but not thereafter. Notwithstanding any other provision in this Offer to Purchase, Rakuten's obligation to accept for purchase, and pay for, Notes of each series which are validly tendered (and not validly withdrawn) pursuant to an Offer is subject to and conditioned upon the satisfaction or waiver of the Financing Condition and the General Conditions (as defined below).

Rakuten reserves the right to (i) waive any and all conditions to an Offer with respect to one or more series of Notes; (ii) extend or terminate an Offer with respect to one or more series of Notes at any time; (iii) increase or decrease the Total Maximum Amount; (iv) increase or decrease the 3.546% Tender Cap; or (v) otherwise amend an Offer with respect to one or more series of Notes in any respect, in each case, subject to applicable law and in accordance with the terms set forth in this Offer to Purchase. If we increase or decrease the Total Maximum Amount, increase or decrease the 3.546% Tender Cap or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law. If Rakuten chooses to increase the Total Maximum Amount, we may correspondingly (but are not obligated to) increase the 3.546% Tender Cap at our option. If a Holder tenders more Notes in an Offer than it expects to be accepted for purchase by us based on the Total Maximum Amount, the 3.546% Tender Cap, or the Acceptance Priority Level for the Notes being tendered,

and we subsequently accept more Notes than such Holder expected of such Notes tendered and not validly withdrawn on or before the Withdrawal Deadline, such Holder will not be able to withdraw any of its previously tendered Notes. **Accordingly, a Holder should not tender any Notes that it does not wish to be accepted for purchase.**

Rakuten has retained Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, Daiwa Capital Markets America Inc. and Mizuho Securities USA LLC to act as the dealer managers (the “*Dealer Managers*”) in connection with the Offers. Global Bondholder Services Corporation has been appointed as Depositary and Information Agent (the “*Depositary and Information Agent*”) in connection with the Offers.

We will deliver the Notes that we purchase in the Offers to the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, as applicable, for cancellation, and those Notes will cease to be outstanding. Any Notes that remain outstanding after the Offers will continue to be our obligations. Holders of those outstanding Notes will continue to have all the rights associated with those Notes. We are not seeking the approval of Holders for any amendment to the Notes or the indenture or fiscal agency agreement, as applicable, relating to the Notes.

None of the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes or the Dealer Managers or any affiliate of any of them nor their respective directors, officers, employees or affiliates assume any responsibility for the accuracy or completeness of the information contained in this Offer to Purchase or related documents including the information concerning the Offers, us or any of our affiliates contained in this Offer to Purchase or for any failure by us to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes or the Dealer Managers or any affiliate of any of them are providing Holders with any legal, business, tax or other advice in this Offer to Purchase. Holders should consult with their own advisers as needed to assist them in making an investment decision and to advise them whether they are legally permitted to tender Notes for cash. Holders must comply with all laws that apply to them in any place in which they possess this Offer to Purchase.

Holders must also obtain any consents or approvals that they need in order to tender their Notes. None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, as applicable, or the Dealer Managers or any affiliate of any of them are responsible for Holders’ compliance with these legal requirements.

**If you do not tender your Notes, they will remain outstanding. If we consummate any or all of the Offers, the applicable trading market for your outstanding Notes may be significantly more limited. For a discussion of this risk, see “Special Considerations.”**

**None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes or the Dealer Managers or any affiliate of any of them makes any recommendation as to whether or not Holders of Notes should tender Notes pursuant to the Offers. Each Holder must decide whether to tender Notes and, if tendering, the amount of Notes to tender. Holders are urged to review carefully all information contained or incorporated by reference in this Offer to Purchase.**

## OFFER AND DISTRIBUTION RESTRICTIONS

*This Offer to Purchase does not constitute an offer to purchase or a solicitation of an offer to sell Notes (and tenders of Notes in the Offers will not be accepted from Holders) in any jurisdiction in which, or to any person to or from whom, it is unlawful to make or solicit such offer under applicable securities, blue sky or other laws. The distribution of this Offer to Purchase in certain jurisdictions may be restricted by law. Persons into whose possession this Offer to Purchase comes are required by each of Rakuten, the Dealer Managers and the Depositary and Information Agent to inform themselves about, and to observe, any such restrictions.*

Nothing in this Offer to Purchase and any other documents or materials relating to the Offers constitutes an offer to buy or the solicitation of an offer to sell securities in the United Kingdom and accordingly these are only directed at (i) persons who are outside the United Kingdom, (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “*Financial Promotion Order*”), (iii) persons falling within Article 43(2) of the Financial Promotion Order, including existing members and creditors of Rakuten or (iv) any other persons to whom the communication of this Offer to Purchase and any other documents or materials relating to the Offers can be lawfully communicated in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

#### **France**

The Offers are not being made, directly or indirectly, to the public in France. Neither this Offer to Purchase nor any other documents or offering materials relating to the Offers, has been or shall be distributed to the public in France and only (i) qualified investors (*investisseurs qualifiés*) acting for their own account, other than individuals, and/or (ii) legal entities whose total assets exceed €5 million, or whose annual turnover exceeds €5 million, or whose managed assets exceed €5 million or whose average annual headcount exceeds 50, acting for their own account, all as defined in, and in accordance with, Articles L.341-2, L.411-2, D.341-1 and D.411-1 of the French *Code monétaire et financier*, are eligible to participate in the Offers. This Offer to Purchase has not been submitted to the clearance procedures (*visa*) of the *Autorité des marchés financiers*.

#### **Italy**

None of the Offers, this Offer to Purchase or any other documents or materials relating to the Offers has been or will be submitted to the clearance procedure of the CONSOB, pursuant to applicable Italian laws and regulations.

The Offers are being carried out in Italy as exempted offers pursuant to article 101-*bis*, paragraph 3-*bis* of the Financial Services Act and article 35-*bis*, paragraph 4 of CONSOB Regulation No. 11971 of May 14, 1999, as amended.

Holders or beneficial owners of the Notes that are a resident of and/or located in Italy can tender the Notes for purchase through authorized persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of October 29, 2007, as amended, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations and with any requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offers.

#### **Belgium**

The Offers do not constitute a public offering within the meaning of Articles 3, §1, 1° and 6, §1, of the Belgian Takeover Law. The Offers are exclusively conducted under applicable private placement exemptions and have therefore not been, and will not be, notified to, and neither this Offer to Purchase nor any other document or material relating to the Offers have been, or will be, approved by the Belgian Financial Services and Markets Authority (*Autorité des Services et Marchés Financiers/Autoriteit voor Financiële Diensten en Markten*). Accordingly, the Offers, this Offer to Purchase, any memorandum, information circular, brochure or any similar documents relating to the Offers may not be advertised, offered or distributed, directly or indirectly, to any person located and/or resident in Belgium other than to persons who qualify as “Qualified Investors” in the meaning of Article 10, §1, of the Belgian Prospectus Law, as referred to in Article 6, §3, 1° of the Belgian Takeover Law, and who is acting for its own account, or in other circumstances which do not constitute a public offering in Belgium pursuant to the Belgian Takeover Law. This Offer to Purchase has been issued only for the personal use of the above Qualified Investors and exclusively for the purpose of the Offers. Accordingly, the information contained herein may not be used for any other purpose or disclosed to any other person in Belgium.

#### **The Netherlands**

The communication of this Offer to Purchase and any other documents or materials relating to the Offers is directed only at qualified investors as defined in the Prospectus Regulation. The Offers have not, may not and will not be made to the public in the Netherlands, other than to qualified investors. This Offer to Purchase must not be acted on or relied on by persons who are not qualified investors. Any investment or investment activity to which this Offer to Purchase relates is available only to qualified investors and will be engaged in only with qualified investors. Recipients of this Offer to Purchase are not permitted to transmit it to any other person.

#### **Canada**

The communication of this Offer to Purchase is not, and under no circumstances is it to be construed as, a prospectus, an advertisement or a public offering in Canada of the Notes referred to in this document. No prospectus has been filed with any securities commission or similar regulatory authority in Canada in connection with the Offers described herein. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this Offer to Purchase or expressed an opinion about the Notes described herein and any representation to the contrary is an offense.

#### **Singapore**

This Offer to Purchase has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. The Offer to Purchase does not constitute an offering of securities in Singapore pursuant to the Securities and Futures Act 2001 of Singapore.

#### **General**

This Offer to Purchase does not constitute an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes in the Offers will not be accepted from Holders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and the Dealer Managers or the Dealer Managers' respective affiliates are such licensed brokers or dealers in any such jurisdiction, such Offer shall be deemed to be made by such Dealer Managers or affiliate, as the case may be, on our behalf in such jurisdiction.

Each Holder participating in the Offers will also be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in "Representations, Warranties and Agreements by Tendering Holders." Any tender of Notes for purchase pursuant to an Offer from a Holder that is unable to make these representations will not be accepted. Each of Rakuten, the Dealer Managers and the Depositary and Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offers, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result Rakuten determines (for any reason) that such representation is not correct, such tender shall not be accepted.

## IMPORTANT DATES

Holders of Notes should take note of the following dates in connection with the Offers:

<u>Date</u>	<u>Calendar Date</u>	<u>Event</u>
Launch Date.....	Thursday, January 25, 2024.	Commencement of the Offers.
Early Tender Time.....	5:00 p.m., Eastern Time, on Wednesday, February 7, 2024, unless extended or earlier terminated by Rakuten in its sole discretion.	The deadline for Holders to tender Notes pursuant to the Offers and be eligible to receive payment of the applicable Total Consideration, which includes the Early Tender Premium. Notes tendered at or prior to the Early Tender Time will also be accepted for purchase in priority to Notes tendered thereafter.
Withdrawal Deadline.....	5:00 p.m., Eastern Time, on Wednesday, February 7, 2024, unless extended or earlier terminated by Rakuten in its sole discretion. Notes tendered after such time may not be validly withdrawn, unless otherwise required by applicable law.	The deadline for Holders to validly withdraw tenders of Notes made prior to the Withdrawal Deadline, unless otherwise required by applicable law.
Initial Settlement Date.....	We expect to have an Initial Settlement Date, which may be as early as Monday, February 12, 2024 (assuming the Early Tender Time is on Wednesday, February 7, 2024), three business days after the Early Tender Time.	If we elect to have an Initial Settlement Date, the day that Rakuten deposits, or causes to be deposited, with the applicable Clearing Systems (as defined below) the funds necessary to pay the Total Consideration plus accrued and unpaid interest for all Notes that were validly tendered and not validly withdrawn at or prior to the Early Tender Time and accepted for purchase.
Expiration Time.....	5:00 p.m., Eastern Time, on Friday, February 23, 2024, unless extended or earlier terminated by Rakuten in its sole discretion.	The deadline for Holders to tender Notes pursuant to the Offers. Notes tendered after the Early Tender Time and at or prior to the Expiration Time will be eligible to receive payment of the applicable Tender Offer Consideration. Notes tendered after the Early Tender Time will also have lower priority compared with Notes tendered at or prior to the Early Tender Time. See “Principal Terms of the Offers—Total Maximum Amount; 3.546% Tender Cap; Acceptance Priority Levels and Proration.”
Final Settlement Date .....	Promptly after the Expiration Time. Rakuten expects that this date will be	The day that Rakuten deposits, or causes to be deposited, with the

<u>Date</u>	<u>Calendar Date</u>	<u>Event</u>
	three business days after the Expiration Time (Wednesday, February 28, 2024, assuming the Expiration Time is Friday, February 23, 2024), unless extended by Rakuten in its sole discretion.	applicable Clearing Systems the funds necessary to pay the Tender Offer Consideration plus accrued and unpaid interest for all Notes that were validly tendered after the Early Tender Time and at or prior to the Expiration Time and accepted for purchase (or, if we do not elect to have an Initial Settlement Date, to pay (i) the Total Consideration plus accrued and unpaid interest for all Notes that were validly tendered and not validly withdrawn at or prior to the Early Tender Time and accepted for purchase, and (ii) the Tender Offer Consideration plus accrued and unpaid interest for all Notes that were validly tendered after the Early Tender Time and at or prior to the Expiration Time and accepted for purchase).

**The above times and dates are subject to Rakuten's right, in its sole discretion, to extend, amend and/or terminate the Offers (subject to applicable law and as provided in this Offer to Purchase) at any time at or prior to the Expiration Date. Holders of Notes are advised to check with any bank, securities broker or other intermediary through which they hold Notes as to when such intermediary would need to receive instructions from a beneficial owner in order for that beneficial owner to be able to participate in, or withdraw their instruction to participate in, the Offers before the deadlines specified in this Offer to Purchase. The deadlines set by any intermediary, such as a bank, broker or other nominee, and Clearing System for the submission of tender instructions may be earlier than the relevant deadlines specified above.**

## IMPORTANT INFORMATION

Any Holder desiring to tender Notes pursuant to the Offers should request its broker, dealer, commercial bank, trust company, custodian or other nominee to effect the transaction for such Holder. Beneficial owners whose Notes are registered in the name of a broker, dealer, commercial bank, trust company, custodian or other nominee must contact such broker, dealer, commercial bank, trust company, custodian or other nominee if they desire to tender Notes so registered. In order to effect the tender, any such broker, dealer, commercial bank, trust company, custodian or other nominee must follow the procedures set forth below under the caption "Procedures for Tendering Notes."

All of the Notes are held in book-entry form through the facilities of The Depository Trust Company ("DTC"), Clearstream Banking, S.A. ("Clearstream"), or Euroclear Bank S.A./N.V. ("Euroclear") (each, a "Clearing System" and collectively, the "Clearing Systems"). DTC has authorized participants that hold 10.250% Notes on behalf of beneficial owners of 10.250% Notes through DTC to tender their 10.250% Notes as if they were Holders. To effect a tender of 10.250% Notes, DTC participants should transmit their acceptance to DTC through the DTC Automated Tender Offer Program ("ATOP"), for which the transaction will be eligible, and follow the procedure for book-entry transfer set forth in "Procedures for Tendering Notes—Procedures for Tendering Notes Held through DTC." A beneficial owner of 10.250% Notes that are held of record by a broker, dealer, commercial bank, trust company, custodian or other nominee must instruct such nominee to tender the 10.250% Notes on the beneficial owner's behalf. See "Procedures for Tendering Notes—Book-Entry Transfer." Clearstream and Euroclear participants that hold Notes of either series on behalf of beneficial owners of Notes through Clearstream or Euroclear must comply with the procedures described herein and the procedures of Clearstream or Euroclear, as applicable, as described in "Procedures for Tendering Notes."

A separate tender instruction must be submitted on behalf of each beneficial owner of the Notes to DTC, Clearstream or Euroclear, given the possible proration.

There are no guaranteed delivery provisions provided for by Rakuten in conjunction with the Offers under the terms in this Offer to Purchase. Holders must tender their Notes in accordance with the procedures set forth under "Procedures for Tendering Notes" at or prior to the Expiration Time.

Tendering Holders will not be obligated to pay brokerage fees or commissions to Rakuten, the Dealer Managers, the Depository and Information Agent. However, such Holders may be obligated to pay commissions or other payments to their own broker, dealer, commercial bank, trust company, custodian or other nominee.

Requests for additional copies of this Offer to Purchase and requests for assistance relating to the procedure for tendering Notes may be directed to the Depository and Information Agent at the address and telephone numbers on the back cover page of this Offer to Purchase. All documentation relating to the offer, together with any updates, will be available via the offer website: <https://www.gbsc-usa.com/rakuten/> (the "Offer Website"). Requests for assistance relating to the terms and conditions of the Offers may be directed to the Dealer Managers at the addresses and telephone numbers on the back cover page of this Offer to Purchase. Beneficial owners may also contact their broker, dealer, commercial bank, trust company, custodian or other nominee for assistance regarding the Offers.

From time to time after completion of the Offers, we may purchase additional Notes in the open market, in privately negotiated transactions, through tender offers or otherwise or we may redeem Notes that are able to be redeemed pursuant to their terms. Any future purchases may be on the same terms or on terms that are more or less favorable to Holders of Notes than the terms of the applicable Offer. Any future purchases by us will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) we may choose to pursue in the future.

**This Offer to Purchase contains important information which should be read carefully and in its entirety before any decision is made with respect to the Offers.**

**This Offer to Purchase does not constitute an offer to purchase Notes in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer under applicable securities or blue sky laws. The delivery of this Offer to Purchase shall not under any circumstances create any implication that the information contained in this Offer to Purchase is correct as of any time subsequent to the date hereof or**

**that there has been no change in the information set forth in this Offer to Purchase or in the business operations or financial condition of Rakuten or any of its affiliates since the date hereof.**

**No dealer, salesperson or other person has been authorized to give any information or to make any representation not contained in this Offer to Purchase and, if given or made, such information or representation may not be relied upon as having been authorized by Rakuten, the Depositary and Information Agent or the Dealer Managers.**

**This Offer to Purchase does not constitute an offer to sell any securities or the solicitation of an offer to buy any securities (other than the Notes).**

**Neither this Offer to Purchase nor any of the other documents relating to the Offers have been filed with or reviewed by any federal or state securities commission or regulatory authority of any country, nor has any such commission or authority passed upon the accuracy or adequacy of this Offer to Purchase or any of the other documents relating to the Offers. Any representation to the contrary is unlawful and may be a criminal offense.**

## TABLE OF CONTENTS

SUMMARY.....	1
AVAILABLE INFORMATION .....	7
FORWARD-LOOKING STATEMENTS .....	7
RAKUTEN GROUP.....	8
PURPOSE OF THE OFFERS; CONCURRENT FINANCING TRANSACTION; SOURCE OF FUNDS.....	8
SPECIAL CONSIDERATIONS .....	9
PRINCIPAL TERMS OF THE OFFERS .....	11
CONDITIONS OF THE OFFERS.....	13
EXPIRATION; EXTENSION; AMENDMENT; TERMINATION .....	15
PROCEDURES FOR TENDERING NOTES .....	16
REPRESENTATIONS, WARRANTIES AND AGREEMENTS BY TENDERING HOLDERS .....	19
ACCEPTANCE OF NOTES FOR PURCHASE; PAYMENT FOR NOTES; PAYMENT OF PURCHASE PRICE .....	21
WITHDRAWAL OF TENDERS.....	22
OTHER MATTERS.....	23
CERTAIN JAPANESE TAX CONSIDERATIONS.....	24
CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS.....	27
DEALER MANAGERS; DEPOSITORY AND INFORMATION AGENT .....	30
MISCELLANEOUS .....	30

## SUMMARY

*The following summary is not intended to be complete and is qualified in its entirety by reference to, and should be read in conjunction with, the information appearing elsewhere or incorporated by reference into this Offer to Purchase. Each undefined capitalized term used in this summary has the meaning set forth elsewhere in this Offer to Purchase. Holders are urged to read this Offer to Purchase in its entirety.*

Company.....	The Offers are being made by Rakuten Group, Inc.
The Notes.....	<p>The Notes consist of the following series of Notes issued by Rakuten Group, Inc.:</p> <ul style="list-style-type: none"><li>• 10.250% Notes: 10.250% Senior Notes due 2024; and</li><li>• 3.546% Notes: 3.546% Senior Notes due 2024.</li></ul>
The Offers.....	<p>Rakuten is offering to purchase the Notes for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase and for the aggregate purchase price (exclusive of accrued and unpaid interest) set forth herein up to the Total Maximum Amount, subject to the Acceptance Priority Levels and the 3.546% Tender Cap described herein.</p>
Total Maximum Amount .....	<p>Up to \$1 billion combined aggregate purchase price (exclusive of accrued and unpaid interest) of the Notes. If we increase or decrease the Total Maximum Amount or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law.</p>
	<p>The purchase price for Notes will be paid in U.S. Dollars.</p>
Tender Cap.....	<p>The 3.546% Tender Cap limits the maximum aggregate purchase price of 3.546% Notes that may be purchased in the Offers to \$100 million exclusive of accrued and unpaid interest. If we increase or decrease the 3.546% Tender Cap or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law.</p>

Acceptance Priority Levels and Proration .....	Subject to the 3.546% Tender Cap and the Total Maximum Amount, the Notes accepted on any Settlement Date will be accepted in accordance with their Acceptance Priority Levels set forth on the front cover of this Offer to Purchase (with 1 being the highest Acceptance Priority Level and 2 being the lowest Acceptance Priority Level). Subject to the 3.546% Tender Cap and the Total Maximum Amount, all Notes tendered at or before the Early Tender Time having a higher Acceptance Priority Level will be accepted before any Notes tendered at or before the Early Tender Time having a lower Acceptance Priority Level are accepted, and all Notes validly tendered after the Early Tender Time having a higher Acceptance Priority Level will be accepted before any Notes tendered after the Early Tender Time having a lower Acceptance Priority Level are accepted in the Offers. <b>However, even if the Offers are not fully subscribed as of the Early Tender Time, subject to the 3.546% Tender Cap and the Total Maximum Amount, Notes tendered at or before the Early Tender Time will be accepted for purchase in priority to other Notes tendered after the Early Tender Time, even if such Notes tendered after the Early Tender Time have a higher Acceptance Priority Level than Notes tendered prior to the Early Tender Time.</b>
Early Tender Time.....	Acceptances for tenders of Notes of a series may be subject to proration (i) if the aggregate purchase price of the 3.546% Notes validly tendered and not validly withdrawn is greater than the 3.546% Tender Cap or (ii) if the aggregate purchase price (exclusive of accrued and unpaid interest) for any relevant series of Notes validly tendered and not validly withdrawn would cause the Total Maximum Amount to be exceeded. <b>Furthermore, if the Offers are fully subscribed as of the Early Tender Time, Holders who validly tender Notes after the Early Tender Time will not have any of their Notes accepted for purchase.</b>
Expiration Time.....	The Early Tender Time for each Offer is 5:00 p.m., Eastern Time, on Wednesday, February 7, 2024, unless extended or earlier terminated by Rakuten in its sole discretion.
Effect of Consummation of Offers On Unpurchased Notes.....	The Offers will expire at 5:00 p.m., Eastern Time, on Friday, February 23, 2024, unless extended or earlier terminated by Rakuten in its sole discretion. Rakuten may, in its sole discretion, extend an Offer with respect to one or more series of Notes but not the other series of Notes. See “Expiration; Extension; Amendment; Termination.”
	With respect to any series of Notes for which an Offer is consummated, the aggregate principal amount of Notes of such series that remains outstanding may be significantly reduced, which may materially adversely affect the liquidity of any of the Notes of such series that remain outstanding after consummation of such Offer. See “Special Considerations.”

Total Consideration .....	The applicable Total Consideration for each \$1,000 principal amount of Notes tendered and accepted for purchase pursuant to the Offers for Holders who have tendered and not validly withdrawn their Notes at or prior Early Tender Time, will be as set forth opposite the applicable series of Notes under the column “Total Consideration” on the front cover of this Offer to Purchase.
Tender Offer Consideration.....	Holders who validly tender their Notes after the Early Tender Time but at or prior to the Expiration Time, and whose Notes are accepted for purchase, will receive only the Tender Offer Consideration, which is the applicable Total Consideration minus the applicable Early Tender Premium.
Accrued Interest.....	In addition to the Total Consideration or Tender Offer Consideration, as applicable, each Holder whose Notes are tendered and accepted for purchase will receive accrued and unpaid interest on such Notes from, and including, the last applicable interest payment date up to, but excluding, the applicable Settlement Date (“Accrued Interest”).
Initial Settlement Date.....	We expect to have an Initial Settlement Date, and assuming that the conditions to the Offers are satisfied or waived, the Initial Settlement Date in respect of Notes that are validly tendered and not validly withdrawn at or prior to the Early Tender Time pursuant to the Offers and accepted for purchase may be as early as three business days following the Early Tender Time.
Final Settlement Date .....	The date we choose as the Initial Settlement Date is entirely in our discretion, and there can be no assurance that we will have an Initial Settlement Date.
Purpose of the Offers.....	Assuming that the conditions to the Offers are satisfied or waived, the Final Settlement Date in respect of Notes that are validly tendered after the Early Tender Time and at or prior to the Expiration Time (or, if we do not elect to have an Initial Settlement Date, in respect of all Notes validly tendered at or prior to the Expiration Time) pursuant to the Offers and accepted for purchase will be promptly after the Expiration Time and is expected to be three business days following the Expiration Time, unless extended by Rakuten in its sole discretion.
	Rakuten is engaging in the Offers, and related Financing Transaction, to proactively manage and extend the maturity profile of its debt. We expect to fund the Offers with the net proceeds from the Financing Transaction and cash on hand. After the settlement of the Offers, we also intend to make further offers to purchase certain of our Japanese-yen denominated senior bonds scheduled to mature in or after 2024. To the extent that proceeds from the Financing Transaction remain after the settlement of the Offers, we intend to use such proceeds as part of the funds for such offers or otherwise to reduce our bonds outstanding. We are not offering to purchase or soliciting offers to sell any

securities, other than the Notes, by means of this Offer to Purchase.

We will deliver the Notes that we repurchase in the Offers to the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, as applicable, for cancellation and those Notes will cease to be outstanding.

Financing Transaction; Source of Funds .....

Rakuten is conducting a private placement of senior notes announced concurrently with the Offers. We expect to fund the Offers with the net proceeds from the Financing Transaction and cash on hand.

Rakuten's obligation to accept for purchase and to pay for any Notes in the Offers is subject to the completion of the Financing Transaction to fund the Total Consideration for Notes to be purchased pursuant to the Offers. See "Principal Terms of the Offers" and "Conditions of the Offers." This Offer to Purchase is not an offer to sell or a solicitation of an offer to buy any securities in the Financing Transaction or otherwise.

Acceptance of Tendered Notes and Payment .....

Upon the terms of the Offers and upon satisfaction or waiver of the conditions to the Offers specified herein under "Conditions of the Offers," Rakuten will (i) accept for purchase Notes validly tendered and not validly withdrawn (up to the Total Maximum Amount, subject to the 3.546% Tender Cap and to proration as described in this Offer to Purchase) and (ii) promptly pay the Total Consideration or the Tender Offer Consideration, as the case may be (plus Accrued Interest), on the applicable Settlement Date for all Notes accepted for purchase.

Only Holders who validly tender Notes and do not validly withdraw such tender pursuant to the Offers will be eligible to receive the applicable Total Consideration or Tender Offer Consideration. Payment of the applicable Total Consideration or Tender Offer Consideration, together with the applicable Accrued Interest, for Notes validly tendered and not validly withdrawn pursuant to the Offers and accepted for purchase will be made from funds deposited by Rakuten with the applicable Clearing Systems. Such payments are expected to be made as set forth under "Initial Settlement Date" and "Final Settlement Date," above. See "Acceptance of Notes for Purchase; Payment for Notes; Payment of Purchase Price."

Subject to the discussion below under "Conditions of the Offers," Rakuten reserves the right to waive any or all of the conditions to an Offer with respect to one or more series of Notes and to pay for all Notes of such series validly tendered and not validly withdrawn pursuant to the Offers or to extend the Expiration Time.

Conditions of the Offers .....	Notwithstanding any other provision in this Offer to Purchase, Rakuten's obligation to accept for purchase, and pay for, Notes of each series which are validly tendered and not validly withdrawn pursuant to the Offers is subject to and conditioned upon the satisfaction or waiver of the Financing Condition and the General Conditions. Rakuten may waive any of the conditions of an Offer, in whole or in part, at any time. Rakuten may, in its sole discretion, waive any of the conditions to an Offer for one or more series of Notes but not the other series of Notes. See "Conditions of the Offers."
How to Tender Notes.....	See "Procedures for Tendering Notes." For further information, call the Depositary and Information Agent or consult your broker, dealer, commercial bank, trust company, custodian or other nominee for assistance.
Withdrawal Rights.....	See "Representations, Warranties and Agreements by Tendering Holders" for a discussion of the items that all Holders who tender Notes in any of the Offers will be deemed to have represented, warranted and agreed.
	There is no letter of transmittal for the Offers.

Tenders of Notes may be validly withdrawn at any time at or prior to the Withdrawal Deadline, but not thereafter, by following the procedures described in this Offer to Purchase. Any Notes that are tendered following the Withdrawal Deadline but at or prior to the Expiration Time may not be withdrawn, in each case, unless the applicable Offer is amended in a manner materially adverse to you as a tendering Holder, in which case withdrawal rights will be extended in accordance with applicable laws and as we deem appropriate to allow tendering Holders a reasonable opportunity to respond to such amendment.

If we increase or decrease the Total Maximum Amount, increase or decrease the 3.546% Tender Cap of one or more series or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law. If Rakuten chooses to increase the Total Maximum Amount, it may correspondingly increase the 3.546% Tender Cap at its option. Notes withdrawn at or prior to the Withdrawal Deadline may be tendered again at or prior to the Expiration Time in accordance with the procedures set forth in this Offer to Purchase.

Other Purchases of Notes .....	Rakuten and/or its affiliates may from time to time, including during the term of the Offers, purchase additional Notes in the open market, in privately negotiated transactions, through tender offers, exchange offers, the exercise of redemption rights or otherwise. Any future purchases or other acquisitions may be on the same terms or on terms that are more or less favorable to Holders than the terms of the Offers. Any such purchases or other acquisitions will depend on various factors existing at that time. There can be no assurance as to which, if any, of these alternatives (or combinations thereof) Rakuten and/or its affiliates may choose to pursue in the future.
Certain Tax Consequences .....	For a discussion of certain Japanese and U.S. tax consequences of participating in the Offers, see “Certain Japanese Tax Considerations” and “Certain U.S. Federal Income Tax Considerations.”
Dealer Managers.....	Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, Daiwa Capital Markets America Inc. and Mizuho Securities USA LLC are serving as the dealer managers (the <i>“Dealer Managers”</i> ) in connection with the Offers. The contact information for the Dealer Managers appears on the back cover of this Offer to Purchase.
Depository and Information Agent.....	Global Bondholder Services Corporation is serving as the Depository and Information Agent in connection with the Offers. Requests for additional copies of this Offer to Purchase and any other required documents should be directed to the Depository and Information Agent. The contact information for the Depository and Information Agent appears on the back cover of this Offer to Purchase.
Offer Website.....	The website, <a href="https://www.gbsc-usa.com/rakuten/">https://www.gbsc-usa.com/rakuten/</a> , operated by the Depository and Information Agent for the purpose of this Offer.

## **AVAILABLE INFORMATION**

Rakuten files annual reports and other information with The Tokyo Stock Exchange (the “*TSE*”) and The Singapore Exchange Securities Trading Limited (the “*SGX-ST*”). These filings are available to the public from the TSE’s website at [https://www.release.tdnet.info/index\\_e.html](https://www.release.tdnet.info/index_e.html) and SGX-ST’s website at <http://www.sgx.com>. Rakuten also releases financial and other information on its website at <https://global.rakuten.com/corp/investors/>. The information on the respective websites of the TSE, the SGX-ST and Rakuten are not, and shall not be deemed to be, incorporated into or a part of this Offer to Purchase or any other document relating to the Offers.

## **FORWARD-LOOKING STATEMENTS**

This Offer to Purchase may contain “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, referred to as the “*Exchange Act*,” and Section 27A of the Securities Act of 1933, as amended, referred to as the “*Securities Act*.*”* Forward-looking statements give our current expectations or forecasts of future events. One can identify these statements by the fact that they do not relate strictly to historical or current facts. Such statements may include words such as “should,” “expect,” “anticipate,” “estimate,” “target,” “may,” “project,” “guidance,” “intend,” “plan,” “believe” and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. Forward-looking statements speak only as of the date on which they are made, and we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any disclosures we make in our annual reports and other disclosed information. See “Available Information.”

## RAKUTEN GROUP

We are one of Japan's leading Internet companies. Under the concept of "single brand, single membership," we seek to integrate our core businesses as part of our "Rakuten Ecosystem" business model through which Rakuten members can access a wide variety of our services with a single Rakuten ID and participate in a single loyalty program.

We divide our operations into three segments:

- *Internet Services*: includes businesses running various e-commerce sites such as our primary online shopping platform, *Rakuten Ichiba*, online cash back sites, online travel sites and hotel booking sites, operation of digital content sites and our *Rakuten Viber* messaging service, along with businesses for sales of advertising on these sites and our businesses related to professional sports teams;
- *FinTech*: includes businesses engaged in providing financial services over the Internet such as credit cards, digital banking, online securities, life insurance, general insurance, electronic payments and crypto asset trading; and
- *Mobile*: includes businesses engaged in communication services, such as our MNO business (and also includes our MVNO business, which is no longer accepting new service activations). Our Mobile segment also includes our energy business and *Rakuten Symphony*.

Our head office is located at 1-14-1 Tamagawa, Setagaya-ku, Tokyo 158-0094, Japan, and our telephone number is +81-50-5581-6910. Our corporate website is <http://global.rakuten.com/corp/>. The information on our website does not constitute a part of this offer to purchase.

### **PURPOSE OF THE OFFERS; CONCURRENT FINANCING TRANSACTION; SOURCE OF FUNDS**

Rakuten is engaging in the Offers, and the related Financing Transaction, to proactively manage and extend the maturity profile of its debt. This Offer to Purchase is conditioned upon, among other things, the satisfaction or waiver of the Financing Condition. This Offer to Purchase is not an offer to sell or a solicitation of an offer to buy any securities in the Financing Transaction or otherwise.

We expect to fund the Offers with the net proceeds from the Financing Transaction and cash on hand. After the settlement of the Offers, we also intend to make further offers to purchase certain of our Japanese-yen denominated senior bonds scheduled to mature in or after 2024. To the extent that proceeds from the Financing Transaction remain after the settlement of the Offers, we intend to use such proceeds as part of the funds for such offers or otherwise to reduce our bonds outstanding..

We will deliver the Notes that we purchase in the Offers to the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, as applicable, for cancellation, and those Notes will cease to be outstanding. Any Notes that remain outstanding after the Offers will continue to be our obligations. Holders of those outstanding Notes will continue to have all the rights associated with those Notes. We are not seeking the approval of Holders for any amendment to the Notes, the indenture relating to the 10.250% Notes or the fiscal agency agreement relating to the 3.546% Notes.

**This Offer to Purchase does not constitute an offer to sell any securities or the solicitation of an offer to buy any securities (other than the Notes).**

## SPECIAL CONSIDERATIONS

In deciding whether to participate in any of the Offers, each Holder should consider carefully, in addition to the other information contained or incorporated by reference in this Offer to Purchase, the following:

### **Limited Trading Market**

The Notes are listed on SGX-ST. To the extent that Notes of any series are tendered and accepted in an Offer, the trading market for such series of Notes may become more limited. A bid for a debt security with a smaller outstanding aggregate principal amount available for trading (a smaller “float”) may be lower than a bid for a comparable debt security with a greater float. Therefore, the market price for Notes of any series not purchased pursuant to the Offers may be affected adversely to the extent that the amount of Notes of such series purchased pursuant to an Offer significantly reduces the float for such series of Notes. The reduced float may also tend to make the trading price more volatile. Holders of unpurchased Notes may attempt to obtain quotations for the Notes from their brokers; however, there can be no assurance that an active trading market will exist for the Notes following the Offers. The extent of the public market for the Notes following consummation of the Offers would depend upon, among other things, the number of Holders remaining, the outstanding aggregate principal amount of each series of Notes at such time and the interest in maintaining a market in each series of Notes on the part of securities firms and other factors.

### **Redemption or Repurchase of Notes**

We reserve the right, in our sole discretion, either directly or through our affiliates, from time to time, including during the term of the Offers, to purchase any Notes through open market purchases, privately negotiated transactions, one or more additional tender or exchange offers, redemptions, defeasance or otherwise, although we are under no obligation to do so. We reserve the right to redeem the Notes at our option in accordance with the terms set forth in the indenture or fiscal agency agreement, as applicable, pursuant to which the Notes were issued. Any such purchase or redemption may result in the holders of such Notes receiving payments that are higher or lower than the applicable Total Consideration or Tender Offer Consideration.

### **There are limits on your ability to withdraw tendered Notes.**

Tendered Notes may be withdrawn at any time at or prior to the relevant Withdrawal Deadline. After the relevant Withdrawal Deadline, tendered Notes may not be withdrawn unless Rakuten amends the applicable Offer in a manner that is materially adverse to the tendering Holders, in which case withdrawal rights may be extended as Rakuten determines in its sole discretion, to the extent required by law, appropriate to allow tendering Holders a reasonable opportunity to respond to such amendment.

### **Minimum Denominations of the Notes.**

If the purchase of all validly tendered Notes would cause us to purchase a principal amount greater than the 3.546% Tender Cap, then the Tender Offer will be oversubscribed and if we accept Notes in the Tender Offer, we will accept for purchase tendered Notes on a prorated basis, with the aggregate principal amount of each Holder’s validly tendered Notes accepted for purchase determined by multiplying each Holder’s tender by the applicable proration factor, and rounding the product down to the nearest \$1,000 principal amount. Depending on the amount tendered and the proration factor applied, if the principal amount of Notes that are unaccepted and returned to a holder as a result of proration would result in less than the authorized minimum denomination being returned to such holder we will either accept or reject all of such Holder’s validly tendered notes.

The Notes may be tendered in minimum principal amounts equal to \$200,000 and integral multiples of \$1,000 in excess thereof; provided, that Holders who tender less than all of their Notes must continue to hold Notes in a principal amount not less than \$200,000 (the “*Minimum Authorized Denomination*”).

### **No Recommendation Concerning the Offers**

None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes or the Dealer Managers or any affiliate of any of them makes any recommendation as to whether or not Holders should tender

Notes pursuant to the Offers. Each Holder must decide whether to tender Notes and, if tendering, the amount of Notes to tender. Holders are urged to review carefully all information contained or incorporated by reference in this Offer to Purchase.

#### **Whether or Not Notes of a Series Will Be Accepted for Purchase Is Uncertain**

Whether or not Notes of any series will be accepted for purchase will depend on several factors, including without limitation the satisfaction or waiver of several conditions. If any of the conditions are not satisfied with respect to any series of Notes, we may terminate the Offer with respect to such series of Notes or we may waive the condition with respect to such series of Notes. In addition, the purchase of Notes is subject to the Acceptance Priority Levels, the Total Maximum Amount, the proration arrangements applicable to the Offers, and the 3.546% Tender Cap. Furthermore, if the Offers are fully subscribed as of the Early Tender Time, Holders who validly tender Notes following the Early Tender Time will not have any of their Notes accepted for purchase.

#### **Tax Considerations**

See “Certain Japanese Tax Considerations” and “Certain U.S. Federal Income Tax Considerations,” respectively, for discussions of certain Japanese and U.S. tax matters that should be considered in evaluating the Offers.

## PRINCIPAL TERMS OF THE OFFERS

Rakuten is offering to purchase the Notes for cash, upon the terms and subject to the conditions set forth in this Offer to Purchase and for the aggregate purchase price (exclusive of accrued and unpaid interest) set forth herein up to the Total Maximum Amount, subject to the Acceptance Priority Levels and 3.546% Tender Cap described herein. The Notes consist of the following series of Notes issued by Rakuten Group, Inc.:

- 10.250% Notes: 10.250% Senior Notes due 2024; and
- 3.546% Notes: 3.546% Senior Notes due 2024.

### Total Consideration and Tender Offer Consideration

The applicable Total Consideration for each \$1,000 principal amount of Notes tendered and accepted for purchase pursuant to the Offer for Holders who have tendered and not validly withdrawn their Notes at or prior Early Tender Time, will be as set forth opposite the applicable series of Notes under the column “Total Consideration” on the front cover of this Offer to Purchase. Holders who tender their Notes after the Early Tender Time but at or prior to the Expiration Time, and whose Notes are accepted for purchase pursuant to the Offers, will not be entitled to receive the Total Consideration and will therefore be entitled to receive only the applicable Tender Offer Consideration, which is an amount equal to the applicable Total Consideration minus the applicable Early Tender Premium.

In addition to the applicable Total Consideration or Tender Offer Consideration paid to Holders of Notes, Holders will be paid the applicable Accrued Interest per \$1,000 principal amount of Notes tendered and accepted pursuant to the Offers, rounded to the nearest cent (with half a unit rounded upwards).

Notes that are validly tendered at or prior to the Early Tender Time and are accepted for purchase will receive the Total Consideration plus Accrued Interest on the Initial Settlement Date (or the Final Settlement Date if we elect not to have an Initial Settlement Date). We expect to have an Initial Settlement Date, and assuming that the conditions to the Offers are satisfied or waived, such Initial Settlement Date may be as early as Monday, February 12, 2024, the third business day after the Early Tender Time. Rakuten may, at its option, elect to have a later Initial Settlement Date or not to have an Initial Settlement Date. Notes that are validly tendered following the Early Tender Time and at or prior to the Expiration Time and are accepted for purchase will receive the Tender Offer Consideration plus Accrued Interest on the Final Settlement Date. The Final Settlement Date for the Notes will be promptly following the Expiration Time. Assuming that the conditions to the Offers are satisfied or waived, Rakuten expects that the Final Settlement Date will be Wednesday, February 28, 2024, the third business day after the Expiration Time.

The Offers are not contingent upon the tender of any minimum principal amount of Notes. Rakuten’s obligation to accept and pay for, Notes validly tendered pursuant to the Offers is conditioned upon satisfaction of the conditions as set forth in “Conditions of the Offers” below. Rakuten reserves the right, subject to applicable law, to waive any one or more of the conditions with respect to the Offers at any time.

Rakuten reserves the right, subject to applicable law, with respect to the Notes to (a) extend the Early Tender Time, the Withdrawal Deadline or the Expiration Time to a later date and time as announced by Rakuten, (b) increase or decrease the Total Maximum Amount, (c) increase or decrease the 3.546% Tender Cap, (d) waive any or all conditions to the Offer or (e) at any time prior to the satisfaction or waiver of the Financing Condition and the General Conditions, terminate or otherwise amend the Offer in any respect and return the tendered Notes, in each case by giving written notice of such amendment or termination to the Depositary and Information Agent. Any amendment to the Offers will apply to all Notes tendered in the Offers, except for amendments that apply only to a specified series of Notes. Rakuten will publicly announce any such extension, amendment or termination in the manner described under “Expiration; Extension; Amendment; Termination” There can be no assurance that we will exercise our right to extend, terminate or amend the Offers. See “Expiration; Extension; Amendment; Termination.”

**None of Rakuten, its board of directors, the Dealer Managers, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes makes any recommendation that Holders tender or refrain from tendering all or any portion of the principal amount of their Notes, and no one has been authorized by any of**

**them to make such a recommendation. Holders must make their own decision as to whether to tender their Notes, and, if so, the principal amount of Notes to tender.**

#### **Total Maximum Amount; 3.546% Tender Cap; Acceptance Priority Levels and Proration**

The amount of Notes that is purchased in the Offers will be based on the applicable Acceptance Priority Level, the Total Maximum Amount, the 3.546% Tender Cap and the proration arrangements applicable to the Offer. The Total Maximum Amount and the 3.546% Tender Cap may be increased or decreased by Rakuten in its sole discretion. See the front cover of this Offer to Purchase for details of the Total Maximum Amount, the 3.546% Tender Cap and the Acceptance Priority Levels.

If the aggregate purchase price (excluding Accrued Interest) payable for Notes validly tendered exceeds the Total Maximum Amount, only Notes with a combined aggregate purchase price (excluding Accrued Interest) up to \$1 billion will be accepted for purchase (in the order of the Acceptance Priority Levels). The purchase price for Notes will be paid in U.S. Dollars.

The Notes will be purchased in the order of the Acceptance Priority Levels (in numerical priority order) set forth in the table on the front cover of this Offer to Purchase, subject to the 3.546% Tender Cap and the proration arrangements described below. The purchase price of the 3.546% Notes purchased in the Offers is subject to the 3.546% Tender Cap of \$100 million, exclusive of Accrued Interest.

Subject to the Total Maximum Amount and the 3.546% Tender Cap, all Notes tendered at or prior to the Early Tender Time having a higher Acceptance Priority Level will be accepted before any tendered Notes having a lower Acceptance Priority Level are accepted, and all Notes tendered following the Early Tender Time having a higher Acceptance Priority Level will be accepted before any Notes tendered after the Early Tender Time having a lower Acceptance Priority Level are accepted in the Offers. **However, even if the Offers are not fully subscribed as of the Early Tender Time, subject to the Total Maximum Amount and the 3.546% Tender Cap, Notes tendered at or prior to the Early Tender Time will be accepted for purchase in priority to other Notes tendered following the Early Tender Time, even if such Notes tendered following the Early Tender Time have a higher Acceptance Priority Level than Notes tendered at or prior to the Early Tender Time.**

**Furthermore, if the Offers are fully subscribed as of the Early Tender Time, Holders who validly tender Notes following the Early Tender Time will not have any of their Notes accepted for purchase.**

Acceptances for tenders of Notes of a series may be subject to proration (i) if the aggregate purchase price of the 3.546% Notes validly tendered and not validly withdrawn is greater than the 3.546% Tender Cap or (ii) if the aggregate purchase price (exclusive of Accrued Interest) for any relevant series of Notes validly tendered and not validly withdrawn would cause the Total Maximum Amount to be exceeded.

If proration of a series of tendered Notes is required, Rakuten will determine the applicable proration factor as soon as practicable after the Early Tender Time or Expiration Time, as the case may be, and will announce the results of proration by press release.

Rakuten may make appropriate adjustments downward to the nearest \$1,000 principal amount to avoid purchases of the Notes in principal amounts other than integral multiples of \$1,000. Depending on the amount tendered and the applicable proration factor applied, if proration would result in a principal amount of Notes that is less than the minimum denomination being returned to a Holder or accepted for purchase by Rakuten, Rakuten will either accept or reject all of such Holder's validly tendered Notes. In no event shall the minimum principal amount returned to any Holder after the application of the proration be less than \$200,000, being the minimum denomination for the relevant series of Notes.

If the Holder does not tender the Holder's full position, it is the Holder's responsibility to ensure they are left with sufficient Notes to continue to trade in the Clearing Systems, given the minimum denominations and integral multiples of the Notes.

The Offers are not conditioned upon any minimum level of participation.

## CONDITIONS OF THE OFFERS

Notwithstanding any other provision in this Offer to Purchase, Rakuten will not be obligated to accept for purchase, and pay for or cause to be paid for, Notes of each series which are validly tendered and not validly withdrawn pursuant to the Offers if the Financing Condition and any of the General Conditions shall not have been satisfied at or prior to the Expiration Time.

### ***Financing Condition***

As a condition to the Offers, Rakuten must satisfy or waive the Financing Condition, by which we mean the completion by Rakuten of the Financing Transaction to fund the Total Consideration for Notes to be purchased pursuant to the Offers, no later than the Expiration Time on terms reasonably satisfactory to us.

### ***General Conditions***

For purposes of the foregoing provisions, with respect to each Offer for a series of Notes, all of the “General Conditions” shall be deemed to have been satisfied at the applicable Early Tender Time or the Expiration Time, unless any action, event, development or circumstance described in the following conditions shall have occurred on or after the date of this Offer to Purchase and at or prior to the aforementioned dates:

- (1) no action or event shall have occurred or been threatened, no action shall have been taken, and no statute, rule, regulation, judgment, order, stay, decree or injunction shall have been promulgated, enacted, entered, enforced or deemed to be applicable to such Offer by or before any court or governmental regulatory or administrative agency, authority or tribunal, including, without limitation, taxing authorities, that either:
  - (a) challenges the making of such Offer or could reasonably be expected to, directly or indirectly, prohibit, prevent, restrict or delay consummation of, or could reasonably be expected to otherwise adversely affect in any material manner, such Offer; or
  - (b) in our reasonable judgment, could materially adversely affect our business, condition (financial or otherwise), income, operations, properties, assets, liabilities or prospects or materially impair the contemplated benefits to us of such Offer or the delivery of any cash amounts;
- (2) nothing has occurred or is reasonably likely to occur that would or might, in our reasonable judgment, prohibit, prevent or delay such Offer or impair our ability to realize the contemplated benefits to us of such Offer;
- (3) there shall not have occurred (a) any general suspension of or limitation on trading in securities in the U.S., U.K., Hong Kong and/or Japanese securities or financial markets, whether or not mandatory, (b) a material impairment in the general trading market for debt securities, (c) a declaration of a banking moratorium or any suspension of payments in respect of banks by federal or state authorities in the United States, United Kingdom, Hong Kong, Japan or other major financial markets, whether or not mandatory, (d) a commencement of a war, armed hostilities, a terrorist act or other national or international calamity directly or indirectly relating to the United States, the United Kingdom, Hong Kong or Japan, (e) any limitation, whether or not mandatory, by any governmental authority on, or other event having a reasonable likelihood of affecting, the extension of credit by banks or other lending institutions in the United States, the United Kingdom, Hong Kong or Japan, (f) any material adverse change in the securities or financial markets in the United States, the United Kingdom, Hong Kong or Japan generally or (g) in the case of any of the foregoing existing at the time of the commencement of such Offer, a material acceleration or worsening thereof; and
- (4) the trustee under the indenture relating to the 10.250% Notes or the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, as applicable, shall not have objected in any respect to, or taken any action that could, in our reasonable judgment, adversely affect the consummation of such Offer, nor shall such trustee or fiscal agent, as applicable, have taken any action that challenges the

validity or effectiveness of the procedures used by us in making such Offer or the delivery of any cash amounts.

The foregoing conditions are for our sole benefit and may be waived by us, in whole or in part, in our sole discretion with respect to one or more series of Notes. Any determination made by us concerning an action, event, development or circumstance described or referred to above will be conclusive and binding.

If any of the foregoing conditions are not satisfied, we may, with respect to one or more series of Notes, at any time at or prior to the Early Tender Time or the Expiration Time, as applicable:

- terminate the Offers and promptly return all tendered Notes to the respective tendering Holders;
- modify, extend or otherwise amend the Offers and retain all tendered Notes until the Early Tender Time or the Expiration Time, as applicable, as extended, subject, however, to the withdrawal rights of Holders; or
- waive the unsatisfied conditions with respect to the Offers and accept all Notes tendered and not previously validly withdrawn.

## **EXPIRATION; EXTENSION; AMENDMENT; TERMINATION**

The Early Tender Time is 5:00 p.m., Eastern Time, on Wednesday, February 7, 2024, unless extended by us. The Expiration Time is 5:00 p.m., Eastern Time, on Friday, February 23, 2024, unless extended by us.

To the extent we are legally permitted to do so, and subject to the discussion above under “Conditions of the Offers,” we expressly reserve the absolute right to (i) waive any and all conditions to an Offer with respect to one or more series of Notes, (ii) extend or terminate an Offer with respect to one or more series of Notes at any time, or (iii) otherwise amend any of the terms of an Offer with respect to one or more series of Notes. Any amendment to one or more of the Offers will apply to all applicable Notes tendered, except for amendments that apply only to a specified series of Notes. While initially the Early Tender Time (*i.e.*, the deadline for Holders to tender Notes if they desire to be eligible to receive the Total Consideration, including the Early Tender Premium) is the same date as the Withdrawal Deadline (*i.e.*, the deadline for Holders to withdraw previously tendered Notes), Rakuten reserves the right to extend the Early Tender Time without extending the Withdrawal Deadline and the right to withdraw previously tendered Notes. If we increase or decrease the Total Maximum Amount, increase or decrease the 3.546% Tender Cap or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law. If we make a material change in the terms of the Offers or waive a material condition of the Offers, we will disseminate additional materials related to the Offers and extend the Offers to the extent required by law. In addition, we may, if we deem appropriate, extend the Offers for any other reason. Any extension, amendment or termination will be followed promptly by public announcement thereof, the announcement in the case of an extension of the Offers to be issued no later than 9:00 a.m., Eastern Time, on the next business day after the previously scheduled Early Tender Time or Expiration Time, as applicable. Without limiting the manner in which we may choose to make a public announcement of any extension, amendment or termination of the Offers, we will not be obligated to publish, advertise or otherwise communicate any such public announcement, other than by making a timely press release.

The minimum period during which the Offers will remain open following material changes in the terms or in the information concerning the Offers will depend upon applicable law, and in particular Rule 14e-1 promulgated under the Exchange Act and the interpretation thereof, and the facts and circumstances of such change, including the relative materiality of the change.

If we terminate an Offer with respect to one or more series of Notes, we will give immediate notice to the Depositary and Information Agent with respect to any terminated series of Notes, and all Notes of the terminated series theretofore tendered pursuant to such Offer will be returned promptly to the tendering Holders thereof. See “Withdrawal of Tenders” below and “Conditions of the Offers” above.

We or our affiliates may acquire any Notes that are not tendered pursuant to the Offers, including during the term of the Offers, through open market purchases, privately negotiated transactions, one or more additional tender or exchange offers, redemptions, defeasance or otherwise, upon such terms and at such prices as we may determine (or as may be provided for in the indentures pursuant to which the Notes were issued), which may be more or less than the price to be paid pursuant to the Offers and may involve cash or other consideration. There can be no assurance as to which, if any, of these alternatives or combinations thereof we or our affiliates may choose to pursue in the future.

## PROCEDURES FOR TENDERING NOTES

A defective tender of Notes of any series (which defect is not waived by Rakuten or cured by the Holder) will not constitute a valid tender of such Notes and will not entitle the Holder thereof to the applicable Total Consideration or Tender Offer Consideration. A defective tender of Notes that is waived by Rakuten or cured by the Holder and not validly withdrawn at or prior to the Early Tender Time or Expiration Time, as applicable, will constitute a valid tender of Notes and will entitle the Holder thereof to the applicable Total Consideration or Tender Offer Consideration upon the terms and subject to the conditions of this Offer to Purchase.

All of the Notes are held in book-entry form through the Clearing Systems. Only a person who is shown in the records of the Clearing Systems as a Holder of any Notes (the “*Direct Participant*”) are authorized to submit tenders to the relevant Clearing System. Therefore, to tender Notes that are held through a broker, dealer, commercial bank, trust company, custodian or other nominee, a beneficial owner thereof must instruct such nominee to tender the Notes on such beneficial owner’s behalf according to the procedures described below.

There will be no letter of transmittal for the Offers.

### Tenders of Notes

#### *Procedures for Tendering Notes Held Through DTC*

For a Clearing System Direct Participant to tender 10.250% Notes validly in DTC pursuant to the Offers, (1) an Agent’s Message (as defined herein) must be received by the Depositary and Information Agent and (2) tendered 10.250% Notes must be transferred pursuant to the procedures for book-entry transfer described below and a confirmation of such book-entry transfer must be received by the Depositary and Information Agent, in each case at or prior to the Early Tender Time or Expiration Time, as applicable.

To effectively tender 10.250% Notes in DTC, Clearing System Direct Participants should transmit their acceptance through ATOP, for which the Offers will be eligible, and DTC will then edit and verify the acceptance and send an Agent’s Message to the Depositary and Information Agent for its acceptance. Delivery of tendered 10.250% Notes must be made to the Depositary and Information Agent pursuant to the book-entry delivery procedures set forth below. The 3.546% Notes are not held in book-entry through DTC and, accordingly, no 3.546% Notes can be tendered through DTC’s systems.

A separate tender instruction must be submitted on behalf of each beneficial owner of the 10.250% Notes, given the possible proration. **The deadlines set by your custodian or nominee, or by DTC, for the submission and revocation of tender instructions may be earlier than the relevant deadlines specified in this Offer to Purchase.**

#### *Book-Entry Transfer*

The Depositary and Information Agent will establish an ATOP account with respect to the 10.250% Notes at DTC for purposes of the Offer for the 10.250% Notes, and any financial institution that is a participant in DTC may make book-entry delivery of the 10.250% Notes by causing DTC to transfer such Notes into the Depositary and Information Agent’s ATOP account in accordance with DTC’s procedures for such transfer. DTC will then send an Agent’s Message to the Depositary and Information Agent. **The confirmation of a book-entry transfer into the Depositary and Information Agent’s ATOP account at DTC as described above is referred to herein as a “Book-Entry Confirmation.”**

The term “*Agent’s Message*” means a message transmitted by DTC to, and received by, the Depositary and Information Agent and forming a part of the Book-Entry Confirmation, which states that DTC has received an express acknowledgment from the participant in DTC described in such Agent’s Message, stating (i) the aggregate principal amount of 10.250% Notes that have been tendered by such participant pursuant to the Offer for the 10.250% Notes, (ii) that such participant has received this Offer to Purchase and agrees to be bound by the terms of the Offer for the 10.250% Notes as described in this Offer to Purchase and (iii) that Rakuten may enforce such agreement against such participant.

#### *Procedures for Tendering Notes Held Through Clearstream or Euroclear*

If you hold Notes through Clearstream or Euroclear and wish to tender them, you should follow the instructions below. We will only accept tenders of Notes through Clearstream or Euroclear by way of the submission by you of valid electronic tender and blocking instructions (“*Tender Instructions*”), in the form required by the relevant Clearing System and in accordance with the procedures set forth below.

You are advised to check with any custodian or nominee, or other intermediary through which you hold the Notes, whether such entity would require the receipt of instructions to participate in, or notice of a revocation of your instruction to participate in, the Offer before the deadlines specified in this Offer to Purchase. **The deadlines set by your custodian or nominee, or by Clearstream and Euroclear, for the submission and revocation of Tender Instructions may be earlier than the relevant deadlines specified in this Offer to Purchase.**

The term “Tender Instructions” means electronic instructions: (i) to block any attempt to transfer a Holder’s Notes at or prior to the applicable Settlement Date, and (ii) to debit the Holder’s account on the applicable Settlement Date, in respect of the Notes that have been tendered by the Holder. To be valid, a Tender Instruction must specify:

- the event or reference number issued by Clearstream or Euroclear;
- the name of the Clearing System Direct Participant and the securities account number in which the Notes the holder wishes to tender are held;
- the ISIN of such Notes;
- the principal amount of the Notes the Holder wishes to tender; and
- any other information as may be required by Clearstream or Euroclear and duly notified to the tendering Holder prior to the submission of the Tender Instruction.

A separate tender instruction must be submitted on behalf of each beneficial owner of the Notes, given the possible proration.

The tendering of the Notes in the Offer will be deemed to have occurred upon receipt by the Depositary and Information Agent, via Clearstream or Euroclear, as applicable, of a valid Tender Instruction in accordance with the requirements of such Clearing System. The receipt of such Tender Instruction by Clearstream or Euroclear, as applicable, will be acknowledged in accordance with the standard practices of such Clearing System and will result in the blocking of the Notes in such Clearing System so that no transfers may be effected in relation to such Notes.

You must take the appropriate steps through Clearstream or Euroclear, as applicable, so that no transfers may be effected in relation to such blocked Notes at any time after the date of submission of such Tender Instruction, in accordance with the requirements of such Clearing System and the deadlines required by such Clearing System. Holders of Notes are responsible for informing themselves of these deadlines and arranging for timely delivery of Tender Instructions to Clearstream or Euroclear.

By submitting a Tender Instruction, Clearing System Direct Participants authorize Clearstream and Euroclear, as applicable, to disclose details concerning their identity such as their name, account number and holding to the Depositary and Information Agent, Rakuten and the Dealer Managers. All of the Notes tendered by the Holder will be debited from the Holder’s account, unless a lesser portion of such Notes are accepted by us.

The debit will occur upon receipt of an instruction from the Depositary and Information Agent. In the event we terminate the Offer prior to the applicable Settlement Date, as notified to Clearstream or Euroclear by the Depositary and Information Agent, the instructions will be automatically withdrawn. By taking these actions with respect to the Offer, you and any custodial entity that holds your tendered Notes will be deemed to have agreed (i) to the terms and conditions of the Offer as set forth in this Offer to Purchase and (ii) that we and the Depositary and Information Agent may enforce the terms and conditions against you and your custodian.

#### **No Guaranteed Delivery**

There are no guaranteed delivery provisions provided for by Rakuten in conjunction with the Offers.

## Other Matters

Subject to, and effective upon, the acceptance for purchase of, and payment for, the principal amount of Notes tendered in accordance with the terms and subject to the conditions of the Offers, a tendering Holder will be deemed to have agreed to (1) irrevocably sell, assign and transfer to Rakuten, all right, title and interest in and to all of the Notes tendered and accepted for purchase pursuant to the terms hereof, (2) waive any and all other rights with respect to such Notes (including, without limitation, any existing or past defaults and their consequences in respect of such Notes, and the applicable indenture(s) governing such Notes) and (3) release and discharge Rakuten from any and all claims the Holder may have now, or may have in the future, arising out of, or related to, such Notes, including, without limitation, any claims that the Holder is entitled to receive additional principal or interest payments with respect to such Notes, or to participate in any repurchase, redemption or defeasance of the Notes.

In addition, by tendering Notes pursuant to the Offers, a Holder will be deemed to have irrevocably constituted and appointed the Depositary and Information Agent as the true and lawful agent and attorney-in-fact of such Holder (with full knowledge that the Depositary and Information Agent also acts as the agent of Rakuten in connection with the Offers) with respect to any tendered Notes, with full power of substitution and resubstitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to (1) present such Notes and all evidences of transfer and authenticity to, or transfer ownership of, such Notes on the account books maintained by the applicable Clearing System to, or upon the order of, Rakuten, (2) present such Notes for transfer of ownership on the books of Rakuten and (3) receive all benefits and otherwise exercise all rights of beneficial ownership of such Notes, all in accordance with the terms of the Offers.

Notwithstanding any other provision in this Offer to Purchase, payment of the applicable Total Consideration or Tender Offer Consideration in exchange for Notes tendered and accepted for purchase pursuant to the Offers will occur only after timely compliance with the procedures for tender specified in this Offer to Purchase.

Tenders of Notes pursuant to the procedures described above, and acceptance thereof by Rakuten, will constitute a binding agreement between the tendering Holder and Rakuten upon the terms and subject to the conditions of the Offers as set forth in this Offer to Purchase.

Rakuten's interpretations of the terms and conditions of the Offers will be final and binding. Rakuten reserves the absolute right to reject any or all tenders of Notes that are not in proper form or the acceptance of which would, in Rakuten's opinion, be unlawful. Rakuten also reserves the right to waive any defects, irregularities or conditions of tender as to particular Notes. Any defect or irregularity in connection with tenders of Notes must be cured within such time as Rakuten determines, unless waived by Rakuten. Tenders of Notes shall not be deemed to have been made until all defects and irregularities have been waived by Rakuten or cured. None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, the Dealer Managers, or any affiliate of any of them or any other person or entity will be under any duty to give notice of any defects or irregularities in tenders of Notes, nor will such parties incur any liability to Holders for failure to give any such notice. **All questions as to the form of all documents and the validity (including time of receipt) and acceptance of all tenders of Notes will be determined by Rakuten, in its sole discretion, the determination of which shall be final and binding.**

## Taxes

For a discussion of Japanese and U.S. tax considerations, see "Certain Japanese Tax Considerations" and "Certain U.S. Federal Income Tax Considerations."

## REPRESENTATIONS, WARRANTIES AND AGREEMENTS BY TENDERING HOLDERS

Each Holder who tenders any Notes in an Offer will be deemed to represent, warrant and agree to or with Rakuten that:

(1) it has received and reviewed this Offer to Purchase;

(2) it is the Beneficial Owner (as defined below) of, or a duly authorized representative of one or more Beneficial Owners of, the Notes tendered in connection with the Offers, and it has full power and authority to tender, sell, assign and transfer such Notes;

(3) the Notes being tendered in connection with the Offers were owned as of the date of tender, free and clear of any liens, charges, claims, encumbrances, interests and restrictions of any kind, and Rakuten will acquire good, indefeasible and unencumbered title to such Notes, free and clear of all liens, charges, claims, encumbrances, interests and restrictions of any kind, when Rakuten accepts the same;

(4) it will not sell, pledge, hypothecate or otherwise encumber or transfer any Notes tendered in connection with the Offers from the date of tender, and any purported sale, pledge, hypothecation or other encumbrance or transfer will be void and of no effect;

(5) it is not a person to whom it is unlawful to make an invitation to participate in, or solicit a tender pursuant to, the Offers under applicable securities laws;

(6) in evaluating the Offers and in making its decision whether to participate in the Offers by tendering its Notes, the Holder has made its own independent appraisal of the matters referred to in the Offer to Purchase and in any related communications and it is not relying on any statement, representation or warranty, express or implied, made to it by Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes or the Dealer Managers, other than those contained in the Offer to Purchase, as amended or supplemented through the Early Tender Time, in the case of Notes repurchased on the Initial Settlement Date, if any, or the Expiration Time, as the case may be;

(7) the tendering of Notes in connection with the Offers shall constitute an undertaking by the Holder to execute any further documents and give any further assurances that may be required in connection with any of the foregoing, in each case on and subject to the terms and conditions set forth herein;

(8) either (a) the Holder is not (i) an “employee benefit plan” as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that is subject to Title I of ERISA, (ii) a “plan” as defined in Section 4975 of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”), that is subject to Section 4975 of the Internal Revenue Code, (iii) an entity or account whose underlying assets include “plan assets” (within the meaning of the U.S. Department of Labor regulation located at 29 C.F.R. 2510-3.101, as modified by Section 3(42) of ERISA), or (iv) a “governmental plan” as defined in Section 3(32) of ERISA or any other plan, account or arrangement that is subject to any US, federal, state, local or non-U.S. or other law that is substantially similar to Title I of ERISA or Section 4975 of the Internal Revenue Code (“Similar Law”), or (b) the tendering and purchase of Notes will not result in a nonexempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code or a violation of any Similar Law;

(9) if a Holder tenders less than all of the Notes of a particular series owned by such Holder, immediately following such tender, such Holder beneficially owns Notes of such series in an aggregate principal amount of at least the applicable Minimum Authorized Denomination (as defined under “Special Considerations—Minimum Denominations of the Notes”);

(10) it is not an individual or entity (i) that is, or is owned or controlled by a person that is, described or designated in (A) the most current “Specially Designated Nationals and Blocked Persons” list, or (B) the most current “Consolidated list of persons, groups and entities subject to EU financial sanctions”; or (ii) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in (A) the most current “Sectoral Sanctions Identifications” list

(the “*SSI List*”), (B) Annexes III, IV, V and VI of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the “*EU Annexes*”), or (C) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes. For purposes of this representation and warranty, “Sanctions Authority” shall mean any of the following: the United States government; the United Nations; the European Union (or any of its member states); any other equivalent governmental or regulatory authority, institution or agency which administers economic, financial or trade sanctions; or the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United States Department of State, the United States Department of Commerce and His Majesty’s Treasury;

(11) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Promotion Order) or within Article 43(2) of the Financial Promotion Order, including existing members and creditors of Rakuten, or to whom this Offer to Purchase and any other documents or materials relating to the Offers may otherwise lawfully be communicated in accordance with the Financial Promotion Order; and

(12) it has such knowledge and experience in financial and business matters, that it is capable of evaluating the merits and risks of participating in the Offers and that it, and any accounts for which it is acting, are each able to bear the economic risks of its, or their, investment.

The representations, warranties and agreements of a Holder tendering Notes shall be deemed to be repeated and reconfirmed upon submission of a Tender Instruction and on and as of the Early Tender Time or Expiration Time, as applicable, and the applicable Settlement Date. “*Beneficial Owner*” of any of the Notes means any holder that exercises investment discretion with respect to such Notes.

## **ACCEPTANCE OF NOTES FOR PURCHASE; PAYMENT FOR NOTES; PAYMENT OF PURCHASE PRICE**

Upon the terms and subject to the conditions of the Offers (including, if an Offer is extended or amended, the terms and conditions of any such extension or amendment), Rakuten will accept for purchase, and Rakuten will pay for Notes validly tendered and not validly withdrawn, upon satisfaction or waiver of the conditions to the Offers specified under "Conditions of the Offers." Such payment will be made by deposit with the applicable Clearing System promptly after the Early Tender Time or Expiration Time, as applicable, so that the payment of the applicable Total Consideration or Tender Offer Consideration (plus Accrued Interest, if any) may be made to tendering Holders on the applicable Settlement Date. Under no circumstances will Rakuten pay any interest on the Total Consideration or Tender Offer Consideration, as applicable, by reason of any delay by the applicable Clearing System in making such payments.

Rakuten expressly reserves the right, in its sole discretion, to delay acceptance for purchase of Notes tendered under an Offer or payment for Notes accepted for purchase (subject to Rule 14e-1 under the Exchange Act, which requires that the consideration offered be paid or the Notes deposited by or on behalf of the Holders be returned promptly after the termination or withdrawal of each Offer).

For purposes of the Offers, Rakuten will be deemed to have accepted for purchase validly tendered Notes if, as and when Rakuten gives oral or written notice thereof to the Depositary and Information Agent.

The Notes may be tendered in minimum principal amounts equal to \$200,000 and integral multiples of \$1,000 in excess thereof; provided, that Holders who tender less than all of their Notes must continue to hold Notes in a principal amount not less than the Minimum Authorized Denomination. No alternative, conditional or contingent tenders will be accepted.

If, for any reason, acceptance for purchase of or payment for validly tendered Notes pursuant to an Offer is delayed, Rakuten is unable to accept for purchase validly tendered Notes or payment is not made for validly tendered Notes pursuant to an Offer, then the Depositary and Information Agent may nevertheless, on behalf of Rakuten, retain tendered Notes in such Offer, without prejudice to the rights of Rakuten described under "Expiration; Extension; Amendment; Termination" and "Conditions of the Offers" above and "Withdrawal of Tenders" below, but subject further to Rule 14e-1 under the Exchange Act. Rule 14e-1 requires that the consideration offered be paid or the Notes tendered be returned promptly after the termination or withdrawal of each Offer.

If any tendered Notes are not accepted for purchase for any reason pursuant to the terms and conditions of an Offer, such unpurchased Notes will be credited to the account maintained at the applicable Clearing System, designated by the participant who delivered such Notes, promptly following the Expiration Time or the termination of such Offer without expense to the tendering Holder.

Rakuten reserves the right to transfer or assign, in whole or, from time to time, in part, to one or more of its affiliates the right to purchase all or any of the Notes tendered pursuant to an Offer, or to pay all or any portion of the applicable Total Consideration or Tender Offer Consideration (plus Accrued Interest, if any) for any validly tendered Notes of, or both of the foregoing, but any such transfer or assignment will not relieve Rakuten of its obligations under any such Offer and will in no way prejudice the rights of tendering Holders to receive the applicable Total Consideration or Tender Offer Consideration (plus Accrued Interest, if any) for Notes validly tendered and not validly withdrawn and accepted for purchase pursuant to an Offer.

Under no circumstances will any interest be payable because of any delay by the applicable Clearing System in the transmission of funds to the Holders of purchased Notes or otherwise.

Tendering Holders of Notes purchased in the Offers will not be obligated to pay brokerage fees or commissions to Rakuten, the Dealer Managers, the Depositary and Information Agent or to pay transfer taxes with respect to the purchase of their Notes. However, such Holders may be obligated to pay commissions or other payments to their own broker, dealer, commercial bank, trust company, custodian or other nominee. Rakuten will pay all other charges and expenses in connection with the Offers. See "Dealer Managers; Depositary and Information Agent."

## WITHDRAWAL OF TENDERS

Tenders of Notes may be validly withdrawn at any time at or prior to the Withdrawal Deadline, but not thereafter. After the Withdrawal Deadline, tendered Notes may not be validly withdrawn unless, in each case, Rakuten amends the Offers in a manner materially adverse to tendering Holders or is otherwise required by law to permit withdrawal. Under such circumstances, Rakuten will allow previously tendered Notes to be withdrawn for a period of time following the date that notice of such amendment is first published or given to Holders that Rakuten believes gives Holders a reasonable opportunity to consider the amendment and implement the withdrawal procedures described below.

Rakuten may (i) extend or otherwise amend the Early Tender Time or the Expiration Time, (ii) increase or decrease the Total Maximum Amount or (iii) increase or decrease the 3.546% Tender Cap without extending the Withdrawal Deadline or otherwise reinstating withdrawal rights of Holders. If we increase or decrease the Total Maximum Amount or increase or decrease the 3.546% Tender Cap or otherwise alter the terms of any Offer, we do not expect to extend the Early Tender Time, the Expiration Time or Withdrawal Deadline or otherwise modify any rights to withdraw Notes previously tendered, except as may be required by law. If a Holder tenders more Notes in an Offer than it expects to be accepted for purchase by us based on the Total Maximum Amount, the 3.546% Tender Cap, or the Acceptance Priority Level for the Notes being tendered, and we subsequently accept more Notes than such Holder expected of such Notes tendered and not validly withdrawn on or before the Withdrawal Deadline, such Holder will not be able to withdraw any of its previously tendered Notes. **Accordingly, a Holder should not tender any Notes that it does not wish to be accepted for purchase.**

Holders may validly withdraw a tender of Notes only in accordance with the following procedures:

For a withdrawal of a tender of 10.250% Notes held through DTC to be effective, a written or facsimile transmission notice of withdrawal or a properly transmitted “*Request Message*” through ATOP must be received by the Depositary and Information Agent prior to the Withdrawal Deadline at its address set forth on the back cover of this Offer to Purchase. Any such notice of withdrawal must (i) specify the name of the participant for whose account such 10.250% Notes were tendered and such participant’s account number at DTC to be credited with the withdrawn 10.250% Notes, (ii) contain a description of the 10.250% Notes to be withdrawn and the aggregate principal amount of such 10.250% Notes to be withdrawn and (iii) if other than a Request Message transmitted through ATOP, be signed by such participant in the same manner as the participant’s name is listed on the applicable Agent’s Message. If the 10.250% Notes to be withdrawn have been delivered or otherwise identified to the Depositary and Information Agent, a signed notice of withdrawal will be effective immediately upon the Depositary and Information Agent’s receipt of written or facsimile notice of withdrawal.

For a withdrawal of Notes held through Clearstream or Euroclear to be effective, you must submit an electronic withdrawal instruction, prior to the Withdrawal Deadline, in accordance with the requirements of the applicable Clearing System, and the deadlines required by such Clearing System in order to unblock the tendered Notes. To be valid, such withdrawal instruction must specify the Notes to which the original Tender Instructions related, the securities account to which such Notes are to be credited and any other information required by Clearstream or Euroclear, as applicable. Tendered Notes may not be unblocked by your instruction unless you are entitled to withdrawal rights pursuant to the terms of the Offers.

Notes validly withdrawn may thereafter be retendered at any time at or prior to the Early Tender Time or the Expiration Time by following the procedures described under “Procedures for Tendering Notes.”

All questions as to the form and validity (including time of receipt) of any notice of withdrawal of a tender will be determined by Rakuten, in its sole discretion, which determination shall be final and binding. None of Rakuten, the Depositary and Information Agent, the trustee under the indenture relating to the 10.250% Notes, the fiscal agent under the fiscal agency agreement relating to the 3.546% Notes, the Dealer Managers, or any affiliate of any of them or any other person or entity will be under any duty to give notification of any defect or irregularity in any notice of withdrawal of a tender or incur any liability for failure to give any such notification.

## **OTHER MATTERS**

If Rakuten is delayed in its acceptance for purchase of any Notes, or payment for any Notes is delayed or Rakuten is unable to accept for purchase or payment is unable to be made for validly tendered Notes pursuant to an Offer for any reason, then, without prejudice to Rakuten's rights hereunder, tendered Notes may be retained by the Depositary and Information Agent on behalf of Rakuten and may not be validly withdrawn (subject to Rule 14e-1 under the Exchange Act, which requires that the consideration offered be paid or the Notes deposited by or on behalf of the Holders be returned promptly after the termination or withdrawal of each Offer).

There are no appraisal or other similar statutory rights available to Holders in connection with the Offers.

## CERTAIN JAPANESE TAX CONSIDERATIONS

The following is a general description of certain aspects of Japanese taxation applicable to investors arising from the payments made pursuant to this Offer to Purchase. It does not purport to be a comprehensive description of the tax aspects of the Notes. Investors should note that, although the general tax information on Japanese taxation is described hereunder for convenience, the statements below are general in nature and not exhaustive.

Investors are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation. The statements below are based on current tax laws and regulations in Japan all as in effect on the date hereof and all of which are subject to change or differing interpretations (possibly with retroactive effect). The statements below may be affected by the application of tax treaties executed by Japan not described below. Neither such statements nor any other statements in this Offer to Purchase are to be regarded as advice on the tax position of any investor.

### ***Receipt of Purchase Consideration***

The margin generated from the excess, if any, of the purchase price of the Notes of a series over the issue price of the Notes ("Gains"), received by an investor that is an individual non-resident of Japan or a non-Japanese corporation that in either case (i) is not a person who has a special relationship with us (that is, in general terms, a person who directly or indirectly controls or is directly or indirectly controlled by, or is under direct or indirect common control with, us) within the meaning prescribed by the Cabinet Order (Cabinet Order No. 43 of 1957, as amended), or the Cabinet Order, relating to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended), or the Special Taxation Measures Act (such person is referred to as a specially-related person of us), and (ii) has no permanent establishment in Japan, will not, in general, be subject to Japanese income or corporation tax (including withholding tax related thereto).

Gains received by an investor that is an individual resident of Japan, a Japanese corporation, or an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment in Japan to which such Gain is attributable for Japanese tax purposes will be, in general, subject to Japanese income or corporation tax, which will not be subject to withholding requirements.

### ***Receipt of Accrued Interest Payment***

Although it is not necessarily clear under the Japanese tax laws and regulations whether payment of the Accrued Interest constitutes an interest payment (otherwise, the Accrued Interest will be subject to the same tax implication as Gains above), we will pay to an investor the Accrued Interest on the assumption that the Accrued Interest constitutes an interest payment. On that basis, the following consequences are anticipated in relation to the Accrued Interest:

#### 1. Non-resident Investors

If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation for Japanese tax purposes, as described below, the Japanese tax consequences for such individual non-resident of Japan or non-Japanese corporation are significantly different depending upon whether such individual non-resident of Japan or non-Japanese corporation is a specially-related person of us. Most importantly, if such individual non-resident of Japan or non-Japanese corporation is a specially-related person of us, income tax at the rate of 15.315% of the amount of such interest will be withheld by us under Japanese tax law.

##### 1.1. Interest

(1) If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of the interest on the Notes is not attributable to such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding or otherwise, if such recipient complies with certain requirements, *inter alia*:

- (i) if the relevant Notes are held through certain participants in an international clearing organization such

as DTC, Euroclear or Clearstream or certain financial intermediaries prescribed by the Special Taxation Measures Act and the Cabinet Order, or together with the Special Taxation Measures Act and the ministerial ordinance and other regulations thereunder, the Law (each such participant or financial intermediary, a Participant), the requirement to provide, at the time of entrusting a Participant with the custody of the relevant Notes, certain information prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted, or the Interest Recipient Information, and to advise the Participant if such individual non-resident of Japan or non-Japanese corporation ceases to be so exempted (including the case where it became a specially-related person of us); and

(ii) if the relevant Notes are not held by a Participant, the requirement to submit to the relevant paying agent a claim for exemption from taxation (including a claim for exemption from taxation in electronic form), or the Claim for Exemption from Taxation, together with certain documentary evidence.

Failure to comply with such requirements described above (including the case where the Interest Recipient Information is not duly communicated as required under the Law) will result in the withholding by us of income tax at the rate of 15.315% of the amount of such interest.

(2) If the recipient of interest on the Notes is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of interest is attributable to such permanent establishment, such interest will not be subject to a 15.315% withholding tax by us, if the recipient provides the Interest Recipient Information or submits the Claim for Exemption from Taxation as set out in paragraph 1.1(1) above. Failure to do so will result in the withholding by us of income tax at the rate of 15.315% of the amount of such interest. The amount of such interest will be aggregated with the recipient's other Japanese source income and will be subject to regular income tax or corporate tax, as appropriate.

(3) Notwithstanding paragraphs 1.1(1) and (2) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a specially-related person of us as of the beginning of the year of us in which the relevant interest payment date falls, the exemption from Japanese withholding tax on interest mentioned above will not apply, and income tax at the rate of 15.315% of the amount of such interest will be withheld by us. If such individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan and the receipt of interest is attributable to such permanent establishment, regular income tax or corporate tax, as appropriate, collected otherwise by way of withholding, will apply to such interest under Japanese tax law.

(4) If an individual non-resident of Japan or a non-Japanese corporation (regardless of whether it is a specially-related person of us) is subject to Japanese withholding tax with respect to interest on the Notes under Japanese tax law, a reduced rate of withholding tax or exemption from such withholding tax may be available under the relevant income tax treaty between Japan and the country of tax residence of such individual non-resident of Japan or non-Japanese corporation. As of the date of this Offer to Purchase, Japan has income tax treaties, conventions or agreements whereby the above-mentioned withholding tax rate is reduced, generally to 10% with, *inter alia*, Australia, Canada, Finland, France, Hong Kong, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Qatar and Singapore. Under the income tax treaties with Sweden, the United Kingdom, Austria, Denmark, Germany, the United States, Belgium, Spain and Switzerland, interest paid to qualified Swedish, United Kingdom, Austrian, Danish, German, United States, Belgian, Spanish or Swiss residents is, subject to compliance with certain procedural requirements under Japanese law, generally exempt from Japanese withholding tax (for Belgium, only for a Belgian enterprise). Under the income tax treaties with France, Australia, the Netherlands, New Zealand and Qatar, certain limited categories of qualified residents receiving interest on the Notes may, subject to compliance with certain procedural requirements under Japanese law, be fully exempt from Japanese withholding tax for interest on the Notes (provided that no exemption will apply to pension funds in the case of Australia and New Zealand). In order to avail themselves of such reduced rate of, or exemption from, Japanese withholding tax under any applicable income tax treaty, individual non-residents of Japan or non-Japanese corporations which are entitled, under any applicable income tax treaty, to a reduced rate of, or exemption from, Japanese withholding tax on payment of interest by us are required to submit an Application Form for Income Tax Convention regarding Relief from Japanese Income Tax and Special Income Tax for Reconstruction on Interest (as well as any other required forms and documents) in advance through us to the relevant tax authority before payment of interest.

## 2. Resident Investors

If the recipient of interest on the Notes is an individual resident of Japan or a Japanese corporation for Japanese tax purposes, as described below, regardless of whether such recipient is a specially-related person of us, income tax will be withheld at the rate of 15.315% of the amount of such interest, if such interest is paid to an individual resident of Japan or a Japanese corporation (except for (i) a Japanese financial institution or a Japanese financial instruments business operator, designated in Article 3-2-2, Paragraph (29) of the Cabinet Order, each, a Designated Financial Institution, which complies with the requirement for tax exemption under Article 6, Paragraph (11) of the Special Taxation Measures Act or (ii) a Japanese public corporation or a Japanese public-interest corporation designated by the relevant law, each, a Public Corporation etc., or a Japanese bank, a Japanese insurance company, a Japanese financial instruments business operator or other Japanese financial institution falling under certain categories prescribed by Article 3-3, Paragraph (6) of the Special Taxation Measures Act, each, a Specified Financial Institution, to which such interest is paid through a payment handling agent in Japan as defined in Article 2-2, Paragraph (2) of the Cabinet Order, or a Japanese Payment Handling Agent, with custody of the Notes, or the Japanese Custodian, in compliance with the requirement for tax exemption under Article 3-3, Paragraph (6) of the Special Taxation Measures Act). In addition to the withholding tax consequences upon resident investors as explained in this section 2, resident investors should consult their own tax advisors regarding their regular income tax or corporate tax consequences other than by way of withholding.

## 2.1. Interest

(1) If an individual resident of Japan or a Japanese corporation (other than a Specified Financial Institution or a Public Corporation etc., who complies with the requirement as referred to in paragraph 2.1(2) below) receives payments of interest on the Notes through Japanese Payment Handling Agents, income tax at the rate of 15.315% of the amount of such interest will be withheld by the Japanese Payment Handling Agent rather than by us. As we are not in a position to know in advance the recipient's status, the recipient of interest falling within this category should inform us through a paying agent of its status in a timely manner. Failure to so inform may result in double withholding. In addition, interest on the Notes received by an individual resident of Japan through a Japanese Payment Handling Agent will be subject to 15.315% separate net basis taxation in Japan by filing a separate tax return, and if any withholding tax stated above is to be withheld by the Japanese Payment Handling Agent, the amount of such withholding tax would be credited to Japanese individual income tax upon filing of such separate tax return; provided, however, that an individual noteholder being an individual resident of Japan may choose not to include the interest on the Notes to be paid each time in his or her tax return, in which case the above-stated withholding tax would be the final Japanese tax for such individual noteholder being an individual resident of Japan. On the other hand, in the case of other recipients who are Japanese corporations referred to in the beginning of this paragraph, the amount of interest received by any such recipient will be included in such recipient's other taxable income and subject to regular corporate tax.

(2) If the recipient of interest on the Notes is a Public Corporation etc. or a Specified Financial Institution that keeps its Notes deposited with, and receives the interest through, the Japanese Custodian, and such recipient submits through such Japanese Custodian to the competent tax authority the report prescribed by the Law, no withholding tax is levied on the amount of interest, provided that a Specified Financial Institution will be subject to regular corporate tax with respect to such interest. However, since we are not in a position to know in advance the recipient's tax exemption status, the recipient of interest falling within this category should inform us through a paying agent of its status in a timely manner. Failure to so notify us may result in the withholding by us of a 15.315% income tax.

(3) If an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution which complies with the requirements described in paragraph 2.1(4) below) receives interest on the Notes not through a Japanese Payment Handling Agent, income tax at the rate of 15.315% of the amount of such interest will be withheld by us, and the amount of such interest will be aggregated with the recipient's other taxable income and subject to income tax or corporate tax, as appropriate.

(4) If a Designated Financial Institution receives interest on the Notes not through a Japanese Payment Handling Agent and such recipient complies with the requirement, *inter alia*, to provide the Interest Recipient Information or to submit the Claim for Exemption from Taxation as referred to in paragraph 1.1(1) above, no withholding tax will be imposed, while the Designated Financial Institution will be subject to regular corporate tax with respect to such interest.

## CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes certain U.S. federal income tax consequences of the Offers to U.S. Holders (as defined below). This discussion applies only to U.S. Holders that hold the Notes as capital assets for U.S. federal income tax purposes. This discussion addresses only U.S. federal income taxation and does not discuss all of the tax consequences that may be relevant to U.S. Holders in light of their individual circumstances, including foreign, state or local tax consequences, and tax consequences arising under the Medicare contribution tax on net investment income or the alternative minimum tax. This discussion does not address all of the tax consequences that apply to U.S. Holders that are ineligible for the benefits of the current income tax treaty between the United States of America and Japan (the “*Treaty*”). In addition, this discussion does not discuss all of the tax consequences that may apply to you if you are a member of a class of holders subject to special rules, such as:

- a broker or dealer in securities or currencies,
- a trader in securities that elects to use a mark-to-market method of accounting for your securities holdings,
- a bank or other financial institution,
- an insurance company,
- a tax-exempt organization or governmental organization,
- a tax-qualified retirement plan,
- a real estate investment trust or regulated investment company,
- a person that holds Notes that are a hedge or that are hedged against interest rate or currency risks,
- a person that holds Notes as part of a straddle or conversion transaction for tax purposes,
- a person deemed to sell Notes under the constructive sale provisions of the Code (as defined below),
- a person that purchases or sells Notes as part of a wash sale for tax purposes, or
- a person whose functional currency for tax purposes is not the U.S. dollar.

If an entity or arrangement that is treated as a partnership for U.S. federal income tax purposes holds a Note, the U.S. federal income tax treatment of a partner generally will depend upon the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Notes should consult its tax advisor with regard to the U.S. federal income tax treatment of tendering the Notes.

This disclosure is based on the Internal Revenue Code of 1986, as amended (the “*Code*”), its legislative history, administrative pronouncements, judicial decisions, existing and proposed Treasury regulations under the Code and the Treaty, all as in effect as of the date hereof, and changes to any of which subsequent to the date of this Offer to Purchase may affect the tax consequences described herein, possibly on a retroactive basis.

**Please consult your own tax advisor concerning the consequences of tendering the Notes in your particular circumstances under the Code and the laws of any other taxing jurisdiction.**

As used herein, the term “*U.S. Holder*” means a beneficial owner of a Note that is, for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States,
- a domestic corporation,

- an estate whose income is subject to U.S. federal income tax regardless of its source or
- a trust if (i) a United States court can exercise primary supervision over the trust's administration and one or more United States persons are authorized to control all substantial decisions of the trust or (ii) the trust has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

#### *Sale of Notes Pursuant to the Offers*

Upon Rakuten's repurchase of a Note pursuant to an Offer, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount of cash received in exchange for the Note (other than cash attributable to Accrued Interest, the treatment of which is described below), which will include any Early Tender Premium, and such U.S. Holder's adjusted tax basis in the Note. Generally, a U.S. Holder's adjusted tax basis in a Note will be equal to the cost of the Note to the U.S. Holder, increased by any original issue discount or market discount previously included in income by the U.S. Holder with respect to the Note and decreased (but not below zero) by any amortized bond premium. Subject to the application of the market discount rules discussed in the next paragraph, any gain or loss will be capital gain or loss. Any capital gain or loss will be long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of the repurchase. Long-term capital gains of non-corporate U.S. Holders are generally eligible for reduced rates of taxation. The deductibility of capital losses for U.S. federal income tax purposes is subject to limitations. Subject to the application of the market discount rules discussed in the next paragraph, any gain or loss recognized generally will be treated as gain or loss from sources within the United States for purposes of the rules regarding the foreign tax credit allowable to a U.S. Holder.

If a U.S. Holder acquired a Note at a "market discount" (i.e., (i) in the case of the 3.546% Notes, at a price that is below the principal amount of the Note by more than a specified *de minimis* amount or (ii) in the case of the 10.250% Notes, at a price that is below the adjusted issue price of the Note at the time of purchase by more than a specified *de minimis* amount), any gain recognized by the U.S. Holder upon the repurchase of the Note pursuant to an Offer would be treated as ordinary interest income to the extent of any accrued market discount that had not previously been included as ordinary income. Any gain treated as ordinary income pursuant to the market discount rules generally should be treated as income from sources outside the United States for purposes of the rules regarding the foreign tax credit allowable to a U.S. Holder.

#### *Accrued Interest*

The cash received by a U.S. Holder pursuant to an Offer that is attributable to Accrued Interest (including any Japanese tax withheld and additional amounts paid in respect thereof) will be taxable as ordinary interest income to the extent such Accrued Interest has not yet been included in the U.S. Holder's income.

Any Japanese tax withheld from a payment of Accrued Interest generally will not be eligible for a foreign tax credit to the extent that the Japanese tax could have been eliminated by complying with the information reporting requirements prescribed by the Special Taxation Measures Act (as described in "Certain Japanese Tax Considerations" above). In addition, because interest on the Notes is generally exempt from Japanese tax pursuant to the Treaty, if a U.S. Holder is eligible for benefits under the Treaty, such U.S. Holder generally will not be entitled to a foreign tax credit for any Japanese tax withheld from a payment of Accrued Interest. Interest paid on the Notes will generally be income from sources outside the United States for purposes of the rules regarding the foreign tax credit allowable to a U.S. Holder and will generally be "passive" income for purposes of computing the foreign tax credit.

#### *Information Reporting and Backup Withholding*

Information reporting generally will apply to all payments made to a U.S. Holder pursuant to an Offer, unless such U.S. Holder is an exempt recipient. In general, a U.S. Holder whose tendered Notes are accepted for purchase may be subject to U.S. federal backup withholding (currently, at a rate of 24%) on such payments if such U.S. Holder fails to (i) provide a properly completed and executed Internal Revenue Service Form W-9 to the applicable withholding agent providing such U.S. Holder's correct taxpayer identification number and complying with certain certification requirements or (ii) otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be refunded or

allowed as a credit against the U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the Internal Revenue Service.

## **DEALER MANAGERS; DEPOSITORY AND INFORMATION AGENT**

We have retained Goldman Sachs & Co. LLC, Morgan Stanley & Co. LLC, Daiwa Capital Markets America Inc. and Mizuho Securities USA LLC to serve as the Dealer Managers in connection with the Offers. We will pay a reasonable and customary fee to the Dealer Managers for soliciting acceptances of the Offers. We will also reimburse the Dealer Managers for their reasonable out-of-pocket expenses. The obligations of the Dealer Managers to perform their function are subject to various conditions. We have agreed to indemnify the Dealer Managers against various liabilities, including liabilities under the federal securities laws. The Dealer Managers may contact Holders by mail, telephone, facsimile transmission, personal interviews and otherwise may request broker, dealer, commercial bank, trust company, custodian or other nominee Holders to forward materials relating to the Offers to beneficial Holders. Questions regarding the terms of the Offers may be directed to the Dealer Managers at their addresses and telephone numbers listed on the back cover page of this Offer to Purchase. At any given time, the Dealer Managers and their affiliates may trade Notes or other securities issued by us and our affiliates for their own accounts or for the accounts of their customers and, accordingly, may hold a long or short position in the Notes. To the extent the Dealer Managers or their affiliates own Notes during the Offers, they may (but are not obligated to) tender such Notes pursuant to the terms of the Offers.

From time to time in the ordinary course of business, the Dealer Managers and their affiliates have provided us and our affiliates with investment banking and other services for customary compensation.

Global Bondholder Services Corporation has been appointed as the Depositary and Information Agent in connection with the Offers. All deliveries, correspondence and requests for additional copies of documentation should be sent to the Depositary and Information Agent at the address set forth on the back cover of this Offer to Purchase. All documentation relating to the offer, together with any updates, will be available via the Offer Website. Rakuten has agreed to pay the Depositary and Information Agent reasonable and customary fees for its services and to reimburse the Depositary and Information Agent for its reasonable out-of-pocket expenses in connection therewith. Rakuten has also agreed to indemnify the Depositary and Information Agent for various liabilities, including liabilities under the federal securities laws.

None of the Dealer Managers, the Depositary and Information Agent nor any affiliate of any of them assumes any responsibility for the accuracy or completeness of the information concerning Rakuten or any of its subsidiaries or affiliates, contained or incorporated by reference into this Offer to Purchase, or for any failure by Rakuten to disclose events that may have occurred after the date of this Offer to Purchase that may affect the significance or accuracy of such information.

In connection with the Offers, directors and officers of Rakuten and regular employees of Rakuten (who will not be specifically compensated for such services) may solicit tenders by use of the mails, personally or by telephone. Rakuten will also pay brokerage houses and other custodians, nominees and fiduciaries the reasonable out-of-pocket expenses incurred by them in forwarding copies of this Offer to Purchase and related documents to the beneficial owners of the Notes and in handling or forwarding tenders of Notes by their customers.

## **MISCELLANEOUS**

Rakuten is not aware of any jurisdiction where the making of the Offers is not in compliance with the laws of such jurisdiction. If Rakuten becomes aware of any jurisdiction where the making of the Offers would not be in compliance with such laws, Rakuten will make a good faith effort to comply with any such laws. If, after such good faith effort, Rakuten cannot comply with any such applicable laws, the Offers will not be made to (nor will tenders be accepted from or on behalf of) the Holders residing in each such jurisdiction.

*The Information Agent for the Tender Offers is:*

**Global Bondholder Services Corporation**

65 Broadway – Suite 404  
New York, New York 10006  
Attn: Corporate Actions

Banks and Brokers call: (212) 430-3774  
Too free (855) 654-2015

*The Depositary Agent for the Tender Offer is:*

**Global Bondholder Services Corporation**

By Facsimile:  
(For Eligible Institutions only):  
(212) 430-3775/3779

Confirmation:

(212) 430-3774

Email: [contact@gbsc-usa.com](mailto:contact@gbsc-usa.com)

*By Mail:*  
65 Broadway – Suite 404  
New York, NY 10006

*By Overnight Courier:*  
65 Broadway – Suite 404  
New York, NY 10006

*By Hand:*  
65 Broadway – Suite 404  
New York, NY 10006

If a Holder has questions about any of the terms and conditions of the Offers, the Holder may contact the Depositary and Information Agent or the Dealer Managers at their telephone numbers.

*The Dealer Managers for the Offers are:*

**Goldman Sachs & Co. LLC**  
200 West Street  
New York, New York 10282  
United States

Attention: Liability Management Group  
E-mail: [GS-LM-NYC@gs.com](mailto:GS-LM-NYC@gs.com)  
Collect: (212) 902-5962  
Toll Free: +1 (800) 828-3182

**Morgan Stanley & Co. LLC**  
1585 Broadway, 6<sup>th</sup> Floor  
New York, NY 10019  
United States of America

Attention: Liability Management Group  
E-mail: [debt\\_advisory@morganstanley.com](mailto:debt_advisory@morganstanley.com)  
Collect: +1 (212) 761-1057  
Toll Free: +1 (800) 624-1808

**Daiwa Capital Markets America Inc.**  
32 Old Slip  
New York, NY 10005  
United States  
Attention: Investment Banking  
E-mail: [dcm@us.daiwacm.com](mailto:dcm@us.daiwacm.com)  
Collect: (212) 612-7000

**Mizuho Securities USA LLC**  
1271 Avenue of the Americas  
New York, NY 10020  
United States  
Attention: Liability Management  
E-mail: FI-DCM-  
[LiabilityManagement@Mizuhogroup.com](mailto:LiabilityManagement@Mizuhogroup.com)  
Collect: 1-212-205-7736  
Toll Free: 1-866-271-7403