

March 9, 2017

SBI Holdings, Inc.

(TOKYO: 8473)

SBI Investment Co., Ltd.

### **Notice Regarding an Investment into Veem Inc.**

SBI Investment Co., Ltd. (Head office: Minato-ku, Tokyo; Representative Director: Katsuya Kawashima; hereinafter “SBI Investment”), is a subsidiary of SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director: Yoshitaka Kitao), which conducts investments and management of venture capital funds. SBI Investment hereby announces that it has invested in Veem Inc. (Head office: San Francisco, USA, hereinafter “Veem”) through the FinTech Fund.

Veem is a developer and operator of intermediation platforms for B-to-B international remittance for micro-enterprises or small- to medium-sized businesses. By building unique networks including those that use virtual currencies, Veem has achieved commission rates that are among the industry’s lowest. The company has developed automatic algorithms that select and use the optimal remittance means while also being able to use conventional remittance methods. Veem provides interfaces that are uncomplicated and suitable for business transactions, and they have thus proved popular with many users as interfaces that are user-friendly also for micro-enterprises and small- to medium-sized businesses.

B-to-B international remittances are said to amount to about US\$6 trillion a year in the world, dwarfing the B-to-C and C-to-C categories. Nevertheless, B-to-B international remittance platforms have yet to be sufficiently developed. Veem launched operations in this market segment and was one of the first to use virtual currencies. It has expanded the list of countries in which the user can now send or receive a remittance to 28, including Asian countries such as China and Australia.

There is enormous demand for the B-to-B international remittance service in emerging market countries where micro-enterprises without bank accounts abound greatly. Such service is used also in developed countries by expatriate workers for remitting money to their home country, because commission rates for the service are lower compared to banks. In the coming years, the amount of remittances to Southeast Asian countries, in particular, will likely grow at an increasingly faster pace.

In December 2015, SBI Investment established the FinTech Fund (Fund name: FinTech Business Innovation LPS; total commitment amount: JPY 30 billion), which intends to invest in the FinTech field. The FinTech Fund will make aggressive efforts to invest in promising both Japanese and overseas venture companies in the FinTech business fields and support open innovation between the fund investors and the investee companies, with a view to promote introduction and utilization of FinTech-related technologies by the fund investors, while

boosting the value of investee companies.

The SBI Group will continuously expand investments in venture companies in the FinTech field by leveraging the knowledge in the online financial services businesses accumulated by itself, as a FinTech pioneer company, and sequentially adopt the leading-edge FinTech technologies in the Group's Financial Services Business.

[Outline of Veem Inc. ]

Head office : 75 Broadway, Suite 202 - San Francisco, CA 94111, USA

Representative : Marwan Forzley, CEO, Co-Founder

Business : Development and operation of the platforms for B-to-B international remittance service

Establishment : March 2014

URL : <https://www.veem.com/>

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For further information, please contact:

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