

**Notice Regarding a Basic Agreement on Capital and Business Partnerships
with Huobi Group, which engages Cryptocurrency-related Businesses in China-centric
Asian Region**

SBI Holdings, Inc. (Head office: Minato-ku, Tokyo; Representative Director, President & CEO: Yoshitaka Kitao; hereinafter “SBI Holdings”) and Huobi Universal Inc. and companies under its umbrella (hereinafter “Huobi Group”), a group engaging cryptocurrency related services in China-centric Asian region, hereby announce that they have reached a basic agreement on capital and business partnerships.

Huobi Group had been operating “Huobi,” one of the largest cryptocurrency exchange platforms in China, for over four years. At present, “Huobi.pro,” as a part of Huobi Group, is a cryptocurrency exchange based in Singapore. In addition to the digital assets exchange platform, the Group has applied its advantages of cryptocurrency-related technologies, know-how and human resources to develop its business in various fields such as information and research service business, wallet services for cryptocurrency management, etc. The Group operates globally and has offices in Singapore, Hong Kong, Korea and Japan.

SBI Holdings has been promoting the development of cryptocurrency-related businesses by establishing SBI Virtual Currencies Co., Ltd. (hereinafter “SBI Virtual Currencies”) and preparing for the launch of Digital Asset Exchange (tentative name) in Hong Kong, in an effort to expand into cryptocurrency exchange services, in order to meet the diversified needs of investors. SBI Virtual Currencies completed registration as a cryptocurrency exchange service provider on September 29, 2017, and the company has focused on developing an IT infrastructure for providing the cryptocurrency exchange service, including IT systems and security measures, to be fully prepared for the anticipated inflows of customers from the SBI Group’s customer base (SBI SECURITIES with over four million accounts, SBI Sumishin Net Bank with over three million accounts, and SBI Group’s FX services* with over one million accounts, as of November 30, 2017). As part of those activities, SBI Holdings has reached a basic agreement with Huobi Group (1.65 million accounts, maximum daily transaction volume of over CNY 30 billion (approximately JPY 510 billion)), which has a track record of stably operating a major cryptocurrency exchange in China, to explore the following alliances.

[Details on capital and business partnerships]

- SBI Holdings’ use of Huobi Group’s technology, know-how and human resource on developing the cryptocurrency-related business in the Asian region.
- SBI Group’s acquisition of 30% of equity in Huobi Group’s Japanese entity (Huobi Technology Japan Co., Ltd.) and 10% of equity in Huobi Group’s Korean entity (HUOBI CO., Ltd).
- Huobi Group’s acquisition of 30% of equity in SBI Virtual Currencies, a subsidiary of SBI Holdings.

[About the Huobi Group]

Business : Management of cryptocurrency related businesses

Representative : Leon Li, CEO

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

: <https://www.huobi.pro/> (cryptocurrency exchange platform “Huobi.pro”)

* Total number of accounts of SBI SECURITIES, SBI FXTRADE and SBI Sumishin Net Bank

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