

January 30, 2023
SBI Holdings, Inc.
(TOKYO: 8473)

**Notice Regarding Capital and Business Alliance Agreement
and an Establishment of a Joint Venture Company with Simplex Holdings, Inc.**

SBI Holdings, Inc. (head office: Minato-ku, Tokyo; Representative Director, Chairman, President & CEO: Yoshitaka Kitao; hereinafter “the Company”) and SBI SECURITIES Co., Ltd. (head office: Minato-ku Tokyo; Representative Director and President: Masato Takamura; hereinafter “SBI SECURITIES”), as of today, announces that it has concluded a capital and business agreement (hereinafter “Capital and Business Alliance Agreement”) with Simplex Holdings, Inc. (head office: Minato-ku Tokyo; Representative Director, President and CEO: Hideki Kaneko; hereinafter “Simplex Holdings”) and based on the Capital and Business Alliance Agreement, the Company will acquire 3,040,300 shares of Simplex Holdings’ common stock (5.4% of the total number of shares issued and outstanding as of December 31, 2022) and establish a joint venture company by the end of February 2023.

1. Purpose and background of Capital and Business Alliance

The Company group has been conducting its business to provide customer-oriented products and services based on the “Customer-centric Principle.” In addition, SBI SECURITIES is striving to achieve the “Neo-securities Initiative” by the first half of the fiscal year ending March 31, 2024, which will eliminate online domestic stock trading commissions and certain other fees currently charged to investors and is strengthening its systems to accommodate the expected increase in transactions that will accompany this change.

On the other hand, Simplex Holdings is a holding company that manages Simplex, Inc. (“Simplex”) and its subsidiaries and other companies, centered on its core company Simplex since its founding in 1997, has developed its business as a technology partner of leading financial institutions in Japan. Recently, Simplex is leveraging the wealth of expertise it has accumulated in the financial domain to develop solutions in areas other than financial institutions. Since its founding, it has worked to create added value, and provide support to public institutions, financial institutions, and leading companies in various industries in their promotion of digital transformation.

The Company group and Simplex Holdings have built a relationship of mutual trust through Simplex’s support for the development and operation of systems for the SBI Group’s securities-related businesses, primarily SBI SECURITIES. The Company, SBI SECURITIES, and Simplex Holdings have entered into the Capital and Business Alliance Agreement in order to further strengthen system development and operational structure of the Company group, centered on SBI SECURITIES, and to achieve this goal by combining the resources and expertise of both groups as one team, beyond a mere outsourcing and contracting relationship.

2. Details of the capital and business alliance

(1) Acquisition of Simplex Holdings' shares by the Company

SBI SECURITIES, a wholly owned subsidiary of the Company will today acquire a total of 3,040,300 shares of Simplex Holdings' common stock (5.4% of the total number of shares outstanding as of December 31, 2022) from existing shareholders through intramarket off-auction trading (ToSTNeT), with a purpose of transferring the shares to the Company, and the Company will acquire all of the shares from SBI SECURITIES through intramarket off-auction trading (ToSTNeT) on the same day.

(2) Establishment of a joint venture company

An agreement was made to establish a joint venture company (Investment ratio (plan): SBI SECURITIES 51%, Simplex Holdings 49%) by the end of February 2023, which will be mainly responsible for development and operation of systems for SBI Group companies including SBI SECURITIES.

3. Timetable

Conclusion of the Capital and Business Alliance Agreement and the stock trading contract date	January 30, 2023
Date of the share transfer	February 1, 2023 (plan)
Date of the establishment of the joint venture company	Scheduled to be established by the end of February 2023

4. Future outlook

The Company believes that the impact of this capital and business alliance and the establishment of a joint venture company on its business results will be minor.

5. Overview of each company

Company name	SBI Holdings, Inc.
Business description	Control and management of SBI Group through share ownership
Date of establishment	July 8, 1999
Head office	1-6-1 Roppongi, Minato-ku, Tokyo
Representative	Representative Director, Chairman, President & CEO, Yoshitaka Kitao
URL	https://www.sbigroup.co.jp/

Company name	SBI SECURITIES Co., Ltd.
Business description	Comprehensive online securities
Date of establishment	April 26, 1999 (Date of change of company name)
Head office	1-6-1 Roppongi, Minato-ku, Tokyo
Representative	Representative Director and President, Masato Takamura
URL	https://www.sbisec.co.jp/

Company name	Simplex Holdings, Inc.
Business description	Management and control of subsidiaries and all activities incidental or related

	thereto
Date of establishment	September 16, 1997
Head office	1-23-1 Toranomom, Minato-ku, Tokyo
Representative	Representative Director, President and CEO, Hideki Kaneko
URL	https://www.simplex.holdings/

For further information, please contact:

SBI Holdings, Inc. Corporate Communications Dept., Tel: +81 3 6229-0126