



November 27, 2023
SBI Holdings, Inc.
Circle Internet Financial, LLC

SBI Holdings Partners with Circle to Pioneer Digital Currency Innovation in Japan with USDC, Banking, and Web3 Services

SBI Holdings, Inc. (Head Office: Minato-ku, Tokyo; Representative Director, Chairman, President & CEO Yoshitaka Kitao; hereinafter “the Company”) hereby announces that it has concluded a Memorandum of Understanding (hereinafter “the MOU”) with Circle Internet Financial (Head Office: Boston, Massachusetts, United States; Co-Founder, Chairman and CEO: Jeremy Allaire; hereinafter “Circle”) a global financial technology firm and the issuer of USDC, the world’s largest regulated stablecoin, to circulate USDC stablecoins, establish a banking relationship and promote the use of Circle’s Web3 Services in Japan.

As a global leader in the digital asset economy, the Japanese government revised the Payment Services Act (the Revised Payment Services Act), on June 3, 2023 to establish regulations for stablecoins. The regulation is expected to stimulate the issuance and circulation of stablecoins in Japan and advance Japan’s transition towards a Web3 economy.

The Revised Payment Services Act establishes “collateralized” stablecoins that are backed by legal tender. Circle’s USDC goes a step further because they are backed 100% by highly liquid cash and cash-equivalent assets and are always redeemable 1 to 1 for U.S. dollars. USDC reserves are held separately from Circle’s operating funds at leading financial institutions for the benefit of USDC holders. As of 17 November 2023, there has been over \$12.7 trillion of on-chain USDC transactions.

The companies have signed an MOU underpinning the work ahead, which includes SBI Group and Circle initially working towards the circulation of USDC and expanding the use of stablecoins in Japan. SBI Group and Circle have also committed to properly complying with stablecoin-related regulations, including communication with authorities. To circulate USDC stablecoins within Japan, SBI VC Trade Co., Ltd. (Head Office: Minato-ku, Tokyo; President: Tomohiko Kondo) is seeking registration as an electronic payment instruments service, which is subject to approval by the authorities.

SBI Shinsei Bank, Limited (Head Office: Chuo-ku, Tokyo; President and Chief Executive Officer: Katsuya Kawashima) will also provide banking services to Circle. This will enable USDC access and liquidity for Japan-based businesses and users. Moreover, as part of SBI Group’s digital asset portfolio strategy, SBI Group’s will also adopt Circle’s Web3 Services solutions such as Programmable Wallet, blockchain infrastructure and smart contract management tools.

“Our partnership with SBI Holdings represents a shared vision for the future of digital currency, and is a significant milestone in Circle’s expansion plans in Japan and Asia Pacific,” said **Jeremy Allaire**, CEO and co-founder of Circle. “We are excited to collaborate with SBI towards setting new standards in the financial sector in Japan.”

“Japan is steadily preparing the groundwork for the full-scale introduction of stablecoins, such as through the revised

Payment Services Act implemented in June 2023. Under such circumstances, we are very pleased to have signed a basic agreement for a comprehensive business alliance with Circle, which manages and issues USDC, a stablecoin with a market capitalization of nearly 4 trillion yen and used globally in more than 190 countries, and to have taken the first step toward widespread adoption of stablecoins in Japan. SBI Group is committed to wholeheartedly working towards realizing new financial possibilities using stablecoins,” said **Yoshitaka Kitao**, Representative Director, Chairman, President & CEO of SBI Holdings.



Representative Director, Chairman, President & CEO of SBI Holdings, Yoshitaka Kitao (Left)
and Co-Founder, Chairman and CEO of Circle, Jeremy Allaire (Right)

[About Circle]

Circle is a global financial technology firm that enables businesses of all sizes to harness the power of digital currencies and public blockchains for payments, commerce and financial applications worldwide. Circle is the issuer of USDC and EURC - highly liquid, interoperable, and trusted money protocols on the internet. Circle’s open and programmable platform and APIs make it easy for organizations to run their internet-scale business, whether it is making international payments, building globally-accessible Web3 apps or managing their internal treasury. Learn more at <https://circle.com>.



[About SBI Group]

Established in 1999 as a pioneer of Internet-based financial services in Japan, the SBI Group is a comprehensive Internet financial group that operates globally, encompassing five core businesses: “Financial Services Business,” such as securities, banking and insurance businesses; “Investment Business,” which is engaged in private equity investment including venture capital investment; “Asset Management Business,” that provides various asset management related services; “Crypto-asset Business,” which operates crypto asset trading and exchange services; and “Next Gen Business,” which includes business activities related to biotechnology, healthcare and medical informatics, Web3, semiconductors and new overseas markets.

For further information, please contact:

SBI Holdings, Inc. Corporate Communications Dept., email: inq-ir@sbigroup.co.jp

Circle Corporate Communications Dept., email: press@circle.com