

SBI FinTech Solutions



TABLE OF CONTENTS

01 Business Overview

Market summary

Payment service business

Back-office SaaS business

International remittance business

02 FY2022 1Q Overview

Financial highlight

Comparison by segment

Sales trend of major subsidiaries

03 Appendix

Corporate governance structure

Introduction of company & history

SBI Group

Shareholder return policy

Consolidated statement of income

Consolidated statement of financial position

Disclaimer

- The information contained in this document is not intended to recommend investments, but to enhance investors understanding and provide a wide range of information that can be served as a reference prior to making investment decisions.
- Our company does not guarantee the completeness of the information contained in this document and any future related matters such as business strategies.
- Please note that the contents in this document may be changed or abolished without prior notice.
- Since the financial figures in this document have been prepared for the convenience of investors without having them audited by an external auditor, they are subject to change during the audit conducted by an external auditor in the future.
- The IFRS financial figures in this document are rounded off to the nearest unit.
- Based on the application of IFRS 5 (non-current assets held for sale and discontinued operations) after the sale of subsidiaries in FY21 4Q, we provide the figures in the past retrospectively

Business Overview

Market summary

Payment service business

Back-office SaaS business

International remittance business

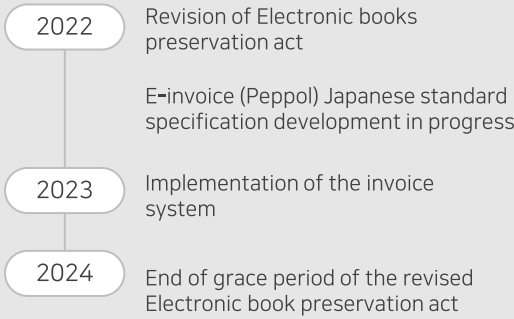


Market Summary

Japan's challenge is digital transformation(DX) of the analog work environment.

- Japan started the conversion from analog to digital in earnest due to Covid-19 and established a 'Digital Agency' in 2021.
- As non-face-to-face work environments become common, digital transformation has emerged as an essential task for work efficiency, work digitization, data utilization, and market monitoring.
- About 80% of 1.9 million Japanese small and medium-sized enterprises (SMEs) are processing invoices in an analog manner
- In accordance with the 2023 invoice system and the 2024 electronic ledger preservation law, the introduction of back-office SaaS software for 'paperless' is a top priority for Japanese SMEs in the future.

Japanese government's DX promotion policy for SMEs



Revision of Electronic books preservation act

(For All enterprises and individual business operators regardless of business size)

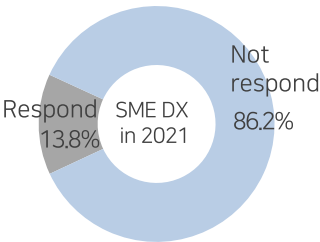
- A law that obliges electronic preservation by meeting certain requirements when exchanging transaction information such as order forms, invoices, and receipts by electronic methods such as EDI, Internet, and mail.
- A system equipped with the regulatory requirements of the law should be introduced

The invoice system

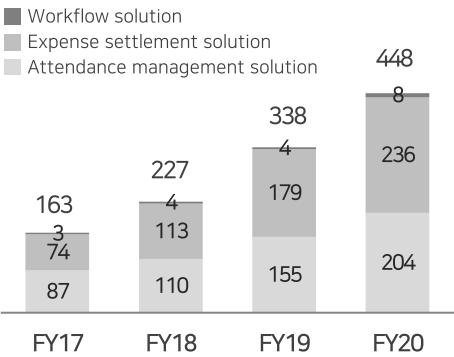
(For all taxable entity of consumption tax)

- Under the invoice system, in order for the buyer to receive tax credit for consumption tax on purchases, as a general rule, retention of a qualified invoice, etc. issued by the "business issuer of qualified invoice" will be required.
- In order for the seller to issue a qualified invoice, it must be registered as a "business issuer of qualified invoice" by the District Director of the tax office of jurisdiction

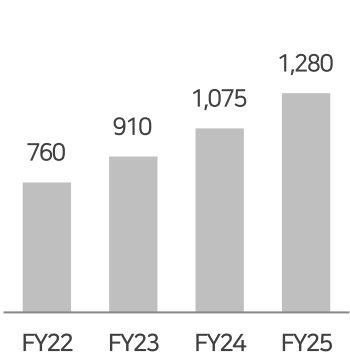
DX Status of SMEs Companies in Japan



Trend of cloud ERP solution market size (JPY 100 mn)



Demand forecast cloud ERP solution (JPY 100 mn)



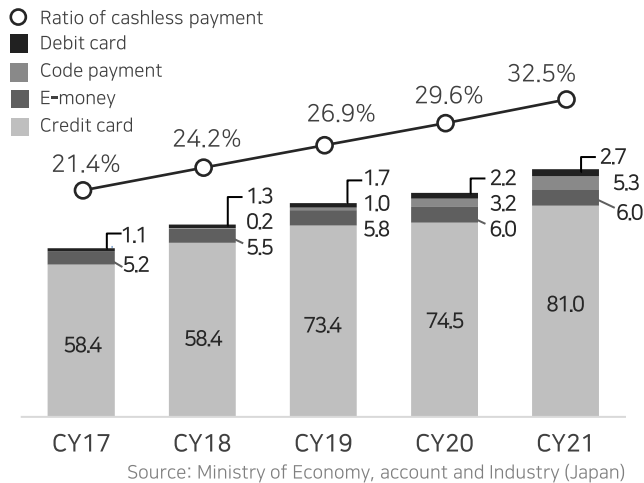
Source: MIC Research Institute

Market Summary

Cashless in Japan is an ongoing process.

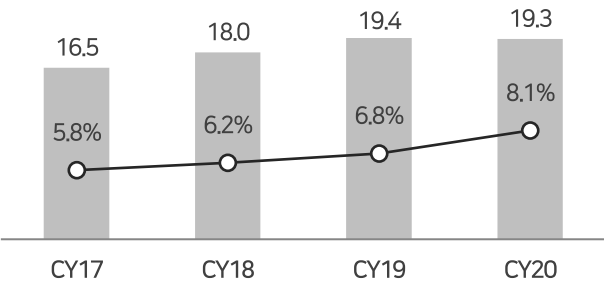
- Japan has good security, so there is little risk of theft of cash, and there are not many counterfeit bills, so the trust in cash is high.
- The use of non-face-to-face and contactless payment methods accelerated due to COVID-19, and the introduction of cashless payments expanded
- As of the end of 2021, the ratio of cashless payments to private consumption is 32.5%
- The Japanese government announced the 'cashless vision' and set a target of 40% cashless payment by 2025
- Advancement of payment infrastructure, including cashless, is an important task for Japan's growth strategy

Cashless payment ratio to private consumption expenditure



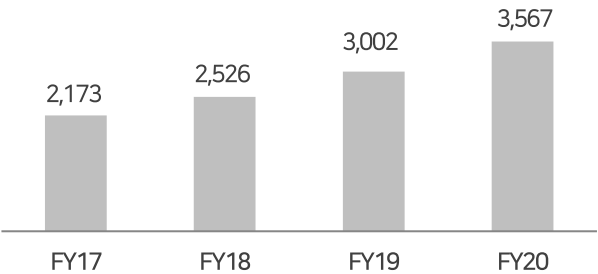
BtoC EC market size

○ EC Ratio(%) ■ BtoC EC market size(JPY tn)



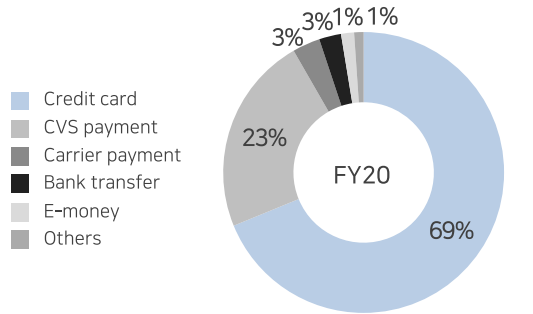
Source: Ministry of Economy, account and Industry (Japan)

PSP market size (JPY 100 mn)



Source: MIC Research Institute

Proportion by payment method in the EC market



Source: MIC Research Institute

Market Summary

Korea's advanced FinTech and market size are opportunities for the international remittance market.

- According to the World Bank, the size of global individual overseas remittance is estimated to be about 646.2 billion dollars (as of 2020), and the market size is expected to increase by 4.5% annually
- The number of foreigners residing in Korea showed a steady increase, surpassing the all-time high of 2.52 million in 2019, but has decreased to around 2 million due to the impact of COVID-19. As movement between countries becomes more active in the future, the number of potential buyers of international remittance, such as foreign workers and international students, is expected to increase.
- In 2017, as a small overseas remittance business was newly established due to the revision of the Foreign Exchange Transactions Act, international remittance became possible for FinTech companies.
- the paradigm of the existing bank remittance method via the International Interbank Telecommunication Association(SWIFT) by reducing fees and time using the pooling method, which bundles multiple small remittances, and the prefunding method, which attracts funds to overseas affiliated banks in advance.

FinTech international remittance market in Korea

2017.07

Establishment of a small overseas remittance business that allows FinTech companies to conduct international remittance business with the revision of the Foreign Exchange Transactions Act
Annual remittance limit USD 20,000 per person

2019.01

Small overseas remittance business registration of SBI Cosmoney

2019.01

Annual remittance limit per person has been revised to USD 30,000.

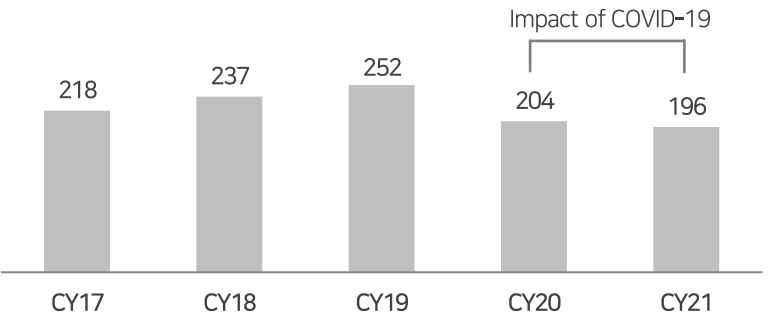
2019.10

Annual remittance limit per person has been revised to USD 50,000.

2022.06

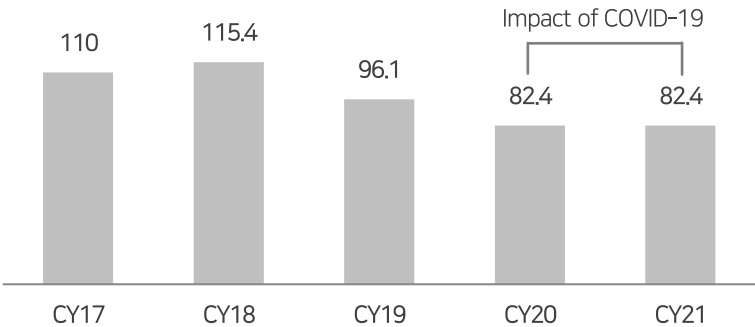
A total of 26 small overseas remittance companies registered

Number of foreign residents in Korea (10,000 people)



Source: Ministry of Justice

PersonalInternational remittance market in Korea (USD 100 mn)



Source: Bank of Korea

SBI FinTech Solutions is a
「Comprehensive FinTech Solution Company」
that provides the optimal FinTech services in Japan and Korea.



Payment service business

A wide range of one-stop service for
various payments and financial
solutions to EC operators

Payment service
Financial solution service



ZEUS

AXES Payment

Back-office SaaS business

Back-office support service that
provides cloud-based solutions such
as expense settlement and workflow

Back-office support service



SBI Business Solutions

International remittance business

International remittance service
through various payment networks

International remittance service



SBI Cosmoney

Payment service business

ZEUS



Various payment services such as online payments and offline/POS payments

AXES Payment

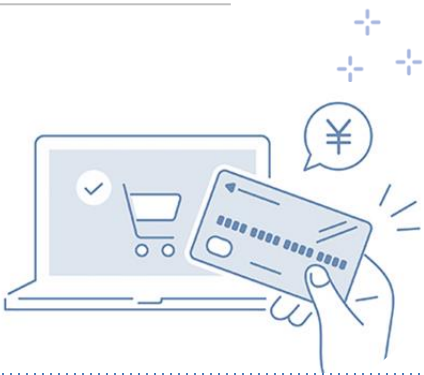


Online payment services

SBI FinTech Solutions



Financial solutions to various financial needs of SMEs



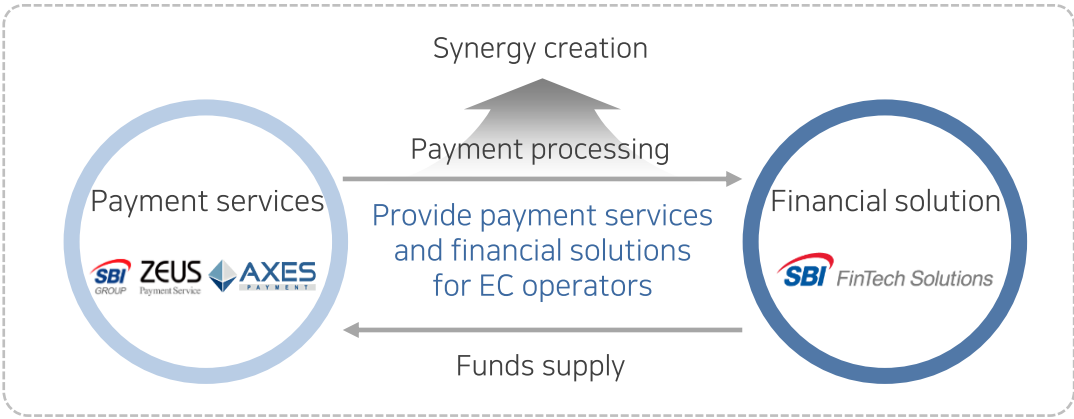
Payment service business

Payment services

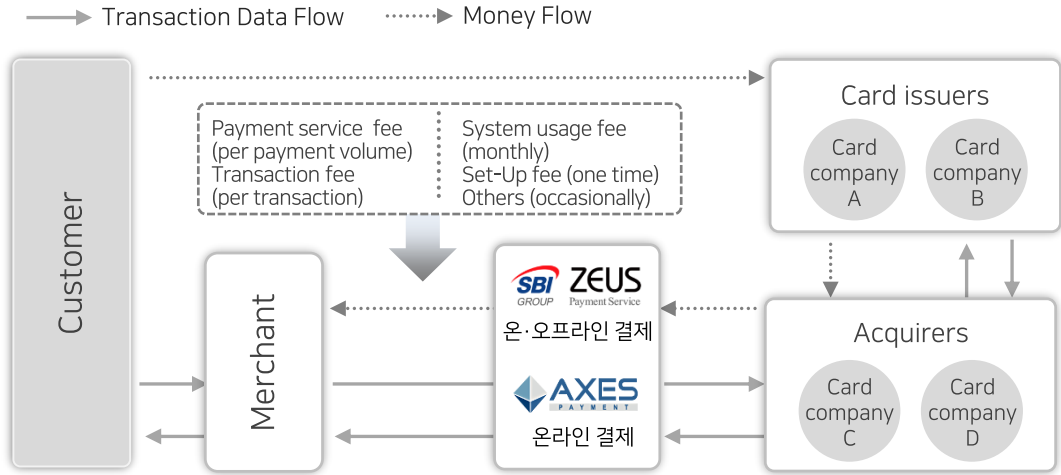
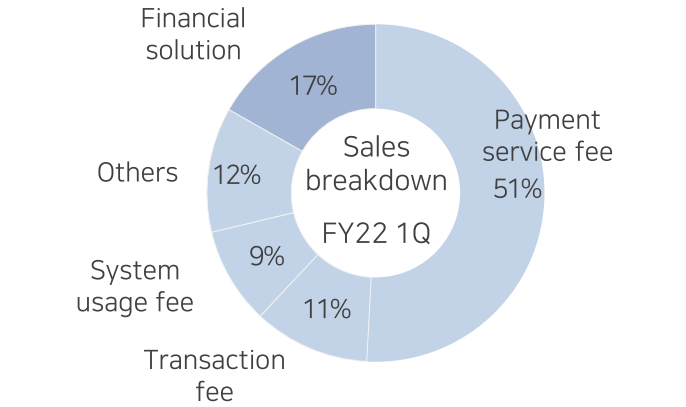
Financial Solution service

The business model of the payment service business creates synergy between the payment agency service and the financial solution service.

Business model




Sales breakdown



Fee type	Description
Payment services	
Payment service fee	Fee quoted at certain percentages of payment amount based on agreement with merchants
Transaction fee	Fee for payment data processing occurs per transaction
System usage fee	Monthly usage fee for payment system, sales management system and customer support service
Others	Set-Up fee, payment terminal fee, etc.
Financial solution service	
Purchase fee	A receivable purchase fee

A diverse lineup of payment solutions is an essential competitiveness in securing online/offline customers.

Credit card payment



Compatible with international card brands and various card companies

CVS payment

あなみとコンビニ




24/7 response at more than 43,000 major convenience stores nationwide

Bank transfer payment




Link to more than 34,800 financial institutions nationwide

E-money payment




Support for Rakuten Edy and Chocom E-money, etc. with a specialized service for small payments

Carrier payment



Payment of product purchase and service charges combined with mobile phone charges

BtoB payment



Specialized in BtoB transactions such as wholesale and outsourcing businesses

E-mail payment




Delivery of payment mail or URL for payment to user's mail account, etc

Terminal payment



Compatible to diversify the use environment in addition to the fixed type in the store

Postpaid payment



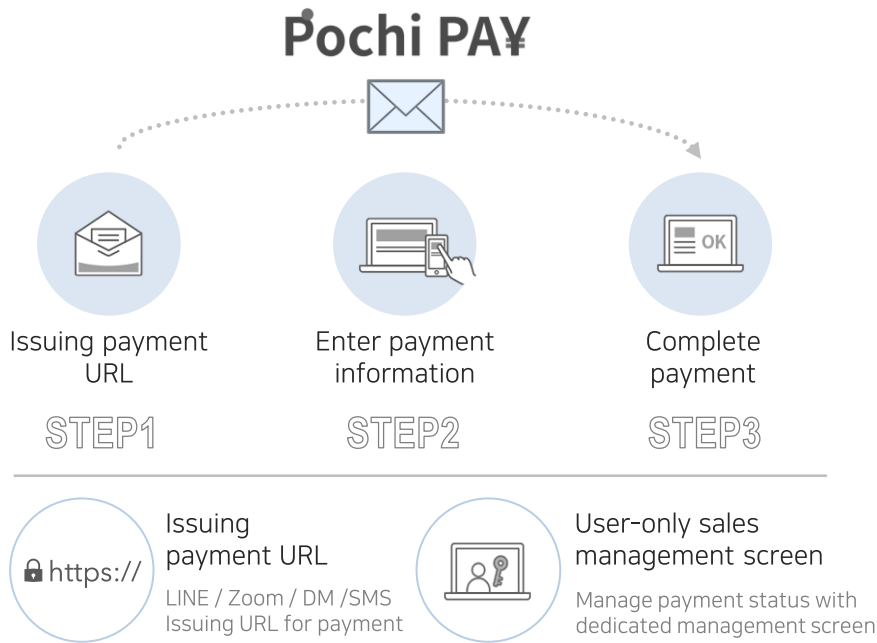
Pay at convenience stores, banks, post offices, etc. after receiving the product

New small EC target specialized payment platform to significantly improve market competitiveness

- Launching 'Pochi PAY', a payment brand for private businesses, and expanding small EC market share with simple fare configurations
- 'Business PAY' for professional businesses / BtoB-exclusive payment service 'Biz Creka' / Online class-exclusive payment service 'Lesson PAY' launched various industry-specific payment products


Payment platform for individual businesses

- A payment platform for beginners of online business with a simple process and structure
- Sign-up application digitalization significantly reduces introduction period




Payment platform specialized in industry


- Payment service can be introduced only with the website account without the establishment of a shopping mall through the internet



Bizクレカ
BtoB Credit card payment service



士業PAY
Payment service for professionals
(Ex. Lawyers)



レッスンPAY
Payment service for online classes

Payment service business

Payment services

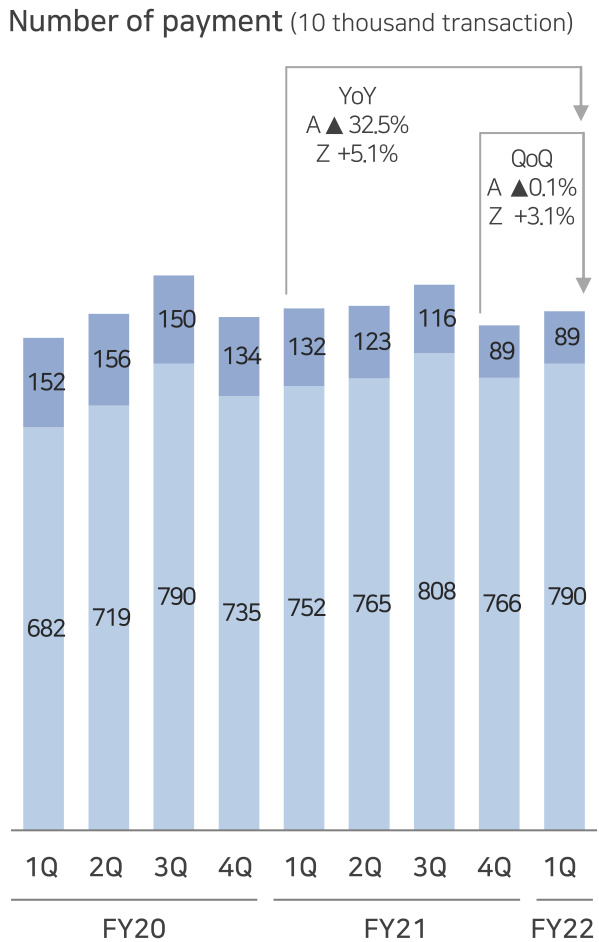
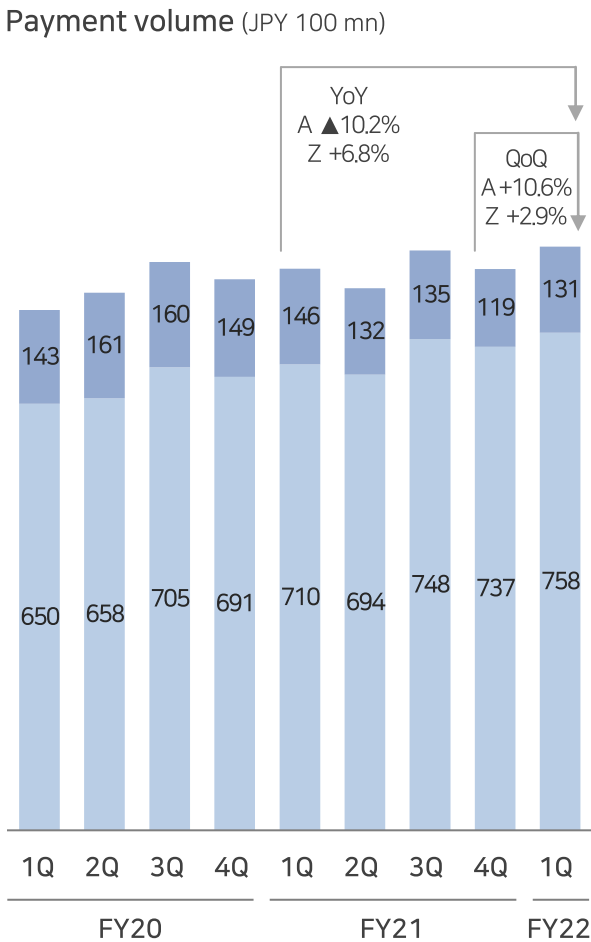
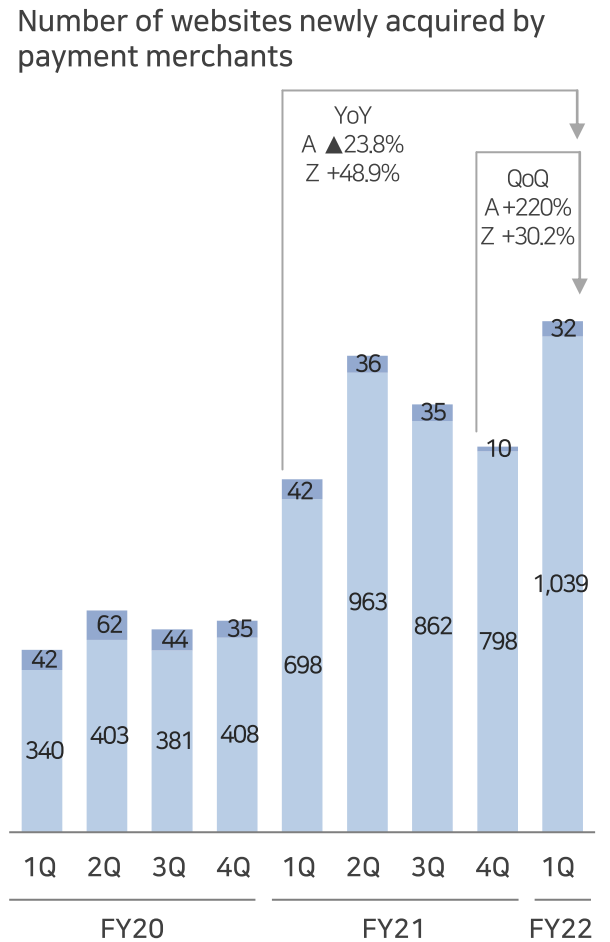
Financial Solution service



Since the launch of the new service, the trend of accelerating the acquisition of FY22 payment merchants is expected to drive future performance with a time lag.

- FY22 1Q ZEUS and AXES Payment The total number of new websites obtained from the payment merchant was 1,071 cases, YoY +44.7%

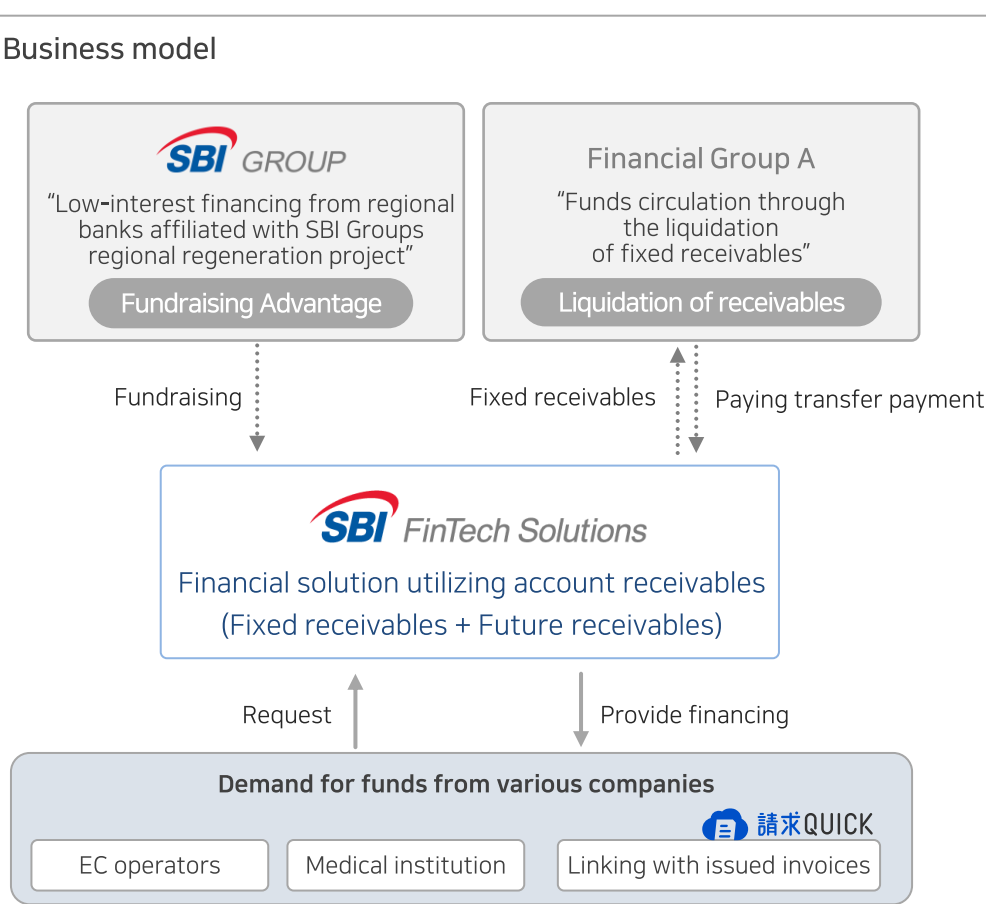
■ AXES Payment ■ ZEUS



We provide a differentiated financial solution as a factoring service that solves the financing needs of SMEs.

- Account receivable factoring service that purchases account receivables such as fixed receivables and future receivables, pays them at a discount in advance, and collects the money on the maturity date of the receivables
- Using SBI's financing power and FinTech-based screening model, we provide optimal solutions to the financial needs of various companies, including SMEs, who are having difficulties in lending.

Business model



Point

High reliability

- Securing reliability of financial products by utilizing SBI group synergy
- No need for customer approval and transfer notification due to two-party factoring

Easy procedure

- Non-face-to-face applications are available online.
- Funding possible within 2 business days after application

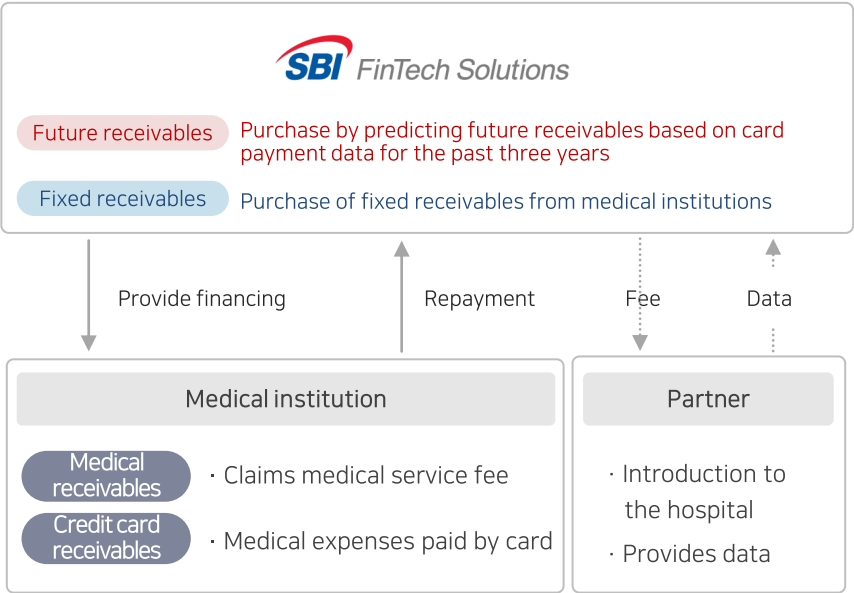
Fee example

	30 days	60 days	90 days	120 days	150 days	180 days
Term fee						
		1%	2%	3%	4%	5%
Basic fee	0.5 ~ 4%					

We respond to the financial needs of various customers with a screening model using FinTech.

- Major cases 1) Establishing a stable bond portfolio by deploying financial support services using medical treatment receivables and credit card sales receivables for dispensing pharmacies
- Major cases 2) Provision of predictive purchase service for Future receivables for e-commerce business operators that require working capital
- Major cases 3) Early payment service for local businesses of hometown tax donations who need production funds

Major cases 1) Financing services for medical institutions



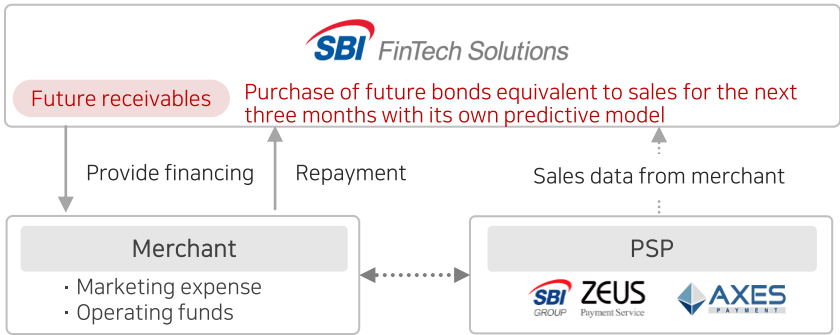
Market size of medical expenses as of FY20

Medical expense ¥42.2 tn

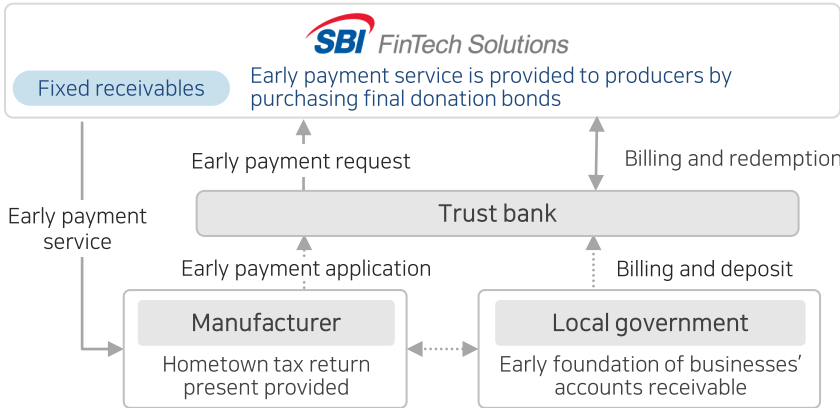
Medication expenses ¥7.5 tn

Source: Ministry of Health, Labour and Welfare(Japan)

Major cases 2) Financial solution service for e-commerce business operators



Major cases 3) Early payment service for local businesses of hometown tax donations

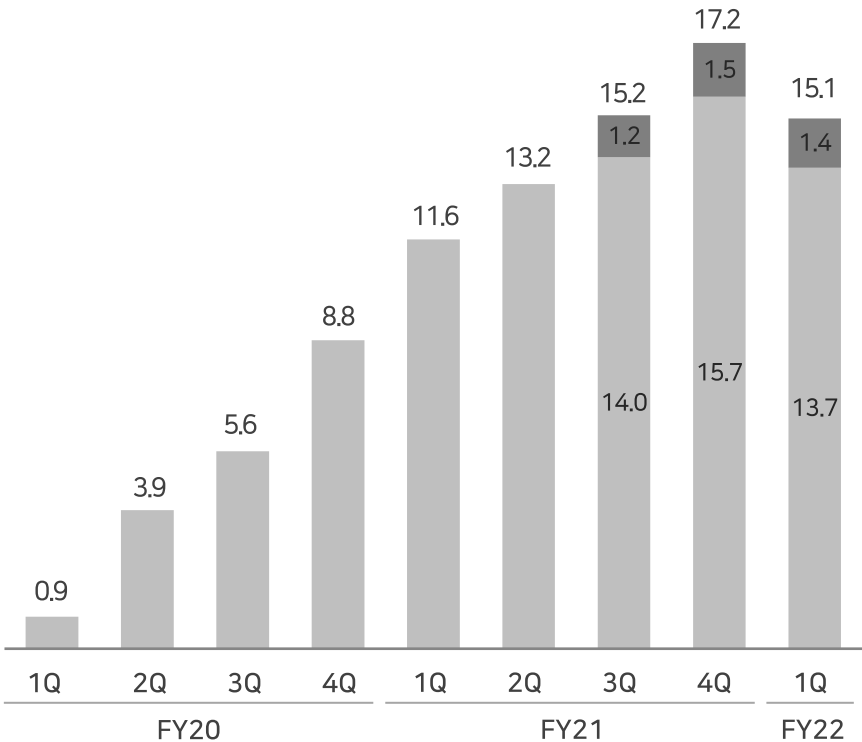


A stable profit structure was established early by securing an average balance of JPY 16.4 bn in the handling of account receivables in FY22 1Q.

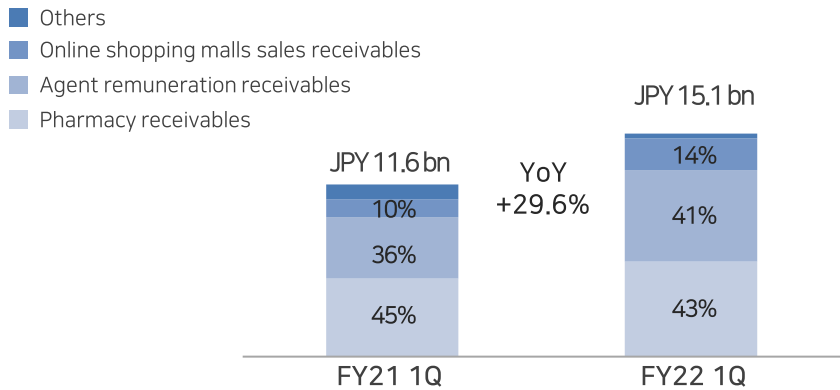
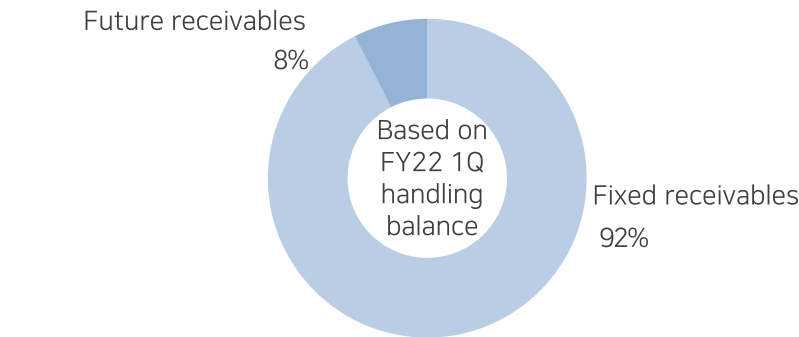
- Early settlement of business models with 「Fundraising Ability」, 「FinTech screening model」 and 「Stable receivables portfolio」
- FY22 1Q, due to the arrival of the deadline for repayment of large-scale projects, temporary receivables balance changes occurred, but demand for recovery in the second half of the year was waiting

Trends in the balance of account receivables (JPY bn)

- Liquidation of receivables
- Balance handling account receivables



Composition of account receivables



Back-office SaaS business

SBI Business Solutions



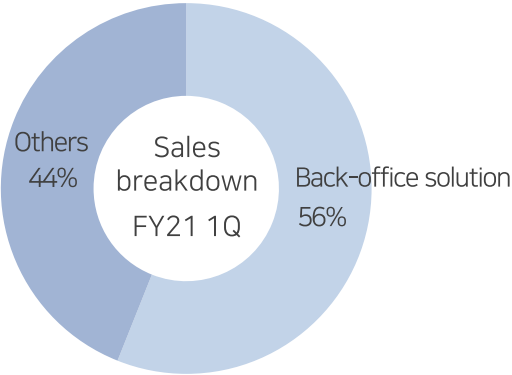
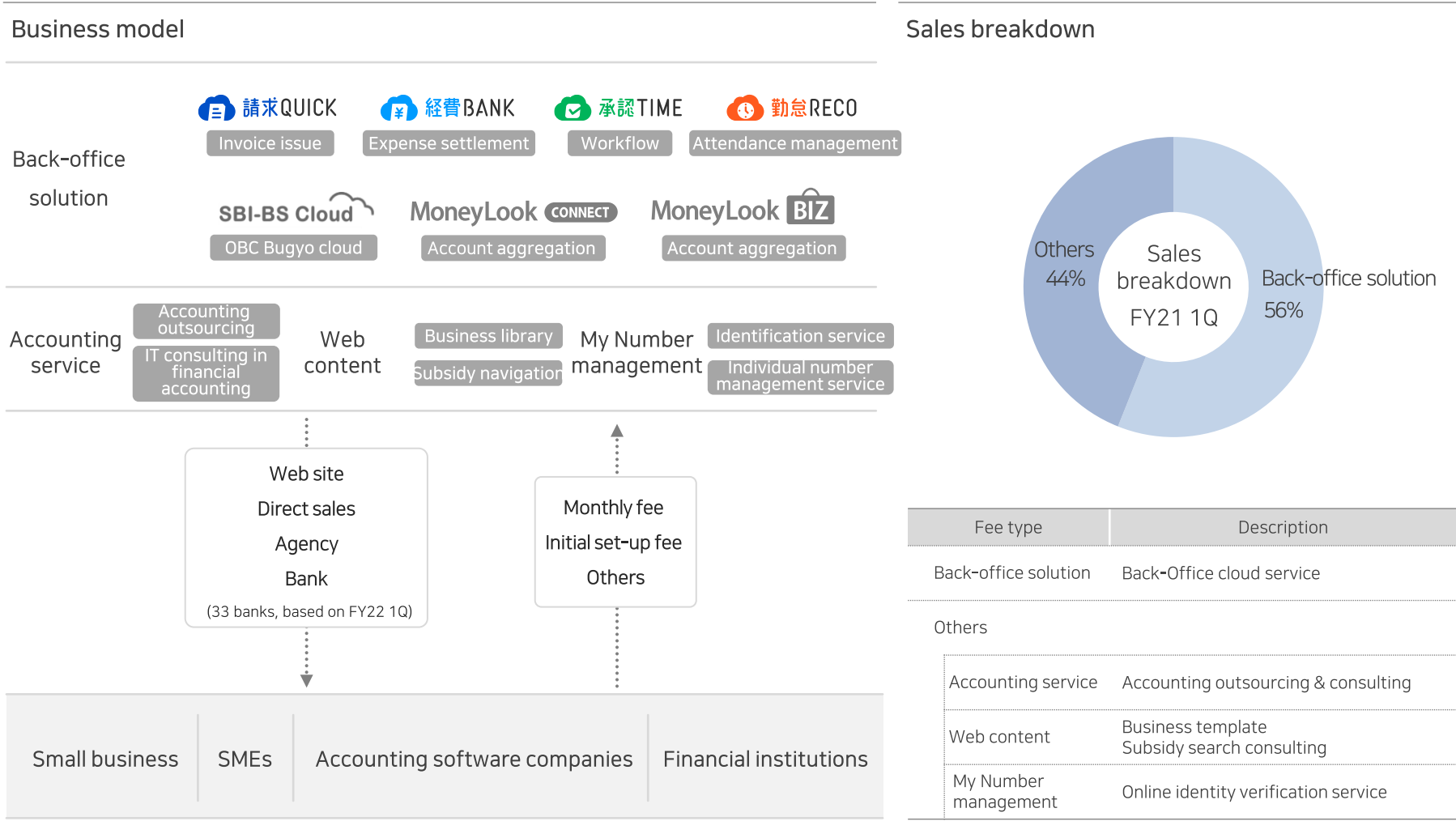
Cloud-based back-office support services such as money management platform, expense settlement, workflow and attendance management



Back-office SaaS business

Back-office support service

Back-office SaaS business provides the optimal solution for SME's digital transformation.



Fee type	Description
Back-office solution	Back-Office cloud service
Others	
Accounting service	Accounting outsourcing & consulting
Web content	Business template Subsidy search consulting
My Number management	Online identity verification service

Cloud service line-up covering SME's diverse back-office operations

Keihi BANK



Cloud expense settlement system simplifies the accounting process by providing one-stop support for expenses application and approval, bank transfer, and accounting data creation

Seikyu QUICK



Cloud fund management platform that allows user to input bills, issue bills, confirm deposits, and process slips

Shonin TIME



Cloud workflow system that allows application and approval of articles and seals anytime, anywhere

Kintai RECO



Cloud absenteeism and tardiness management system that enables management of personnel and tardiness, such as commuting records and vacations

SBI-BS Cloud



Cloud services that enable OBC Bugyo series products to be used over the web

Business Pay Control



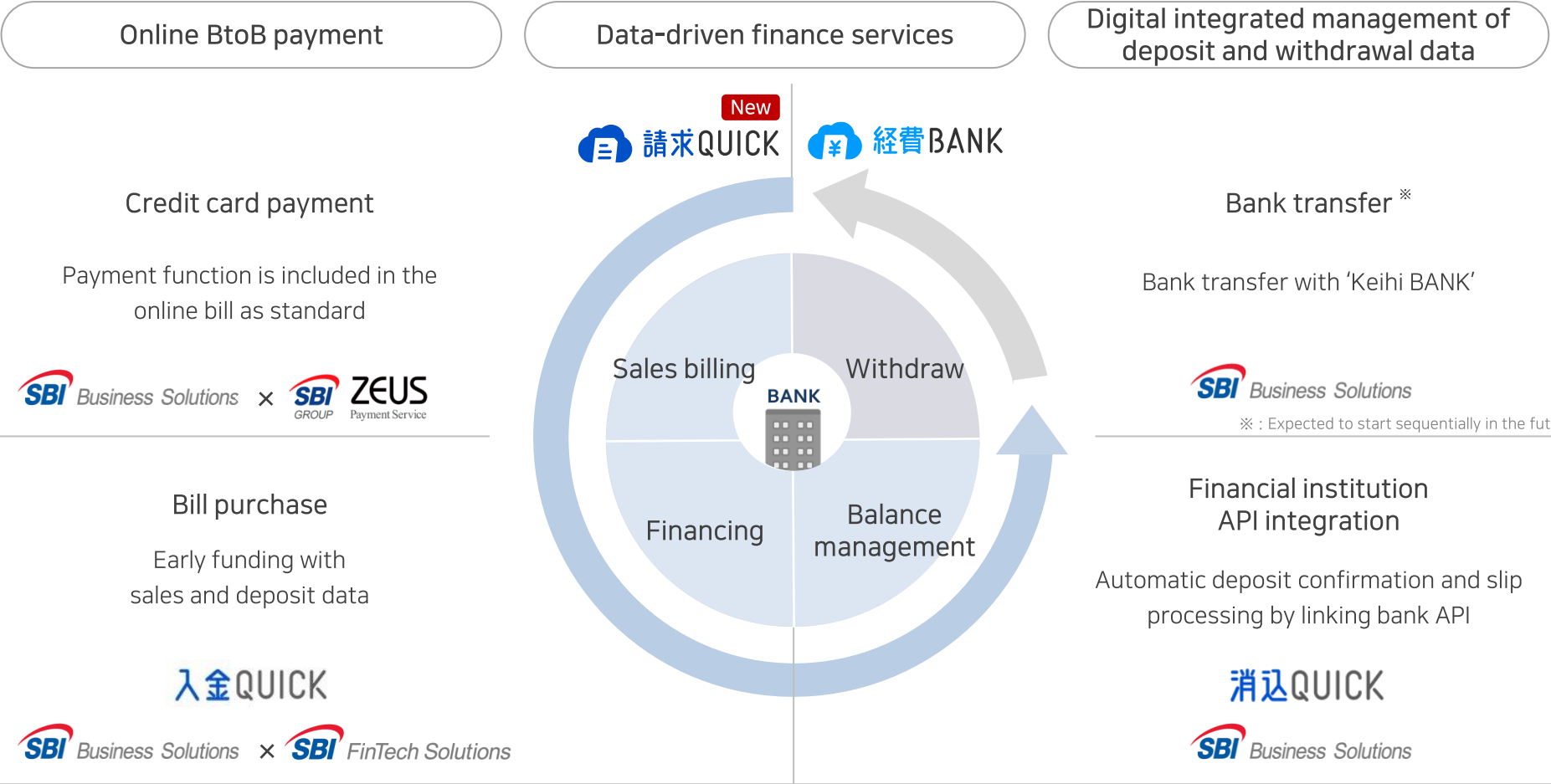
Cloud services that enable real-time control and management of corporate cards on a single basis

Back-office SaaS business

Back-office support service

Newly launched in FY22, QUICK is a SaaS+FinTech money management platform that solves the challenges of 1.9 million SMEs.

- In Japan, the proportion of SMEs that process invoices in analog methods such as postal/FAX is close to 90%, so the electronic billing market is expected to grow explosively during digital conversion.
- Structural market change expected with the implementation of the invoice system in 2023 and the full-scale implementation of the Electronic book preservation act in 2024



Back-office SaaS business

Back-office support service

Through group synergy, we have secured service competitiveness with an integrated solution for money circulation that is differentiated from other companies.

- We establish our own product position by covering not only electronic bill issuance, but also automatic deposit confirmation by MoneyLook, bill card payment, and financing by bill purchase.
- The invoice purchase function and the invoice card payment function are services that utilize the synergy of the SBI FinTech Solutions group, and serve as a trigger for the influx of new customers.

	Cash flow of corporation					
	Sales billing			Financing	Balance management	Withdraw
	Bill management	Credit card payment	Bank transfer※	Bill purchase	Account management	Expense settlement※
				入金QUICK	消込QUICK	経費BANK
	請求QUICK					
	○	○	○	○	○	○
Industry-leading company A	○	×	×	×	×	○

Back-office SaaS business

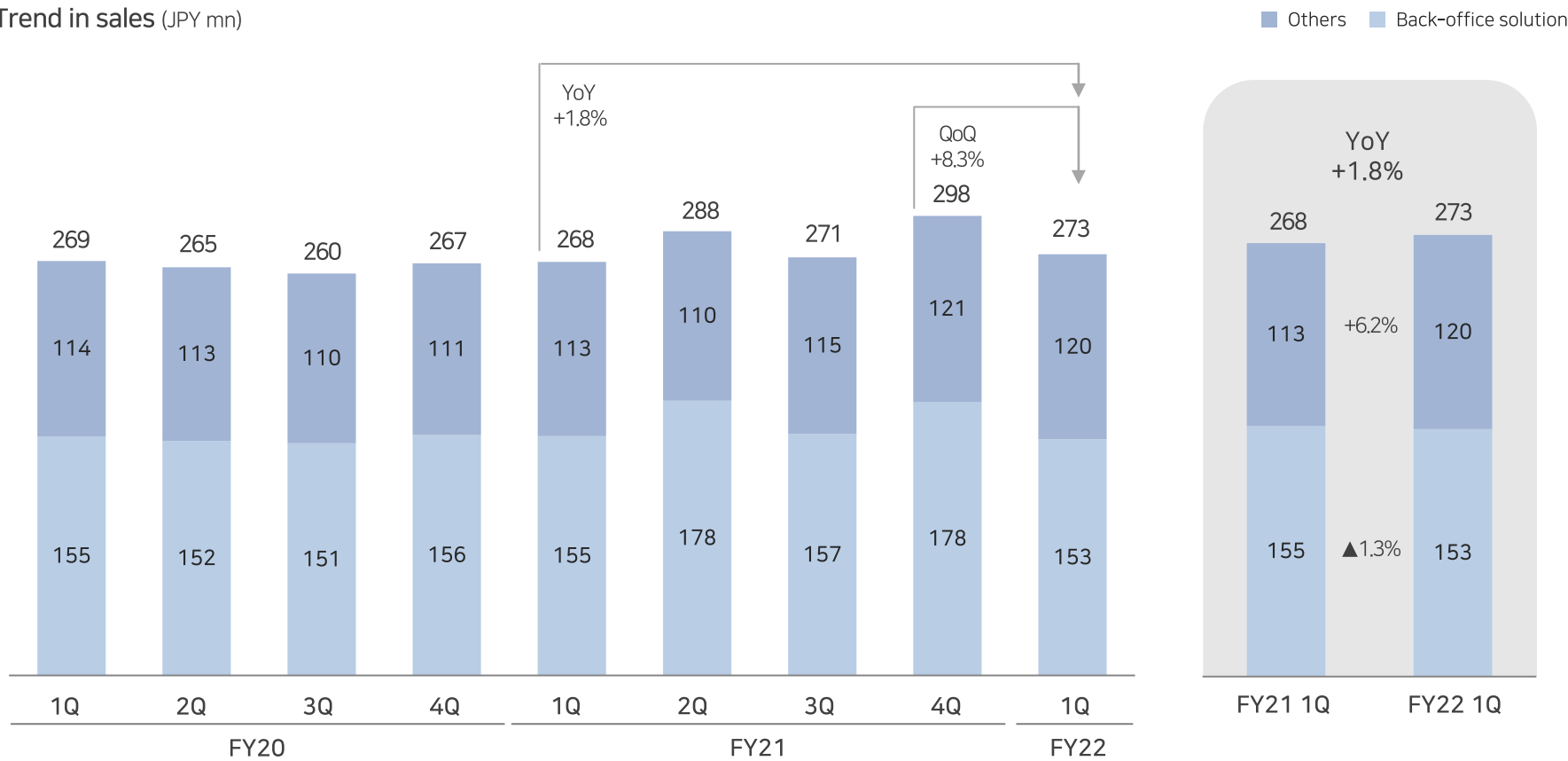
Back-office support service



We have a stable business portfolio with a high proportion of sales related to back-office solutions.

- Back-office solution sales maintain more than 50% of total sales
- Sales growth is expected to occur with a slight lag due to an increase in customers due to price adjustments for back-office solutions to secure market share.

Trend in sales (JPY mn)



Back-office SaaS business

Back-office support service

With the new launch of Seikyu QUICK at the end of March 2022, the number of new customers for back-office solutions is rapidly increasing.

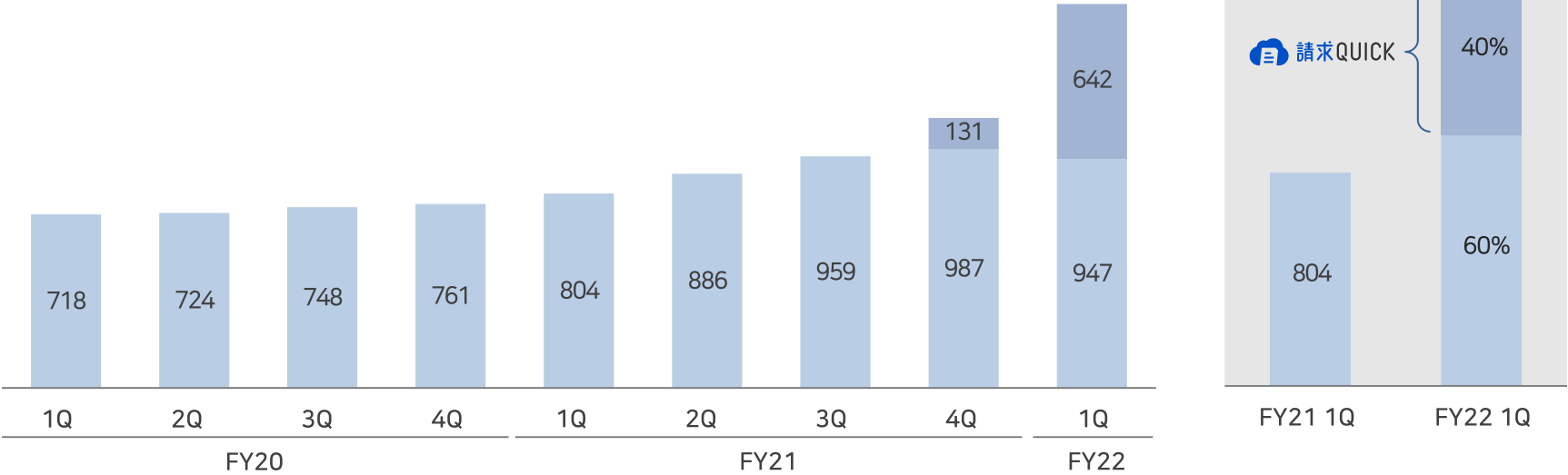
- After 'Seikyu QUICK' launched, FY22 1Q back-office solution new customers 642 companies
- In June 2022, 'Nyukin QUICK' function was added to generate invoice purchase commission sales

Accumulated number corporate customers of Back-office solution (company)

■ Seikyu QUICK ■ Back-office solution

請求QUICK - New release of Seikyu QUICK at the end of March 2022

入金QUICK - At the end of June 2022, a new function of 'Nyukin QUICK', a bill purchase service, was launched.

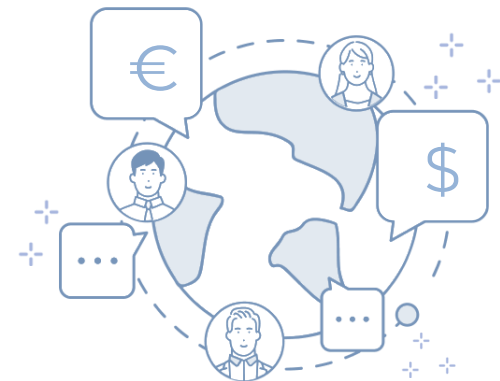


International remittance business

SBI Cosmoney



International remittance service in Korea through SBI Remit and various overseas networks



International remittance business

International remittance service



Since March 2018, we have been providing international remittance services using FinTech to a total of 12 countries.

Service overview

365days, 24hour
Overseas remittance to
12 countries

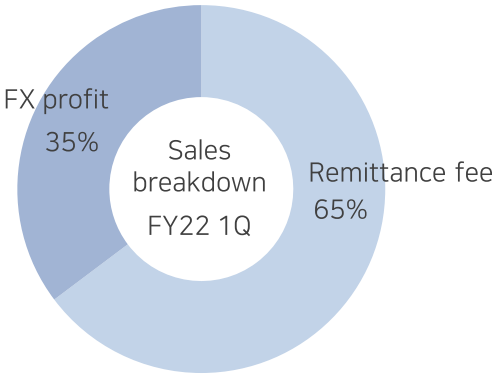
Remittance limit USD 5,000 per case | Total USD 50,000 per year

As of June 2022,
390,000 cumulative
downloads of apps



Many other global remittance partners

Sales breakdown



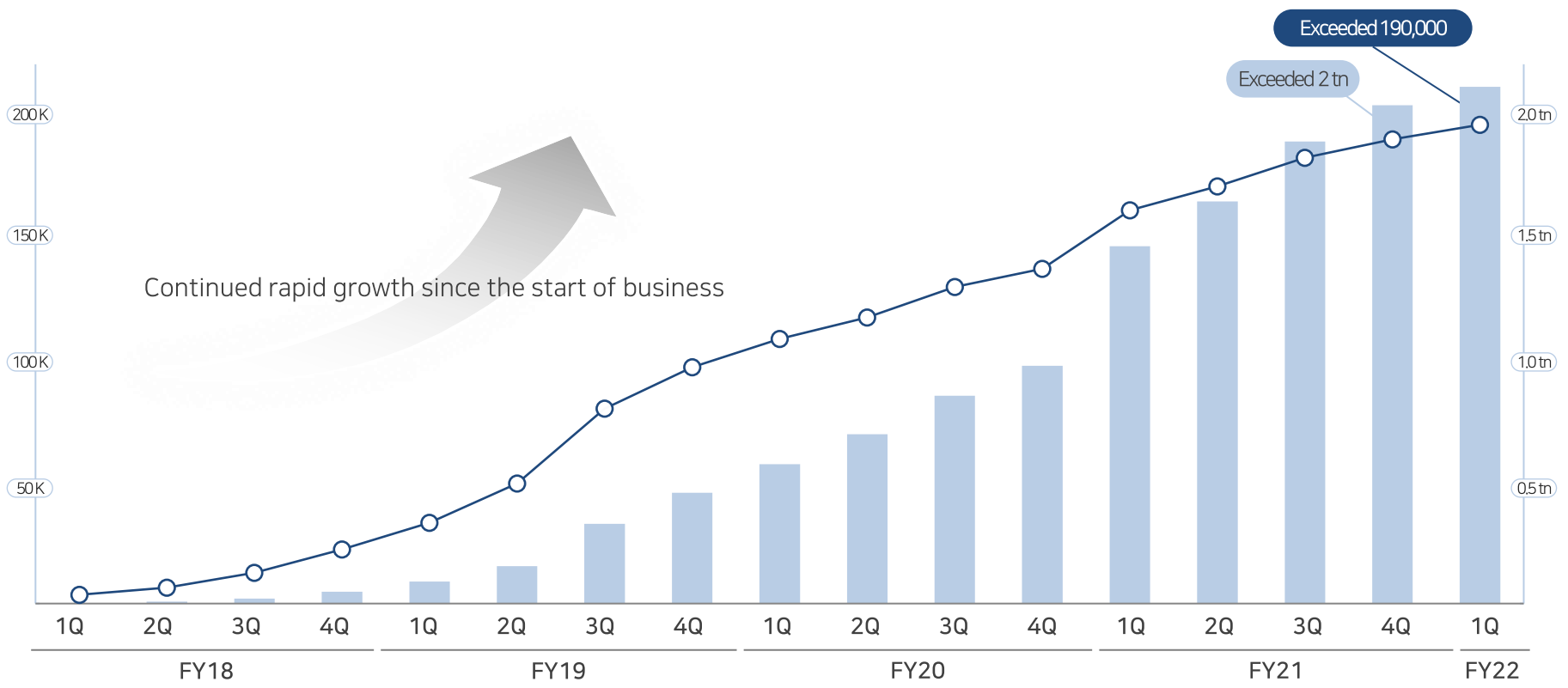
Fee type	Description
Remittance fee	Fees set by remittance country and remittance amount section
FX profit	Profit generated when remittances deposited in KRW is converted into local currency

Top-tier international remittance FinTech company based on its capital strength and technology.

- Although the number of foreigners staying in Korea remains stagnant due to the impact of COVID-19, a gradual recovery is expected as the immigration situation improves in the future.
- Total remittance in the market decreased by 41% YoY due to the occurrence of the base effect of the temporary remittance demand in Korea in the last year and the recent depreciation of KRW.

Trend of SBI Cosmoney’s remittance amount and number of members

Cumulative remittance amount Cumulative number of members



International remittance business

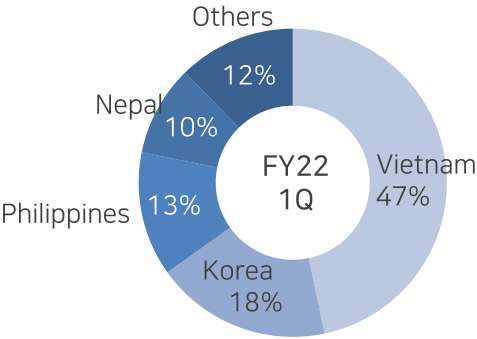
International remittance service



Although the international remittance market has an unfavorable business environment, the number of new members continues to increase, securing future growth engines.

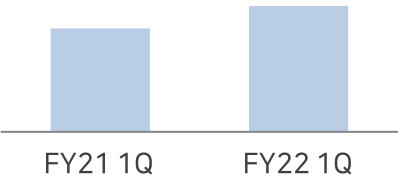
- Due to the recent depreciation of the won and the base effect of temporary remittance demand related to cryptocurrency in FY21 1Q, amount of remittances and the number of remittances decreased by ▲75% and ▲42% YoY in FY22 1Q, respectively.
- Expected to improve remittance convenience and generate additional revenue by providing domestic simple remittance and mobile wallet services through new entry into the electronic financial industry

Cumulative number of members

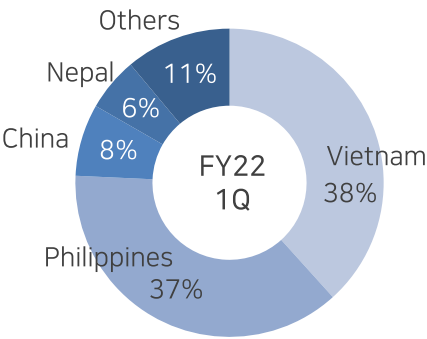


YoY +22%

The number of members continues to increase despite the slowdown in the growth of foreign residents

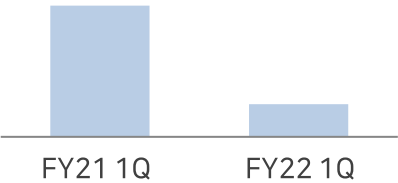


Remittance amount

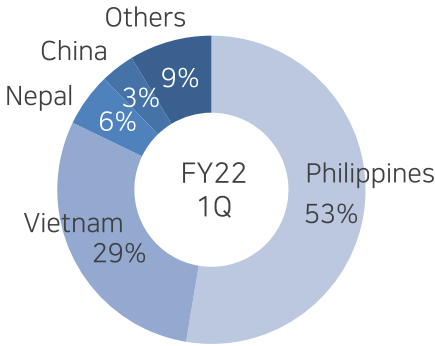


YoY ▲75%

A weak KRW and base effect from the previous year

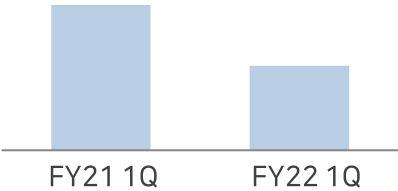


Number of remittances



YoY ▲42%

Vietnam remittances down YoY
Philippines remittances rise YoY



FY2022 1Q Overview

Financial highlight

Comparison by segment

Sales trend of major subsidiaries



Financial highlight

The consolidated results of 1Q FY22 were JPY 1,348 mn in sales, JPY 58 mn in operating income, and JPY 57 mn in net income. it decreased by ▲8.8%, ▲66.9%, and ▲46.5% YoY, respectively. And it decreased by ▲3.1%, ▲15.4%, and Turn a profit QoQ, respectively.

- Consolidated sales in 1Q FY22, solid financial service performance and new back-office SaaS orders increased, the international remittance business was affected by the tight business environment
- Consolidated operating profit in 1Q FY22 decreased compared to the previous year, reflecting the disappearance of temporary remittance demand in the international remittance business and the upfront investment in the back-office SaaS business in the same period of the previous year
- Consolidated net income in 1Q FY22, loss from discontinued business due to the sale of subsidiaries in the previous year and corporate tax expenses were settled, non-operating profit and loss improved and turned a profit

Unit: JPY mn

Account title	FY22	FY21	YoY	FY22	FY21	QoQ
	1Q	1Q		1Q	4Q	
Sales	1,348	1,479	▲8.8%	1,348	1,392	▲3.1%
Gross margin	883	955	▲7.5%	883	939	▲6.0%
Operating income	58	176	▲66.9%	58	68	▲15.4%
Income before tax	80	140	▲43.1%	80	9	+744.6%
Net income	57	106	▲46.5%	57	(601)	Turn a profit
Net income attributable to owners of the parent	57	103	▲44.0%	57	(599)	Turn a profit

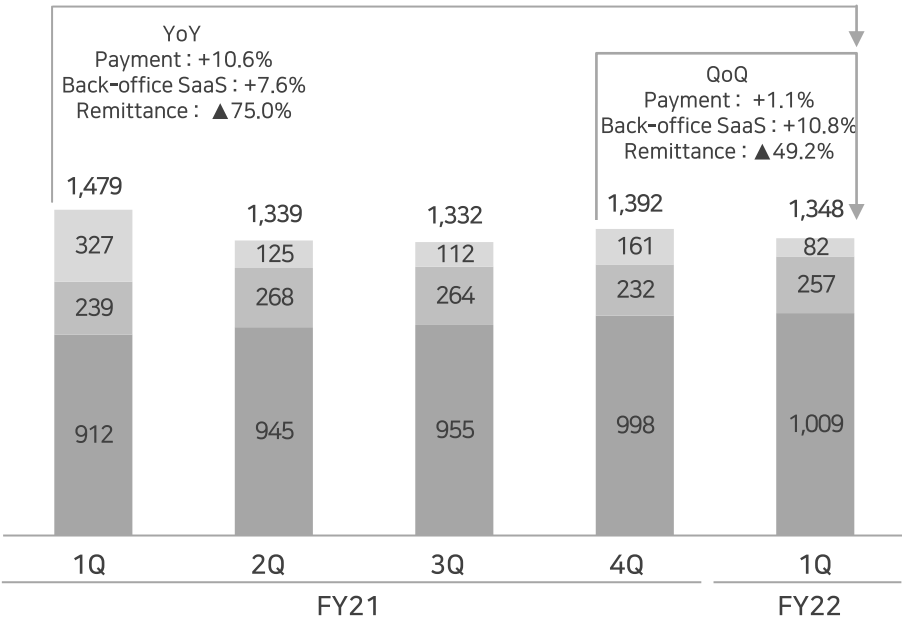
※ Based on the application of IFRS 5 (non-current assets held for sale and discontinued operations) after the sale of subsidiaries in FY21 4Q, we provide the figures in the past retrospectively

Financial highlight

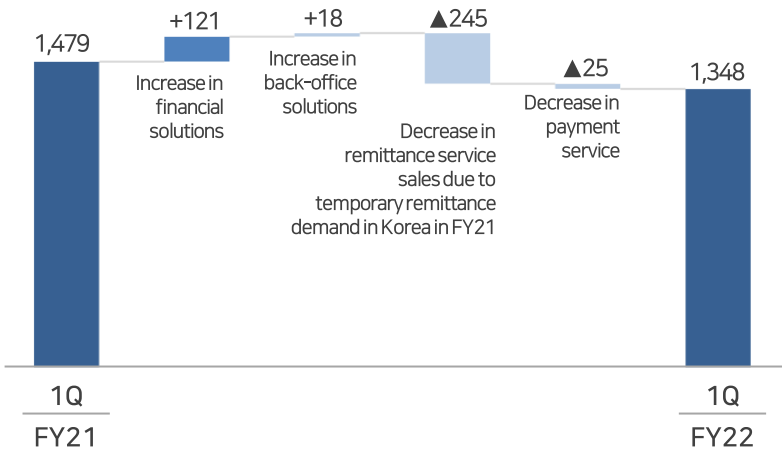
Consolidated sales in 1Q FY22, showed solid financial service performance and an increase in new back-office SaaS orders, while It decreased by 8.8% YoY and 3.1% QoQ due to the tight operating environment of the international remittance business.

- Payment service business: Sales increased +10.6% YoY due to the acquisition of new payment merchants and an increase in the balance of financial solutions
- Back-office SaaS business: Sales increased by 7.6% YoY due to increase in new orders for cloud software and increase in monthly accounting service fees
- International remittance business: Sales decreased by 75.0% YoY due to the depreciation of KRW and the base effect of the temporary remittance demand related to cryptocurrency in the last year

Sales (JPY mn) ■ Payment ■ Back-office SaaS ■ Remittance



Sales - YoY increase/decrease factors



※ Based on the application of IFRS 5 (non-current assets held for sale and discontinued operations) after the sale of subsidiaries in FY21 4Q, we provide the figures in the past retrospectively

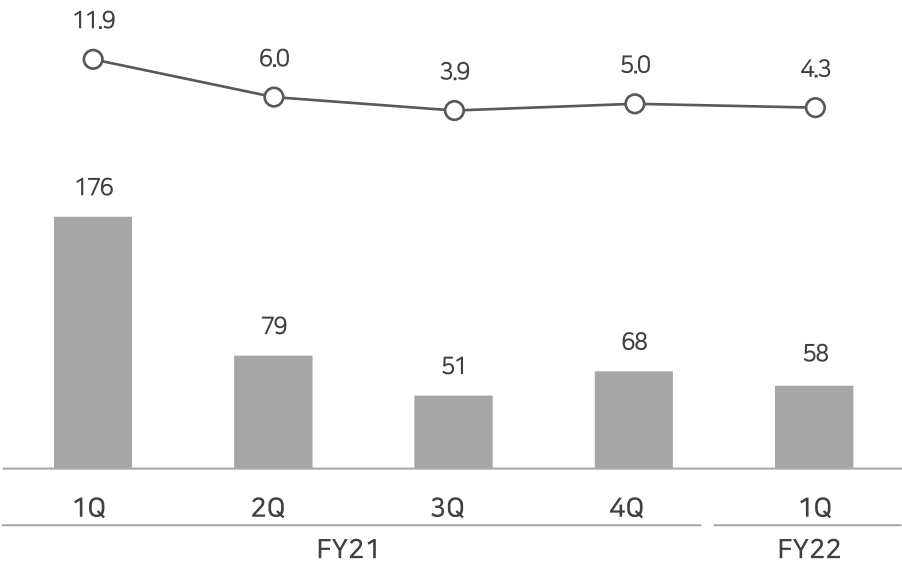
Financial highlight

FY22 1Q consolidated operating profit decreased year-on-year as the effect of operating leverage due to the temporary remittance demand of FY21 1Q in the international remittance business disappeared and by reflecting prior investment such as the system development and marketing expenses according to the strategy to secure market share.

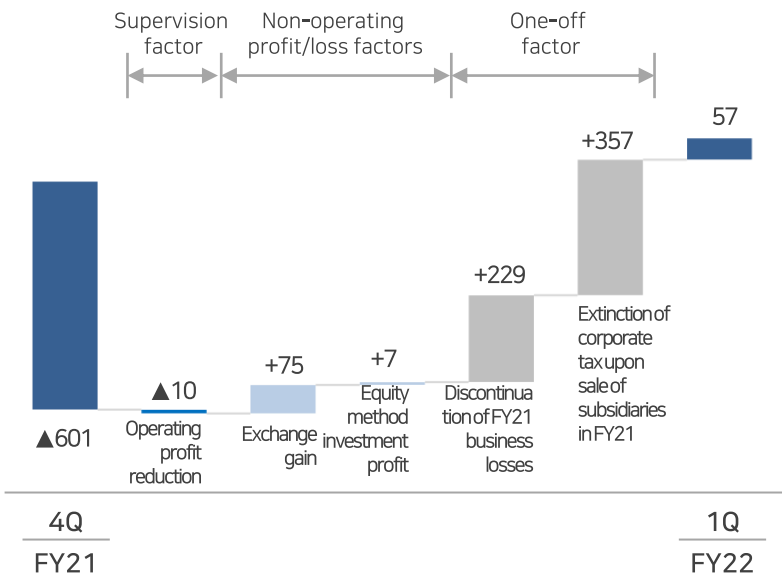
FY22 1Q consolidated net profit has ended the loss of discontinued business and corporate tax costs due to the sale of subsidiaries in the previous year, and the non-operating profit and loss have improved and turned into a surplus compared to the previous year.

Operating income (JPY mn)

○ Operating income ratio



Net income - QoQ increase/decrease factors



※ Based on the application of IFRS 5 (non-current assets held for sale and discontinued operations) after the sale of subsidiaries in FY21 4Q, we provide the figures in the past retrospectively

Comparison by segment

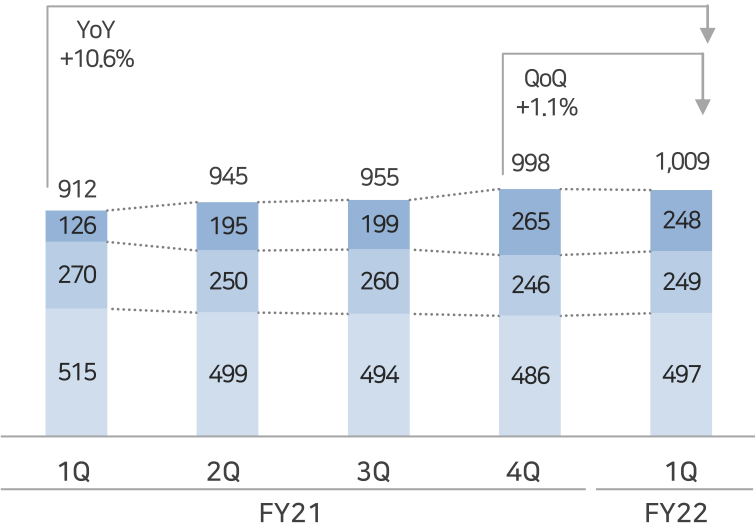
Sales of the payment service business increased by 10.6% YoY to JPY 1,009 mn

Financial solution services have driven growth.

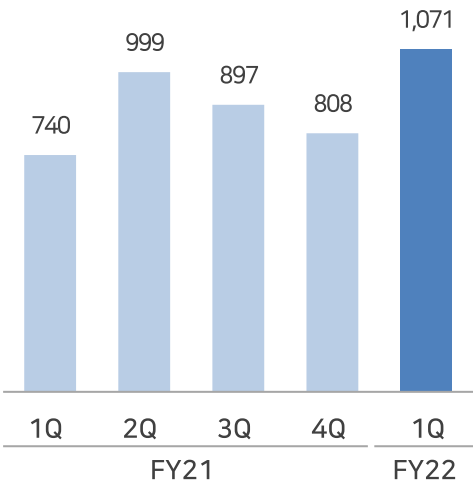
- Payment service: Payment volume increased by +3.9% YoY in 1Q FY22. Adjusting the commission rate due to the launch of SME target services is expected to realize a flexible sales growth in the future
- In 1Q of 22, the number of new website acquisitions for payment merchants increased by 44.7% YoY to 1,071 cases. The effect of strengthening the relationship with EC vendors is visible and aiming to acquire 1,800 websites per quarter in the future
- Financial solution service: In FY22 1Q, the balance of account receivables increased by 29.6% YoY to JPY 15.1 bn
Although there was a temporary decrease in 1Q balance and bond portfolio replacement, average sales balance is expected to continue to grow

Sales of payment service business segment (JPY mn)

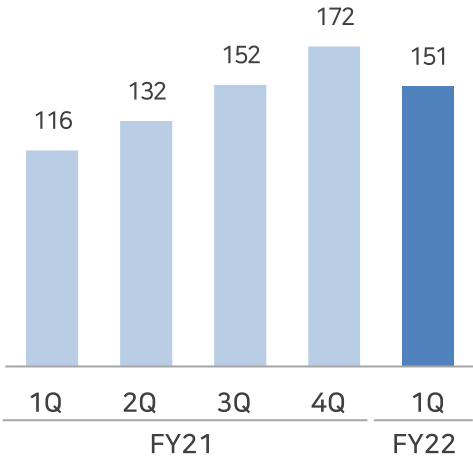
■ SBI FinTech Solutions(Financial Solution)
■ AXES Payment
■ ZEUS



Number of websites newly acquired by payment merchants



Balance of account receivables in Financial solution (JPY 100 mn)



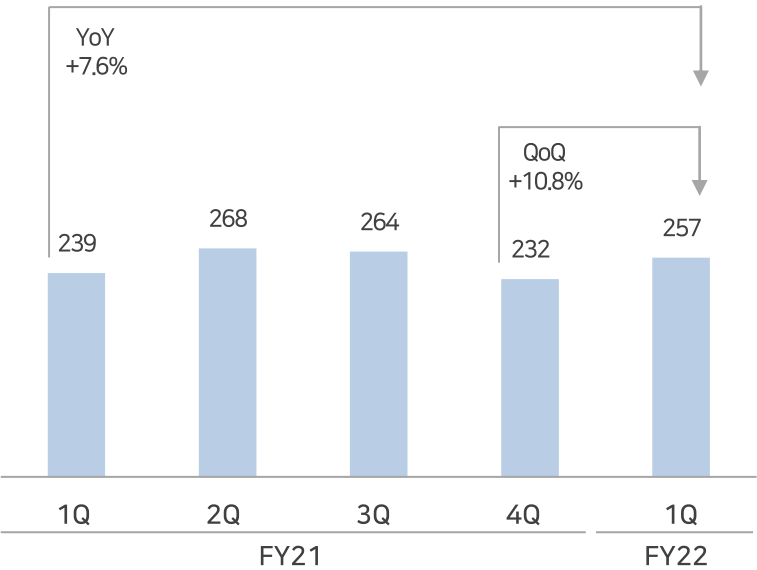
※ The sales of each subsidiary includes some inter-sectoral transactions of the consolidated entity

Comparison by segment

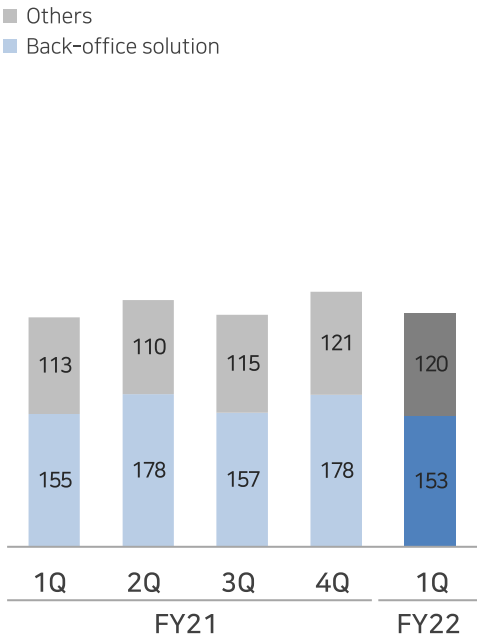
Sales of the back-office SaaS business segment were JPY 257 mn, increased in 7.6% YoY and 10.8% QoQ

- In 1Q FY22, top-line growth was limited due to the adjustment of the unit price of back-office solutions, but sales growth in the business division was achieved due to an increase in monthly accounting service fees in other divisions
- New customers for cloud solutions rapidly increasing following the start of sales of 'Seikyu QUICK' in 1Q FY22(Increased YoY +97.6% on a cumulative basis)
- After 2Q FY22, 'Seikyu QUICK' service users converted to a fee, and the bill purchase function 'Nyukin QUICK' was used to establish a system for full-scale external growth
- Target 3rd in e-billing market share through sales channels of 33 affiliated regional banks and group synergies

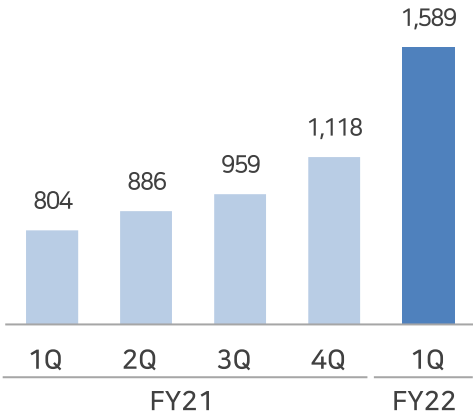
Sales of back-office SaaS business segment (JPY mn)



Sales by service (JPY mn)



Accumulated number corporate customers of Back-office solution (company)



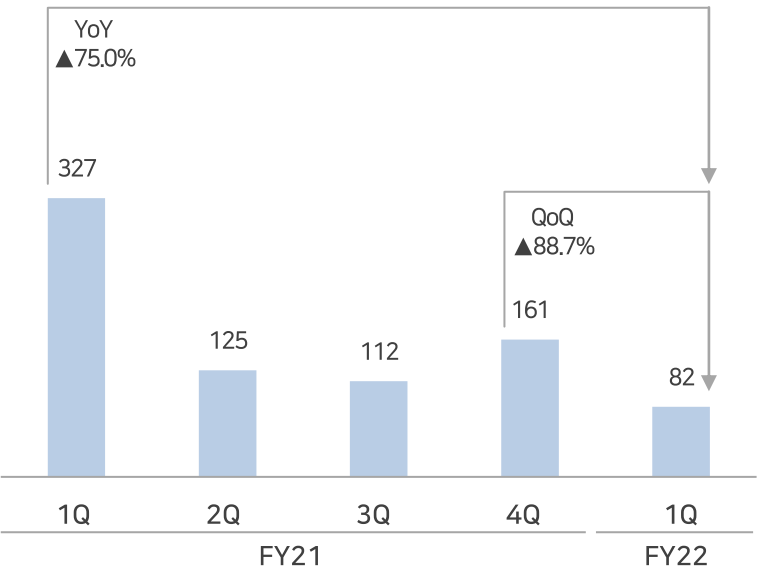
※ The sales of each subsidiary includes some inter-sectoral transactions of the consolidated entity

Comparison by segment

The international remittance business decreased from the previous year to 82 million yen in sales due to restrictions on entry for foreigners and a weak won.

- In1Q FY22, all remittance companies continued to struggle due to the deterioration of the international remittance market business environment and the weak KRW
- In1Q FY22, sales growth factors due to a surge in demand for international remittance related to cryptocurrency disappeared and a base effect occurred
- Expected to improve the convenience of remittance and generate additional revenue by planning to provide domestic simple remittance and mobile wallet services through new entry into the electronic financial industry
- Although the increase in the number of foreigners residing in Korea is flat, it is expected that the international remittance market will recover structurally as the immigration situation improves in the future

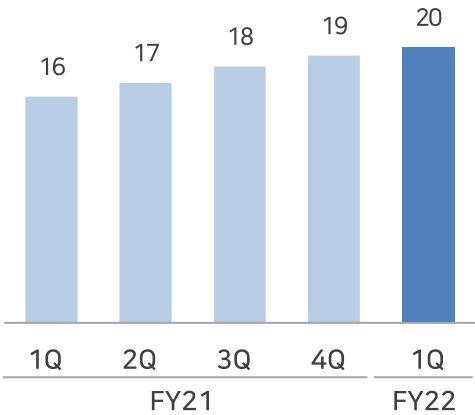
Sales of international remittance business segment (JPY mn)



Number of remittances (10,000 transaction)



Cumulative number of members (10,000 people)



※ The sales of each subsidiary includes some inter-sectoral transactions of the consolidated entity

Sales trend of major subsidiaries

Sales of major subsidiaries (JPY mn)

ZEUS

AXES Payment

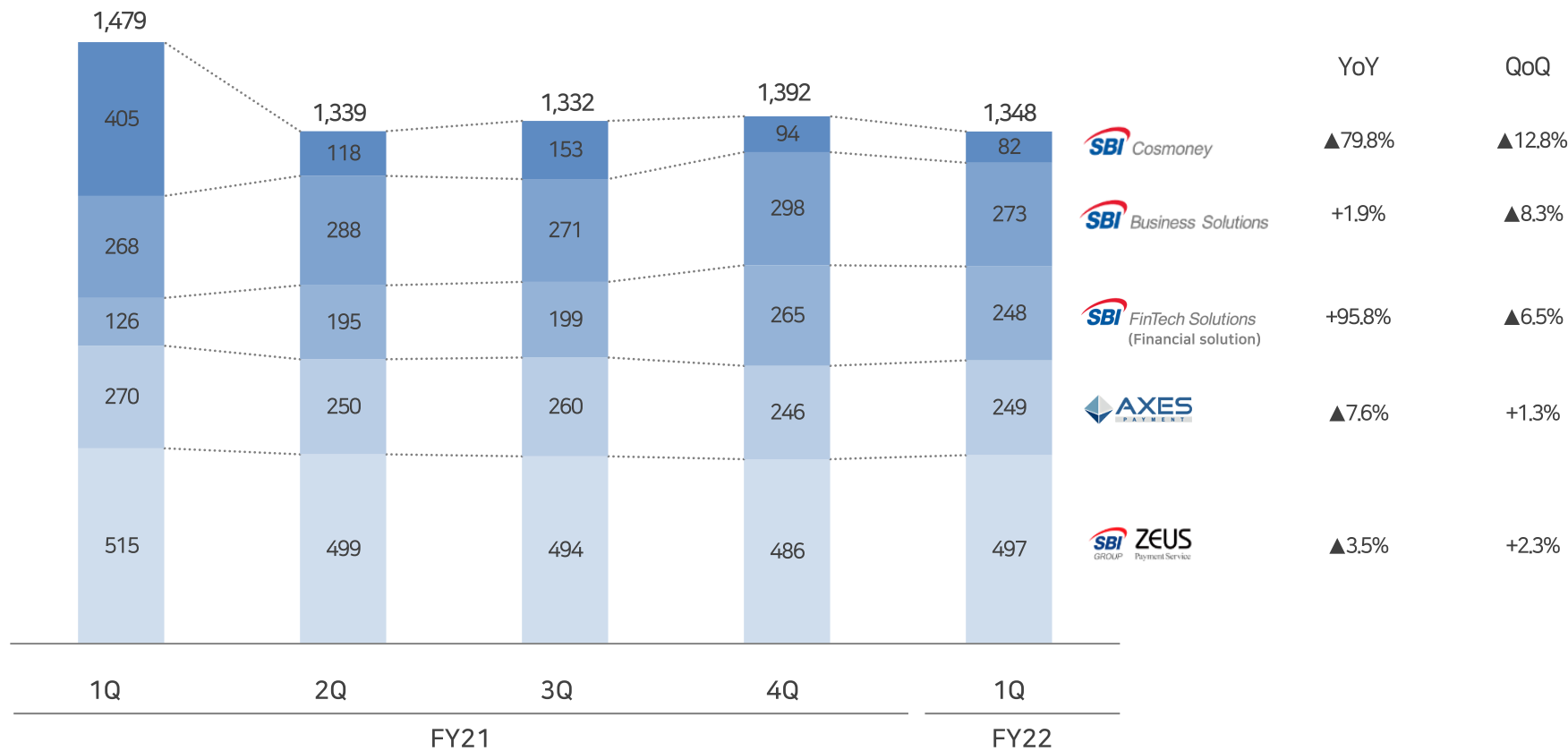
SBI FinTech Solutions(Financial Solution)

Payment service

SBI Business Solutions

SBI Cosmoney

Back-office SaaSInternational remittance



※ The sales of each subsidiary includes some inter-sectoral transactions of the consolidated entity
※ Based on the application of IFRS 5 (non-current assets held for sale and discontinued operations) after the sale of subsidiaries in FY21 4Q, we provide the figures in the past retrospectively

Appendix

Corporate governance structure

Introduction of company & history

SBI Group

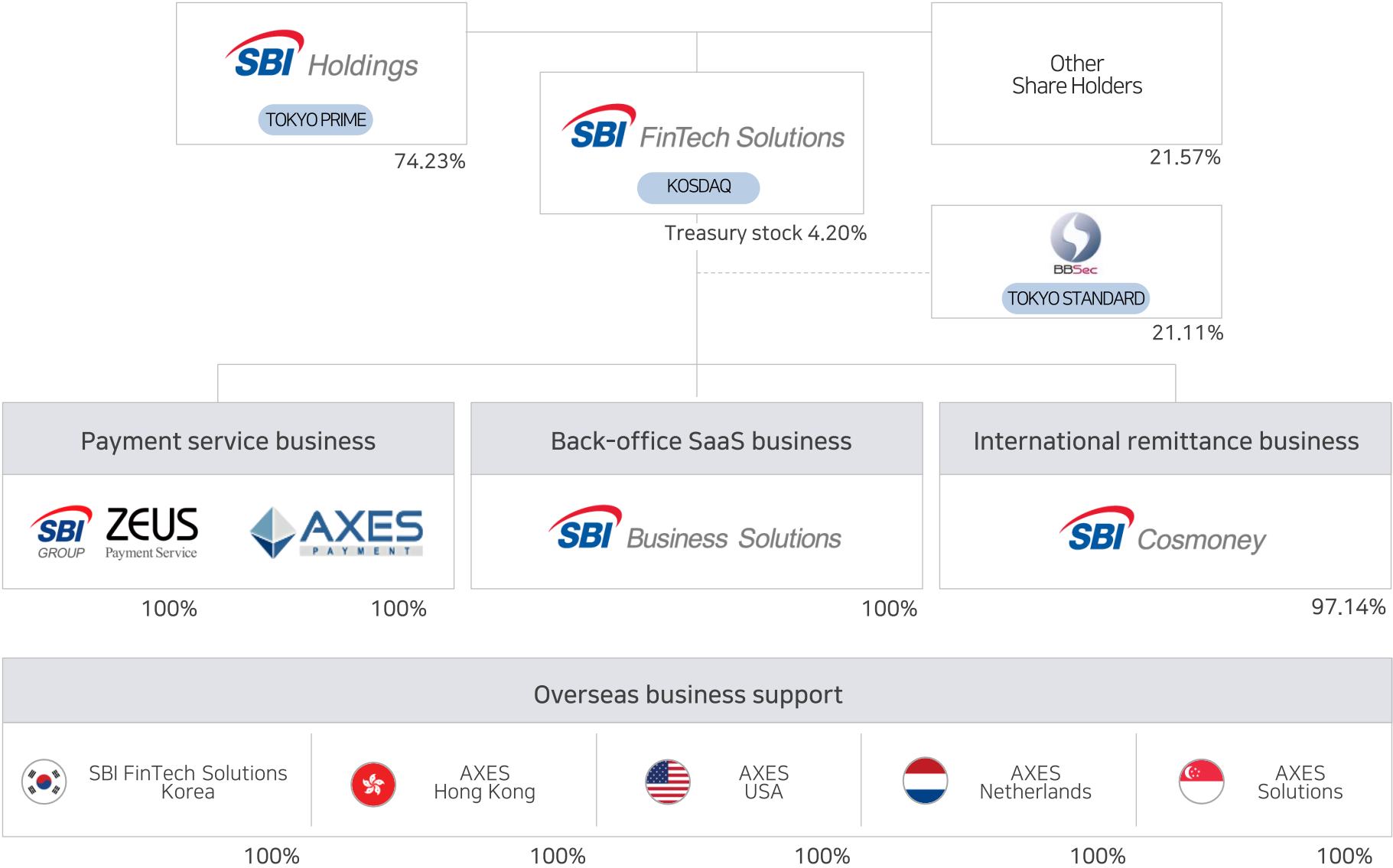
Shareholder return policy

Consolidated statement of income

Consolidated statement of financial position



Corporate governance structure



※ Percentage means shareholding ratio

Introduction of company & history



(As of 2022.6.30)

Company name	SBI FinTech Solutions Co., Ltd.
Headquarter	Aoyama First Building, 2-1-1 Shibuya, Shibuya-Ku, Tokyo Izumi Garden Tower, 1-6-1 Roppongi, Minato-ku, Tokyo
Subsidiaries	9 companies including ZEUS, SBI Business solutions
Core business	Payment service business Back-office SaaS business International remittance business
No. of employees	243 Employees(Accumulate)
Established	2011.4.4
Shareholders' capital	JPY 1,454 million
Accounting term	March
Listing date	2012.12.17
Listed stock Market	Korea Exchange KOSDAQ market (Security code : 950110)

History

- 2011 SBI AXES established Incorporated into SBI Group
- 2012 SBI AXES Korea established Listed on KOSDAQ
- 2014 BroadBand Security entered into capital and business alliance
Business Search Technologies acquired
- 2015 BroadBand Security became affiliated company
- 2016 SBI Holdings went in as SBI AXES largest shareholder
- 2017 SBI Social Lending/SBI Remit/SBI Business Solutions Acquired
Change of corporate name to SBI FinTech Solutions
SBI Cosmoney established, became affiliated company
- 2018 SBI Cosmoney performed paid-in capital increase
SBI Social Lending share transfer
- 2019 SBI Cosmoney performed paid-in capital increase
- 2020 Business Search Technologies share transfer
- 2022 The sale of SBI Remit
ZEUS performed paid-in capital increase

SBI Group

SBI Group, Japan’s No 1 global online comprehensive financial group, is evaluated to be the worlds top-class company in the investments in FinTech sector

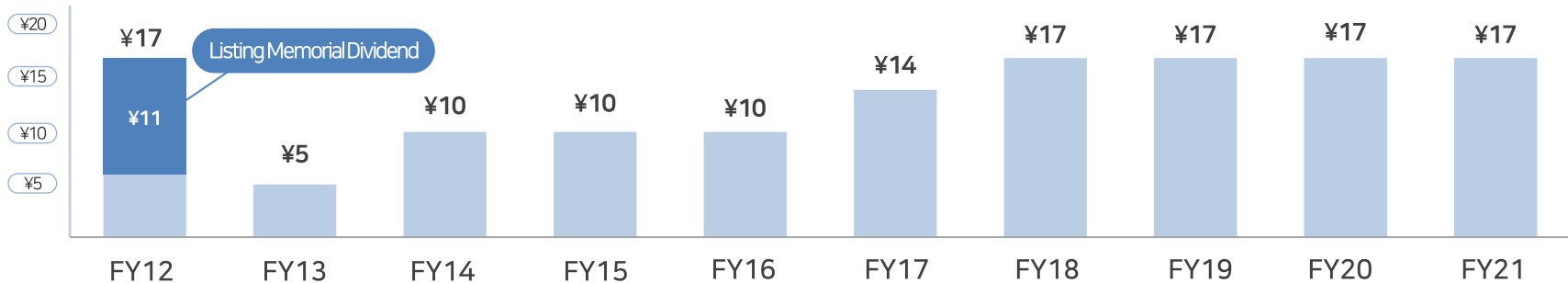
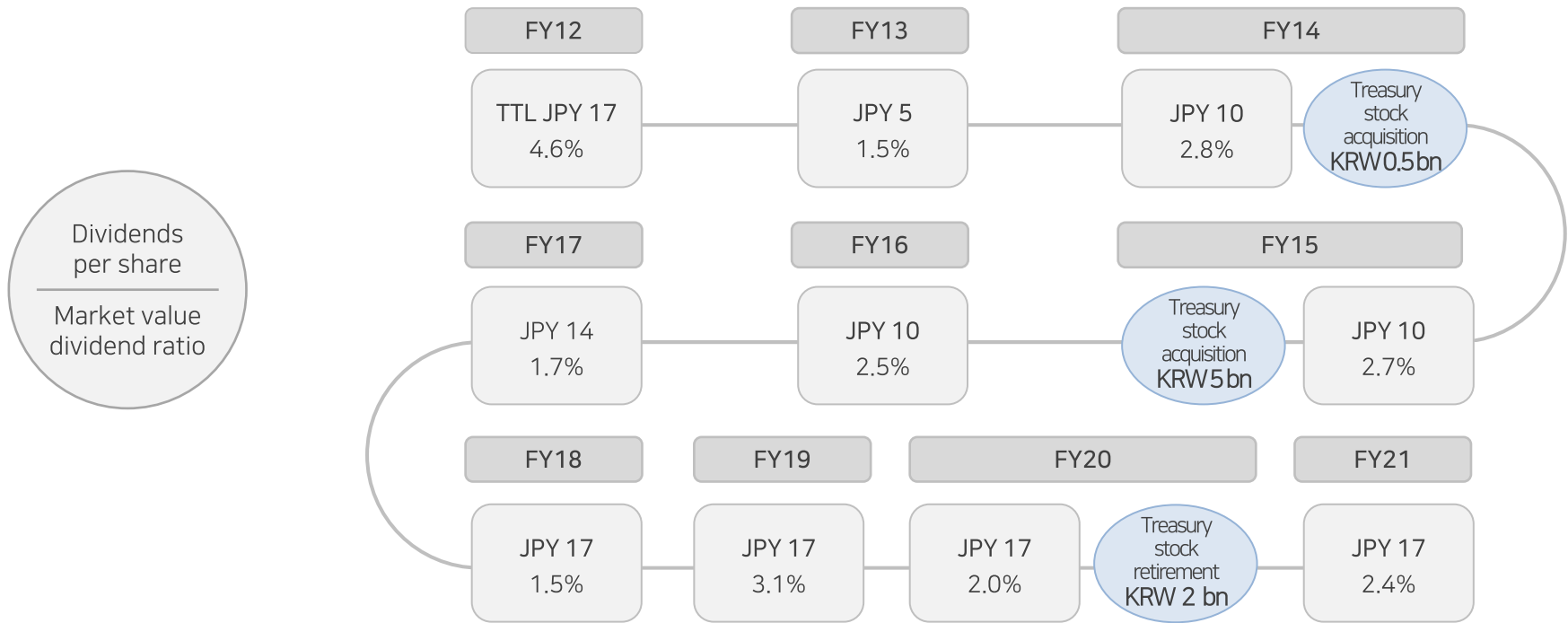
(As of 2022.3.31)

	Established	1999.07.08	Capital	JPY 99.3 billion	Accounting term	March
	Group	554companies	Total assets	JPY 17,838.2 billion	Listed	TOKYO PRIME
	Number of employees	17,469(Consolidated)	Net assets	JPY 1,583.3 billion	Total market value	JPY 760.2 billion

Financial Services Business			Asset Management Business		Bio-related Business	
 Operation and management of financial services business	 KOSDAQ Comprehensive Fintech Solutions	 TOKYO GROWTH Insurance holding company	 Creating and selling lease business funds	 TOKYO PRIME Credit ratings of investment trust	 Developing, manufacturing and selling pharmaceuticals, health foods and cosmetics	
 Comprehensive online securities business	 TOKYO STANDARD Bank	 Online non-life insurance business	 Venture capital funds	 Investment advisory services	 Development of ALA related products (Pharmaceutical business)	
 Internet bank	 International remittance	 Life insurance	 Foreign investment business	 Investment advisory services	 Sales of ALA	
 Foreign exchange margin transactions	 Fintech and other new technology introduction assistance, and the operation and management of related businesses	 Small-amount short-term insurance businesses	 Savings bank	 KOSDAQ Venture capital funds	 Pharmaceuticals research and development	
Major group companies with presence in Korea			 (Listed on KOSDAQ)	 (Listed on KOSDAQ)	 (Largest saving bank in Korea)	 (New technology finance business)

Shareholder return policy

SBI FinTech Solutions has continued active shareholder return every year since going public



* Market value dividend ratio = calculated based on dividends per share divided by arithmetic average of the closing prices formed at KOSDAQ for the past one week from 2 trading days before closure date of dividend related shareholder list and being in percentage

*Applicable exchange rates		Unit: KRW/1JPY		
Class		FY2022 1Q	FY2021	FY2020
End-of-period exchange rate (Statement of financial position)		9.4645	9.9274	10.2733
Average exchange rate (Statement of Income)		9.7173	10.3777	10.9415

Consolidated statement of income

● JPY Basis

Unit: JPY mn

Account title	FY2022 1Q	FY2021	FY2020
Sales	1,348	5,543	4,701
Cost of sales	465	1,970	1,790
Gross margin	883	3,573	2,911
Selling general / Administrative expenses	798	3,130	2,677
Other gains / losses	(26)	(65)	556
Operating income	58	377	789
Financial income	3	6	5
Financial expense	39	95	71
Foreign exchange gains / losses	33	10	(1)
Equity method income	24	(64)	37
Income before tax	80	234	759
Income tax expenses	23	457	320
Continuing operations	57	(223)	439
Discontinued operations	0	(311)	284
Net income	57	(534)	723
Owners of the parent	57	(537)	725
Non-controlling interest	0	3	(2)

● KRW Basis

Unit: KRW mn

Account title	FY2022 1Q	FY2021	FY2020
Sales	13,107	57,529	51,444
Cost of sales	4,525	20,444	19,589
Gross margin	8,582	37,085	31,855
Selling general / Administrative expenses	7,760	32,490	29,300
Other gains / losses	(254)	(678)	6,086
Operating income	567	3,916	8,640
Financial income	32	67	58
Financial expense	382	992	777
Foreign exchange gains / losses	326	108	(20)
Equity method income	234	(669)	408
Income before tax	779	2,431	8,309
Income tax expenses	224	4,745	3,504
Continuing operations	555	(2,314)	4,804
Discontinued operations	0	(3,232)	3,107
Net income	555	(5,546)	7,912
Owners of the parent	561	(5,580)	7,941
Non-controlling interest	(6)	33	(29)

※ IFRS basis

By adoption of IFRS 5 (Non-current assets held for sale and discontinued operations) based on selling off of its subsidiary, past figures have been revised retroactively.

*Applicable exchange rates		Unit: KRW/1JPY		
Class		FY2022 1Q	FY2021	FY2020
End-of-period exchange rate (Statement of financial position)		9.4645	9.9274	10.2733
Average exchange rate (Statement of Income)		9.7173	10.3777	10.9415

Consolidated statement of financial position

● JPY Basis

Unit: JPY mn			
Account title	FY2022 1Q	FY2021	FY2020
Non-current assets	10,049	9,719	6,992
Current assets	30,781	33,612	29,187
Total assets	40,830	43,332	36,179
Non-current liabilities	10,039	11,371	7,621
Current liabilities	26,293	27,149	24,086
Total liabilities	36,333	38,520	31,708
Paid-in capital	1,454	1,454	1,452
Additional paid-in capital	1,011	1,011	(211)
Retained earnings	2,323	2,657	3,587
Treasury stock	(325)	(325)	(325)
Other capital factors	25	5	(37)
Total equity attributable to owners of the parent	4,488	4,802	4,465
Non-controlling interest	8	8	5
Total equity	4,497	4,811	4,470

※ IFRS basis

● KRW Basis

Unit: KRW mn			
Account title	FY2022 1Q	FY2021	FY2020
Non-current assets	95,110	96,490	71,831
Current assets	291,331	333,686	299,848
Total assets	386,442	430,177	371,679
Non-current liabilities	95,023	112,886	78,300
Current liabilities	248,853	269,523	247,450
Total liabilities	343,876	382,410	325,751
Paid-in capital	20,566	20,566	20,552
Additional paid-in capital	14,417	14,417	(2,408)
Retained earnings	25,049	28,709	38,520
Treasury stock	(3,320)	(3,320)	(3,320)
Other capital factors	(14,227)	(12,694)	(7,469)
Total equity attributable to owners of the parent	42,485	47,678	45,873
Non-controlling interest	80	88	54
Total equity	42,565	47,766	45,928



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