

SBI HOLDINGS, INC.

(Incorporated in Japan with limited liability)

INTERIM RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED DECEMBER 31, 2024

Japan, February 7, 2025

The board of directors (the “Directors”) of SBI HOLDINGS, INC. (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively the “Group”) for the nine months ended December 31, 2024.

(Amounts are rounded to the nearest million Japanese yen)

1. Consolidated Financial Results

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Revenue		Profit before income tax expense		Profit for the period		Profit attributable to owners of the Company	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2024	1,013,394	17.2	179,378	79.2	129,790	85.0	101,157	69.7
Nine months ended December 31, 2023	864,719	32.2	100,088	103.3	70,176	92.1	59,616	609.5

	Total comprehensive income		Basic earnings per share attributable to owners of the Company	Diluted earnings per share attributable to owners of the Company
	Millions of yen	%	Yen	Yen
Nine months ended December 31, 2024	97,240	(20.0)	334.65	322.23
Nine months ended December 31, 2023	121,535	100.9	217.90	194.57

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2024	30,912,082	1,877,255	1,328,782	4.3
March 31, 2024	27,139,391	1,907,346	1,262,209	4.7

2. Dividends

	Dividend per share				
(Declared date)	End of 1 st Q	End of 2 nd Q	End of 3 rd Q	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	—	30.00	—	130.00	160.00
Fiscal year ending March 31, 2025	—	30.00	—		
Fiscal Year ending March 31, 2025 (forecast) (Note)				—	—

(Note) Fiscal year ending March 31, 2025 forecast is to be determined

3. Total number of shares outstanding (Common stock)

- | | | | | |
|---|---|-------------------------------------|---|--------------------|
| (1) Number of shares outstanding (including treasury stock) | : | December 31, 2024 | : | 302,806,307 shares |
| | | March 31, 2024 | : | 301,889,807 shares |
| (2) Number of treasury stock | : | December 31, 2024 | : | 32,364 shares |
| | | March 31, 2024 | : | 30,696 shares |
| (3) Average number of shares outstanding | : | Nine months ended December 31, 2024 | : | 302,276,374 shares |
| | | Nine months ended December 31, 2023 | : | 273,589,607 shares |

The Group prepared the consolidated financial statements in accordance with IFRSs.

This financial summary is exempt from review procedures required by Financial Instruments and Exchange Act.

1. BUSINESS RESULTS

(1) Results of Operations

The Group's consolidated results of operations for the nine months ended December 31, 2024 were as follows. Revenue increased 17.2% year-on-year to ¥1,013,394 million, profit before income tax expense increased 79.2% to ¥179,378 million and profit attributable to owners of the Company increased 69.7% to ¥101,157 million.

The results of operations for each reporting segment of the Group for the nine months ended December 31, 2024 were as follows.

SBI Leasing Services Co., Ltd., which was included in the Investment Business until the previous reporting period, is now included in the Financial Services Business beginning with this fiscal year. Consequently, segment information for the nine months ended December 31, 2023, is restated in accordance with the new basis of segmentation.

	Revenue			Profit before income tax expense		
	Nine months ended December 31, 2023	Nine months ended December 31, 2024		Nine months ended December 31, 2023	Nine months ended December 31, 2024	
	Millions of Yen	Millions of Yen	%	Millions of Yen	Millions of Yen	%
Financial Services Business	782,009	867,624	10.9	117,818	169,974	44.3
Asset Management Business	21,468	25,325	18.0	3,473	4,368	25.8
Investment Business	15,907	57,933	264.2	(5,787)	17,290	—
Crypto-asset Business	30,885	62,849	103.5	2,042	18,115	786.9
Next Gen Business	19,691	19,915	1.1	(2,147)	(10,908)	—
Total	869,960	1,033,646	18.8	115,399	198,839	72.3
Elimination or Corporate	(5,241)	(20,252)	—	(15,311)	(19,461)	—
Consolidated Total	864,719	1,013,394	17.2	100,088	179,378	79.2

(% represents year-on-year changes)

(Financial Services Business)

The Financial Services Business consists of a wide range of finance-related business inside and outside Japan, including securities brokerage business, banking services business, and life, property, and casualty insurance business.

The results of operations of the Financial Services Business for the nine months ended December 31, 2024 were as follows. Revenue increased 10.9% year-on-year to ¥867,624 million, and profit before income tax expense increased 44.3% year-on-year to ¥169,974 million.

(Asset Management Business)

The Asset Management Business primarily consists of setting, solicitation, and management of investment trust, investment advice, and provision of financial products information.

The results of operations of the Asset Management Business for the nine months ended December 31, 2024 were as follows. Revenue increased 18.0% year-on-year to ¥25,325 million, and profit before income tax expense increased 25.8% year-on-year to ¥4,368 million.

(Investment Business)

The Investment Business primarily consists of fund management and investment in Internet technology, fintech, blockchain, finance, and biotechnology-related venture companies in Japan and overseas.

The results of operations of the Investment Business for the nine months ended December 31, 2024 were as follows. Revenue increased 264.2% year-on-year to ¥57,933 million, and profit before income tax expense amounted to ¥17,290 million (¥5,787 million of loss before income tax expense for the nine months ended December 31, 2023).

(Crypto-asset Business)

The Crypto-asset Business primarily consists of crypto-asset exchange business which provides crypto-asset exchange and trading services.

The results of operations of the Crypto-asset Business for the nine months ended December 31, 2024 were as follows. Revenue increased 103.5% year-on-year to ¥62,849 million, and profit before income tax expense increased 786.9% year-on-year to ¥18,115 million.

(Next Gen Business)

The Next Gen Business primarily consists of the Biotechnology, Healthcare & Medical Informatics Business, which includes the development and distribution of pharmaceutical products, health foods, and cosmetics with the 5-aminolevulinic acid (5-ALA), a kind of amino acid which exists in vivo, the research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology, the digitization of medical and health information, the provision of solutions and services that promote the use of medical big data, and medical finance. The Next Gen Business also includes the business of working on advanced fields related to Web3, the renewable energy business, and the business of developing new overseas markets including Africa.

The results of operations of the Next Gen Business for the nine months ended December 31, 2024 were as follows. Revenue increased 1.1% year-on-year to ¥19,915 million, and loss before income tax expense amounted to ¥10,908 million (¥2,147 million of loss before income tax expense for the nine months ended December 31, 2023).

(2) Financial Conditions and Cash Flows

As at December 31, 2024, total assets amounted to ¥30,946,852 million and increased by ¥3,807,461 million from total assets of ¥27,139,391 million as at March 31, 2024. The Group's equity decreased by ¥30,091 million to ¥1,877,255 million from the fiscal year ended March 31, 2024.

As at December 31, 2024, the Group's cash and cash equivalents amounted to ¥5,318,711 million and increased by ¥738,376 million from that of ¥4,580,335 million as at March 31, 2024. The changes of cash flows for each activity and the reasons for changes are as follows:

(Operating Cash Flows)

Cash flows from operating activities amounted to ¥1,184,100 million in net cash inflows (¥745,740 million in net cash inflows for the nine months ended December 31, 2023). The net cash inflows were primarily due to a ¥1,993,986 million cash inflow from an increase in customer deposits in the banking business, a ¥466,976 million cash inflow from an increase in bonds and loans payable in banking business and ¥253,151 million cash inflow from an increase in Trade and other accounts payable, despite a ¥1,545,878 million cash outflow from an increase in trade and other accounts receivable.

(Investing Cash Flows)

Cash flows from investing activities amounted to ¥908,893 million in net cash outflows (¥294,155 million in net cash inflows for the nine months ended December 31, 2023). The net cash outflows were primarily due to a ¥1,943,804 million cash outflow from purchases of investment securities, despite a ¥1,004,484 million cash inflow from proceeds from sales or redemption of investment securities.

(Financing Cash Flows)

Cash flows from financing activities amounted to ¥434,479 million in net cash inflows (¥301,878 million in net cash outflows for the nine months ended December 31, 2023). The net cash inflows were primarily due to a ¥2,679,164 million cash inflow from proceeds from issuance of bonds payable and a ¥269,464 million cash inflow from increase in short term loans payable, despite a ¥2,466,390 million cash outflow from redemption of bonds payable.

2. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

(1) Interim Condensed Consolidated Statement of Financial Position

	As at March 31, 2024	As at December 31, 2024
	Millions of Yen	Millions of Yen
Assets		
Cash and cash equivalents	4,580,335	5,318,711
Trade and other accounts receivable	11,606,228	13,057,193
Inventories	240,398	249,142
Assets related to securities business	6,165,370	6,684,277
Other financial assets	567,190	602,152
Operational investment securities	673,625	694,362
Other investment securities (includes ¥388,333 million and ¥484,562 million pledged as collateral as at March 31, 2024 and December 30, 2024, respectively)	2,088,542	2,965,178
Reinsurance contracts assets	24,270	25,082
Investments accounted for using the equity method	222,010	359,788
Investment properties	79,665	48,806
Property and equipment	133,777	131,698
Intangible assets	415,699	423,243
Assets held for sale	184,001	178,305
Other assets	138,766	156,764
Deferred tax assets	19,515	17,381
Total assets	27,139,391	30,912,082
Liabilities		
Bonds and loans payable	4,477,079	5,446,214
Trade and other accounts payable	656,571	891,523
Liabilities related to securities business	5,527,306	5,905,523
Customer deposits for banking business	13,002,239	14,940,219
Insurance contract liabilities	155,046	151,498
Income tax payable	19,036	22,710
Other financial liabilities	871,305	1,094,914
Provisions	36,853	33,660
Liabilities directly associated with assets held for sale	138,506	131,350
Other liabilities	286,443	341,299
Deferred tax liabilities	61,661	75,917
Total liabilities	25,232,045	29,034,827
Equity		
Capital stock	180,400	181,568
Capital surplus	280,185	310,711
Treasury stock	(87)	(94)
Other components of equity	125,726	107,571
Retained earnings	675,985	729,026
Equity attributable to owners of the Company	1,262,209	1,328,782
Non-controlling interests	645,137	548,473
Total equity	1,907,346	1,877,255
Total liabilities and equity	27,139,391	30,912,082

(2) Interim Condensed Consolidated Statements of Income and Comprehensive Income
Interim Condensed Consolidated Statement of Income

	Nine months ended December 31, 2023 Millions of Yen	Nine months ended December 31, 2024 Millions of Yen
Revenue (Interest income of ¥371,169 million and ¥396,728 million and Insurance revenue ¥65,145 million and ¥71,573 million included for the nine months ended December 31, 2023 and 2024, respectively)	864,719	1,013,394
Expense		
Financial cost associated with financial income	(125,321)	(141,378)
Provision for credit losses	(84,634)	(78,114)
Insurance service expenses	(58,768)	(64,834)
Operating cost	(170,523)	(208,140)
Selling, general and administrative expenses	(298,926)	(323,426)
Other financial cost	(29,312)	(34,352)
Other expenses	(7,926)	(9,618)
Total expense	(775,410)	(859,862)
Gain on bargain purchase	319	623
Share of the profit of associates and joint ventures accounted for using the equity method	10,460	25,223
Profit before income tax expense	100,088	179,378
Income tax expense	(29,912)	(49,588)
Profit for the period	70,176	129,790
Profit for the period attributable to		
Owners of the Company	59,616	101,157
Non-controlling interests	10,560	28,633
Profit for the period	70,176	129,790
Earnings per share attributable to owners of the Company		
Basic (Yen)	217.90	334.65
Diluted (Yen)	194.57	322.23

Interim Condensed Consolidated Statement of Comprehensive Income

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of Yen	Millions of Yen
Profit for the period	70,176	129,790
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Financial assets measured at FVTOCI	3,759	(919)
Changes in own credit risk on financial liabilities	(239)	(196)
Remeasurement of defined benefit plans	(666)	(1,194)
Share of other comprehensive income of investments accounted for using the equity method	164	106
	3,018	(2,203)
Items that may be reclassified subsequently to profit or loss		
Financial assets measured at FVTOCI	1,064	(4,957)
Currency translation differences	45,522	(30,733)
Fluctuations in discount rates of insurance contracts	1,156	1,638
Cash flow hedge	(1,747)	(1,450)
Share of other comprehensive income of investments accounted for using the equity method	2,346	5,155
	48,341	(30,347)
Other comprehensive income, net of tax	51,359	(32,550)
Total comprehensive income	121,535	97,240
Total comprehensive income attributable to		
Owners of the Company	99,923	83,209
Non-controlling interests	21,612	14,031
Total comprehensive income	121,535	97,240

(3) Interim Condensed Consolidated Statement of Changes in Equity

Nine months ended December 31, 2023

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Treasury stock	Other components of equity	Retained earnings	Total		
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
As at April 1, 2023	139,272	186,774	(76)	61,047	629,095	1,016,112	735,870	1,751,982
Profit for the period	-	-	-	-	59,616	59,616	10,560	70,176
Other comprehensive income	-	-	-	40,307	-	40,307	11,052	51,359
Total comprehensive income	-	-	-	40,307	59,616	99,923	21,612	121,535
Issuance of new shares	4,539	2,815	-	-	-	7,354	-	7,354
Change in scope of consolidation	-	-	-	-	-	-	(10,868)	(10,868)
Dividends paid	-	-	-	-	(40,937)	(40,937)	(10,234)	(51,171)
Treasury shares purchased	-	-	(7)	-	-	(7)	-	(7)
Treasury shares sold	-	0	1	-	-	1	-	1
Share-based payment transaction	-	170	-	-	-	170	12	182
Changes of interests in subsidiaries without losing control	-	45,685	-	-	-	45,685	(104,695)	(59,010)
Transfer from other components of equity to retained earnings	-	-	-	378	(378)	-	-	-
As at December 31, 2023	143,811	235,444	(82)	101,732	647,396	1,128,301	631,697	1,759,998

Nine months ended December 31, 2024

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Capital stock	Capital surplus	Treasury stock	Other components of equity	Retained earnings	Total		
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
As at April 1, 2024	180,400	280,185	(87)	125,726	675,985	1,262,209	645,137	1,907,346
Profit for the period	-	-	-	-	101,157	101,157	28,633	129,790
Other comprehensive income	-	-	-	(17,948)	-	(17,948)	(14,602)	(32,550)
Total comprehensive income	-	-	-	(17,948)	101,157	83,209	14,031	97,240
Issuance of new shares	1,168	718	-	-	-	1,886	-	1,886
Issuance of convertible bonds	-	7,867	-	-	-	7,867	-	7,867
Change in scope of consolidation	-	-	-	-	-	-	(41,609)	(41,609)
Dividends paid	-	-	-	-	(48,323)	(48,323)	(11,066)	(59,389)
Treasury shares purchased	-	-	(7)	-	-	(7)	-	(7)
Treasury shares sold	-	1	0	-	-	1	-	1
Share-based payment transaction	-	178	-	-	-	178	11	189
Changes of interests in subsidiaries without losing control	-	21,762	-	-	-	21,762	(58,031)	(36,269)
Transfer from other components of equity to retained earnings	-	-	-	(207)	207	-	-	-
As at December 31, 2024	181,568	310,711	(94)	107,571	729,026	1,328,782	548,473	1,877,255

(4) Interim Condensed Consolidated Statement of Cash flows

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of Yen	Millions of Yen
Cash flows from operating activities		
Profit before income tax expense	100,088	179,378
Depreciation and amortization	42,294	44,435
Gain on bargain purchase	(319)	(623)
Share of profit of investments accounted for using the equity method	(10,460)	(25,223)
Interest and dividend income	(394,925)	(420,960)
Interest expense	153,068	175,837
Increase in operational investment securities	(51,586)	(84,059)
Increase in trade and other accounts receivable	(701,955)	(1,545,878)
Increase in trade and other accounts payable	220,426	253,151
Decrease (Increase) in assets/liabilities related to securities business	136,194	(139,703)
Increase in customer deposits in the banking business	702,869	1,993,986
Increase in bonds and loans payable in banking business	413,707	466,976
Increase in payables under securities lending transactions	48,344	93,815
Others	(130,463)	(26,443)
Subtotal	527,282	964,689
Interest and dividend income received	383,115	411,696
Interest paid	(137,123)	(163,173)
Income taxes paid	(27,534)	(29,112)
Net cash generated from operating activities	745,740	1,184,100
Cash flows from investing activities		
Purchase of investment property	(21,354)	(1,477)
Purchases of intangible assets	(33,493)	(32,490)
Purchases of investment securities	(1,337,030)	(1,943,804)
Proceeds from sales or redemption of investment securities	1,668,963	1,004,484
Acquisition of subsidiaries, net of cash and cash equivalents acquired	(11,741)	(1,637)
Proceeds from sales of subsidiaries	941	1,363
Payments of loans receivable	(94,245)	(63,322)
Collection of loans receivable	102,648	124,310
Others	19,466	3,680
Net cash generated from (used in) investing activities	294,155	(908,893)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
	Millions of Yen	Millions of Yen
Cash flows from financing activities		
(Decrease) increase in short term loans payable	(452,779)	269,464
Proceeds from long-term loans payable	82,423	190,399
Repayment of long-term loans payable	(91,627)	(152,727)
Proceeds from issuance of bonds payable	1,438,108	2,679,164
Redemption of bonds payable	(1,183,343)	(2,466,390)
Proceeds from issuance of shares	7,354	1,886
Proceeds from stock issuance to non-controlling interests	8,556	372
Contributions from non-controlling interests in consolidated investment funds	22,224	15,805
Cash dividends paid	(40,835)	(48,218)
Cash dividends paid to non-controlling interests	(4,084)	(4,425)
Distributions to non-controlling interests in consolidated investment funds	(6,234)	(7,250)
Purchase of treasury stock	(7)	(7)
Proceeds from sale of interests in subsidiaries to non-controlling interests	6,145	63
Payments for purchase of interests in subsidiaries from non-controlling interests	(75,818)	(32,095)
Others	(11,961)	(11,562)
Net cash (used in) generated from financing activities	(301,878)	434,479
Net increase in cash and cash equivalents	738,017	709,686
Cash and cash equivalents at the beginning of the period	3,200,916	4,580,335
Effect of changes in exchange rate on cash and cash equivalents	38,858	28,690
Cash and cash equivalents at the end of the period	3,977,791	5,318,711

(5) Notes to Condensed Interim Consolidated Financial Statements

Segment Information

The Group reports five business segments, including Financial Services Business, Asset Management Business, Investment Business, Crypto-asset Business that is expected to continue to grow, and Next Gen Business which includes Biotechnology, Healthcare & Medical Informatics Business and the business working on advanced fields related to Web3.

The reportable segments of the Group represent businesses activities for which separate financial information of the Group's components is available and reviewed regularly by the board of directors for the purpose of allocating financial resources and performance evaluation.

The following is a description of business activities for the reporting segments.

"Financial Services Business"

The Financial Services Business consists of a wide range of finance-related business inside and outside Japan, including securities brokerage business, banking services business, and life, property and casualty insurance business.

"Asset Management Business"

The Asset Management Business primarily consists of setting, solicitation, and management of investment trust, investment advice, and provision of financial products information.

"Investment Business"

The Investment Business primarily consists of fund management and investment in Internet technology, fintech, blockchain, finance, and biotechnology-related venture companies in Japan and overseas.

"Crypto-asset Business"

The Crypto-asset Business primarily consists of crypto-asset exchange business which provides crypto-asset exchange and trading services.

"Next Gen Business"

The Next Gen Business primarily consists of Biotechnology, Healthcare & Medical Informatics Business which includes development and distribution of pharmaceutical products, health foods, and cosmetics with 5-aminolevulinic acid (5-ALA), a kind of amino acid which exists in vivo, research and development of antibody drugs and nucleic acid medicine in the field of cancer and immunology, the digitization of medical and health information, providing solutions and services that promote and the use of medical big data, and medical finance, business working on advanced fields related to Web3, renewable energy business, and business developing in new overseas markets including Africa.

The results of operations for each reporting segment of the Group for the nine months ended December 31, 2024, were as follows.

"Elimination or Corporate" includes profit or loss that is not allocated to certain business segments and the elimination of the inter-company transactions within the Group, at a price based on the actual market price.

SBI Leasing Services Co., Ltd., which was included in the Investment Business until the previous reporting period, is now included in the Financial Services Business beginning with this fiscal year. Consequently, segment information for the nine months ended December 31, 2023, is restated in accordance with the

new basis of segmentation.

Nine months ended December 31, 2023

	Financial Services Business	Asset Management Business	Investment Business	Crypto-asset Business	Next Gen Business	Total	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue	782,009	21,468	15,907	30,885	19,691	869,960	(5,241)	864,719
Profit (loss) before income tax expense	117,818	3,473	(5,787)	2,042	(2,147)	115,399	(15,311)	100,088

Nine months ended December 31, 2024

	Financial Services Business	Asset Management Business	Investment Business	Crypto-asset Business	Next Gen Business	Total	Elimination	Consolidated Total
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Revenue	867,624	25,325	57,933	62,849	19,915	1,033,646	(20,252)	1,013,394
Profit (loss) before income tax expense	169,974	4,368	17,290	18,115	(10,908)	198,839	(19,461)	179,378

Assumptions for Going Concern

None

Revenue

	Nine months ended December 31, 2023 Millions of yen	Nine months ended December 31, 2024 Millions of yen
Revenue		
Financial income		
Interest income		
Income arising from financial assets measured at amortized cost (Note 1)	362,856	383,948
Income arising from debt instruments measured at FVTOCI (Note 2)	8,313	12,780
Income arising from financial assets measured at FVTPL	35,234	71,120
Income arising from financial liabilities designated at FVTPL	(27)	2,209
Others	38,369	42,655
Total financial income	444,745	512,712
Insurance Revenue	65,145	71,573
Revenue from contracts with customers		
Revenue from rendering of services	166,218	168,014
Revenue from sales of goods	58,771	79,653
Others	129,840	181,442
Total revenue	864,719	1,013,394

(Note 1) Interest income arising from loans in the banking and securities businesses and from bonds held in the banking business.

(Note 2) Interest income arising from bonds in the banking and insurance businesses.