

Notice Regarding Issuance of New Shares as Restricted Stock Compensation

SBI Holdings, Inc. (the “Company”) hereby announces that it resolved at the meeting of the Board of Directors held today to issue new shares (the “Issuance of New Shares” or “Issuance”) as restricted stock compensation.

1. Overview of Issuance

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| (1) Payment date | February 15, 2022 |
| (2) Class and number of shares to be issued | 137,800 shares of the Company’s common stock |
| (3) Issue price | 2,830 yen per share |
| (4) Total amount of Issuance | 389,974,000 yen |
| (5) Allottees, number of allottees and number of shares to be allotted | Directors of the Company (excluding outside directors): 1 person 137,800 shares |
| (6) Other information | An Extraordinary Report has been submitted for the Issuance of New Shares in accordance with the Financial Instruments and Exchange Act. |

2. Purpose and Reasons for Issuance

At the meeting of the Board of Directors held on May 26, 2019, the Company resolved to introduce a restricted stock compensation plan (the “Plan”) for the Company’s directors other than outside directors (“Eligible Directors”) for the purpose of providing incentives to sustainably increase the Company’s corporate value and further promoting shared values with our shareholders.

Also, at the 21st Ordinary General Meeting of Shareholders held on June 27, 2019, approval was given for the total amount of monetary compensation (the “Restricted Stock Compensation”) to be paid to the Company’s Eligible Directors in order to grant restricted stocks in accordance with the Plan to be no more than 500 million yen annually, which is considered appropriate in light of the purpose above, and for specific allocations of the Restricted Stock Compensation to each Eligible Director to be determined at the meeting of the Board of Directors.

Today, the Company determined, in light of the deliberation and feedback from the Management Advisory Committee and comprehensively considering the purpose of the Plan, the level of contribution to the Company by the Eligible Director based on the circumstances of performance of the Eligible Director’s duties and business environment as well, the amount of monetary compensation claims to be granted to the Eligible Director within a range not particularly favorable to the Eligible Director who subscribes for the restricted stocks, and that it would allot restricted socks (the “Allotted Shares”) to the Eligible Director by having the Eligible Director make an in-kind contribution of the entire amount of such monetary compensation claims.

Please note that the monetary compensation claims will be granted to the Eligible Director on the condition that the Eligible Director enters with the Company into a restricted stock allocation agreement (the “Allotment Agreement”).

3. Overview of Allotment Agreement

(1) Transfer Restriction Period

During the period from the payment date until February 28, 2025 (the “Transfer Restriction Period”), the Eligible Director who is allotted the Allotted Shares shall not transfer, create security interests on, or otherwise dispose of the Allotted Shares (the “Transfer Restriction”).

(2) Acquisition of the restricted stock by the Company without consideration

If the Eligible Director retires from the position of director, executive officer (*shikkoyaku*), executive officer or employee of the Company or the Company's subsidiaries (except for legitimate reasons) during the period from the payment date to February 28, 2025 (the "Scheduled Service Provision Period") or other automatically acquisition without consideration events set forth in the Allotment Agreement occur, the Company shall automatically acquire the Allotted Shares without consideration. Further, the Company shall automatically acquire without consideration any of the Allotted Shares for which the Transfer Restriction has not been removed at the time of the expiration of the Transfer Restriction Period.

(3) Conditions for removal of Transfer Restriction

The Company shall remove the Transfer Restriction on all of the Allotted Shares at the time of the expiration of the Transfer Restriction Period (provided that in case the Eligible Director retires due to legitimate reasons, at the time immediately after the retirement, and if such retirement occurs on or before July 1, 2022, on July 1, 2022) on the condition that the Eligible Director continues to be in the position of director, executive officer (*shikkoyaku*), executive officer or employee of the Company or the Company's subsidiaries during the Scheduled Service Provision Period. Please note that in case the Eligible Director retires from the position above due to legitimate reasons prior to the expiration of the Scheduled Service Provision Period, the number of the Allotted Shares for which the Transfer Restriction is to be removed shall be adjusted appropriately taking into account the number of months from the month following the month which contains the commencement date of the Scheduled Service Provision Period through the month which contains such disqualification date.

(4) Treatment upon organizational restructuring

Notwithstanding (1) above, if, during the Transfer Restriction Period, matters regarding a merger agreement under which the Company becomes the dissolving company, a share exchange agreement or share transfer plan under which the Company becomes a wholly-owned subsidiary of another company, or any other organizational restructuring are approved at a General Meeting of Shareholders of the Company (or at a meeting of the Board of Directors of the Company if approval at a General Meeting of Shareholders of the Company is not required regarding such organizational restructuring), the Company, by a resolution of the Company's Board of Directors, shall, prior to the effective date of such organizational restructuring, remove the Transfer Restriction for a number of the Allotted Shares appropriately determined taking into account the period from the commencement date of the Scheduled Service Provision Period to the day on which such organizational restructuring is approved. Provided that in case the business day immediately preceding the effective date of such organizational restructuring comes on or before July 1, 2022, the Transfer Restriction on all of the Allotted Shares will not be removed and the Company shall automatically acquire all of the Allocated Shares without consideration.

(5) Provisions regarding management of shares

The Eligible Director shall open an account for entering or recording information about the Allotted Shares at a financial instrumental business operator designated by the Company beforehand, following the method designated by the Company, and keep and maintain the Allotted Shares in this account during the Transfer Restriction Period.

4. Basis for calculation of paid-in amount and specific details

The Issuance of New Shares to the planned allottee is to be conducted by contribution of the monetary compensation claims paid pursuant to the Plan. With regard to the issue price, in order to eliminate any arbitrariness from the price, the price has been set at 2,830 yen, which was the closing price of the Company's common stock on the First Section of the Tokyo Stock Exchange on January 28, 2022 (the business day immediately preceding the date of the Company's Board of Directors resolution). This is the market price immediately prior to the day of the resolution by the Company's Board of Directors, and the Company believes it to be a reasonable price that is not particularly favorable to the Eligible Director.

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For further information, please contact:

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