

August 23, 2022
SBI Holdings, Inc.
(TOKYO: 8473)

Notice Regarding Acquisition of Shares of The Global Ltd. (to Make It a Consolidated Subsidiary)

SBI Holdings, Inc. (hereinafter the “Company”) hereby announces that it will acquire all shares of The Global Ltd. (Listed on the TSE Standard Market (Securities code: 3271), hereinafter “The Global”) held by Ascot Corp. (Listed on the TSE Standard Market (Securities code: 3264), hereinafter “Ascot”), an equity method affiliate of the Company, as described below. After the transfer of shares, The Global is planned to become a consolidated subsidiary of the Company.

1. Reasons for the acquisition of shares

For the purpose of realizing the “Neo-securities Initiative” of SBI SECURITIES, Co, Ltd. (hereinafter “SBI SECURITIES”), which seeks to eliminate brokerage commissions for online transactions of domestic stocks for individual customers, the SBI Group is promoting further diversification of the products and services in order to further reduce its dependence on trading commissions as a percentage of revenue. In this context, the SBI Group is strengthening its handling of real estate-related financial products such as small-lot real estate products and real estate-backed security tokens (hereinafter “STs”), which are in high demand from investors.

On the other hand, The Global operates two main businesses through its subsidiaries: the business of Condominium Development, which plans, develops, and sells condominiums, and the Income-producing Properties, which plans, develops, and sells rental condominiums, offices. Since its establishment, The Global has supplied 93 newly built condominiums with a total of 3,708 units which were developed in-house, in the metropolitan area centered around Tokyo. As for the Income-producing Properties, despite only 7 properties being delivered during the fiscal year ended June 30, 2021, 25 properties were delivered in the fiscal year ended June 30, 2022, indicating a recovery in business performance driven by the core business.

The SBI Group intends to strengthen its cooperations with The Global by making it a consolidated subsidiary, and to utilize the high-quality real estate properties developed by The Global based on its advanced sourcing capabilities in the creation of small-lot real estate products and real estate-backed STs for individual investors. The SBI Group is also planning to form REITs as a future initiative and expects that The Global will contribute to the establishment of such REITs, either as a supplier or in the management of the subject property, thereby contributing to the expansion of the Group’s real estate finance business.

2. Overview of the subsidiary (The Global) subject to change

(1) Name	The Global Ltd.
(2) Location	2-4-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo

(3) Job title and name of representative	Hidekazu Nagashima, President		
(4) Description of business	Business management of affiliated group companies and related operations		
(5) Share capital	JPY 1,924 million (as of June 30, 2022)		
(6) Date of establishment	July 2010		
(7) Major shareholders and ownership ratios (As of Dec. 31, 2021)	Ascot Corp. 51.95% Hidekazu Nagashima 9.88%		
(8) Consolidated operating results and consolidated financial positions of said company for the last three years (Unit: JPY million except where otherwise noted)			
As of / Fiscal year ended	June 30, 2020	June 30, 2021	June 30, 2022
Consolidated net assets	4,404	3,278	3,596
Consolidated total assets	46,303	33,002	40,372
Consolidated net assets per share (Yen)	319.92	115.83	127.08
Consolidated net sales	25,702	18,355	25,761
Consolidated operating profit	-2,025	-2,030	781
Consolidated ordinary profit	-4,268	-3,087	389
Profit attributable to owners of parent	-4,836	-4,089	463
Consolidated earnings per share (Yen)	-356.36	-191.69	16.38
Dividend per share (Yen)	—	—	—

3. Overview of the counterparty to the acquisition of shares

(1) Name	Ascot Corp.
(2) Location	3-1-30 Jinguumae, Shibuya-ku, Tokyo
(3) Job title and name of representative	Takeshi Nakabayashi, Representative Director, President
(4) Description of business	Real estate development business, real estate solutions business, etc.
(5) Share capital	JPY 10,867 million (As of March 31, 2022)
(6) Date of establishment	April 1999
(7) Major shareholders and ownership ratios (As of March 31, 2022)	SUN YE COMPANY LIMITED 46.78% SBI Holdings, Inc. 35.01% Ping An Japan Investment LP I 5.88%

4. The number of shares acquired and shareholding before and after acquisition

(1) Number of shares held before the change	0 shares (Ratio of voting rights held: 0%)
(2) Number of shares to be acquired	14,705,000 shares
(3) Number of shares held after the change	14,705,000 shares (Ratio of voting rights held: 51.95%)

* This press release refrains from making an announcement of the acquisition costs, but it has been determined after the consultation with Ascot and the references based on the price per share of The Global's stock calculated by an external valuation institution.

5. Timetable

(1) Date of conclusion of the agreement	August 23, 2022
(2) Date of commencement of share transfer	September 21, 2022 (Planned)

6. Future outlook

The Company considers that the impact of this capital and business alliance on its consolidated business results will be minor.

For further information, please contact:

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