

F I N A T E X T

H O L D I N G S

Fourth Quarter FY2021
Financial Results

Finatext Holdings Ltd.

May 13, 2022

Highlights

Group

- Consolidated revenue +**57% YoY¹ increase**
- **Recurring revenue +34% increase**
- Sales growth made operating margin **improve from ▲39% to ▲20%**
- **Consolidated revenue in FY2022 expected +40% to ¥3,815 million**

Financial Infrastructure

- As a result of large-scale new implementation in both brokerage and insurance, **revenue +87% YoY to ¥1,127 million**
- Continue to focus on acquiring new partners and **revenue are expected +64% to ¥1,849 million**

Big Data Analytics

- **Revenue +66% YoY to ¥763 million** thanks to an increase in subscription for corporate analytics data service *Alterna Data*
- With *Alterna Data* and expansion of new marketing business, **revenue are expected +29% to ¥985 million**

Fintech Solution

- By diversifying the customer base and acquiring projects from banks, **revenue +24% YoY to ¥832 million**
- Aiming at **revenue +18% to ¥979 million and stable growth**, targeting leads to financial infrastructure projects

1. Compared to sales in the same period of the previous year (April 2020 to March 2021), excluding sales in UK business exited

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OUR BUSINESS

Our Mission

By realizing our mission together with our partners, we aim to provide financial services connected to our daily lives.

Reinvent

Finance

As a “Service”

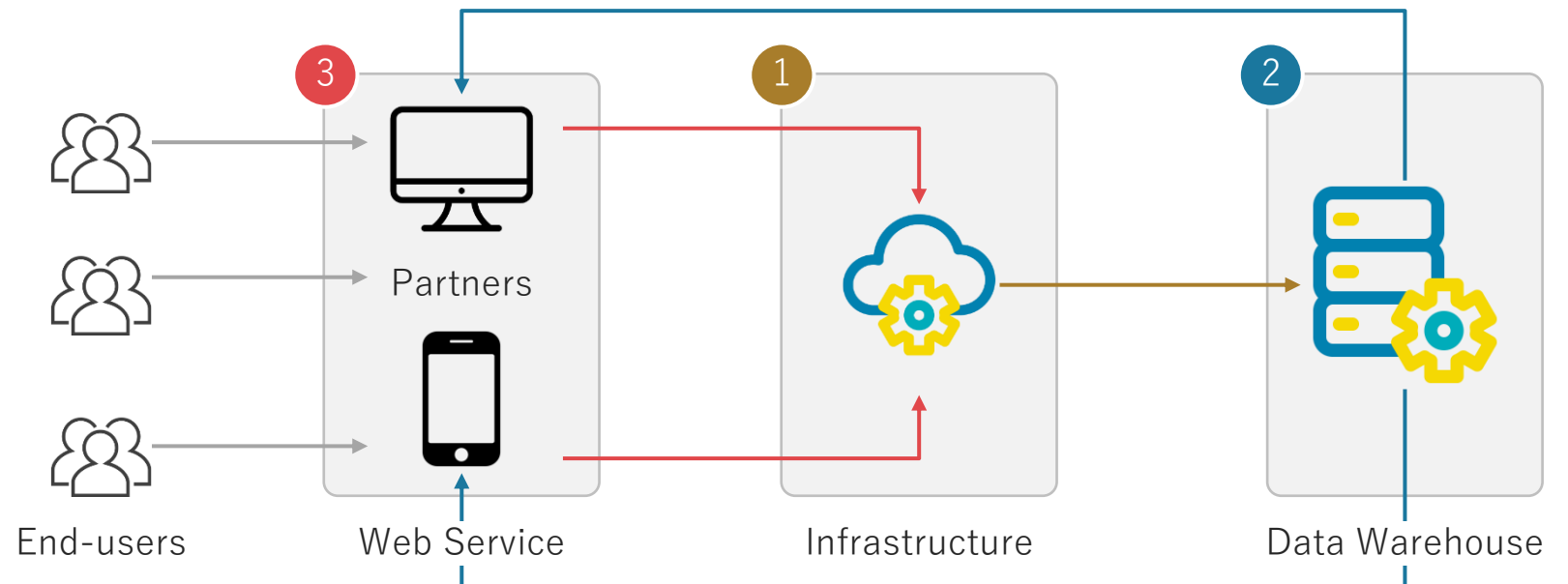
Our Business

We operate three businesses:

- 1) Financial Infrastructure,
- 2) Big Data Analytics, and
- 3) Fintech Solution.

These collaborate with each others to help customers achieving digital transformation and improving quality, efficiency and revenue.

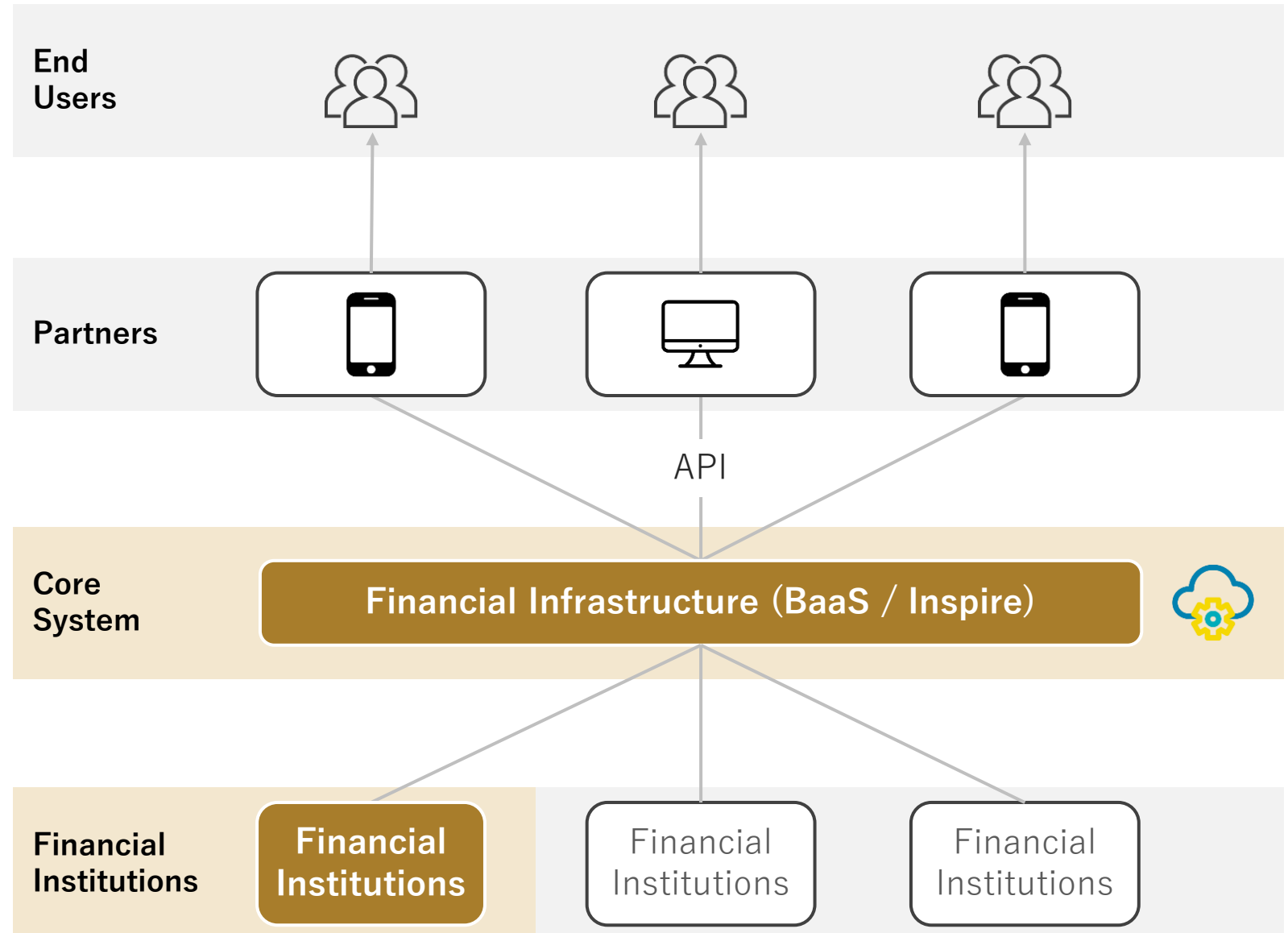
- 1 Providing Cloud native, API-based **Financial Infrastructure**
- 2 Marketing and service optimization based on **Big Data Analytics**
- 3 Planning and development of **Fintech Solution** with superior UX



Overview

Cloud-native and API-based modern financial infrastructure enables partners to install at low cost and embed functions seamlessly.

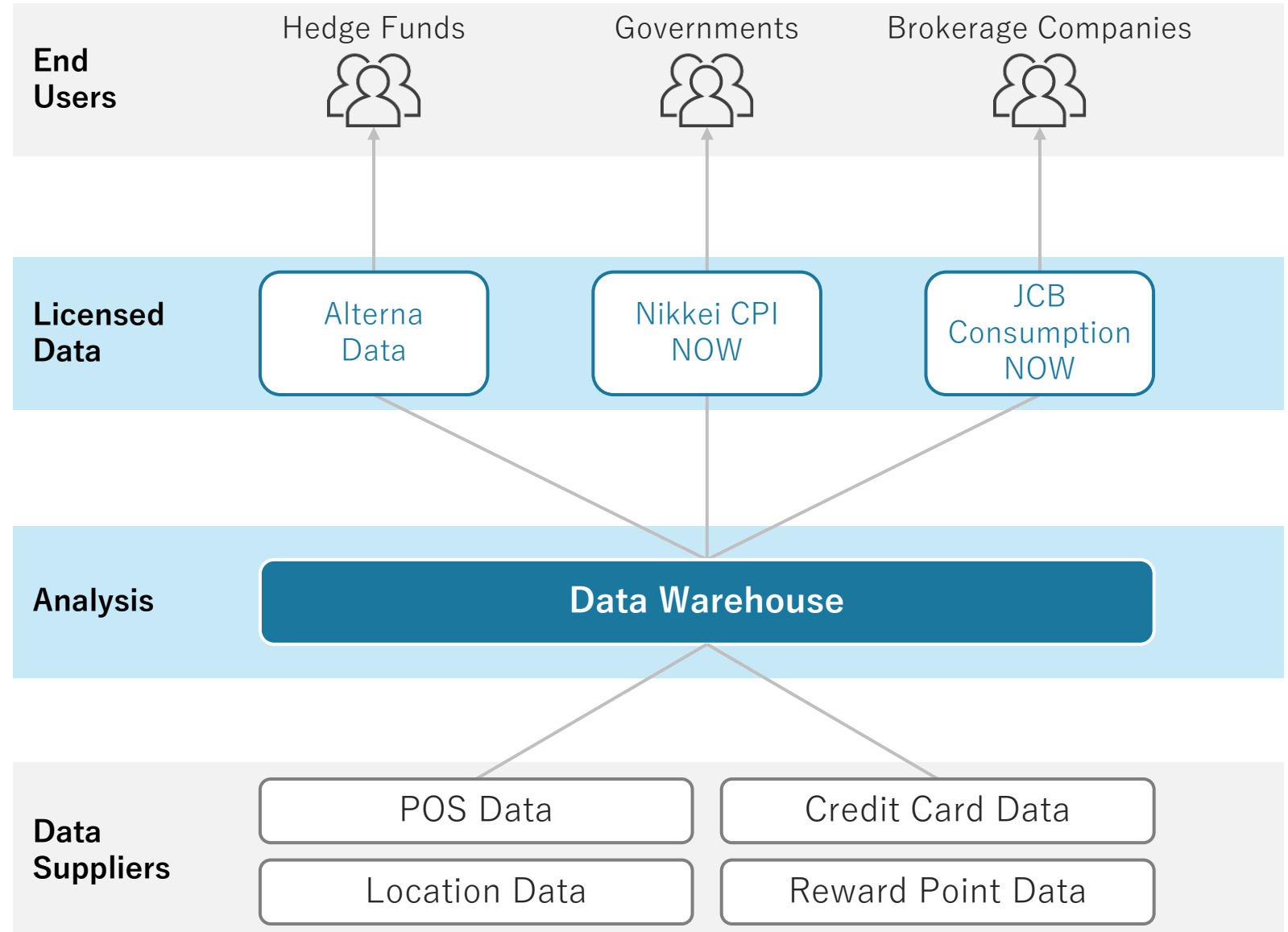
Provides 1) **BaaS** for wealth management providers and 2) **Inspire** for insurance providers.



Overview

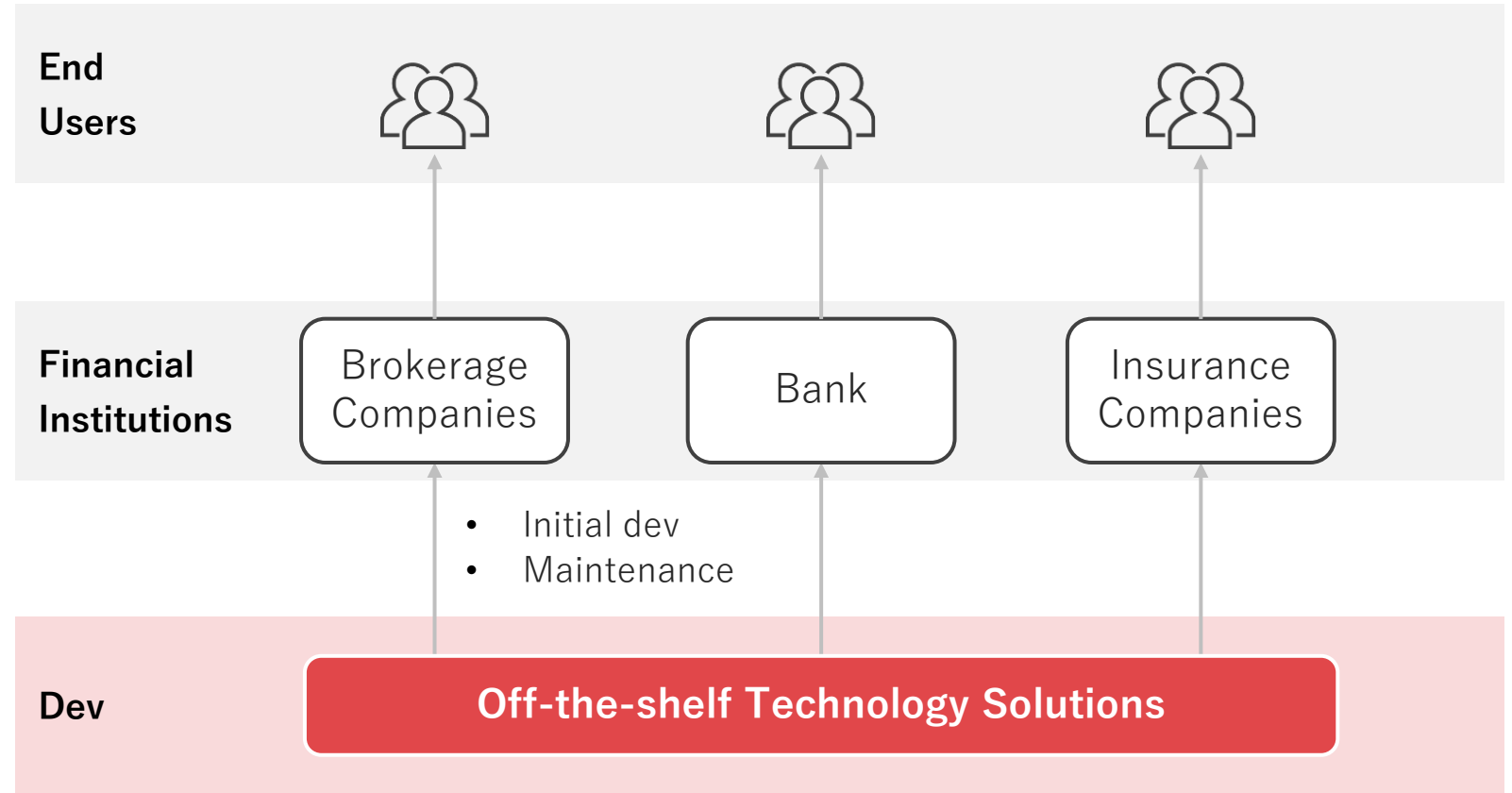
An alternative data provider for institutional investors and governments.

Receives data from third-party data suppliers and sells value-added data using proprietary technologies such as cleansing, mastering and modeling.



Overview

Develops front-end applications and provides off-the-shelf technology solutions to financial institutions to accelerate their DX.



Clients (Published)

- KDDI
- Daiwa Brokerage
- Nomura Holdings
- Rakuten Brokerage
- MUFG Bank
- SMBC Nikko
- Nomura Asset Management
- GMO Click Brokerage

Revenue Type

One-off revenue received at the time of system implementation, and recurring revenue and usage-based revenue received subsequently.

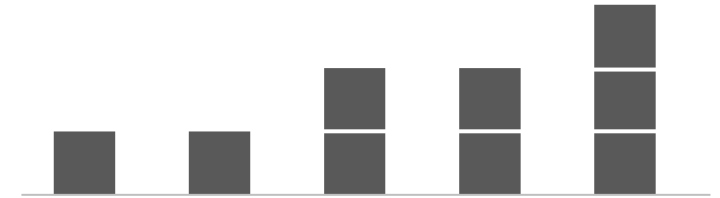
1 One-off

- One-off revenue received from partners at service implementation and additional development



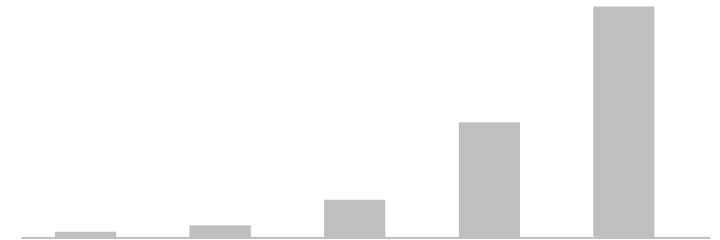
2 Recurring

- Recurring revenue received monthly from existing partners for operations



3 Usage-based

- Usage-based revenue according to AUM and insurance premium income

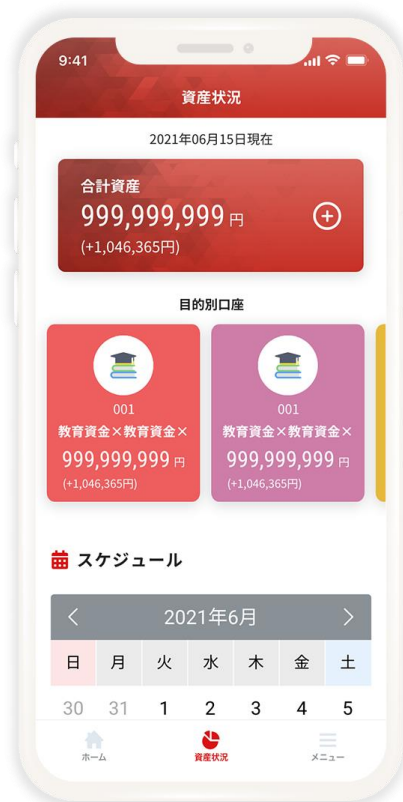


BUSINESS HIGHLIGHT

New Launch

Nissay Asset Management has launched *Goal Navi*, a fund wrap for individuals utilizing BaaS.

Setting up multiple purpose-specific accounts with only one single contract. Tools for sales representatives also available.



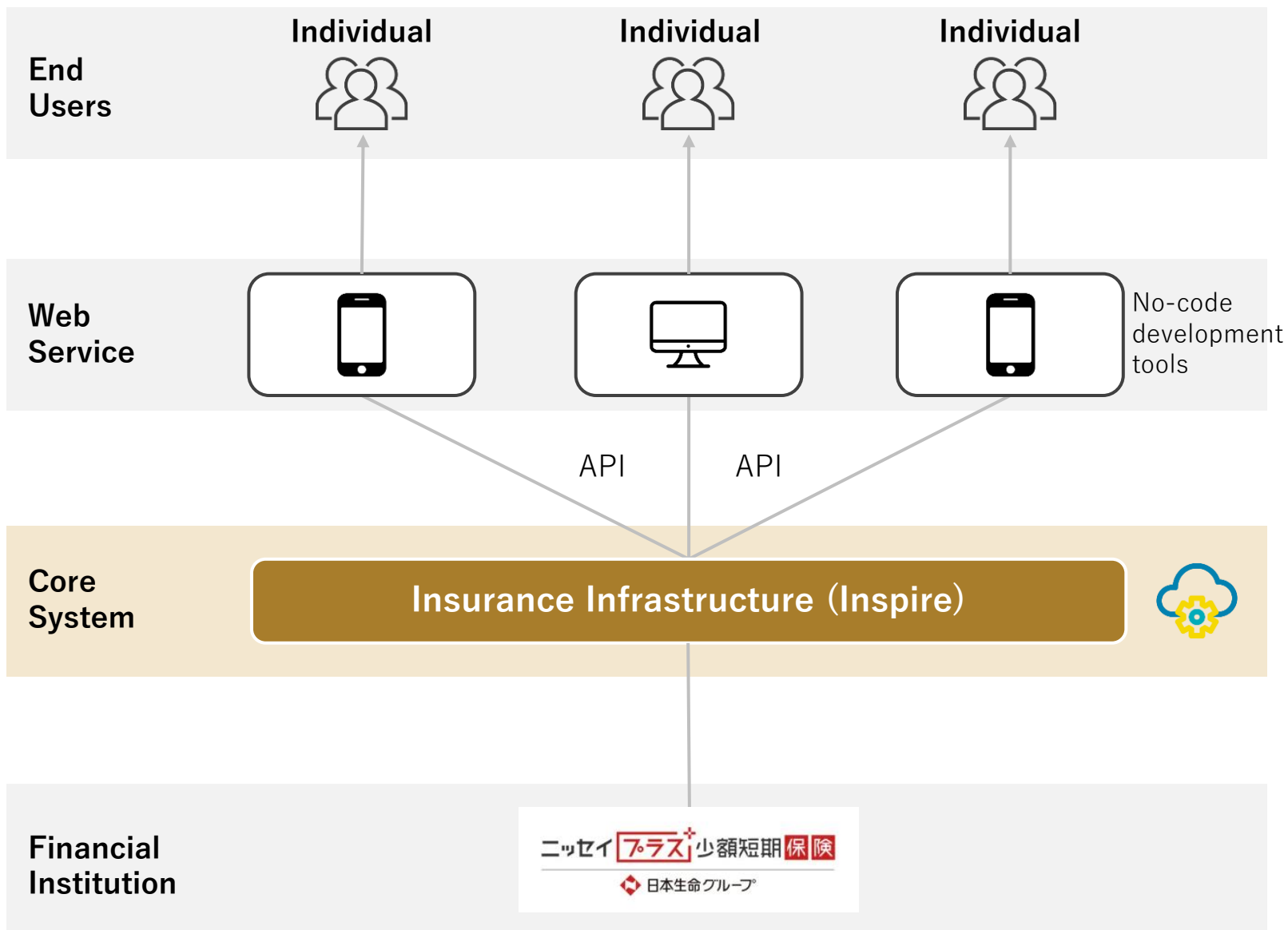
About Goal Navi

- Fund wrap service that allows clients to set up multiple accounts according to goals, such as house-buying savings, education savings and retirement savings.
- Tools supporting face-to-face sales also available to sales representatives

New Launch

Nissay Plus Small Amount and Short-term Insurance, a subsidiary of Nippon Life Insurance, has adopted Inspire as its core system.

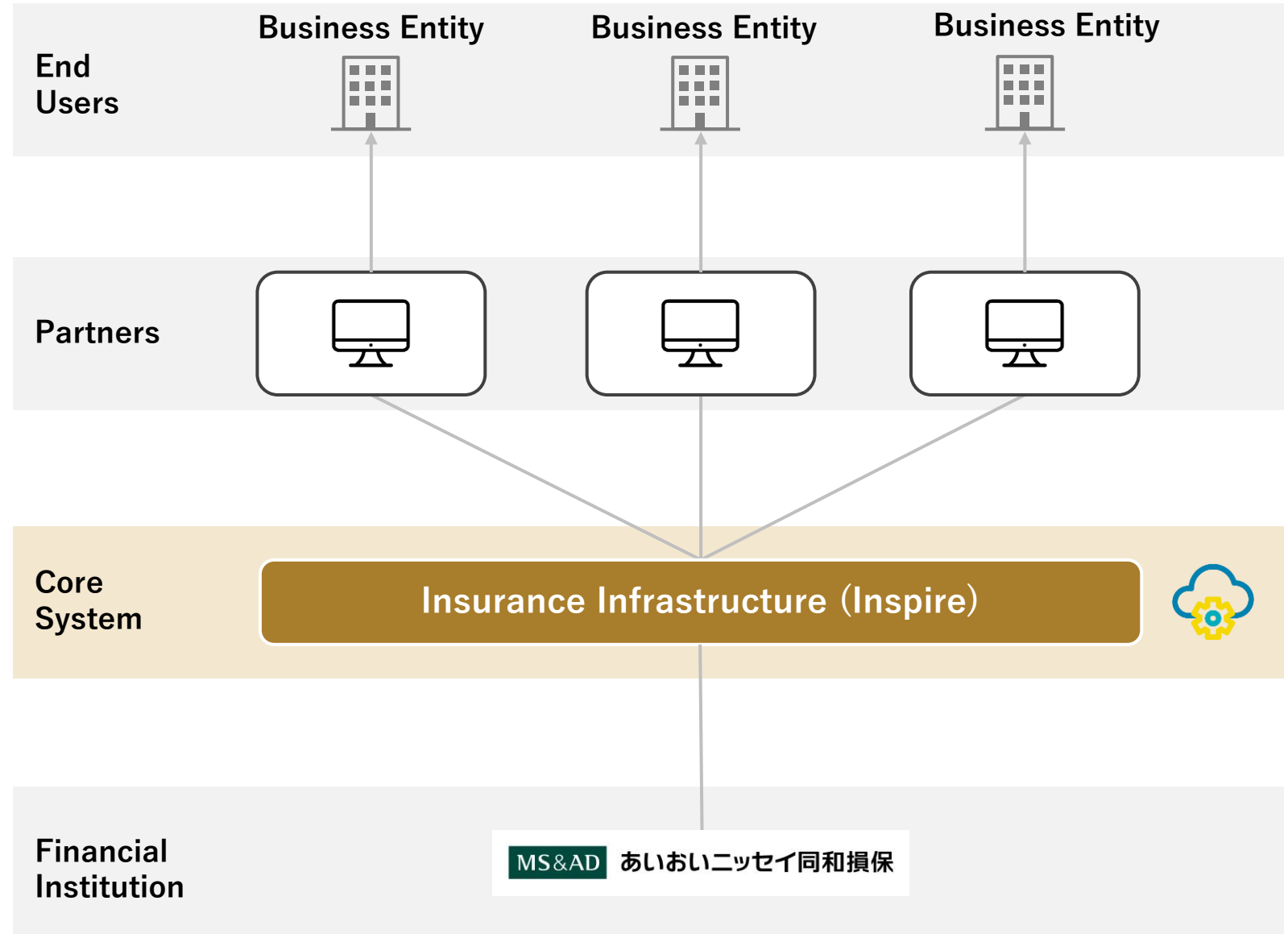
Our API allowed Nissay Plus Small Amount and Short-term Insurance to use no-code tools to develop web services efficiently.



New Launch

Aioi Nissay Dowa Insurance has built a B2B digital insurance platform using Inspire.

Mini Cyber Liability Insurance will be offered as the first product.

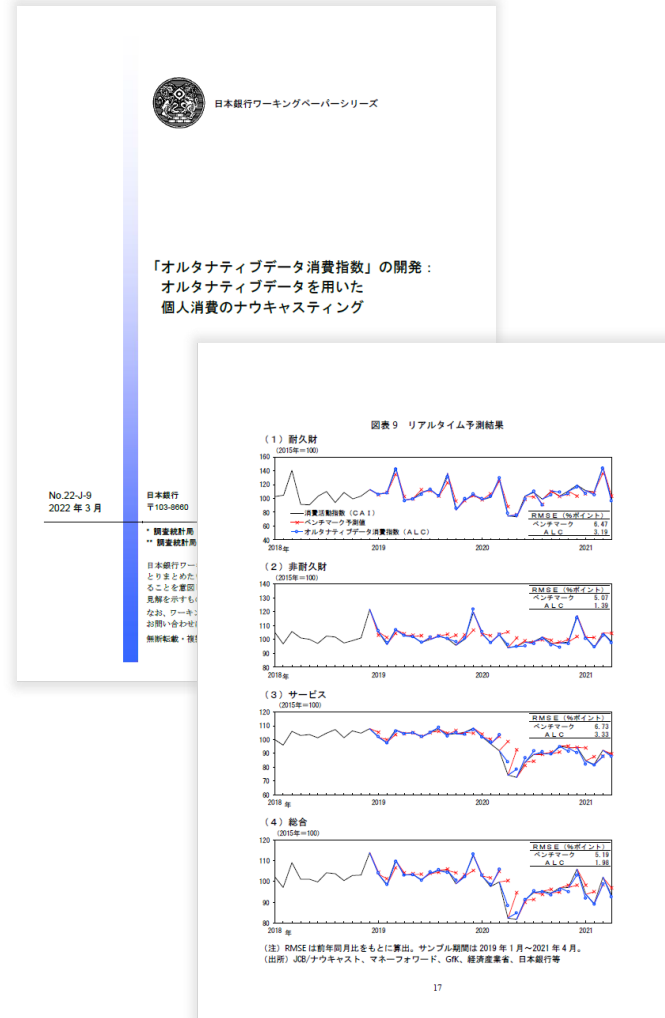


Contribution to Society

Bank of Japan has established consumption activity index that quickly and accurately captures private consumption with alternative data. Our *JCB Consumption NOW* was used in the development.

Small and Medium Enterprise Agency are also using our data.

Bank of Japan



Small and Medium Enterprise Agency



Source : Bank of Japan, Small and Medium Enterprise Agency

FULL-YEAR RESULTS FY2021

Financial Summary

Consolidated revenue +57% YoY excluding sales in UK business exited.

Operating loss also improved significantly as revenue increased.

(¥million)	FY2021 Apr - Mar	FY2020 Apr - Mar ²	YoY	Major Factors
Revenue	2,724	1,811	+50%	• Financial infrastructure's one-off revenue drove sales growth
(excluding UK ¹)	(2,724)	(1,733)	(+57%)	
COGS	1,057	715	+48%	• Along with business growth, development-related personnel expenses and outsourcing expenses increased
COGS Ratio	39%	40%	-	
Gross Profit	1,666	1,096	+52%	
SG&A	2,209	1,798	+23%	• Increase in salary and marketing expenses
SG&A Ratio	81%	99%	-	
Operating Income	▲ 542	▲ 702	-	
Operating Margin	▲ 20%	▲ 39%	-	
Ordinary Income	▲ 588	▲ 806	-	• Non-operating expenses accounted for listing-related expenses of ¥34 million
Net Income Attributable to Owners of Parent	▲ 669	▲ 1,021	-	

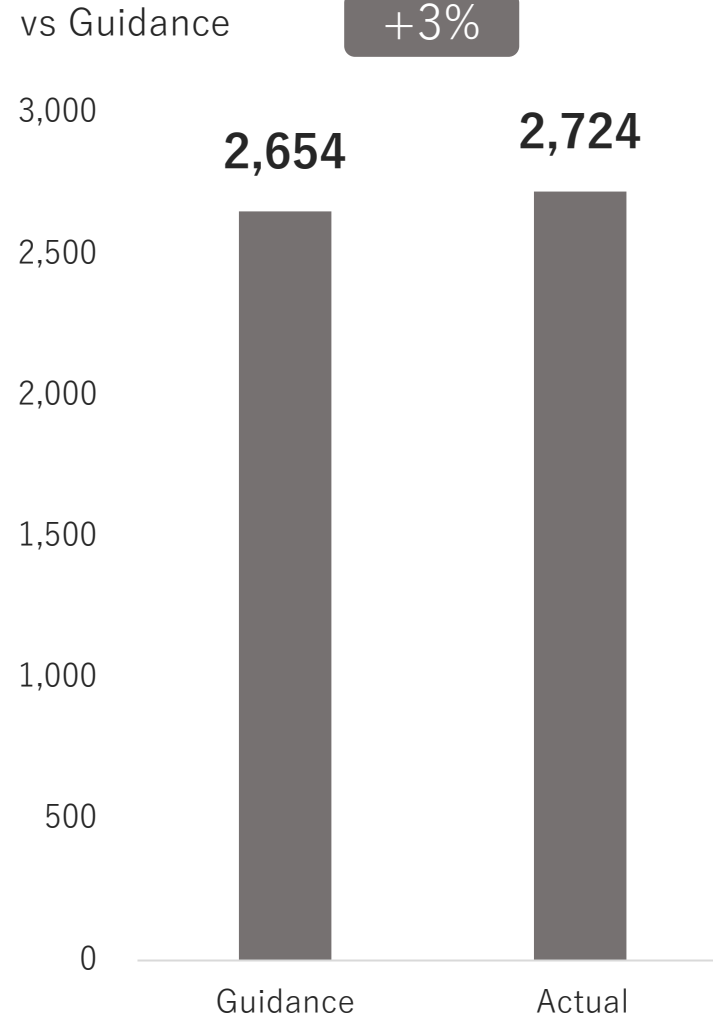
1. Exited UK business in 2020 due to COVID-19.
2. The revenues from 2020 April to March 2021 are unaudited.

Actual vs Guidance

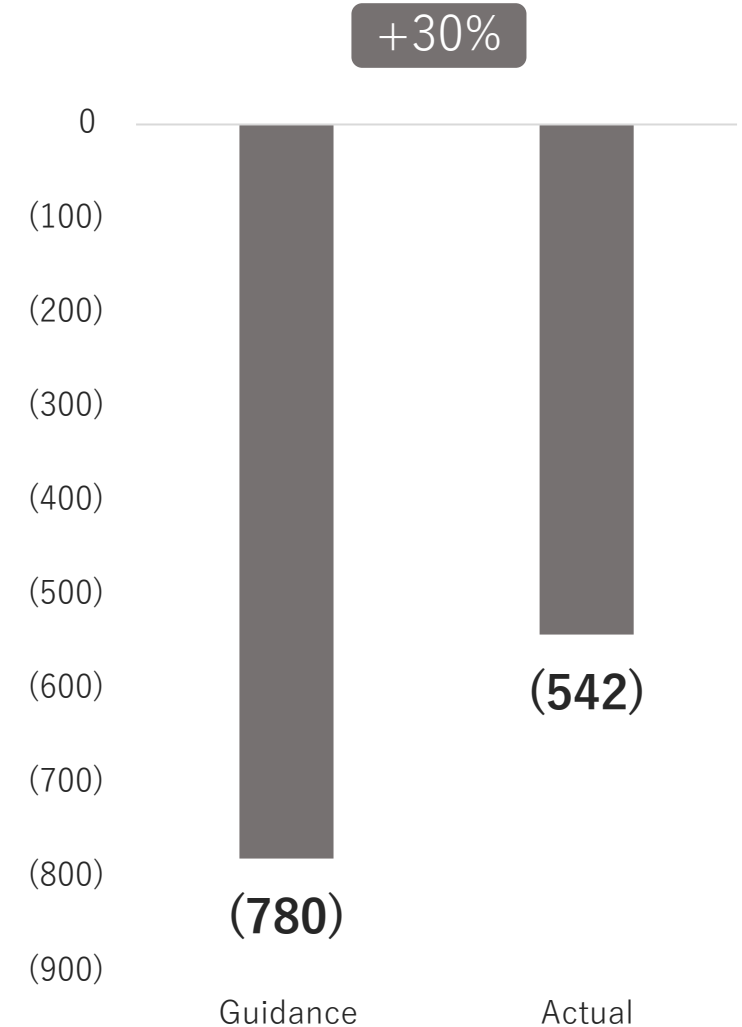
Although revenue in Fintech Solution were lower than expected, Big Data Analytics outperformed, which drove revenue **+3% above guidance.**

Operating losses **improved significantly +30%¹ compared to guidance.**

Revenue



Operating Income

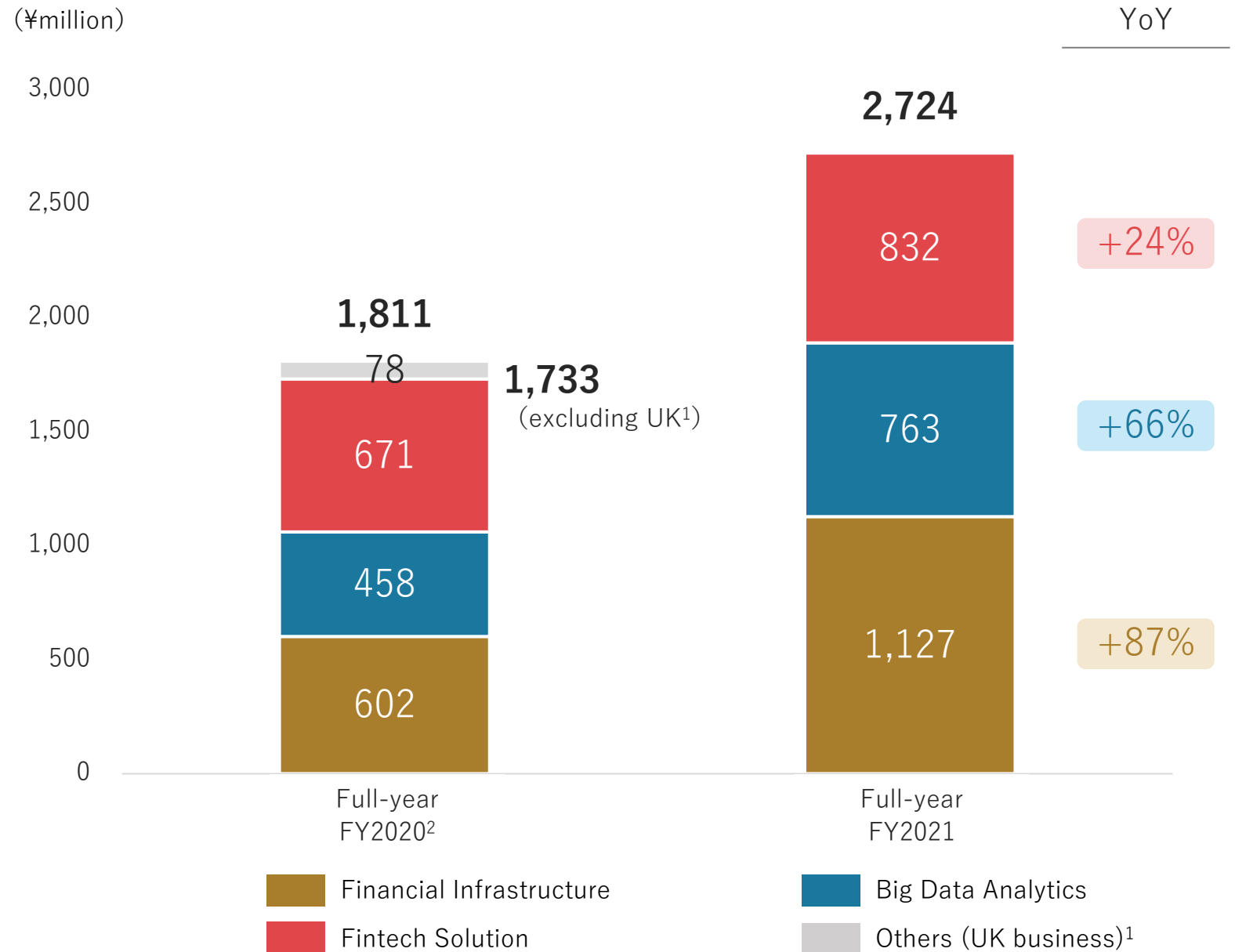


1. Revision of earnings forecast announced on April 20, 2022

Revenue by Segment

Financial Infrastructure increased significantly by **+87% YoY**, driving consolidated revenue growth.

Big Data Analytics also achieved high growth of **+66% YoY**.



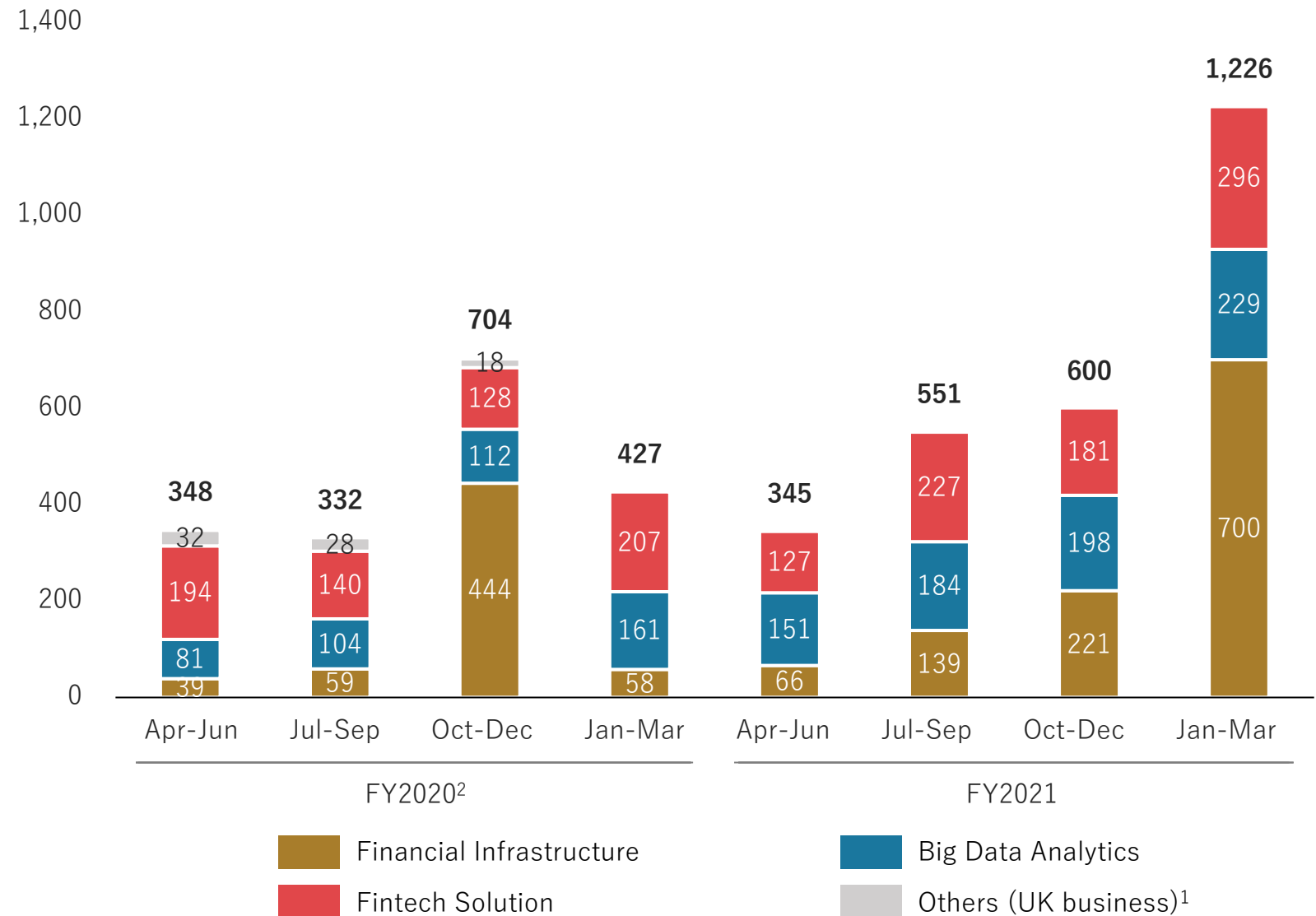
1. Sales in UK business exited in the previous consolidated fiscal year

2. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Segment

In the fourth quarter, Financial Infrastructure and Fintech Solution increased, driving consolidated revenue to ¥1,226 million.

(¥million)



1. Sales in UK business exited in the previous consolidated fiscal year
 2. Quarterly financial results for the same period of the previous year are unaudited.

Revenue by Type

One-off revenue increased significantly +99% YoY, leading to revenue growth.

Recurring revenue also increased as more projects had been deployed.

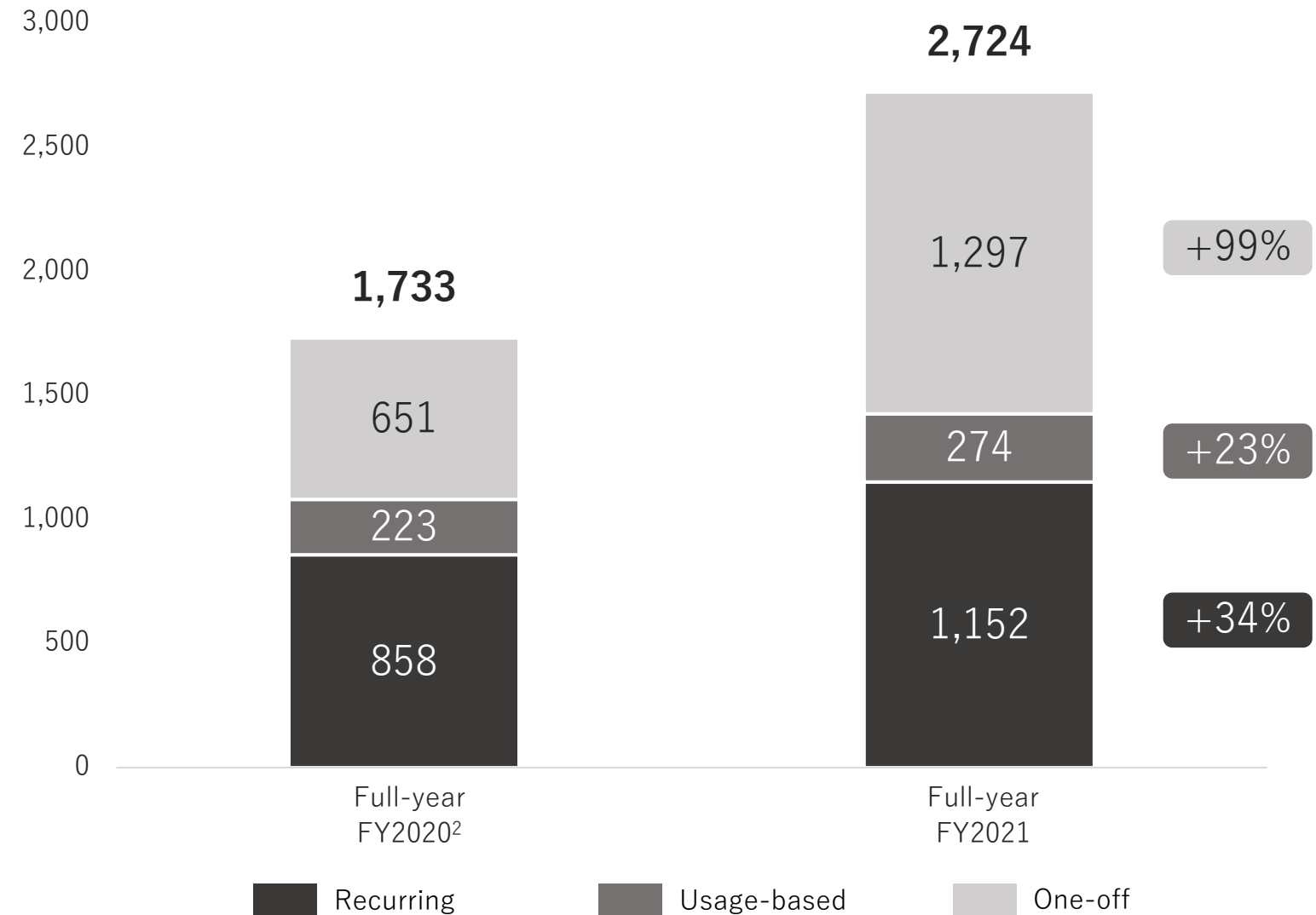
Names of revenue types have been changed as follows;

- Monthly Recurring → Recurring
- Initial One-off → One-off

* The accounting standards have not been changed, only the names have been changed.

(¥million)

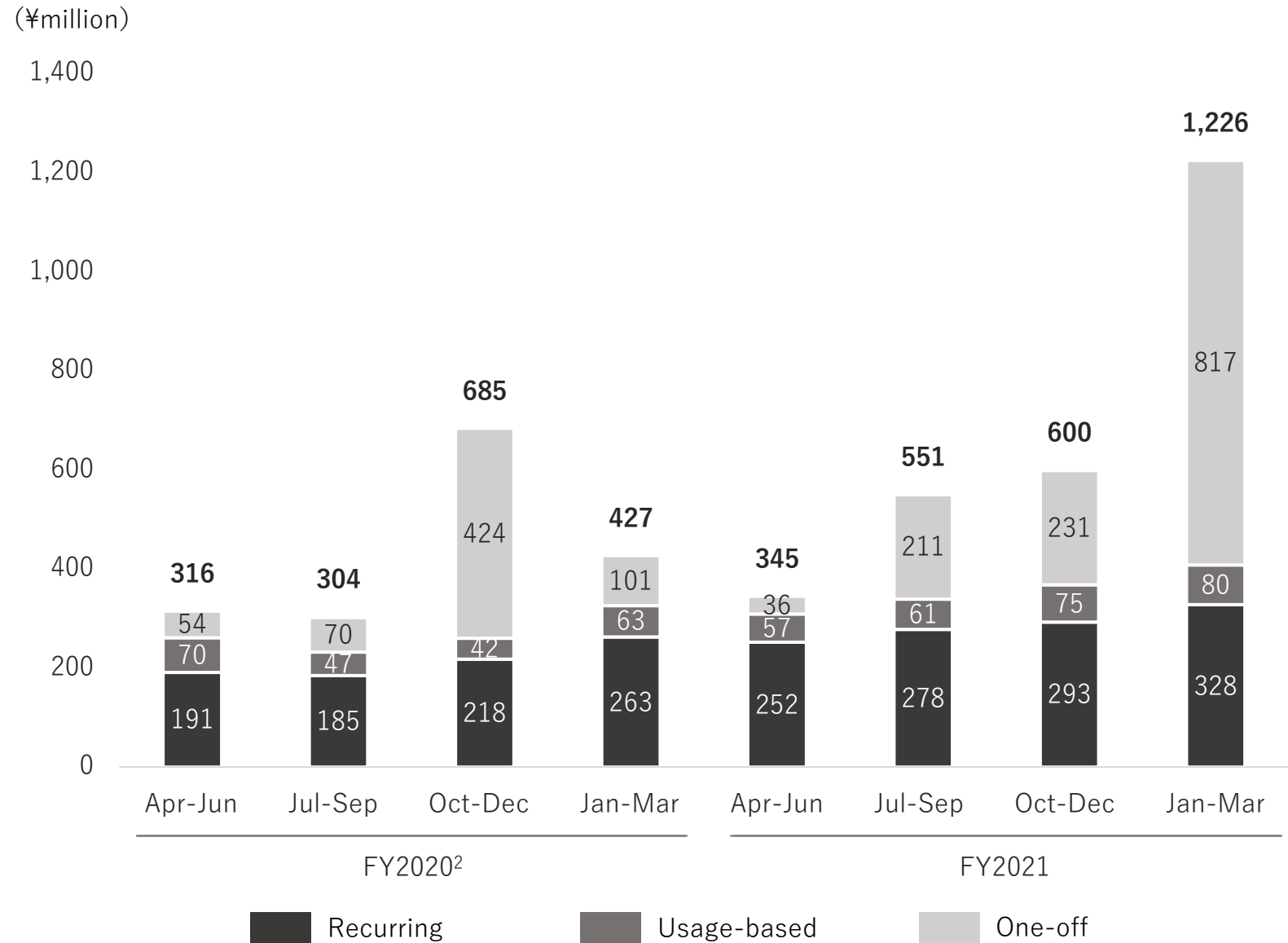
YoY



1. Excluding sales in UK business exited in the previous consolidated fiscal year
2. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Type

Significant increase in one-off revenue due to multiple projects deployed in the fourth quarter.

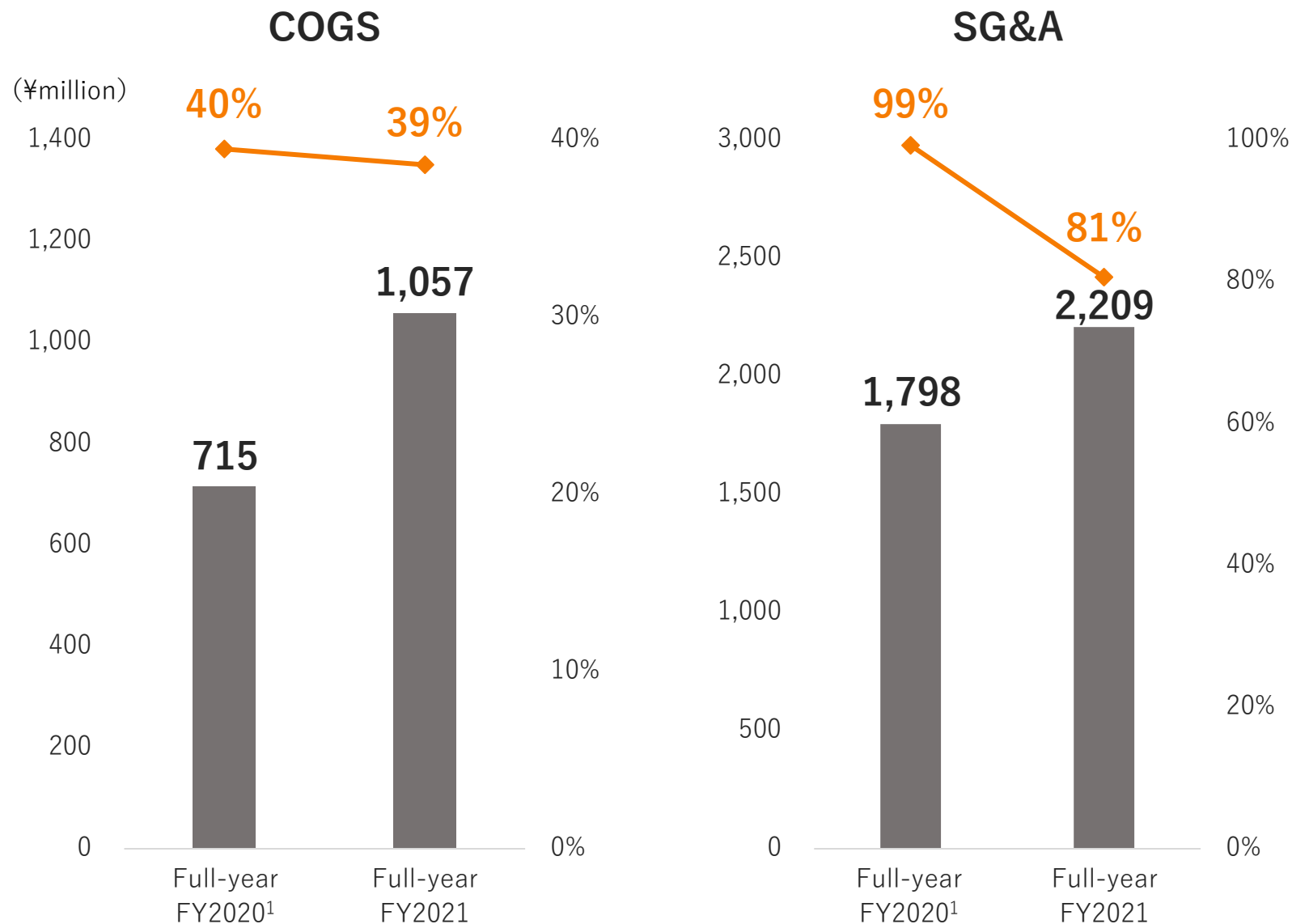


1. Excluding revenue in UK business exited in the previous consolidated fiscal year
2. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

COGS and SG&A

COGS ratio remained almost the same as the previous year, because COGS increased proportionally to business growth.

Although SG&A increased, **SG&A ratio improved by 18% from 99% to 81%.**

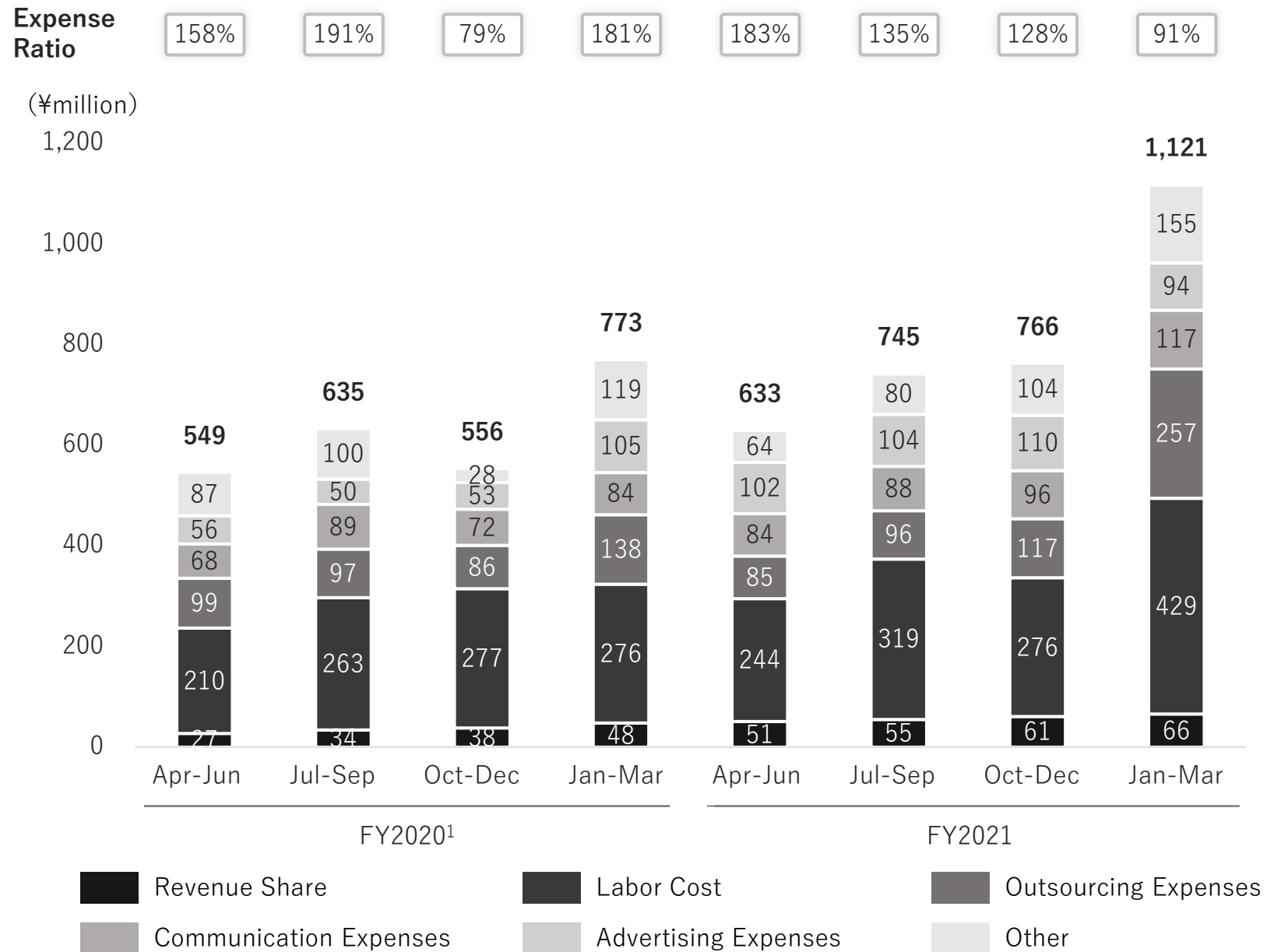


1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Cost Breakdown

In the fourth quarter, expenses temporarily increased due to delivery of new services.

Particularly development related labor costs and outsourcing expenses increased.

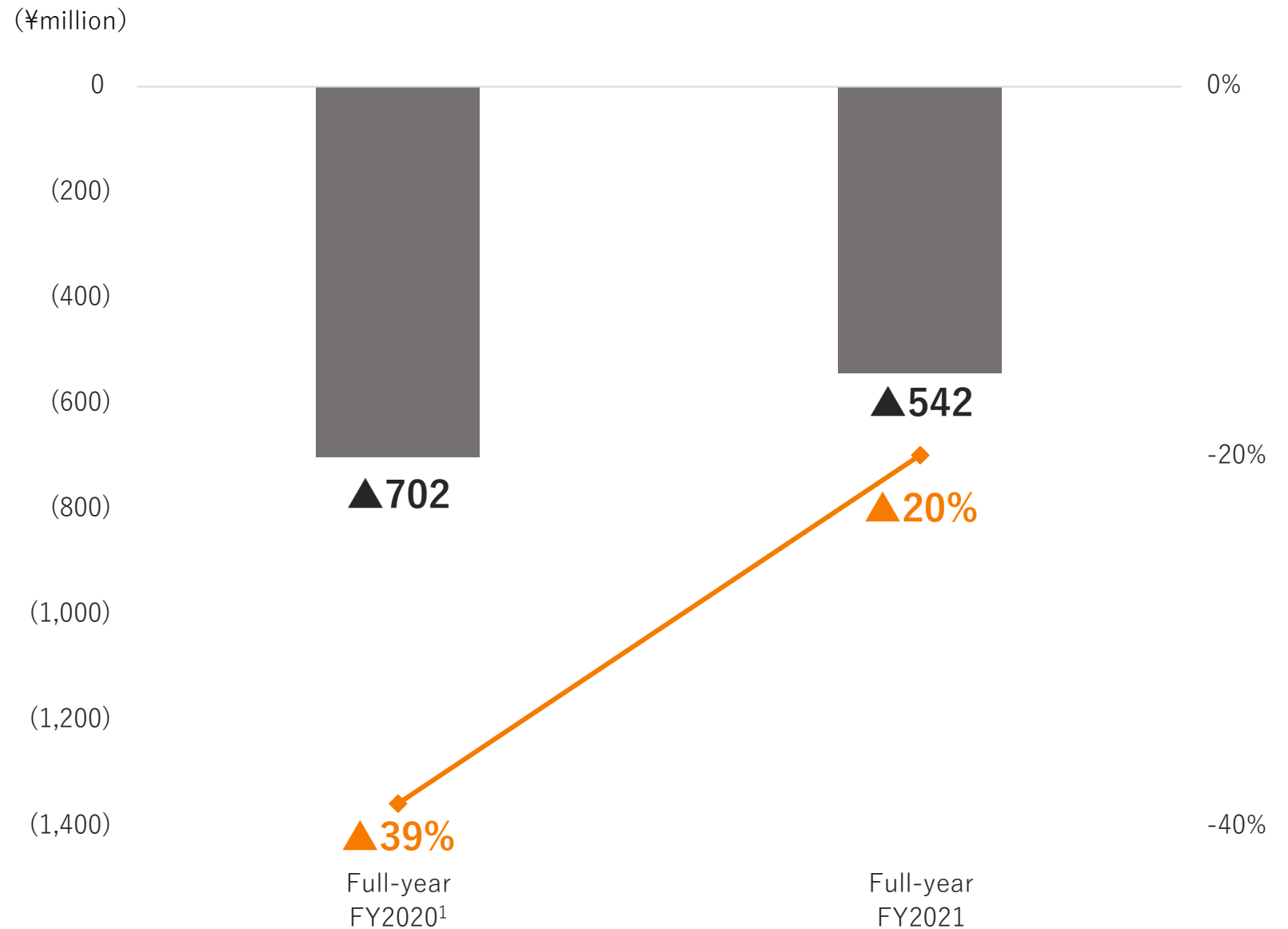


1. Quarterly financial results for the same period of the previous year are unaudited.

Operating Margin

Operating margin improved as SG&A ratio declined.

Financial Infrastructure is in expansion phase and in the red, but Fintech Solutions and Big Data Analytics are profitable, and **the consolidated operating margin improved from ▲39% to ▲20%.**

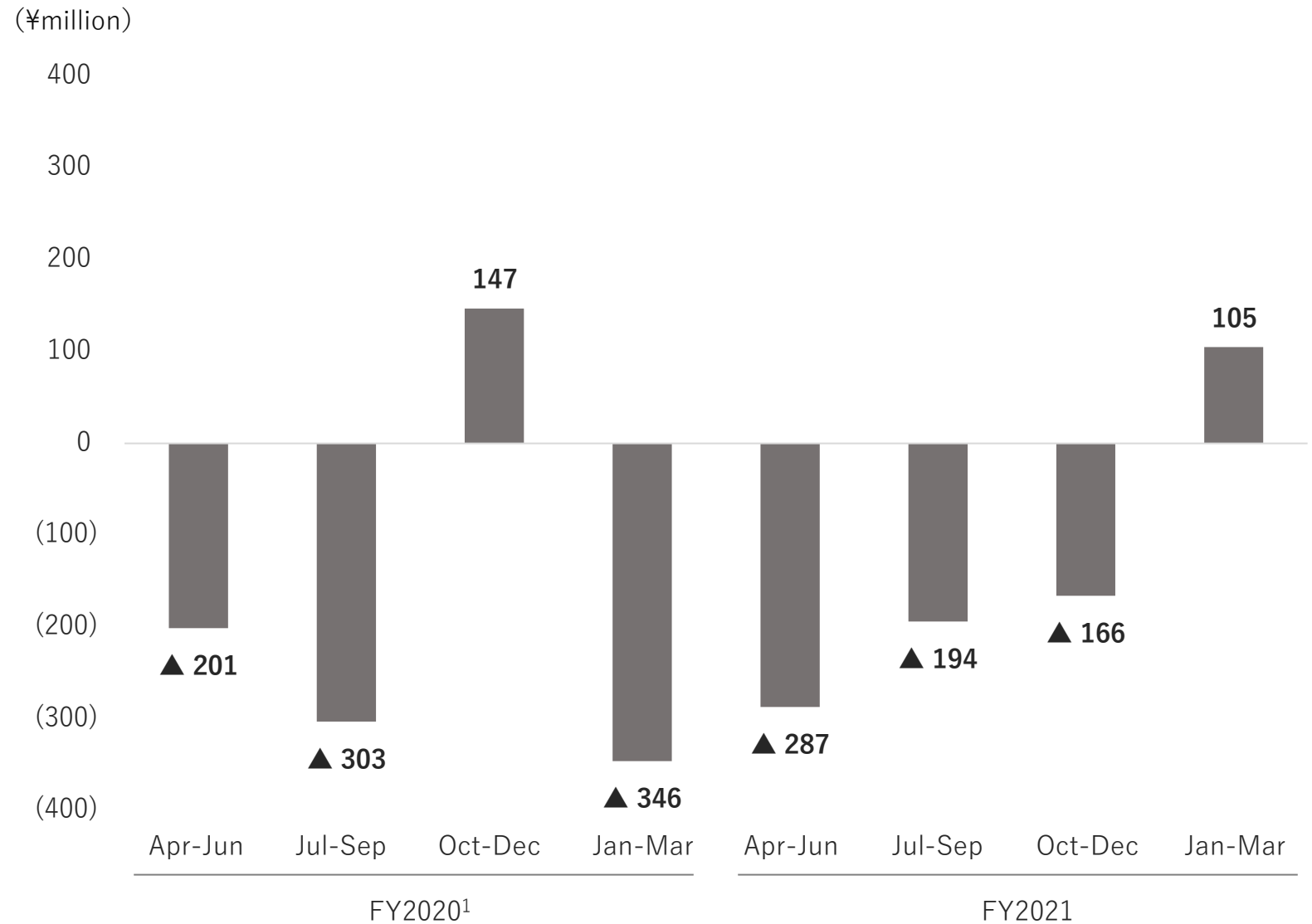


1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Operating Income

Quarterly operating income has been improving since the Jan-Mar quarter of 2021 due to sales growth.

In the fourth quarter, with large one-off revenue, business was temporarily in the black.



1. Quarterly financial results for FY2020 are unaudited.

Balance Sheet

Strong financial base
with ¥5.8 billion in cash
and deposits as of Mar
31, 2022.

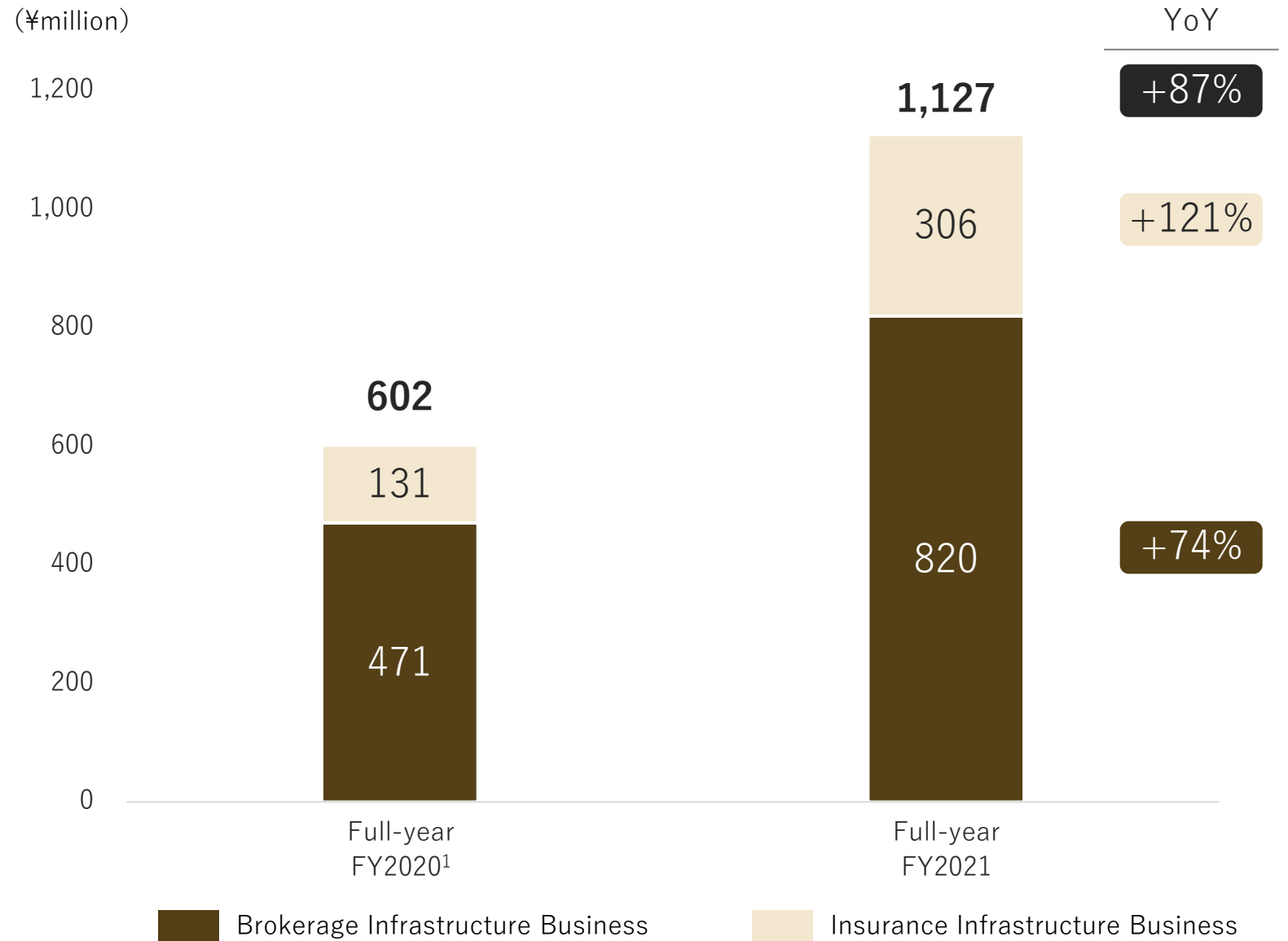
(¥million)

Asset	Liabilities and Net Assets
Cash and deposits 5,792	Guarantee deposit for Brokerage business 2,850
	Deposit received for Brokerage business 2,082
	Other current liabilities 1,645
Deposits for Brokerage business 5,521	Non-current liabilities and reserves under special laws 86
	Net assets 9,189
Credit trading assets for Brokerage business 3,035	
Other current assets 1,270	
Non-current asset 234	

FULL-YEAR RESULTS BY SEGMENT FY2021

Revenue by Business

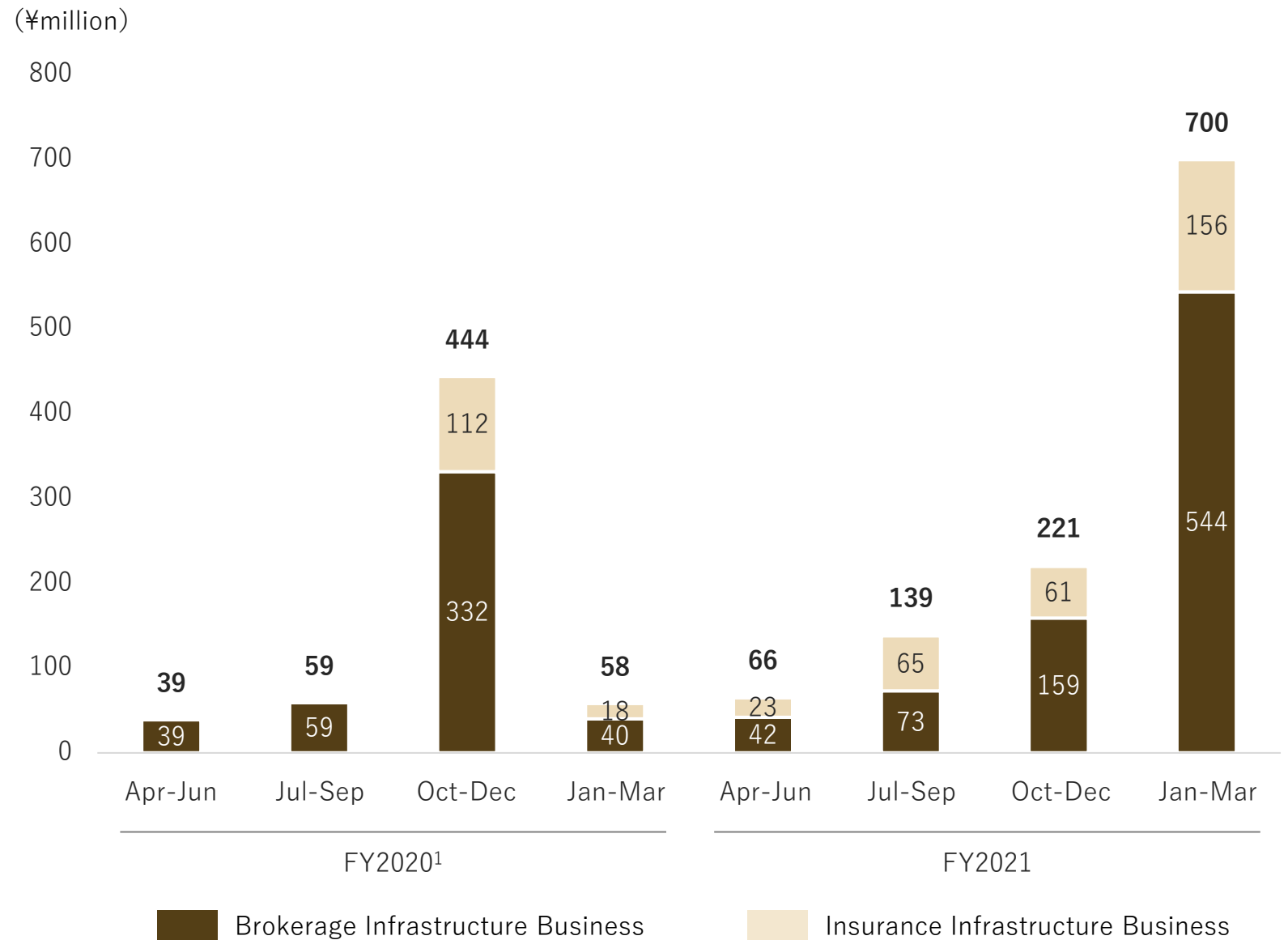
Both brokerage and insurance grew, driving **revenue +87% YoY to ¥1,127 million.**



1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Business

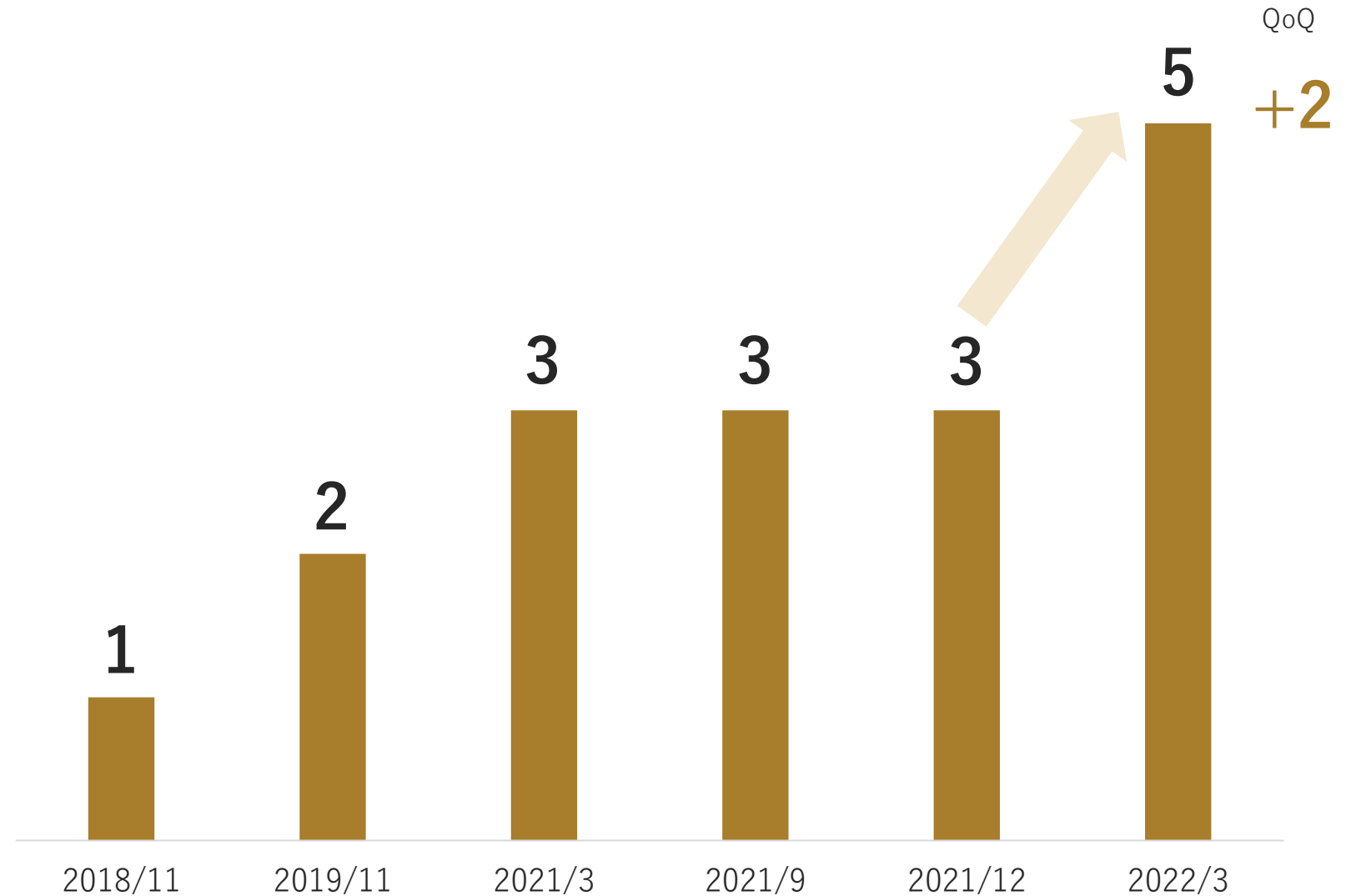
In the fourth quarter, **revenue increased significantly due to large-scale new implementation** in both brokerage and insurance.



1. Quarterly financial results for FY2020 are unaudited.

of Services on BaaS

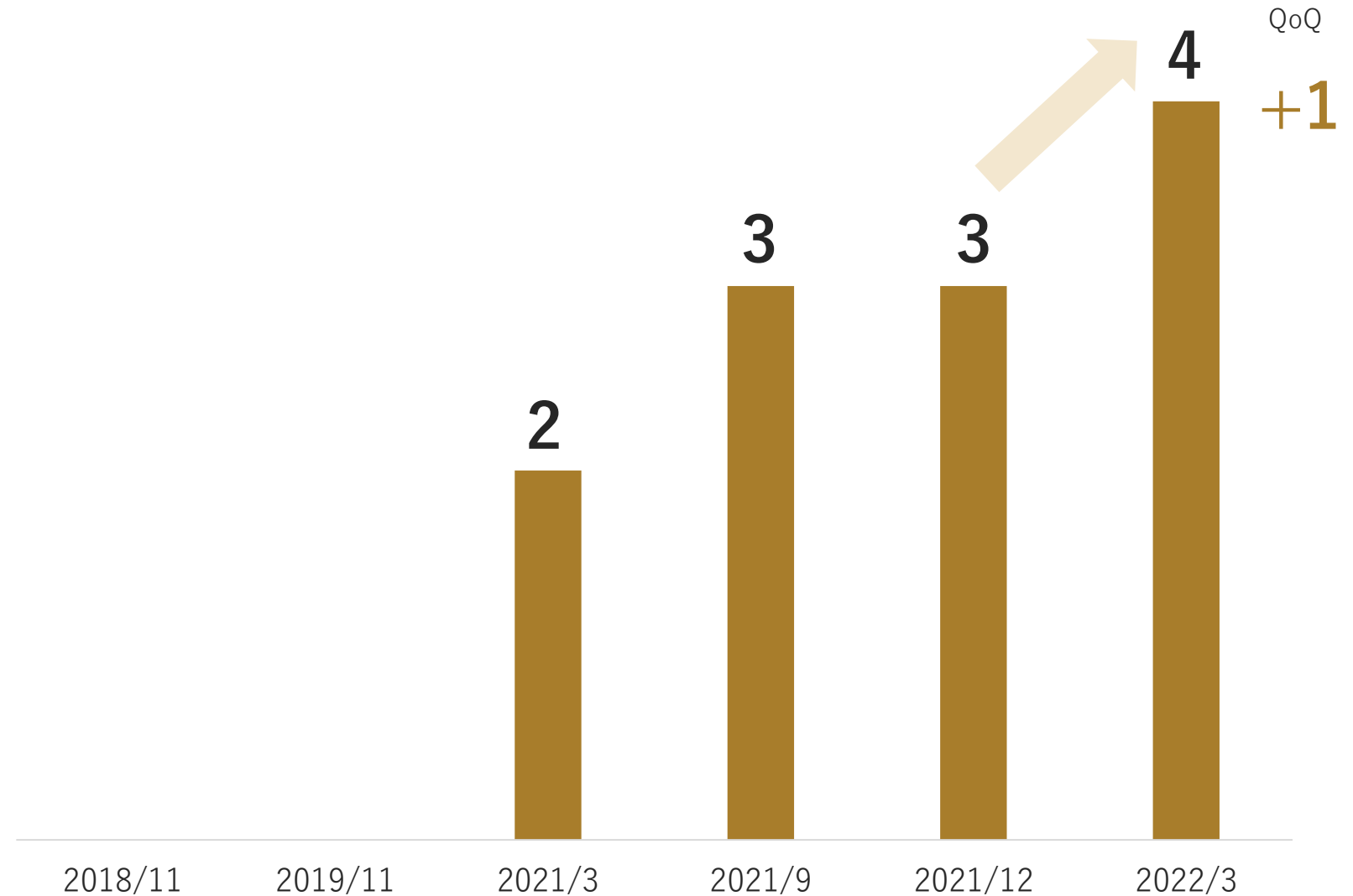
With 2 new releases this quarter, **the number of services increased to 5.**



1. Including subsidiary Smartplus which provides STREAM via BaaS

of Partners on Inspire

With 1 new releases this quarter, **the number of clients increased to 4.**

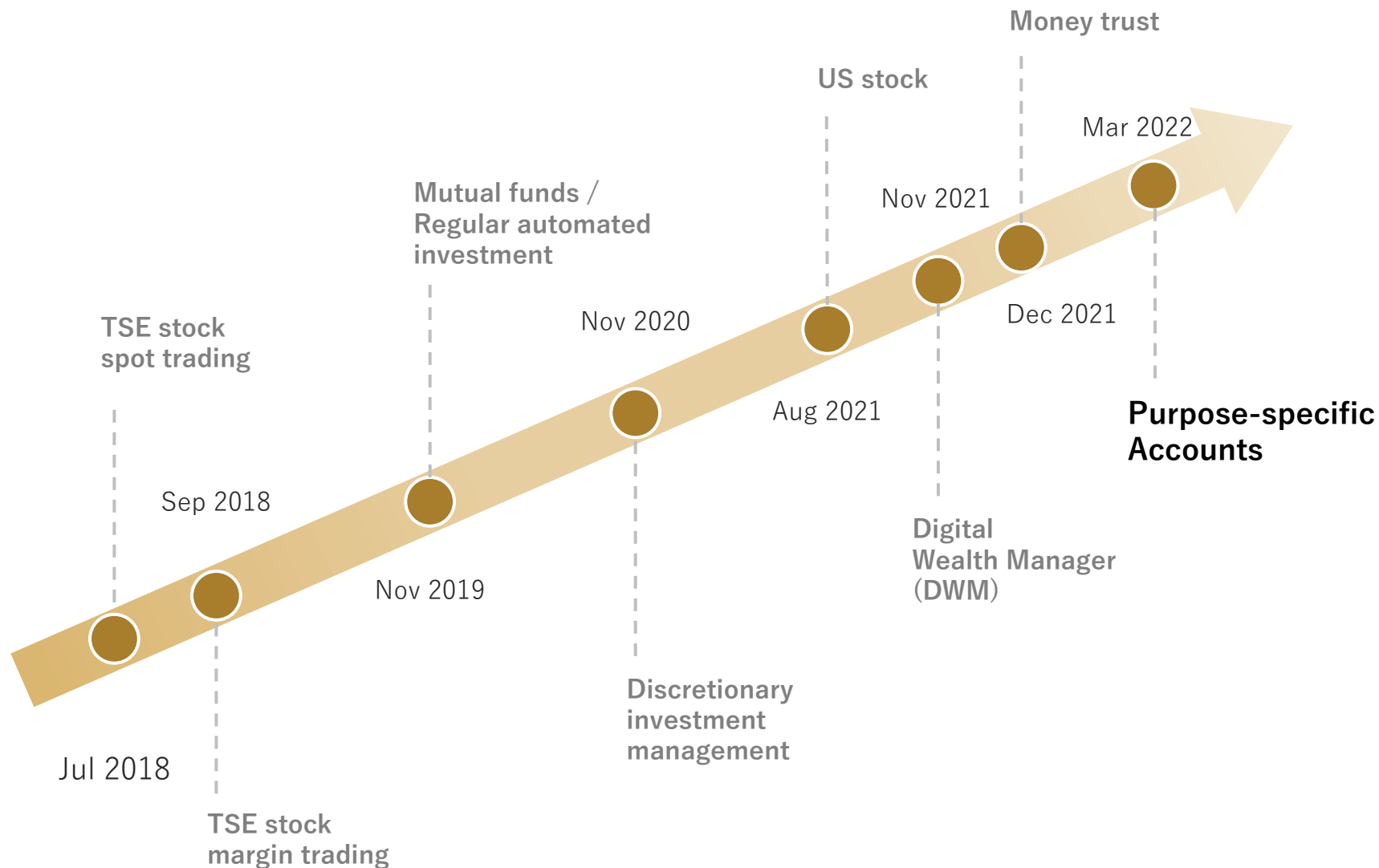


1. Including subsidiary Smartplus Small amount Short-term Insurance which provides maternal and child insurance for pregnant women and hotel cancellation insurance via Inspire

Roadmap of BaaS

Further expansion of financial products and features to increase the number of partner services.

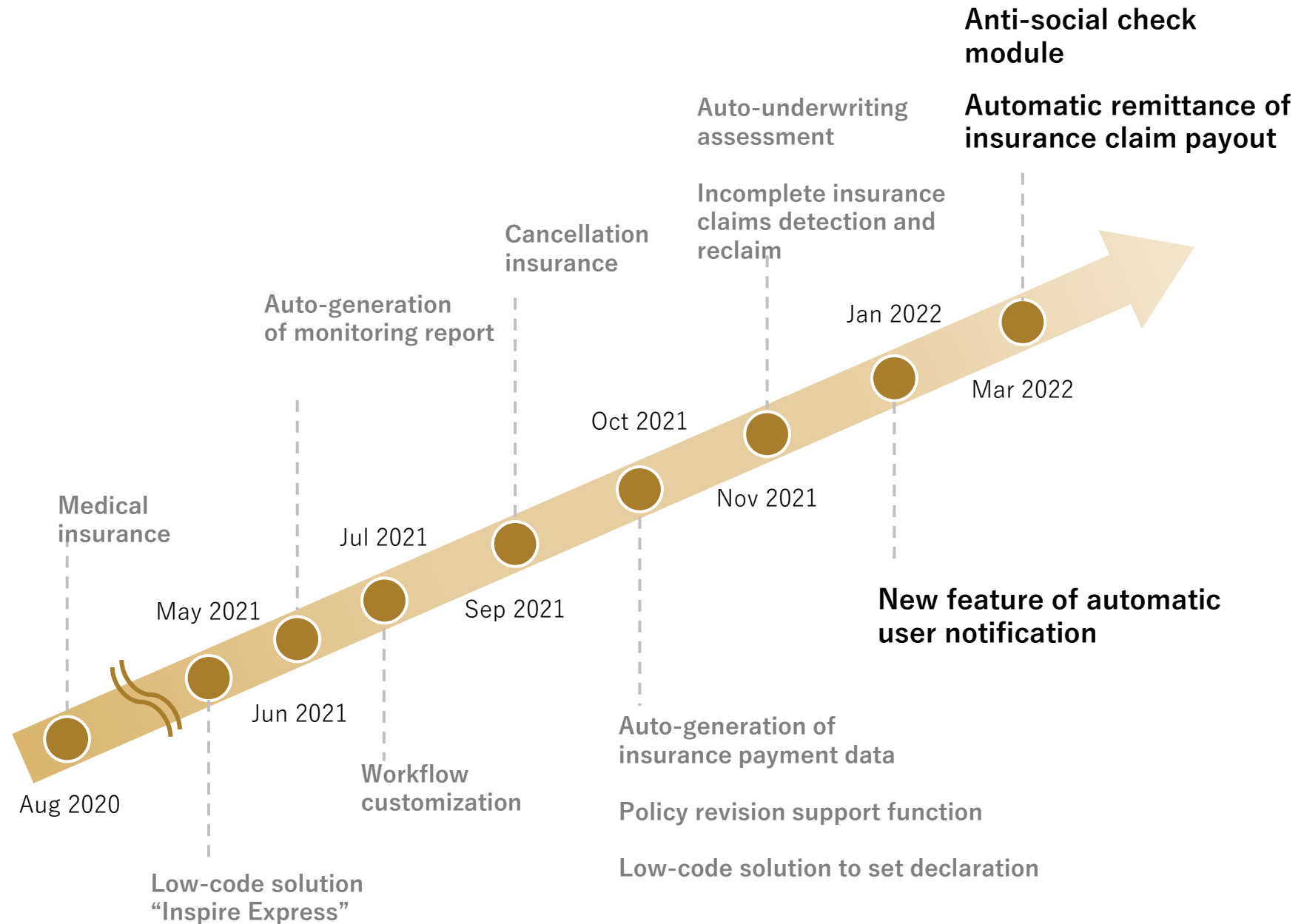
New feature of purpose-specific accounts added in this quarter.



Roadmap of Inspire

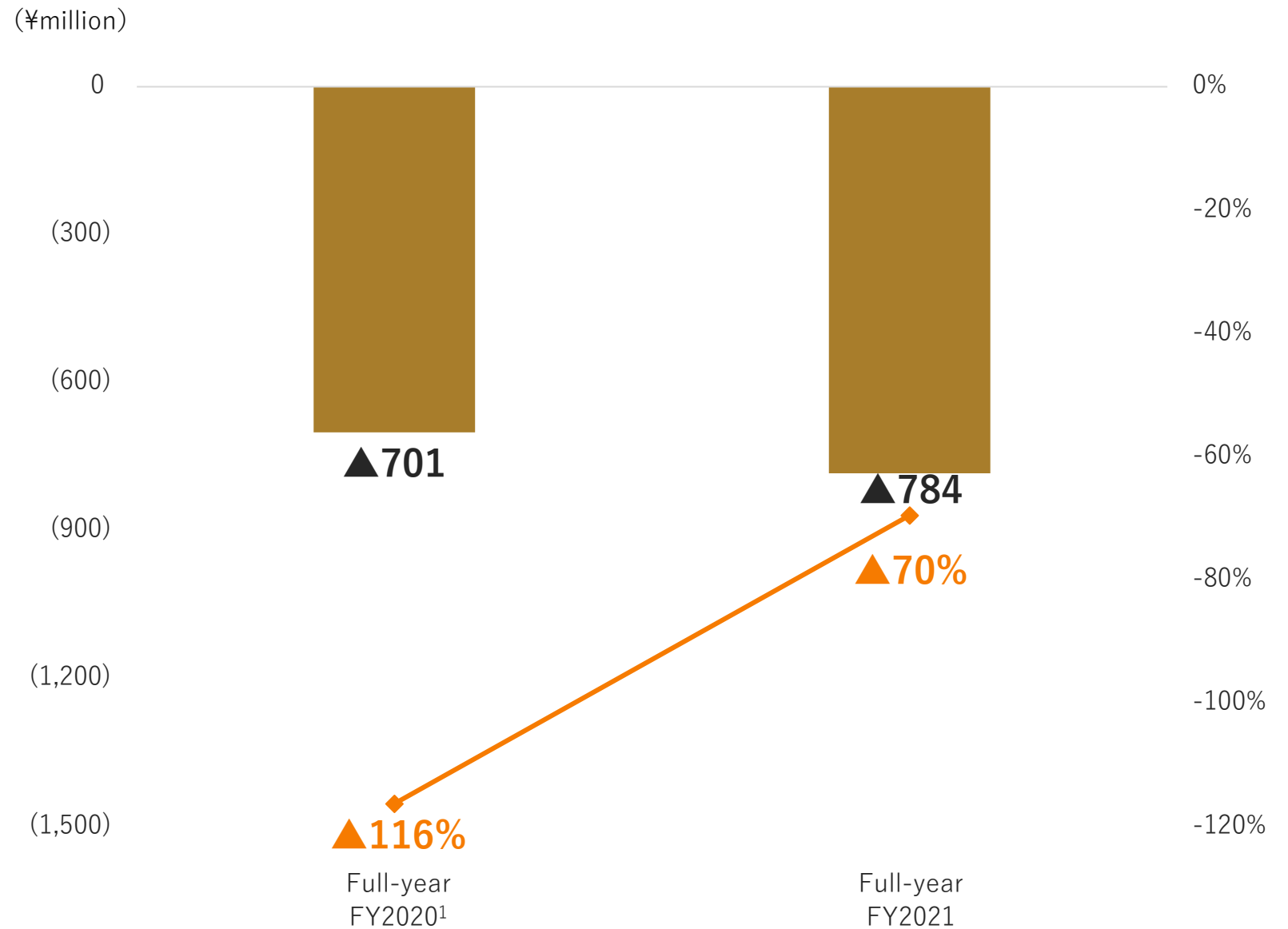
As with brokerage infrastructure, insurance infrastructure developed new features in a timely manner at the request of partners.

Recently added anti-social check module and automatic remittance of insurance claim payout feature.



Operating Margin

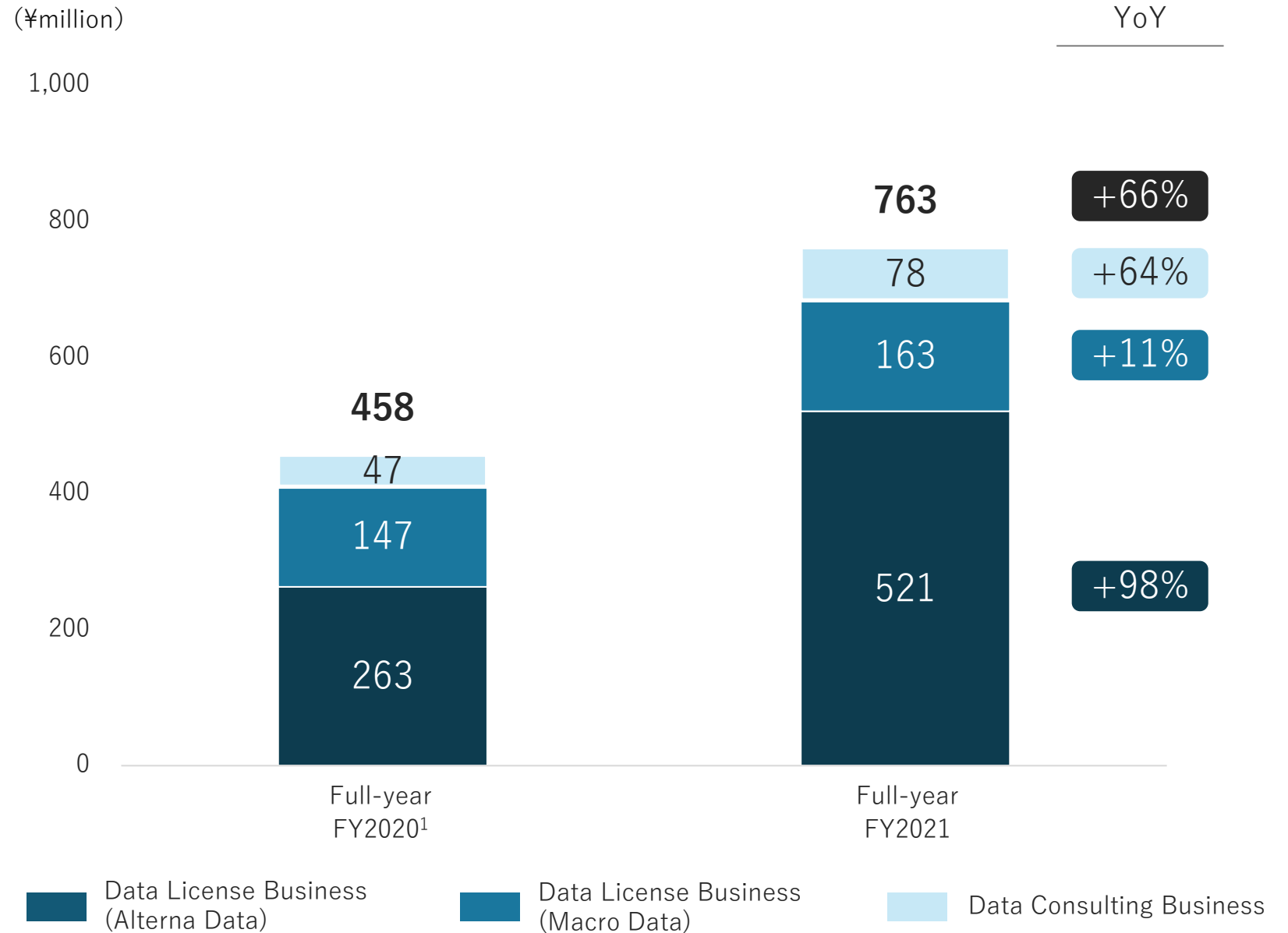
Although expenses increased as business expanded, which increased operating loss, operating margin improved significantly from ▲116% to ▲70%.



1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Business

As a result of the significant **+98% YoY** growth of corporate analytics data service *Alternata Data*, revenue increased +66% YoY to ¥763 million.



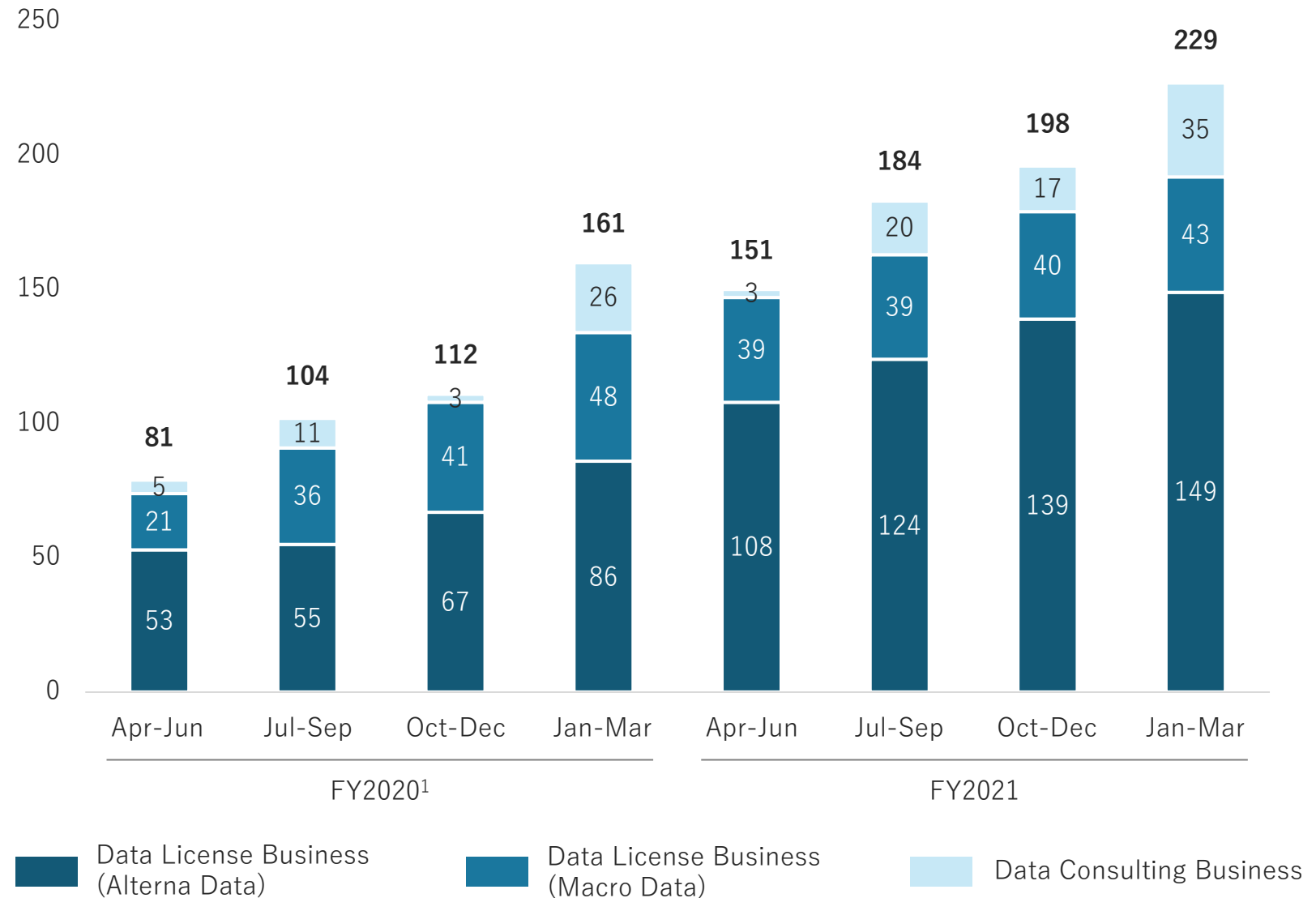
1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Business

Alterna Data continued to lead the fourth quarter, driving revenue to ¥229 million.

Started a marketing-related new business in Data Consulting Business.

(¥million)



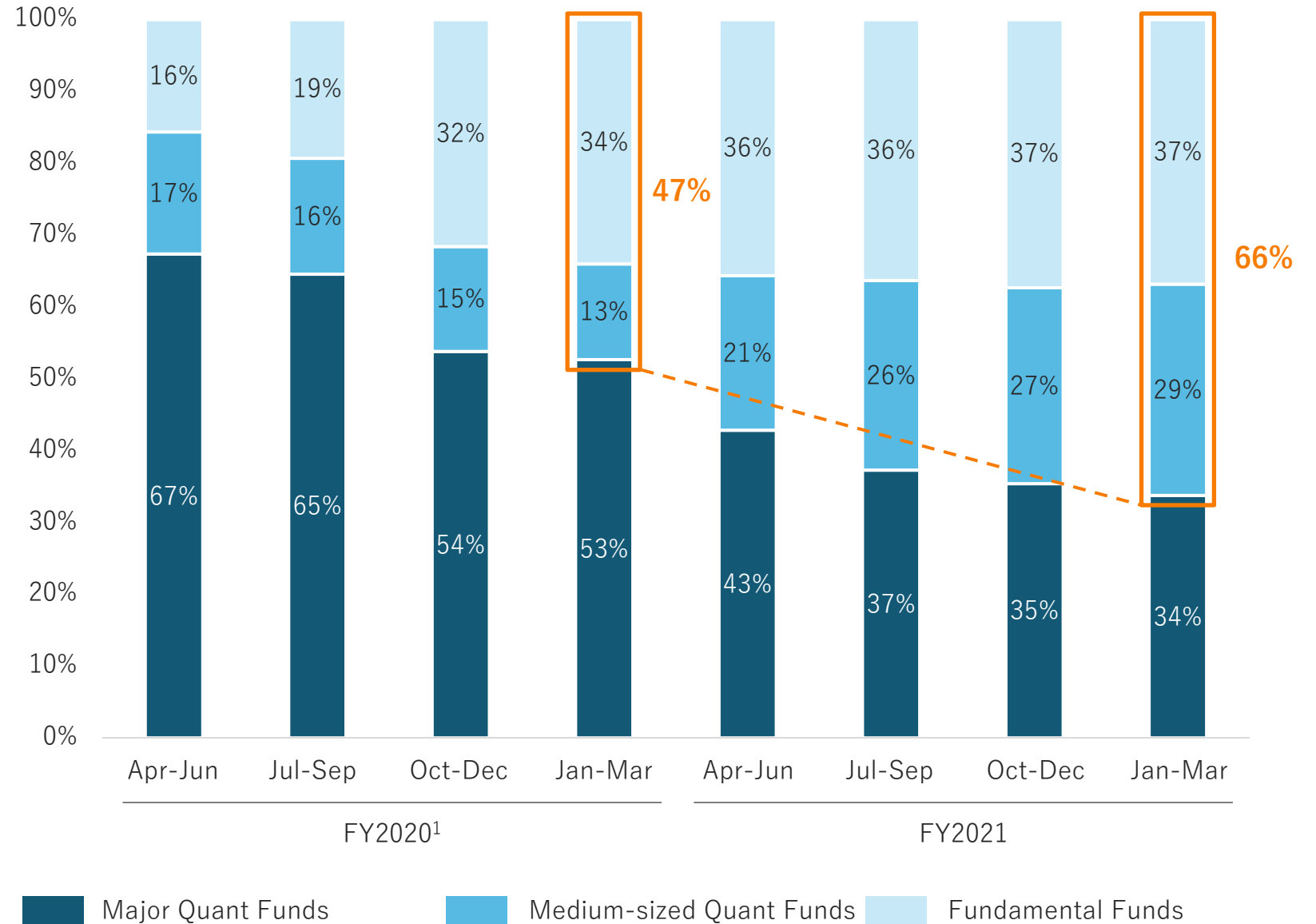
1. Quarterly financial results for FY2020 are unaudited.

Client Base of Alterna Data

Continued to expand services for medium-sized quant funds and fundamental funds.

As a result, the ratio of revenue of these groups increased, further diversifying client attributes.

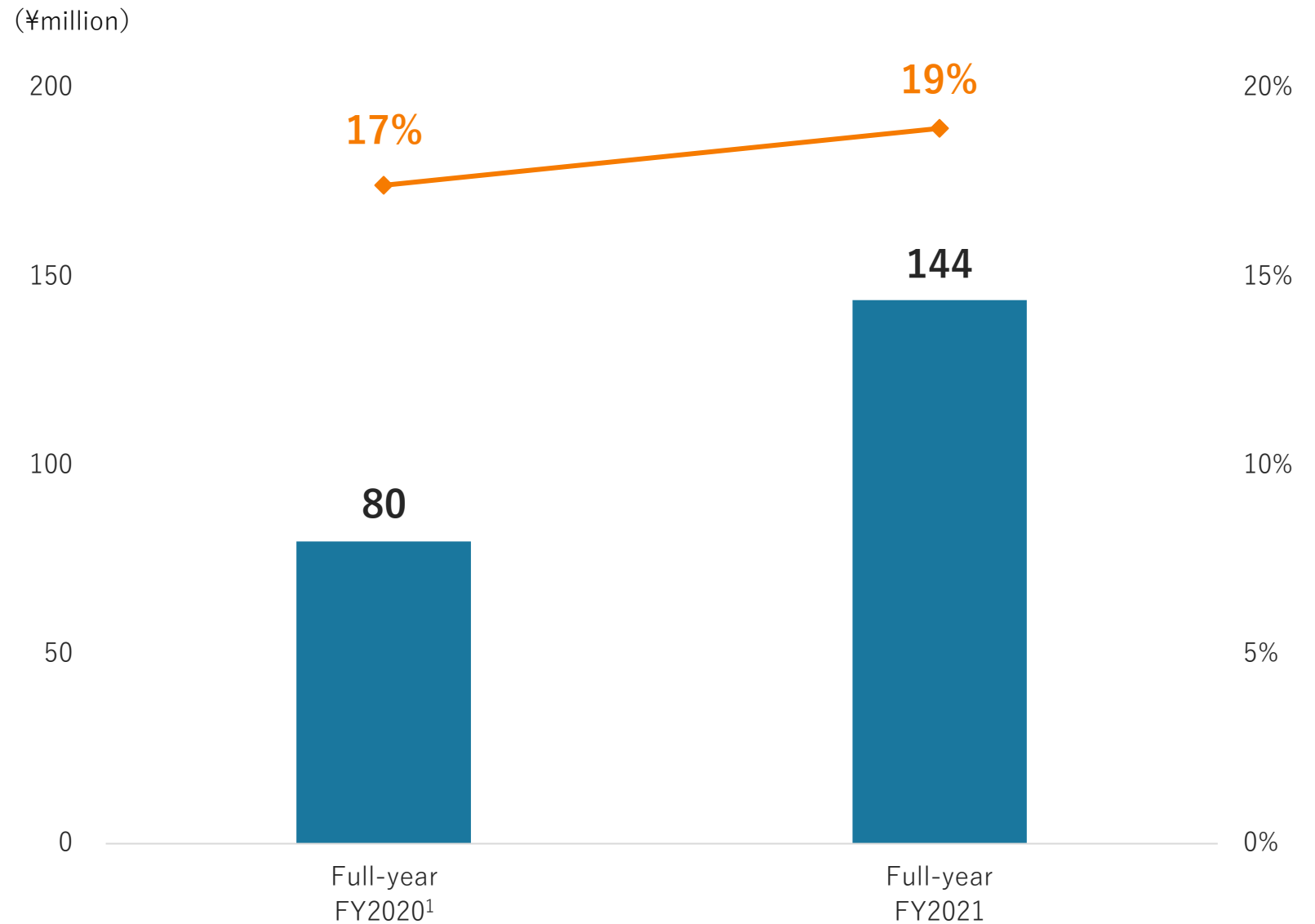
Revenue Ratio by Client Base



1. Quarterly financial results for FY2020 are unaudited.

Operating Margin

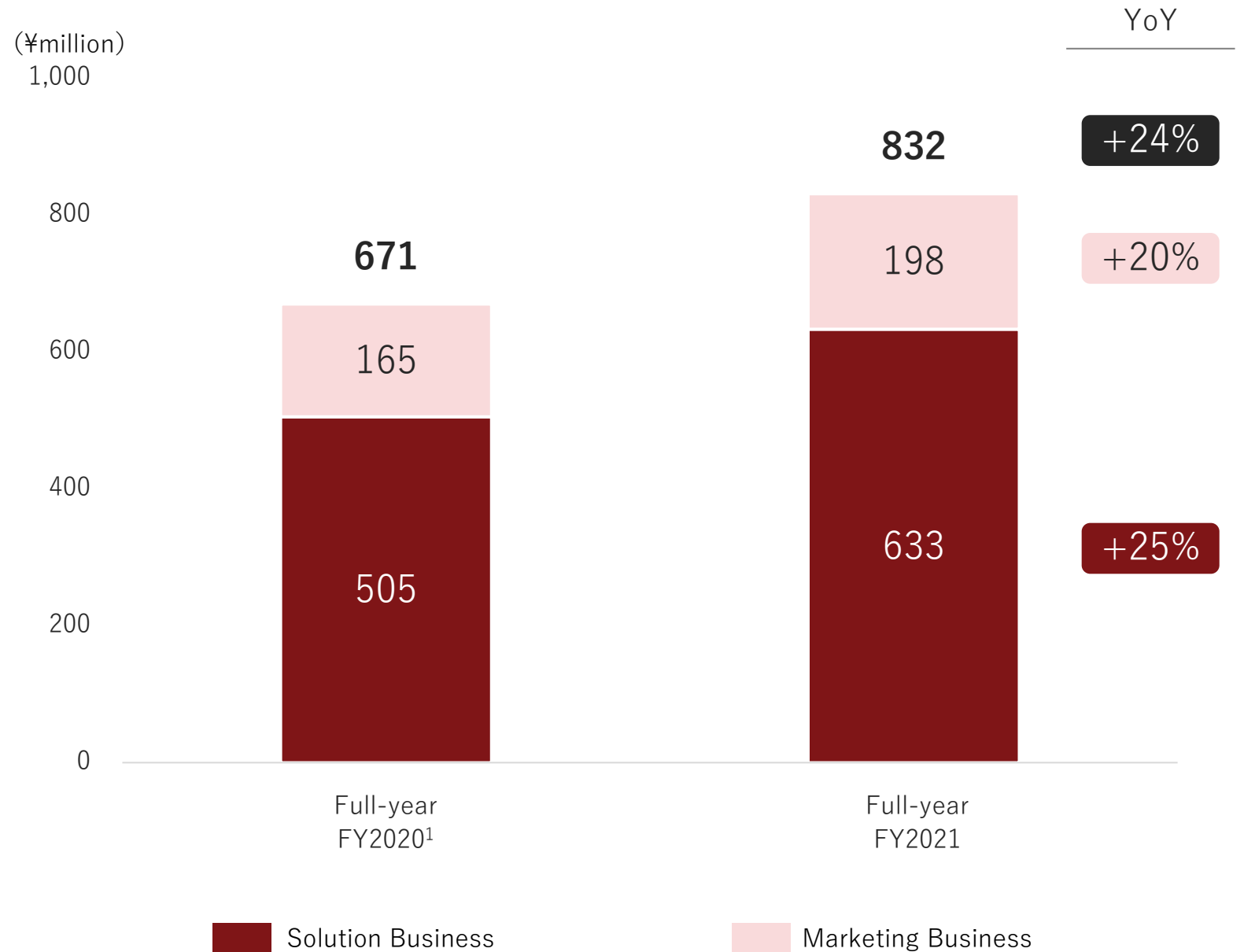
Although invested in new businesses such as the marketing business, operating margin **increased from 17% to 19%** due to blooming of existing business.



1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Business

Revenue +24% YoY at ¥832 million due to **delivery of multiple large-scale projects.**

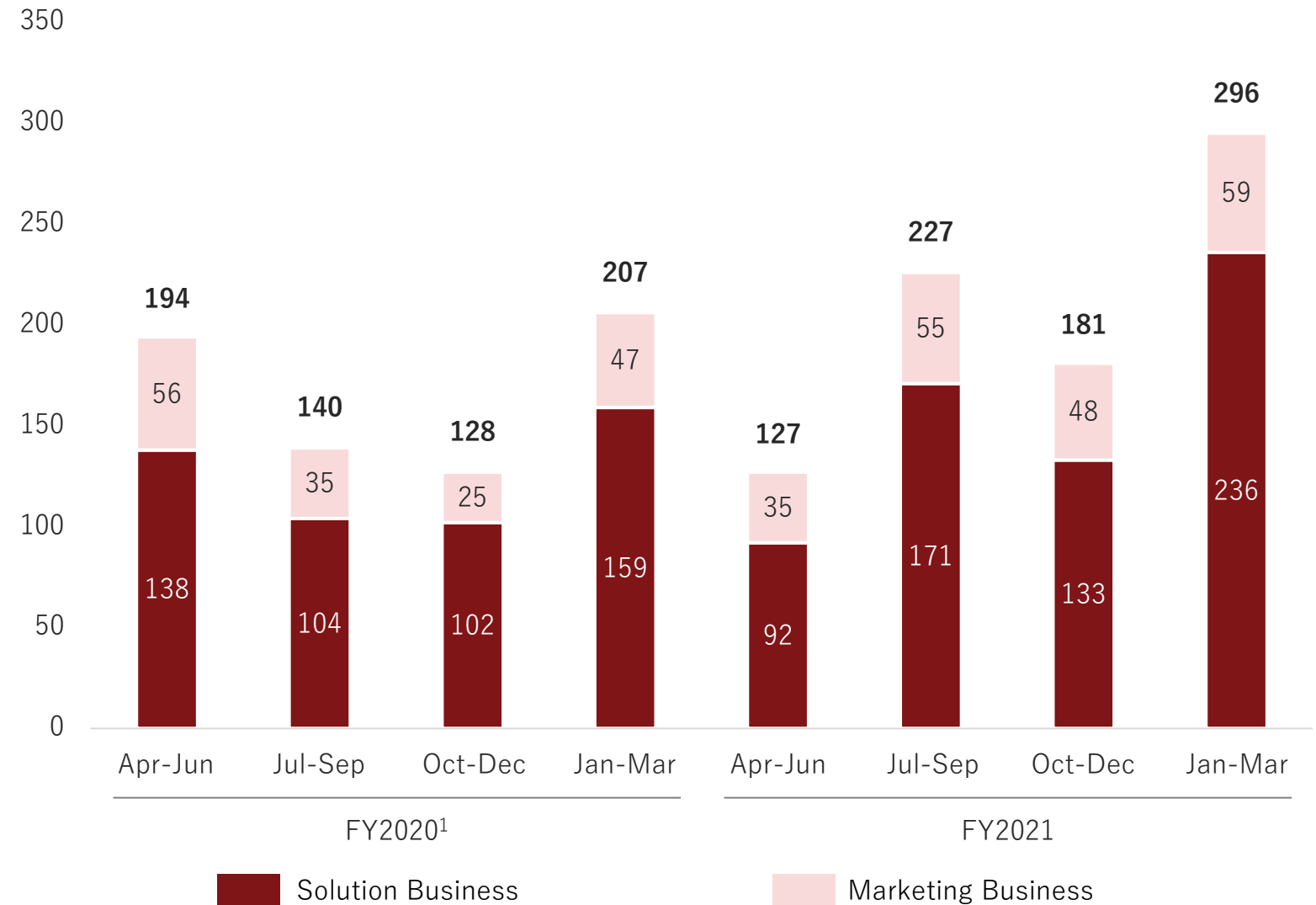


1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

Revenue by Business

In the fourth quarter, revenue increased to ¥296 million due to the **delivery of multiple large-scale projects.**

(¥million)



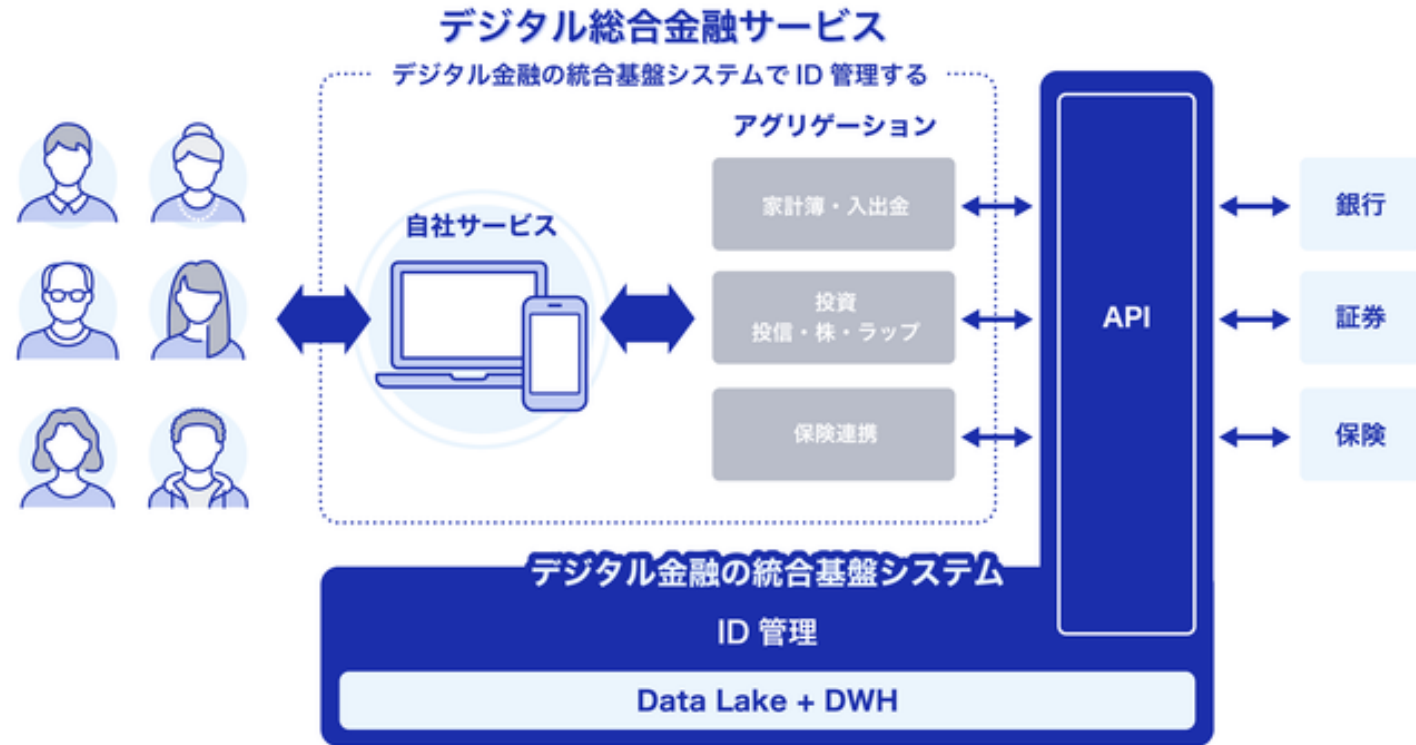
1. Quarterly financial results for FY2020 are unaudited.

Diversifying Client Base

As a result of diversifying the client base, the number of projects with clients such as banks increased.

Continue to support development of MUFG Bank's *Money Canvas* after released in December 2021.

MUFG Bank's *Money Canvas*



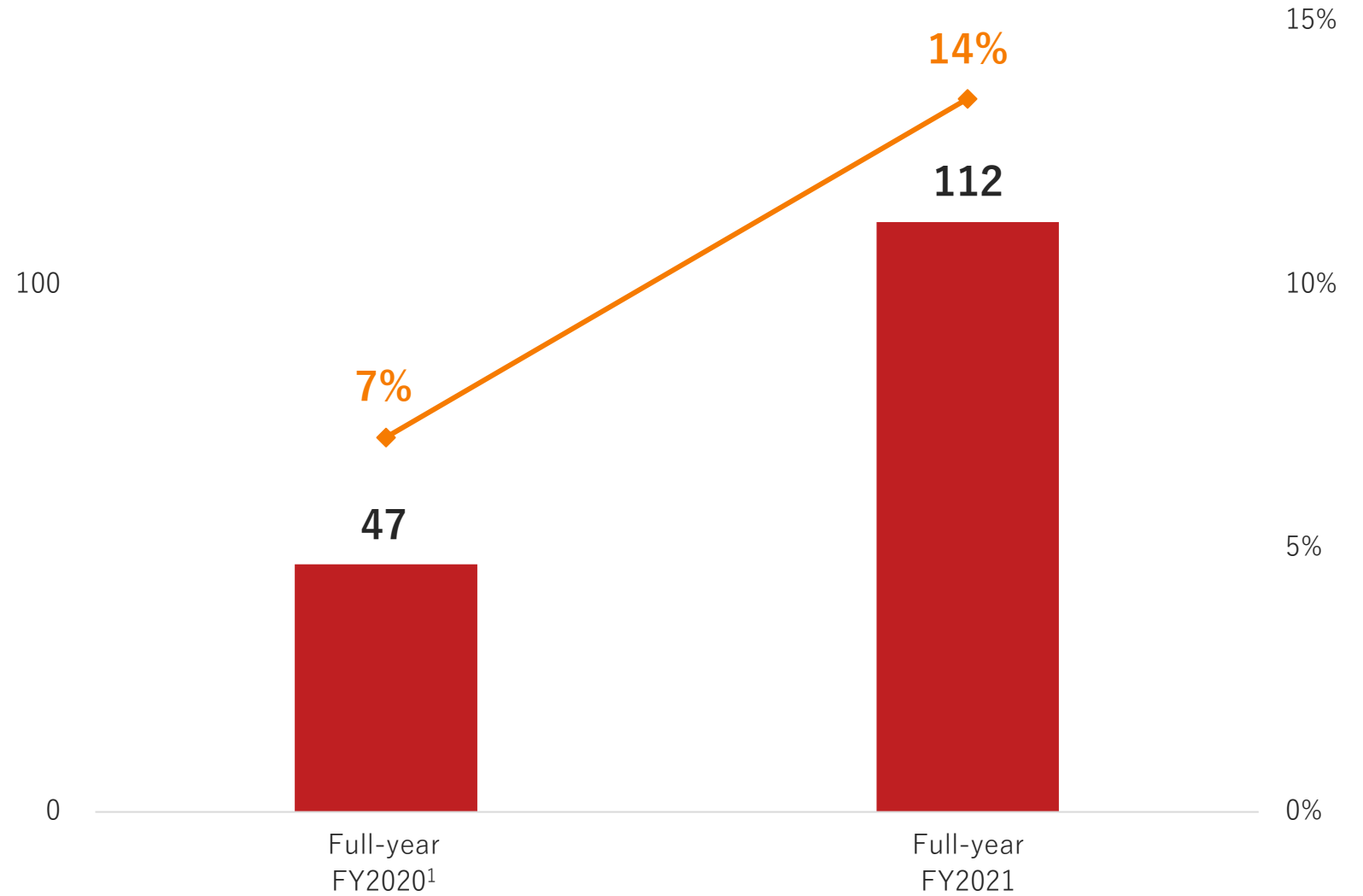
Project Overview

- In December 2021, MUFG Bank released *Money Canvas*, an asset management platform that provides a wide range of services including equities, mutual funds, crowdfunding, insurance, and use of loyalty points.
- Leveraging our ID integration solution, it is able to use the services of different financial institutions with only one account in the future.

Operating Margin

Operating margin increased from 7% to 14% due to higher revenue in both Solution and Marketing Business.

(¥million)



1. Financial results for the same period of the previous year (April 2020 to March 2021) are unaudited.

EARNINGS GUIDANCE FY2022

Guidance Highlights

Revenue is expected to improve +40% YoY, while operating margin is expected to improve from **▲20% to ▲13%** YoY

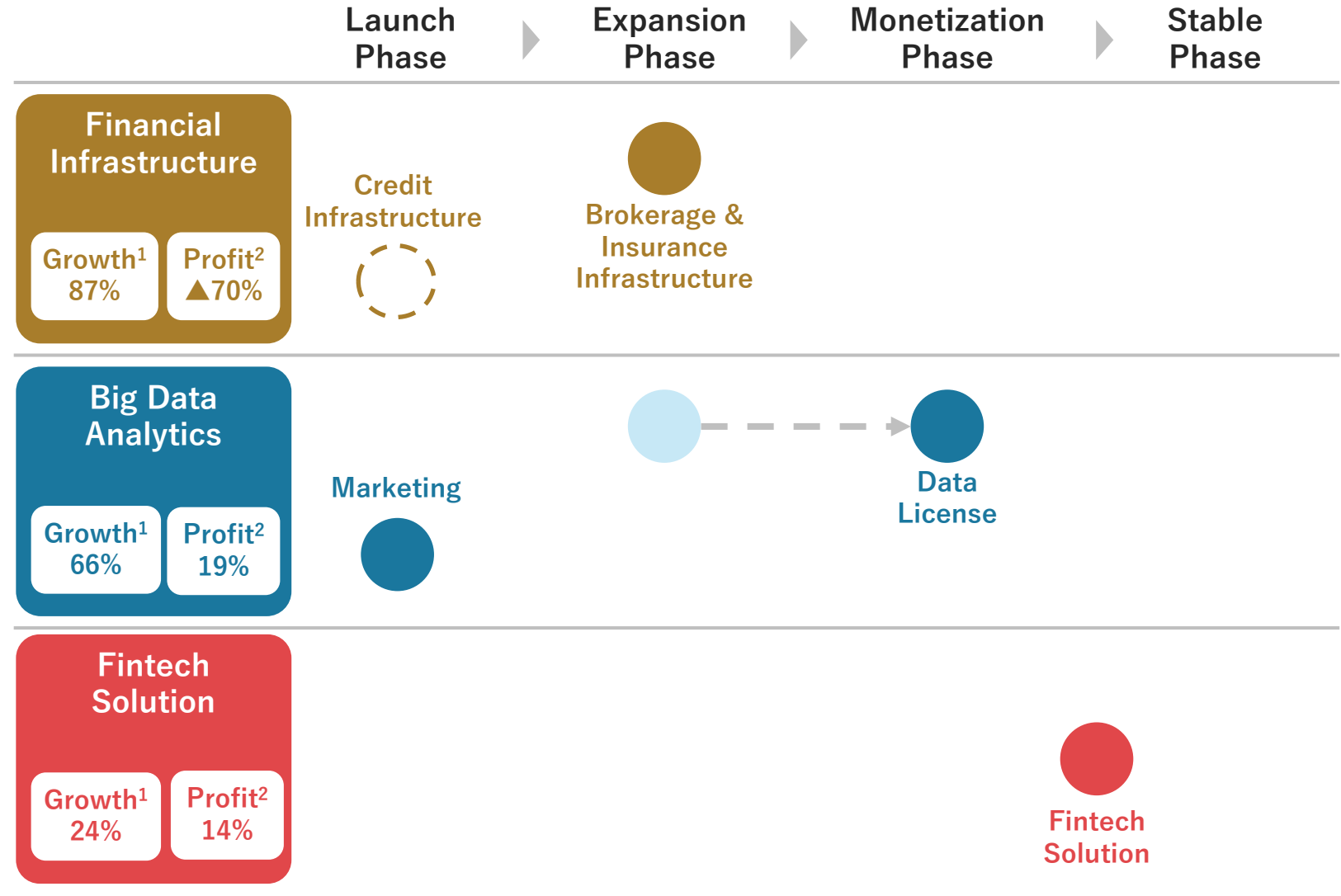
(¥million)

	FY2022 Guidance	FY2021 Actual	YoY
Revenue	3,815	2,724	+40%
COGS	1,606	1,057	+52%
Gross Profit	2,208	1,666	+33%
Gross Margin	58%	61%	-
SG&A	2,691	2,209	+22%
Operating Income	▲482	▲542	-
Operating Margin	▲13%	▲20%	-

Strategy Highlights

Top priority is to increase market share by acquiring new partners in Financial Infrastructure.

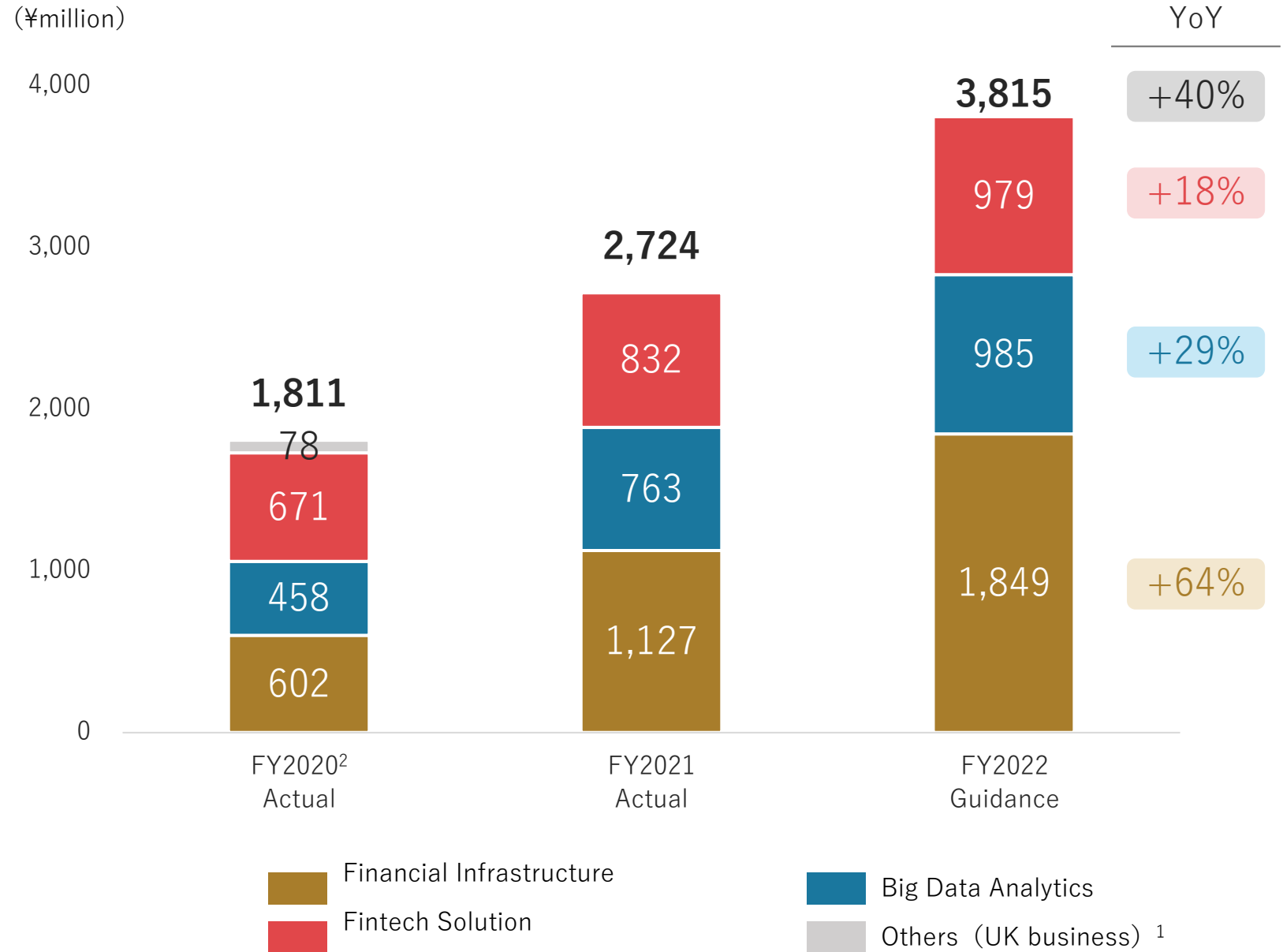
Also launching new services within existing business while maximizing profits of existing Data License Business.



1. Revenue by segment YoY in FY2021
2. Operating margin by segment in FY2021

Revenue Forecast by Segment

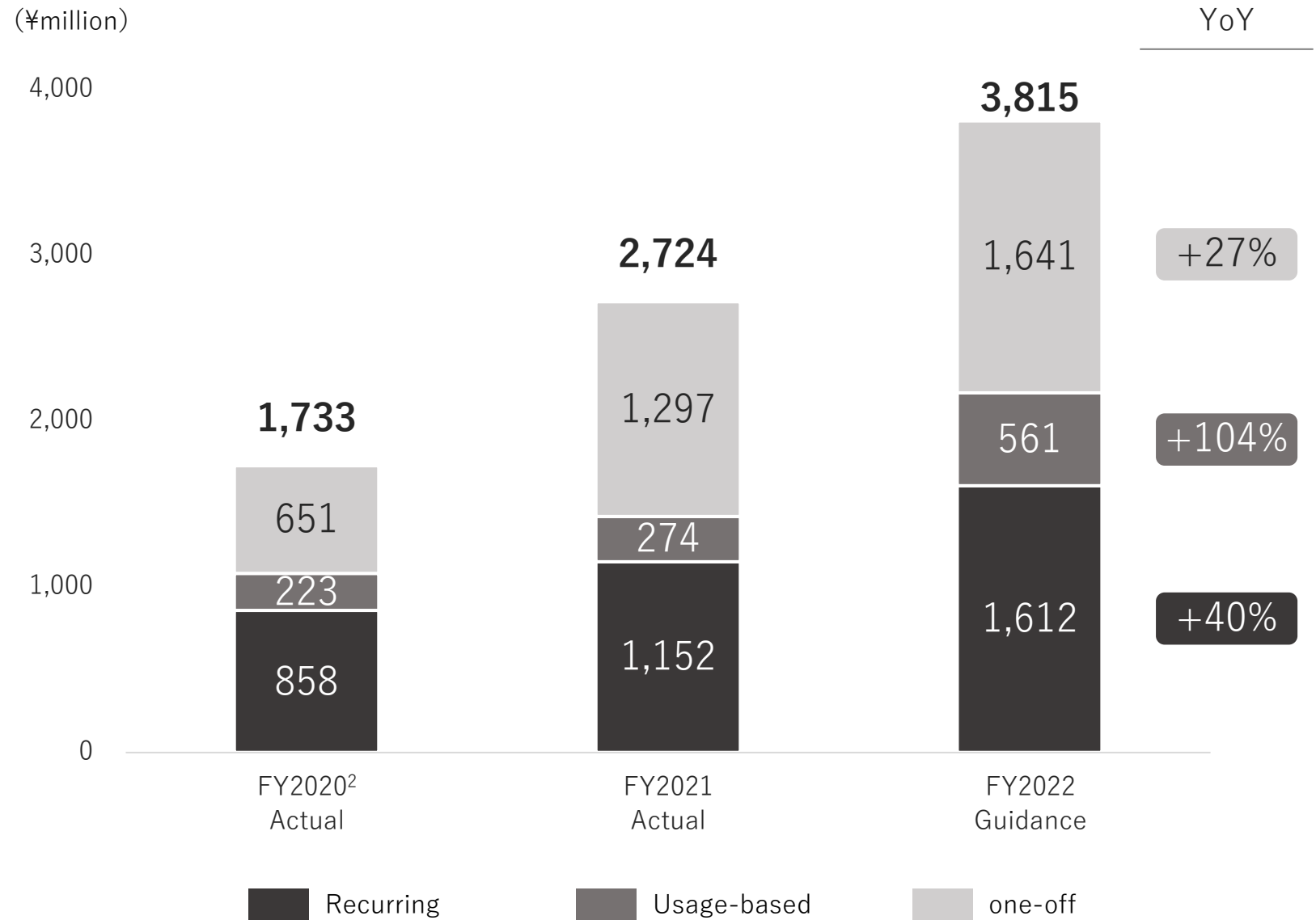
Financial Infrastructure is expected to drive consolidated revenue growth continuously.



1. Revenue in UK business exited in the previous consolidated fiscal year
2. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Revenue Forecast by Type

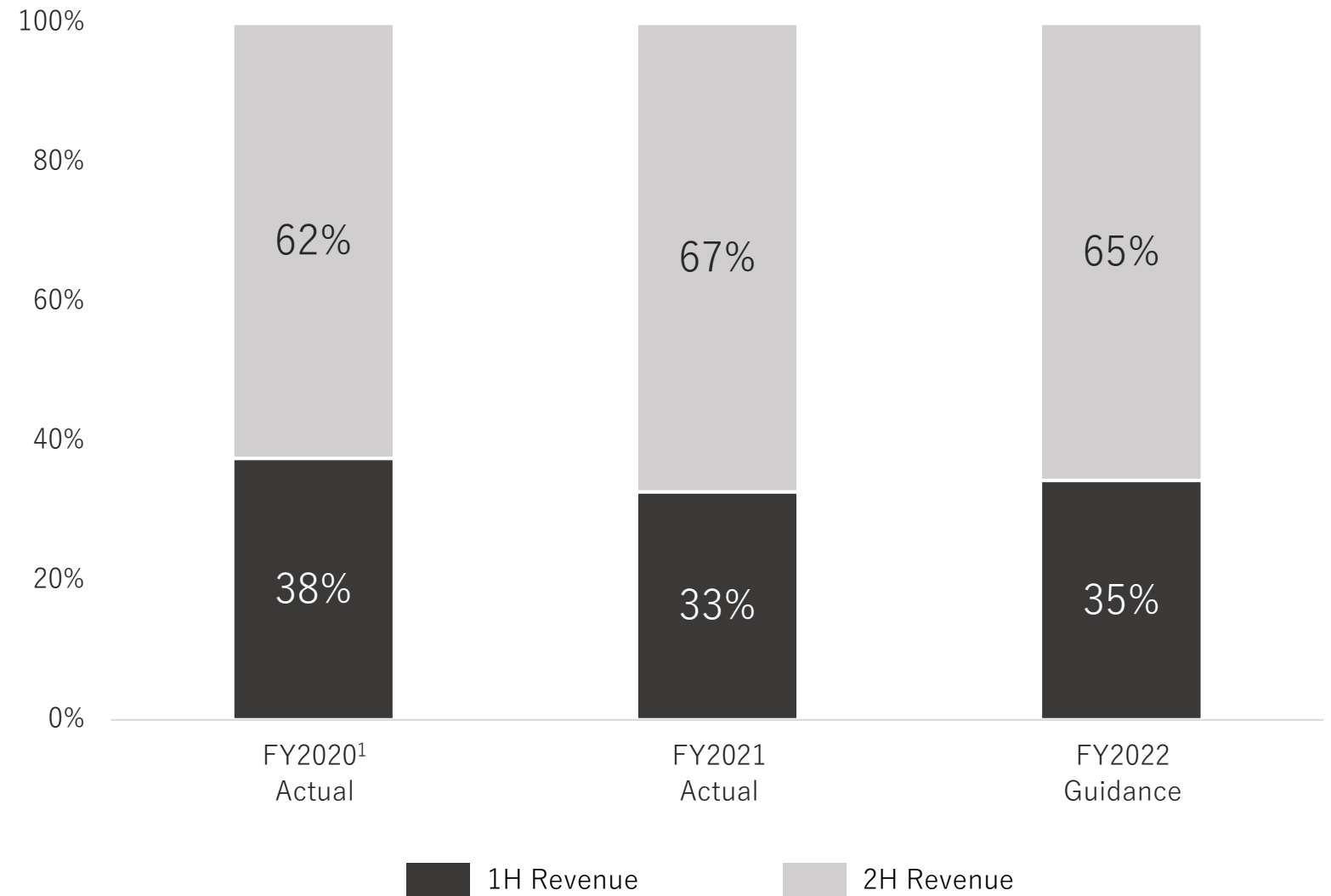
Recurring revenue and usage-based revenue are expected to increase due to the launch of new services in the previous fiscal year.



1. Excluding revenue in UK business exited in the previous consolidated fiscal year
2. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Seasonality

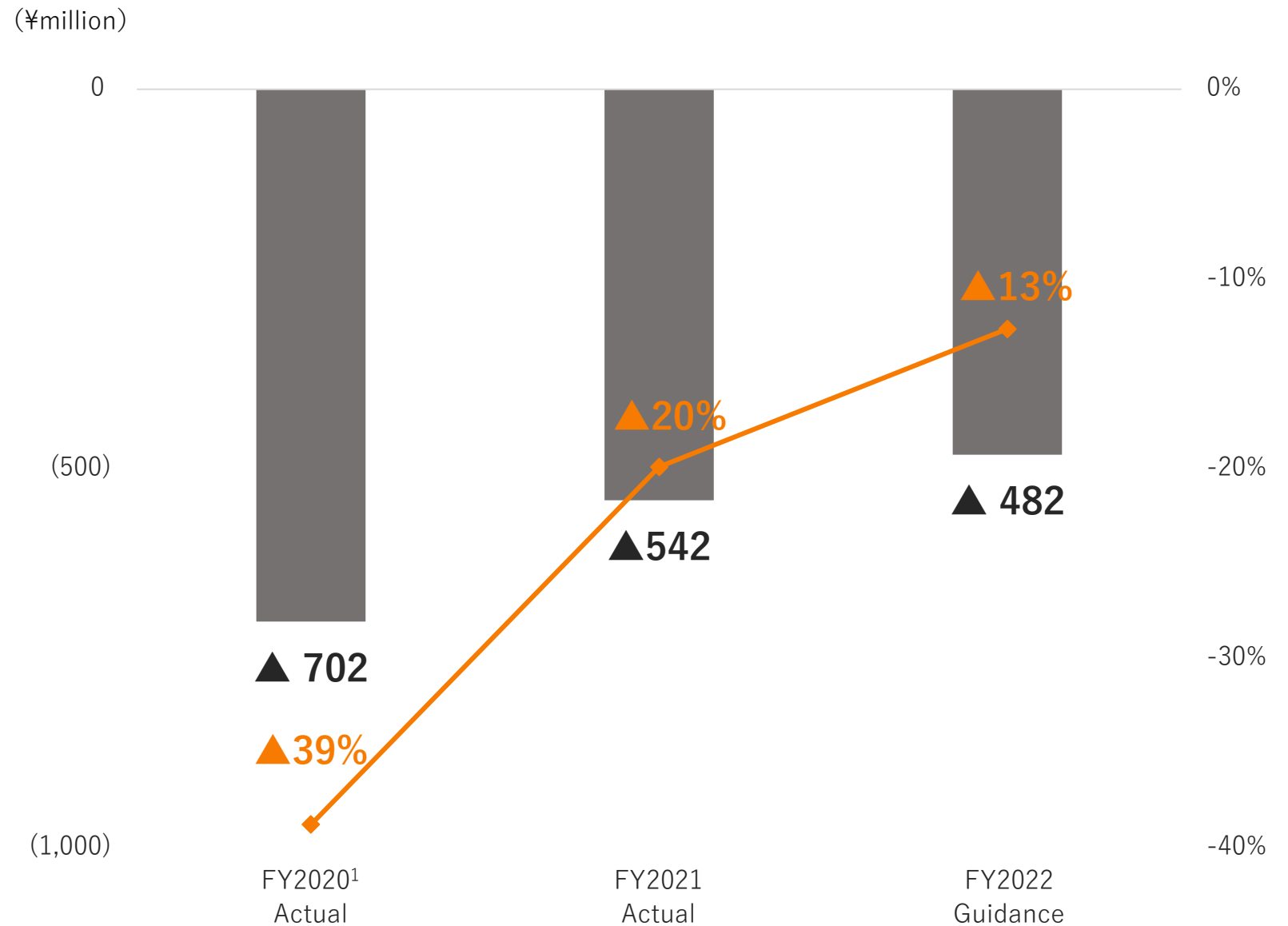
As in the last 2 fiscal years, revenue is expected to concentrate in the second half of FY2022.



1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Operating Income Forecast

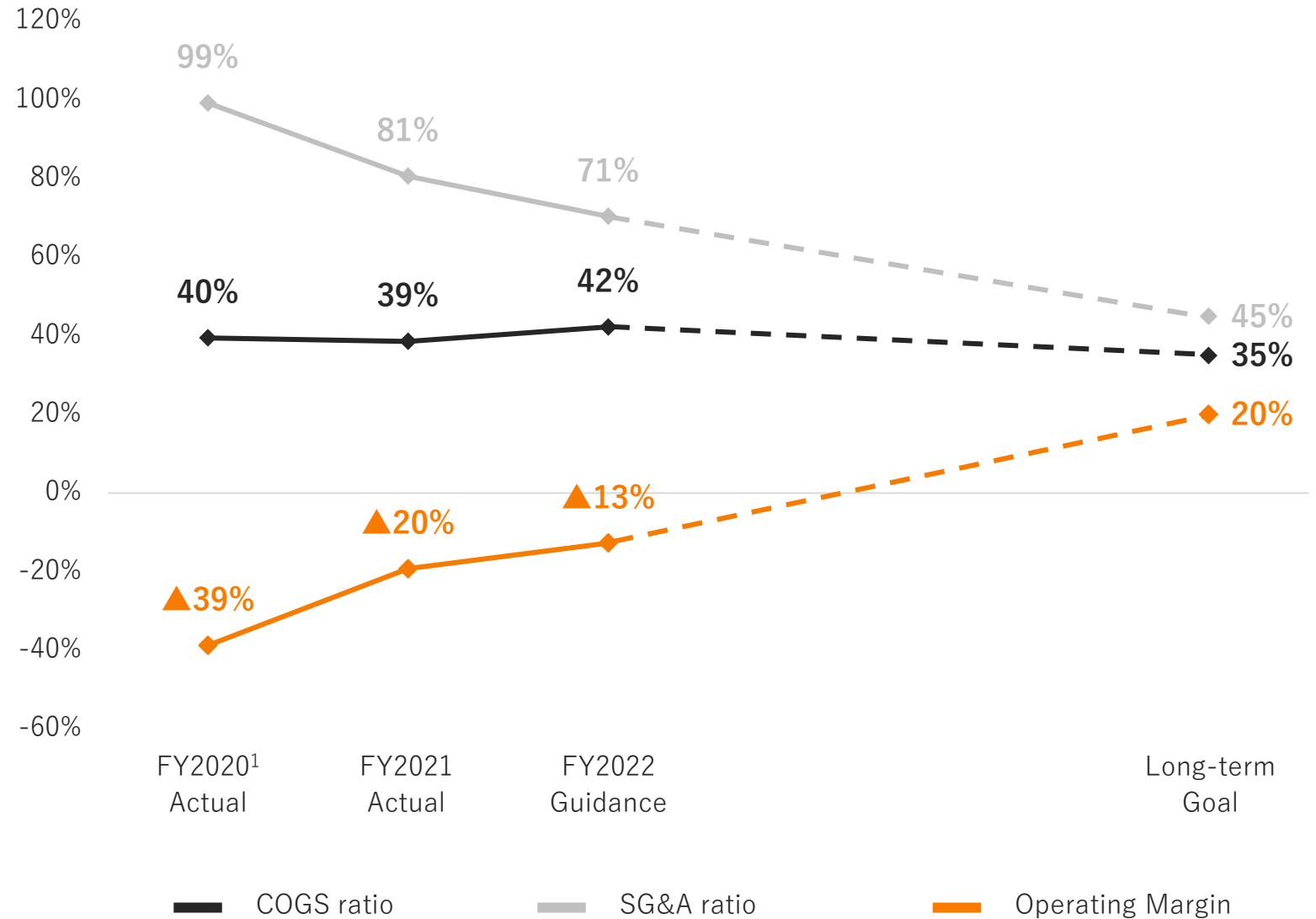
Operating margin is expected to improve to **▲13%** especially for the decrease in SG&A ratio with the increase in revenue.



1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Long-term Forecast

Goal in the long term is to achieve operating margin of about 20% with revenue growth and lower SG&A ratio.

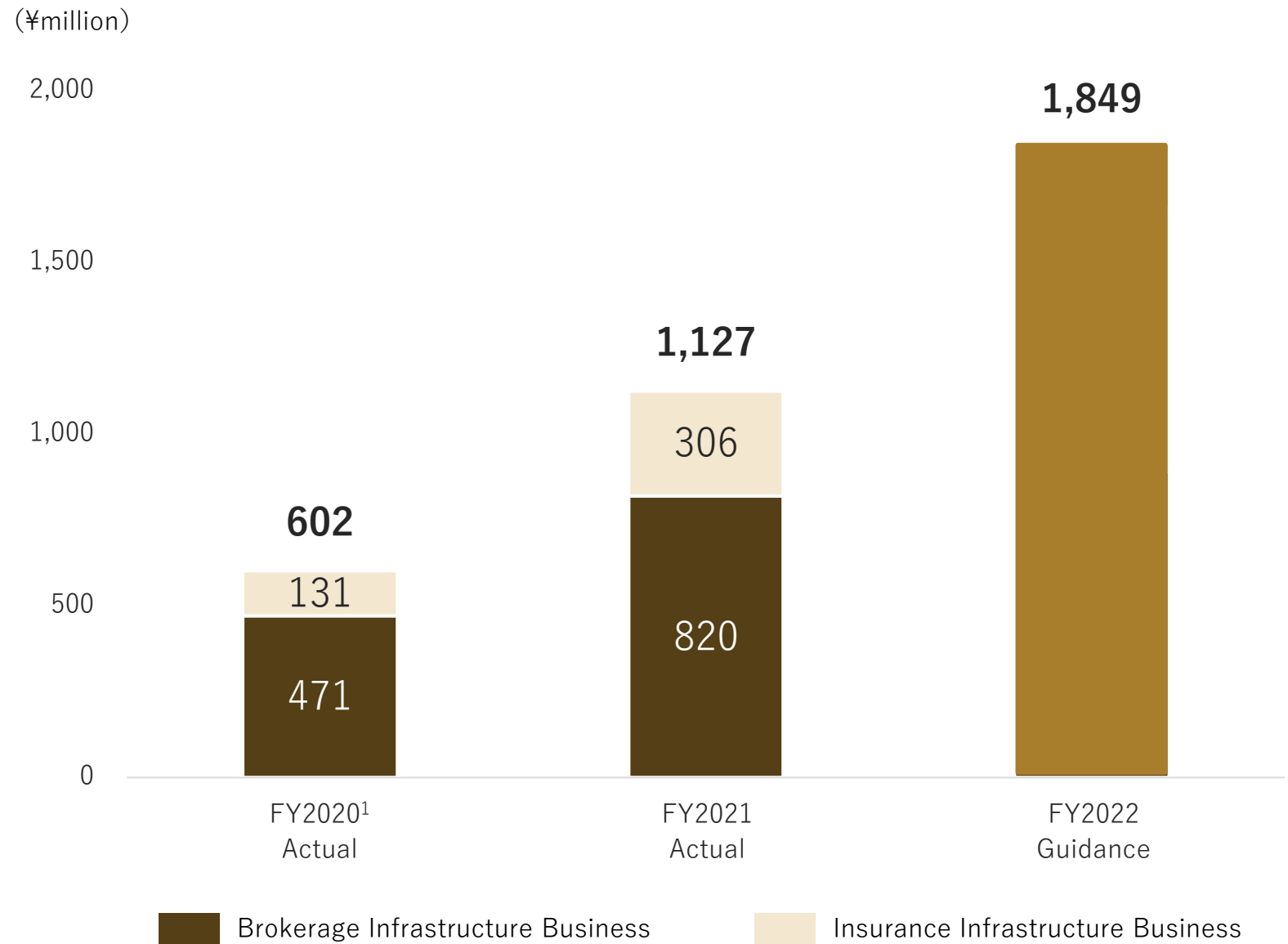


1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

FINANCIAL INFRASTRUCTURE

Revenue Forecast

Revenue of Financial Infrastructure is expected to **grow by +64% YoY**, mainly due to a **significant expansion of insurance infrastructure**.



1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Strategy

Focus on **increasing # of partners** for both brokerage and insurance.

Select “**focus areas**” and expand “**products and functions**” to accelerate partners’ growth in each area.

↓ Focus for the Moment

Near-term
Growth

Increasing # of Partners

Mid-term
Growth

**Increasing Usage-based
Revenue**

Long-term
Growth

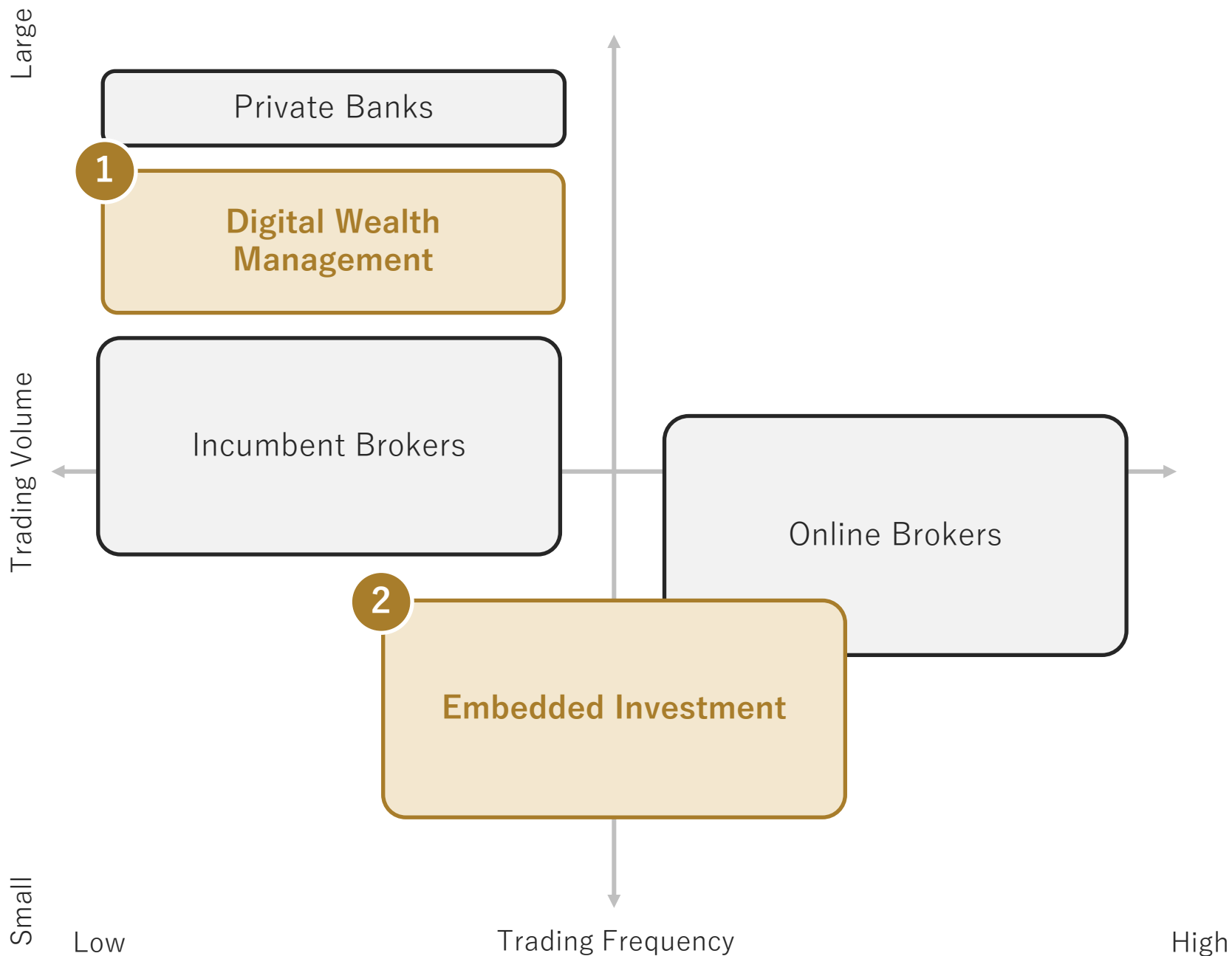
Entering New Domains

Focus Area for BaaS

Focus on two areas:

1) ***Digital Wealth Management***. aim to democratize high-quality financial services by using technologies.

2) ***Embedded Investment***. seamlessly integrate with existing services to develop a new customer base.



Focus Area for BaaS

1

Digital Wealth Management

- Integrating online and offline allows high-quality wealth management services to be provided to more customers.
- Providing a platform that can implement discretionary investment service at a low cost, with tools for sales representatives.

Services



Wealth Wing



JAM WRAP



Goal Navi

2

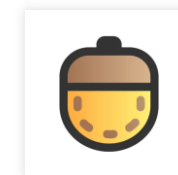
Embedded Investment

- Players with large customer bases leverage their customer contact and context to reach potential users of a financial service.
- Supporting from service planning to provide investment services tailored to the partner

Services



Stream

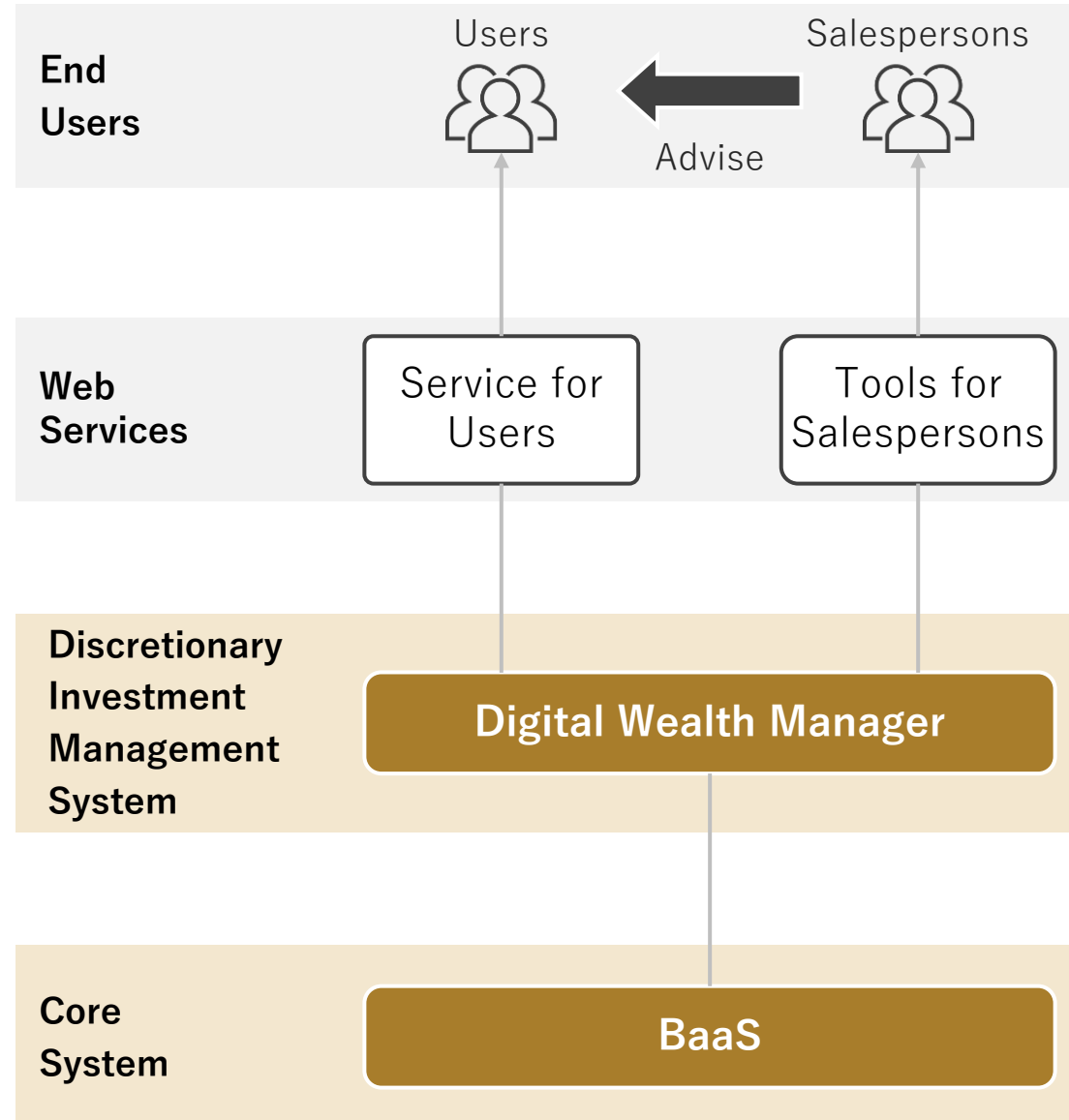


Saison Pocket

1) Digital Wealth Management

Integration of online and offline realizes unprecedented service and democracy of wealth management service.

Provide not only discretionary investment management system, but also **tools to support sales activities**.



Functions Provided

- Web services for users to check asset status
- **Tools for salespersons to provide advices**
- **Discretionary investment contract management**
- **Investment decisions based on contracts**
- **Multiple purpose-specific accounts**
- **Reporting**
- **Factor analysis, etc.**
- Brokerage account contract management
- Account management
- Order, execution, balance, surplus management
- Report management, etc.

2) Embedded Investment

Support partners with large customer bases to leverage their customer contact to provide investment service.

Providing financial services also improves royalties and has a positive impact on the use of services in their core businesses.

Example: Saison Pocket

Partner

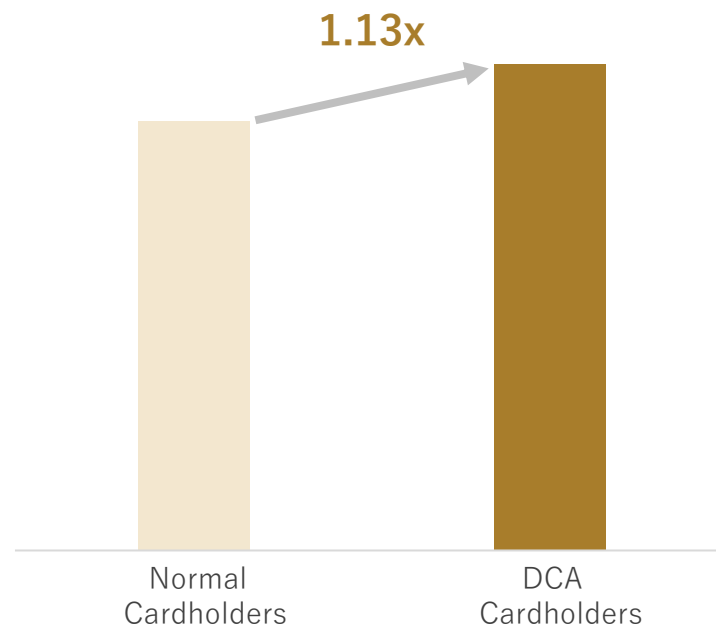
- Credit Saison Co., Ltd.

Service

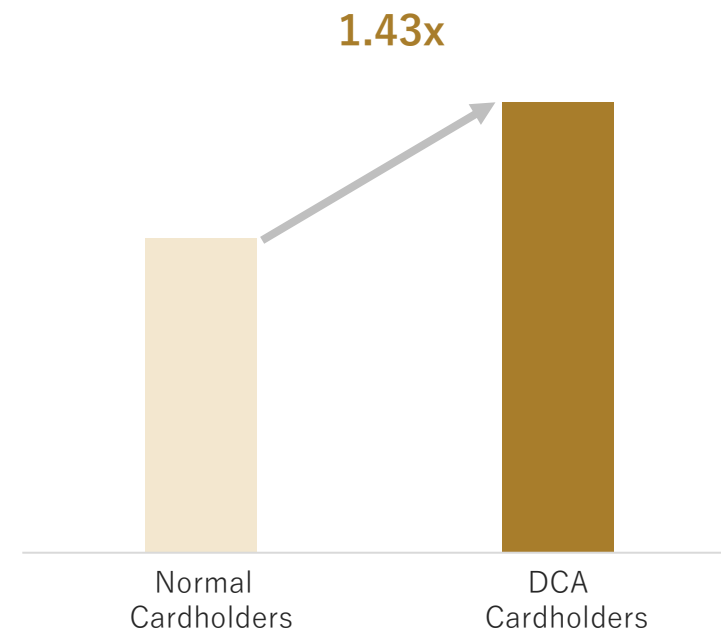
- Easy DCA investment service for cardholders
- Main feature is that investment can be made with a credit card and Saison point etc.



Credit Card Retention Rate¹



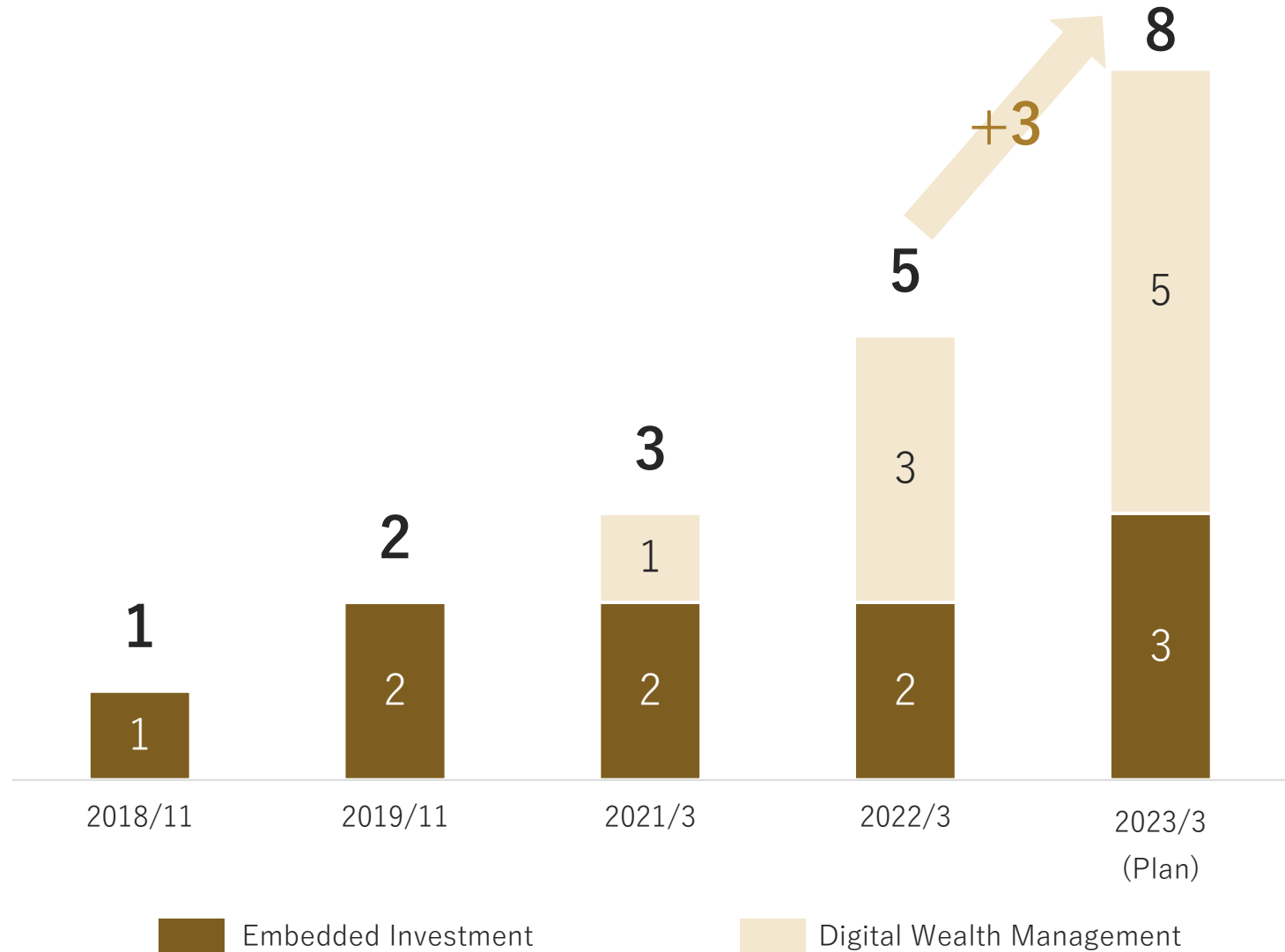
Credit Card Spending²



1. Ratio of users who had used the card in the last year as of December 2020 and had used the card in the last year as of December 2021.
2. Spending amount after using DCA investment service while spending amount in April 2019 is set to 100 (excluding settlement amount of Saison Pocket)

Pipeline for BaaS

In FY2022, 3 new releases are planned so the number of services is expected to increase to 8.



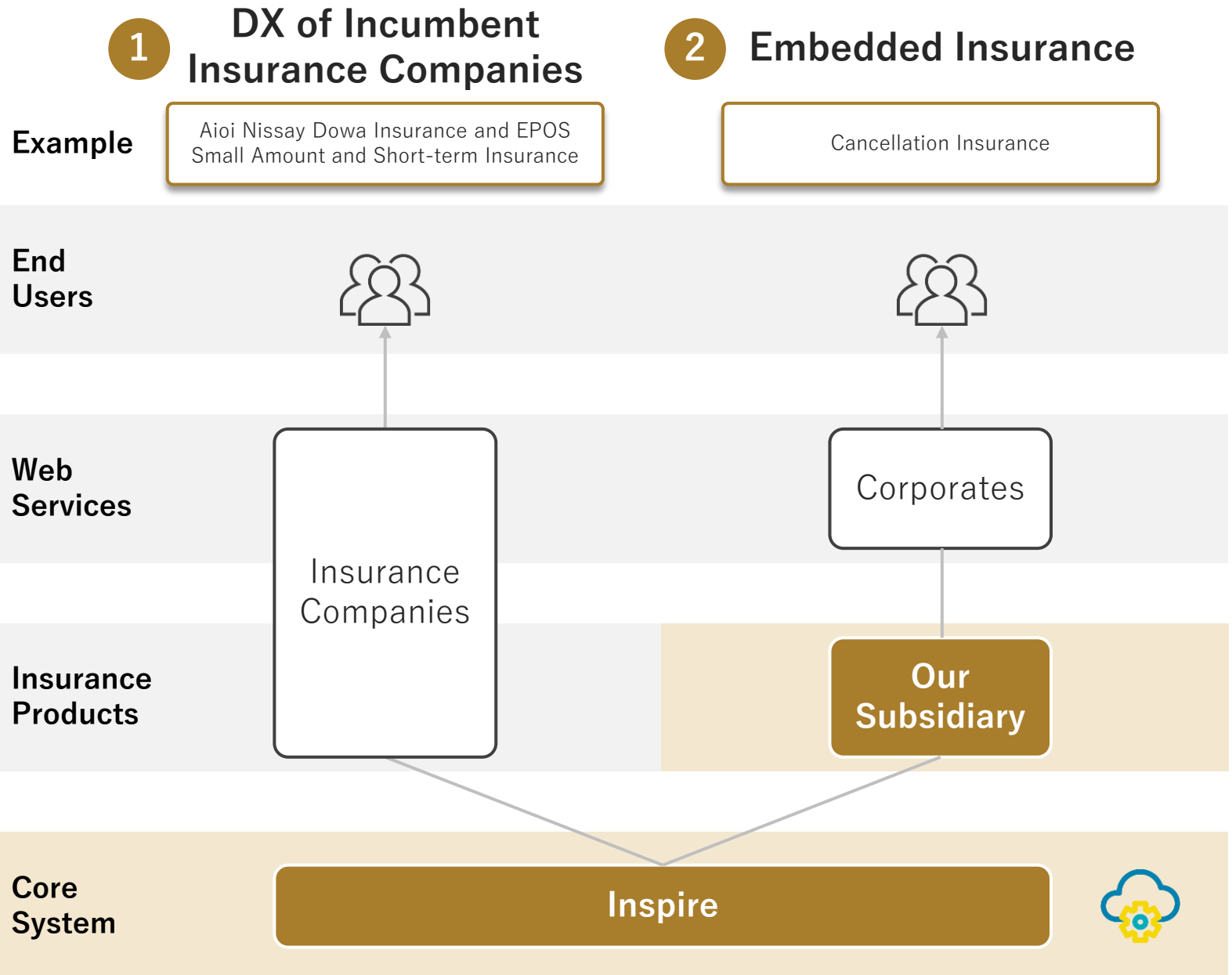
1. Including subsidiary Smartplus which provides STREAM via BaaS

Focus Area for Inspire

Focus on two areas:

1) **Digitalization support** for insurance companies at the launch of digital brands or new companies through the provision of Inspire.

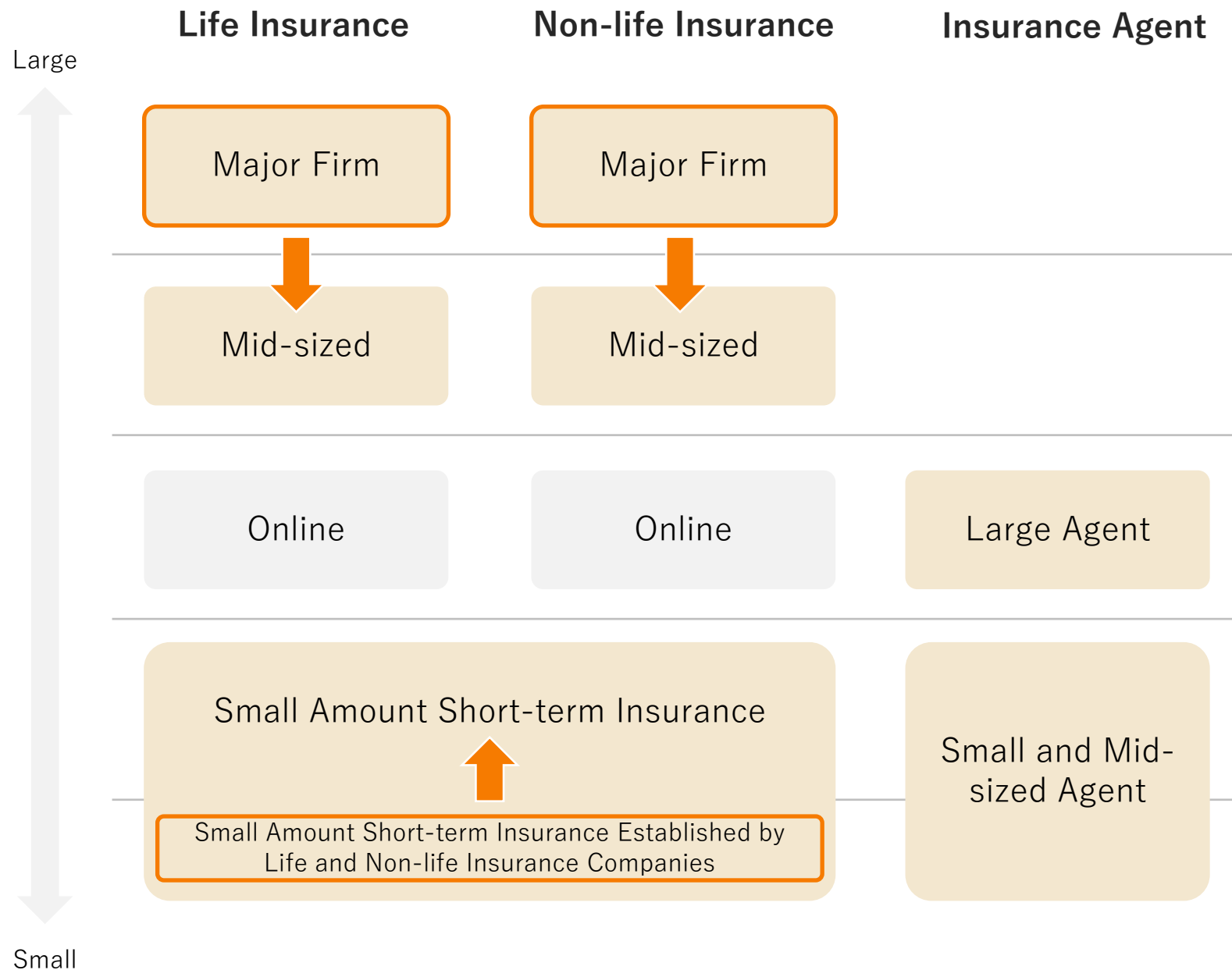
2) Our insurance subsidiary provides **embedded insurance** which allows users to seamlessly purchase insurance policy from existing services.



1) Digitalization Support

Short-term focus on supporting DX of major life and non-life insurance companies, and the launch of small amount short-term insurance companies.

Med to long-term goal is to provide to small and mid-sized insurance companies and agents.



2) Embedded Insurance

Focus on speedy launch of unique insurance policy tailored to partners' needs.

Excellent capability of product development - first-ever **winner of SAST Insurance Prize for 2 consecutive years.**



Maternity Insurance

Policy

- Medical Insurance (Category III)

Partner

- Totsukitoka (Amane Factory Inc.)

Highlights

- Medical insurance policy for pregnant women up to 19th week of pregnancy, with pregnancy special clauses for hospitalization and surgery related to illness or injury during pregnancy and childbirth
- After the insured gives birth, pregnancy special clauses is switched to neonatal special clauses, covering hospitalization and surgery related to illness and injury of the newborn infant

7th

SAST
Insurance
Prize

Cancellation Insurance

Policy

- Property & Casualty Insurance (Category II)

Partner

- Cadish Inc.

Highlights

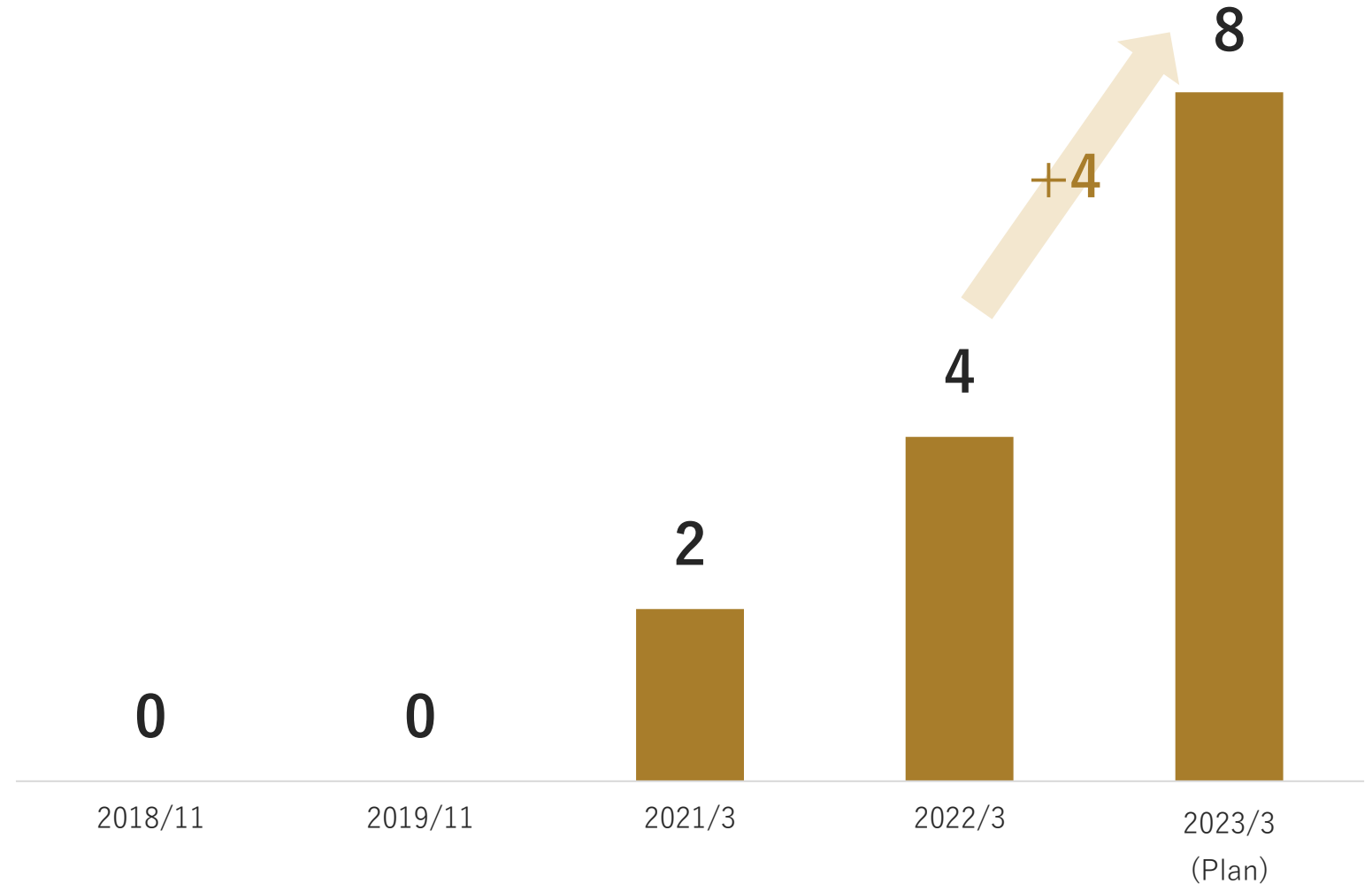
- Insurance policy that covers cancellation costs incurred if the insured, who is the representative of the service reservation, cancels all or part of the reservation
- Insurance coverage is not specific to accommodation or tickets, but can be applied to a variety of services

8th

SAST
Insurance
Prize

Pipeline for Inspire

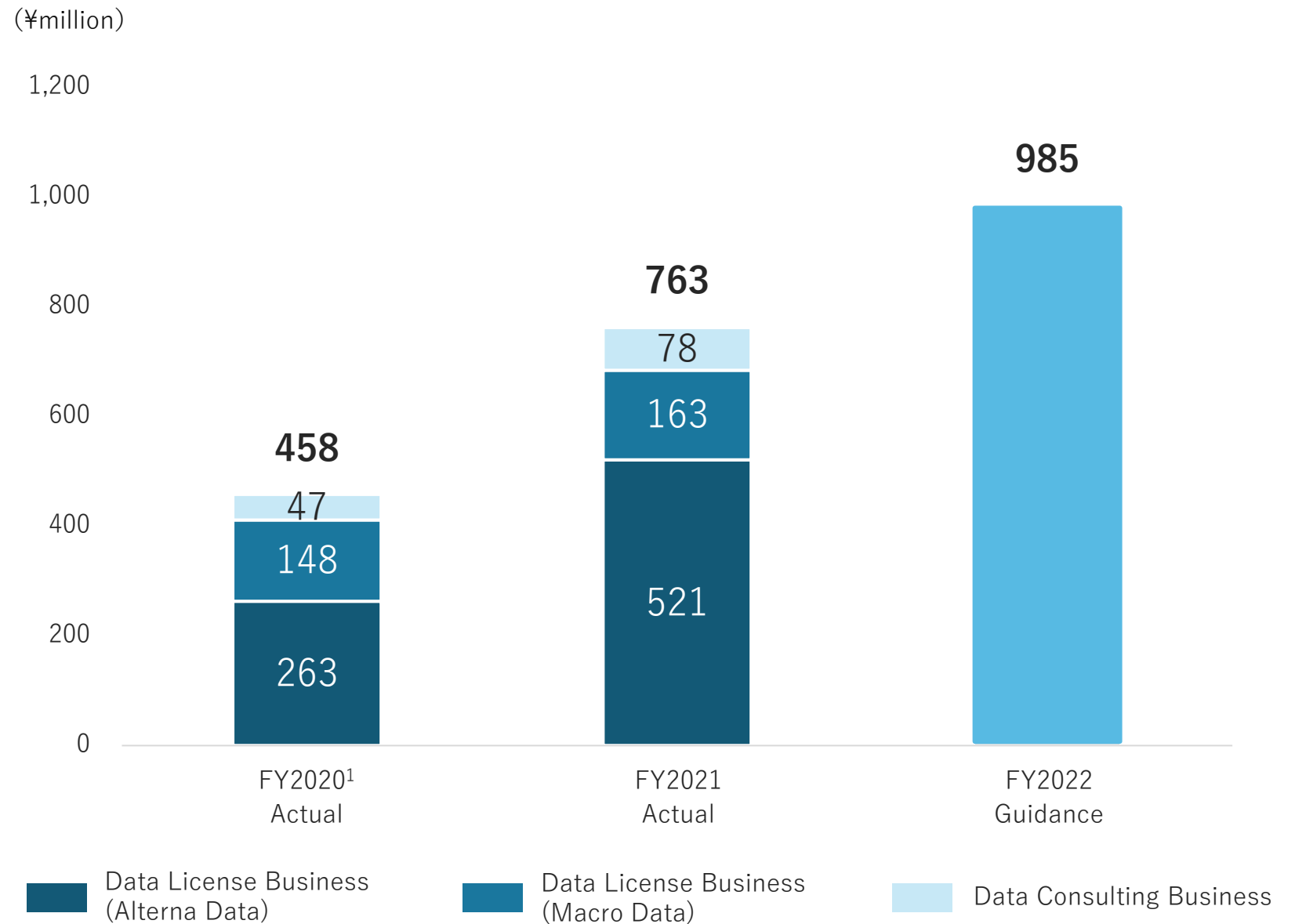
In FY2022, 4 new releases are planned so the number of partners is expected to increase to 8.



1. Including subsidiary Smartplus Small Amount Short-term Insurance which provides maternal and child insurance for pregnant women and hotel cancellation insurance via Inspire

Revenue Forecast

In addition to **increase in number of *Alterna Data* subscriptions**, we expect to **grow by +29% YoY** by the **newly launched marketing business**.

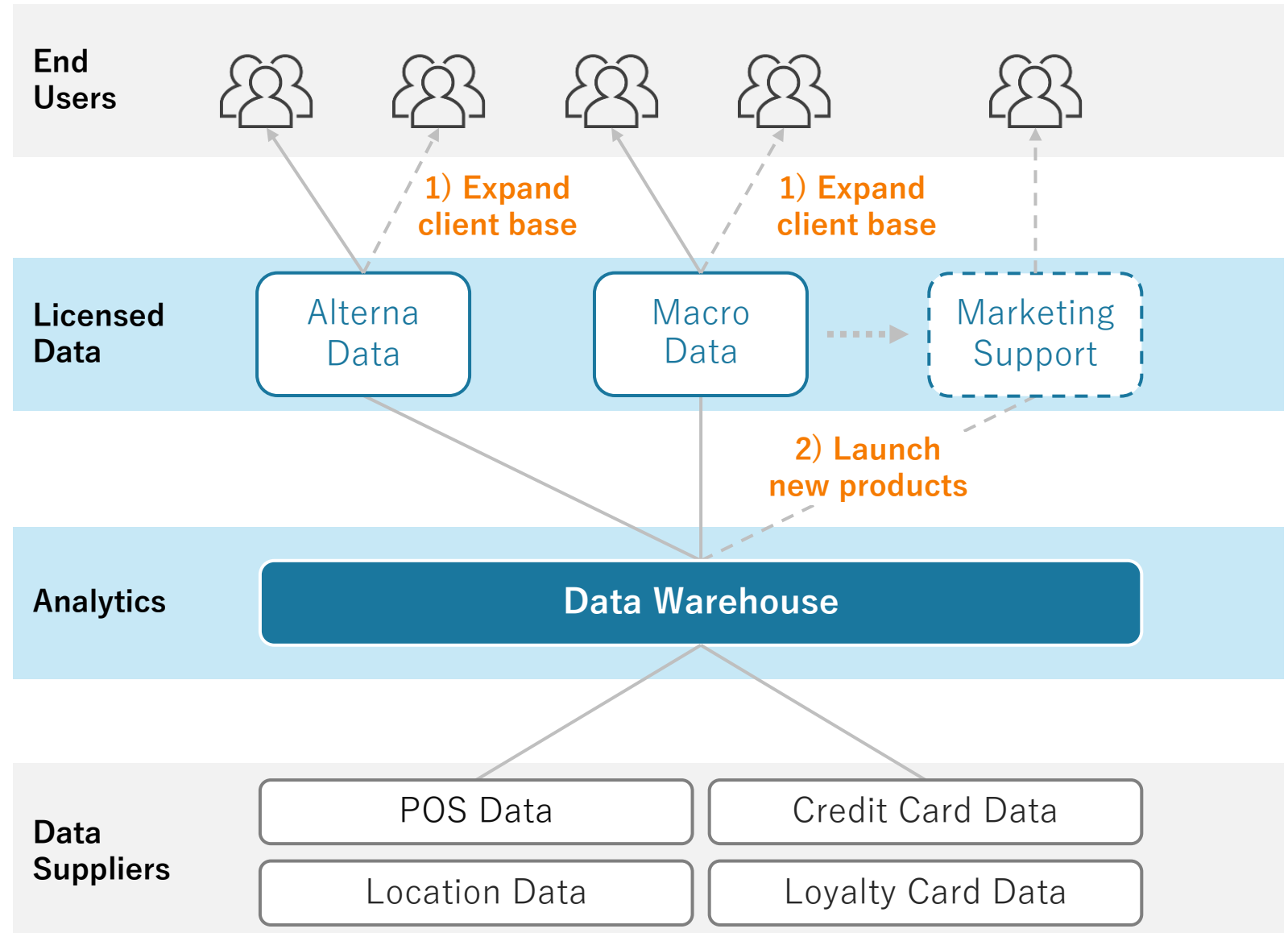


1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Strategy

In order to maximize the value of data, we will 1) expand the client base of each product and 2) launch new products.

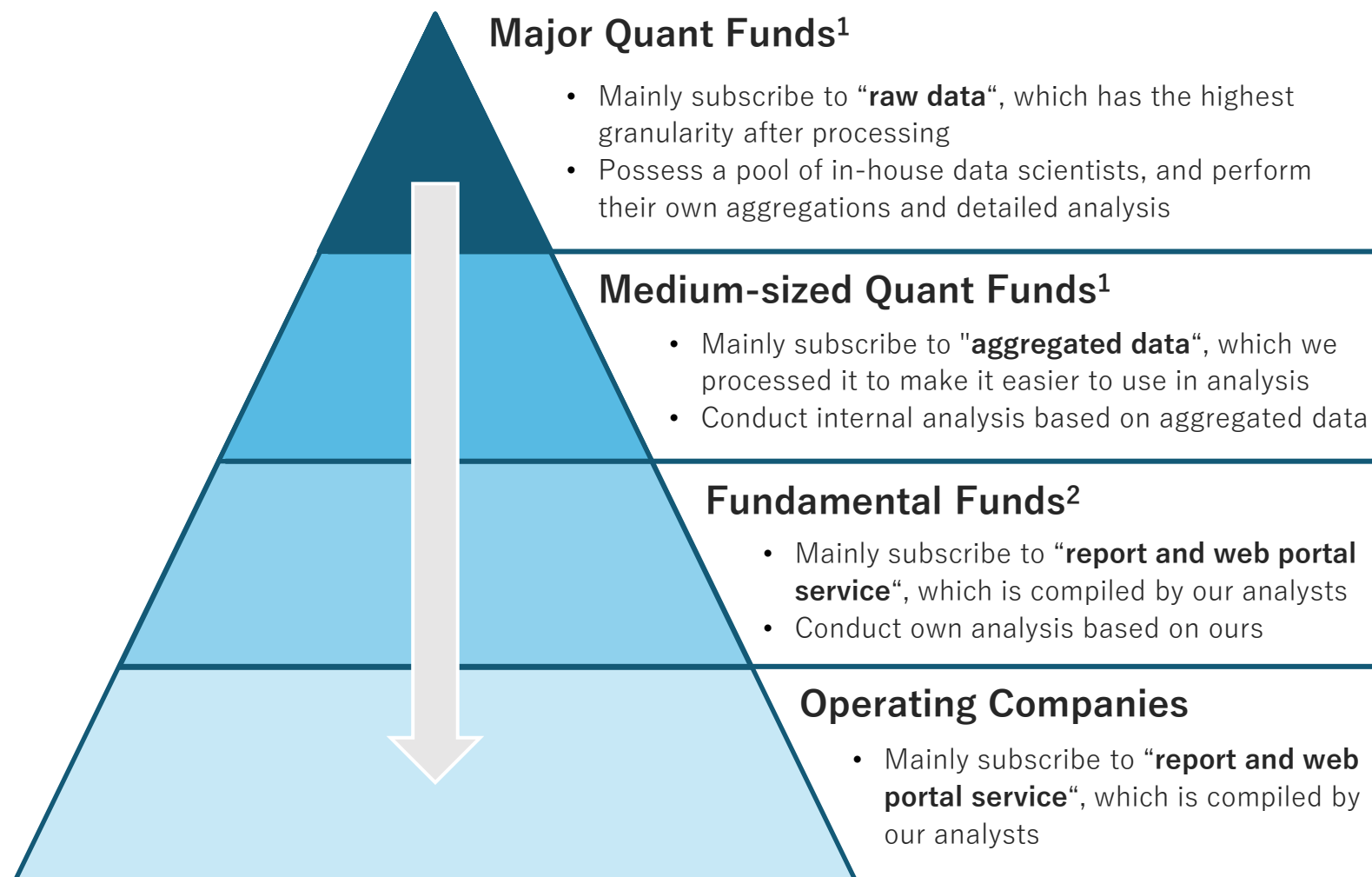
Particularly focusing on expansion of *Alterna Data's* client base and business expansion into the marketing business.



1) Expand Client Base

The client base of *Alterna Data* has been mainly major quant funds.

In order to provide services to a wider range of clients, we have diversified data delivery methods and expanded analysis functions.

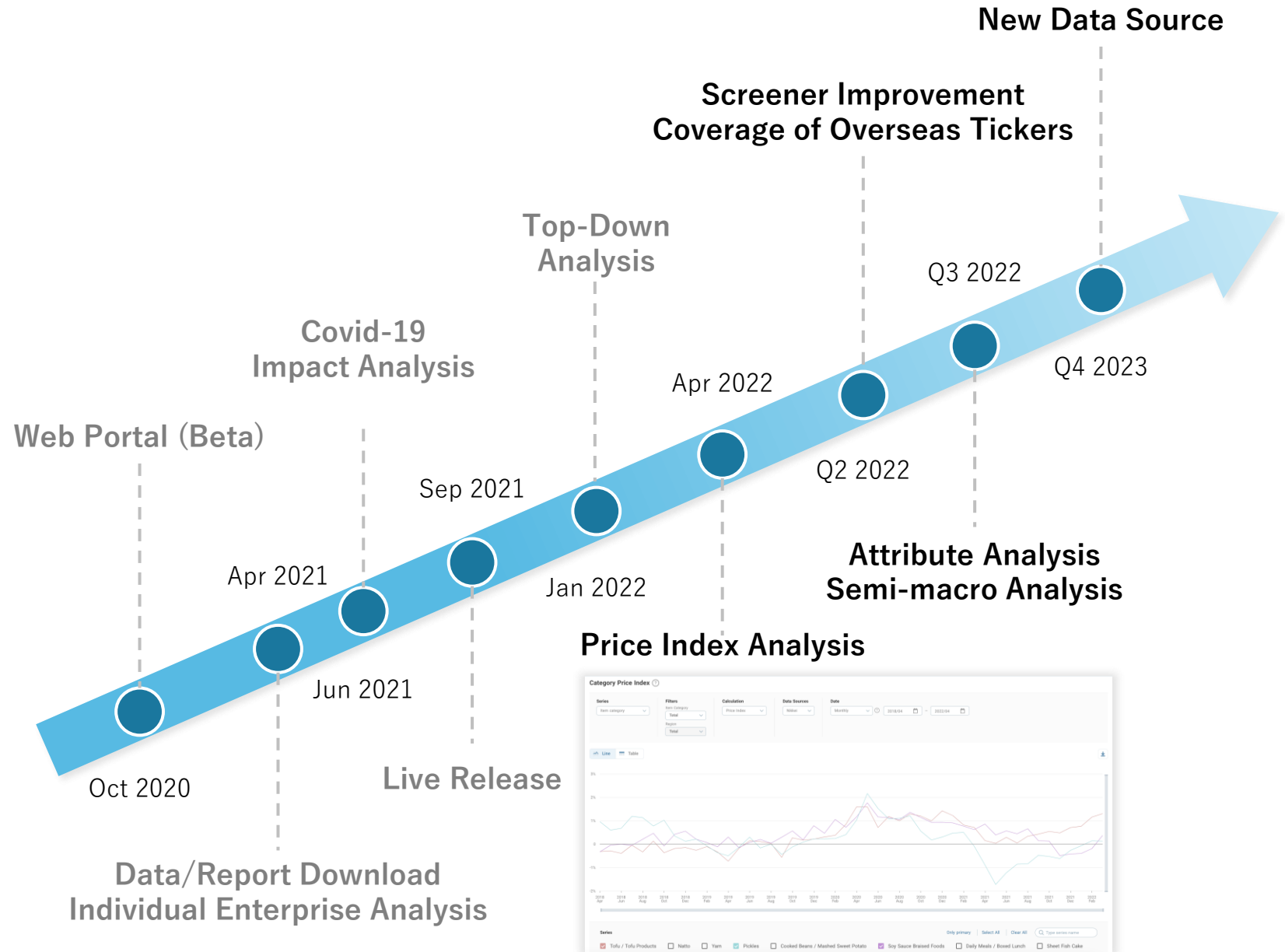


1. Institutional investors which make investment decisions based on quantitative forecast models
2. Institutional investors which makes investment decisions based on bottom-up corporate analysis

1) Expand Client Base

Enhance web portal and reporting services for fundamental funds and operating companies.

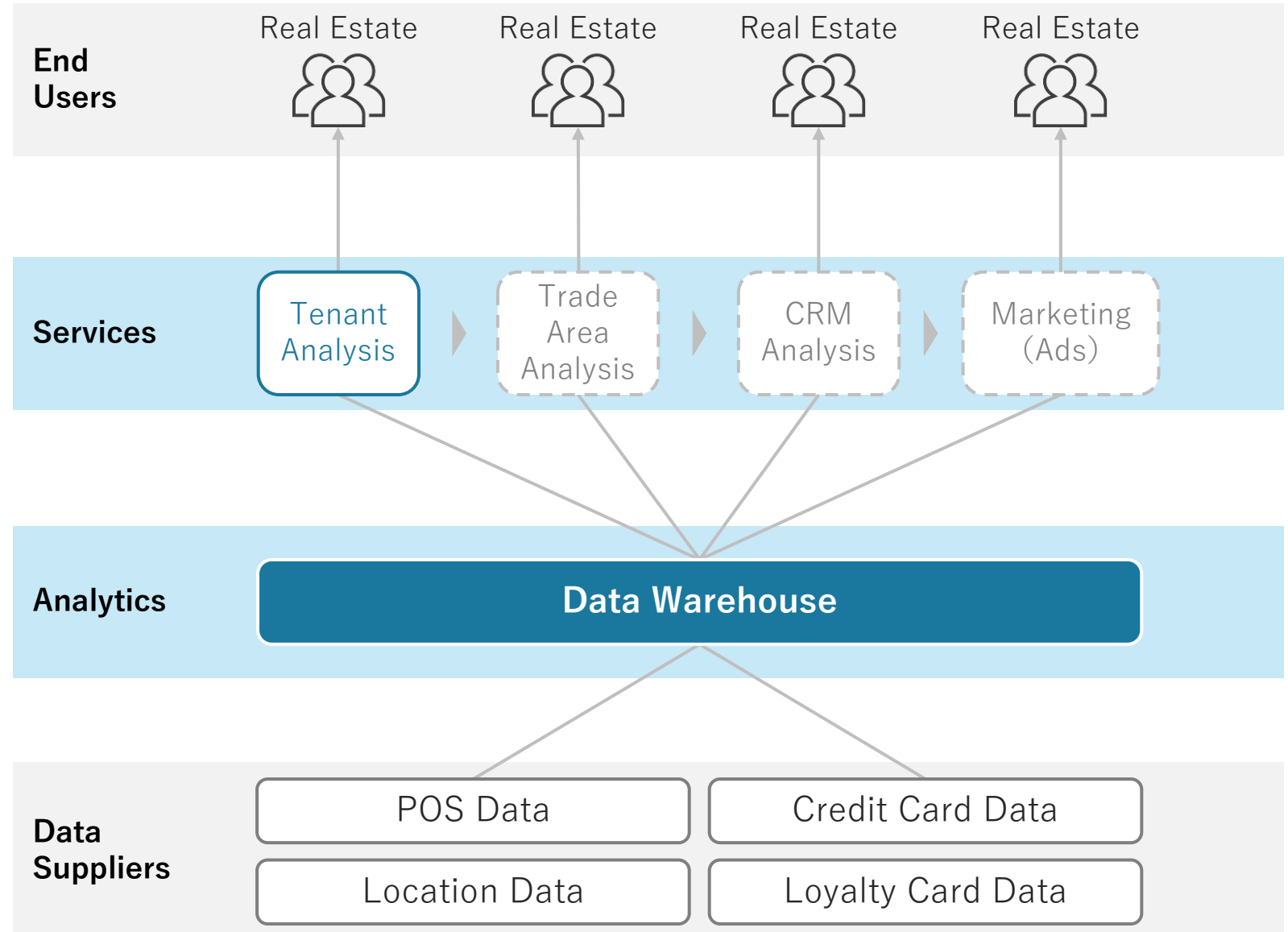
Recently on *Alterna Data*, new function added which allows analyzing price trends by company and product category based on POS data.



2) New Product Launch

Marketing support services by integrating multiple alternative data with our knowledge and experience.

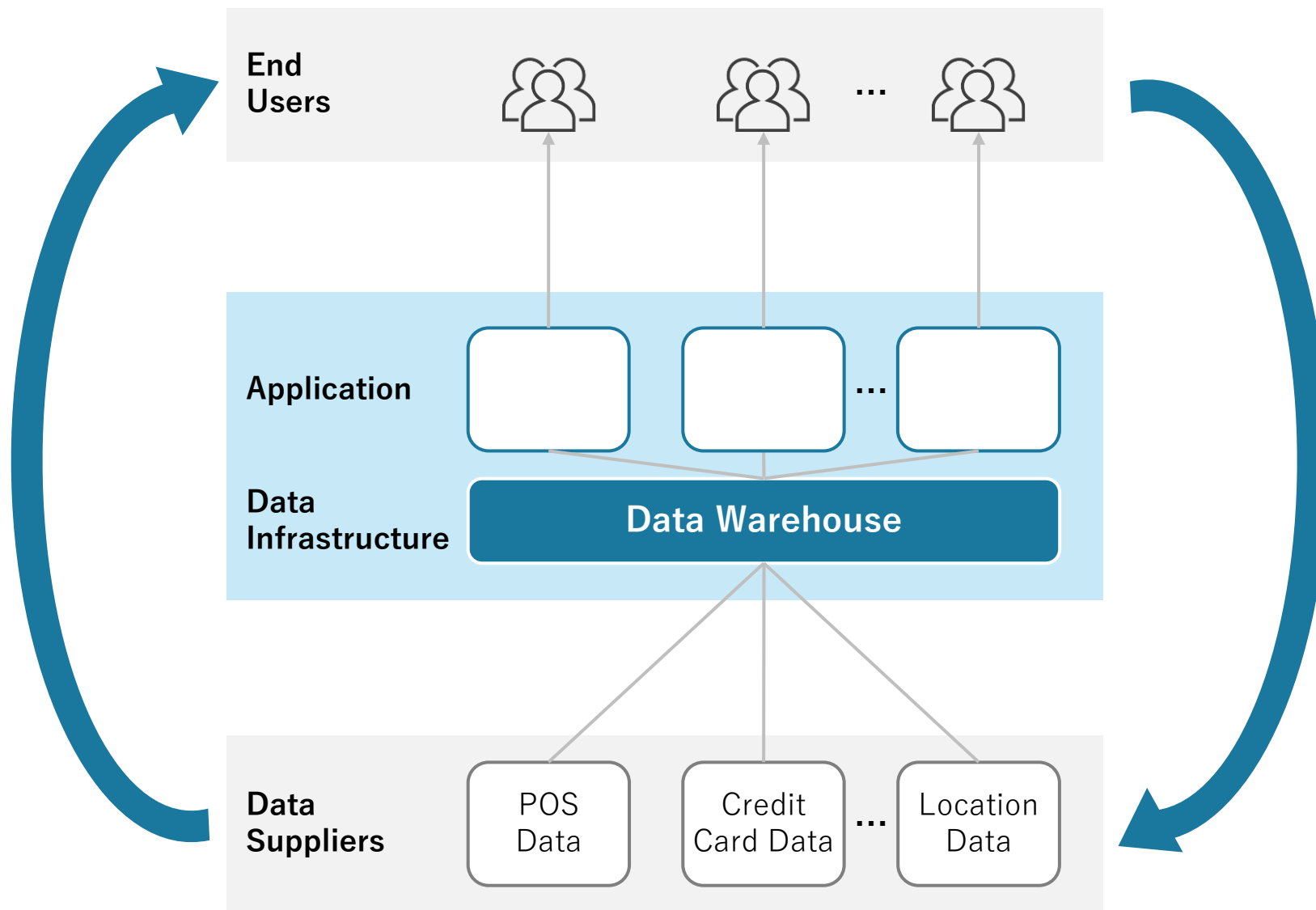
Start from real estate industry, supporting from tenant analysis to marketing.



Expand Data Source

Increase in data sources comes with a risk of lower revenue per data source in the short term.

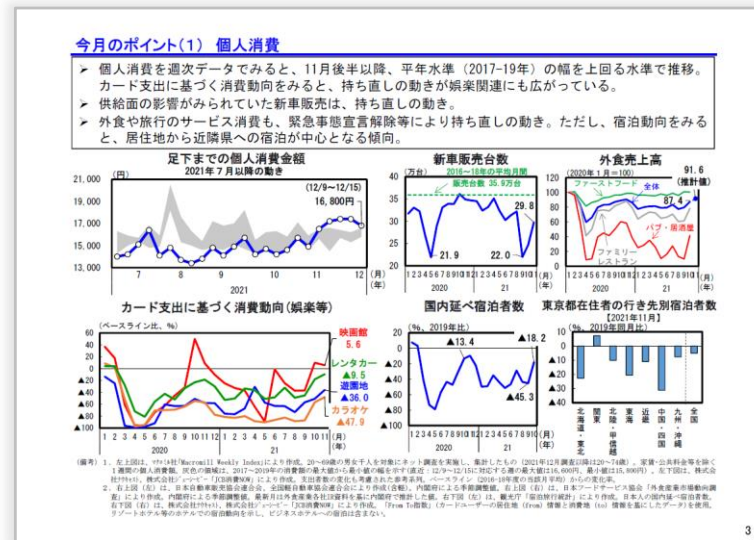
Aim to strike a balance between application expansion which increases revenue per data source, and data source expansion.



Government's use of our data in policy making and media exposure will continue to help raising brand awareness.

Use Cases for Government

Materials of the Ministerial Meeting on Monthly Economic Reports (December 21, 2021)



Media Exposure in FY2021¹

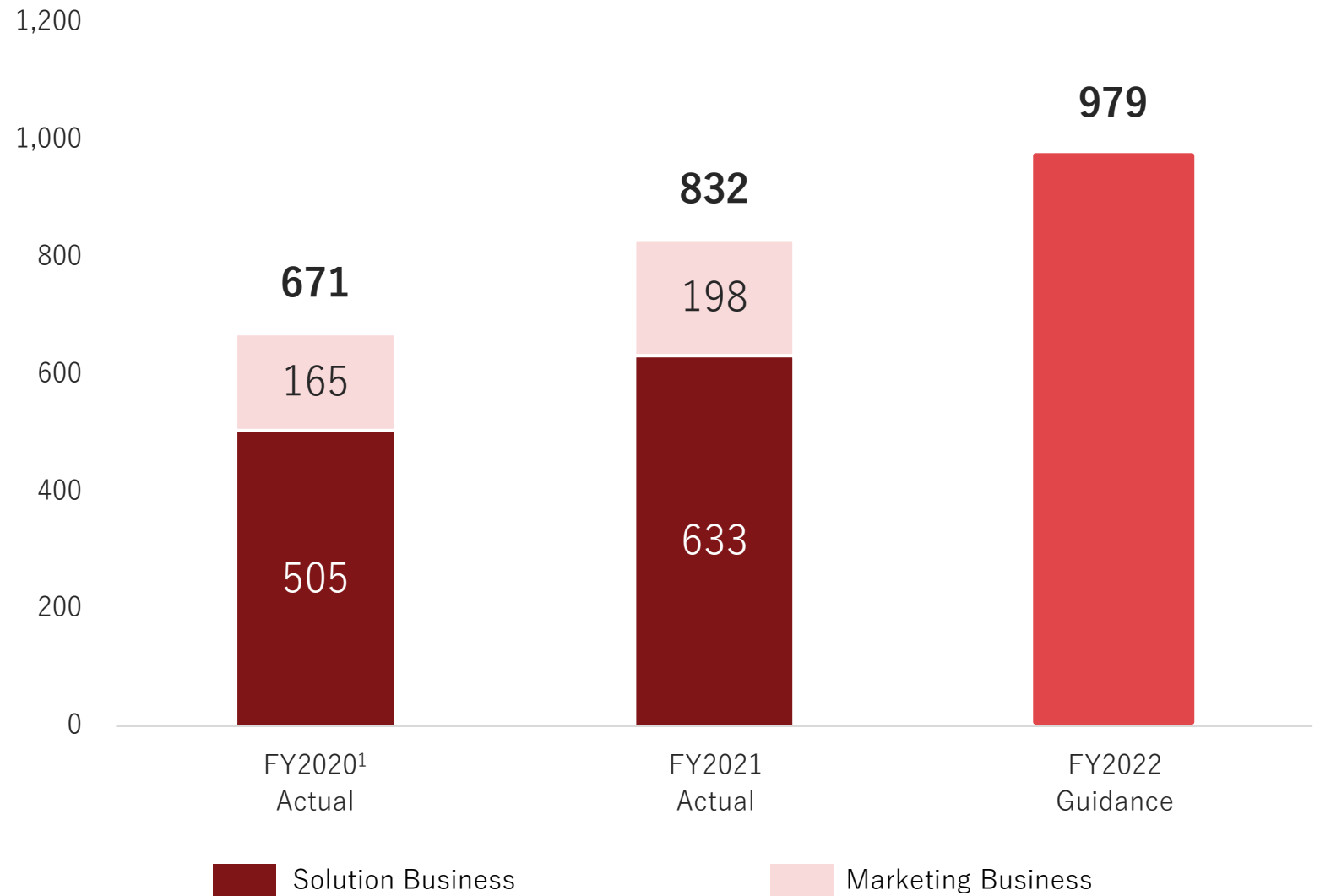
200times

1. Number of media exposure about subsidiary Nowcast itself and the data it provides

Revenue Forecast

+18% YoY growth
expected, primarily
contributed by the
expansion of solution
business.

(¥million)

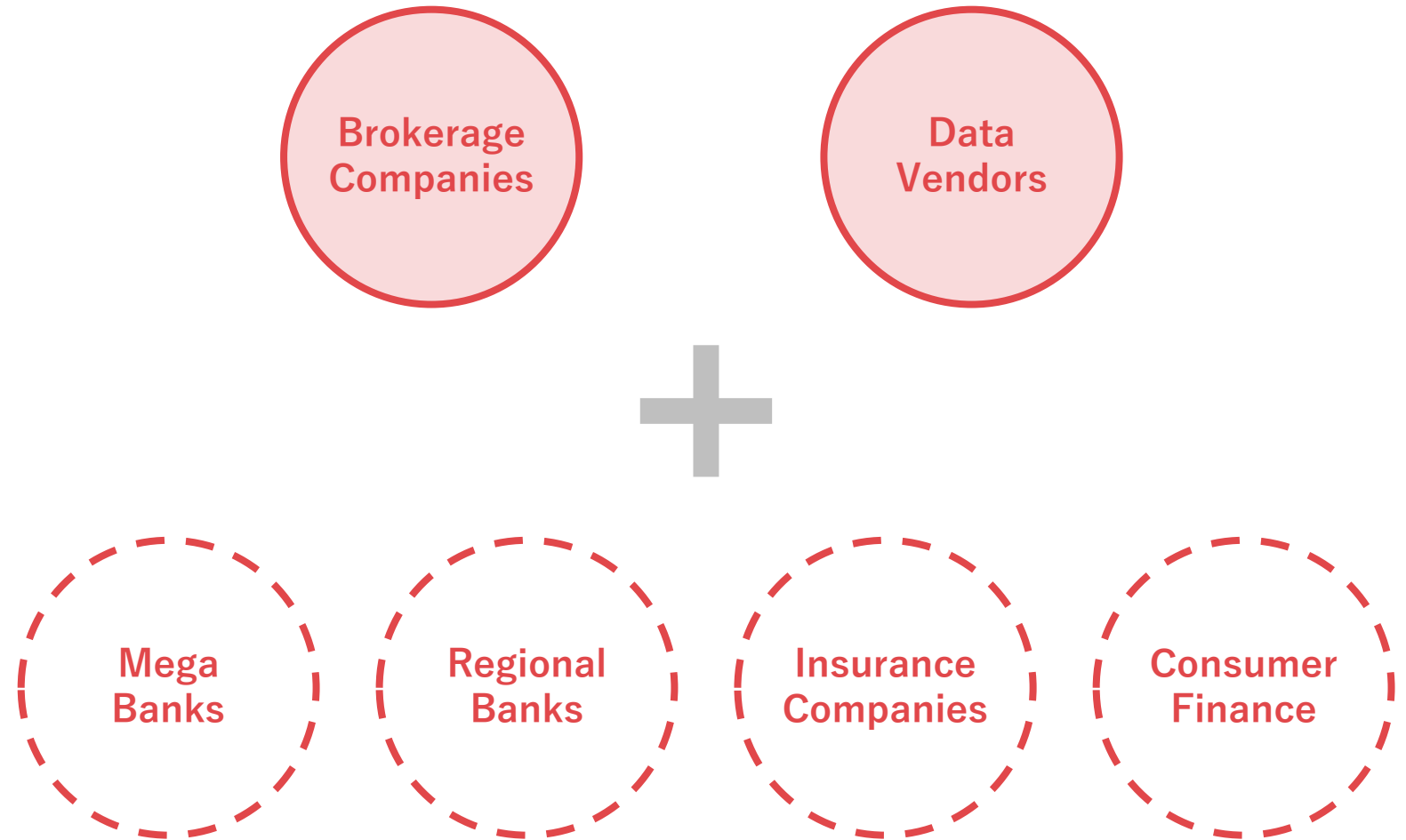


1. Financial results for FY2020 (April 2020 to March 2021) are unaudited.

Strategy

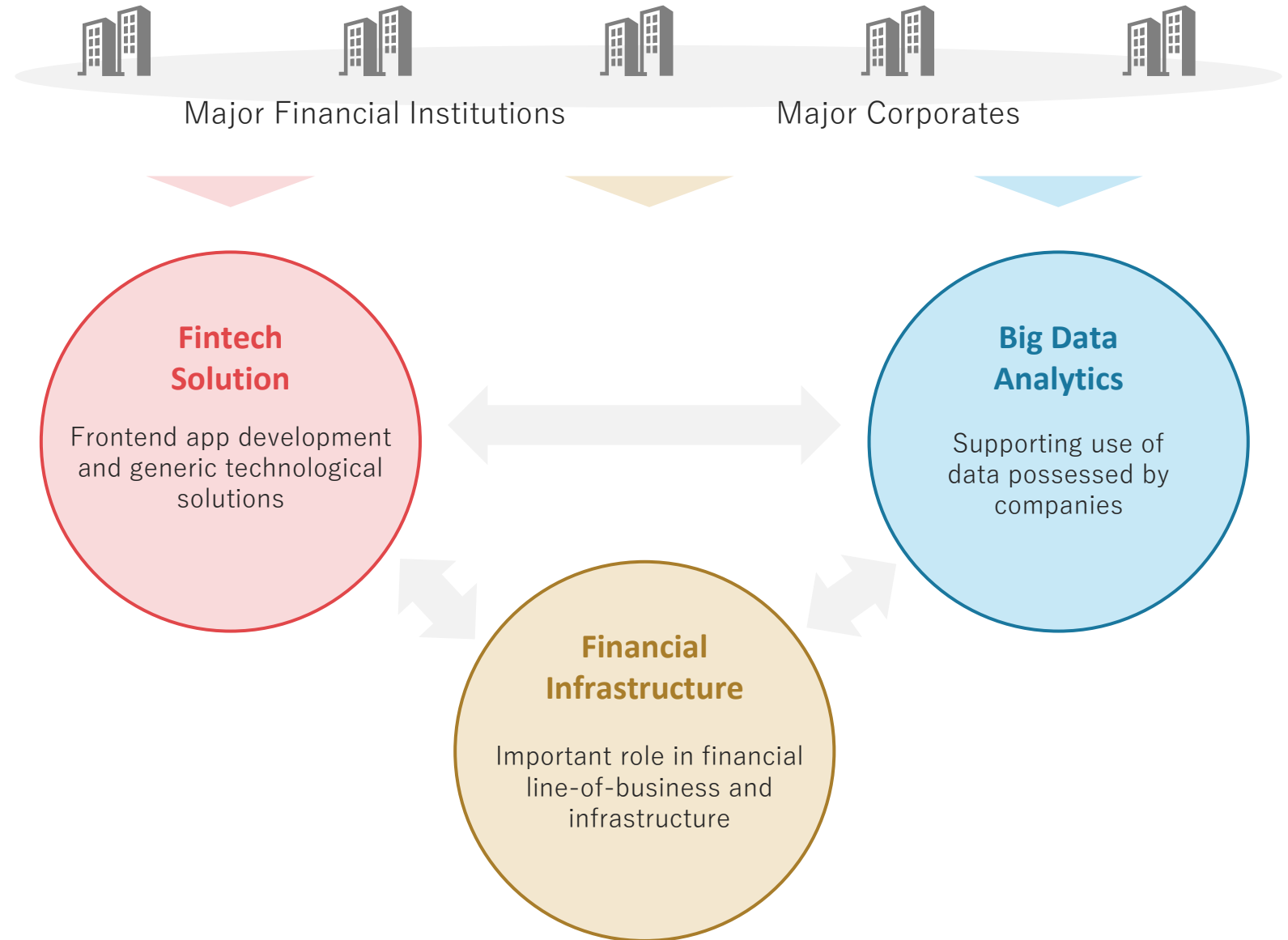
Brokerage companies and data vendors have been our main clients, but we aim to expand the customer base to major banks, regional banks, insurance, and consumer finance.

The projects with financial institutions will **lead to Financial Infrastructure business.**



Segment Integration

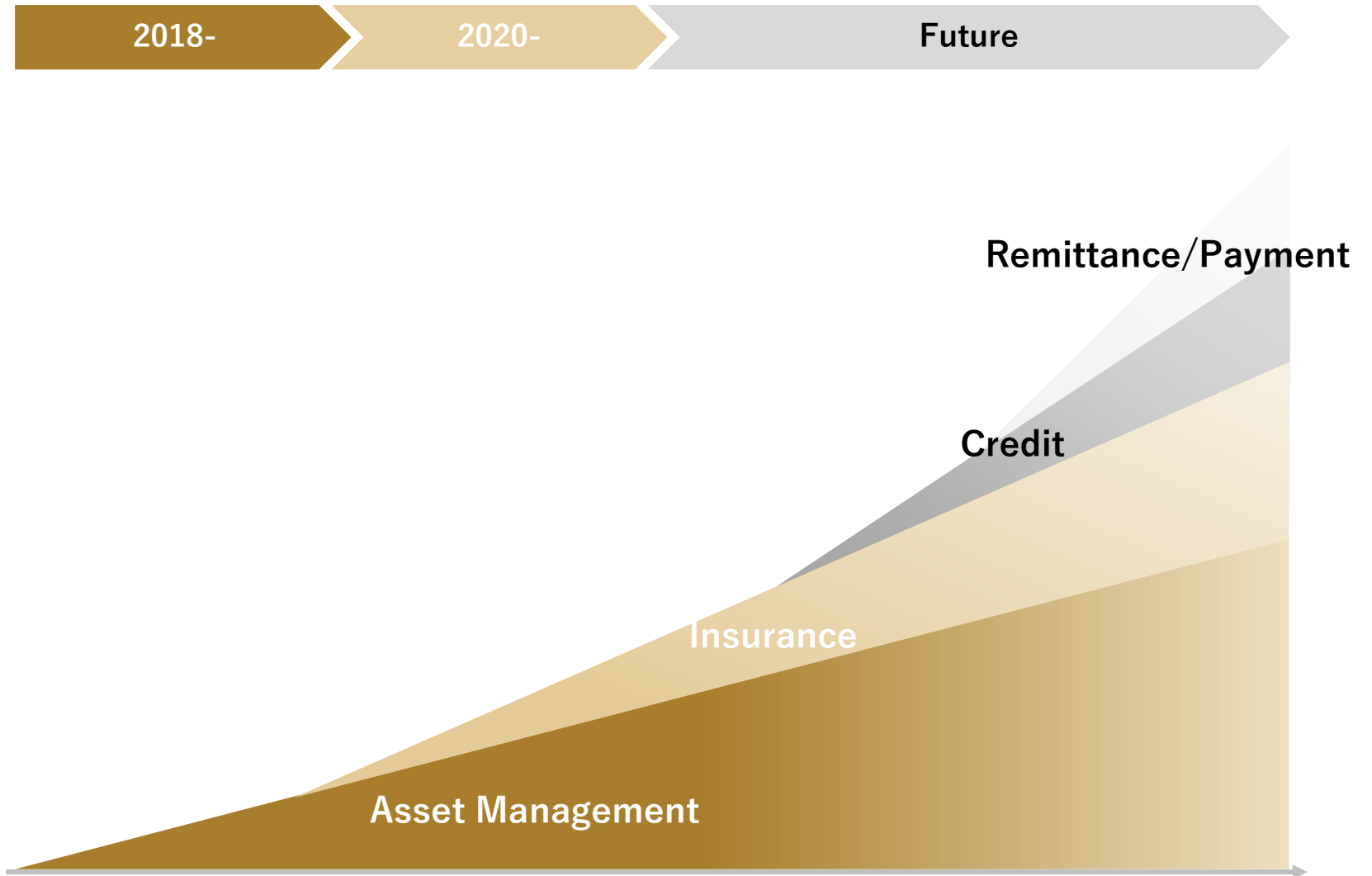
Especially Fintech Solution, while revenue is stable, it plays an important role in building connection with major financial institutions and acquiring new clients in other segments.



Long-term Strategy

Entered into asset management in 2018 and insurance in 2020.

Plan to enter credit and remittance / payment fields in the future.



New Business

Established Smartplus Credit Ltd. for the money lending business.

Business start date will be determined as soon as the schedule for money lender registration becomes clear.

Name

Smartplus Credit Ltd.

Address

Sumitomo RD Kudan Bldg. 9F, 1-8-10, Kudankita, Chiyoda-ku, Tokyo 102-0073, Japan

CEO

Daisuke Takahira

Business

Money Lending (preparing to register)

Capital

¥250 million

Shareholding

Finatext Holdings Ltd. (100%)

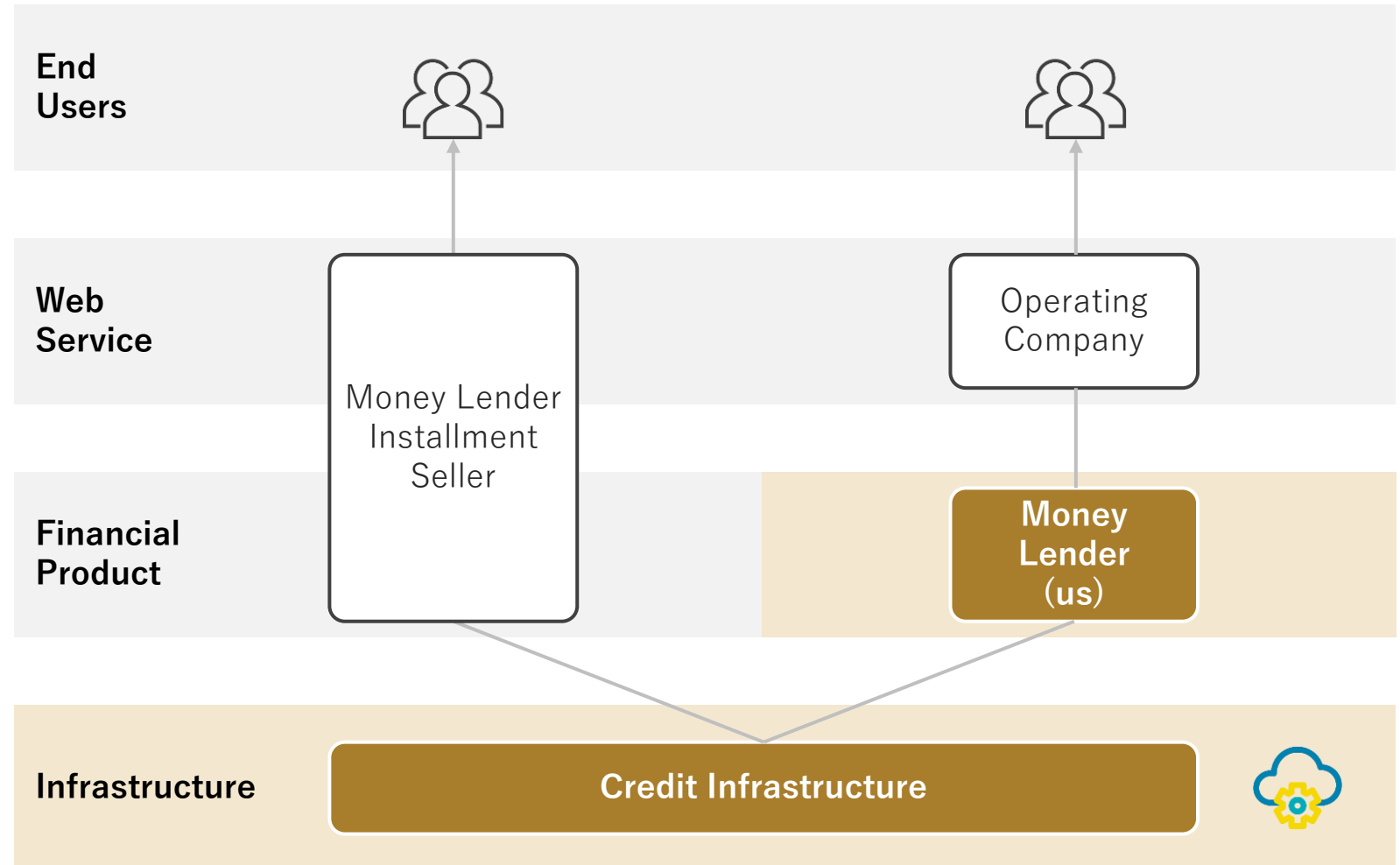
New Business

Focus on two areas:

① **DX Support** to money lender and installment seller via providing credit infrastructure.

② **Embedded Lending** via our money lender subsidiary to enable existing services to embed lending service.

- 1** DX support to Major Money Lender / Installment Seller
- 2** Embedded Lending



APPENDIX

APPENDIX

COMPANY OVERVIEW

Company Overview

Company Name : Finatext Holdings Ltd.

Location : Sumitomo RD Kudan Bldg. 9F,
1-8-10, Kudankita, Chiyoda-ku, Tokyo, 102-0073 Japan

Leadership :	Ryota Hayashi	CEO, Representative Director
	Yuichiro Ito	CFO, Executive Director
	Masashi Toda	Executive Director
	Hedeki Yamauchi	Executive Director
	Mamoru Sato	Statutory Auditor
	Ryosuke Nomura	Statutory Auditor
	Hisayori Kataoka	Statutory Auditor

of Employees : 195 (Consolidated)

Corporate Structure

Subsidiaries	Ownership	# of Employees ¹	Business	Segment
FINATEXTHOLDINGS	-	12	Group Holding Company	
— Finatext	100%	61	Development of software & web apps for the group companies & financial institutions	Financial Infrastructure Fintech Solution
— K-ZONE	50.1%	0	Operation of investment education web service	Fintech Solution
— Nowcast	100%	22	Big data analytics service to institutional investors & government	Big Data Analytics
— Smartplus	85%	27	Online Broker & Asset Manager	Financial Infrastructure
— Smartplus SSI	90%	8	Small Amount and Short-term Insurance	Financial Infrastructure
— Teqnological	70%	5	Offshore outsourcing bridge	Fintech Solution
— Teqnological Asia	72% (50.4% ²)	60	Offshore Development for the group company in Vietnam	Fintech Solution

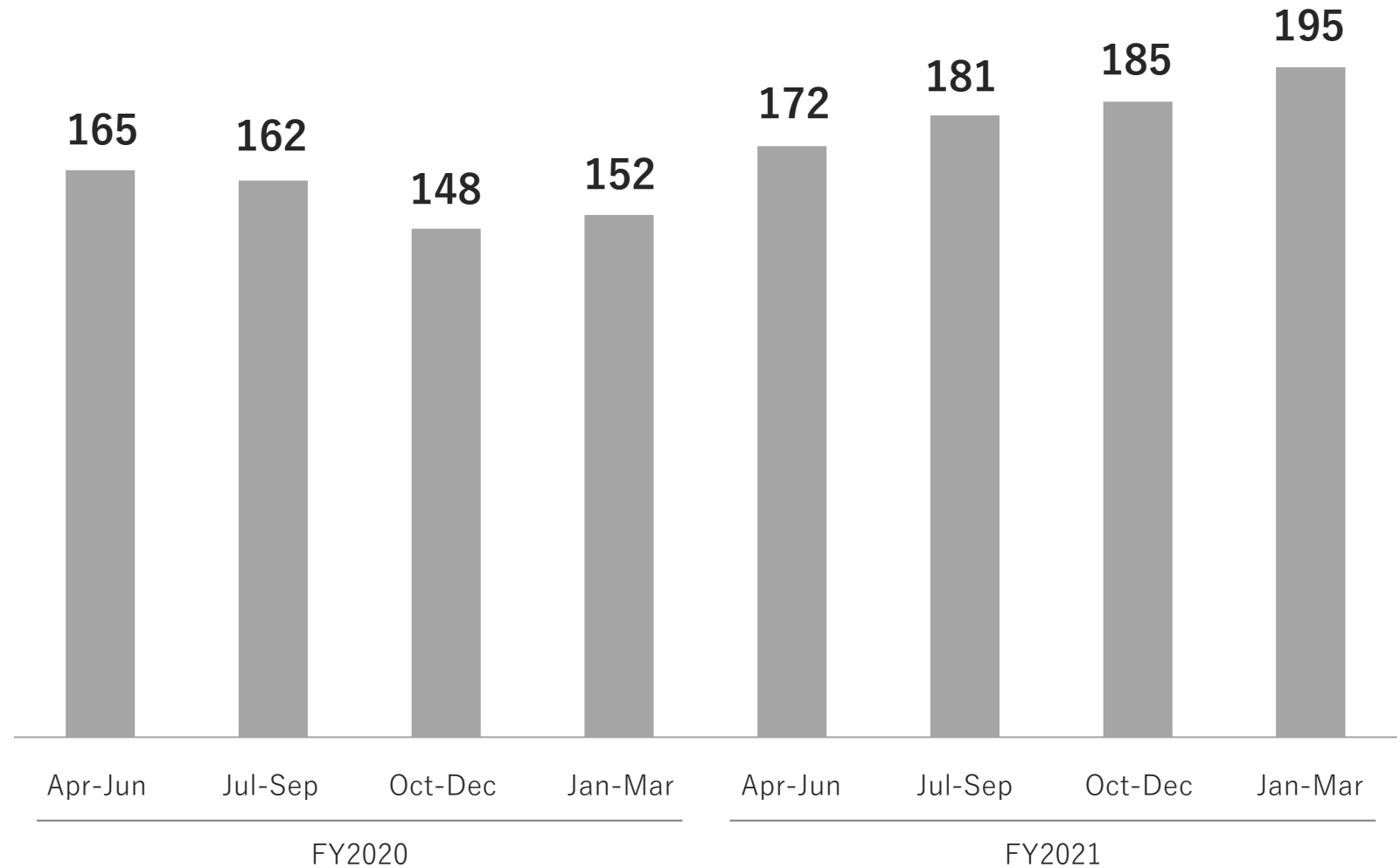
1. # of Employees as of 31 Mar 2022

2. Indirect ownership ratio by Finatext Holdings Ltd.

of Employees

Although the number of employees decreased in Oct-Dec 2020 due to the exit of UK business, it increased in FY2021.

(People)



Staff Composition

Operations/Back Offices 19%

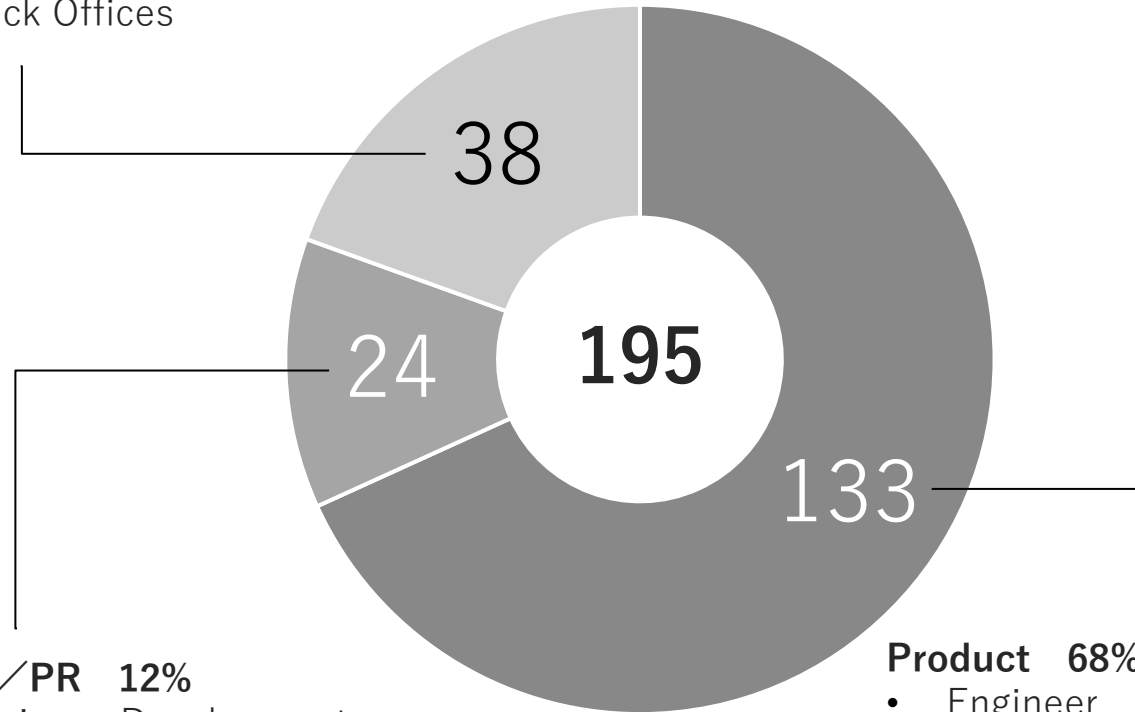
- Financial Operations
- Back Offices

Sales/PR 12%

- Business Development
- Promotion
- Research & Market

Product 68%

- Engineer
- Product Management
- Designer
- Web Director



1. Number of full-time employees as of March 31, 2022

Leadership



**Representative Director
CEO
Ryota Hayashi**

After working at Deutsche Bank in London and a hedge fund, Ryota co-founded Finatext in 2013. B.A. in Economics from The Univ. of Tokyo.



**Executive Director
Masashi Toda**

Masashi co-founded Finatext in 2013. He earned PhD in Economics from The Univ. of Tokyo.



**Executive Director
CFO
Yuichiro Ito**

Yuichiro joined Finatext in 2016 after working IBD Div. in UBS Brokerage Japan for nearly 6 years. B.A. in Economics from The Univ. of Tokyo.

Leadership

**Outside Director
Hideki Yamauchi**

Hideki Established Global Cyber Investment in 2000 after working at The Industrial Bank of Japan. He became a outside director of Finatext in 2016. B.A. in Economics from The Univ. of Tokyo.

**Statutory Auditor¹
Ryosuke Nomura**

Ryosuke joined Edison Law Office as a lawyer in 2018 after working at several law offices. He became a statutory auditor of Finatext in 2020. B.A. in Laws from The Univ. of Tokyo.

**Statutory Auditor¹
Mamoru Sato**

Mamoru began his career at Bankers Trust in Japan and served as CFO and Statutory Auditor at Citi in Japan. He became a statutory auditor of Finatext in 2019. B.A. in Economics from Senshu Univ.

**Statutory Auditor¹
Hisayori Kataoka**

Hisayori established Hisayori Kataoka CPA Office in 2020 after working at Deloitte as a CPA. He became a statutory auditor of Finatext in 2021. B.A. in Economics from Keio Univ.

1. Audit & Supervisory Committee Member

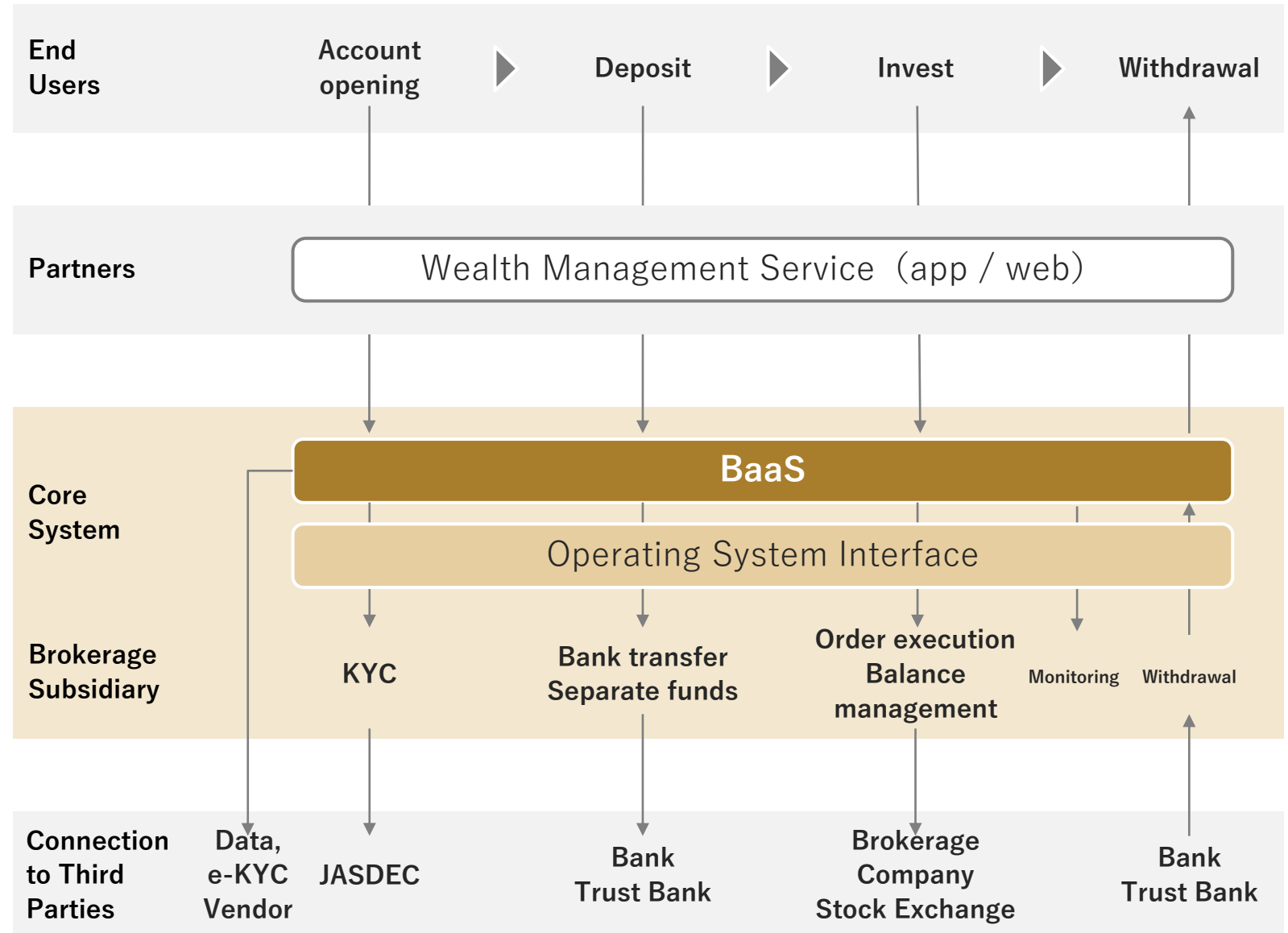
APPENDIX

BUSINESS OVERVIEW

BaaS

Cloud-native, API-based infrastructure BaaS for wealth management providers.

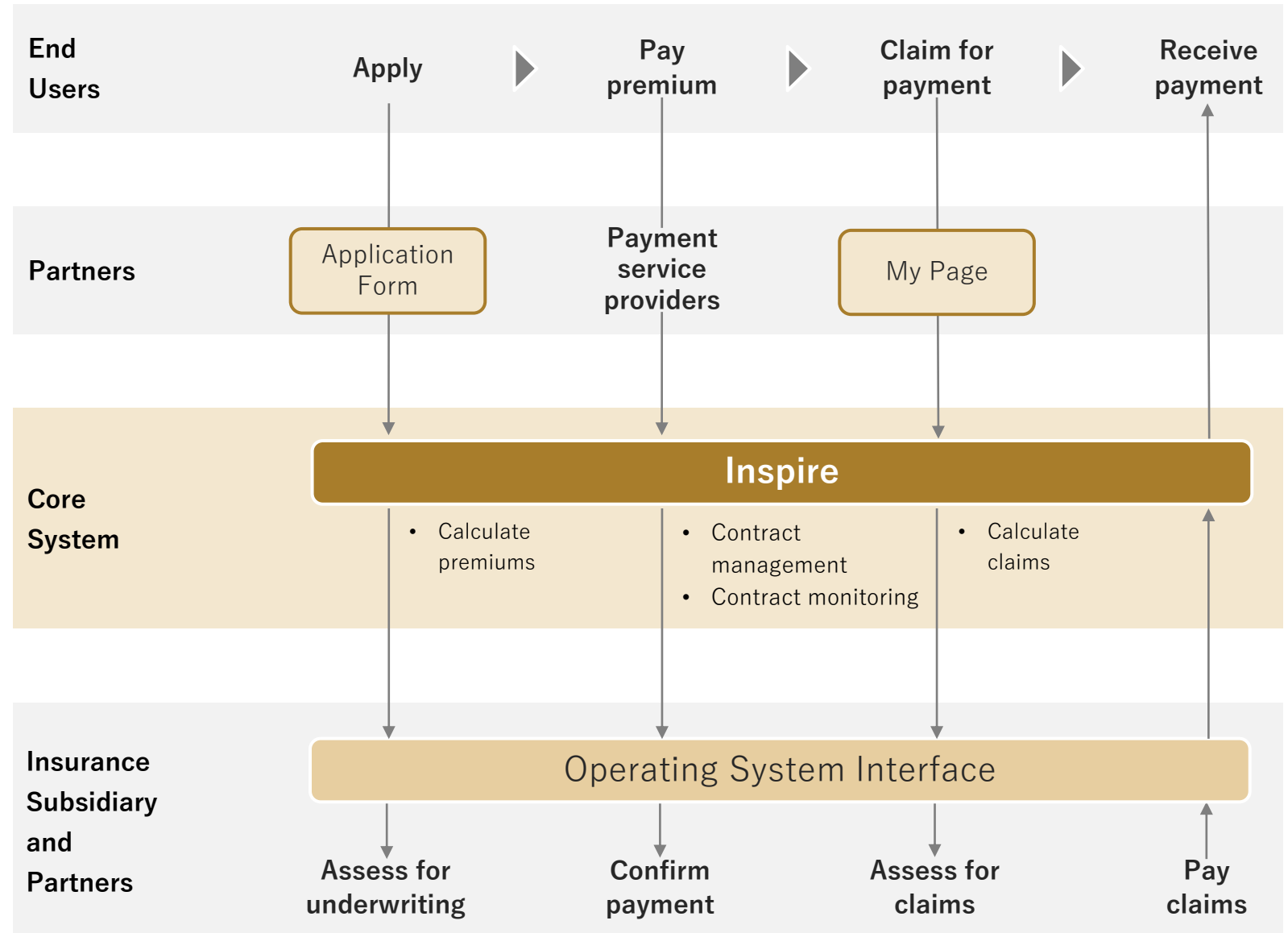
Partners can launch wealth management services at low cost by managing the various external connections on the cloud.



Inspire

Cloud-native, API-based infrastructure Inspire for insurance providers.

Enables partners to expand their business by putting new insurance products on the market in a short time with low cost.



Clients of Inspire

Support a wide range of insurance products from small amount short-term insurance to non-life insurance, from individuals to business entities.

Aioi Nissay Dowa Insurance

Policy

- Consumer Domestic Travel Insurance (Non-life Insurance), Corporate Cyber Insurance (Non-life General Insurance)

Overview

- System introduced to provide general insurance on their own websites and apps
- Capable to handle not only B2C, but also B2B general insurance

EPOS Small Amount Short-Term Insurance

Policy

- Life Support Insurance (Small Amount Short-Term Insurance)

Overview

- System introduced for online sales of EPOS SAST Life Support Insurance

Nissay Plus Small Amount Short-Term Insurance

Policy

- Maternity Medical Insurance (Small Amount Short-Term Insurance)

Overview

- Nippon Life Insurance's newly established small amount short-term insurance subsidiary
- System introduced as core infrastructure to develop and provide insurance products that precisely meet customer needs

1. Excluding subsidiary Smartplus Small Amount Short-Term Insurance, which provides maternity insurance and hotel cancellation insurance via Inspire

Data License

Provides *Alternata Data* for corporate analysis and *Nikkei CPI NOW* and *JCB Consumption NOW* for economic research.



	Alternata Data	Nikkei CPI NOW	JCB Consumption NOW
Overview	<ul style="list-style-type: none"> Provide data for corporate analysis, such as sales, pricing, and unit price per customer Provide insightful indexes derived from our data models 	<ul style="list-style-type: none"> Provide daily consumer price indexes using POS data The indexes are mainly used to monitor inflation rate in Japan 	<ul style="list-style-type: none"> Provide bi-weekly consumption indexes using credit card data The indexes are classified by industries, location of retailers and types of consumers
Data Partners	<ul style="list-style-type: none"> Nikkei True Data KDDI CCC Marketing BCN etc. 	<ul style="list-style-type: none"> Nikkei 	<ul style="list-style-type: none"> JCB
Data	<ul style="list-style-type: none"> POS data Location data Reward point data Credit card data 	<ul style="list-style-type: none"> POS data 	<ul style="list-style-type: none"> Credit card data

APPENDIX

MARKET POTENTIAL

Market Potential

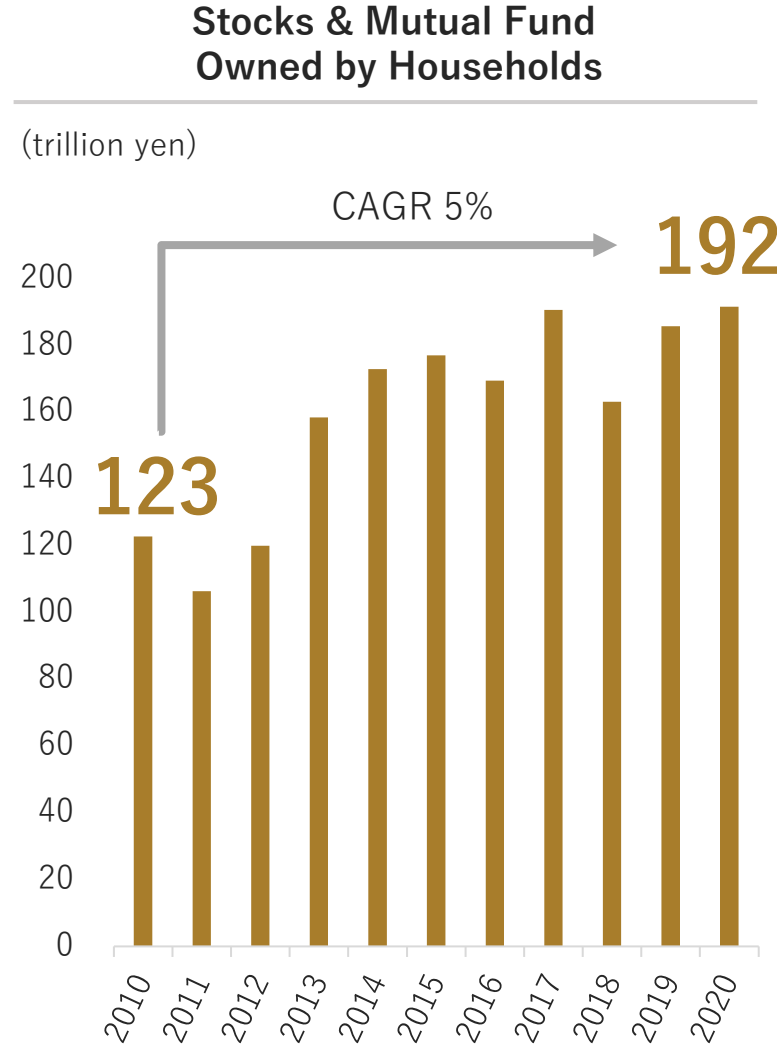
Many financial institutions¹ in Japan are our potential partners.

Banks 132		Financial Instrument Business Operators etc. 927		Insurance Companies 208	
City Banks	4	Brokerage Firms ²	307	Life Insurance	42
Trust Banks	13	IRA ²	620	Non-life Insurance	55
Other Banks	16			Small Amount and Short-term Insurance	111
Regional Banks	62				
The Second Association of Regional Banks	37				
Cooperative Financial Institutions 1,030		Payment Companies 554		Others 577	
Shinkin Banks	254	Credit Card ²	458	Asset Management ²	198
Credit Unions	145	Payment Service Providers	96	Money Lender	268
Labor Unions	13	(Electronic Payment Service Providers)		Fund Transfer Service Providers	80
JA (Agricultural Cooperative) ²	618			Crypto Asset Exchange Service Providers	31

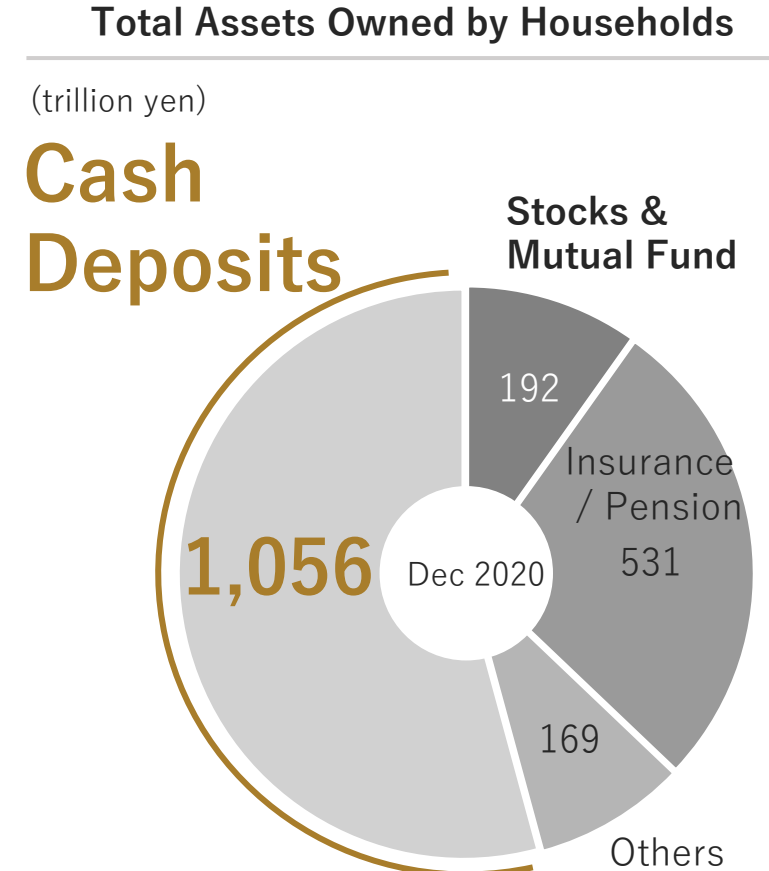
1. # of FSA-licensed (registered) Financial Institutions except for some areas. Some of the companies are double counted if they have multiple registrations etc.
2. Brokerage companies are FSA-registered Financial Instruments Business Operators. IRA are the corporates of FSA-registered Financial Instruments Intermediary Service Providers. JA shows # of JA bank members. Credit Cards shows # of members in The Japan Consumer Credit Association. Asset Management shows # of members in The Investment Trusts Association.

Market Potential of Wealth Management

Wealth management market is ¥192 trillion, while households hold cash of ¥1,056 trillion.



Source : Bank of Japan



Source : Bank of Japan

Market Potential of Insurance

Japan has a massive non-life insurance market and observes growth in small amount short-term insurance markets.

Non-life Insurance Premium in 2020

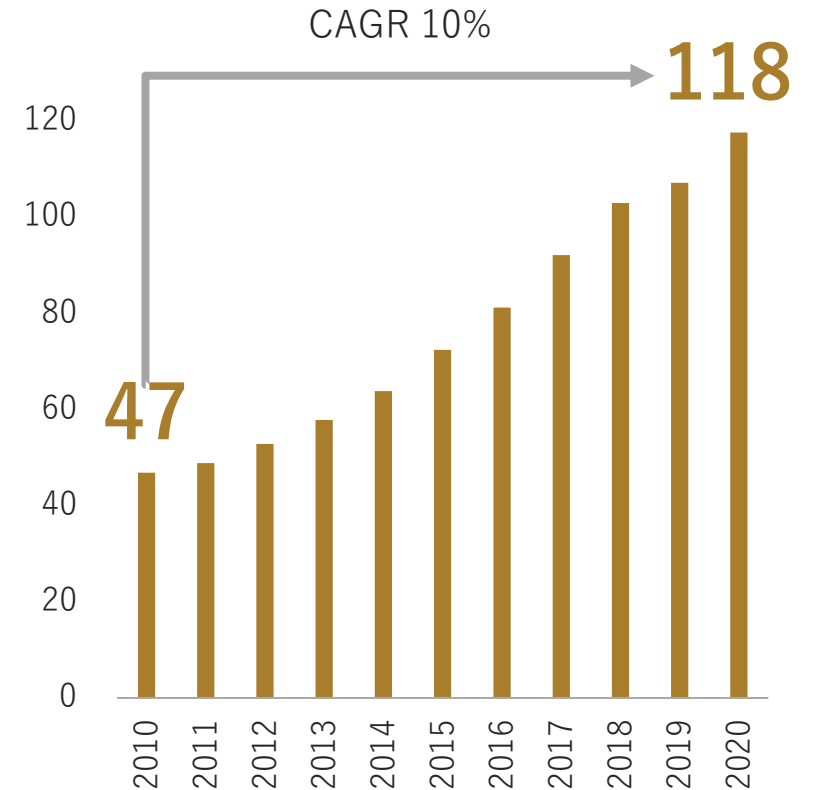
(billion USD)

#	Country	
1	United States	1,898
2	China	308
3	Germany	152
4	Japan	120
5	United Kingdom	99
6	France	95
7	Korea	88
8	Canada	85
9	Netherlands	74
10	Australia	48

Source : sigma No 3/2021 Swiss Re Insurance

Total Small Amount Short-term Insurance Premium

(billion yen)

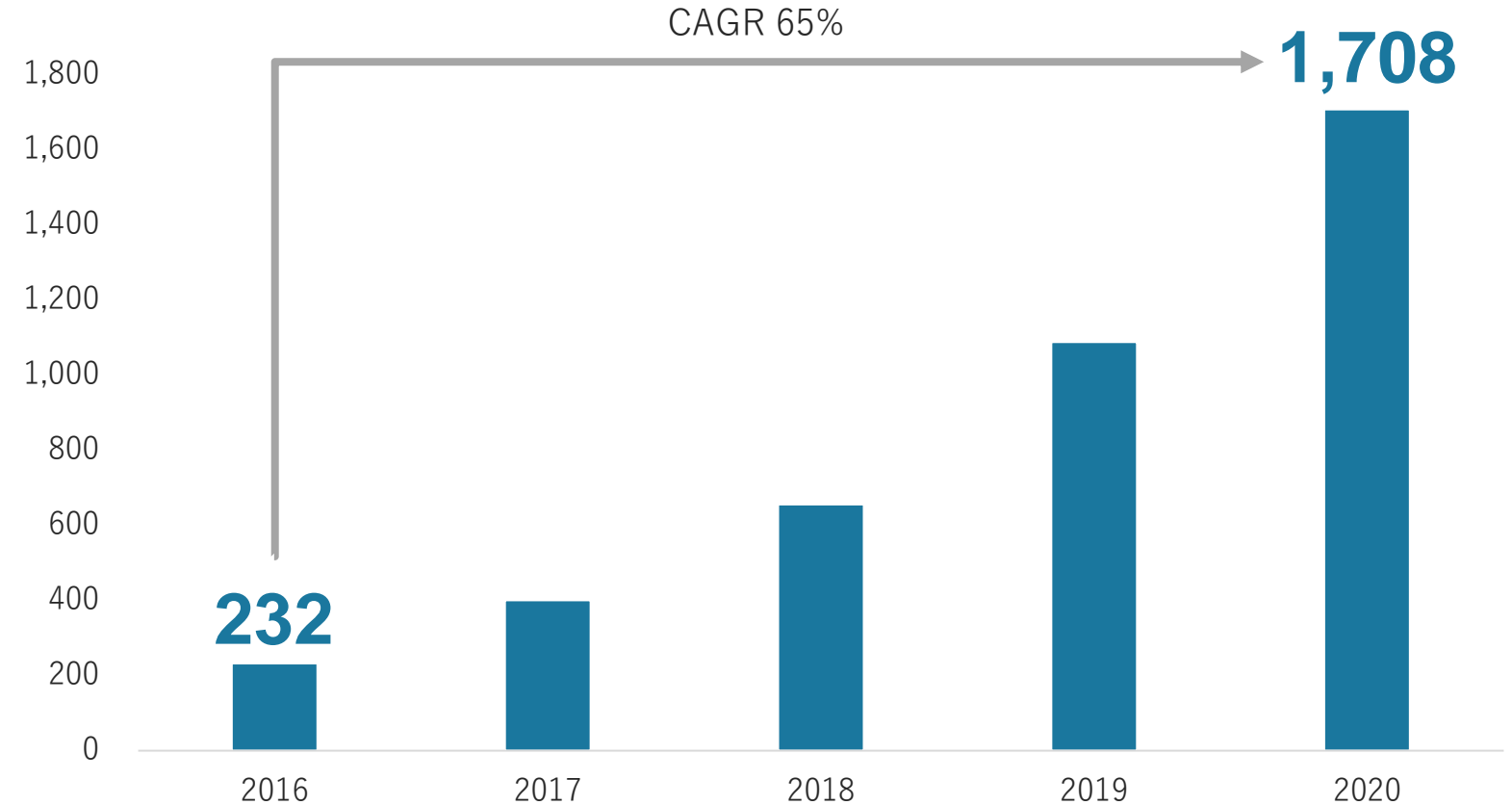


Source : The Small Amount & Short Term Insurance Association of Japan

Market Potential

Alternative data market has been growing, since the needs for real-time data is increasing.

(Million USD)

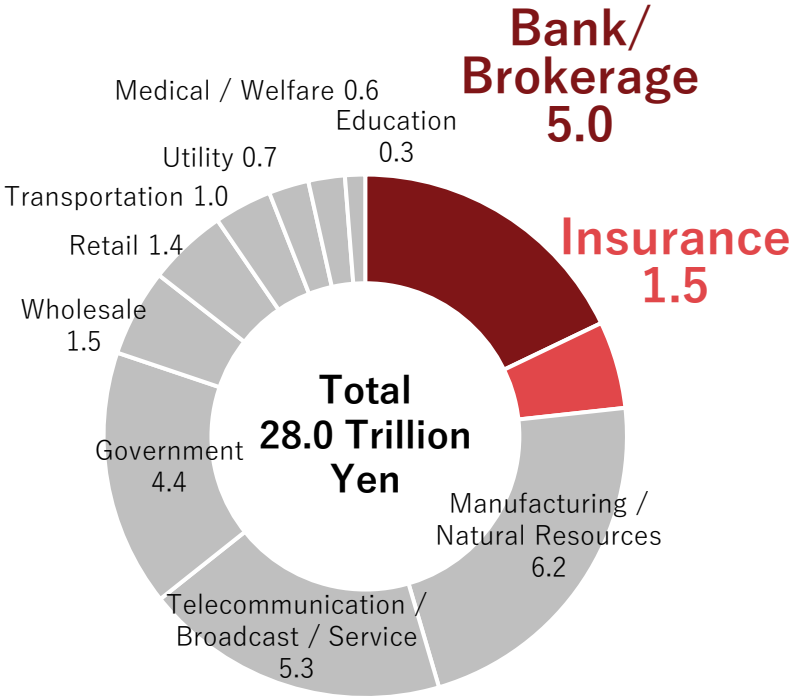


Source : AlternativeData.org (2018)

Market Potential

Domestic financial institutions are expanding fintech investment to enhance its capabilities of UX and big data utilization etc.

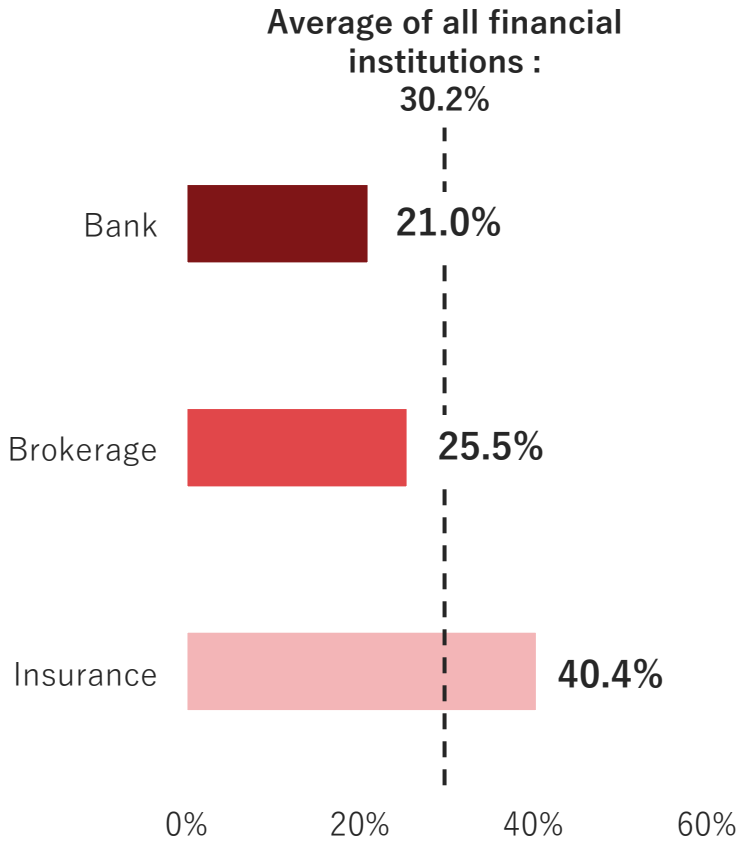
IT investment Size in Japan



Source : Gartner (2021)

Fintech Investment Growth

CAGR from 2018 to 2023



Source : IDC Japan (2020)

Disclaimer

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F I N A T E X T

Reinvent Finance as a Service