

Company: Financial Products Group Co., Ltd.  
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Notice of underwriting of capital increase through third-party allocation implemented by Huobi Japan Inc.

Financial Products Group Co., Ltd. (FPG) announced today that FPG has underwritten the capital increase through third-party allocation implemented by Huobi Japan Inc. as follows.

# 1. Background of underwriting of capital increase through third-party allocation implemented by Huobi Japan Inc.

Huobi Japan Inc. (hereinafter “Huobi Japan”) is a virtual currency exchange service provider registered with the Kanto Finance Bureau (registration No. 00007) and belongs to the Huobi which is the operator of Huobi, one of the world’s largest cryptocurrency exchanges, and serves customers in more than 130 countries.

Huobi Japan is aiming to expand its business in Japan, which is a leader in the development of laws related to virtual currency (cryptographic assets), by providing safe, secure, customer-centered financial services using the Huobi’s know-how and IT technology, such as the abundant high-liquidity virtual currency trading services owned by the Huobi.

This capital increase through third-party allocation implemented by Huobi Japan is a part of the capital policy for business expansion in Japan, and FPG decided to underwrite it for the following reasons.

- FPG focused on the future potential of Huobi Japan operating virtual currency exchange services that will make it possible to provide new financial assets and payment methods.
- In addition, the FPG Group anticipates the possibility of collaboration with Huobi Japan for contributing to the digitization of the Japanese securities market by combining the FPG Group’s know-how as a financial instruments business operator with Huobi Japan’s blockchain technology.

# 2. Outline of company implementing the capital increase through third-party allocation

(1) Trade name	Huobi Japan Inc.
(2) Location	6-2-31 Roppongi Minato-ku Tokyo
(3) Name and title of representatives	Haiteng Chen, President and Representative Director
(4) Nature of business	Virtual currency exchange services
(5) Share capital	620 million yen
(6) Founded	September 12, 2016

3. Overview of capital increase through third-party allocation and status of share acquisition

(1) Payment date	October 25, 2019
(2) Issue price	Cannot be disclosed due to confidentiality
(3) Total purchase amount	499,968,000 yen
(4) Number of shares held before transfer	None (Ratio of share ownership: 0.0%)
(5) Total number of shares acquired	Cannot be disclosed due to confidentiality

4. Future Prospects

The impact of this underwriting of capital increase is expected to be minor. Prompt notification will be made should the need arise to revise forecasts or disclose other matters.