

MONEX GROUP

TSE Prime : 8698

Monex Group
Financial Results for 3Q of
Fiscal Year Ending March 31, 2023

January 30, 2023



Corporate Philosophy

**Always a step ahead of the “Y” in “MONEY,”
our name MONEX expresses our desire to
embrace all people who are engaged
at the forefront of our future.**

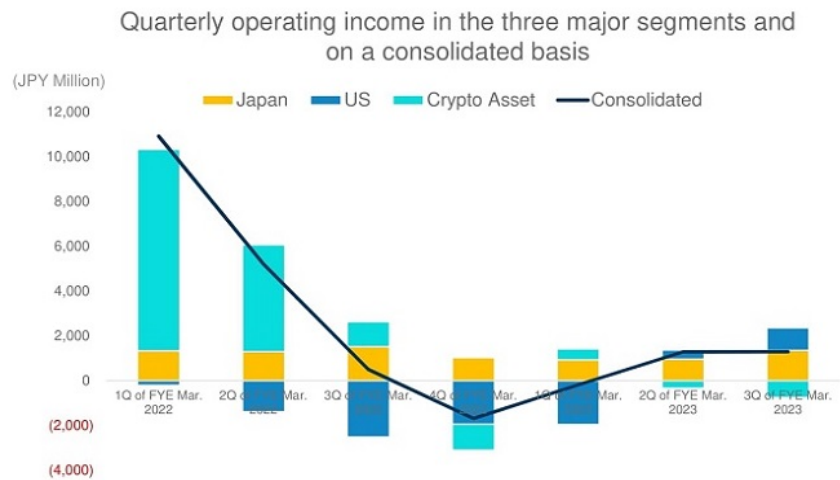
With state-of-the-art IT technology, globally universal values and a sense of professionalism, Monex Group designs innovative ways of managing money and realizing individual self-fulfillment for an ever-changing future. Our ultimate goal is to optimize each person's lifetime balance sheet.

Revised on April 1st, 2021

I . Highlights

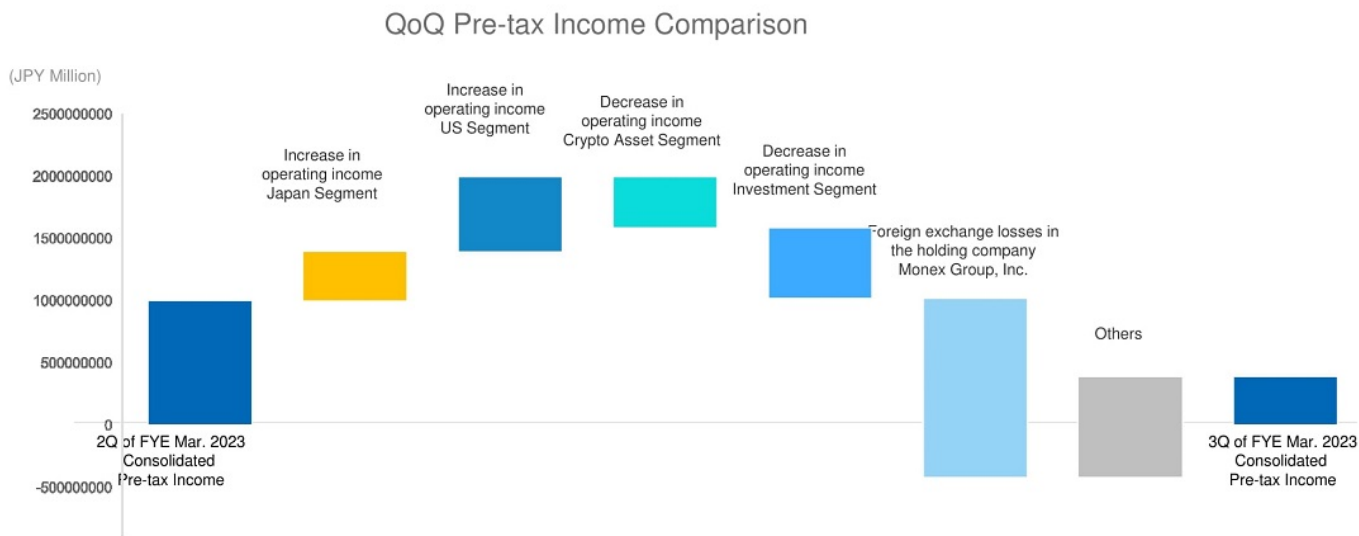
Going forward, in addition to the steady earnings of the Japan and US Segment, the Crypto Asset Segment has profit upside potential when the crypto asset market recovers.

Three Major Segments



■ Crypto Asset Segment
Lower transaction volume resulting from the unfavorable market condition.

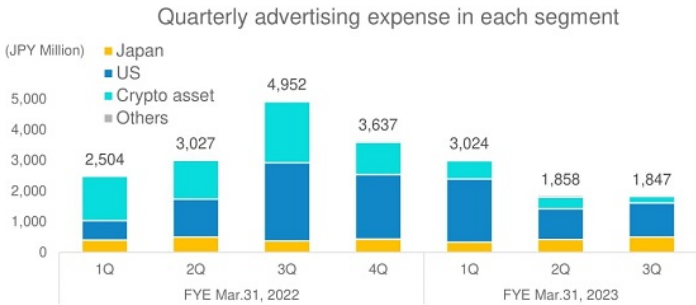
Generating steady profits from the Japan and US brokerage business, larger profits will be expected when the crypto asset market recovers.



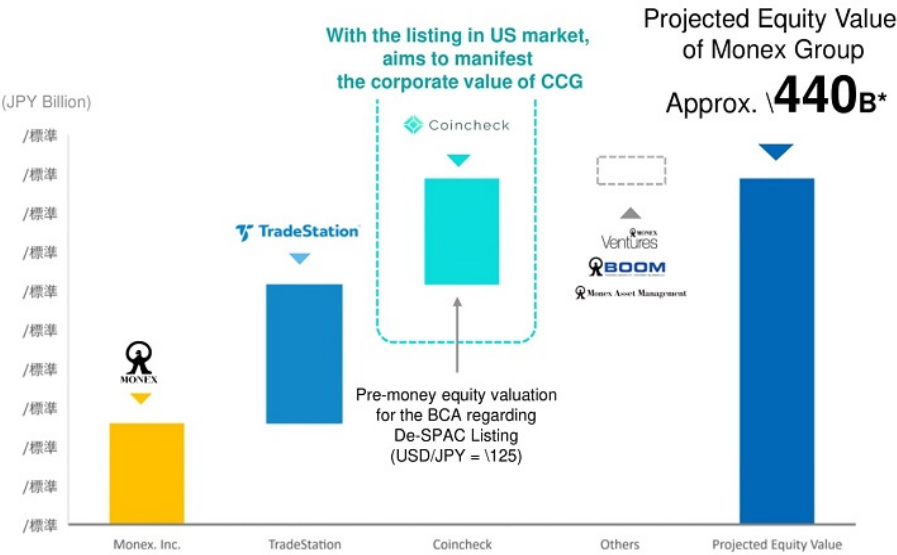
Advertising expenses

The US Segment curbed advertising expenses due to a change in strategy.
The Crypto Asset Segment also made significant reductions in line with the market environment, while being conscious of maintaining the customer base.

Advertising expense	3Q of FYE Mar., 2022	→	3Q of FYE Mar., 2023
US	\2,548M	→	\1,103M
			(\$23M → \$8M)
Crypto Asset	\1,992M	→	\214M



Aim to realize the Group’s projected equity value by manifesting the potential value of major subsidiaries and by steadily implementing growth strategies at each company.



Monex Group conducts adequate risk management on the group-wide crypto asset related businesses.

- Management of Position/Exposure
Almost no crypto-related proprietary position for sales gain purposes in each subsidiary.
 - Appropriate Risk Monitoring
Monitors and manages risk volume on a daily basis based on market condition and counter party risks. Terminated the crypto lending business before the risk emerged.
 - Segregation of Customer Assets and Wallet Management
Segregates legal tender at a trust bank and stores crypto assets exceeding a certain amount in so-called “cold wallets.”
 - Strong Governance Structure
Each subsidiary adheres to its own risk management and the integrated risk control of the group.
-

II . Consolidated Performance

The Japan Segment generates stable profit and the US Segment improved profitability, offsetting the decline of profit in the Crypto Asset Segment. Consolidated pre-tax income in 3Q was \385M.

Japan

US

Crypto Asset

Challenging crypto asset market environment continuously affected trading volume and segment loss was \748M.

Asia Pacific

Investment

* Segment profit/loss = Pre-tax profit/loss. The same hereinafter.

QoQ Comparison (3 months) Consolidated Performance

MONEX GROUP

(JPY million)	FYE Mar. 2023 2Q (Jul. 2022– Sep. 2022)	FYE Mar. 2023 3Q (Oct. 2022– Dec. 2022)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses and cost of sales	18,513	18,072	-441	-2%	P15: Analysis of Japan segment P17: Analysis of US segment (USD) P19: Analysis of Crypto Asset segment
SG&A	17,226	16,775	-452	-3%	P16: Analysis of Japan segment P18: Analysis of US segment (USD) P20: Analysis of Crypto Asset segment
Advertisement expenses	1,858	1,847	-10	-1%	
The amount equivalent to operating income	1,286	1,297	+11	1%	
Other income / expenses (net)	-291	-912	-621	-	
Quarterly profit before income taxes	996	385	-611	-61%	
Quarterly profit attributable to owners of the Company	295	687	+393	133%	
EBITDA*	3,525	3,413	-112	-3%	

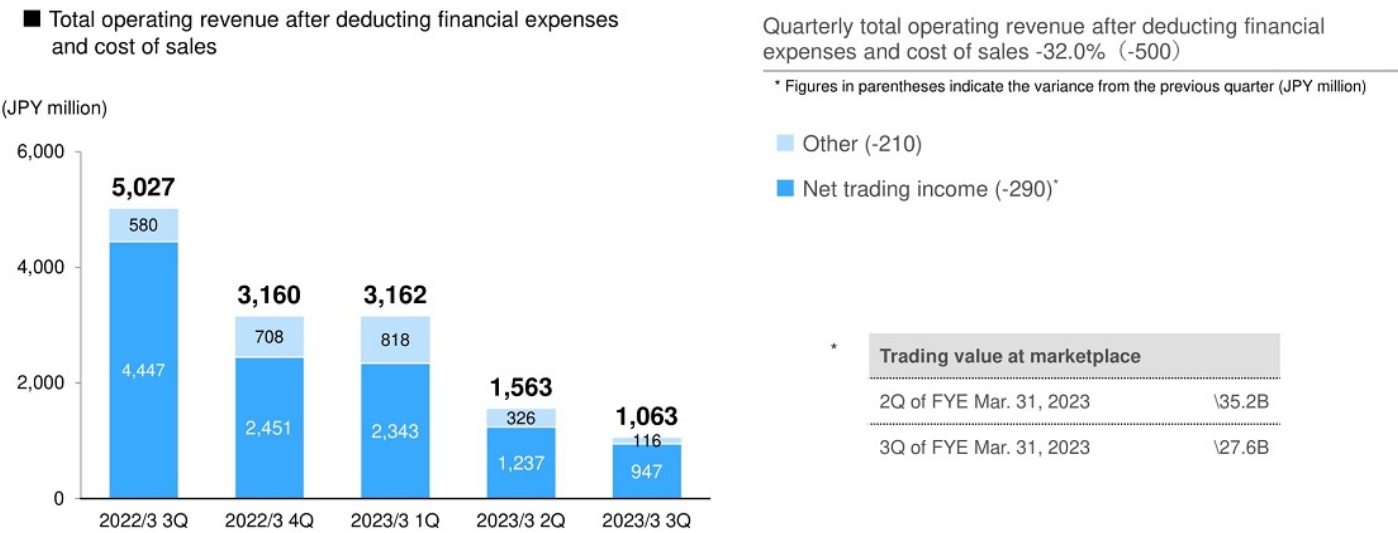
* EBITDA = The amount equivalent to operating income + depreciation and amortization cost + interest expense of US segment (the same hereinafter).

QoQ Comparison (3 months) Segment Performance

MONEX GROUP

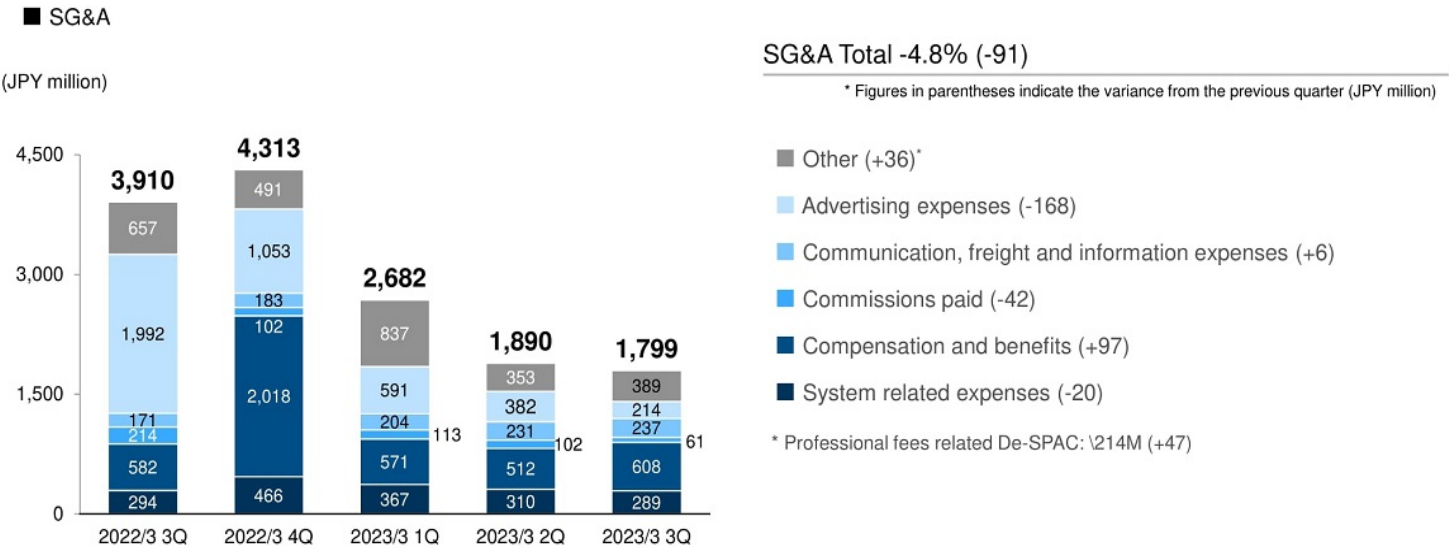
(JPY million)	Japan		US		Crypto Asset		Asia Pacific		Investment	
	2023/3 2Q	2023/3 3Q	2023/3 2Q	2023/3 3Q	2023/3 2Q	2023/3 3Q	2023/3 2Q	2023/3 3Q	2023/3 2Q	2023/3 3Q
Total operating revenue after deducting financial expenses and cost of sales	7,744	8,262	8,912	8,998	1,563	1,063	263	255	248	-314
SG&A	6,782	6,904	8,508	7,996	1,890	1,799	320	294	21	24
Advertisement Expenses	418	505	1,002	1,103	382	214	62	30	-	0
The amount equivalent to operating income	962	1,358	404	1,002	-328	-737	-56	-39	227	-339
Other income / expenses (net)	1,356	-798	-1,505	-18	-63	-12	1	-32	-0	1
Quarterly profit before income Taxes	2,318	561	-1,101	984	-391	-748	-56	-71	227	-338
Quarterly profit attributable to owners of the Company	1,572	400	-1,162	1,176	-207	-576	-54	-66	148	-244
EBITDA	2,124	2,530	1,618	2,388	-220	-615	-21	-7	227	-339
Note	See P15 "total operating revenue after deducting financial expenses" for more details See P16 "SG&A" for more details		See P17 "total operating revenue after deducting financial expenses and cost of sales" for more details See P18 "SG&A" for more details		See P19 "total operating revenue after deducting financial expenses" for more details See P20 "SG&A" for more details					

Crypto: Total revenue decrease driven by a reduction in net trading income as trading volumes were meaningfully impacted by broader crypto market decline.



- Other (-210)
- Net trading income (-290)*

Crypto: Total SG&A expenses decreased QoQ as a result of advertising budget management in response to current market conditions, resulting in a decrease in SG&A.



YoY Comparison (9 months) Consolidated Performance

MONEX GROUP

(JPY million)	FYE Mar. 2022 3Q (Apr.–Dec. 2021)	FYE Mar. 2023 3Q (Apr.–Dec. 2022)	Variance	Rate of change	Reference
Total operating revenue after deducting financial expenses and cost of sales	65,937	54,283	-11,655	-18%	P23: Analysis of Japan segment P25: Analysis of US segment (USD) P27: Analysis of Crypto Asset segment
SG&A	49,307	51,884	2,577	5%	P24: Analysis of Japan segment P26: Analysis of US segment (USD) P28: Analysis of Crypto Asset segment
Advertisement expenses	10,483	6,729	-3,755	-36%	
The amount equivalent to operating income	16,630	2,398	-14,231	-86%	
Other income / expenses (net)	2,649	60	-2,589	-98%	
Profit before income taxes	19,279	2,458	-16,820	-87%	
Profit attributable to owners of the Company	12,462	1,934	-10,528	-84%	
EBITDA	22,812	8,784	-14,028	-61%	

YoY Comparison (9 months) Segment Performance

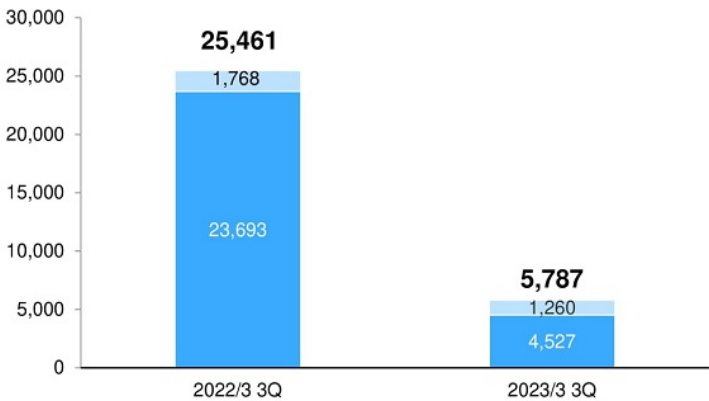
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(JPY million)	Japan		US		Crypto Asset		Asia Pacific		Investment	
	2022/3 3Q	2023/3 3Q	2022/3 3Q	2023/3 3Q	2022/3 3Q	2023/3 3Q	2022/3 3Q	2023/3 3Q	2022/3 3Q	2023/3 3Q
Total operating revenue after deducting financial expenses and cost of sales	22,615	23,351	17,254	24,828	25,461	5,787	940	805	242	100
SG&A	18,458	20,093	21,325	25,370	10,596	6,372	784	913	68	71
Advertisement Expenses	1,288	1,263	4,410	4,164	4,692	1,187	107	135	1	0
The amount equivalent to operating income	4,156	3,258	-4,071	-542	14,865	-585	156	-108	174	29
Other income / expenses (net)	3,650	2,118	263	-1,547	77	-139	14	-20	0	0
Profit before income Taxes	7,807	5,376	-3,808	-2,089	14,942	-724	170	-128	173	29
Profit attributable to owners of the Company	5,124	3,697	-3,144	-1,241	10,251	-516	127	-130	110	130
EBITDA	8,041	6,745	-1,461	3,221	15,165	-244	236	-12	174	29
Note	See P23 "total operating revenue after deducting financial expenses" for more details See P24 "SG&A" for more details		See P25 "total operating revenue after deducting financial expenses and cost of sales" for more details See P26 "SG&A" for more details		See P27 "total operating revenue after deducting financial expenses" for more details See P28 "SG&A" for more details					

Crypto: Significant decrease in net trading income due to lower trading volumes resulting from the decline in crypto asset values and market transaction volume.

■ Total operating revenue after deducting financial expenses and cost of sales

(JPY million)



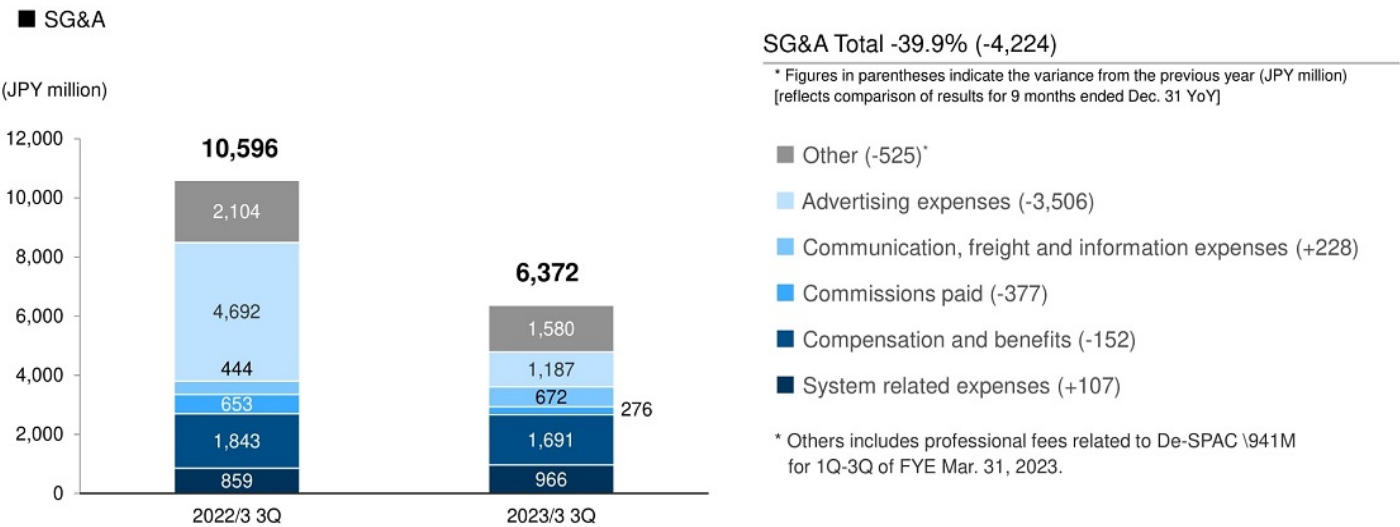
Total operating revenue after deducting financial expenses and cost of sales -77.3% (-19,675)

* Figures in parentheses indicate the variance from the previous year (JPY million) [reflects comparison of results for 9 months ended Dec. 31 YoY]

- Other (-509)
- Net trading income (-19,166)*

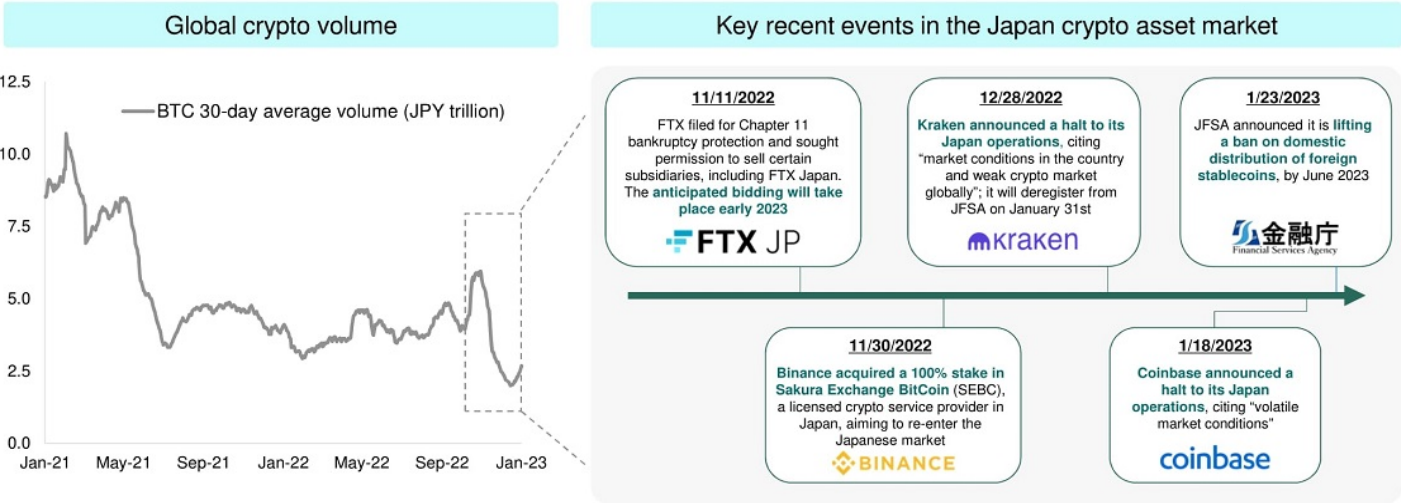
Trading value at marketplace	
3Q of FYE Mar. 31, 2022	\501.9B
3Q of FYE Mar. 31, 2023	\126.8B

Crypto: Advertising expenses decreased by about 75% YoY, by controlling advertising budget in response to current market conditions.



III. Business Update

The crypto asset sector continues to be impacted by the macroeconomic environment and challenges in certain segments of the crypto market; however, Coincheck remains very well-positioned as a leader in product offering, regulatory compliance, and trust.



Source: CoinMarketCap; News articles; FactSet
Note: Volume figures in USD converted to JPY based on exchange rate of 129.61 as of 1/26/2023

No.1 share of app downloads for 4 consecutive years in Japan.

Crypto asset exchange / marketplace

🏆 No.1 domestic market share for
4 consecutive years (by app DLs)^{*1}

5.45M DLs
(+119K QoQ)

🏆 Leading market share with 28%^{*2}
share of verified accounts

1.78M accounts
(+26K QoQ)

Number of tokens supported
by Coincheck trading platform

18 coins

🏆 Market value of cash trading of
Bitcoin (Jul. – Sep. 2022)

No. 1 in Japan

🏆 First and only three-star rating for
customer support in the crypto exchange^{*3}

★★★ (highest)

^{*1} Among Japanese crypto asset exchange apps. Term: 2019-2022. Data source: AppTweak ^{*2} Monthly crypto asset trading status table of JVCEA. As of Nov. 30, 2022. Data source: <https://jvcea.or.jp/about/statistics/>

^{*3} In the "Quality Rating (Mail Contact)" of the HDI Rating Benchmark organized by HDI-Japan.

Plan to create a digital asset ecosystem to diversify its earnings over the mid to long term.

Plan to create a digital asset ecosystem



Coincheck for Business

Opened a dedicated contact for consulting corporate clients in response to their various crypto related needs (e.g. purchasing/selling crypto asset and NFTs, accounting, IEO, etc.)

Coincheck IEO

Plan to issue and sell the FiNANCiE token (FNCT) soon, following Japan's first IEO conducted by Coincheck in 2021.

Coincheck NFT (β)

Leverage the customer base of Coincheck, a crypto asset trading platform, and offer the world's popular NFTs in Japan. Expanded strategic partnership with Animoca Brands.

Oasis TOKYO • Oasis KYOTO • Oasis MARS

Develop virtual communities in a metaverse space in collaboration with creators/artists. Explore revenue opportunities.

Coincheck Group (CCG)^{*1} is proceeding with listing procedures.

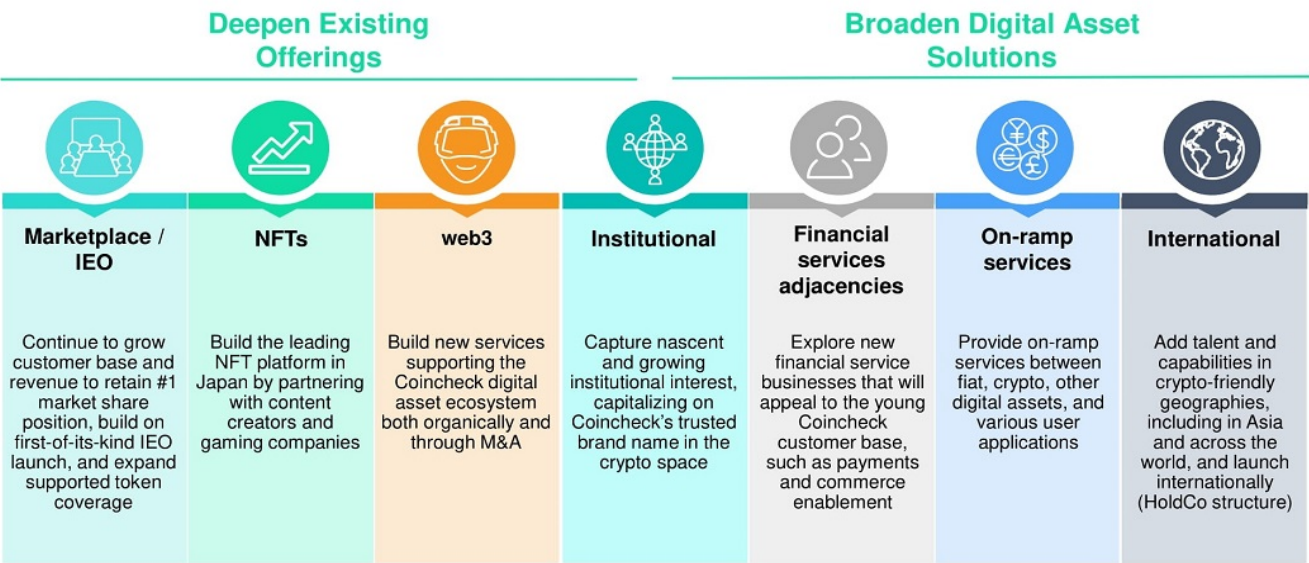
Aiming to be listed on Nasdaq to secure global talent and business opportunities

- After the proposed business combination with Nasdaq-listed SPAC, Thunder Bridge Capital Partners IV, Inc. (THCP), CCG will be a public company listed on the Nasdaq exchange in the U.S.
(Termination date of Business Combination Agreement^{*2} is Jul. 2, 2023)
- Working together with THCP, CCG aims to become a public company on the U.S. Nasdaq to gain exposure to global investors and utilize Nasdaq-listed shares as global and effective currency to recruit global talent and acquire companies, thereby further expanding its crypto asset business.

^{*1} Coincheck Group will be the holding company for Coincheck, Inc.

^{*2} Business Combination Agreement : https://www.monexgroup.jp/en/news_release/irnews/auto_20220309503075/pdfFile.pdf

Coincheck has identified numerous large growth opportunities that can be pursued organically and accelerated through M&A and partnerships.

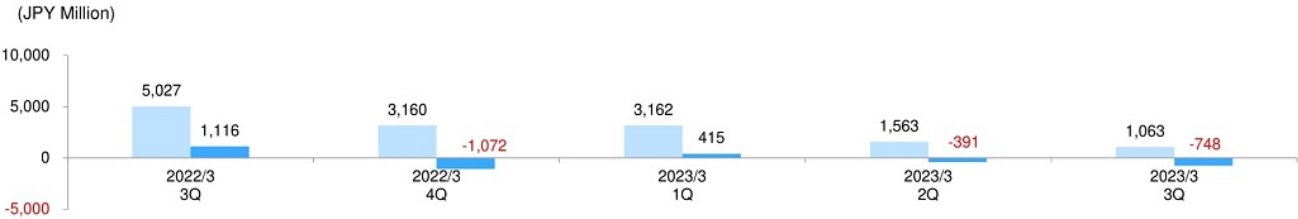


Appendix: Group Overview

◆Total operating revenue after deducting financial expenses and cost of sales, and Segment profit

US

Crypto Asset



■ Coincheck, Inc. (Tokyo, Japan)

Crypto asset Exchange/Marketplace agency

- President: Satoshi Hasuo
- Founded in 2012, joined Monex Group in Apr. 2018
- Cryptocurrencies available: Bitcoin (BTC), Ethereum (ETH), Ethereum Classic (ETC), Ripple (XRP), NEM (XEM), etc.
- # of verified users: 1.78 million
- Customer assets held in custody: JPY 171.9 billion

The numbers above are as of Dec 31, 2022

Listed Holding Company

Monex Group, Inc.

[Japan Segment]

Online Brokerage



Monex, Inc.
Comprehensive investment service provider

Asset Management



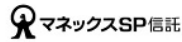
Monex Asset Management, Inc.
Small-lot and low-cost discretionary investment management wrap service

Asset Management

Japan Catalyst, Inc.

Japan Catalyst, Inc.
Investment Advisory and Agency Business

Custodial Trust



Monex SP Trust, Inc.
Manages and disposes trust properties such as securities/cash under instructions

Education



Viling, Inc.
Education



Selan, Inc.
Bilingual education

Marketing DX



ChatBook, Inc.
Automated-chatbot system provider

Genome Platform

GENEX

Genex, Inc.
Whole genome information platform where patients utilize one's data with security

[Investment Business Segment]

Investment and incubation



Monex Ventures, Inc.
Venture capitalist

[US Segment]



TradeStation Group, Inc.
Intermediate Holding Company (US)

Online Brokerage

TradeStation Securities, Inc.
Brokerage firm catering to active traders (US)

Online Brokerage

TradeStation International Ltd
(UK)

Crypto Asset Exchange Agency

TradeStation Crypto, Inc.
(US)

Technology Support

TradeStation Technologies, Inc.
(US)

TradeStation Global Services, S.A.
(Costa Rica)

[Crypto Asset Segment]

Crypto Asset Exchange Agency



Coincheck, Inc.
Offering Coincheck, a crypto asset exchange

[Asia Pacific Segment]

Monex International Limited
Intermediate holding company

Online Brokerage



Monex Boom Securities (H.K.) Limited
(HK)

Online Brokerage



Monex Securities Australia Pty Ltd
(AU)

Technology Support

Cherry Technology Co., Ltd
[Equity method affiliates]

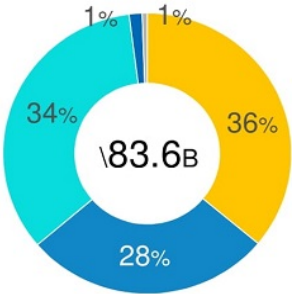
(As of Dec 31, 2022)

Five Segments Contribution in FYE Mar. 2022

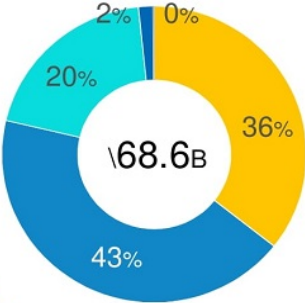
- Japan Segment
- US Segment
- Crypto Asset Segment
- Asia Pacific Segment
- Investment Segment

* Refer to the databook for FYE Mar 2022

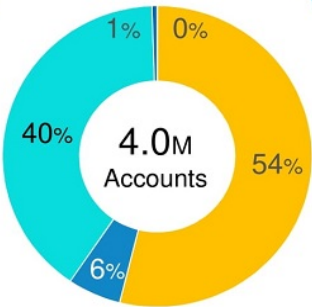
Total operating revenue
after deducting financial expenses



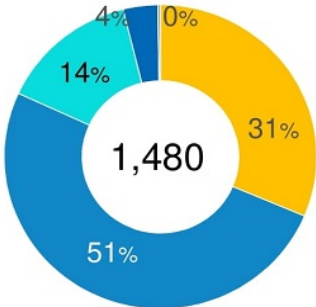
Selling, general and
administrative expenses



Number of Accounts



Number of Employees



About Coincheck

Important Information About the Business Combination and Where to Find It

In connection with the proposed business combination in connection with the business combination agreement among Coincheck, Inc. ("Coincheck"), Coincheck Group B.V. ("CCG"), Thunder Bridge Capital Partners IV, Inc. ("THCP") and others, CCG intends to file a registration statement on Form F-4 that will include a preliminary proxy statement to be distributed to stockholders of THCP in connection with THCP's solicitation of proxies for the vote by its stockholders with respect to the proposed business combination. After the registration statement has been filed and declared effective by the US Securities and Exchange Commission ("SEC"), THCP will mail a definitive proxy statement / prospectus to its stockholders as of the record date established for voting on the proposed business combination and the other proposals regarding the proposed business combination set forth in the proxy statement. CCG or THCP may also file other documents with the SEC regarding the proposed business combination. Before making any investment or voting decision, stockholders and other interested persons are advised to read, when available, the registration statement and preliminary proxy statement / prospectus and any amendments thereto, and the definitive proxy statement / prospectus in connection with THCP's solicitation of proxies for the special meeting to be held to approve the transactions contemplated by the proposed business combination because these materials will contain important information about CCG, Coincheck, THCP and the proposed transaction. Stockholders will also be able to obtain a copy of the preliminary proxy statement / prospectus and the definitive proxy statement / prospectus once they are available, without charge, at the SEC's website at www.sec.gov, or by directing a request to: Thunder Bridge Capital Partners IV, Inc., 9912 Georgetown Pike, Suite D203, Great Falls, VA 22066.

Participants in the Solicitation

CCG, Coincheck and THCP and their respective directors and officers may be deemed participants in the solicitation of proxies of THCP's stockholders in connection with the proposed business combination. THCP's stockholders and other interested persons may obtain, without charge, more detailed information regarding the directors and officers of Coincheck and THCP at Coincheck's website at corporate.coincheck.com, or in THCP's registration statement on Form S-1 filed on June 21, 2021, respectively.

Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to THCP's stockholders in connection with the proposed transaction will be set forth in the proxy statement / prospectus for the transaction when available. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed transaction will be included in the proxy statement / prospectus filed with the SEC in connection with the proposed business combination.

Forward-Looking Statement

This presentation includes "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995, that reflects the current views with respect to, among other things, the future operations and financial performance of the Company, THCP, Coincheck and CCG. Forward-looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," "anticipate," "believe," "could," "continue," "expect," "estimate," "may," "plan," "outlook," "future," and "project" and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward looking statements include, but not limited to, estimated financial information. Such forward looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the businesses of the Company, THCP, Coincheck, or CCG after completion of the proposed business combination are based on current expectations that are subject to risks and uncertainties. No assurance can be given that future developments affecting Company, THCP, Coincheck or CCG will be those that are anticipated. Actual results may differ materially from current expectations due to changes in global, regional or local economic, business, competitive, market, regulatory and other factors, many of which are beyond the control of the Company, CCG, THCP and Coincheck. Should one or more of these risks or uncertainties materialize, or should any of the assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward looking statements. These factors include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Business Combination Agreement (the "Agreement") and the proposed business combination contemplated thereby; (2) the inability to complete the transactions contemplated by the Agreement due to the failure to obtain approval of the stockholders of THCP or other conditions to closing in the Agreement; (3) the ability to meet Nasdaq's listing standards following the consummation of the transactions contemplated by the Agreement; (4) the risk that the proposed transaction disrupts current plans and operations of Coincheck as a result of the announcement and consummation of the transactions described herein; (5) the ability to recognize the anticipated benefits of the proposed business combination, which may be affected by, among other things, competition, the ability of CCG to grow and manage growth profitably, maintain relationships with customers and business partners and retain its management and key employees; (6) costs related to the proposed business combination; (7) changes in applicable laws or regulations; (8) the possibility that Coincheck may be adversely affected by other economic, business, and/or competitive factors; and (9) other risks and uncertainties indicated from time to time in other documents filed or to be filed with the SEC by THCP or CCG. The Company cautions that the foregoing list of factors is not exhaustive. The recipient of this material should not place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company, CCG, THCP and Coincheck undertake no commitment to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law.

This material is an English translation of a Japanese announcement made on the date above. Although the Company intended to faithfully translate the Japanese document into English, the accuracy and correctness of this English translation is not guaranteed and thus you are encouraged to refer to the original Japanese document. This translation was made as a matter of record only and does not constitute an offer to sell or to solicit an offer to buy securities in the US



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