



Monex Group, Inc.

Consolidated Financial Summary under IFRSs for the 1Q of the fiscal year ending March 31, 2025 (April 1, 2024 - June 30, 2024)

This is an English translation for the Japanese report of the consolidated financial summary under IFRSs for the 1Q of the fiscal year ending March 31, 2025. If there is any discrepancy between the statement in English and Japanese, the Japanese statement shall take precedence.

Basis of preparation of financial statements

The financial information included in this report is based on our un-audited consolidated financial statements for the 1Q of the fiscal year ending March 31, 2025. All of those financial statements have been prepared based on IFRSs. All financial information presented in million yen has been rounded to the nearest million.

Use of estimates and judgments

Management of Monex Group, Inc. and its subsidiaries is required to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses in preparation of financial statements in accordance with IFRSs. Actual results could differ from these estimates. Accounting estimates and its underlying assumptions are continually reviewed. The impact of revisions to accounting estimates is prospectively recognized in the period when the revision is made and in subsequent periods.

Monex Group, Inc. / July 2024

Consolidated Financial Summary

For the 1Q of the fiscal year ending March 31, 2025

On October 4, 2023, Monex Group, Inc. (the “Company”) entered into a capital and business alliance agreement (the “Capital Business Alliance Agreement”) among the Company, our subsidiary, Monex, Inc. (“Monex”), and NTT DOCOMO, INC. (“NTT DOCOMO”). Based on the Capital Business Alliance Agreement, On January 4, 2024, the Company transferred a portion of its shares in the intermediate holding company established through a sole share-transfer of Monex to NTT DOCOMO, and the Intermediate Holding Company completed the issuance of additional shares of common stock by way of a third-party allotment to NTT DOCOMO. Although the voting rights ratio of the Intermediate Holding Company is approximately fifty-one percent (51%) for the Company and approximately forty-nine percent (49%) for NTT DOCOMO, the Intermediate Holding Company and Monex became consolidated subsidiaries of NTT DOCOMO based on the effective control standard. As a result, the Intermediate Holding Company and Monex are no longer the Company’s consolidated subsidiaries and instead became equity-method affiliates of the Company. Accordingly, for the current fiscal year, the Company classified the results of operations of Monex as discontinued operations and restated the results of operations for the previous fiscal year in the same manner.

	(Millions of Yen)		
	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024	%change
Operating results (from Apr. 1, 2024 to Jun. 30, 2024):			
Operating income	15,836	19,244	—%
Quarterly profit before income taxes	1,454	3,160	—%
Quarterly profit	2,379	2,562	—%
Quarterly profit attributable to :			
Owners of the Company.....	2,414	2,472	—%
Quarterly comprehensive income.....	3,520	5,303	—%
Earnings per share attributable to owners of the Company			
Basic earnings per share(yen).....	9.42	9.60	—
Diluted earnings per share(yen).....	—	—	—

Note: The business of Monex has been classified as a discontinued operation from the previous fiscal year. Due to this, operating revenue and profit before income taxes are the amounts from continuing operations from which the discontinued operation has been excluded. The amounts presented for profit and profit attributable to owners of the company are aggregates of continuing operations and discontinued operation. The businesses have been similarly reclassified in the fiscal year ended March 31, 2024.

	(Millions of Yen)	
	As of March 31, 2024	As of June 30, 2024
Financial Position		
Total assets	761,642	785,222
Total equity	133,123	135,008
Equity attributable to owners of the Company	131,712	133,125
Ratio of equity attributable to owners of the parent (%)	17.3%	17.0%

Note: Earnings per share attributable to owners of the Company are computed by dividing profit attributable to owners by the weighted average number of common shares outstanding for the period.

(1) Quarterly Consolidated Statements of Income

(Millions of Yen)

	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Continuing operations		
Revenue:		
Operating income.....	15,836	19,244
Other financial income.....	264	198
Other income.....	198	1,804
Equity in income of equity method investments	—	664
Total revenue	16,297	21,910
Expenses:		
Financial expenses.....	2,795	2,282
Cost of sales.....	19	1
Selling, general and administrative expenses	11,725	14,796
Other financial expenses.....	1	34
Other expenses.....	300	1,637
Equity in losses of equity method investments	3	—
Total expenses	14,844	18,751
Quarterly profit before income taxes.....	1,454	3,160
Income tax expense.....	99	597
Profit from continuing operations	1,354	2,562
Discontinued operations		
Profit from discontinued operations.....	1,024	—
Quarterly profit	2,379	2,562
Quarterly profit or loss attributable to:		
Owners of the Company.....	2,414	2,472
Non-controlling interests.....	(35)	90
Earnings per share attributable to owners of the Company:		
Basic earnings per share		
Continuing operations.....	5.42	9.60
Discontinued operations.....	4.00	—
Diluted earnings per share		
Continuing operations.....	—	—
Discontinued operations.....	—	—

(2) Quarterly Consolidated Statements of Comprehensive Income

(Millions of Yen)

	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Quarterly profit	2,379	2,562
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Changes in fair value of equity instruments measured at fair value through other comprehensive income.....	(165)	10
Items that may be reclassified subsequently to profit or loss:		
Changes in fair value of debt instruments measured at fair value through other comprehensive income.....	(322)	291
Cash flow hedges – effective portion of changes in fair value.....	(971)	(282)
Foreign currency translation adjustments in foreign operations.....	2,590	2,751
Share of other comprehensive income of equity method investments.....	9	(29)
Other comprehensive income, net of tax	1,141	2,741
Quarterly comprehensive income	3,520	5,303
Quarterly comprehensive income attributable to:		
Owners of the Company	3,555	5,202
Non-controlling interests	(35)	101

(3) Quarterly Consolidated Statements of Financial Position

(Millions of Yen)

	As of Mar. 31, 2024	As of Jun. 30, 2024
Assets:		
Cash and cash equivalents.....	97,935	66,258
Money held in trust.....	404,602	416,495
Derivative assets.....	443	483
Inventories.....	44,207	40,791
Investments in securities.....	14,066	18,832
Loans secured by securities.....	47,870	64,237
Other financial assets.....	65,534	83,484
Property and equipment.....	6,579	6,793
Intangible assets.....	30,240	37,131
Equity method investments.....	47,312	47,971
Deferred tax assets.....	393	389
Other assets.....	2,461	2,357
Total assets	761,642	785,222
Liabilities and Equity:		
Liabilities:		
Derivative liabilities.....	1,264	1,793
Loans payable secured by securities.....	44,217	61,085
Deposits received.....	328,974	336,190
Guarantee deposits received.....	121,476	137,628
Bonds and loans payable.....	55,944	48,472
Other financial liabilities.....	12,936	12,967
Provisions.....	545	795
Income taxes payable.....	7,815	2,035
Deferred tax liabilities.....	7,448	6,528
Other liabilities.....	47,901	42,721
Total liabilities	628,519	650,215
Equity:		
Common stock.....	13,144	13,144
Additional paid-in capital.....	41,193	41,193
Treasury stock.....	(173)	(173)
Retained earnings.....	62,131	60,740
Other components of equity.....	15,417	18,221
Equity attributable to owners of the Company.....	131,712	133,125
Non-controlling interests.....	1,411	1,883
Total equity	133,123	135,008
Total liabilities and equity	761,642	785,222

(4) Quarterly Consolidated Statement of Changes in Equity

	Equity attributable to owners of the Company								
	Common stock	Additional paid—in capital	Treasury stock	Retained earnings	Other components of equity				
					Changes in fair value of equity instruments measured at fair value through other comprehensive income	Changes in fair value of debt instruments measured at fair value through other comprehensive income	Hedging reserve	Foreign currency translation adjustments in foreign operations	Share—based payments
Balance as of April 1, 2023	¥13,144	¥41,027	¥(714)	¥34,509	¥640	¥(1,493)	—	¥13,113	¥(614)
Profit	—	—	—	2,414	—	—	—	—	—
Other comprehensive income	—	—	—	—	(165)	(322)	(971)	2,590	—
Total comprehensive income	—	—	—	2,414	(165)	(322)	(971)	2,590	—
Transactions with owners:									
Dividends paid	—	—	—	(2,025)	—	—	—	—	—
Recognition of share—based payments	—	—	—	(2)	—	—	—	—	65
Changes of interests in subsidiaries without losing control	—	(5)	—	—	—	—	—	—	—
Total of transactions with owners	—	(5)	—	(2,027)	—	—	—	—	65
Balance as of June 30, 2023	¥13,144	¥41,022	¥(714)	¥34,896	¥475	¥(1,815)	¥(971)	¥15,703	¥(549)

	Equity attributable to owners of the Company			Non—controlling interests	Total equity
	Other components of equity		Total		
	Share of other comprehensive income of equity method investments	Sub—total			
Balance as of April 1, 2023	¥28	¥11,675	¥99,641	¥1,113	¥100,754
Profit	—	—	2,414	(35)	2,379
Other comprehensive income	9	1,141	1,141	—	1,141
Total comprehensive income	9	1,141	3,555	(35)	3,520
Transactions with owners:					
Dividends paid	—	—	(2,025)	—	(2,025)
Recognition of share—based payments	—	65	63	—	63
Changes of interests in subsidiaries without losing control	—	—	(5)	5	—
Total of transactions with owners	—	65	(1,968)	5	(1,963)
Balance as of June 30, 2023	¥37	¥12,881	¥101,228	¥1,083	¥102,312

	Equity attributable to owners of the Company								
	Common stock	Additional paid—in capital	Treasury stock	Retained earnings	Other components of equity				
					Changes in fair value of equity instruments measured at fair value through other comprehensive income	Changes in fair value of debt instruments measured at fair value through other comprehensive income	Hedging reserve	Foreign currency translation adjustments in foreign operations	Share—based payments
Balance as of April 1, 2024	¥13,144	¥41,193	¥(173)	¥62,131	¥139	¥(412)	¥(814)	¥17,436	¥(904)
Profit	—	—	—	2,472	—	—	—	—	—
Other comprehensive income	—	—	—	—	10	291	(282)	2,740	—
Total comprehensive income	—	—	—	2,472	10	291	(282)	2,740	—
Transactions with owners:									
Dividends paid	—	—	—	(3,863)	—	—	—	—	—
Recognition of share—based payments	—	—	—	—	—	—	—	—	74
Obtaining of control of subsidiaries	—	—	—	—	—	—	—	—	—
Total of transactions with owners	—	—	—	(3,863)	—	—	—	—	74
Balance as of June 30, 2024	¥13,144	¥41,193	¥(173)	¥60,740	¥149	¥(121)	¥(1,097)	¥20,176	¥(830)

	Equity attributable to owners of the Company			Non—controlling interests	Total equity
	Other components of equity		Total		
	Share of other comprehensive income of equity method investments	Sub—total			
Balance as of April 1, 2024	¥(28)	¥15,417	¥131,712	¥1,411	¥133,123
Profit	—	—	2,472	90	2,562
Other comprehensive income	(29)	2,730	2,730	11	2,741
Total comprehensive income	(29)	2,730	5,202	101	5,303
Transactions with owners:					
Dividends paid	—	—	(3,863)	—	(3,863)
Recognition of share—based payments	—	74	74	—	74
Obtaining of control of subsidiaries	—	—	—	370	370
Total of transactions with owners	—	74	(3,790)	370	(3,419)
Balance as of June 30, 2024	¥(57)	¥18,221	¥133,125	¥1,883	¥135,008

(5) Quarterly Consolidated Statements of Cash Flows

(Millions of Yen)

	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Cash flows from operating activities:		
Quarterly profit before income taxes.....	1,454	3,160
Quarterly profit from discontinued operations	1,399	—
Depreciation and amortization.....	2,231	1,322
Gain on the remeasurement to fair value of shares of associates	—	(1,679)
Financial income and financial expenses.....	(8,385)	(5,031)
Decrease/increase in derivative assets and liabilities.....	(728)	112
Decrease/increase in assets/liabilities for margin transaction.....	10,216	—
Decrease/increase in loans/loans payable secured by securities...	(12,837)	713
Decrease/increase in money held in trust.....	(30,427)	9,735
Decrease/increase in deposits received and guarantee deposits received.....	64,274	(625)
Decrease/increase in short-term loans receivable.....	(2,222)	(7,002)
Decrease/increase in short-term guarantee deposits.....	(3,255)	(5,723)
Other, net.....	(8,595)	(1,538)
Sub total	13,124	(6,558)
Interest and dividends income received.....	9,726	7,137
Interest expenses paid.....	(1,791)	(2,265)
Income taxes refund/paid.....	(728)	(7,478)
Net cash provided by (used in) operating activities	20,332	(9,164)
Cash flows from investing activities:		
Payments into time deposits.....	(6,995)	—
Proceeds from withdrawal of time deposits.....	6,960	—
Purchase of investments in securities.....	(71)	(6,193)
Proceeds from sales and redemption of securities.....	34	1,427
Purchase of property and equipment.....	(89)	(551)
Purchase of intangible assets.....	(1,633)	(862)
Payments for acquisition of subsidiaries.....	—	(7,114)
Proceeds from sale of subsidiaries.....	—	1,744
Payments for acquisition of associates.....	(200)	—
Payments for acquisition of joint ventures.....	(10)	—
Other, net.....	413	36
Net cash provided by (used in) investing activities	(1,590)	(11,514)
Cash flows from financing activities:		
Net increase/decrease in short-term loans payable.....	(43,480)	(5,489)
Proceeds from issuance of bonds payable.....	—	(3,600)
Repayment of long-term loans payable.....	(3)	(3)
Repayments of lease obligations.....	(291)	(570)
Cash dividends paid.....	(2,001)	(3,830)
Other, net.....	(60)	(13)
Net cash provided by (used in) financing activities	(45,834)	(13,505)
Net increase/decrease in cash and cash equivalents	(27,093)	(34,183)
Cash and cash equivalents at the beginning of period	175,159	97,935

	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Effect of exchange rate change on cash and cash equivalents	3,699	2,506
Cash and cash equivalents at the end of period	151,766	66,258

(6) Going Concern Assumption

Not applicable.

(7) Changes in accounting policies

The material accounting policies applied in the condensed quarterly consolidated financial statements are the same as those applied in the consolidated financial statements for the prior fiscal year, except for the following.

Standards		New/revised requirements
IAS 1	Presentation of Financial Statements	Clarified requirements for classification of liabilities as current or non-current Revised to require disclosure of information on long-term debt with covenants
IAS 7 IFRS 7	Statement of Cash Flows Financial instruments: Disclosures	Amendments to require disclosures to promote transparency in supplier finance agreements
IFRS 16	Leases	Clarify accounting after the date of the transaction for a sale and leaseback

There is no significant impact in the consolidated cumulative first quarter.

(8) Summary Quarterly Consolidated Financial Statements Note

1. Segment Information

The main businesses of the Group are the financial instruments business, cryptocurrency exchange service provider and investment business of securities. The disclosed segments are the 5 segments of “Japan,” “U.S.,” “Crypto Asset,” “Asia-Pacific,” and “Investment.”

Monex, Inc. was previously included in the Japan segment, but was reclassified to discontinued operations in the previous fiscal year and is therefore no longer included in the Japan segment. As an equity-method affiliate of Monex Group, Inc. in the first quarter of the current fiscal year, it is presented in the Japan segment through equity in earnings of affiliates related to Docomo Monex Holdings, Inc.

Segment	Main business	Main company
Japan	Financial instruments business in Japan etc.	Monex, Inc. Monex Asset Management, Inc. 3iQ Digital Holdings Inc. Docomo Monex Holdings, Inc
U.S.	Financial instruments business in U.S.	TradeStation Securities, Inc.
Crypto Asset	Crypto currency exchange service	Coincheck, Inc.
Asia-Pacific	Financial instruments business in Hong-Kong and Australia	Monex Boom Securities(H.K.) Limited
Investment	Investment business of securities	Monex Ventures, Inc. MV I Investment Limited Partnership MV II Investment Limited Partnership TOKYO Wellness Impact Investment Limited Partnership

Notes: Each entity is an independent management unit that establishes comprehensive strategies and conducts business activities

The Group’s operating results by reportable segment

For the Three months ended June 30, 2023

	Reportable segment						Adjustment	Consolidated
	Japan	U.S.	Crypto Asset	Asia-Pacific	Investment	Total		
Operating revenue from external customers	¥2,868	¥11,030	¥1,198	¥258	¥482	¥15,836	¥—	¥15,836
Internal operating revenue or transferred amount between segments	—	266	—	—	—	266	(266)	—
Total	2,868	11,296	1,198	258	482	16,101	(266)	15,836
Financial expenses	(1,223)	(1,270)	(1)	(31)	(271)	(2,795)	—	(2,795)
Cost of sales	—	(229)	(19)	—	—	(248)	229	(19)
Depreciation and amortization	(175)	(796)	(152)	(31)	—	(1,155)	—	(1,155)
Other selling, general and administrative expenses	(1,367)	(7,510)	(1,440)	(232)	(26)	(10,574)	3	(10,571)
Other income and expenses (net amount)	272	(117)	18	(9)	9	172	(12)	160
Equity in profits or losses of equity method investments	—	—	—	0	(4)	(3)	—	(3)
Segment profit or loss (profit before income taxes)	¥375	¥1,374	¥(396)	¥(45)	¥191	¥1,499	¥(45)	¥1,454

The following financial income and sales revenue are included in the operating revenue.

Millions of Yen

	Reportable segment						Adjustment	Consolidated
	Japan	U.S.	Crypto Asset	Asia-Pacific	Investment	Total		
Financial income	¥1,192	¥5,587	¥—	¥72	¥482	¥7,333	¥—	¥7,333
Sales revenue	—	263	72	—	—	335	(263)	72

Notes: (*1) Adjustment refers to elimination between segments.

(*2) Transactions between segments are made by arm's length price.

(*3) Segment profit or loss is profit or loss before income taxes.

For the Three months ended June 30, 2024

	Reportable segment						Other	Adjustment	Consolidated
	Japan	U.S.	Crypto Asset	Asia-Pacific	Investment	Total			
Operating revenue from external customers	¥2,812	¥13,174	¥3,118	¥341	¥(200)	¥19,244	¥—	¥—	¥19,244
Internal operating revenue or transferred amount between segments	398	4	—	0	—	402	399	(801)	—
Total	3,210	13,178	3,118	341	(200)	19,646	399	(801)	19,244
Financial expenses	(909)	(1,560)	(4)	(50)	—	(2,523)	—	241	(2,282)
Cost of sales	—	(1)	—	—	—	(1)	—	—	(1)
Depreciation and amortization	(186)	(909)	(183)	(44)	—	(1,322)	—	—	(1,322)
Other selling, general and administrative expenses	(2,636)	(8,415)	(2,289)	(263)	(34)	(13,637)	—	162	(13,474)
Other income and expenses (net amount)	242	85	3	(9)	10	332	—	(2)	330
Equity in profits or losses of equity method investments	678	—	—	(6)	(8)	664	—	—	664
Segment profit or loss (profit before income taxes)	¥398	¥2,379	¥644	¥(31)	¥(231)	¥3,160	399	¥(399)	¥3,160

The following financial income and sales revenue are included in the operating revenue.

Millions of Yen

	Reportable segment						Other	Adjustment	Consolidated
	Japan	U.S.	Crypto Asset	Asia-Pacific	Investment	Total			
Financial income	¥922	¥6,506	¥6	¥139	¥(200)	¥7,373	¥399	¥(622)	¥7,150
Sales revenue	—	1	—	—	—	1	—	—	1

Notes: (*1) Other represents dividends paid by the reportable segments to the Company.

(*2) Adjustment refers to elimination between segments.

(*3) Transactions between segments are made by arm's length price.

(*4) Segment profit or loss is profit or loss before income taxes.

2. Earnings per Share

The basis for calculating basic earnings per share and diluted earnings per share for the current fiscal year is as follows

	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Earnings per share attributable to owners of the Company (Millions of Yen)	¥2,414	¥2,472
Continuing operations (Millions of Yen)	1,390	2,472
Discontinued operations (Millions of Yen)	1,024	—
Weighted average number of shares (Thousands of Share)	256,364	257,564
Basic earnings per share (Yen)	9.42	9.60
Continuing operations (Yen)	5.42	9.60
Discontinued operations (Yen)	4.00	—

Note: Diluted earnings per share is not stated as there are no potential ordinary shares.

3. Discontinued operations

(1) Outline of Discontinued Operations

On January 4, 2024, the Company transferred a portion of its shares in the Intermediate Holding Company, which was established through a sole transfer of the Company's subsidiary Monex, Inc. to NTT DOCOMO, Inc. As a result, the businesses of the intermediate holding company and Monex, Inc. were classified as discontinued operations and restated the results of operations for the previous fiscal year in the same manner.

(2) Results of Discontinued Operations

	(Millions of Yen)	
	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Discontinued operations		
Revenue:	8,921	—
Expenses	(7,522)	—
Profit before income taxes from discontinued operations	1,399	—
Income tax expense	(374)	—
Profit from discontinued operations	1,024	—

Note: Although we offset all intragroup transactions in consolidation, we have selected not to offset transactions with discontinued operations made by the continuing operations prior to the stock transfer in continuing operations because we believe this will provide useful information to users of the financial statements and because we expect the transactions with the discontinued operations to continue after the stock transfer.

(3) Cash flows of discontinued operations

	(Millions of Yen)	
	Three months ending Jun. 30, 2023	Three months ending Jun. 30, 2024
Cash flows of discontinued operations		
Cash flows from operating activities	23,219	—
Cash flows from investing activities	(888)	—
Cash flows from financing activities	(45,228)	—
Total	(22,897)	—

(9) Events after the Reporting Period

(Disposition of Treasury Stock as Restricted Stock Remuneration)

TOKYO, July 8, 2024 - the Company resolved at its board of directors meeting to dispose of its treasury shares as stock remuneration (the “Disposition of Treasury Stock”) for the members of the board, executive officers, expert directors and executive directors of the Company and the members of the board (excluding outside directors), expert directors and executive directors of the Company’s subsidiaries (collectively referred to as the “Eligible Officers”).

Outline of disposition

(1) Date of disposition	July 26, 2024
(2) Class and number of shares to be disposed of	321,200 shares of the common stock of the Company
(3) Disposal value	JPY 713 per share
(4) Total disposal value	JPY 229,015,600
(5) Recipients of disposed shares	Members of the board of the Company 9 persons, 64,400 shares Executive officers of the Company (*) 4 persons, 16,100 shares Expert directors and executive directors of the Company, and members of the board (excluding outside directors), expert directors and executive directors of the Company’s subsidiaries 17 persons, 240,700 shares (*) Executive officers concurrently serving as members of the board are included as members of the board.

(Decision to Repurchase Shares)

July 26, 2024, the Company resolved at its board of directors meeting to repurchase its shares pursuant to Article 156 of the Companies Act of Japan (the “Act”), as applied pursuant to Paragraph 3, Article 165 of the Act.

1.Reasons for Share Repurchase

As part of the efforts to implement management that is conscious of cost of capital and stock price, the Company has decided to repurchase up to 5 billion yen of its own shares in order to return some of the unutilized cash to shareholders.

2.Details of share repurchase

(1) Class of shares to be repurchased	Common stock of the Company
(2) Total number of shares to be repurchased	Up to 14,000,000 shares (5.43% of the total number of shares issued and outstanding (excluding treasury stock))
(3) Total cost for repurchase	Up to 5,000,000,000 yen
(4) Repurchase Period	From July 29, 2024 to June 30, 2025
(5) Repurchase Method	Purchases from the market on the Tokyo Stock Exchange based on a discretionary trading agreement