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Stock Code : 8609

OKASAN SECURITIES GROUP

Fiscal Year Ended March 31, 2025 (FY25)

Business Briefing

**Financial Results・
Management Strategy**

May 16th, 2025

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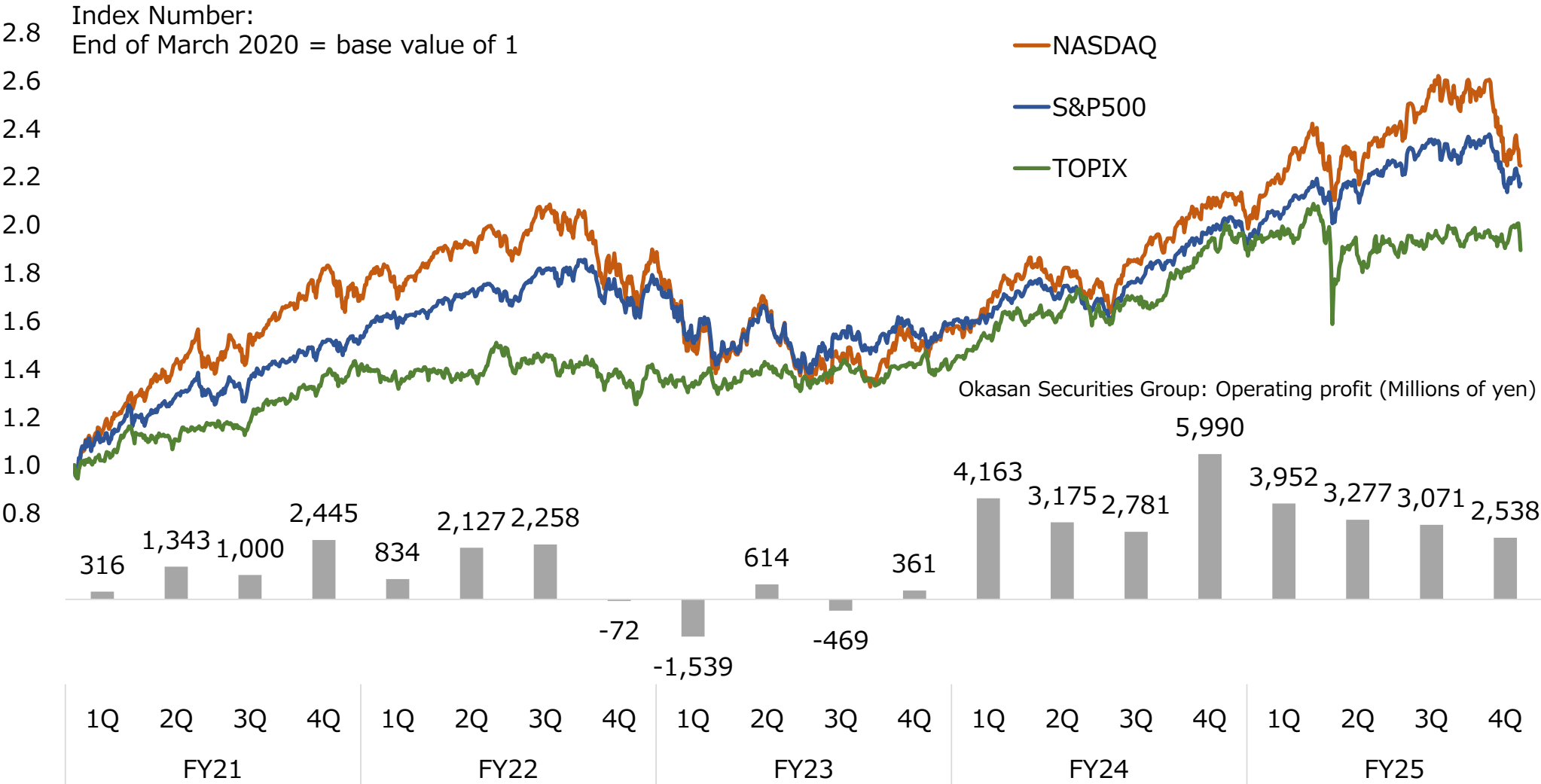
01

Financial Summary of FY25

Summary of FY25

- ✓ High trading volume on foreign equities by retail investors, regardless of the Nikkei 225 showing volatility.
- ✓ Recurring revenue to expand as customer valuation trend remains high.
- ✓ Okasan Securities to launch a platform business on securities services
- ✓ Net assets inflow to show continuous influx of assets as OKASAN BANK and Okasan UBS Fund Wrap progress.

Stock Indexes & Operating Profit Trends



Financial Highlights

(Millions of yen)

	FY24 TOTAL	FY25 TOTAL	vs. FY24 TOTAL
Operating revenue	84,509	81,936	▲3.0%
Net operating revenue	82,553	79,849	▲3.3%
SG&A	66,442	67,010	0.9%
Operating profit	16,111	12,838	▲20.3%
Ordinary Profit	18,061	15,577	▲13.8%
Profit attributable to owners of parent	13,167	11,652	▲11.5%

FY25 Key Features

- ✓ **Operating revenue to decrease 3.0% YoY**
Decline from FY24 which marked a record high post-Abenomics.
Other operating revenue (investment trust fees etc.) - which reflects recurring revenue - to increase, offset by lower net trading income.

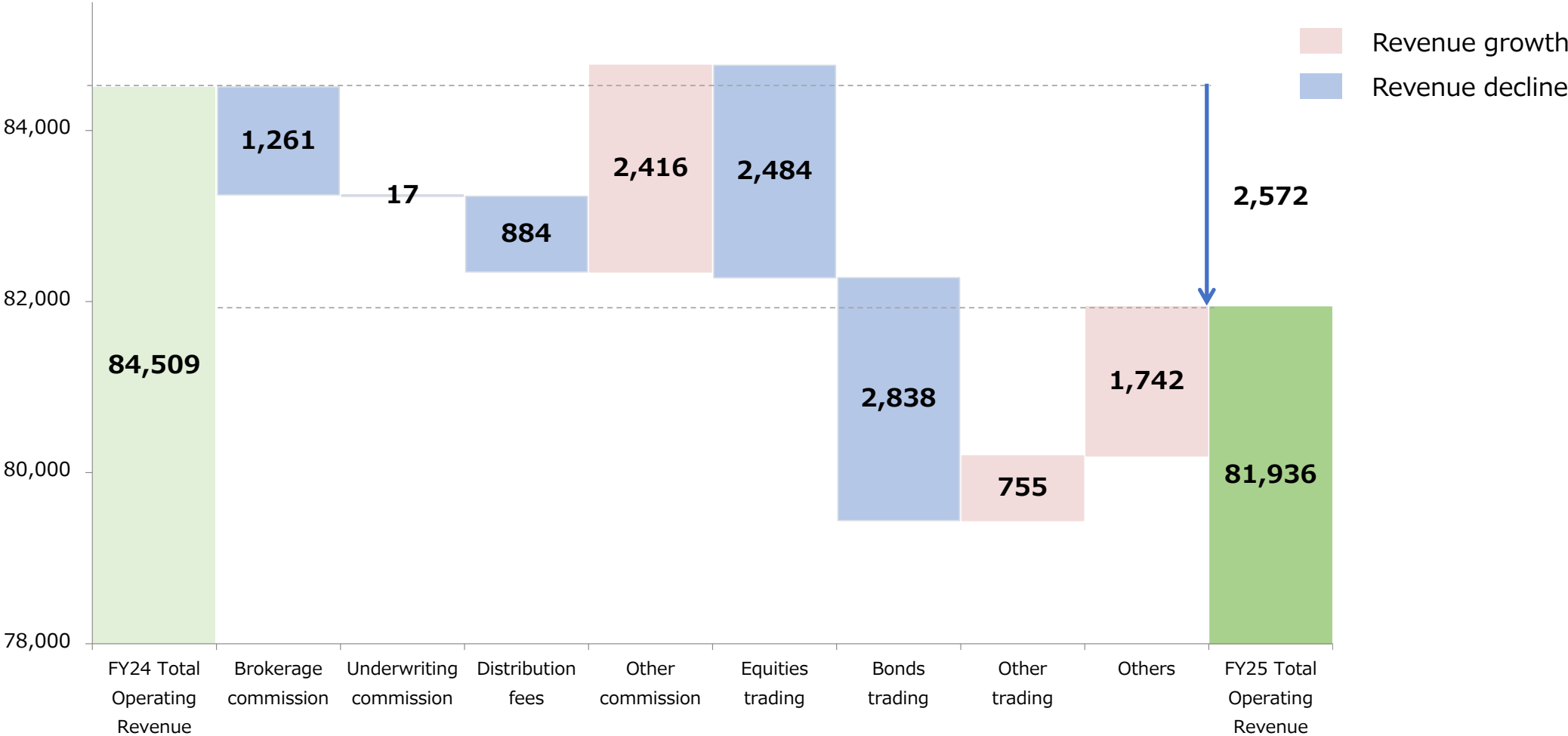
- ✓ **Ordinary Profit to decrease 13.8% YoY**
SG&A to increase 0.9% YoY, due to higher expenses including personnel and real estate.

- ✓ **Profit attributable to owners of parent to decrease 11.5% YoY**

Changing Factors of Operating Revenue (YoY)

(Millions of yen)

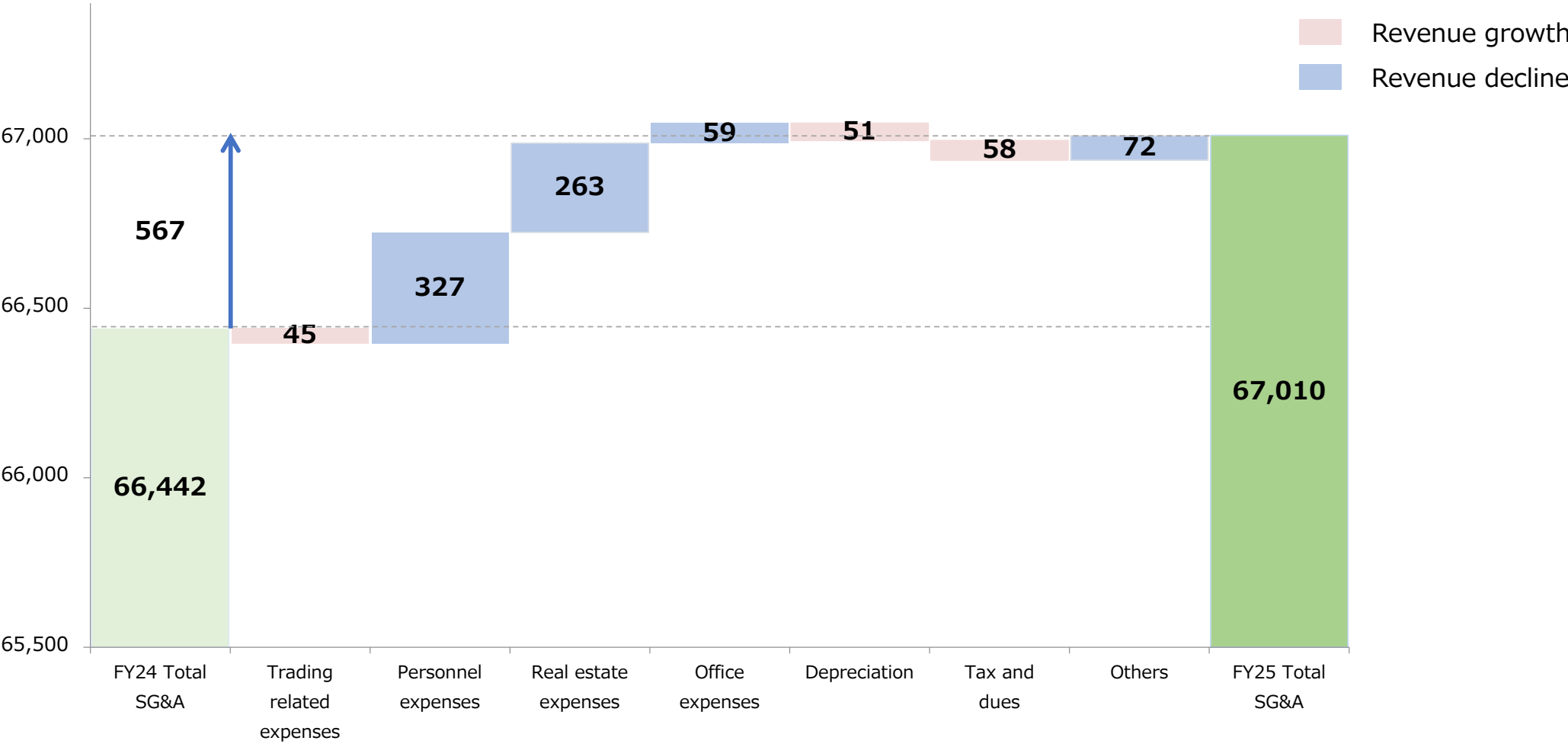
※"Others" include financial revenue and other operating revenue.
 ※Figures less than 1 million yen are omitted.



Changing Factors of SG&A (YoY)

(Millions of yen)

※ Figures less than 1 million yen are omitted.



Quarterly Performance

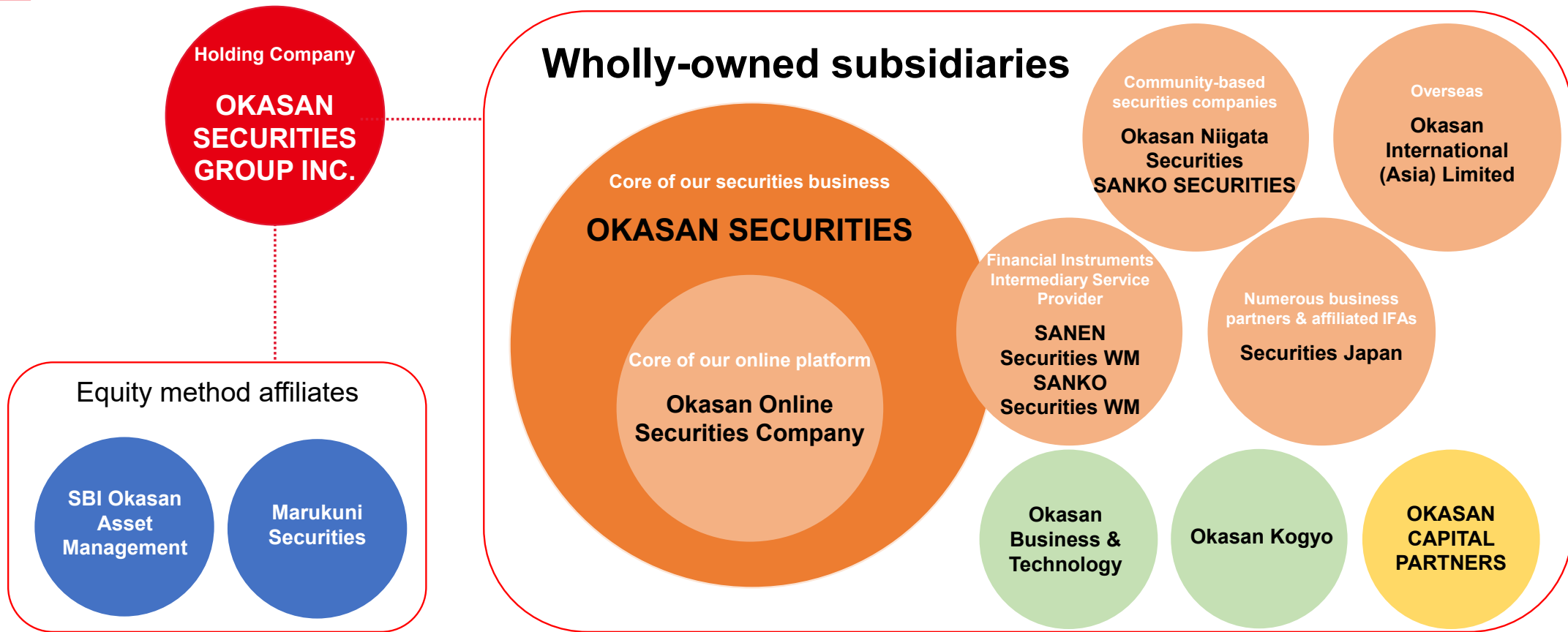
(Millions of yen)

	FY24				FY25				FY25	
	1Q	2Q	3Q	4Q	TOTAL	1Q	2Q	3Q	4Q	TOTAL
Operating revenue	21,247	19,959	19,639	23,663	84,509	21,117	20,384	20,723	19,712	81,936
Commission received	12,363	12,754	11,021	13,809	49,948	12,976	12,686	12,592	11,946	50,201
Brokerage	6,053	5,417	4,825	7,877	24,173	6,392	5,383	5,687	5,448	22,911
Underwriting	560	289	169	440	1,459	409	336	541	154	1,442
Distribution	3,491	4,603	3,510	2,813	14,419	3,224	3,949	3,259	3,101	13,534
Other commission received	2,258	2,444	2,516	2,677	9,896	2,950	3,016	3,104	3,242	12,313
Net trading income	7,711	5,902	7,287	8,239	29,139	6,790	6,124	6,133	5,523	24,572
Equities	5,674	4,838	5,922	6,372	22,808	5,395	4,794	5,549	4,584	20,323
Bonds	2,001	1,404	1,086	2,003	6,496	1,500	695	885	576	3,658
Others	34	-340	278	-136	-164	-106	635	-301	363	590
Financial revenue	794	878	887	1,027	3,588	928	1,161	1,393	1,819	5,303
Other operating revenue	378	423	442	587	1,832	422	412	602	422	1,859
Financial expenses	480	497	507	469	1,955	476	410	489	710	2,087
Net operating revenue	20,766	19,461	19,131	23,193	82,553	20,640	19,973	20,233	19,002	79,849
SG&A	16,603	16,285	16,349	17,203	66,442	16,688	16,696	17,162	16,463	67,010
Trading related expenses	2,654	2,572	2,734	2,758	10,720	2,606	2,534	2,747	2,787	10,675
Personnel expenses	8,240	8,322	8,222	8,431	33,216	8,319	8,504	8,504	8,215	33,543
Real estate expenses	1,948	1,916	1,901	1,886	7,652	2,160	1,914	1,932	1,908	7,915
Office expenses	2,210	2,085	2,113	2,517	8,926	2,154	2,231	2,531	2,067	8,985
Depreciation	786	792	801	842	3,222	731	821	786	832	3,171
Taxes and dues	375	319	275	387	1,357	381	319	320	277	1,299
Others	388	276	300	380	1,347	333	371	339	374	1,419
Operating profit	4,163	3,175	2,781	5,990	16,111	3,952	3,277	3,071	2,538	12,838
Non-operating income	430	814	132	1,089	2,466	446	1,194	209	1,244	3,094
Non-operating expenses	20	41	50	402	515	65	79	41	168	355
Ordinary profit	4,573	3,947	2,863	6,676	18,061	4,333	4,391	3,238	3,614	15,577
Extraordinary income	1,711	0	40	522	2,275	1,291	134	778	115	2,320
Extraordinary losses	49	61	294	1,732	2,138	225	11	38	732	1,008
Profit before income taxes	6,235	3,887	2,608	5,467	18,199	5,399	4,513	3,978	2,997	16,889
Profit attributable to owners of parent	5,201	2,794	1,785	3,385	13,167	3,309	3,369	2,832	2,141	11,652

02

Group Highlights, Topics

Group Overview



Assets under custody
8.2 trillion yen

Number of accounts
1,088 thousands

Strategic alliances
100 companies

(As of March 31, 2025)

Latest Key Topics (Launch of Okasan Securities' securities platform)



Revision of Target Indicators (Medium-term Business Plan)

- ✓ March 2025: Revised the target indicator on “Business Partner”
- ✓ Revised the anticipated primary platform users to securities companies that converted its business to a Financial Instruments Intermediary Service Provider

Stakeholder	Item	Target for March 2028	As of March 2023	→ As of September 2024
Business Partner	Number of companies utilizing the platform (contracted IFA corporations, companies utilizing the system)	130 companies (100, 30)	53 companies (40, 13)	→ 58 companies (47, 11)



Revised Target Indicators

*“Securities Plus+” is a securities platform provided by the Group

Stakeholder	Item	Target for March 2028	As of March 2023	→ As of March 2025
Business Partner	Number of companies utilizing the Okasan platform* (Securities Plus+)	15 companies	4 companies	→ 7 companies

Okasan Securities Group: Medium-term Business Plan ► <https://www.okasan.jp/english/group/plan.html>

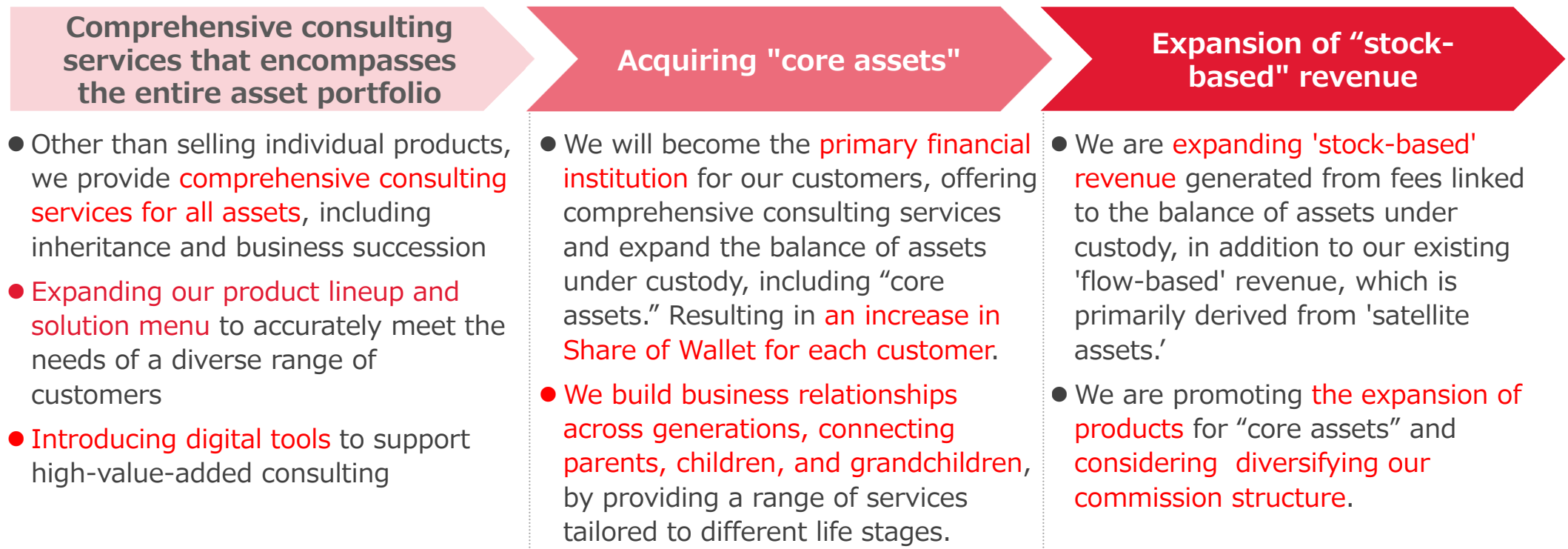
03

Growth Strategy (1)

“One to One Marketing Enhancement”

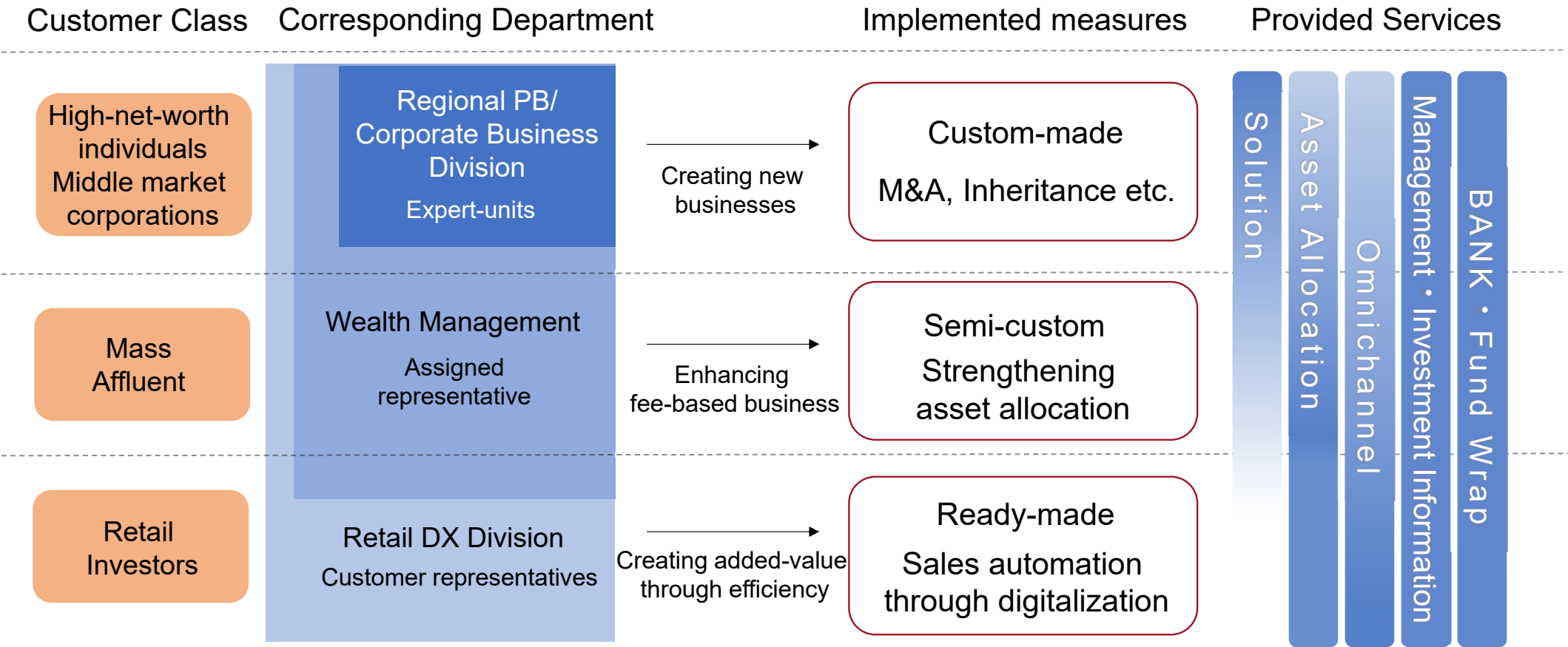
Expand “stock-based” earnings by capturing “core assets” *Reference: [Medium-term Business Plan]

By promoting “One-to-One Marketing,” we aim to increase the balance of assets under custody, including “core assets” through comprehensive consulting services that consider our customers’ overall assets: which in turn would increase “stock-based” revenue, generated from fees linked to the balance of assets under custody



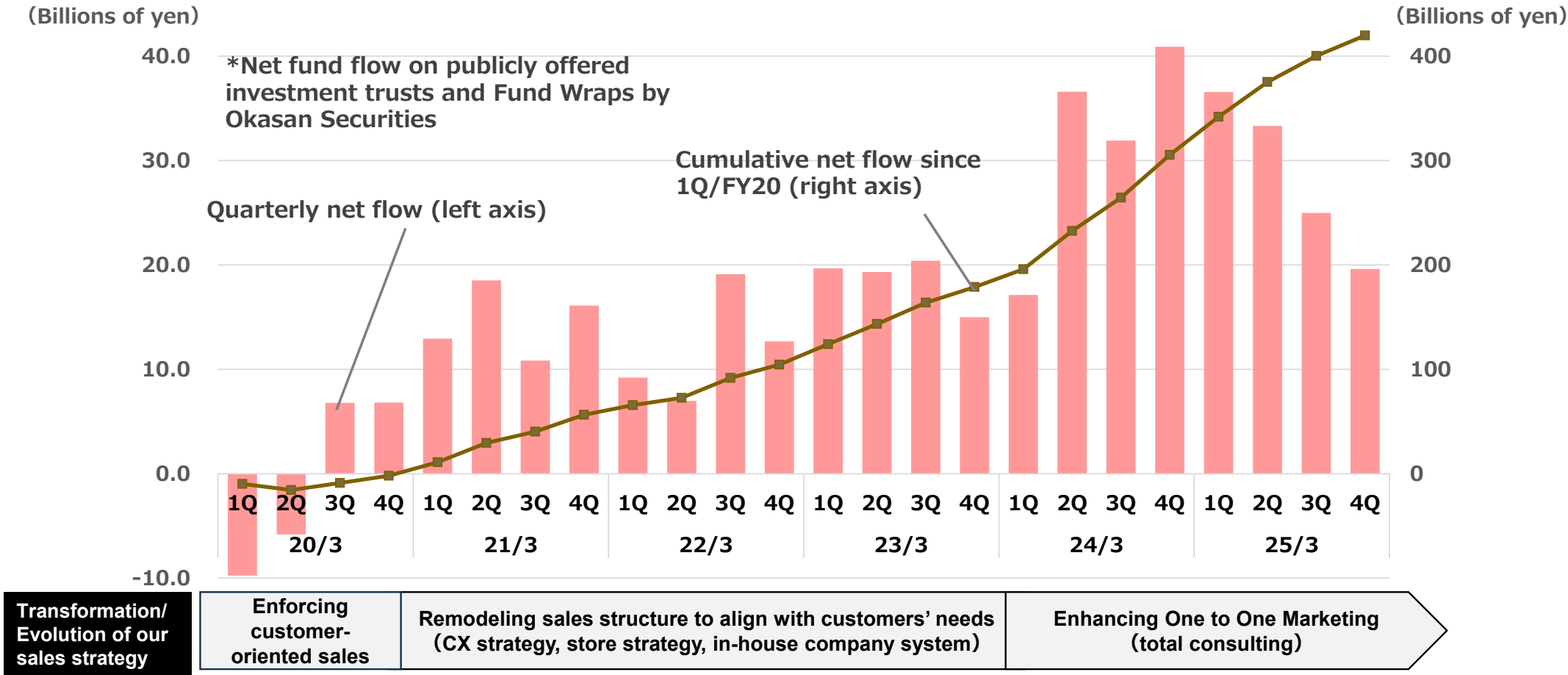
Appropriate Measures Implemented by Corresponding Departments Per-Customer

Retail Strategy Map



Investment Trust: Net Funds Flow Performance

Net Flow Trends on Investment Trusts



Constant Evolution on Sales Strategies

- ✓ Strengthening sales strategies by integrating operations of Retail Company Management Division and Products Solution Development Division
- ✓ Enhance frontline flexibility by further promoting securities related in-house company system's "decentralization"

Retail Company Management Division

(fmr.: Marketing Management Division)

【Main Responsibilities】

**Management guidance/support
(budget/process management)**

Products Solution Development Division

(fmr.: Products Solution Division)

【Main Responsibilities】

**Development/promotion of product
solution that align with customer needs**

Collaborative support

Okasan Nishinihon
Securities Company

Okasan Kansai
Securities Company

Okasan Mie
Securities Company

Okasan Tokai
Securities Company

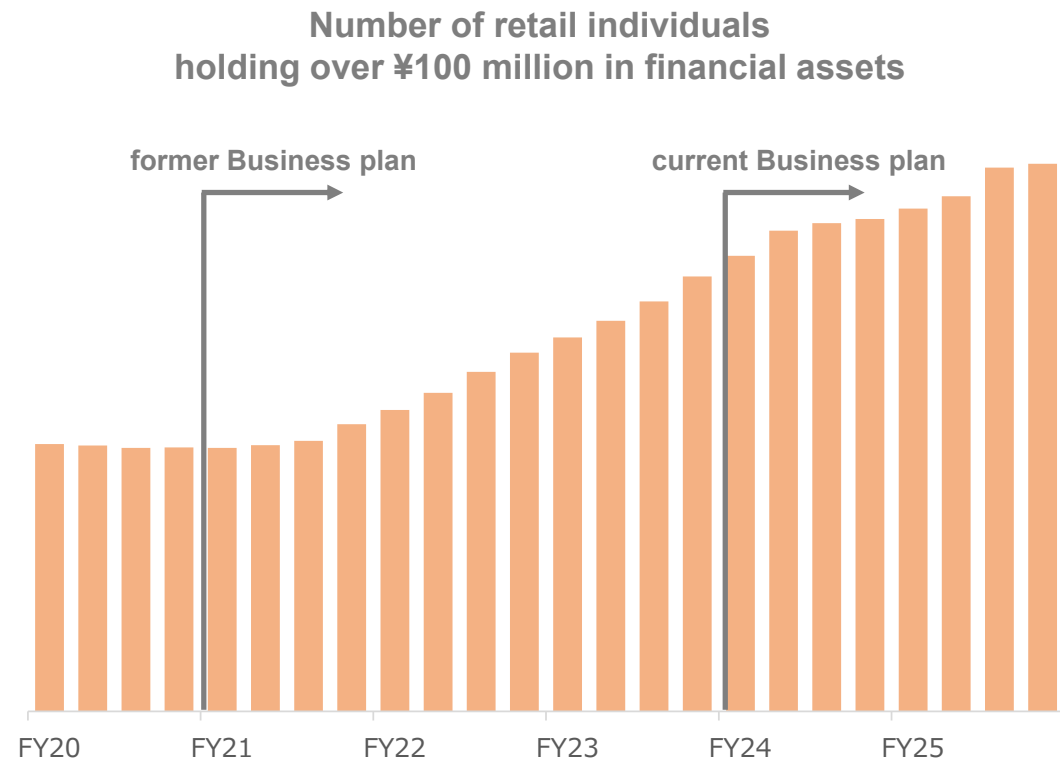
Okasan Tokyo
Securities Company

Further promoting "decentralization"

Focusing on the High-net-worth Class

Further enhancing services aimed for high-net-worth individuals by relocating/establishing Private Banking Departments within four securities related companies

- ① Okasan Tokyo Securities Company
└ **Private Banking Dept.: Relocated**
- ② Okasan Tokai Securities Company
└ **Tokai Private Banking Dept.: Established**
- ③ Okasan Kansai Securities Company
└ **Kansai Private Banking Dept.: Established**
- ④ Okasan Nishinihon Securities Company
└ **Nishinihon Private Banking Dept.: Established**



Solution Delivery: Cultivating Assets in Third-party Accounts

- ✓ Utilizing OKASAN BANK (launched Sep 2024) and Okasan UBS Fund Wrap (launched Oct 2024) to attract core assets from high-net-worth individuals to middle-market firms
- ✓ Further expanding our list of solutions while strengthening our workforce and enhancing services

<List of Solutions>

Main Business Support

- M&A (buy)
- Leasing
- Business Insurance

Real Estate Operations

- Fractional Ownership
- Profitable Properties
- Overseas Properties

Owner & Family

- Inheritance Measures
- Asset Management

Business Succession

- M&A (sell)

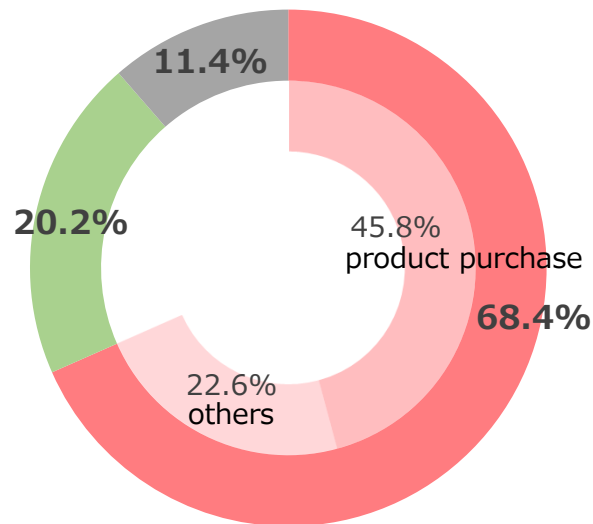
New Solutions

- OKASAN BANK
- Okasan UBS Fund Wrap

OKASAN BANK (launched Sep 2024)

- ✓ Net cash inflow to increase; contributing to approaching assets previously placed in third-party accounts and preventing outflow
- ✓ Running cross-promotions: granting a fixed deposit account (account limit = purchased amount) with bonus interest rates by purchasing eligible items (FW, investment trusts)
 - ➔ Asset retention (Okasan Securities) to reach 90% out of the fixed deposits that reached maturity (68.4% transferred to securities accounts, 20.2% to remain in BANK accounts)

FD maturity: transfer sites



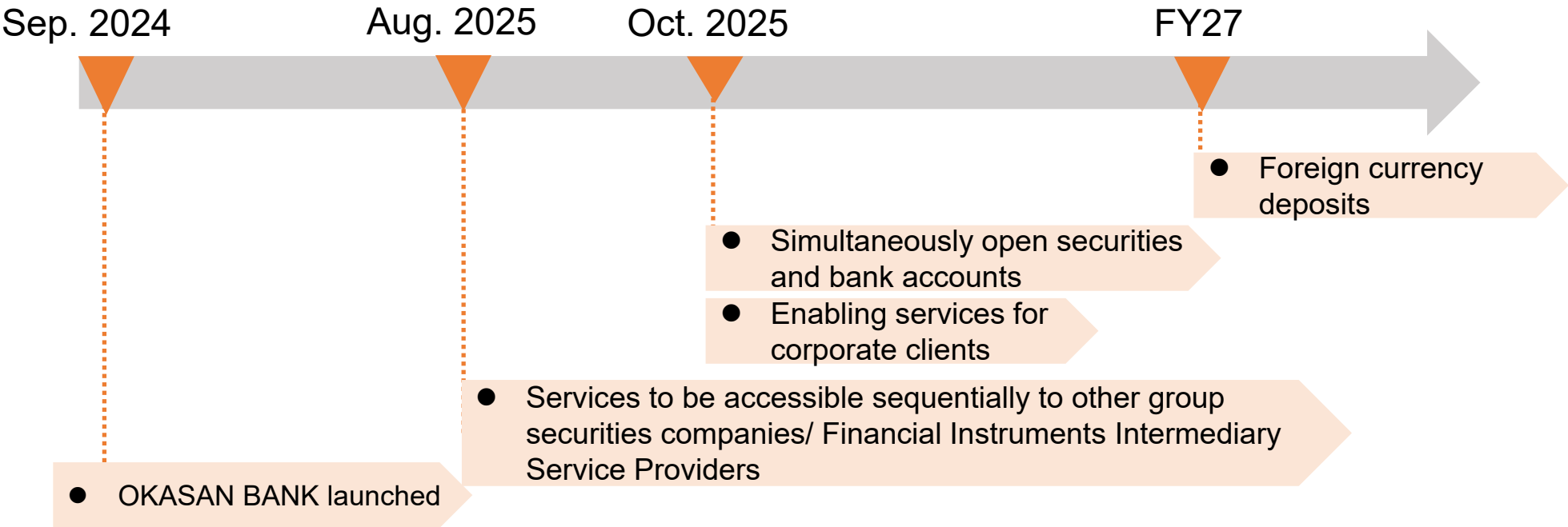
■ Okasan securities account ■ BANK account ■ outflow

Retaining approx. 90% of assets in Okasan Securities

※Results obtained by analyzing FD that used our cross-promotion and had reached maturity during Feb-Mar 2025

OKASAN BANK: Timeline on Expanding Features

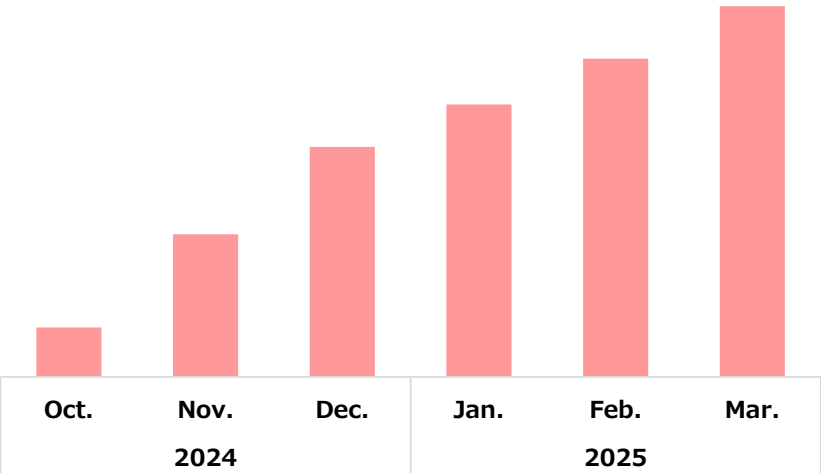
We plan to enhance available features and services to promote further inflow on “core assets”



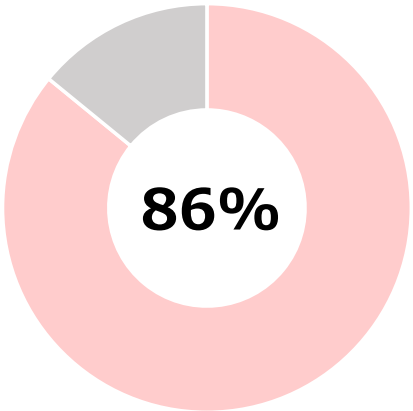
Okasan UBS Fund Wrap (launched Oct. 2024)

- ✓ Asset under management (AUM) to gradually increase with growing demands by customers
- ✓ 86% of all contracts are driven by new capital inflows, contributing significantly to the onboarding of underlying assets
- ✓ Running cross-promotions with OKASAN BANK (providing bonus interest rates on par with purchased amount on eligible items)
 - ➡44% of all users to utilize the campaign

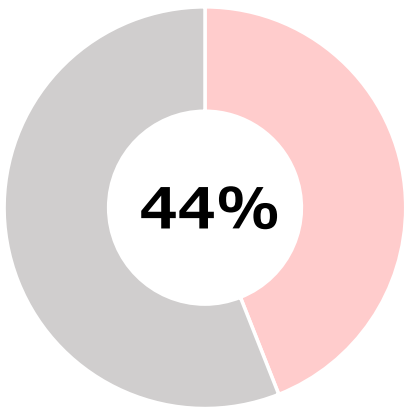
FW Asset Balance: Monthly Outstanding



Purchases made by using new funds



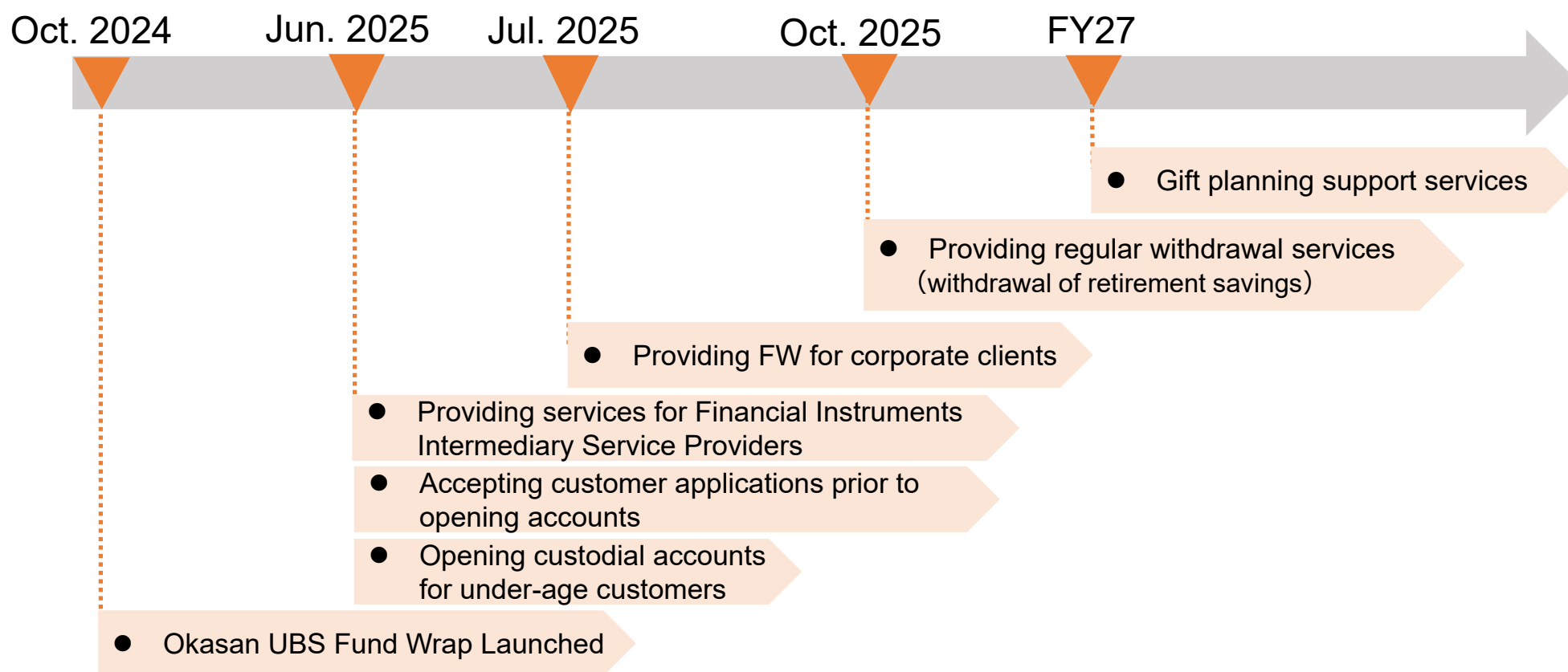
OKASAN BANK cross-promotion usage



*Transactions between Oct. 2024 –Mar. 2025

Okasan UBS Fund Wrap: Timeline on Expanding Services

Accelerating the accumulation of recurring revenue by prompting service expansion



03

Growth Strategy (2)

Platform Strategy

Platform Advancement

*Reference: 【Medium-term Business Plan】

Accelerating the expansion of 'Securities as a Service' to both within and outside of the Group by strengthening securities business functions

customers



Providing securities services through a diverse range of sales channels by promoting alliances, M&A, and other strategies

Okasan Securities
(In-person, Online)

Subsidiaries in
financial services

Related securities
companies

IFA

Regional financial
institutions nationwide

Strengthening "Quantity" (Sales Channels)

Providing services to a broader range of customers through a diverse array of sales channels.



Okasan Securities Group

Enhancing the securities business functions by utilizing the resources and know-how of external partners

Strengthening "Quality" (Securities Business Functions)

Effectively utilizing resources from other companies rather than fixating on being self-sufficient.

Investment Information

Inheritance support

M&A and Business Succession

Compliance

Induction course



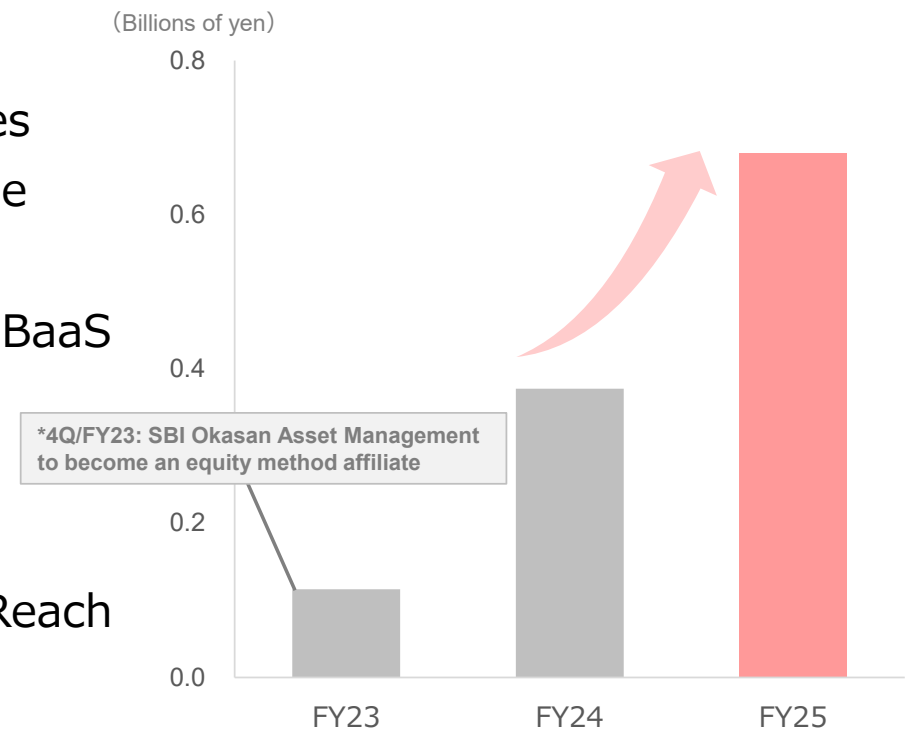
Accelerating Platform Advancement through “Open Architecture”

Increase recognition on our platform business by providing services enabled through the encouragement on integration using open architecture

Leveraging External Resources

- Switching to a shared-use core system
- Launching Okasan UBS Fund Wrap which incorporates UBS Group’s knowledge in wealth management of the high-net-worth
- Launching “OKASAN BANK” banking service utilizing BaaS
- Joint venture with SBI Group of the former Okasan Asset Management, enabling the utilization of SBI’s distribution network
- Introduction of “HRMOS,” an in-house version of BizReach to promote diverse career path opportunities

Yearly changes in share of profit of entities accounted for using equity method



The Making of “Okasan Apps (working title)”

- ✓ Engage in more advanced connections with customers by digitally transforming all services into one
- ✓ Project due date: work in progress with a phased release plan within the year
- ✓ Project users: aim to expand application use for our platform users



*example image of Okasan Apps

[Main Features (concept)]

- Asset overview
 - Transaction functions & Investment information
 - Document delivery functionality
 - Sales support & Follow-up tools
 - Communication features
 - Family information & Linked family accounts
 - Account aggregation
- …and more

Okasan NBA Plus⁺ (customer-management system developed by Okasan Securities)

- ✓ A customer-management system "Okasan NBA Plus⁺ (okasan Next Best Action plus)" developed by our company, was released on April 2025 (refined version of the former "Okasan NBA")
- ✓ Improve efficiency and reduce administration workload for sales representatives
- ✓ Collect sufficient data on customers for profiling and provide the best service suited for each customer

Okasan NBA Plus⁺
okasan Next Best Action plus



[3 Key Features]

① Target List

-Oversight prevention: To-Do lists sorted by customer are sent via email every morning

② Customer Profile

-Data collection: documenting a variety of information on the customer

-AI support feature (planned): extracting and profiling customer information over phone call conversations

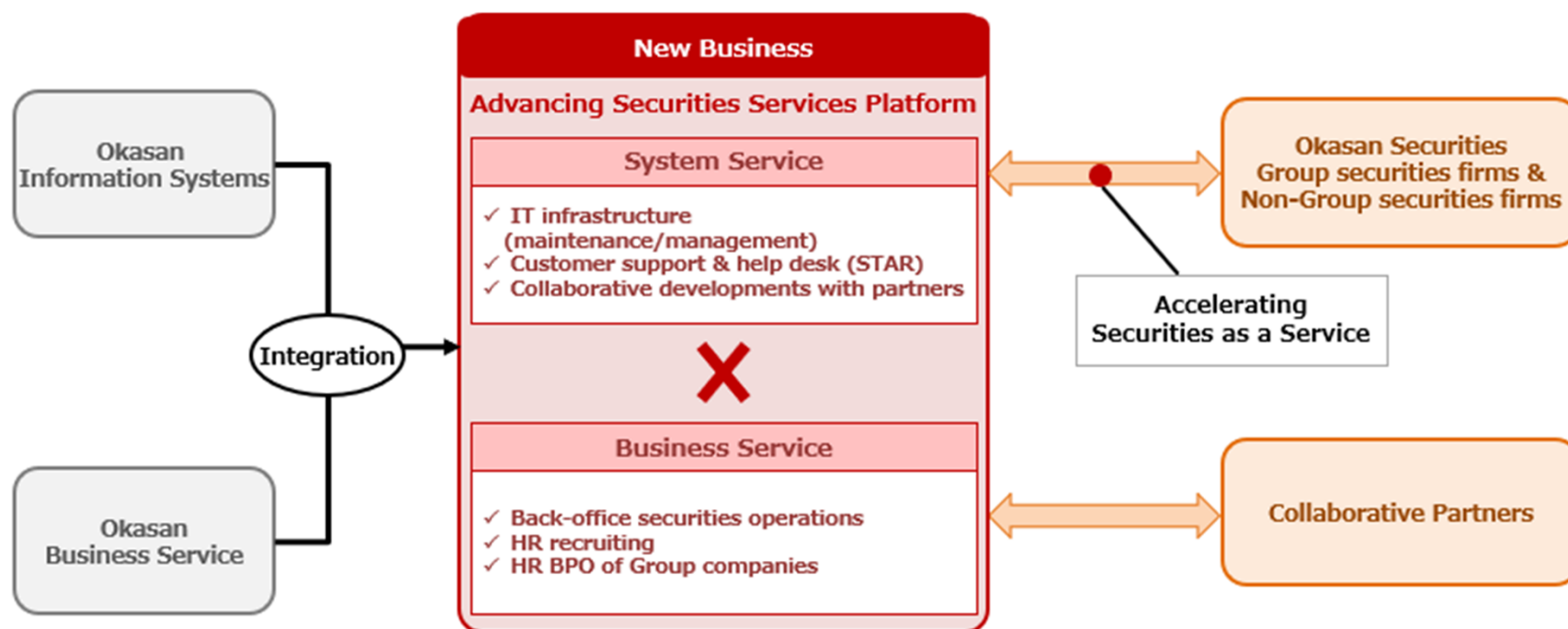
③ Sales Logbook

-Sales log: "simple" and "without fail"

Selecting templates to create logbooks –this simple step omits logging errors on vital information and maintain compliance

New Company: Business Integration "Okasan Business & Technology"

- ✓ Okasan Information Systems, which undertook system development and operations for securities firms both internally and externally of the Group, and Okasan Business Service, which served as a back-office BPO for securities firms and temporary staffing, to merge in April 2025.
- ✓ Expanding services within and beyond the Group by enforcing diverse services related to securities business.



Securities Platform ~industry-leading on business conversion performance~

- ✓ Sep 2024: Okasan Securities to launch a platform business on securities services, providing a wide range of products/solution services
- ✓ Promoting business conversion to a Financial Instruments Intermediary Service Provider towards certain securities companies within the Group

Platform Business on Securities Services: Performance Results

【OKASAN SECURITIES】	2024	Aioi Securities	→ AIOI Securities Wealth Management
	2025	SANKO SECURITIES (spin-off)	→ SANKO Securities Wealth Management
	2025	SANEN SECURITIES	→ SANEN Securities Wealth Management
【Securities Japan】	2013	Daitoku Securities	→ DAITOKU INVESTMENT VILLAGE
	2018	Iizukanakagawa Securities	→ Nakagawa Securities Advisers
	2019	Takematsu Securities	→ TAKEMATSU Investment Advisers
	2021	Miyako Securities	→ DAITOKU INVESTMENT VILLAGE
	2023	Shinbayashi Securities	→ Shinbayashi Investment Advisers
	2024	Zukawa Securities	→ ZUKAWA SECURITIES WEALTH MANAGEMENT

Implementing Japan's Largest Business Conversion

- ✓ May 12, 2025: One of our subsidiaries, SANEN Securities WM to convert its business to a Financial Instruments Intermediary Service Provider; marking the nation's largest business conversion from a securities company
- ✓ SANEN Securities WM is positioned as a role model for our securities platform business
- ✓ By demonstrating the advantages of using Okasan Securities' "Securities Platform" -such as cost efficiency and enhanced value creation capabilities- we aim to accelerate the expansion of this business domain



三縁証券



三縁証券
ウェルスマネジメント

[About: (fmr.) SANEN SECURITIES]

Established : 1923

Main Office : Aichi Prefecture

Office #: 12 (Aichi 6, Gifu 4, Mie 1, Hiroshima 1)

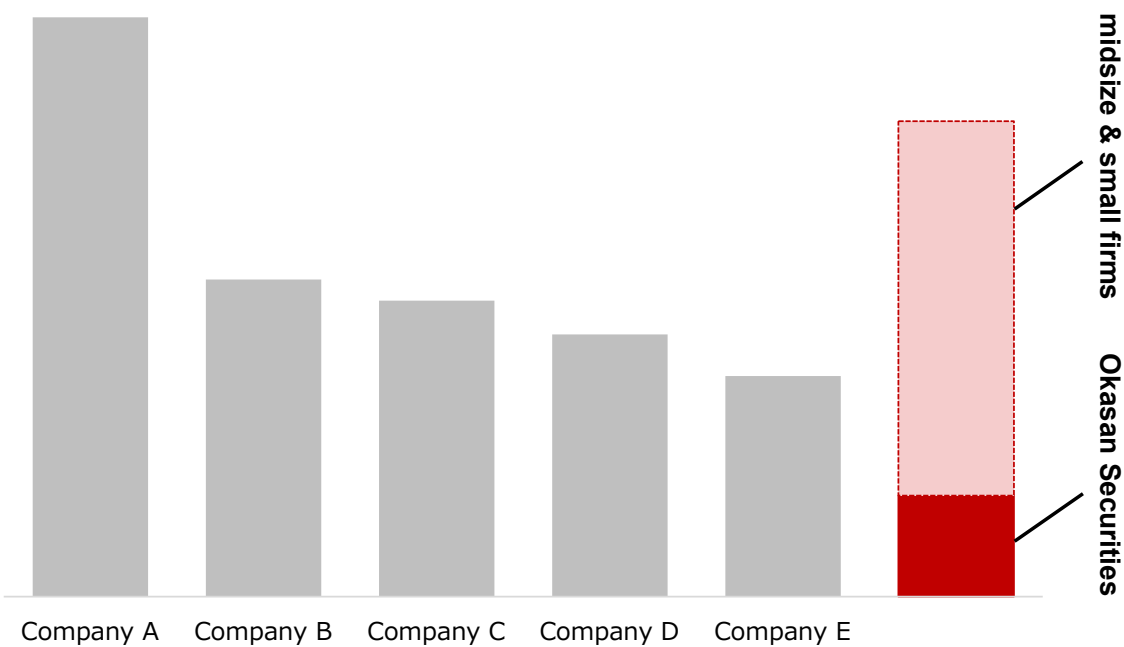
Employees : 102 (as of April 1, 2025)

Trading Participant: NSE

Securities Platform: Potentials

Forming strategic alliances with other midsize & small securities companies, enabling us to reach a scale on-par with leading securities companies

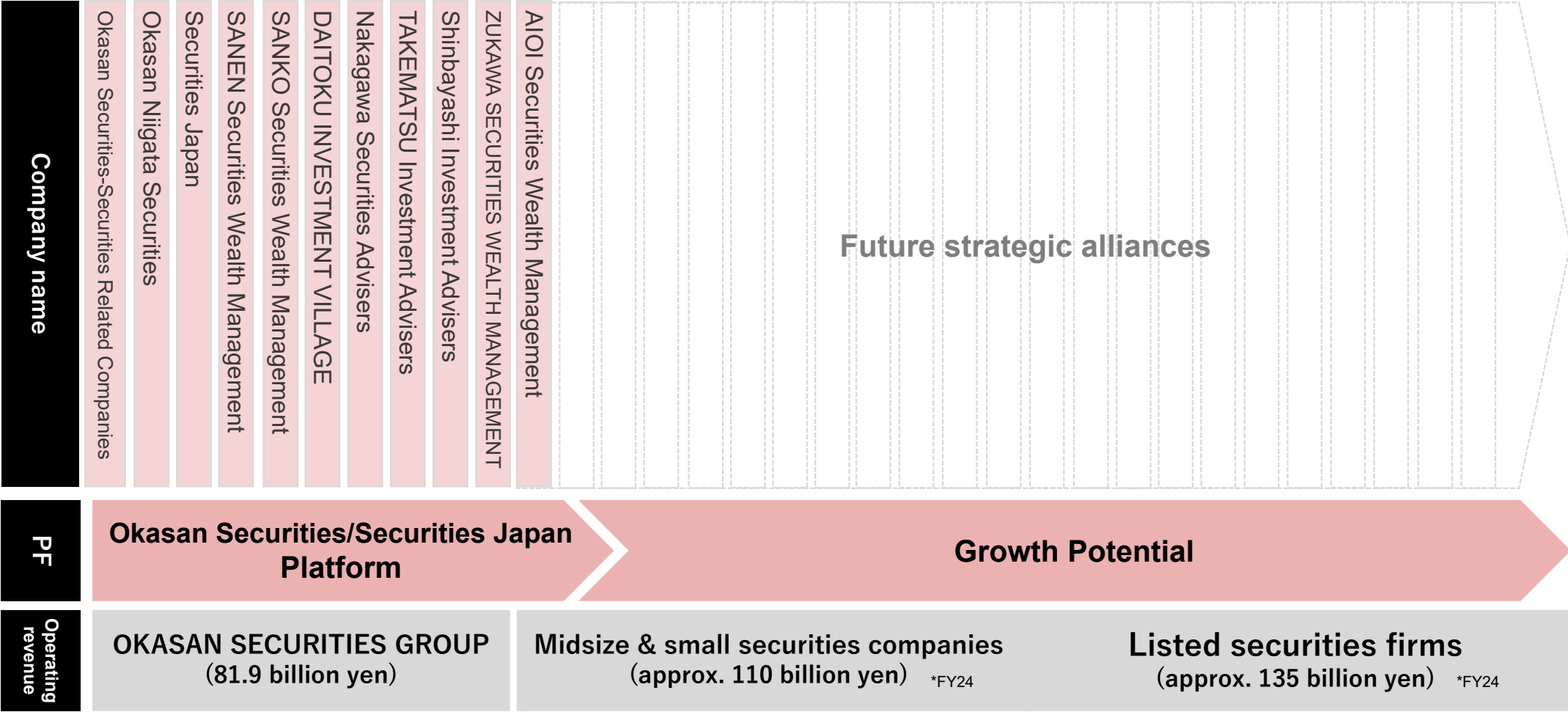
**Net Operation Revenue on Retail Business
by Major Securities Companies**



*Based on data from FY24

【Current State of the Industry】
The cost structure of the securities business is under upward pressure due to increased system-related expenditures and tighter regulatory compliance requirements. Meanwhile, the competitive landscape remains difficult, as evidenced by certain online brokers adopting zero-commission models.

<Reference> Securities Platform: Potentials



Platform Strategy: Significance and Prospects

**<The Significance of Platform Strategy>
Contribute to a variety of our “customers’ lives”
by carefully utilizing the diverse nature of the securities industry**

<Performance (as of May 2025)>

- ✓ Okasan Securities Supporting business conversion of securities companies to Financial Instruments Intermediary Service Provider - within and beyond the Group (3 companies)
- ✓ Securities Japan Industry-leading numbers in intermediary roles + IFA network
Supporting business conversion of securities firms to Financial Instruments Intermediary Service Provider (6 companies)

<Concept>

- ✓ Make SANEN Securities WM (Group company) an example of a successful strategic securities alliance
- ✓ Incorporate the vast potential of financial businesses geared towards retail investors by utilizing the Okasan Securities Group’s network to coexist and share prosperity

04

Target Indicators, Shareholder Engagement

Target Indicators (1)

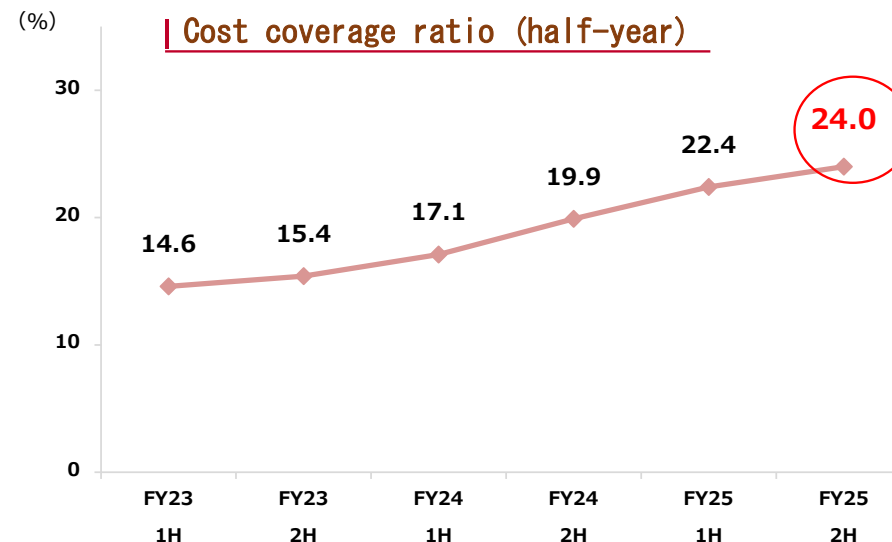
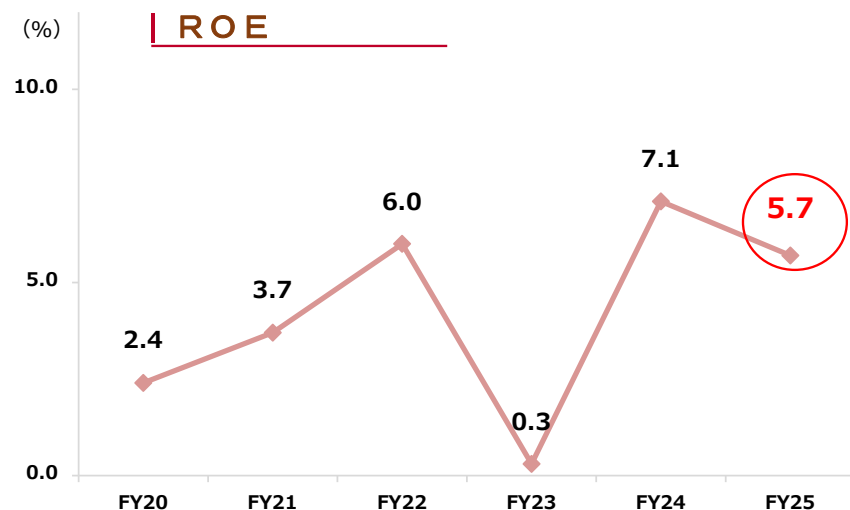
Stakeholder	Item	Target for March 2028	As of March 2023	→ As of March 2025
Customer	Assets under custody	¥10.0 trillion	¥6.9 trillion	→ ¥8.2 trillion
	Investment trust assets under custody	¥3.0 trillion	¥1.8 trillion	→ ¥2.0 trillion
	Customer satisfaction indicator* ¹	7.0 pt	5.8 pt (Mar. 2023 survey)	→ 6.4pt (Mar. 2025 survey)
Employee	Employee engagement* ¹ [Desire to continue working for the company]	Sustainable improvement of the score	—	→ 6.34 pt (Jan. 2025 survey) *Out of 10pt
	Number of salesperson* ¹	2,000	1,428	→ 1,523
Business Partner	Number of companies utilizing the Okasan platform (Securities Plus+) * ²	15	4	→ 7
Shareholder	ROE (Return on Equity)	8.0 %	0.3 %	→ 5.7 %
	Total dividend payout ratio	50.0 %	29.5~1,248.0 % (FY21.3~FY23.3)	→ 62.9% (expected)
	Cost coverage ratio* ³	30.0 %	15.0 %	→ 23.2 %

*1. Data of Okasan Securities(core securities company)on standalone basis

*2. Target indicators aimed towards Business Partners has been revised in March 2025, as we redefined our platform users to securities companies (but not exclusively) that overwent business conversions into large-scale independent financial advisor firms ("Securities Plus+" : A securities platform provided by the Group)

*3. Ratio of "recurring revenue" divided by "SG&A" based on Okasan Securities - Retail Company Management Division

Target Indicators (2)



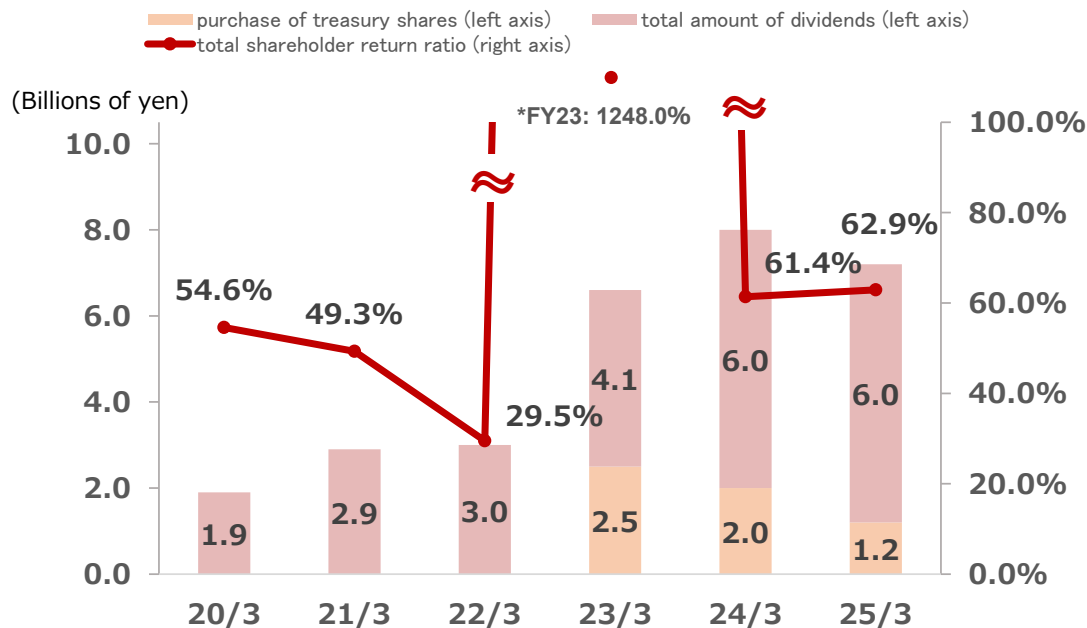
*Ratio of "recurring revenue" divided by "SG&A" based on Okasan Securities - Retail Company Management Division

- ✓ Business opportunities gained through a focus on core assets, further expansion of recurring revenue
- ✓ Driving platform strategy to unlock growth opportunities in the retail financial sector

Shareholder Engagement

- ✓ Distributing dividends depending on business performances while simultaneously considering the maintenance/continuation of stable returns
- ✓ Total shareholder return ratio of over 50%. Purchasing a total amount of 10 billion yen or over in treasury shares within three years (FY26~FY28)
 - *Purchasing at least 1 billion yen per year in treasury shares until the PBR exceeds 1.0 (implemented FY24~FY25)
- ✓ Plans of introducing new measures such as the shareholder benefit program, targeting our mid- to long-term retail shareholders

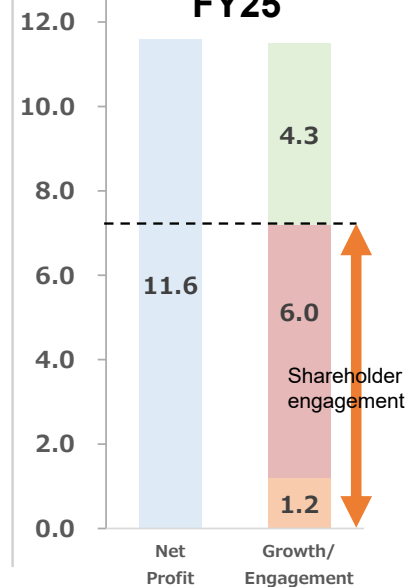
FY25 Total Shareholder Return Ratio: 62.9% (expected)



Shareholder Engagement and Growth Investment

(Billions of yen)

FY25



Growth Investment

- Firms with growth potential/Partners
- M&A
- Expanding features in the securities business
- Digital solutions
- Efficiency

FY25: Expected Return of ¥7.2 Billion

- Total dividend to amount ¥6.0 billion
- DPS of ¥30 (expected) -marking our highest return
- Purchased ¥1.2 billion in treasury shares (Jul-Sep, 2024)

Developing an Effective Human Resource Strategy

Initiatives to foster long-term employee engagement

Latest Topics (media coverage)

- “Office branch manager at 70 years of age: abolishing upper age limit on employment, Okasan Securities” [World Business Satellite] TV Tokyo (October 29, 2024)
- “Okasan Securities to increase starting salary to ¥300k, become an office branch manager in your 20s” Nikkei (October 29, 2024)



The Reform of Human Resource Management

- **Implementing the new personnel system starting April, 2025**
 - Attractive salary package (market-based pay structure)
 - Further promoting age-neutral treatment (office branch manager in your 20s/70s)
 - Career transparency for better human resource matching
(utilizing “HRMOS” a human resources system by BizReach)

Our Purpose in the Okasan Securities Group

“Contributing to Customers’ Lives”

The 3 Values needed to achieve our Purpose

Uphold Integrity

Providing a workplace culture that builds pride as finance professionals

Ignite Passion

Igniting passion to achieve one’s dream

Forge Synergy

Forging new values through cooperation

株式会社 岡三証券グループ

OKASAN SECURITIES GROUP INC.