Financial Results Overview for Year Ended March 31, 2025

Japan Asia Investment Co., Ltd.
(JAIC) (TSE 8518)

Announcement date : May. 15, 2025

The figures in this document are based on consolidated financial statements prepared in accordance with the previous accounting standards.

1. Summary

JAIC

1. Results

- ✓ Achieved a 122.9% revenue increase and returned to profitability
- ✓ Progress in project-oriented investment sales, reduced investment losses in Greater China, and cost reductions contributed.

2. Progress

- ✓ We missed KPI, such as AUM & AUA, in the 1st year, but will achieve by the 3rd year.
- ✓ We plan to increase and newly establish several private equity funds.

3. Forecast

- ✓ Expecting a 13.9% revenue increase and a 12.6% profit increase
- ✓ Expecting capital gains from several unlisted stocks
- ✓ Capital gains from project-oriented investment are expected to decrease.

Hello everyone. I am Maruyama, the president of Japan Asia Investment Company, Limited. I look forward to working with you today.

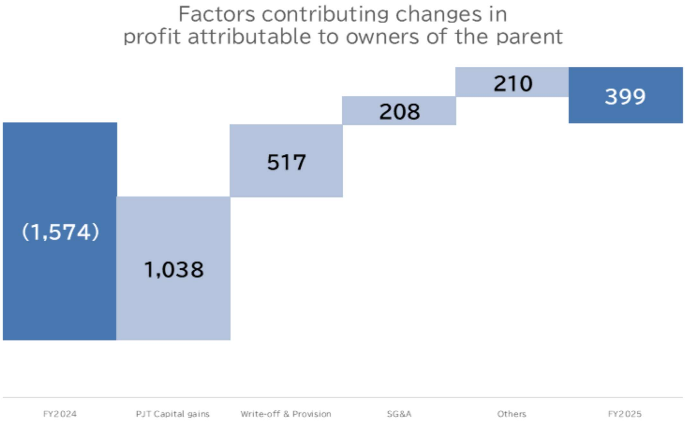
There are three main points in today's explanation. The first is the financial figures for the fiscal year ended March 2025, which were disclosed yesterday. Second, I will discuss the progress of the medium-term management plan that has been running since last fiscal year. Finally, I will provide an outlook for the performance of the fiscal year ending March 2026.

It is important to note that all the numbers I will explain are based on the Previous Accounting Standards. This accurately reflects only our stake in the various funds and projects we invest. Essentially, the numbers represent our company's actual strength and capabilities in the Previous Accounting Standards, so I will explain using these figures.

2. Results for the current fiscal year
- Outline of results - I/S

JAIC

(million yen)	FY 2024	FY 2025	Change
Operating revenue	964	2,150	122.9%
Operating cost	1,392	990	(28.9%)
Operating gross profit	(427)	1,160	-
SG&A expenses	1,094	886	(19.0%)
Operating income	(1,522)	273	-
Ordinary income	(1,569)	438	-
Profit attributable to owners of parent	(1,574)	399	-



✓ Factors for increased operating revenue and returned to profitability

- Capital gains increased from 21* project-oriented investments, compared to capital gains from only 1 project in the previous fiscal year.

  *21: 16 group homes for people with disabilities, 3 mega solar plants, 1 distribution warehouse and 1 facility for the elderly
- Valuation losses and provisions decreased, compared to large amount losses in Greater China in the previous fiscal year.
- Cost reduction, such as reduction of remuneration of directors, contributed.

Financial Results Overview for Year end of FY Mar. 2025 - 3 -

Now, let me explain the first topic, which is the performance for the fiscal year ended March 2025. First, regarding operating revenue, it was 2 billion 150 million yen, which is more than double the previous year’s 964 million yen. The acquisition cost for various projects was 990 million yen, resulting in an operating gross profit, of 1 billion 160 million yen, showing a transition from red to black.

Additionally, selling and administrative expenses stood at just under 1 billion 100 million yen last year, but we have made bold reductions to keep costs below 900 million yen this term. As a result, operating profit was 273 million yen, ordinary profit was 438 million yen, and net profit attributable to the parent company was 399 million yen.

2. Results for the current fiscal year - Break down of operating revenue & operating cost

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(JPY million)	Total		Invstment Development		Invstment Management		Fund Platform	
	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025
Operating revenue	964	2,150	314	1,603	502	388	147	158
Fund management fees etc.	149	160	3	3	26	29	119	126
Proceeds of sales of securities	654	1,050	263	722	391	328	-	-
Fund interests income etc.	74	849	23	837	51	12	-	-
Other operating reveue	85	89	24	39	33	18	27	31
Operating cost	1,392	990	543	738	848	251	-	-
Cost of securities sold	451	719	262	513	189	205	-	-
Investment write-offs and Provision for allowance for possible investment losses	645	127	-	88	645	39	-	-
Fund interests losses etc.	279	124	269	118	10	6	-	-
Other operating costs	16	18	12	18	3	-	-	-
Operating gross profit	(427)	1,160	(229)	864	(346)	137	147	158

✓ Investment Development Business – Revenue increased, and operating gross profit returned to profitability
- Of operating revenue, proceeds of sales of securities increased since 3 mega solar projects were sold.
- Of operating revenue, fund interests income etc. increased due to capital gains from 1 distribution warehouse, 1 facility for the elderly and 16 group homes for people with disabilities.

✓ Investment Management Business – Revenue decreased, and operating gross profit returned to profitability
- Of operating revenue, proceeds of sales of securities decreased. Sales of listed shares with high profit margin decreased.
- Of operating cost, write-offs & provisions decreased. In the previous fiscal year, we had posted provisions and write-offs for portfolio companies in Greater China, however, we did not post large amount losses in current fiscal year.

I would like to explain the background of details by department. Our company has three departments. Project-based investment and development business that deals with renewable energy, healthcare, and group home business, investment management business primarily centered on stocks, and the fund platform business providing management services to both domestic and foreign funds.

For the investment and development business in the fiscal year ended March 2025, operating revenue has grown significantly compared to last year. Operating revenue is recorded in a separate way depending on the form of the fund. Sales are recorded directly as “Proceeds of sales of operational investment securities”, while capital gains are recorded as “Fund interests income and Income gains etc.”

One major factor is the significant bulk sale of group homes in the healthcare sector, sale of renewable energy facilities in Tochigi, and sale of various projects such as logistics facilities, resulting in a significant increase in revenue. Even in terms of operating gross profit, last year was in the red but ended with a profit of 864 million yen due to substantial growth in revenue.

On the other hand, for the investment management business, last year’s operating revenue was 502 million yen, but this term it has decreased slightly to 388 million yen. Last year, we exited listed stocks primarily through IPOs, which was not the case this term. However, we did manage to sell unlisted stocks, ensuring sales of just under 400 million yen.

Nevertheless, in the last fiscal year, there were significant investment allowances and impairment losses in China and domestic funds, but most problematic assets have been addressed. Therefore, investment allowances and impairment losses decreased significantly in the fiscal year ended March 2025, resulting in an operating gross profit of 137 million yen, securing a profit.

Finally, the platform business provides administration services to both domestic and foreign funds, maintaining a highly stable structure. There was a slight increase from last year, with total gross profit rising from 147 million yen to 158 million yen, steadily growing including new funds.

2. Results for the current fiscal year - Sales of 16 group homes for people with disabilities

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- ✓ In October–November 2024, 16 completed group homes for people with disabilities were transferred.
- ✓ This initiative has created an innovative connection between institutional investors seeking high-social-impact investment opportunities and the funding needs of the disability support sector.
- ✓ The transferee is a SPC that has secured funds from institutional investors through the issuance of social project bonds (trust beneficiary rights backed by loan receivables) using the group homes as underlying assets.
- ✓ Additionally, it has received silent partnership investments from a major leasing company and a leading real estate firm.
- ✓ These social project bonds have obtained a credit rating of BBB and a second opinion on compliance with the social bond framework from the Rating and Investment Information, Inc.

Now, regarding the group home business for people with disabilities, which I mentioned earlier, I would like to explain the details of the business.

In the fiscal year ended March 2025, we successfully exited 16 buildings of the group home business to institutional investors. The exit was not simply selling the group homes as real estate to investors, but rather in the form of social bonds. This is significantly different, as institutional investors face high barriers to directly owning group homes as real estate. On the other hand, there is a high demand for group homes for individuals with severe disabilities, with a shortage across Japan, leading to strong interest in our company.

This is a project with significant social value, focused on attracting development funds, especially from large institutional investors to this sector. To achieve this, it was necessary to issue social project bonds and sell them to institutional investors. The preparation for acquiring ratings for the bonds has been ongoing for several years. As a result, in the fiscal year ended March 2025, we succeeded in issuing the bonds with a BBB rating and distributing them to institutional investors.

We intend to continue expanding this social project, developing over ten buildings annually, and once the portfolio reaches 20 to 30 buildings in every 2 to 3 years, turning them into social bonds for institutional investors. The goal is to use the investors' funds to reach individuals with disabilities who need group home services but face supply shortages.

2. Results for the current fiscal year - Outline of results - B/S

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(million yen)	FY 2024	FY 2025	Change	fluctuation factors (billion yen)
Total assets	10,438	10,693	2.5%	
Cash and deposits	1,750	↗ 3,292	88.0%	collection +3.1, capital increase +1.0, execution of investments & loans (1.0), repayments of loan (0.8), expenses etc.(0.9), others +0.1
Project oriented investment securities & loans after deducting allowance for possible investment loss	5,248	↘ 4,088	(22.1%)	distribution & collection (1.8), allowance (0.1), execution of investments & loans +0.6, interests income/loss +0.1
Private investment securities after deducting allowance for possible investment loss	3,003	2,856	(4.9%)	distribution & collection (0.8), execution of investments +0.2, allowance +0.4
Loans payable	4,314	↘ 3,495	(19.0%)	repayments of loan (0.8)
Total shareholders' equity	5,633	↗ 6,907	22.6%	capital increase +1.0, profit+0.4, unrealized gain (0.2)

- ✓ Cash and Deposits: Increased due to progress in investment recoveries and a third-party allotment of shares conducted in June 2024.
- ✓ Investment Assets: Decreased due to the sale of projects.
- ✓ Loans payable : Decreased due to repayments in accordance with agreement.
- ✓ Total shareholders' equity : Increased due to capital increases and recorded profits.

Next, I would like to explain the balance sheet.

In June 2024, we conducted a third-party allotment of shares and raised approximately 1 billion yen. Additionally, the planned sales of various projects such as renewable energy, group homes, and logistics facilities proceeded as expected, resulting in a significant increase in our cash reserves to 3 billion 292 million yen as of the end of March 2025.

At the same time, loan repayments have progressed, reducing our borrowings from the 4 billion 300 million yen range to 3 billion 495 million yen. This conveys the message that our cash and borrowings are now more or less balanced. Since 2008 and 2009, our company has been working on a substantial debt reduction through business and financial restructuring, and it seems appropriate to say that we now have a clearer outlook on our balance sheet situation.

Nevertheless, going forward, we aim to solidify our business reconstruction, stabilize profitability, and not only stabilize profit but also enhance revenue scale. To this end, we intend to reinvest the funds secured through project sales into higher-return projects to generate further profits, improve our financial structure, and make better use of leverage.

2. Results for the current fiscal year - Outline of results - C/F

JAIC

(JPY million)	FY 2024	FY 2025
Operating cash flow	456	1,427
Investing cash flow	(2)	24
Financing cash flow	(828)	179
Change in net cash flow	(365)	1,650
Cash & cash equivalents at end of period	1,396	3,047

- ✓ Operating cash flow increased due to recorded profits and progress in investment collections.
- ✓ Financing cash flow included repayments of long-term borrowings, offset by proceeds from a third-party allotment of shares.

Next, let us discuss cash flow.

As mentioned, our cash reserves stand at 3 billion 292 million yen, and the cash flow generated from financial activities is positive due to the capital increase.

The operating cash flow is 1 billion 427 million yen, and the cash flow from investing activities is 24 million yen, maintaining a positive free cash flow.

As a result of the capital increase, financial activities also turned positive, leading to a net cash flow increase of 1 billion 650 million yen. The cash and cash equivalents balance at the fiscal year's end is 3 billion 47 million yen, suggesting that our balance sheet's financial strength has considerably solidified.

3. Progress of the Medium-Term Management Plan - Action to Implement Management That Is Conscious of Cost of Capital and Stock Price

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Analysis of the current situation

PBR has continued to be below 1.
➡ Low return on investment and low asset turnover rate are the causes.

FY	Mar. 2019	Mar. 2020	Mar. 2021	Mar. 2022	Mar. 2023	Mar. 2024
PBR	0.41	0.36	0.53	0.41	0.53	0.68
ROE(%)	8.7	4.9	0.5	0.3	deficit	deficit
PER	5.9	9.1	142.3	200.9	deficit	deficit
ROA(%)	2.00	1.20	0.13	0.09	deficit	deficit

Goal

To improve PBR ➡ Achieve ROE that matches the capital cost (about 13.4%).
① Expand stable revenue. (Cover the fixed costs by fee income to keep recording profits. ➡ Reduce capital cost.)
② Improve profitability. (Replace assets through collecting long-lived assets early. ➡ Improve the asset turnover rate and review asset allocation and business portfolio. ➡ Improve profitability.)
③ Achieve refinancing and improve financial leverage.
④ Update IR activities.

Plans and targets

Key Performance Indicators (KPI)

	Mar. 2027
Increase in AUM in the Investment & Development Business	¥ 15 bn
Increase in AUM in the Investment Management Business	¥ 30 bn
AUA Balance of Fund Platform Business	¥400 bn

Key Goal Indicators (KGI)

	Mar. 2024		Mar. 2027		Goal
Stable Earnings	¥0.2 bn	➡	¥0.8 bn	➡	¥1.08 bn
ROE	deficit	➡	12.7%	➡	More than 13.4% of the cost of capital
Net income attributable to owners of parent	(¥1.6) bn	➡	¥1.0 bn	➡	Consolidation of profitability and increase in one-time earnings

Moving forward, I would like to discuss the progress of our current mid-term business plan as a second topic.

We announced the mid-term plan in August last year. One of our main concerns, given that we had to prioritize debt repayment over the past 15 years, is the situation where profitable projects were sold first, resulting in lower-profit projects being left.

Additionally, in the private equity sector, the lull in the growth market and rising interest rates have led to fewer IPOs and challenges in investment recovery, causing low asset turnover, which we understand contributes to our low return on equity and the resulting price-to-book value discount.

To address these issues, we aim to quickly liquidate inactive assets and redirect them into more profitable projects.

As for what those projects entail, rather than relying on one-time success fees from IPOs or mergers and acquisitions as was the case with previous private equity, we are now focusing on stable income streams and fee business as a company strategy.

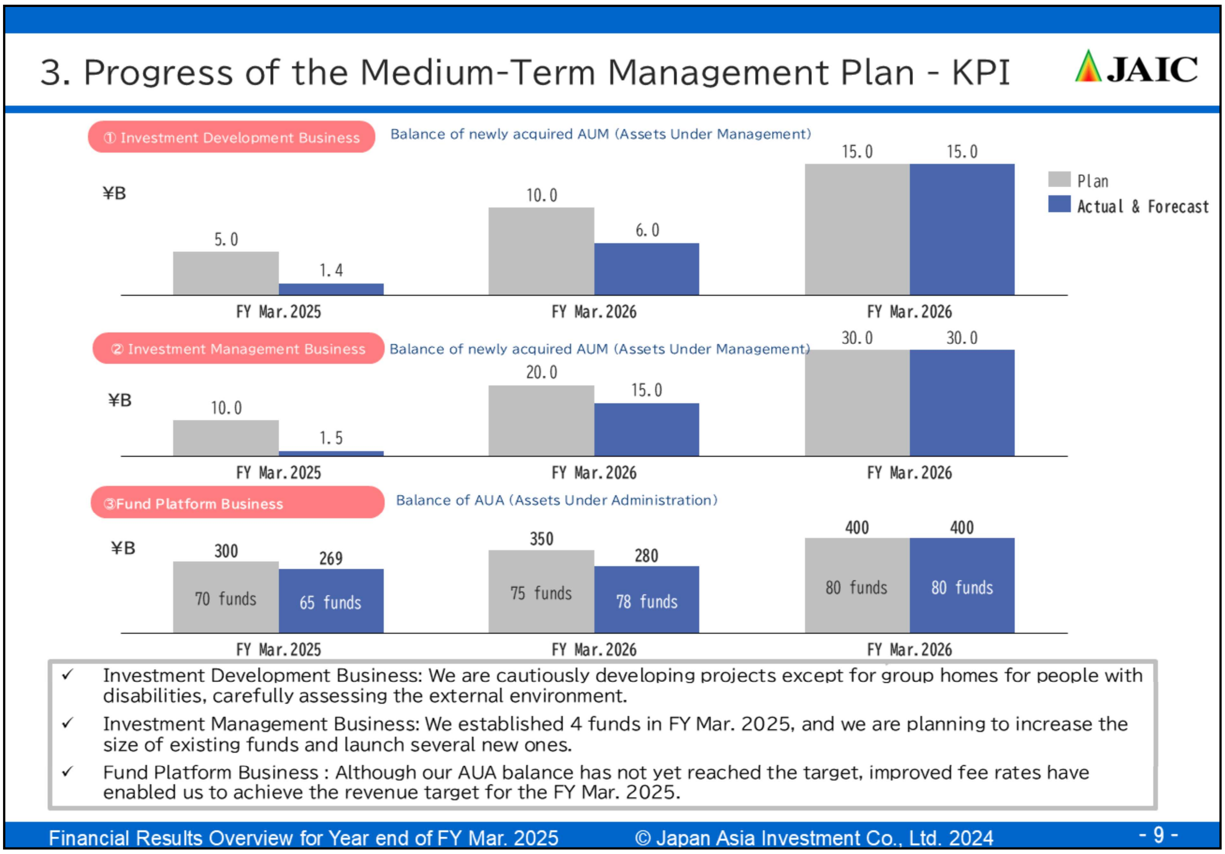
In other words, rather than relying on equity investments as before, we see ourselves as a professional investment firm and plan to offer various investment development and management products to institutional investors and wealthy individuals domestically and abroad, and potentially to individual investors in the future. We aim to establish a fee-based business model to cover costs through these offerings. By expanding stable income, covering fixed costs, we will establish early and stable profitability as our top priority.

In this context, it is vital to redirect funds toward more profitable projects, as mentioned earlier, and to recover investments from low-return assets as soon as possible, timely rotating assets. Through this approach, we are not only working to achieve profitability and secure profits but also focusing on executing refinances to improve our financial structure.

Our cash and borrowings are nearly balanced, indicating a degree of financial improvement. At the right timing, alongside improvements in our revenue structure, we aim to execute refinancing early. Our current situation involves limitations on borrowing due to an inability to refinance. With our equity ratio near 70%, a number that is excessively high for an investment firm, we understand it may be overly cautious.

We are presented with many attractive investment opportunities; thus, it is essential to generate profits by utilizing both our equity and external capital. To maximize the efficiency of funds entrusted to us by our shareholders, we must pursue increased borrowing and use external leverage to enhance profits. This requires further improvement in profitability, gaining financial institutions' understanding, achieving refinancing, and leveraging financial resources to continue generating profits over the medium term.

By the final year of the mid-term plan, the fiscal year ending March 2027, we have set a target of achieving a net profit above 800 million yen in stable revenue, with a return on equity of approximately 13% and net profit attributable to parent company of 1 billion yen.



To achieve these targets, each department has established individual goals, and the entire company is actively working to achieve them.

First, the investment development business. For project-based investment, such as mega solar project and group home projects, we aim to steadily accumulate 5 billion yen in new development assets annually. For the fiscal year ended March 2025, our accumulation goal was 5 billion yen, but it reached only 1 billion 400 million yen, which appears insufficient.

However, this number reflects challenges such as rising construction costs, rising interest rates, and deteriorating profitability, which have resulted in a difficult exit environment. Thus, we are strictly evaluating and selectively choosing projects, resisting the temptation to engage in half-baked projects.

Although this falls short of our KPI, we have deliberately avoided low-profit or high-risk projects, instead carefully timing and selecting investment opportunities. We are currently pursuing partnership-driven data center projects and exploring renewable energy areas such as storage facility development projects. We will provide timely updates as soon as disclosure becomes possible in the future. While our KPI appears largely unmet, rest assured that this is intentional. We are preparing and accumulating cash reserves accordingly.

Secondly, investment management business.
We have set an ambitious goal of establishing 10 billion yen in new funds annually. As of March 2025, we have made only modest progress, with a fund formation amount of 1 billion 500 million yen compared to the 10 billion yen goal. However, with a pipeline nearing

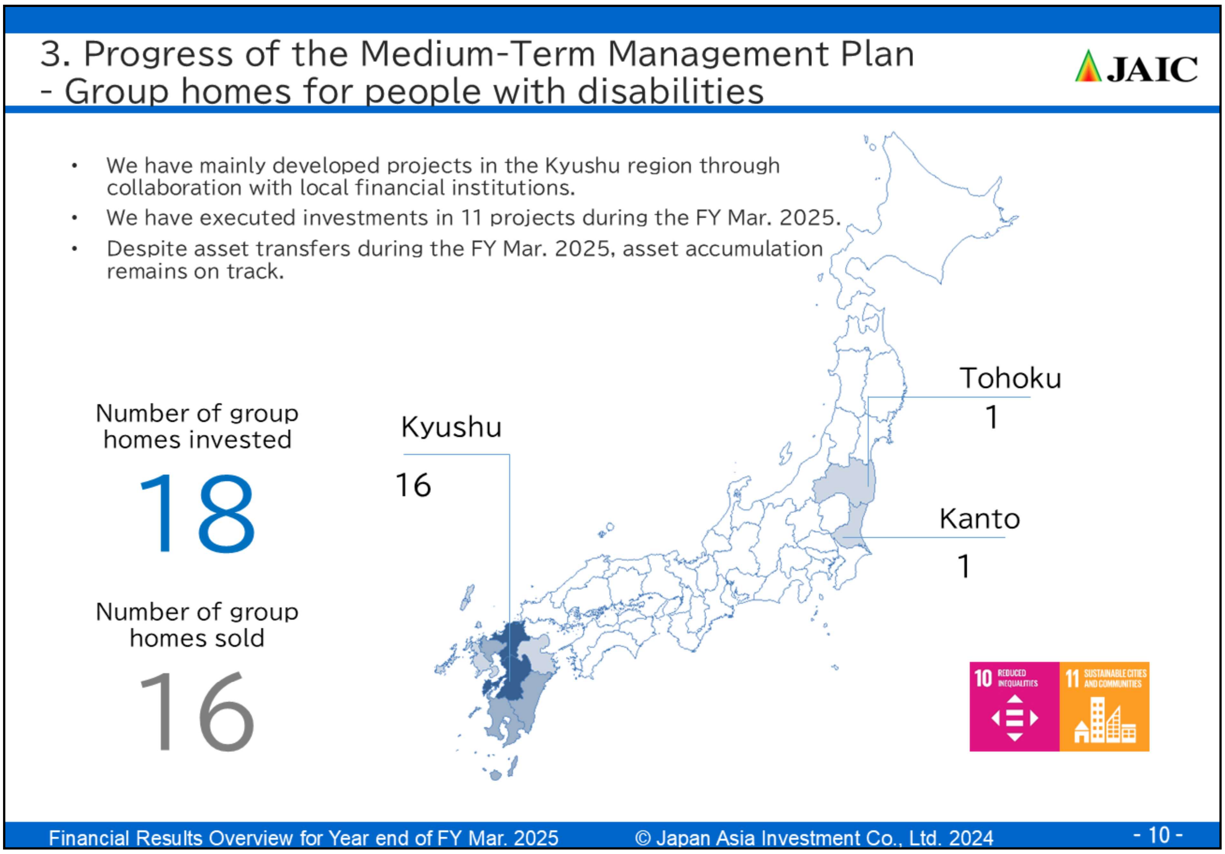
10 billion yen worth of projects under consideration, expectations for fiscal year-end fund formation are high. Accordingly, by the fiscal year ending March 2026 and thereafter, assets under management, encompassing listed stock, venture capital, business revitalization, business succession, and M&A funds, are expected to increase steadily, capitalizing on our company's strengths.

By the end of March 2026, balances are expected to accumulate at a pace exceeding 10 billion yen, which should provide reassurance.

Finally, the third point regarding the KPI for the fund platform business relates to our services offered to external funds, receiving stable external evaluations.

We manage over 70 funds, serving quietly in the background, receiving and contracting fund tasks internally and externally, which continues to proceed smoothly, ensuring service fees stability.

While this concludes the KPI progress report, we hope to provide updates on the J-curve progress by March 2026. Please continue to follow and support our efforts.



Just a brief addition, regarding the progress of our group home business for the current term, more specifically, 18 buildings are either operational or set to start construction following investment completion. Now most of these buildings are in Kyushu, but our assets are being accumulated nationwide, with our company managing development and partners managing operations alongside our pipeline.

In the previous term, 16 buildings, which we previously mentioned were exited as social bonds, paved the way for investment exit. We plan to invest in 20, 30, and 40 buildings and to sell them to investors as social bonds in the fiscal periods ending March 2026 and March 2027.

Despite explaining earlier the headwinds of rising interest rates and escalating construction prices, for the group home business, construction costs have indeed increased, this is consistent across all fields. However, demand is even stronger, which promises highly stable operations. Furthermore, institutional investors have embraced it, consistently asking when the next opportunity is, making this project particularly stable at present.

3. Progress of the Medium-Term Management Plan - Newly established investment funds

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Name of fund	Inception	Total commitment amount	Features
JAIC Partners Fund, L.P.	Jun. 2024	¥ 179 M	Private equity fund targeting publicly listed and privately held companies that collaborate with us to create business synergies
JAIC Specialty Fund, L.P.	Jan. 2025	¥ 160 M	Private equity fund targeting listed companies and other entities engaged in Japan's souvenir, retail, and tourism industries to promote a virtuous cycle of business growth and regional revitalization
JAIC Supply Chain Fund, L.P.	Jan. 2025	¥ 830 M	Private equity fund targeting listed companies related to the supply chain in the manufacturing industry
JAIC-Web3 Fund, L.P	Feb. 2025	¥ 400 M	Private equity fund targeting listed companies related to Web3 (such as NFTs)

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Major Portfolio Companies:

Branding Technology

Branding Technology Inc.
(TSE Growth: 7067)
Business Overview: Branding Business, Digital Marketing Business, Offshore-related Business

タカチホグループ

Takachiho Co., Ltd.
(TSE Standard / NSE Main: 8225)
Business Overview: Manufacturing and wholesale of tourism souvenirs, retail of tourism souvenirs and related products, and others

eole Inc.

eole Inc.
(TSE Growth: 2334)
Business Overview: Communication Data Business, HR Data Business, and New Businesses such as Web3 (NFT Sales Agency, Game Guild Operations)

Furthermore, we would like to explain in more detail about our new fund formation in investment management business.

As mentioned earlier, we plan to increase the amount of assets under management by 10 billion yen annually. By the end of the fiscal year in March 2025, the accumulated total of the four current funds is approximately 1 billion to 500 million yen.

The JAIC Partners Fund is designed to invest with the company's partners in companies that have a direct synergy with us. We anticipate forming capital and business alliances, aiming to hold ownership on a medium to long-term basis, investing with a partnership.

Next is the JAIC Specialty Fund. This is a particularly interesting fund, with a specific investment target being a company listed on the Tokyo Stock Exchange Standard, headquartered in Nagano Prefecture, called Takachiho.

Takachiho engages in the manufacturing and wholesale of domestic souvenirs. In hotels, inns, service areas, roadside stations, and tourist spots where you might encounter souvenir shops, this company acts as wholesaler providing either uniquely designed products or products planned by other companies.

With the inbound tourism boom, Takachiho handles Japanese souvenir products known for their high quality. Amidst the ongoing Expo, they are also making souvenirs.
Furthermore, in relation to the famous anime Detective Conan, they

are involved in collaboration products with films. It is quite likely that when traveling, you will find the name Takachiho on the packaging. They have a wide distribution network throughout Japan.

Our company invests in Takachiho and plans to leverage our networks in Asia, China, and Southeast Asia. As 80% of inbound tourists come from the Asian region, it is well-known they express delight in purchasing Japanese souvenirs. We are looking into creating partnerships with Asian investors and businesses, as well as engaging with Takachiho in business succession and M&A funds through roll-up of souvenir shops managing local specialties.

The third is the JAIC Supply Chain Fund, which is focused on factories within the manufacturing industry. Despite challenges like COVID-19 and Trump tariffs, recognizing the importance of a manufacturing supply chain has become apparent in recent years.

The importance of offering reliable operational capacity to domestic manufacturing companies, and those seeking to reconstruct a global supply chain, has increased significantly. We aim to invest in factories making various products both domestically and across Asia.

The fourth fund is the JAIC-Web3 Fund. We are investing in a company called Eole, listed on the Tokyo Stock Exchange Growth Market.

We accepted a third-party allocation of new shares. While Eole is a renowned company in the Web3 domain, according to their disclosure, they aim to venture into the cryptocurrency business, data center business, and generative AI business. This investment aligns with our goal of collaborating with external partners and investees in business areas that we cannot currently or immediately engage in.

With all our investment partners, we aim to create initiatives that enhance corporate value in the mid-to-long term. At present, our company is experiencing an influx of such fund projects.

We intend to thoroughly discuss how we can enhance corporate value with our capabilities and resources with partners, investors, and investees, and carefully implement our plans. Resultantly, we aim to consistently achieve the yearly KPI of accumulating 10 billion yen.

4. Result forecast - Details of result forecast

JAIC

(million yen)	Actual FY 2025	Result forcast FY2026	Change
Operating revenue	2,150	2,450	13.9%
Operating cost	990	1,050	6.0%
Operating gross profit	1,160	1,400	20.7%
SG&A expenses	886	900	1.5%
Operating income	273	500	82.6%
Ordinary income	438	460	5.0%
Profit attributable to owners of parent	399	450	12.6%

- ✓ Private equity investment : We expect the proceeds of sales of securities to increase from the FY Mar. 2025, with plans to sell several unlisted shares in Japan.
- ✓ Project-oriented investment : We anticipate a decline in both the amount and number of project sales from the FY Mar 2025, including distribution center projects, several group home projects for people with disabilities, and other projects.
- ✓ Cost of Sales: The cost of sales is expected to increase due to higher costs associated with equity sales. However, losses from fund interests are expected to decrease as ongoing projects improve profitability.
- ✓ SG&A expenses : We expect an increase in SG&A expenses due to planned workforce expansion to support business growth.

Finally, as the third topic, I would like to discuss the business forecast for the fiscal year ending March 2026.

This fiscal year, we are accelerating efforts in development projects such as group homes and the data center business mentioned earlier, as well as the accumulation of new assets under management through further funds in the investment management business. For the fiscal year ending March 2026, we anticipate operating revenue to be 2 billion 450 million yen, and a gross operating profit of 1 billion 400 million yen. We aim to keep selling, general, and administrative expenses almost flat at 900 million yen. As a result, we expect operating profit to be firmly projected at 500 million yen.

We forecast ordinary profit to be 460 million yen and net profit for the period to be 450 million yen.

The fiscal year ending March 2026 is the second year of our medium-term plan, following significant groundwork laid in the fiscal year ended March 2025. We intend to nurture these individual seeds and draw a roadmap to ensure a full bloom by the fiscal year ending March 2027. For the fiscal year ending March 2026, the second year, we plan to diligently cultivate what are currently seeds or budding ventures, and we aim to deliver visible revenue gains to our investors.

Our entire team is committed to achieving our plans this fiscal year, and we sincerely ask for your continued support and guidance.

4. Result forecast - Cautionary statements

- ✓ The private equity investment business conducted by the Group will be significantly affected by changing factors such as stock markets, given the characteristics of the business. In addition, it has been difficult to forecast results reasonably in the rapidly changing environment.

- ✓ For the convenience of investors and shareholders, however, we disclose "result forecast consolidated under the Previous Accounting Standard" even though it doesn't have enough rationality.

- ✓ The "result forecast consolidated under the Previous Accounting Standard" and any other forward-looking statements in this document are based upon the information currently available to JAIC and certain assumptions. The achievement is not promised. Various factors could cause actual results to differ materially from these result forecasts.

JAIC

JAIC
Japan Asia Investment Co., Ltd.

https://www.jaic-vc.co.jp

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I would like to provide a larger picture. From the perspective of investors, because there are quite a variety of projects being undertaken, it may be difficult to grasp the overall value of the company.

We engage in a wide range of projects such as group home businesses, renewable energy, data centers, battery storage facilities, plant factories, and power generation using methane gas, among others.

Our investment management business includes traditional venture capital investments in startups as well as a business succession fund with our joint venture partner, Aozora Bank. We also engage in investments in publicly traded companies and minority or majority investments in non-publicly traded companies.

We offer development projects and investment funds focused on promising companies to external investors as revenue opportunities. We receive fees for these and success fees when there is a capital gain. This applies to both projects and corporate investments. Our core competitive strength lies in pursuing investment opportunities across all areas, structuring them as investment products, and selling them to investors, essentially acting as a professional in creating investment products, equivalent to an asset management company. This forms the foundation of our company, but we do not wish to limit ourselves to that sphere.

In other words, while launching various investment funds and projects, we aim to generate business value not only through the fee business of the funds and our pure investment business but also by integrating these elements or through synergetic aspects.

To explain concretely, the most straightforward example is our investment in Takachiho, which is a wholesaler of tourism and souvenir products. We structured a fund and participated in Takachiho's third-party allotment of new shares. This alone is fund management and constitutes a fund business. However, merely stopping at that would render us just an investment fund company.

We are committed to creating new businesses with Takachiho. Specifically, as disclosed by both parties, we will structure funds or directly acquire souvenir wholesalers and tourist souvenir shops nationwide, undertaking minority or majority investments. Sometimes, our staff might take on roles as managers in these companies. There are times when we focus on business revitalization, enhance business value, seamlessly integrate with our partner Takachiho's distribution channels, further expand outreach and create a company that significantly revolutionizes souvenir distribution into what can be deemed a "souvenir company."

The aim is to transform from being merely an investment company into an investment business company. We are committed to developing a business unit capable of generating repeatable and sustainable value, thus providing investors not just the value of an investment fund company but also the value of an investment business company.

Throughout this process, we aim to actively pursue M&A strategies. As we manage various projects and investment products, many cases arise where our company itself wishes to take either a majority or a 20 to 30 percent stake directly.

We believe that by aligning the gears of investment projects, investment management, and M&A, we can create investment business value. Executing the creation of not just investment value but investment business value is part of our mid-term plan. I wanted to share that this mindset underlies our approach to each business, hoping it would be understood by everyone.

We would like to sincerely thank everyone for attending Japan Asia Investment Company's briefing on the fiscal year ended March 2025.

As stated in the earlier medium-term plan, we intend to create opportunities to communicate directly and in a timely manner to everyone about our activities through investor relations. We aim to deliver this in a straightforward and vocal manner.

If you have any uncertainties, criticisms, encouragements, or any other feedback, please feel free to reach out to our company. All our employees are committed to achieving our goals both for this fiscal year and the medium-term plan, so we ask for your continued guidance and support.

Thank you very much for today.