Japan Asia Investment Co., Ltd. (TSE Standard: 8518)

Fiscal Year Ended March 2026 – Full-Year Earnings Presentation Transcript

Date: Tuesday, May 19, 2026, 11:00 a.m. – 12:00 p.m.

Presenter: Shun Maruyama, Representative director, President & CEO

JAIC

Financial Results Overview for Year Ended March 31, 2026

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

Announcement date : May. 15, 2026

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This is Maruyama, President of Japan Asia Investment Co., Ltd.

Thank you very much for attending our earnings presentation today.

1. Summary

JAIC

1. Results

- ✓ Failure to complete the sale of project oriented investments, resulting in lower revenue and a net loss
- ✓ Gains from the sale of listed shares increased, while the sale of unlisted shares was not realized.
- ✓ Revenue from Fund Platform Businesses expanded steadily.

2. Progress

- ✓ Investment Development Business (project-oriented investment): Significant outperformance against targets driven by M&A effects
- ✓ Investment Management Business (equity investment): Failure to establish large-scale funds as planned, resulting in performance below expectations

3. Topics

- ✓ Since Nov. 2025, fundraising through capital increases and the exercise of stock acquisition rights
- ✓ Jan. 2026: Acquired KIC Holdings Inc.*

* Additional shares acquired in April 2026 to make KIC Holdings Inc. a wholly owned subsidiary; changing name of its subsidiary to JAIC Asset Management Inc, a partner participated through a capital investment

4. Forecast

- ✓ Expecting a 127.2% revenue increase and net profit of 300 million yen
- ✓ Expected increase in gains on share sales, including sales of unlisted shares and future sales of listed shares to be invested in
- ✓ Expected increase fee income in JAIC Asset Management through collaboration with partners

Today’s presentation consists of four main topics.

First, I will discuss our results for the fiscal year.

Second, I will provide an update on the progress of our Medium-Term Management Plan.

Third, I will talk about recent topics and developments.

Finally, I will explain our earnings forecast for the fiscal year ending March 2027.

Please note that the financial figures I will discuss today are based not only on conventional consolidated accounting standards but also on figures that reflect what we consider the Company’s true earning power — namely, figures based solely on our own equity interests.

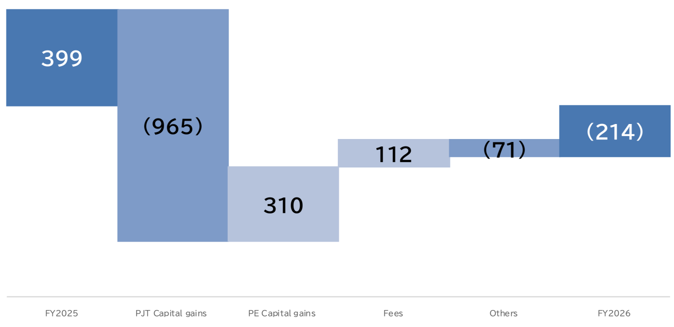
Thank you in advance for your attention.

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

JAIC

(million yen)	FY 2025	FY 2026	Change
Operating revenue	2,150	↘ 1,320	(38.6%)
Operating costs	990	673	(31.9%)
Operating gross profit	1,160	↘ 646	(44.3%)
SG&A expenses	886	957	8.0%
Operating profit	273	(310)	-
Ordinary profit	438	(378)	-
Profit attributable to owners of parent	399	↘ (214)	-

Factors contributing changes in profit attributable to owners of the parent



Factors for decreased operating revenue and a net loss

- Sales of project-oriented investments: Absence of large-scale profitable asset sales, resulting in lower revenue and a net loss compared to capital gains from 21 projects in the previous fiscal year.
- Sales of equity investments: Delayed sales of unlisted shares, while increased gains on sales of listed shares contributed to higher capital gains
- Fee income increased driven by the establishment and upsizing of funds, as well as the recognition of performance fees.
- SG&A: Although the external standard taxation system was applied from the current fiscal year, resulting in an increase by ¥100 M in taxes and dues, cost reductions such as a decrease in executive compensation enabled us to keep expenses at 8% higher than previous year.

Financial Results Overview for Year end of FY Mar. 2026 - 4 -

First, regarding our results for the fiscal year ended March 2026.

Operating revenue totaled approximately ¥1.32 billion, representing a 38.6% decrease year-on-year. The primary reason for this relatively significant decline was the absence of exits and sales from large-scale projects that we had originally anticipated.

Due to recent rises in interest rates, increases in construction costs, and the rapidly progressing inflationary environment, we were unable to sell project assets at the timing, price, and conditions we had hoped for. This was the major factor behind the substantial decline in revenue.

In addition, some private equity investments, including IPOs and sales of unlisted shares, also did not progress as originally expected, resulting in a significant decrease in revenue.

On the other hand, the establishment and exit of investment funds focused mainly on listed equities — an area we have been prioritizing in the past two years ago — progressed very smoothly and contributed to securing a certain level of operating revenue.

Furthermore, as the establishment of new funds and increases in fund size progressed steadily, management fees increased, and performance fees were also generated through exits.

Regarding SG&A expenses, our tax burden increased by approximately ¥100 million due to the application of the size-based enterprise tax system.

However, through thorough cost-cutting measures in other areas, the overall increase in expenses was kept relatively limited.

Nevertheless, due mainly to delays in the sale of projects and unlisted shares, which failed to proceed as planned, we recorded a final net loss of approximately ¥214 million.

Unfortunately, for the fiscal year ended March 2026, we posted a net loss, and I sincerely apologize to our shareholders.

We will carefully reflect on the current situation, implement measures to identify new growth opportunities, and aim to return to profitability in the fiscal year ending March 2027.

I will discuss our earnings forecast for the fiscal year ending March 2027 later as the fourth topic.

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

JAIC

(million yen)	FY 2025	FY 2026	Change	fluctuation factors (billion yen)
Total assets	10,693	10,704	0.1%	
Cash and deposits	3,292	↘ 2,738	(16.8%)	collection +1.8, execution of investments & loans (1.5), capital increase +0.7, repayments of loan (0.8), expenses etc.(0.6), others +(0.1)
Project oriented investment securities & loans after deducting allowance for possible investment loss	4,088	3,912	(4.3%)	execution of investments & loans +0.7, distribution & collection (0.9)
Private investment securities after deducting allowance for possible investment loss	2,856	2,899	1.5%	execution of investments +0.8, unrealized gain +0.3, reclassification to non-operational investment (0.2) distribution & collection (0.8)
Non-current assets	244	↗ 951	289.9%	Goodwill +0.6
Loans payable	3,495	↘ 2,710	(22.5%)	repayments of loan (0.8)
Owner's equity	6,907	↗ 7,463	8.0%	capital increase +0.7, loss (0.2)

- ✓ Cash and Deposits: Decreased due to investment execution and repayment of loan
- ✓ Investment Assets: No significant change due to a balance between investment execution and recoveries
- ✓ Non-current Assets: Increased driven by goodwill recognized through M&A transaction
- ✓ Loans payable : Decreased due to repayments in accordance with agreement.
- ✓ Total shareholders' equity : Increased as capital increases offset decreases caused by losses

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Next, I would like to discuss our balance sheet.

Total assets stood at approximately ¥10.6–10.7 billion, and the asset base representing the scale of our business remained at roughly the same level as at the end of the previous fiscal year.

Looking at the breakdown, cash and deposits totaled ¥2.738 billion.

Investment recoveries and new investments were generally balanced, meaning that recovered funds were steadily redeployed into new investments.

Meanwhile, as shareholders are aware, we are currently still under ADR proceedings, which requires us to prioritize debt repayment.

As a result, debt repayments amounted to ¥800 million, and cash and deposits decreased by just under ¥500 million compared with the previous fiscal year-end, to ¥2.7 billion.

In the investment development business, assets remained largely flat at ¥3.9 billion compared with ¥4.0 billion in the previous year, as recovered funds were almost entirely reinvested.

The investment management business also remained at approximately the same level.

Although total assets did not increase overall, our business model utilizes external funding for development projects and investment fund management. Rather than deploying numerous amounts of our own capital, we make active use of financing from banks and outside investors to establish funds.

Accordingly, while the Company's standalone-style assets under the conventional fund consolidation basis have remained roughly flat, our policy is to continue expanding the overall scale of our business.

Borrowings also steadily declined from ¥3.495 billion at the end of the previous fiscal year to slightly above ¥2.7 billion as repayments progressed.

As a result, as you can see, the balance between cash and borrowings has become nearly equal.

What this indicates is that, even under ADR proceedings, our balance sheet remains in a condition where we can repay borrowings at any time using our current cash on hand.

Going forward, once we establish a solid medium- to long-term earnings base, and once we gain confidence and visibility regarding that earnings base, we intend to accelerate repayments significantly ahead of schedule.

We remain committed to leveraging our current balance sheet to achieve early completion of the ADR process.

As for shareholders' equity, as I will discuss later, we executed a third-party allotment capital increase during the fiscal year, resulting in an increase in equity from ¥6.9 billion to over ¥7.4 billion.

(million yen)	FY 2025	FY 2026
Operating cash flow	1,427	↘ (129)
Investing cash flow	24	↘ (413)
Financing cash flow	179	↘ (71)
Change in net cash flow	1,650	(612)
Cash & cash equivalents at end of period	3,047	2,435

- ✓ Operating cash flow was a net outflow due to recorded loss and investment executions.
- ✓ Investing cash flow was a net outflow due to M&A transaction and investment into affiliates
- ✓ Financing cash flow was a net outflow since repayments of long-term borrowings exceeded proceeds from a third-party allotment of shares and exercise of share acquisition rights.

Next, I would like to explain our cash flows.

I will go through this briefly.

Operating cash flow was negative due to the recording of certain losses and the execution of investments.

Cash flow from investing activities was also negative due to relatively large-scale M&A transactions and investments in affiliates.

Cash flow from financing activities was likewise negative, as we raised funds through a third-party allotment while continuing debt repayments.

As a result, ending cash and cash equivalents totaled ¥2.4 billion.

Cash flows for the fiscal year reflected negative operating cash flow stemming from the net loss and investing activities represented proactive expenditures for investments, M&A, and affiliate investments.

Overall cash balances declined somewhat, but borrowings also decreased significantly at the same time, and therefore we believe that the balance between financing and cash remains sound.

That concludes the explanation of our financial results for the fiscal year.

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

These results represent the second year of our Medium-Term Management Plan, so I would now like to discuss the progress of that plan.

The Medium-Term Management Plan focuses on expanding stable earnings, increasing management fees and commission income through externally funded funds, improving overall profitability through investment recovery from unprofitable businesses and investments into new businesses, and ultimately achieving early refinancing and exiting ADR status.

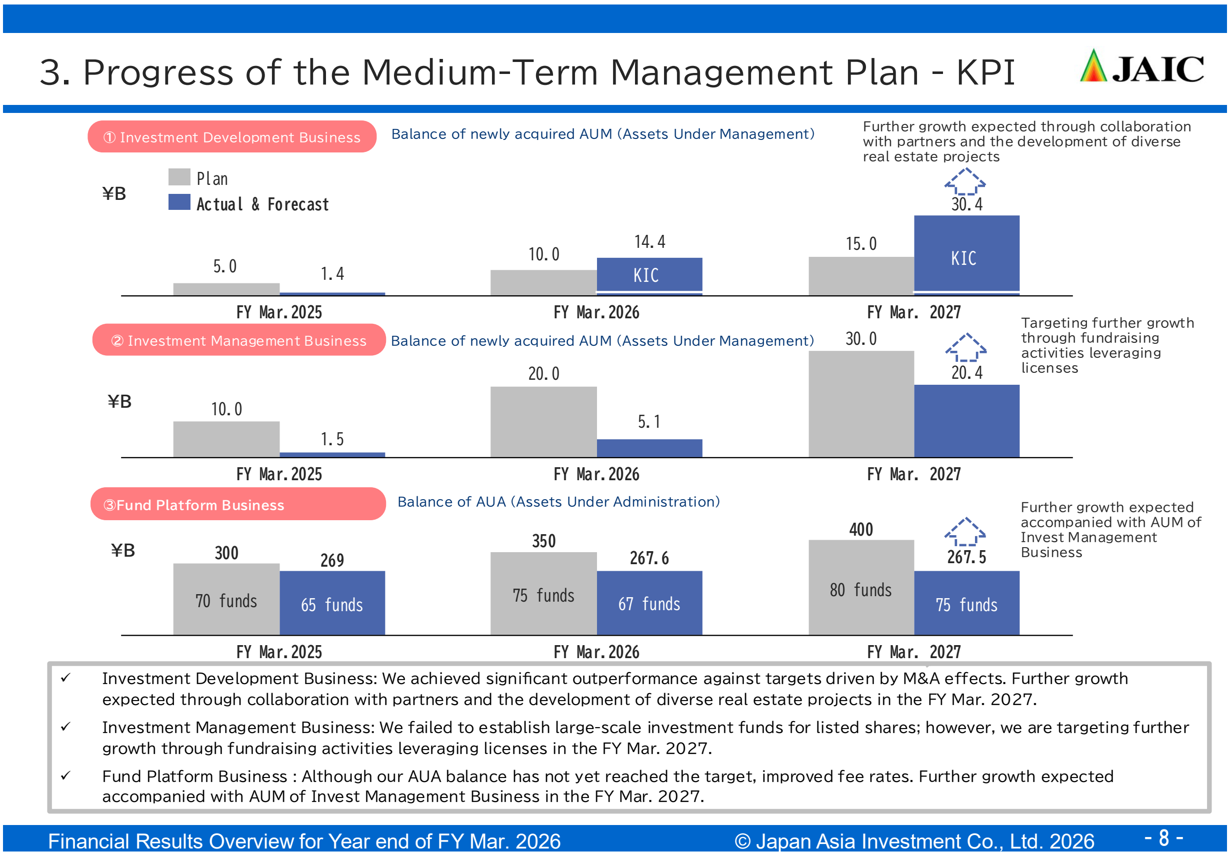
We believe that, as an investment company, maintaining an appropriate level of leverage is important.

As I mentioned earlier, our current borrowings and cash balances are nearly equal, but whether such a balance is truly appropriate for an investment company is another matter. We believe there should be a proper leverage level.

At present, we are unable to utilize greater leverage due to financial constraints and the ongoing ADR status, which has become a major limitation.

Therefore, we intend to achieve refinancing as early as possible, complete the ADR process, and improve leverage levels.

We also intend to continue strengthening IR activities so that these efforts are reflected in corporate value and share price.



AUM in each businesses is our primary KPI.

The investment development business includes logistics warehouses, healthcare facilities, and the data center business we have recently entered.

The investment management business mainly consists of equity investment funds involving investments in listed and unlisted companies.

Regarding progress toward these KPIs, in the fiscal year ended March 2026, we significantly exceeded our target of ¥10 billion in project assets, reaching ¥14.4 billion, primarily due to the acquisition of KIC Holdings, which I will discuss later.

Going forward, led mainly by KIC Holdings, we expect AUM in the fiscal year ending March 2027 to substantially exceed the original targets set in our Medium-Term Management Plan.

Although detailed figures are still under review, based on current project progress, we expect project assets to exceed ¥30 billion in the fiscal year ending March 2027.

On the other hand, AUM for equity investment funds involving listed and unlisted companies was significantly below our Medium-Term Management Plan target of ¥20 billion as of March 2026.

While we believe the quality and differentiation of these investment products are remarkably high, the scale has fallen short of our targets.

However, considering the current pipeline, we believe we can accelerate growth substantially toward the fiscal year ending March 2027.

We are implementing measures to expand both the scale and profitability of these high-quality pipeline projects, which I will explain later.

We hope investors will feel reassured that we are moving toward accelerated AUM growth in the fiscal year ending March 2027.

We also operate a subsidiary called JAIC Business Services, which provides fund administration services for these investment funds.

For the fiscal year ended March 2026, the company administered 75 funds for both internal and external clients.

This business is also progressing largely in line with the targets of our Medium-Term Management Plan.

Regarding the progress of the Medium-Term Management Plan overall, in the project business we have steadily expanded AUM through M&A, particularly with the strong support of KIC Holdings.

In the investment management business involving listed and unlisted equities, we are strengthening our organizational capabilities to pursue scale as well as quality, and all executives and employees are committed to achieving our targets for the fiscal year ending March 2027.

The platform business supporting these operations has also established stable operational capabilities, which we intend to leverage to further expand our investment business.

3. Progress of the Medium-Term Management Plan - Details of AUM

JAIC

Name of fund	Date of inception	AUM increased during FY 2026	Balance of AUM as of Mar. 2026	Main investment target
JAIC Partners Fund, L. P.	June 2024		¥ 179 M	A fund targeting publicly listed and privately held companies that collaborate with us to create business synergies
JAIC Specialty Fund L.P.	January 2025	¥ 452 M	¥ 612 M ※1	A fund that invests in listed companies and others engaged in creating a virtuous cycle of business growth and regional revitalization in Japan's domestic specialty, retail, and tourism industries.
JAIC Supply Chain Fund, L.P.	January 2025		¥ 830 M	A fund targeting listed companies related to the supply chain in the manufacturing industry
JAIC-Web3 Fund, L.P.	February 2025	¥ 65 M	¥ 465 M	A fund that invests in domestically listed companies related to Web3 (including NFTs)
JAIC Crypto Asset Shares Fund, L.P.	July 2025	¥ 2,480 M	¥ 2,480 M	A fund that invests in companies related to crypto assets (cryptographic assets)
JAIC-DLE Anime IP Fund, L.P.	July 2025 ※2	¥ 201 M	¥ 201 M	A fund that mainly invests in anime IPs and content utilizing anime IPs primarily in Japan
JAIC SCALE UP Fund, L.P.	June 2025 ※3	¥ 301 M	¥ 301 M	A fund that invests in domestically listed companies aiming to scale up their business operations
Total ※4		¥ 3,499 M	¥ 5,068 M	

※1:Increased AUM by ¥214M in April 2026 and current balance of AUM is ¥826M
※2:Capital contribution was executed in October 2025
※3:Capital contribution was executed in March 2026
※4: Since capital contributions haven't yet been fulfilled, ONE-Japan Tourism Fund, L.P., which was established in Oct. 2025, is not included.

Next, I would like to briefly discuss the progress of the funds that we are highly confident in.

For these 2 years, we have actively established numerous funds.

The Partners Fund invests strategically in companies that generate business synergies with us.

The Specialty Fund is the fund we are currently focusing on the most. Through this fund, we actively invest in listed companies that create positive cycles between business growth and regional revitalization in the specialty, tourism, and retail industries.

We have also established a Supply Chain Fund in response to issues such as Trump-era tariffs and supply chain disruptions caused by the COVID-19 pandemic. As an investment company connecting Japan and Asia, we are focusing on supply-chain-related investments.

We currently hold meaningful stakes in listed companies through this fund and are pursuing collaborative initiatives with them.

In the Web3 Fund, we are actively investing in the listed company Iore through our initiatives in the Web3 and crypto asset sectors.

Similarly, through the Crypto Asset Equity Fund, we hold warrants and listed shares of a crypto-related company.

We are also strengthening our focus on content businesses through this anime IP fund.

As a new initiative this fiscal year, our various efforts have gained recognition both inside and outside the market, and we have increasingly received inquiries from listed companies

— particularly smaller-cap Standard Market and Growth Market companies — amid the Tokyo Stock Exchange's market reform initiatives.

To provide comprehensive financial, management, capital, and shareholder solutions to such companies, we are actively preparing the Scale-Up Fund series, including Scale-Up Fund No.1, No.2, and No.3.

We expect opportunities in this area to increase substantially toward year-end.

Our aim is to create a series of funds designed to scale up the business size and corporate value of target companies.

As you can see, we are steadily establishing funds that address a wide range of management, financial, capital, and shareholder issues faced by portfolio companies.

3. Progress of the Medium-Term Management Plan - Investment cases in listed companies

JAIC

- ✓ Invested in 8 listed companies from newly established funds
  Support business development through strategic partnerships with us, as well as collaboration among portfolio companies
- ✓ Invested in 2 listed companies from own capital through share acquisition rights
  Securing profit opportunities through capital-efficient investment methods

Branding Technology Inc.
(TSE Growth: 7067)

Takachiho Co., Ltd.
(TSE Standard / NSE Main: 8225)

eole Inc.
(TSE Growth: 2334)

nms Holdings Corporation
(TSE Standard:2162)

W TOKYO Inc.
(TSE Growth: 9159)

DLE, Inc.
(TSE Standard:3686)

Bestone.com Co., Ltd
(TSE Growth:6577)

IZUTSUYA Co., Ltd.
(TSE Standard/FSE Main:8260)

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Next, I would like to discuss our investment track record.

Over the past year or so, we have executed investments in eight companies, primarily listed companies.

Most recently, as announced in a press release, we invested in Izutsuya, a long-established regional department store based in Kokura, Kyushu.

Izutsuya is a highly trusted and well-known company in its local community.

While many regional department stores are struggling due to population decline and aging demographics, Izutsuya is working hard to provide innovative services and products that go beyond the traditional department store framework.

The company also has a particularly strong outside-sales business, where sales representatives act not only as sellers of high-end products but also as concierge-like advisors addressing a wide variety of customer needs.

We believe this outside-sales model has the potential to regain new relevance in regions facing declining populations and aging societies, where delivering high-quality services and products efficiently is increasingly important.

We intend to fully support Izutsuya's initiatives in Kitakyushu and contribute to enhancing its corporate value.

We made this investment with the aim of forming a business alliance and creating strong collaboration through both our funds and our corporate activities.

Although I focused on Izutsuya as an example, we are pursuing similar initiatives with all eight portfolio companies.

Our business contributes directly to the expansion and quality improvement of our investees' operations, ultimately leading to higher corporate value.

In this way, we are creating highly differentiated funds that stand apart from conventional investment funds.

We are also actively investing through stock acquisition rights to achieve efficient investments with limited use of our own capital.

Enhance corporate value through strategic partnerships with us, as well as collaboration among portfolio companies

Branding Technology Inc.
(TSE Growth: 7067)

Joined JAIC Specialty Fund L.P. as a fund investor

Branding Technology invested in the fund targeting listed companies in Japan's domestic specialty, retail, and tourism industries, and collaborated on the promotion of new products launched by Takachiho, a portfolio company of the fund

DLE, Inc.
(TSE Standard:3686)

Joined JAIC-DLE Anime IP Fund, L.P. as a fund investor

DLE invested in the fund that mainly invests in Japanese anime IPs and content utilizing Japanese anime created by DLE

Takachiho Co., Ltd.
(TSE Standard / NSE Main: 8225)

Joined Omiyage Fund, L.P. No.1 as a fund investor (in Apr. 2026)

Takachiho invested in the fund specializing in the roll-up of companies in the specialty products industry, aiming to enhance the corporate value through collaboration between the fund' s portfolio companies and Takachiho

eole Inc.
(TSE Growth: 2334)

Collaboration on a data center project

Collaboration on business planning and operational strategy for the decentralized AI data center operated by JAIC Data Dynamics Co., Ltd., an affiliate of our company

As supplementary information, this page also explains our collaborations with investee companies.

Takachiho, which disclosed the establishment of the Omiyage Fund No.1, is another example.

Through our Specialty Fund, we invested in the Takachiho Group, which focuses on the specialty industry.

Together with Takachiho Group, we have established a fund dedicated to M&A roll-up strategies in the specialty industry.

While details regarding investment targets cannot yet be disclosed, investments have already been determined through Omiyage Fund No. 1, and we will provide further information once disclosure becomes possible.

We have also built a close relationship with Iore over the past year, and collaboration on data center projects is now beginning in earnest.

We believe these various projects and investments will ultimately contribute to enhancing corporate value, and we appreciate your patience as these initiatives bear fruit.

4. Topics−Third-party allotment of shares

JAIC

¥3.74 billion (※1) was expected to be raised at the time of resolution in Oct. 2025

Ordinary shares	
Expected amount to be raised	¥ 252 million
Share price	¥252
Number of shares to be issued	1 million shares
–	–

Stock acquisition rights (fixed exercise price type)	
Expected amount to be raised	¥ 994 million(※2)
Exercise price	¥252 per share
Number of shares to be issued	4 million shares
Exercise period	from 11 Nov. 2025 to 10 Nov. 2027

Stock acquisition rights (with exercise price adjustment provisions)	
Expected amount to be raised	¥ 2,507 million(※3)
Exercise price	Initial exercise price ¥252 per share(※4)
Number of shares to be issued	10 million shares
Exercise period	from 11 Nov. 2025 to 11 May 2027

※1、2 The amount expected to be raised assumes that all fixed exercise price type stock acquisition rights are exercised.
※1、3 The Amount expected to be raised assumes that all stock acquisition rights with exercise price adjustment provisions are exercised at the initial exercise price.
※4 As the exercise price is subject to adjustment, the amount expected to be raised may fluctuate.

¥0.78 billion was actual amount raised by March 2026

Raised in Nov. 2025

Ordinary shares	
Actual amount raised	¥ 252 million
Share price	¥252
Number of shares	1 million shares
–	–

Exercise progress rate 0%

Stock acquisition rights (fixed exercise price type)	
Actual amount raised	¥ 0 million
Exercise price	¥252 per share
Number of shares issued	-
Exercise period	from 11 Nov. 2025 to 10 Nov. 2027

Exercise progress rate 27.2%

Stock acquisition rights (with exercise price adjustment provisions)	
Actual amount raised	¥ 527.7 million
Exercise price	AV. ¥193 per share
Number of shares issued	2.72 million shares
Exercise period	from 11 Nov. 2025 to 11 May 2027

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Next, I would like to discuss recent topics.

During the fiscal year, we resolved in October 2025 to conduct a third-party allotment capital increase.

Through this financing, we plan to raise approximately ¥3.74 billion.

As of March 2026, we had already raised ¥780 million.

Because this financing primarily involves warrants, there is a concern that the existence of warrants may weigh on the share price, creating a negative cycle in which lower share prices hinder warrant exercises.

Accordingly, we are actively exploring new shareholder candidates to accelerate warrant exercises and off-market underwriting.

Ideally, we hope to achieve early and steady funding through accelerated warrant exercises.

Allow me also to explain our fundamental thinking regarding warrants.

As a listed investment company, we believe it is meaningful to periodically raise capital from the market while continuously rewarding shareholders through corporate value and share price appreciation.

However, such financing should only occur once we have established a repeatable business model capable of generating investment returns exceeding our cost of capital.

By executing investments in projects that generate returns above our cost of capital, producing excess returns, increasing corporate value and share price, and then raising further capital, we believe we can fulfill our role as a listed investment company.

The third party allotment conducted during the fiscal year was implemented as part of this strategy, and we intend to ensure that the fundraising proceeds smoothly.

4. Topics－Third-party allotment of shares

JAIC

<Purpose and Significance of This Financing>

Establishing sustainable profitability through the expansion of stable earnings, while pursuing further enhancement of corporate value

◆ Toward continuous growth

▶ Steady achievement of KPIs and further expansion of AUM

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

leading to enhanced corporate value

◆ Toward non-continuous growth

▶ Initiatives to implement a M&A strategy

(Target Companies for M&A)

- Companies holding various licenses
- Companies with business pipelines

▶ Creating new business opportunities and revenue opportunities

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The funds raised are intended for investments in data center businesses, investments in our investment management funds, and M&A activities to expand our business foundation.

Acquisition of KIC Holdings as a Subsidiary

- ✓ Acquired subsidiaries engaged in the development of logistics facilities and data centers, as well as asset management businesses
- ✓ Acquired a 60% stake as of the end of March 2026, followed by additional acquisitions in April 2026 to make the company a wholly owned subsidiary
- ✓ Planning to handle non-real-estate funds by JAIC Asset Management Inc.

Name	KIC Holdings Inc.
Head Office	3-19 Kandanishikichou Chiyoda-ku, Tokyo
Representative	Representative Director Masato Tsuchida
Business	Holding Company, Domestic Real Estate Investment and Development
Establishment	June 2018
Shareholder	Japan Asia Investment Co., Ltd. 100% (as of Apr. 2026)
Subsidiary	JAIC Asset Management Inc. ✓ Licenses held: Financial Instruments Business Operator, Type II Financial Instruments Business, Investment Advisory and Agency Business, Investment Management Business, Real Estate Investment Advisory Business, and Real Estate Transaction Business ✓ Planning to handle funds investing not only in real estate, but also in securities and monetary claims

On that note, one major M&A transaction funded through this capital raise was the acquisition of KIC Holdings.

KIC Holdings is a company we had partnered with for several years in logistics facility development projects.

The company mainly develops logistics warehouses and, more recently, refrigerated and frozen warehouses.

The reason we decided to acquire KIC Holdings as a wholly owned subsidiary is that, although we originally focused on mega-solar project development, we have recently expanded into healthcare facilities and group homes for persons with disabilities.

However, project development is facing headwinds such as rising interest rates, inflation, and higher construction costs.

To diversify our portfolio into areas more resilient to inflation, we identified opportunities in data centers, residential assets, and hotel businesses driven by inbound tourism growth.

We therefore sought to acquire a company with expertise in real estate development, project origination, construction supervision, and site management — capabilities we did not previously possess internally.

KIC Holdings had strong development teams capable of advancing data center, residential, and hotel projects, leading us to proceed with the acquisition.

KIC Holdings is already advancing refrigerated warehouse projects and, together with us, is currently developing a data center project in Chiba Prefecture.

It is also pursuing residential and hotel projects in collaboration with external partners.

As mentioned earlier in the Medium-Term Management Plan section, these projects are expected to enable us to substantially exceed our original AUM targets.

Partner participation in the asset management subsidiary

- ✓ In May 2026, a group company of RS Holdings Co., Ltd. acquired a 40% equity stake in JAIC Asset Management Inc.
- ✓ Aiming to expand the business by combining RS Group's expertise in real estate development with JAIC Asset Management's expertise in real estate fund management

Outline of the partner company

Name	RS Investment Management Co., Ltd.
Head Office	6F Roppongi Hills Crosspoint, 6-3-1 Roppongi, Minato-ku, Tokyo
Representative	Representative Director Kaname Wakabayashi
Business	Real estate arrangement services and related services
Establishment	July 2019
Shareholder	RS Holdings Co., Ltd. 100%
Track record	AUM of RS Group total is about ¥600 billion

KIC Holdings also has a subsidiary, which we renamed JAIC Asset Management Co., Ltd. and incorporated into our group.

Immediately after joining our group, RS Investment Management Co., Ltd., a group company of RS Holdings, invested in JAIC Asset Management, resulting in 60% ownership by us and 40% by RS Investment Management.

JAIC Asset Management possesses a Type II Financial Instruments Business license and an Investment Management Business license, allowing it to establish and manage a wide variety of funds.

This will enable us to raise and manage funds for real estate, equities, bonds, and other securities from a broader range of investors.

In the real estate field, we plan to expand assets in logistics warehouses, residential properties, and hotels in collaboration with the RS Holdings Group.

In addition, by acquiring an asset management company with the necessary licenses, we will be able to offer our investment products to a much wider investor base.

This will help us move beyond the current situation where we have high-quality funds but on a limited scale.

We believe the acquisition of KIC Holdings and JAIC Asset Management significantly strengthens our ability to achieve our Medium-Term Management Plan and supports our future growth.

We also intend to continue pursuing further M&A opportunities using the funds raised.

We appreciate your continued support for KIC Holdings and JAIC Asset Management as members of our group.

5. Result forecast - Details of result forecast

JAIC

(million yen)	Actual FY 2026	Result forcast FY2027	Change
Operating revenue	1,320	3,000	127.2%
Operating costs	673	1,080	60.3%
Operating gross profit	646	1,920	197.0%
SG&A expenses	957	1,570	64.0%
Operating profit	(310)	350	-
Ordinary profit	(378)	250	-
Profit attributable to owners of parent	(214)	300	-

- ✓ Expecting a 127.2% revenue increase and net profit of 300 million yen
- ✓ Proceeds from the sale of shares are expected to increase significantly. For unlisted shares, we expect to sell stocks in Japan for which sales activities have been ongoing since the previous fiscal year. For listed shares, we expect to sell not only stocks currently held but also those to be acquired through future investments.
- ✓ At JAIC Asset Management Co., Ltd., AUM is expected to increase through collaboration with partner companies, resulting in a significant increase in asset management fees.
- ✓ Fund management fees are expected to steadily increase with AUM.
- ✓ Proceeds from project investment sales is expected to increase only to a certain extent.
- ✓ SG&A is expected to increase due to an increase in subsidiaries, planned increases in personnel to drive business growth, and goodwill amortization related to M&A conducted.

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Finally, I would like to discuss our earnings forecast for the fiscal year ending March 2027.

Although the contribution from expanded AUM is still expected to be limited in the near term, we forecast operating revenue of ¥3.0 billion, representing a substantial increase from ¥1.3 billion in the previous fiscal year.

SG&A expenses are expected to rise significantly from ¥957 million to ¥1.57 billion.

This increase is primarily due to the consolidation of KIC Holdings and JAIC Asset Management, as well as substantial planned hiring to support expansion into logistics warehouses, residential assets, hotels, securities, and private funds.

While SG&A expenses at the parent company level are expected to remain largely flat, the addition of acquired companies will increase consolidated expenses.

However, operating revenue is also expected to increase substantially.

We forecast operating income of ¥350 million, ordinary income of ¥250 million after interest expenses, and net income attributable to owners of the parent of ¥300 million.

We are fully committed to achieving profitability and revenue growth.

If we successfully achieve the targets of our Medium-Term Management Plan, we believe this will demonstrate that our earnings base has stabilized.

This would allow us to repay all borrowings currently under ADR arrangements and return the Company to normal financial condition.

We would then proceed with refinancing, increase leverage to appropriate levels, and establish a structure capable of generating sustainable and repeatable investment returns for shareholders.

All executives and employees are fully committed to achieving this plan during the current fiscal year, and we sincerely ask for your continued support.

This concludes my presentation for today's earnings briefing.

Thank you very much for your attention.

4. Result forecast - Cautionary statements

JAIC

- ✓ 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 consolidation standards" even though it doesn't have enough rationality.
- ✓ The "result forecast consolidated under the previous consolidation standards" 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.

Japan Asia Investment Co., Ltd.

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

Contact to:
IR team in Corporate Management Group
IR e-mail : ir@jaic-vc.co.jp

Because our businesses, investment projects, and investment funds span a wide range of areas, and because our efforts to enhance the corporate value of portfolio companies involve highly diverse business activities, some of you may feel that we are engaged in a remarkably broad range of initiatives.

Going forward, we intend to explain each of these carefully and thoroughly.

At the same time, while our business areas are diverse, we also recognize the importance of establishing core businesses and flagship funds that can serve as the pillars of the Company.

One major shortcut toward achieving this is naturally M&A.

We view M&A as a way to acquire businesses that can become core pillars of our Company.

Although our current Medium-Term Management Plan did not specifically mention M&A, as we prepare the next Medium-Term Management Plan following the fiscal year ending March 2027, we are considering positioning M&A as one of our major strategic pillars.

As these opportunities progress, and as they have the potential to significantly transform our business scale and structure, we intend to report and explain them to you in detail.

With that, today's presentation is concluded.

Thank you once again for taking the time to join us today despite your busy schedules.