

Financial Results Overview for Year Ended March 31, 2023

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

Announcement date : May 15, 2023

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

- ✓ Results for the current fiscal year (year-on-year)
 - Operating revenue was ¥ 3,017 million (up, 25.2 %) and net loss attributable to owners of parent was ¥ (269) million (compared to profit attributable to owners of parent of 49 million yen for the the previous fiscal year).
 - Sales of unlisted shares progressed in Japan and overseas. Capital gains from 5 project-oriented investments, including 1 project which had been sold in the previous fiscal year, contributed.
 - Capital loss, provisions and losses from projects increased operational cost and led the deficit.
- ✓ Progress of the Medium-Term Management Plan (Numerical Plan)
 - As for the result for FY 2023, operating revenue achieved the plan, but profit fell short of the plan by ¥ 819 million.
 - As for the result forecast FY 2024, operating revenue is expected ¥ 2,300 million and net profit attributable to owners of parent is expected ¥ 120 million. We expect recovery in profitability by capital gains from unlisted shares, distribution warehouse projects and projects of group home for disabled people. Compared to the plan, however, net profit attributable to owners of parent fell short of the plan by ¥ 730 million.
 - The main reason for the failure to achieve the plan is the sluggish capital gains of shares. Provisions and losses from projects are also factors of the decline in profits.
 - Though the number and value of sales of project-oriented investments will exceed the plan, they can not compensate for all other downsides.
- ✓ Progress of the Medium-Term Management Plan (Action Plan)
 - The business policies of the plan are securing profits and funds by selling existing financial investment assets, investing the funds into project-oriented investment and strategic investment and increasing capital gains from strategic investees.
 - In FY 2023, according to the plan we invested in project-oriented investments and strategic investees and acquired capital gains from strategic investees.
 - In FY 2024, we plan to increase capital gains by enhancing hands-on support mainly to strategic investees, to improve profitability for under-monetized projects and to increase operating revenue from M&A advisory business.

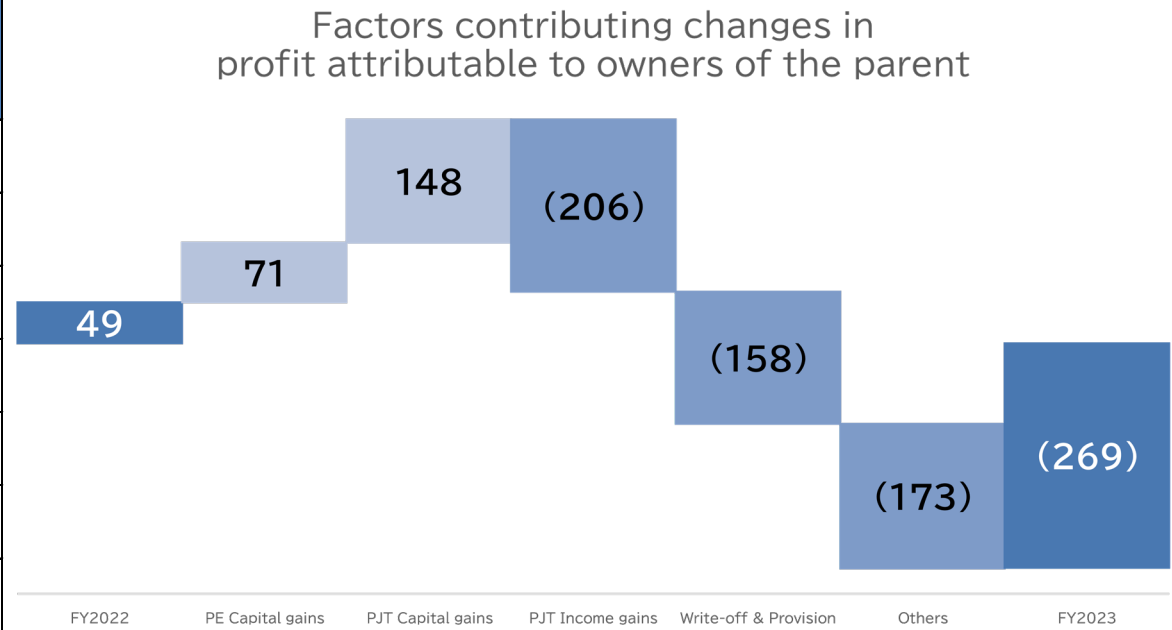
2. Results for the current fiscal year



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

(million yen)	FY 2022	FY 2023	Change
Operating revenue	2,409	↗ 3,017	25.2%
Operating cost	1,133	↗ 2,056	81.4%
Operating gross profit	1,276	961	(24.6%)
SG&A expenses	1,189	1,147	(3.6%)
Operating income	86	(185)	-
Ordinary income	61	(224)	-
Profit attributable to owners of parent	49	↘ (269)	-



✓ Factors for increased operating revenue

- Proceeds of sales of securities increased. Sales of unlisted shares, which were relatively large investment amounts, progressed in Japan and overseas.

✓ Factors for deficit



- Operating cost increased due to capital loss of shares, provisions and loss from project investments.
- Strong Capital gains from securities and project investments could not compensate for the increased operating cost.

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

(million yen)	FY 2022	FY 2023	Change	fluctuation factors (billion yen)
Total assets	14,972	13,413	(10.4%)	
Cash and deposits	2,740	↘ 2,464	(10.1%)	repayments of loan (0.8), execution of investments & loans (2.9), expenses etc.(0.9), collection +4.3
Project oriented investment securities & loans after deducting allowance for possible investment loss	6,781	↘ 6,053	(10.7%)	execution of investments & loans +2.4, distribution & collection (3.0), allowance(0.1)
Strategic investment securities in partner companies after deducting allowance for possible investment loss	1,783	↘ 782	(56.1%)	execution of investments +0.2, collection (0.7), unrealized gain (0.3), allowance(0.2)
Financial investment securities after deducting allowance for possible investment loss	3,029	3,301	9.0%	execution of investments +0.6, distribution & collection (0.8), unrealized gain +0.3, decrease of allowance +0.1
Loans payable	5,943	↘ 5,142	(13.5%)	repayments of loan (0.8)
Total shareholders' equity	7,779	↘ 7,518	(3.4%)	loss (0.27)

- ✓ The balance of project-oriented investment and strategic investment decreased. Amounts of investment collection exceeded amounts of investment execution.
- ✓ The balance of loans payable decreased. After securing investment funds for future growth, JAIC will repay loans payable to an appropriate level.
- ✓ Total shareholders' equity decreased due to loss.

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

(JPY million)	FY 2022	FY 2023
Operating cash flow	(145)	 157
Investing cash flow	212	0
Financing cash flow	(1,007)	 (806)
Change in net cash flow	(903)	(635)
Cash & cash equivalents at end of period	2,397	1,762

- ✓ Operating cash flow; net cash turned profitable because cash inflow from collection of investments increased
- ✓ Financing cash flow; net cash used in with repayments of long-term borrowings decreased

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

(JPY million)	Total		Private equity investment		Project oriented investment	
	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023
Operating revenue	2,409	3,017	1,235	↗ 2,076	1,174	↘ 941
Fund management fees etc.	154	134	146	126	7	7
Proceeds of sales of securities	1,573	2,057	915	↗ 1,907	657	↘ 149
Fund interests income etc.	631	781	162	35	469	↗ 746
Other operating revenue	50	44	10	5	40	38
Operating cost	1,133	2,056	483	1,503	650	552
Cost of securities sold	810	1,311	300	↗ 1,221	509	90
Investment write-offs and Provision for allowance for possible investment losses	145	304	145	↗ 229	-	75
Fund interests losses etc.	167	426	33	49	134	↗ 377
Other operating costs	10	12	3	3	7	9
Operating gross profit	1,276	961	752	↘ 572	523	↘ 389




- ✓ Private equity investment – Revenue increased, and operating gross profit decreased
 - Of operating revenue, proceeds of sales of securities increased. Sales of listed shares increased in Japan. Sales of unlisted shares, which were relatively large investment amounts, progressed in Japan and overseas.
 - Of operating cost, cost of securities sold increased due to capital loss. Capital loss incurred from sales of investee companies whose business conditions have deteriorated and which were with a lower expected investment collection.
 - Of operating cost, provisions were recorded for investee companies, which were relatively large investment amounts and experienced delays in business progress.
- ✓ Project oriented investment – Revenue decreased, and operating gross profit decreased
 - Of operating revenue, proceeds of sales of securities decreased with a smaller number of projects sold. In the the previous fiscal year, JAIC sold 1 mega solar project and partially sold 1 logistic warehouse. In the current fiscal year, JAIC sold 1 mega solar project.
 - Of operating revenue, fund interest income etc. increased because of capital gains of 4 projects such as 2 logistic warehouses, 1 facility for the elderly and 1 commercial building.
 - Of operating cost, fund interest losses etc. increased because of losses incurred from vegetable plant project, bio-gas power generation project and other projects in the initial stage of development.

3. Progress of the Medium-Term Management Plan (Numerical Plan)

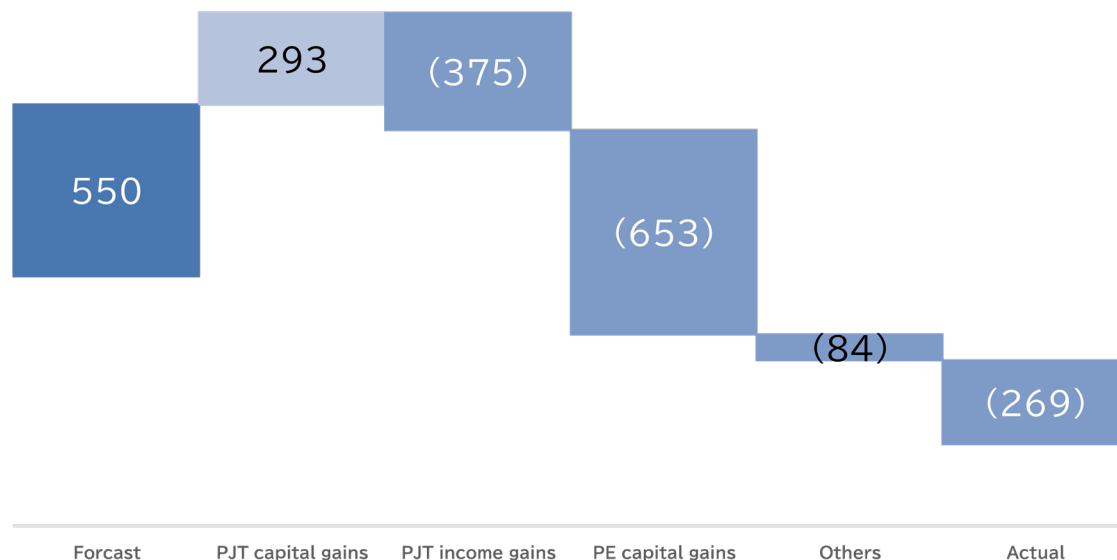


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3. Progress of the Medium-Term Management Plan (Numerical Plan) - Progress in FY 2023

(million yen)	Result forecast FY2022 (Disclosed on '22 May)	Actual FY 2023	achievement ratio
Operating revenue	3,000	 3,017	100.6%
Operating cost	1,050	 2,056	195.8%
Operating gross profit	1,950	961	49.3%
SG&A expenses	1,200	1,147	95.6%
Operating income	750	(185)	-
Ordinary income	650	(224)	-
Profit attributable to owners of parent	550	 (269)	-
ROE	6.3%	(3.5%)	-

Differences between forecasts and actual results of profit attributable to owners of parent



- ✓ Operating revenue achieved the plan 100.6%, but profit fell short of the plan.
- ✓ Factors caused profits to fall short of the plan
 - Capital gains of shares fell short of the plan; Delay in the timing of the sale, slump in the share price, capital loss
 - Project income gains fell short of the plan; losses increased from projects which experienced delays in business progress and from projects in the initial stage of development.
 - Strong capital gains from project investments could not compensate for the short of capital gains of shares and the short of project income gains.

3. Progress of the Medium-Term Management Plan (Numerical Plan)- Breakdown of result forecast FY 2024



(million yen)	Actual FY 2023	Result forecast FY2024	Change	Result forecast FY2024(2Q)
Operating revenue	3,017	2,300	(23.8%)	525
Operating cost	2,056	1,000	(51.4%)	325
Operating gross profit	961	1,300	35.1%	200
SG&A expenses	1,147	1,100	(4.1%)	570
Operating income	(185)	200	-	(370)
Ordinary income	(224)	120	-	(410)
Profit attributable to owners of parent	(269)	120	-	(410)
ROE	(3.5%)	1.6%	-	-

Break down of operating
revenue:

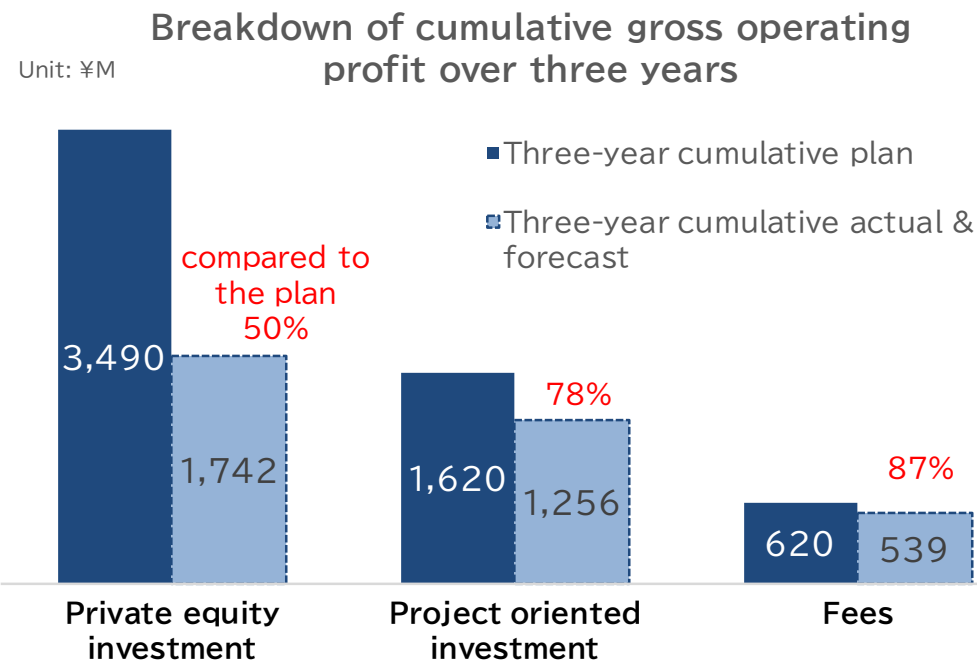
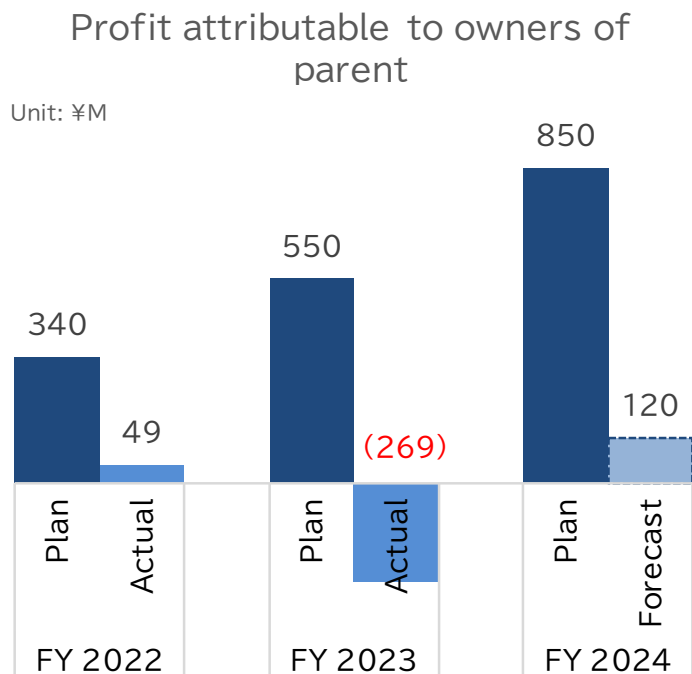
Proceeds of sales of
operational investment
securities:
1,470
Capital gains from project:
580
Others:
250

Break down of operating cost:

Cost of securities sold:
400
Investment write-offs and
Provision for allowance for
possible investment losses:
430
Fund interests losses etc.:
160
others:
10

- ✓ Operating revenue is expected decrease 23.8% year-on-year but net profit attributable to owners of parent is expected to return to profitability with ¥ 120 million.
- ✓ Factors for decreased operating revenue; Decrease in proceeds of sales of shares
- ✓ Factors for recovering profitability;
 - Any capital losses are not expected, and higher profitability is expected for securities to be sold.
 - Fund interests losses etc. is expected to decrease due to improvement of profitability for under-monetized projects.
- ✓ Valuation losses and provisions are conservatively assuming that they will increase year-on-year.
- ✓ We expect a cumulative deficit until the third quarter, since most of the profits are expected to be generated in the third quarter and in the fourth quarter.

3. Progress of the Medium-Term Management Plan (Numerical Plan)- Progress in cumulative over 3 years



- ✓ Actual and forecast profit attributable to owners of parent is expected to be lower than planned for all three years.
- ✓ The downside is occurring at the gross operating income.
 - Private equity investment; due to the short of capital gains and the excess of provisions, cumulative gross operating profit for the three years is expected to be 50% of the plan
 - Project oriented investment; capital gains are higher than planned but some projects are under-monetized, and cumulative gross operating profit for the three years is expected to be 78% of the plan
 - Fees; Since we could not develop deals in M&A advisory business, 87% of the plan is expected

3. Progress of the Medium-Term Management Plan (Numerical Plan)- 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.

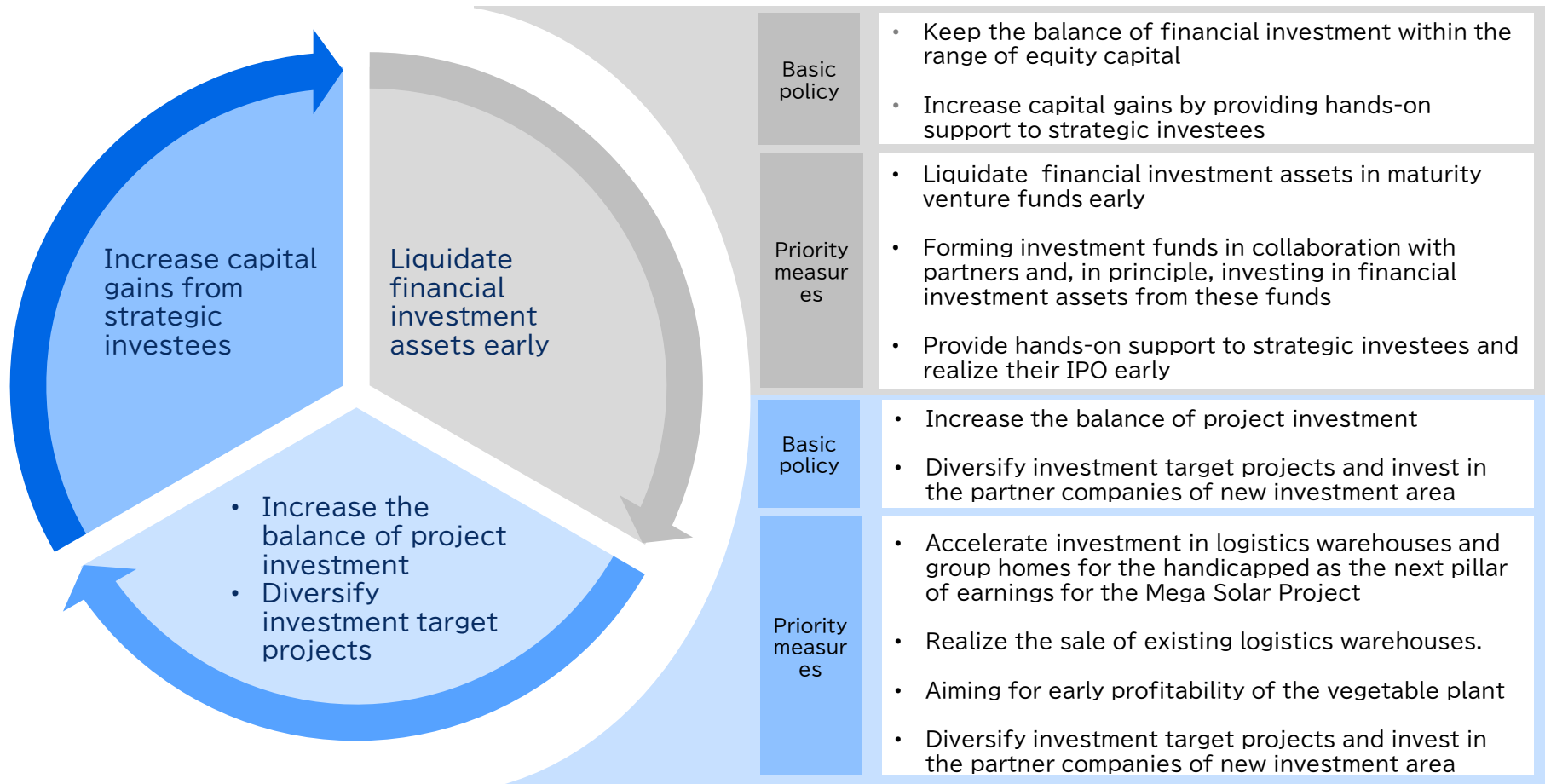
4. Progress of the Medium-Term Management Plan (Action Plan)



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4. Progress of the Medium-Term Management Plan (Action Plan) - Business policy

Business Policy	<ul style="list-style-type: none"> ✓ Secure profits and funds by selling existing financial investment assets ✓ Increase the balance of project investment based on the new investment policy ✓ Establish a hands-on investment style through collaboration in project investment and increase capital gains from strategic investees
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4. Progress of the Medium-Term Management Plan (Action Plan) - Progress in FY 2023

	Action plan for 3 years	Progress in FY 2023
Private equity investment	<ul style="list-style-type: none"> ✓ Liquidate existing assets and complete asset replacement. ✓ Originate three new funds. ✓ Support strategic partners to go on public. Cultivate new investment areas and promote strategic investment. 	<ul style="list-style-type: none"> ✓ TMS Co., Ltd. achieved IPO in Nov. 2022. ✓ Established “Succession Investment Limited Partnership, II” and increased the commitment amount. ✓ Exited 1 strategic investee company by a M&A deal and executed 2 strategic investments
Renewable energy	<ul style="list-style-type: none"> ✓ Increase investments in rooftop solar power generation project in Vietnam and biogas project in Japan. ✓ Sell mega solar projects in Japan after the completion to post gain on sale. 	<ul style="list-style-type: none"> ✓ Invested in solar power systems with storage batteries installed on the rooftops of distribution centers ✓ Invested in Non-FIT type biomass power generation project in Mie ✓ As for mega solar power plant, 1 project was sold and 1 project started electricity sales
Smart agriculture	Support to develop customer base such as major convenience store and expand business size by constructing additional plant up to No.4	<ul style="list-style-type: none"> ✓ Expanded sales channels to major convenience stores, etc., progressed in passing on costs ✓ Morvel Farm, a strategic investee company, takes over the management of a vegetable factory operating company in Yabu City, Hyogo Prefecture, and is the third factory including our investment project.
Distribution center (logistics warehouse)	<ul style="list-style-type: none"> ✓ Increase investments as a priority area. ✓ Invest in early stages of projects and achieve high returns by attracting later stage investors looking for middle-risk & middle returns. 	<ul style="list-style-type: none"> ✓ Executed 2 additional investments in existing projects ✓ Received profit dividends from the project which sold its facility in last fiscal year ✓ Sold the distribution center in Hidaka City, Saitama and received profit dividends
Healthcare (facility for the elderly)	Continue to invest in carefully selected projects	<ul style="list-style-type: none"> ✓ Sold the facility in Minamiaoyama, Minato-ku and posted fund interest profit ✓ Built up facilities in the Shinonome-Toyosu area of Koto Ward (April 2023)

4. Progress of the Medium-Term Management Plan (Action Plan) - Progress in FY 2023



	Action plan for 3 years	Progress in FY 2023
Healthcare (group home for disabled people)	Invest in 50 projects by originating funds from major banks and leasing companies	<ul style="list-style-type: none"> ✓ Built up 3 group homes and established a total of 10 group homes ✓ The fund which JAIC invested with a leasing company etc. invested 5 group homes in total and 2 group homes were established
New investment area	Develop new investment area that will become a core revenue generator from businesses related to existing investment themes and other business themes which may arise from corona crisis	<ul style="list-style-type: none"> ✓ Invested in new projects such as electric assisted bicycle subscription service and tree burial ✓ Invested in 3 entertainment contents ✓ Built up shared atelier project in Fujisawa City, Kanagawa (April 2023)
M&A advisory business	Accumulate pipelines and increase profits of advisory business by co-working with partners at home and abroad	In Feb. 2023 acquired Asian Market Planning Co., Ltd. as a subsidiary and expanded the scope of project development.

4. Progress of the Medium-Term Management Plan (Action Plan) - Issues and measures for the FY 2024

	Issues	Measures
Private equity investment	<ul style="list-style-type: none"> ✓ Gains on IPOs and the sale of unlisted shares of investee companies with relatively large investment amount are lower than planned ✓ Provision incurred for investee companies which experienced delays in business progress 	<ul style="list-style-type: none"> ✓ Enhance hands-on support mainly to strategic investees
Renewable energy	In Japan, biogas power generation project delayed stable operation and profitability because the amount of waste collected as a raw material for power generation is below the plan.	We introduced food manufacturers and food supermarkets to increase collection volume of waste. As a result, the amount of collection and power generation are on the rise.
Smart agriculture	Production volume at the Tamba Sasayama Plant is below the plan and profitability is delayed.	<ul style="list-style-type: none"> ✓ We supported measures to improve production, and production volume is on the rise. ✓ We supported the acquisition of a vegetable factory by a strategic investee and operating costs are expected to be reduced.
M&A advisory business	Due to lack of internal resources, etc., we could not develop M&A deals.	Utilize the resources of Asian Market Planning which joined JAIC Group as a subsidiary

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5. Appendix - Examples of Business Progress - Private equity investment



Established and increased Succession Investment Limited Partnership, II

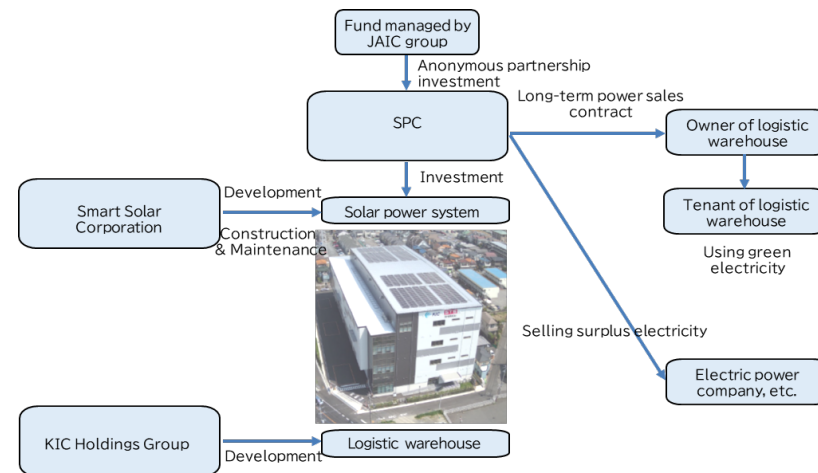
Name	Succession Investment Limited Partnership, II
Date of establishment	16, August 2022
General Partner	AJ Capital Co., Ltd. [JV as a 50% stake in JAIC and Aozora Bank, Ltd.]
Total commitment amount	3,701 million yen [as of Feb. 2023]
Limited Partners	Aozora Bank, Ehime Bank, Kagoshima Bank, Gifu Shoko Credit Union, Keiyo Bank, Shonai Bank, Towa Bank, Tottori Bank, Japan Asia Investment, Hokuto Bank, Japan Post Bank
Investment target	SMEs in Japan with business succession needs

- ✓ AJ Capital, JV as a 50% stake in JAIC and Aozora Bank, manages the fund which supporting the business succession needs.
- ✓ The Fund increased the commitment amount by 0.9 billion in Dec. 2022 and by 1.0 billion in Feb. 2023. Size of the fund are to ¥ 4.0 billion at final close.
- ✓ The Fund mainly invests in small cap zone and collaborates with regional financial institutions nationwide to ensure smooth business succession of SMEs

5. Appendix - Examples of Business Progress - Renewable energy



Solar power systems with storage batteries installed on the rooftops of distribution centers



- ✓ KIC Holdings Inc., one of the strategic investees, developed these distribution centers. Smart Solar, also one of the strategic investees, developed these solar power systems with storage batteries. JAIC invested in these solar power systems.
- ✓ The system combines and efficiently operates solar panels, storage batteries and commercial power sources
- ✓ A low environmental-load distribution center that uses sunlight to cover the power used by the facility
- ✓ The tenants of the facilities can consume the clean energy generated at low cost. Additionally, this system functions as an independent emergency power source in the event of a power outage.
- ✓ This is the result of successful collaboration between strategic investee companies.

5. Appendix - Examples of Business Progress - Renewable energy

Invested in NON-FIT type biomass power generation project in Mie

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Operator	Power Aid Mie G.K.
Representative	Biomass Power Technologies Co., Ltd.
URL	https://www.power-aid-group.co.jp/
Location of power plant	24 Kinogo-cho, Matsusaka-shi, Mie (Woodpia Matsusaka)
Investor	Japan Asia Investment Co., Ltd., HASEKO Corporation, BMeocomo Co., Ltd., Rexport Co., Ltd., JA Mitsui Leasing, Ltd.
Founder	Mie Enewood Co., Ltd., Taisei Sangyo Co., Ltd., Matsuda Oil Co., Ltd., Hokuto Corporation, RE Suwako Co., Ltd., Biomass Power Technologies Co., Ltd.
Maximum output	1990kW (Adopted Takuma Corporation's hybrid combustion-compatible traveling grate-type boiler)
Estimated annual power generation	Approx. 16.47 million kWh (Estimated power transmission volume: Approx. 15.15 million kWh)
Start of commercial operation	January 2025 (scheduled)
Total Project Cost	Approximately 2.6 billion yen (tax included)* It is procured from long-term loans that have been evaluated by Japan Rating Agency, Inc. as Green1, the highest rating of a green loan rating.
Participating Financial Institutions	Syndicated loans at nine banks arranged by Mizuho Bank, Ltd.

- ✓ JAIC invested in “the Power Aid Mie Shin Biomass™ Matsusaka Power Plant” constructed and operated by Power Aid Mie in Matsusaka City, Mie Prefecture.
- ✓ Fuels of this power plant are waste mushroom beds (used culture) discharged from Hokuto Corporation’s Mie Mushroom Center located in Taki Town, Mie Prefecture, and recycled wood chips and plastic resources mainly discharged from the Chubu area.
- ✓ The generated electricity will be supplied to Hokuto Corporation, fuel supplier, for 15 years.
- ✓ Reducing the burden of waste disposal operations in Taki Town while contributing to the establishment of a resource and energy recycling economy in the region

5. Appendix - Examples of Business Progress - Smart agriculture

Morvel Farm, a strategic investee company, takes over the management of a vegetable factory operating company in Yabu City, Hyogo Prefecture



- ✓ One of our strategic investee company, Morvel Farm, is a partner company that operates a vegetable factory in Tamba-Sasayama City, Hyogo Prefecture.
- ✓ In February 2023, Morvel Farm acquired all the issued shares of the company that operates the vegetable factory (Yabu Factory) in Yabu City, Hyogo Prefecture, and took over the management. With Yabu Factory, Morvel Farm expanded the production capacity from about 470 tons to about 540 tons per year.
- ✓ Yabu Factory produces about 3,000 shares/day (65~70 tons/year) of leafy greens such as frill lettuce and sells them to food delivery companies and supermarkets under the "Lovege" brand.
- ✓ Morvel Farm plans to utilize the know-how cultivated at the Tamba Sasayama Factory in the operation of the Yabu Factory. To expand the production scale and to enhance the quality of the Yabu Factory, Morvel Farm plans to replace some of the factory equipment, improve production methods and improve the yield rate.
- ✓ By operating the two factories as one, Morvel Farm expects various synergistic effects, such as improving logistics efficiency, reducing costs through joint material procurement and increasing sales to existing customers.

5. Appendix - Examples of Business Progress - Healthcare - Facility for the elderly

Nursing home for the elderly "Plaisant Grand Toyosu" completed and opened at "AIP25 Toyosu Building", large-scale complex elderly facility in Shinonome 1-chome, Koto-ku, Tokyo



Partner:
AIP Healthcare
Japan G.K.

Name	AIP25 Toyosu Building
Access	Tokyo Waterfront Rapid Transit Rinkai Line "Shinonome" Station 11 minutes on foot Tokyo Metro Yurakucho Line "Toyosu" Station 13 minutes on foot
Property Overview	Site area: 2,792.17㎡ Structure: Reinforced concrete, 9 floors above ground, 1 floor below ground 1-2F Food Supermarket 3F Bilingual Kindergarten 4F Medical Mall 5-9F Nursing home for the elderly (Plaisant Grand Toyosu: Capacity 100 people)
Investment Execution	February 2020
completion	April 2023 (Completion of Plaisant Grand Toyosu)

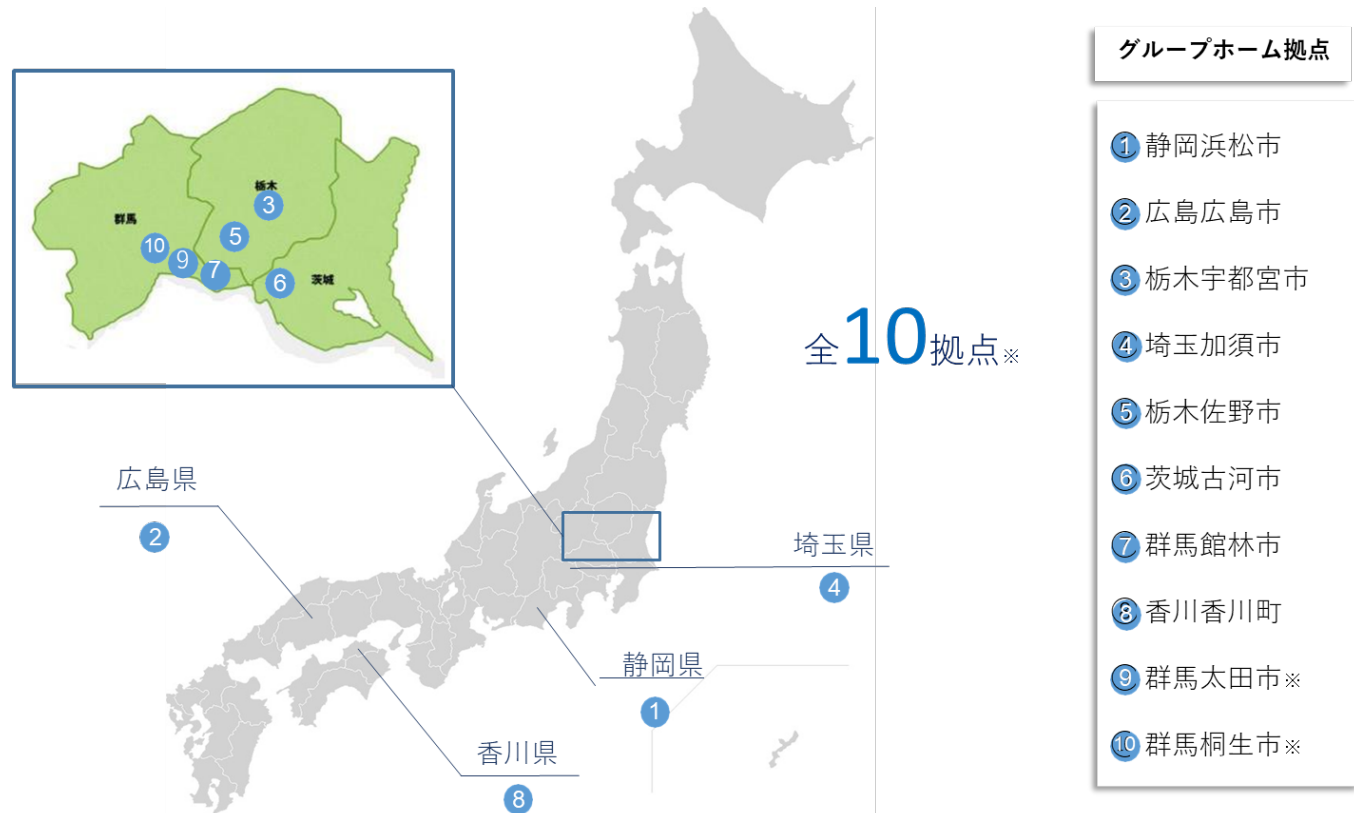
5. Appendix - Examples of Business Progress - Healthcare - Group home for disabled people



Expanded to 10 group homes
by strengthening cooperation with regional financial institutions



Partner:
Social Inclu Inc.

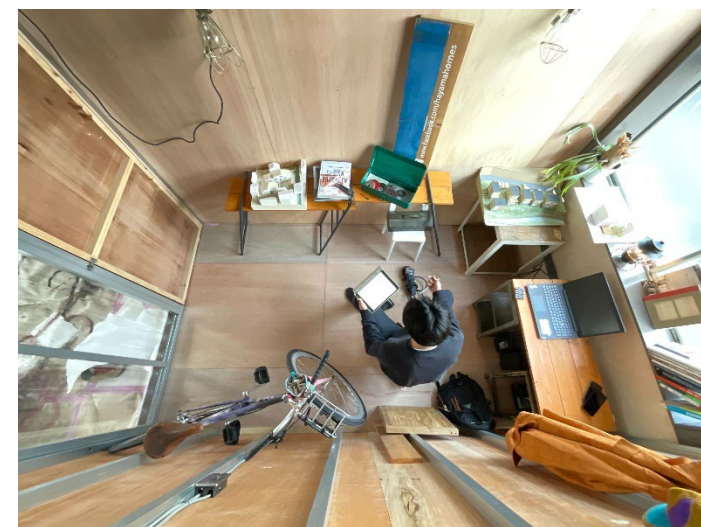


5. Appendix - Examples of Business Progress - New investment area

”KIKI BASE FUJISAWA” , a shared facility for people who enjoy creative activities, in Fujisawa City, Kanagawa Prefecture



Partner;
ENJOYWORKS



- ✓ In April 2023, the former factory in Fujisawa City, Kanagawa Prefecture was renovated as a shared facility for enjoying creative activities.
- ✓ Utilize the advantages unique to the former factory, such as the use of tools and the ability to work with sound.
- ✓ Facilities for a wide range of creative users, including creators, artists, freelancers, persons who have side jobs and persons who enjoy hobbies
- ✓ ENJOYWORKS (“EW”), the partner company of this project, develops and renovates real estate for 15 years since its incorporation. EW has successfully involved residents, local companies, regional financial institutions and local government in EW’s projects and has developed various distinctive projects.

5. Appendix - Examples of Business Progress - M&A advisory business



Asian Market Planning Co., Ltd. Joined JAIC Group as a subsidiary



Name	Asian Market Planning Co., Ltd.
Representative	President & CEO Yasuji Kibayashi
Description of Business	M&A advisory services including cross-border and fully committed support for entering the ASEAN market and overall corporate management consulting
Paid-in capital	¥ 11 million
Date of Establishment	11 Apr 2012
Shareholders	JAIC (80%)、Yasuji Kibayashi (20%)

- ✓ Asian Market Planning (AMP) is a consulting firm that makes extensive use of its network with regional financial institutions to provide M&A advisory services and support for business expansion into Asia.
- ✓ JAIC has been collaborating with AMP in the field of network building in Asia and fund formation.
- ✓ Since AMP joined JAIC Group as a subsidiary, JAIC incorporates the network and knowledge into the Group. JAIC plans to grasp M&A and overseas expansion needs not only through the process of deal sourcing for private equity investment, but also in a wide range, and plans to increase fee income.
- ✓ In addition, JAIC plans to utilize the network with regional financial institutions to further expand project investment.

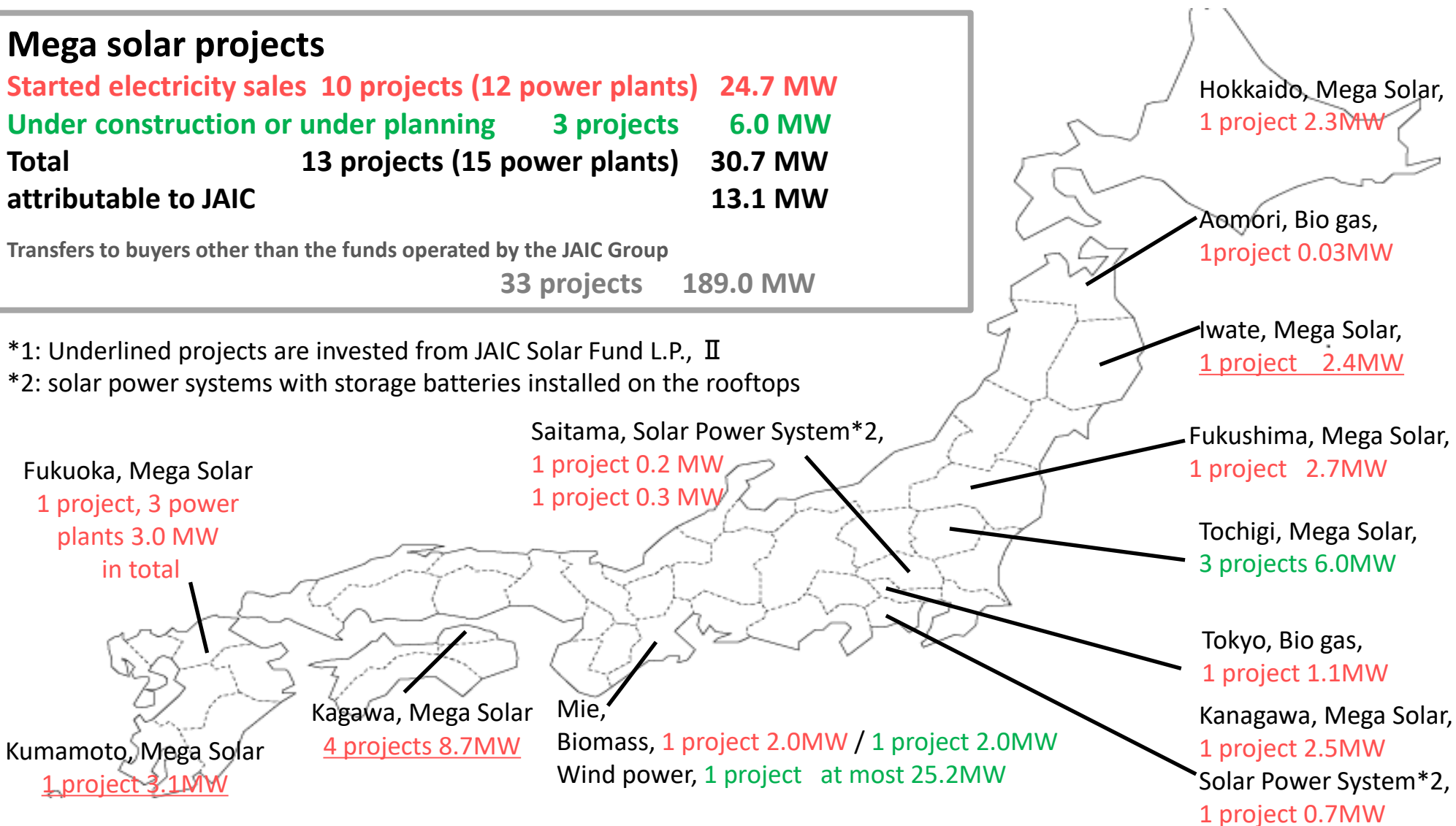
5. Appendix - Renewable energy projects (as of March 2023)

Mega solar projects

Started electricity sales	10 projects (12 power plants)	24.7 MW
Under construction or under planning	3 projects	6.0 MW
Total	13 projects (15 power plants)	30.7 MW
attributable to JAIC		13.1 MW

Transfers to buyers other than the funds operated by the JAIC Group
33 projects 189.0 MW

*1: Underlined projects are invested from JAIC Solar Fund L.P., II
 *2: solar power systems with storage batteries installed on the rooftops



* Since our investment ratio differs in each project, the amount of JAIC's investment or revenues from mega solar projects that are attributable to JAIC are not necessarily linked to the MW figure of the project.

5. Appendix - List of project-oriented investments (as of March 2023)



Type of project	No.	Name of power plant or Location	Generation Capacity [MW]	Current status	FIT [tax excluded, ¥]
Solar	1	Nishiki-cho, Kuma-gun, Kumamoto(*)	3.1	Started electricity sales in Dec. 2015	40
	2	Nomaike solar power plant(*)	2.4	Started electricity sales in May. 2017	36
	3	Mitakabeike solar power plant(*)	1.5	Started electricity sales in Sep. 2017	32
	4	Iwate Ichinoseki solar park(*)	2.4	Started electricity sales in Jan. 2018	36
	5	Nakaoudaike solar power plant(*)	2.4	Started electricity sales in Apr. 2018	36
	6	Higashioudaike solar power plant(*)	2.4	Started electricity sales in Jul. 2018	36
	7	Hirono solar park	2.7	Started electricity sales in Feb. 2020	40
	8	Akkeshi Luke Supor Solar Power Plant	2.3	Started electricity sales in May 2020	40
	9	Akada solar power plant	2.5	Started electricity sales in March 2023	32
	10	Ukiha-shi, Shirakabe Solar Power Plant Ukiha-shi, Mizunosato Solar Power Plant Ukiha-shi, Minou Alps Solar Power Plant	3.0 in total	Started electricity sales in Mar.-May 2020	36
	11	Tochigi	2.0	Under planning	36
	12	Tochigi	2.0	Under planning	32
	13	Tochigi	2.0	Under planning	32
Total 30.7MW [attributable to JAIC 13.1MW]					

*Projects that are invested from JAIC Solar Fund L.P., II

5. Appendix - List of project-oriented investments (as of March 2023)

Type of project	No.	Location	Generation Capacity [MW]	Current status	FIT [tax excluded, ¥]
solar power systems with storage batteries installed on the rooftops	1	Koshigaya City, Saitama	0.2	Started electricity sales in Dec. 2022	–
	2	Hidaka City, Saitama	0.3	Started electricity sales in Feb. 2023	–
	3	Atsugi City, Kanagawa	0.7	Started electricity sales in Feb. 2023	–
Biomass	1	Matsusaka City, Mie	2.0	Started electricity sales in Jan. 2018	–
	2	Matsusaka City, Mie	2.0	Under planning	–
Bio gas	1	Hamura City, Tokyo	1.1	Started electricity sales in Mar. 2021	39
	2			Food recycle company that generates biogas for power generation [operator of Hamura biogas power generation]	–
	3	Touhoku Town, Aomori	0.03	Started electricity sales in Nov. 2018	39
Wind power		Mie	At most 25.2	Under planning	22

5. Appendix - List of project-oriented investments (as of March 2023)



Type of project	No.	Location	Project scale	Current status
Facility for the elderly	1	Shinonome, Koto-ku, Tokyo	8-story complex facility with a capacity of 100 people	Preparing for operation (Started operation in Apr. 2023)
Group home for the handicapped	1	Hamamatsu City, Shizuoka	20 rooms for residents, 2 rooms for short stay	Started operation in Aug. 2020
	2	Hiroshima City, Hiroshima		Started operation in Aug. 2020
	3	Utsunomiya City, Tochigi		Started operation in Sep. 2021
	4	Kazo City, Saitama		Built up in Feb. 2022
	5	Sano City, Tochigi		Started operation in Sep. 2022
	6	Koga City, Ibaragi		Started operation in Oct. 2022
	7	Tatebayashi City, Gunma		Built up in Mar. 2022
	8	Takamatsu City, Kagawa		Started operation in Sep. 2022
	9	Oota City, Gunma		Started operation in Oct. 2022
	10	Kiryu City, Gunma		Started operation in Mar. 2023
	11	Kawagoe City, Saitama		Under construction
	12	Konosu City, Saitama		Under construction
	13	Iwaki City, Fukushima		Under construction
	14	Higashikagawa City, Kagawa		Under construction

5. Appendix - List of project-oriented investments (as of March 2023)



Type of project	No.	Location	Project scale	Current status
Vegetable plant		Tamba Sasayama City, Hyogo	Annual production: 470 tons in total	Existing part: started operation in Mar. 2019 Expansion part: full-scale operation started in Aug. 2022
Logistics warehouse	1	Atsugi City, Kanagawa	Total floor area 10,370 m ² , 3 stories above ground	Preparing for operation (Built up in Oct. 2022)
	2	Ebina City, Kanagawa	Undecided	Under construction or Under planning
	3	Akiruno City, Tokyo	Total floor area 25,804 m ² (scheduled), 4 stories above ground	Under construction or Under planning
	4	Non-disclosed	Non-disclosed	Under construction or Under planning
	5	Non-disclosed	Non-disclosed	Under construction or Under planning

Type of project	No.	Location	Details of project	Current status
Others	1	-	Entertainment contents, "Naked Flowers For You"	Held on the 8th floor of Yurakucho Marui since March 2022
	2	Kanagawa	A shared atelier project to renovate an abandoned factory	Preparing for operation (Started operation in Apr. 2023)
	3	-	Electric assisted bicycle subscription service	Executed investment in Aug. 2022
	4	Non-disclosed	Non-disclosed	Non-disclosed
	5	Non-disclosed	Tree burial	Non-disclosed
	6	Korea	Exhibition of Japanese animation	Scheduled to be held from July to October 2023

5. Appendix – Strategic investment



Renewable Japan

Renewable Japan Co., Ltd.

Partner company in mega solar projects

IPO date : 22 Dec. 2021

Stock market : TSE Mothers



SMART SOLAR

Smart Solar Corporation

Partner company in mega solar projects



social inclu CO., LTD.

Partner company in projects for group homes for the handicapped

Investment Exit: Nov. 2022



Morihisa Engineering Co., Ltd.

Morvel Farm (subsidiary of Morihisa Engineering)

Partner company in smart agriculture projects (vegetables)



MD-Farm

Partner company in smart agriculture projects (strawberries)



KIC Holdings Inc.

Partner company in distribution warehouse projects



366 Co., Ltd.

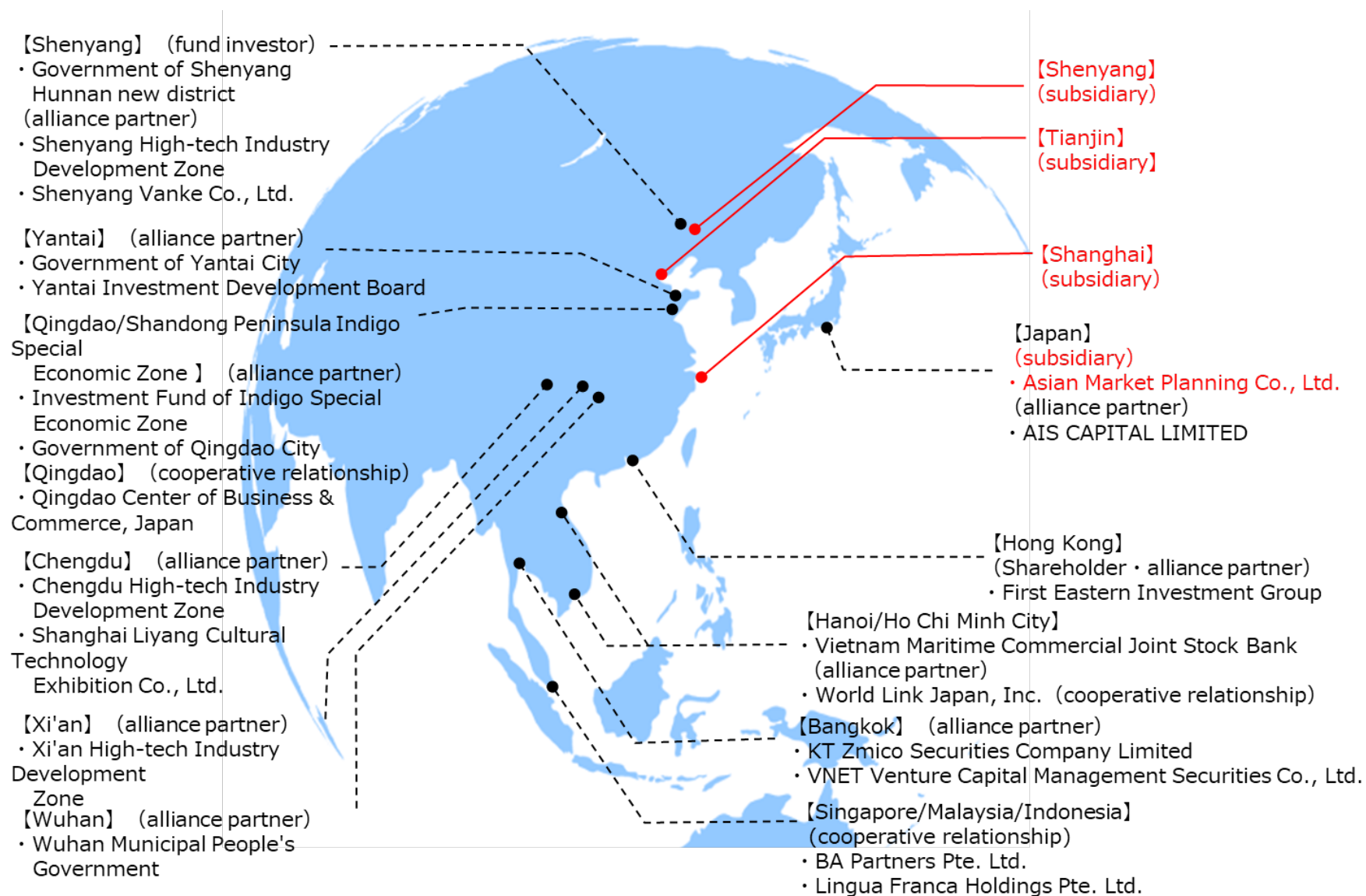
Partner company in perpetual memorial tree burial project



cycloop Co., Ltd.

Partner company in electric assisted bicycle subscription service

5. Appendix - Asia network



5. Appendix - Funds & investment activities



(JPY million)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
New & increased funds	1,000	2,000	1,359	151	1,001	3,701
AUM of funds - total *1	19,150	16,494	17,390	16,450	16,463	15,850
AUM of funds - JAIC *1	5,867	5,344	5,163	5,434	4,953	3,389
Execution of investnems (Total)*2	3,887	3,749	3,374	1,767	3,420	3,561
Balance of investments (Total)*2	13,981	13,951	15,101	12,855	13,784	14,133
Execution of investnems (project oriented investment)*2	2,681	3,612	2,150	1,445	1,938	2,152
Balance of investments (project oriented investment)*2	3,582	5,514	6,696	6,088	6,344	7,123
Execution of investnems (private equity)*2	1,205	136	1,224	322	1,482	1,408
Balance of investments (private Equity)*2	10,398	8,437	8,405	6,767	7,440	7,010

Note 1: Since the number of funds in the course of being wound up while possessing investment assets has increased, funds during the liquidation procedure are included in the scope of disclosure from FY March 2021.

Note 2: Due to an increase in loan execution for the projects by the JAIC Group, the aggregation method has been changed from FY March 2021 to include loans extended to the projects (excluding distressed receivables) in the scope of aggregation.

5. Appendix - Business results, financial position (Previous accounting standards)



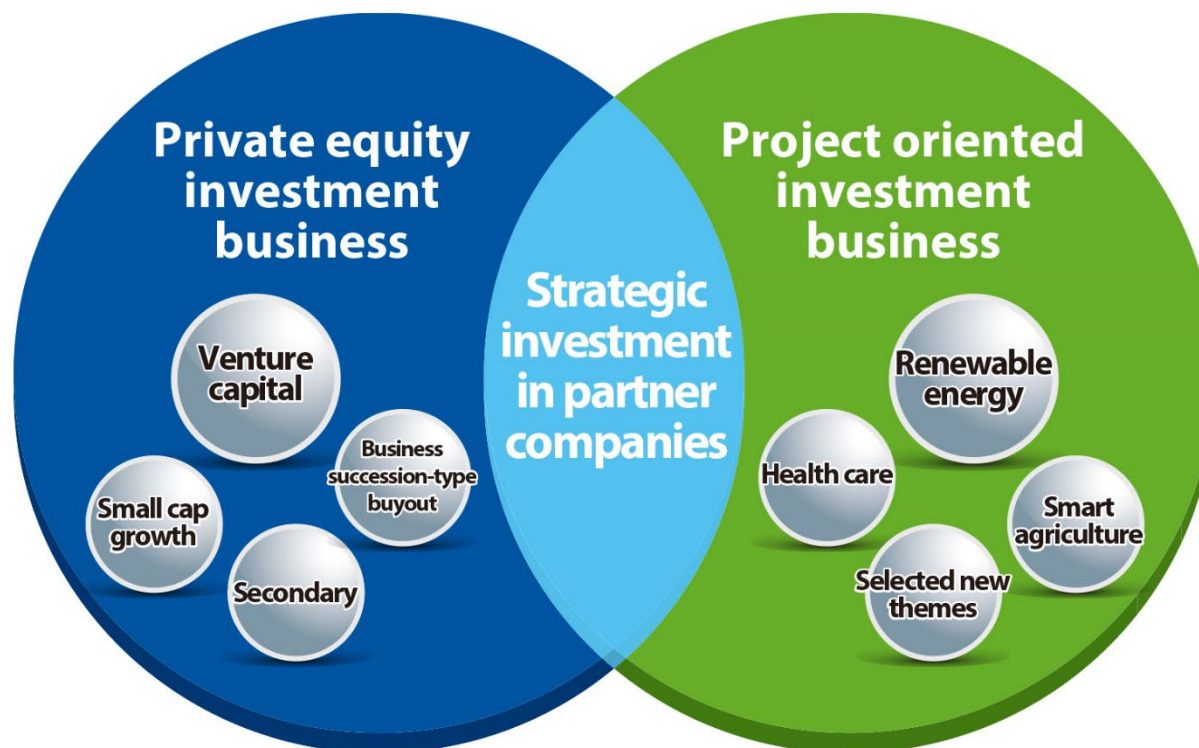
(JPY million)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Business results						
Operating revenues	5,403	2,475	2,760	3,089	2,409	3,017
Operating gross profit	2,328	1,286	1,359	1,301	1,276	961
SG&A expenses	1,311	1,109	1,094	1,086	1,189	1,147
Operating income	1,017	177	265	214	86	(185)
Ordinary income	954	83	140	173	61	(224)
Net income	874	578	302	144	49	(269)
Financial position						
Cash and deposits	7,308	5,564	3,920	3,699	2,740	2,464
Operational investment securities and operating loans of project oriented investment after deducting allowance for possible investment loss	3,582	5,514	5,437	5,583	6,781	6,053
Operational investment securities of strategic investment in partner companies after deducting allowance for possible investment loss	373	373	1,005	1,155	1,783	782
Operational investment securities of financial investment after deducting allowance for possible investment loss	5,657	4,765	4,282	3,111	3,029	3,301
Loans payable, bonds & bonds with subscription rights to shares	11,954	9,784	8,166	6,950	5,943	5,142
Total shareholders' equity	6,545	6,840	7,223	7,338	7,779	7,518
Total assets	19,220	17,305	15,800	14,657	14,972	13,413

5. Appendix - Statement of Income - break down (Previous accounting standard)



(JPY:million)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Change(%)
1. Fund management operation							
Fund management fees and others	277	241	199	169	154	134	(12.8%)
Success Fees	86	-	-	-	-	-	-
Operating revenue	364	241	199	169	154	134	(12.8%)
Operating cost	-	-	-	-	-	-	-
Operating gross profit	364	241	199	169	154	134	(12.8%)
2. Investment operation							
Proceeds of sales of securities	3,219	1,746	2,349	2,221	1,573	2,057	30.8%
Fund interests income etc.	1,677	429	172	648	631	781	23.8%
Operating revenue	4,897	2,176	2,521	2,870	2,204	2,839	28.8%
Cost of securities sold	2,469	554	965	1,249	810	1,311	61.9%
Investment write-offs and Provision for allowance for possible investment losses	562	579	245	194	145	304	108.6%
Fund interests losses etc.	36	49	184	336	167	426	155.2%
Operating cost	3,069	1,182	1,395	1,780	1,123	2,043	81.9%
Operating gross profit	1,827	993	1,125	1,090	1,081	796	(26.4%)
3. Others							
Operating revenue	142	57	40	49	50	44	(13.5%)
Operating cost	5	6	5	7	10	12	25.1%
Operating gross profit	136	51	34	41	40	31	(23.4%)

Total							
Operating revenues	5,403	2,475	2,760	3,089	2,409	3,017	25.2%
Operating cost	3,074	1,188	1,401	1,788	1,133	2,056	81.4%
Operating gross profit	2,328	1,286	1,359	1,301	1,276	961	(24.6%)



Private equity investment

JAIC provides growth capital in venture companies and small and medium sized enterprise (“SME”) with high growth potential, as well as to SMEs with succession problem.

After the investment, JAIC is committed to provide various support to achieve growth strategies of the company by utilizing JAIC’s resources in Japan and elsewhere in Asia.

Strategic investment

Strategic investment in partner companies that correspond to selected themes of JAIC.

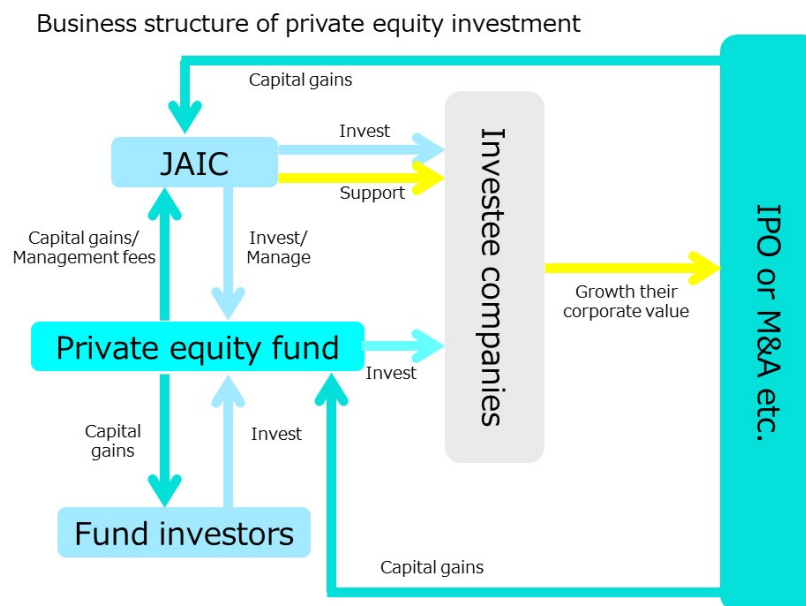
JAIC provides “hands-on” support to partner companies to improve its business promotion and financing activities, etc.

Project oriented investment

JAIC has been investing to renewable energy industries represented by solar energy as well as to healthcare industry such as nursing facilities and facilities for persons with disabilities.

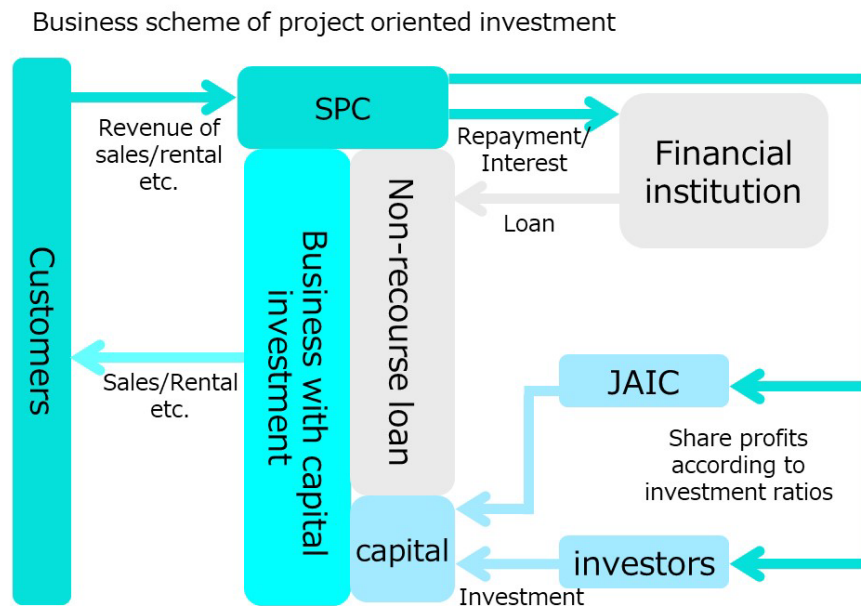
In addition to above, JAIC is determined to invest to new areas such as smart-agri business represented by vegetable plant and logistic industry such as distribution center where JAIC’s accumulated expertise can be leveraged.

5. Appendix - Profit structure – Private equity investment



- Private equity investment is an investment in promising companies centered on venture companies and small and medium-sized enterprises in the Asian region including Japan. We support investee companies to increase their corporate value and obtain capital gains.
- We also perform intermediary business as an FA based on the needs of M & A obtained through our investment activities.
- There are two types of private equity investments. One is "strategic investments" in partners of project-oriented investment and the other is "financial investments".
- For investees of strategic investments, we not only support them as shareholders, but also manage projects together as partners and support their growth.
- For investees of financial investment, we provide not only the listing support but also provide overseas expansion support and sales support. We utilize our experience and wide network which we have built up through many years of investment activities when we support our investees. To that end, we are building a network in Asia by forming business alliances with government agencies in China and partner companies in Asian countries.

5. Appendix - Profit structure – Project oriented investment



- We invest in SPCs (special purpose companies) that own facilities such as power plants, factories, residential facilities and warehouses. We construct these facilities and receive the profits generated by the operation of the facilities in proportion to the investment. In some cases, these facilities are sold for profits after completion.
- We invest in projects such as renewable energy, healthcare (facility for the elderly, group homes for the disabled), smart agriculture (vegetable plant), and distribution center (logistics warehouse).
- We are pursuing high profitability with a small amount of investment funds by procuring non-recourse loans from financial institutions. Most of the funds for the construction and operation of the project is procured by these loans.
- In addition, in order to flexibly invest in projects in various fields, we collaborate with venture companies that are familiar with project planning and development.

5. Appendix - Core competence

Capability to capture up-to-date business information

Through the activity of exploring promising companies and investment opportunities, JAIC has capability to capture highly professional and cutting-edge information on various corporates.

Historical background in Asian region

Since its establishment in 1981 by the Japan Association of Corporate Executives (Keizai Doyukai), JAIC has contributed to economic exchange between Japan and Asian countries over 35 years which led to high name recognition.



JAIC

Expertise to structure sophisticated finance scheme

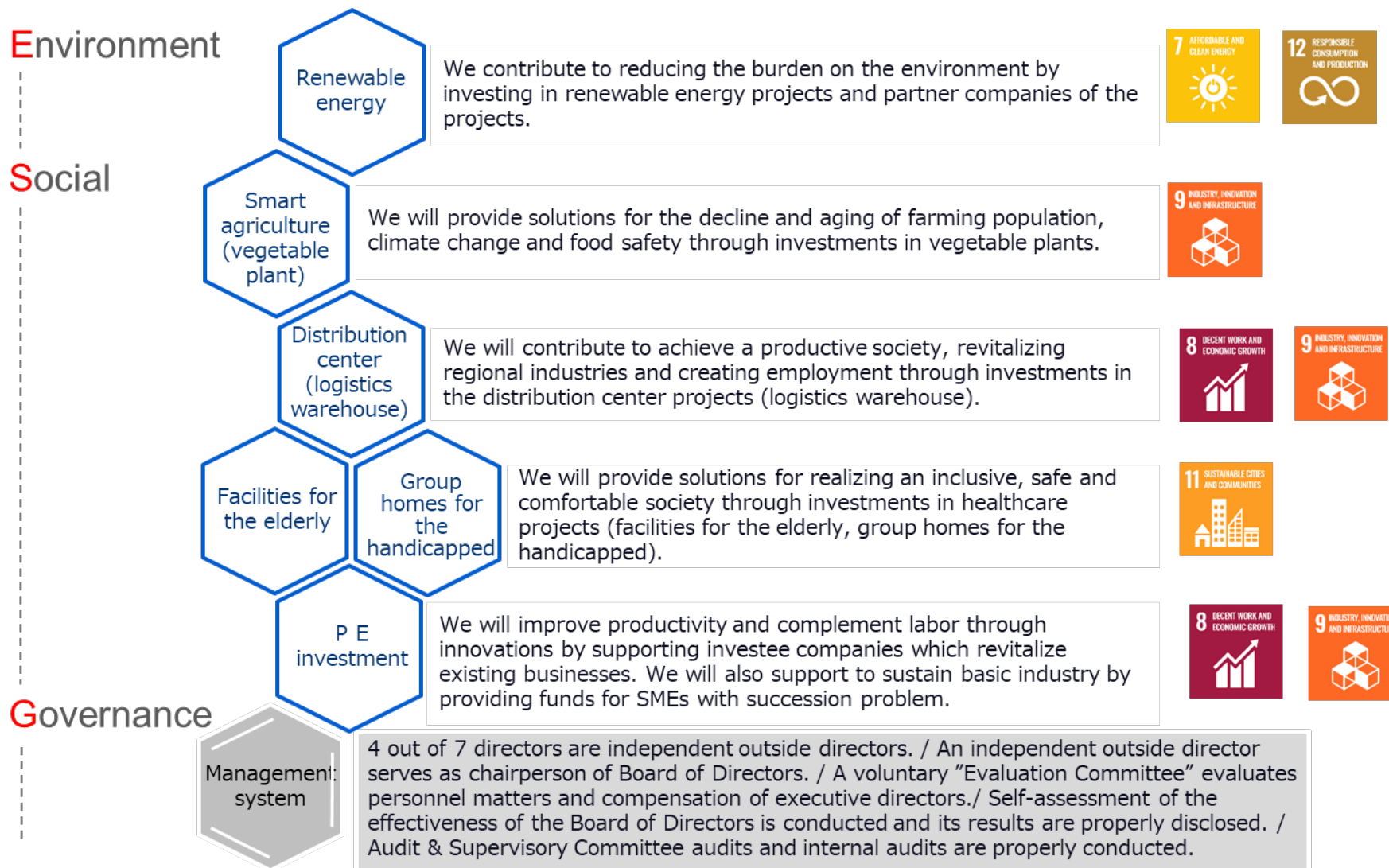
JAIC's accumulated invested volume inside and outside of Japan is Japanese Yen 330 billion. For the project oriented investment, in addition to providing direct equity investment, JAIC has been arranging various financing scheme utilizing project-finance approach and leverage financing together with financial institutions.

Wide range of network with venture companies

JAIC has track record of leading more than 300 invested venture companies to "Going Public". Through the long time investment activities, JAIC enjoys close relationship with wide range of venture companies. Based on this intangible asset, JAIC is utilizing the network to create value for invested companies through business matching and cultivating new business theme for JAIC's own.

5. Appendix – Efforts for SDGs

Becoming an SDGs investment company as our core value, we will thoroughly carry out investment activities with a strong awareness of SDGs based on our management policy.



5. Appendix - Company data (as of March 31, 2023)



Company name	Japan Asia Investment Co., Ltd. Abbreviation; JAIC
Head office	2F Medical Friend Building, 3-2-4 Kudn-kita, Chiyoda-ku, Tokyo 102-0073, Japan
Established	July 10, 1981
Paid-in capital	5,426 million yen
Listed market	Tokyo Stock Exchange, Standard Market (Securities code 8518)
Employees	43 (Consolidated) / 22 (Non-consolidated)
Main business	Private equity investment / Project oriented investment
Directors	Chairman of the Board :Yoshiaki Kawamata [Outside/Independent] President & CEO :Tetsuro Shimomura Managing Executive Officer :Masafumi Hatta Chairman of Audit & Supervisory Committee :Kazunori Omori Member of Audit & Supervisory Committee :Hitoshi Yasukawa [Outside/Independent] :Tadashi Nunami [Outside/Independent] :Harumi Katagiri [Outside/Independent]

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