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February 10, 2025

Consolidated Financial Results for the Fiscal Year Ended December 31, 2024 (Under IFRS)

Company name: Integral Corporation
Listing: Tokyo Stock Exchange
Securities code: 5842
URL: https://www.integralkk.com/en-home/
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Scheduled date of annual general meeting of shareholders: March 24, 2025
Scheduled date to commence dividend payments: March 25, 2025
Scheduled date to file annual securities report: March 25, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Operating income		Profit before income taxes		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	31,230	121.8	26,017	136.6	25,985	138.0	18,105	139.0
December 31, 2023	14,082	159.1	10,994	266.5	10,919	274.8	7,574	274.7

	Profit attributable to owners of the parent		Total comprehensive income		Basic earnings per share	Diluted earnings per share
Fiscal year ended	Millions of yen	%	Millions of yen	%	Yen	Yen
December 31, 2024	18,106	139.0	18,105	139.0	544.67	510.65
December 31, 2023	7,574	274.7	7,574	274.7	262.37	243.93

	Return on equity attributable to owners of parent	Ratio of profit before income taxes to total assets	Ratio of operating income to revenue
Fiscal year ended	%	%	%
December 31, 2024	37.1	38.4	83.3
December 31, 2023	25.6	23.9	78.1

Reference: Share of profit (loss) of investments accounted for using equity method
For the fiscal year ended December 31, 2024: —
For the fiscal year ended December 31, 2023: —

Note: The Company conducted a stock split with a ratio of 10 for 1 on July 7, 2023. “Basic earnings per share” and “Diluted earnings per share” are calculated assuming the stock split had already been carried out at the start of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
December 31, 2024	79,050	57,634	57,624	72.9	1,707.49
December 31, 2023	56,296	39,864	39,864	70.8	1,202.64

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of the year
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2024	5,818	(102)	(2,501)	22,137
December 31, 2023	5,626	(5)	10,992	18,922

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended December 31, 2023	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ended December 31, 2024	—	12.00	—	22.00	34.00	1,141	6.2	2.3
Fiscal year ending December 31, 2025 (Forecast)	—	17.00	—	17.00	34.00		—	

Note: Our dividend policy is to determine the amount of dividends based on the DoE (Dividend on Equity Ratio). Under the policy of DoE of 2%, the annual dividend for the fiscal year ended December 31, 2024 is set at ¥34, which is calculated as 2% of the total equity attributable to owners of parent at the end of December 31, 2024. The fiscal year-end dividend is set at ¥22, which is the difference from the interim dividend of ¥12.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2025 (January 1, 2025 to December 31, 2025)

Private equity investments, the Group's business, are significantly affected by market conditions such as the stock market and interest rates, as well as by opportunities to invest and dispose of investments.

In addition, Profit/(Loss) on fair value movements on investment calculated in accordance with International Financial Reporting Standards (IFRS) as adopted by the Group are highly dependent on estimates. Therefore, it is difficult to make reasonable earnings forecasts, and we do not make any business forecasts.

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 11 companies (Innovation Partners Alpha V Ltd., Initiative Partners Delta V Ltd., Infinity Partners Gamma V Ltd., Integral Real Estate Corporation, 7 other companies)

(2) Changes in accounting policies and changes in accounting estimates
(i) Changes in accounting policies required by IFRS: None
(ii) Changes in accounting policies due to other reasons: None
(iii) Changes in accounting estimates: None

(3) Number of issued shares (ordinary shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	34,975,000 shares
As of December 31, 2023	34,975,000 shares

(ii) Number of treasury shares at the end of the period

As of December 31, 2024	1,226,949 shares
As of December 31, 2023	1,828,300 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended December 31, 2024	33,242,849 shares
Fiscal year ended December 31, 2023	28,869,457 shares

Note: The Company conducted a stock split with a ratio of 10 for 1 on July 7, 2023. "Average number of shares outstanding during the period" is calculated assuming the stock split had already been carried out at the start of the previous fiscal year.

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended December 31, 2024 (from January 1, 2024 to December 31, 2024)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	20,174	124.3	16,148	177.2	16,845	210.6	11,818	213.9
December 31, 2023	8,996	224.0	5,826	372.7	5,423	370.4	3,765	379.8

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2024	355.51	333.31
December 31, 2023	130.49	121.32

Note: The Company conducted a stock split with a ratio of 10 for 1 on July 7, 2023. "Basic earnings per share" and "Diluted earnings per share" are calculated assuming the stock split had already been carried out at the start of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2024	38,978	32,999	84.7	977.81
December 31, 2023	29,470	21,998	74.6	663.64

Reference: Equity
As of December 31, 2024: ¥32,999 million
As of December 31, 2023: ¥21,997 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters
(Caution regarding forward-looking statements and others)
The forward-looking statements contained in this document, including the financial results forecasts, are based on information currently available to the Company and certain assumptions deemed to be reasonable, and the Company does not promise achievement. Actual results may differ significantly from these forecasts due to a wide range of factors.

(Method of accessing supplementary material on financial results)
The Company plans to hold a briefing for institutional investors and analysts on Monday, February 10, 2025. Financial results presentation materials will be disclosed on the Company's website on the same date.

(Change in monetary unit)
In previous consolidated financial statements, the unit for accounting items was stated at thousands of yen. However, starting from the current consolidated fiscal year, the unit has been changed to millions of yen. To ensure comparability, comparative information have been also restated to millions of yen.

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1. Overview of Business Results, etc.

In this Consolidated Financial Results, our funds are collectively referred to as follows;
Fund II Series : Integral 2 Limited Partnership and Integral Fund II (A) L.P.
Fund III Series: Integral 3 Limited Partnership and Innovation Alpha L.P.
Fund IV Series: Integral 4 Limited Partnership, Innovation Alpha IV L.P and Initiative Delta IV L.P.
Fund V Series : Integral 5 Limited Partnership, Innovation Alpha V L.P., Initiative Delta V L.P and Infinity Gamma V L.P.

(1) Overview of Operating Results for the Fiscal Year under Review

For the year ended December 31, 2024, the Group sold shares of Skymark (shares held by Fund II Series and shares held by the Group as principal investment), shares of JRC (shares held by Fund III Series), shares of Itokin (shares held by Fund II Series), shares of two portfolios of Mamezou K2TOP Holdings (shares of Mamezou K2TOP Holdings are still held by Fund III Series and the Group) and shares of T-Gardn (shares held by Fund III Series and shares held by the Group as principal investment)

The hurdle rate in the Fund II Series has already been exceeded and carried interest generated by the abovementioned sales of the shares of Skymark, Itokin and related distributions was recognized as income.

Moreover, as a result of the receipt of the advances for the share transfer of Mamezou K2TOP Holdings and the associated distribution, the hurdle rate in the Fund III Series was exceeded. Therefore, that distribution and the distribution from the sale of shares of T-Garden generated carried interest, which was recognized as income by the Group.

The fair value of listed investees decreased as a result of declining stock prices. The fair value of unlisted investees increased mainly due to the improvement in their performance and financial conditions as well as a change in valuation method used from investment cost to a different valuation method for some investee as a year has passed since those investment. The overall fair value of the portfolio companies increased compared to the same period of the previous year.

Operating expenses increased year-on-year mainly due to an increase in personnel expenses resulting from an increase in the number of employees, an occurrence of commission fee to a placement agent (an advisor who introduces overseas LP investors, cultivates relationships with investors, etc.) for the fundraising of Fund V Series, and an increase in taxes and public dues.

As a result of the above, Revenue for the year ended December 31, 2024 was ¥31,230 million (up 121.8% year-on-year), Operating income was ¥26,017 million (up 136.6% year-on-year), Profit before income taxes was ¥25,985 million (up 138.0% year-on-year), and Profit attributable to owners of the parent was ¥18,106 million (up 139.0% year-on-year).

With regard to the above sale of Itokin shares, the Group entered into a share purchase agreement to transfer the Itokin shares held by the Fund II Series through a recapitalization transaction (a transaction to redeem stocks by restructuring the issuer's equity and debt structure) to a SPC newly established by the Group on June 19, 2024, and such transfer was completed on August 1, 2024.
As of the date of submission of this Financial Results, the Group owns all of Itokin's shares and Itokin is a subsidiary of the Group. However, as Itokin is one of our portfolios, it is not consolidated and is measured at fair value through profit or loss.

(2) Overview of Financial Position for the Fiscal Year under Review

Analysis of financial position
Assets, liabilities and equity at the end of this fiscal year under review were as follows:

(Assets)
Total assets increased by ¥22,753 million from the end of the previous fiscal year to ¥79,050 million. Total current assets increased by ¥13,840 million to ¥33,070 million, mainly due to a ¥3,214 million increase in Cash and cash equivalents and a ¥10,573 million increase in Trade and other receivables. Non-current assets increased by ¥8,913 million to ¥45,979 million, mainly due to a ¥7,259 million increase in Investment in subsidiaries measured at fair value despite a ¥933 million decrease in Investment portfolio.

(Liabilities)
Total liabilities increased by ¥4,983 million from the end of the previous fiscal year to ¥21,415 million. Current liabilities increased by ¥676 million to ¥8,195 million, mainly due to a ¥3,135 million increase in Income tax payable and a ¥791 million increase in Advances received despite a ¥3,500 million decrease in

Loans from subsidiaries measured at fair value. Non-current liabilities increased by ¥4,307 million to ¥13,220 million, mainly due to a ¥2,461 million increase in Deferred tax liabilities.

(Equity)
Total equity increased by ¥17,769 million from the end of the previous fiscal year to ¥57,634 million, mainly due to a ¥17,707 million increase in Retained earnings by the record in Profit for the year attributable to owners of the parent.

(3) Overview of Cash Flows for the Fiscal Year under Review

Cash flows
Cash flows at the end of the fiscal year under Review were as follows:

(Cash flows from operating activities)
Cash flows provided by operating activities for the year ended December 31, 2024 was a ¥5,818 million (¥5,626 million provided in the same period of the previous year). This was mainly due to the recording of Profit before income taxes of ¥25,985 million despite an increase in Trade and other receivables of ¥ 10,573 million and an increase in Investments in subsidiaries measured at fair value of ¥7,259 million.

(Cash flows from investing activities)
Cash flows used in investing activities for the year ended December 31, 2024 was a ¥102 million (¥5 million used in the same period of the previous year). This was mainly due to Payments of leasehold and guarantee deposits of ¥91 million.

(Cash flows from financing activities)
Cash flows used in financing activities for the year ended December 31, 2024 was ¥2,501 million (¥10,992 million provided in the same period of the previous year). This was mainly due to Repayment of loans from subsidiaries measured at fair value of ¥3,500 million.

As a result, Cash and cash equivalents increased by ¥3,214 million, and Cash and cash equivalents at the end of the year was ¥22,137 million (¥18,922 million at the end of the previous fiscal year).

(4) Future Outlook

Private equity investments, the Group's main business, are significantly affected by market conditions such as the stock market and interest rates, as well as by opportunities to invest and dispose of investments. In addition, Gain/(Loss) on fair value movements of investees calculated in accordance with International Financial Reporting Standards (IFRS) as adopted by the Group are highly dependent on estimates. Therefore, it is difficult to make reasonable earnings forecasts, and we do not make any business forecasts. However, for the convenience of investors and shareholders, instead of earnings forecasts, we disclose the recurring profit/loss forecasts as reference information. The recurring profit/loss forecasts for the fiscal year ending December 31, 2025 (January 1, 2025 to December 31, 2025) are as follows.

(Reference information)

(Unit: million yen, %)

	Year ended December 31, 2023 (Actual)	Year ended December 31, 2024 (Actual)	Year ended December 31, 2025 (Forecast)	
				Percentage change from the previous year
Fund management fees	3,755	3,494	7,430	112.7%
Management support fees	197	250	286	14.2%
Recurring expenses (A-B)	2,936	3,324	4,222	27.0%
Operating expenses (A)	3,087	5,212	4,415	(15.3)%
One-time expenses (B)	151	1,888	192	(89.8)%

【Assumptions for Recurring Profit/Loss Forecast for the year ending December 31, 2024 (Consolidated)】

1. Outlook for the Group as a whole

We are mainly an independent private equity management company that invest in both listed and unlisted companies in Japan. We seek to provide investors with superior returns by investing at appropriate valuations in mid-cap Japanese companies with potential for earnings growth.
Our company name “Integral” originates from “integral calculus - accumulation among relations over time”, meaning that we strive to establish a relationship of deep trust and accumulation of the highest wisdom. As a result of this accumulation, we aim to contribute to the realization of Japanese-style business improvement as "Trusted Investor", which is our corporate mission.
Our Group has established a business model with diversified earning opportunities utilizing our principal capital. The Company's subsidiaries, affiliates, and investees are managed as an investment portfolio, and under this structure, the Group earns fund management fees, management support fees, and carried interest. In this situation, we aim to continuously increase the rate of earnings growth by expanding assets under management (“AUM”) over the medium to long term by increasing the value of equity of investees, to maximize the carried interest received through the realization of investment income, and to continuously grow the fair value (“FV”) of principal investments.
It is difficult to reasonably forecast future AUM, realization of investment income, and FV of principal investments, so we do not forecast these results. These actual figures are as follows.

[Reference for actual results]

(Unit: 100 million yen)

	As of and for the year ended December 31, 2022	As of and for the year ended December 31, 2023	As of and for the year ended December 31, 2024
AUM *1	2,464	2,185	1,999
Fee-Earning AUM *2	1,940	1,835	1,679
FV of principal investments	284	327	381
Acquisition value of principal investments *3	76	82	70
FV of fund investments	1,790	2,244	2,878
Unrealized carried interest *4			
Fund II Series *5	64	20	6
Fund III Series *6	73	144	80
Fund IV Series	-	53	150

Note: *1 AUM is calculated based on capital commitment amounts for funds for which the investment period has not ended or for funds without a defined investment period, and based on the fair value of the remaining investments for funds for which the investment period has ended. AUM excludes funds in which co-investors make investments for specific investees. The investment period is the period during which the partnership agreement allows the Group to make new investments, which is approximately 5 years after the start of the fund.

*2 Fee Earning AUM consist of the balance of managed assets that are used as the basis in calculating fund management fees. It is calculated based on capital commitment amounts for funds for which the investment period has not ended or for funds without a defined investment period, and based on the investment acquisition cost of the remaining investments for funds for which the investment period has ended. The funds which is in investment period at the end of December 2024 is Fund IV Series.

*3 The acquisition value of principal investments is calculated based on (i) the acquisition cost of shares and bonds based on IFRS and (ii) the amount calculated by subtracting the amounts distributed as investment return from the amount of invested capital and the amount allocated based on the ratio of partial exit if necessary.

*4 Unrealized carried interest is the amount of carried interest that is expected to be received assuming that the relevant funds were terminated and liquidated as of the relevant date and at the estimated fair value of their investments. Unrealized carried interest is calculated as (A) 20% of the sum of (i) the accumulated distribution amounts as of the end of the fiscal year, (ii) gain or loss from fair market valuation of the portfolio and (iii) net assets, less (iv) the amount of investments to be made minus (B) the GP interest portion of (A) and the carried interest already realized so far. Unrealized carried interest shown in the table above consists of the prospective amount that we expect to receive from the unrealized carried interest calculated in accordance with the aforementioned formula, less the GP investments by our directors and employees.

*5 The unrealized carried interest of Fund II Series decreased in the year ended December 31, 2024 from the previous year as the carried interest started to realize in 2023.
*6 The unrealized carried interest of Fund III Series decreased in the year ended December 31, 2024 from the previous year as the carried interest started to realize in 2024.

2. Fund management fees
Fund management fees are recognized as revenue with the passage of time, as the Group, in principle, provides investment management services to the funds over the duration of the funds in accordance with the partnership agreement with the funds that the Group manages. In accordance with the partnership agreement, Fund management fees is calculated in principal based on (i) the amount of capital commitments of the fund currently in the investment period and (ii) the investment balance of the fund after the end of the investment period. The total amount of capital commitment of Fund IV Series, which are currently in the investment period, is ¥123.8 billion.

3. Carried interest
Under our existing fund agreements, as a general partner, we are entitled to distribution referred to as “carried interest” based on the fund’s performance. We record the amount that is up to 20% of cumulative gains on capital invested less the amount that has already been recorded and that will highly probable not to be subject to claw-back as carried interest, when it is certain that the funds will make distributions in excess of the hurdle rate of 8% of the deployment capital set forth in the partnership agreement and that we will be able to receive carried interest.

4. Management support fees
After making an investment, the Company dispatches our employees to the investees and supports its management to realize investees’ short to mid strategic goals. Management support fees are paid to us in accordance with the management support agreement and are recognized as revenue over the contract period with the passage of time.

5. Operating expenses
The Group's operating expenses consist primarily of personnel expenses, commissions expenses, depreciation (including depreciation of right-of-use assets), and other expenses.

6. One-time expenses
The Group's one-time expenses are the cost that are not expected to be incurred on an ongoing basis. In the year ended December 31, 2023 and the year ended December 31, 2024, the one-time expenses are consist of the expenses related to IPO, the commission fee to a placement agent (an advisor who introduce overseas LP investors, cultivate relationships with investors, etc.) for the fundraising of Fund V Series, and the bonus to Directors and employees associated with the realization of carried interest. In the year ended December 31, 2025, the one-time expenses are expected to be the bonus to Directors and employees associated with the realization of carried interest.

2. Basic Policy on Selection of Accounting Standards

The Group has adopted International Financial Reporting Standards (IFRS) from the year ended December 31, 2021 in order to aim to diversify the financing methods in the global market by improving the international comparability of financial conditions in the capital markets, and to appropriately reflect the fair value of investee companies in our consolidated financial statements.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statement of Profit or Loss and Comprehensive Income

Consolidated Statement of Profit or Loss

(Unit: million yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Realized profits/(losses) on the disposal of investments	1,045	1,200
Fair value movements on investment portfolio	2,182	2,219
Fair value movements on subsidiaries measured at fair value	3,605	7,187
Dividends	33	26
Interest income from investment portfolio	3	-
Gross investment return	6,870	10,633
Fund management fees	3,755	3,494
Carried interest	3,254	16,849
Management support fees	197	250
Other operating income	5	2
Revenue	14,082	31,230
Operating expenses	(3,087)	(5,212)
Operating income (loss)	10,994	26,017
Finance income	6	225
Finance costs	(81)	(257)
Profit (loss) before income taxes	10,919	25,985
Income taxes	(3,345)	(7,879)
Profit (loss) for the year	7,574	18,105
Profit (loss) for the year attributable to:		
Owners of the parent	7,574	18,106
Non-controlling interests	-	(0)
Profit (loss) for the year	7,574	18,105
Earnings per share	Yen	Yen
Basic earnings (loss) per share	262.37	544.67
Diluted earnings (loss) per share	243.93	510.65

Consolidated Statement of Comprehensive Income

(Unit: million yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit (loss) for the year	7,574	18,105
Comprehensive income for the year	7,574	18,105
Comprehensive income for the year attributable to:		
Owners of the parent	7,574	18,106
Non-controlling interests	-	(0)
Comprehensive income for the year	7,574	18,105

(2) Consolidated Statement of Financial Position

(Unit: million yen)

	As of December 31, 2023	As of December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	18,922	22,137
Trade and other receivables	206	10,779
Income taxes receivable	0	1
Loans	35	-
Other current financial assets	15	1
Other current assets	49	149
Total current assets	19,229	33,070
Non-current assets:		
Investments:	36,404	42,730
Investment portfolio	8,468	7,534
Investments in subsidiaries measured at fair value	27,936	35,196
Property, plant and equipment	208	178
Right-of-use assets	255	420
Intangible assets	3	1
Loans	-	2,387
Other non-current financial assets	194	260
Other non-current assets	0	-
Total non-current assets	37,066	45,979
Total assets	56,296	79,050

(Unit: million yen)

	As of December 31, 2023	As of December 31, 2024
Liabilities and Equity		
Liabilities		
Current liabilities:		
Trade and other payables	781	897
Income taxes payable	1,477	4,612
Consumption taxes payable	36	29
Advances received	615	1,406
Loans	780	759
Loans from subsidiaries measured at fair value	3,500	-
Lease liabilities	141	111
Provision for bonuses	66	258
Other current liabilities	119	119
Total current liabilities	7,519	8,195
Non-current liabilities:		
Loans	759	2,389
Lease liabilities	35	153
Asset retirement obligations	114	212
Deferred tax liabilities	8,003	10,465
Total non-current liabilities	8,912	13,220
Total liabilities	16,432	21,415
Equity		
Share capital	7,634	7,634
Capital surplus	6,371	6,421
Retained earnings	25,866	43,574
Share acquisition rights	0	0
Treasury stock	(9)	(6)
Equity attributable to owners of parent	39,864	57,624
Non-controlling interests	-	9
Total equity	39,864	57,634
Total liabilities and equity	56,296	79,050

(3) Consolidated Statement of Changes in Equity

(Unit: million yen)

	Share capital	Capital surplus	Retained earnings	Share acquisition rights	Treasury stock	Equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of January 1, 2023	1,077	43	18,292	1	(9)	19,405	-	19,405
Profit (loss) for the year	-	-	7,574	-	-	7,574	-	7,574
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	7,574	-	-	7,574	-	7,574
Issuance of new shares	6,556	6,556	-	-	-	13,113	-	13,113
New share issuance costs	-	(228)	-	-	-	(228)	-	(228)
Share-based payment transactions	-	-	-	0	-	0	-	0
Exercise of share acquisition rights	-	0	-	(0)	-	0	-	0
Forfeiture of share acquisition rights	-	-	-	(0)	-	(0)	-	(0)
Disposal of treasury stock	-	-	-	-	0	0	-	0
Total transactions with owners	6,556	6,328	-	(0)	0	12,884	-	12,884
Balance as of December 31, 2023	7,634	6,371	25,866	0	(9)	39,864	-	39,864
Profit (loss) for the year	-	-	18,106	-	-	18,106	(0)	18,105
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	18,106	-	-	18,106	(0)	18,105
Share-based payment transactions	-	-	-	0	-	0	-	0
Exercise of share acquisition rights	-	0	-	(0)	-	(0)	-	(0)
Forfeiture of share acquisition rights	-	-	0	(0)	-	(0)	-	(0)
Dividends	-	-	(398)	-	-	(398)	-	(398)
Purchase of treasury stock	-	-	-	-	(0)	(0)	-	(0)
Disposal of treasury stock	-	50	-	-	3	53	-	53
Establishment of subsidiaries	-	-	-	-	-	-	10	10
Total transactions with owners	-	50	(398)	(0)	2	(346)	10	(336)
Balance as of December 31, 2024	7,634	6,421	43,574	0	(6)	57,624	9	57,634

(4) Consolidated Statement of Cash Flow

(Unit: million yen)

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Cash flows from operating activities:		
Profit (loss) before income taxes	10,919	25,985
Depreciation and amortization	185	205
Share-based payment expenses	0	0
Interest and dividend income	(37)	(251)
Interest expenses	81	255
Increase (decrease) in provisions	66	191
Decrease (increase) in trade and other receivables	118	(10,573)
Decrease (increase) in investment portfolio	(684)	933
Decrease (increase) in investments in subsidiaries measured at fair value	(4,326)	(7,259)
Decrease (increase) in loans	(35)	(2,220)
Decrease (increase) in other financial assets	(44)	37
Decrease (increase) in other assets	7	(6)
Increase (decrease) in trade and other payables	258	56
Increase (decrease) in consumption taxes payable	(37)	(7)
Increase (decrease) in advances received	(390)	791
Increase (decrease) in other liabilities	18	(0)
Others	(2)	(0)
Subtotal	6,099	8,138
Interest and dividends received	38	27
Interest paid	(93)	(63)
Income taxes paid	(417)	(2,284)
Cash flows from operating activities	5,626	5,818
Cash flows from investing activities:		
Purchase of property, plant and equipment	(5)	(11)
Payments of leasehold and guarantee deposits	-	(91)
Cash flows from investing activities	(5)	(102)
Cash flows from financing activities:		
Proceeds from loans from subsidiaries measured at fair value	2,550	-
Repayment of loans from subsidiaries measured at fair value	(3,400)	(3,500)
Proceeds from loans	-	2,255
Repayments of loans	(800)	(780)
Repayments of lease liabilities	(140)	(141)
Proceeds from issuance of shares	13,113	-
Payments for issuance of shares	(329)	-
Proceeds from sale of treasury stock	0	52
Purchase of treasury stock	-	(0)
Dividends paid	-	(398)
Capital contribution from non-controlling interests	-	10
Cash flows from financing activities	10,992	(2,501)
Increase (decrease) in cash and cash equivalents	16,613	3,214
Cash and cash equivalents at the beginning of the year	2,309	18,922
Effect of exchange rate changes on cash and cash equivalents	-	0
Cash and cash equivalents at the end of the year	18,922	22,137

(5) Notes to Consolidated Financial Statements

(Notes on Going concern assumptions)

Not applicable.

(Segment information)

The segment information has been omitted as the Group primarily operates in the equity investment business, and other business segments are not significant.

(Per share information)

The basis for calculating basic and diluted earnings (loss) per share is as follows:

	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
Profit (loss) attributable to owners of the parent (Millions of Yen)	7,574	18,106
Weighted average number of shares during the year (Shares)	28,869,457	33,242,849
Number of dilutive potential shares		
Increase due to exercising stock options (Shares)	2,182,195	2,214,413
Weighted average number of shares adjusted for the effect of dilution (Shares)	31,051,652	35,457,262
Basic earnings (loss) per share (Yen)	262.37	544.67
Diluted earnings (loss) per share (Yen)	243.93	510.65

Note: The Company conducted a stock split with a ratio of 10 for 1 on July 7, 2023, based on a resolution at the meeting of the Board of Directors held on June 19, 2023. Basic earnings (loss) per share and Diluted earnings (loss) per share are calculated assuming the stock split had already been carried out at the start of the previous fiscal year.

(Significant subsequent events)

(Start of Fund V Series Investment Period)

The Group's managed funds, consisting of Integral 5 Limited Partnership, Innovation Alpha V L.P., Initiative Delta V L.P., and Infinity Gamma V L.P. (collectively the "Fund V Series"), executed their final closing with ¥250 billion in aggregate capital commitments on May 22, 2024. In accordance with the Limited Partnership Agreements of the Fund V Series, the investment period has started as of January 31, 2025.

Based on the Limited Partnership Agreements, the Group can receive 2% of the aggregate capital commitments (excluding the portion committed by the Group) annually as management fees during the investment period from the start of the Fund V Series investment period. With the commencement of the Fund V Series investment period, the Group is scheduled to receive ¥4.4 billion in management fees for the fiscal year ending December 31, 2025 which will be recognized as revenue in the consolidated financial statements.