This announcement contains inside information for the purposes of Article 7 of Regulation 2014/596/EU which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) regulations (SI 2019/310).

23 September 2024

MOH Nippon Plc
(the "Company")

Full Year Results of MINNADEOOYASAN-HANBAI Co., Ltd. ("MOH")

MOH Nippon Plc (formerly Bowen Fintech plc) (LSE: MOH), a crowdfunding services provider for real estate investment in Japan, announces the results for the 12 months ended 31 March 2024 for MOH, the Japan incorporated operating entity of the Company following the completion of the acquisition of 97.41% of the issued share capital, via a reverse takeover, of MOH by the Company on 19 August 2024. Accordingly, these results are for a period prior to the acquisition of MOH by the Company and do not represent consolidated accounts of the Company and MOH.

The results set out below do not constitute MOH's statutory IFRS accounts but are derived from MOH's financial statements for the 12-month period to 31 March 2024 audited locally under Japanese GAAP and adjusted for IFRS as described in Note 2.1 of the Notes to the Financial Information set out below. The Japan audit was unqualified.

Highlights

- Revenue increased by 99% to JPY 11.11 billion (c. £58.7 million) (2023: JPY 5.59 billion (c. £29.5 million))
    - Crowdfunding services revenue grew to JPY 7.41 billion (2023: JPY 3.72 billion) and accounted for 67% of total revenue
    - Real estate development revenue grew to JPY 3.70 billion (2023: JPY 1.86 billion) and accounted for 33% of total revenue
- Profit before tax increased by over 4 times to JPY 3.17 billion (c. £16.8 million) (2023: JPY 0.73 billion (c. £3.9 million)) and total comprehensive incomes increased by almost 4 times to JPY 2.08 billion (c. £11.0 million) (2023: JPY 0.53 billion (c. £2.8 million))
- Net assets of JPY 5.58 billion at 31 March 2024 (c. £29.5 million) (31 March 2023: JPY 3.50 billion (c. £18.5 million))

* All GBP figures based on an exchange rate of JPY 189.17: GBP 1.00

Further details regarding the acquisition of MOH can be found in the Company's prospectus dated 31 July 2024, which is available, alongside the Company's annual report and accounts for the year ended 30 April 2024, on the Company's website here.

Enquiries

MOH Nippon Plc	
Hoken Yanase, Chief Executive Officer	c/o +44 (0)20 4582 3500
Frankie Leung, Chief Financial Officer	c/o +44 (0)20 4582 3500
Cairn Financial Advisers LLP	
Emily Staples	+44 (0)20 7213 0897
Jo Turner	+44 (0)20 7213 0885

Gracechurch Group	
Harry Chathli, Claire Norbury	+44 (0)20 4582 3500

Caution regarding forward looking statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as ''believe'', ''could'', "should" ''envisage'', ''estimate'', ''intend'', ''may'', ''plan'', ''potentially'', "expect", ''will'' or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

Review of results for the year

MOH achieved record highs in both its revenue and net profit. For the fiscal year ending 31 March 2024, MOH reported revenue of JPY 11,107 million and a profit before tax of JPY 3,174 million, reflecting substantial year-on-year growth of 99% and 334%, respectively. MOH's financial results reflect change in the revenue model from 1 April 2023 as described below and management's clear operational priorities centered around driving revenue and controlling costs.

Following the period under review, on 19 August 2024, the Company achieved a significant milestone with its shares being successfully readmitted to the Official List of the Financial Conduct Authority and recommencing trading on the Main Market of the London Stock Exchange pursuant to a reverse takeover of the Company by MOH.

Revenue

Fees from Crowdfunding:

Revenue from crowdfunding fees increased by 98%, rising from JPY 3,732 million in FY23 to JPY 7,404 million in FY24. This surge is primarily due to the change in the revenue model, which took place on 1 April 2023, from MOH receiving a fixed fee of JPY 120 million per month to it receiving 10% of the land transfer price paid by Toshi-Souken Invest Fund Inc. ("TSIF"). The land transfer price represents the estimated costs of the commercialisation work performed by MOH as well as construction costs outsourced by Toshi-Souken Invest Bank Inc. ("TSIB") and/or MOH to finalise the project and any ancillary fees and expenses incurred and expected to be incurred.

Fees from Real Estate Development:

During FY24, MOH collaborated with TSIB on the commercialisation, development, and sale of land from the 'Narita No.16 series', 'Narita No.17 series' and 'Narita No.18 series'. MOH retained a 5% (FY23: 2%) share of total land sales, contributing JPY 3,702 million in revenue, almost doubling the amount compared to FY23. The corresponding cost of land sold in FY23 was JPY 2,648 million.

Selling, general, and administrative expenses ("SG&A")

SG&A for FY24 amounted to JPY 5,354 million (FY23: JPY 4,903 million), an increase of 9.2% compared to the prior fiscal year. SG&A was predominantly driven by advertising and promotional expenses, which totaled JPY 4,908 million (FY23: JPY 4,550 million), representing 92% of total SG&A (FY23: 92%). Personnel expenses, accounting for 4% of SG&A (FY23: 4%), rose to JPY 189 million, reflecting MOH's ongoing business expansion. The significant increase in advertising costs is aligned with MOH's higher fundraising activities during the period under review.

Profit before tax

Combined, the above gave rise to an underlying profit before tax for the year of JPY 3,174 million, an increase of 4.3 times on the prior year (FY23: JPY 731 million) and resulting in a profit margin of 28.6%, up by 15.5 points on last year's margin of 13.1%.

Non-current assets

Non-current assets, including property, plant, equipment, software, guarantee deposits, and lease assets, decreased by 22% in FY24 compared to FY23. The primary driver for this decline was the refund of guarantee deposits amounting to JPY 500 million, as MOH was no longer required to place deposits to secure credit limits.

Cash and cash equivalents

Cash and cash equivalents experienced a notable increase, rising from JPY 349 million in FY23 to JPY 7,251 million in FY24. This growth was predominantly driven by the strong net profit generated by MOH during the fiscal year. This in turn was a result of the change in contractual terms from a fixed fee of JPY 120 million per

month to 10% of the land transfer price paid by TSIF for MOH's crowdfunding activities mentioned earlier in this report.

Advance payments
The balance primarily includes prepayments for upcoming advertising campaigns amounting to JPY 177 million, alongside gift card expenses totaling JPY 5 million. The increase is largely attributable to forthcoming marketing initiatives.

Prepaid expenses
The increase in prepaid expenses from JPY48 million in FY23 to JPY 320 million in FY24 was mainly driven by the prepayment for establishment of the industrial real estate cold-chain logistics business of JPY 191 million and purchase of gift cards of JPY 81 million.

Income tax payable
The increase in taxable income in FY24 resulted in a significant increase in the corporate income tax charge for the year and the year-end creditor position.

Cash flow
Net cash increased from JPY 349 million in FY23 to JPY 7,251 million in FY24. The main components of the change in net cash position were:

- a JPY 6,395 million net cash inflow from operating activities (FY23: JPY 1521 million net cash outflow); and
- a JPY 506 million net cash inflow from investing activities (FY23: outflow of JPY 1,103 million), with the refund of guarantee deposits of JPY 500 million.

The major driver of the increase in JPY 6,395 million net cash inflow from operating activities in the year was the increase in the profit from operations, which contributed a JPY 1,963 million increase in cash. This was further increased by net cash inflow from working capital and provisions of JPY 4,431 million.

Earnings per share
Basic earnings per share for MOH in FY24 was JPY 6,333, representing an increase of 3.9 times on the prior year (FY23: JPY 1,630) driven by the substantial increase in underlying profits. (Details on the basic and diluted earnings per share are provided in Note 9 in the Notes to the financial information).

Risks
The principal risks and uncertainties associated with the business and operations of MOH are set out in the prospectus of the Company dated 31 July 2024. The Directors believe that these risks and uncertainties remain relevant to the business at the time of finalising these FY24 accounts.

Statement of Comprehensive Income for MINNADEOOYASAN-HANBAI Co., Ltd.
For the years ended 31 March 2023 and 31 March 2024

In JPY	Notes	31 March 2023	31 March 2024
Revenues	5	5,587,263,363	11,106,750,000
Cost of revenues	5	-	(2,647,844,739)
Gross profit		5,587,263,363	8,458,905,261
Other income		46,366,241	68,873,197
Donation income		-	-
Gain on forgiveness of debts		-	-
General and administrative expenses	6	(4,902,505,461)	(5,353,526,007)
Other expenses		-	(121,994)
Operating profit		731,124,143	3,174,130,457
Loss on retirement of property		-	(436,509)
Extraordinary expenses		-	(436,509)
Profit before tax		731,124,143	3,173,693,948
Tax expense	8	(183,546,595)	(1,214,944,800)
Income taxes adjustment	8	(12,945,000)	118,057,000
Profit for the year from continuing operations		534,632,548	2,076,806,148
Profit for the year		534,632,548	2,076,806,148
Earnings per share			
Basic earnings per share	9	1,630.25	6,332.79
Diluted earnings per share	9	1,589.54	6,174.63
BASIC WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		327,945	327,945
DILUTED WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		336,345	336,345
Total comprehensive income for the year		534,632,548	2,076,806,148

Statement of Financial Position for MINNADEOOYASAN-HANBAI Co., Ltd.
As at 31 March 2023 and 31 March 2024

In JPY	Notes	31 March 2023	31 March 2024
Assets			
Non-current			
Property, plant, equipment	11	9,092,183	10,197,836
Software	11	6,390,485	3,877,252
Contribution		130,100	130,100
Guarantee deposits	19	1,802,262,905	1,302,162,660
Membership rights	20	8,875,000	8,875,000
Lease asset	16	37,819,821	22,744,716
Deferred tax asset		-	105,112,000
Non-current assets		1,864,570,494	1,453,099,564
Current			
Accounts receivable		20,987	424,173
Advance payments	21	61,764,132	177,014,954
Prepaid expenses	22	48,407,021	320,163,968
Other deposits		3,380	503,000
Amounts due from group companies		2,446,444,947	753,516,881
Corporate tax receivable		58,988,285	-
Sales tax receivables		-	270,097,100
Cash and cash equivalents	12	349,351,052	7,250,521,845
Current assets		2,964,979,804	8,772,241,921
Total assets		4,829,550,298	10,225,341,485
Equity and liabilities			
Equity			
Share capital - Common stock	14	97,500,000	97,500,000
Share capital - Preferred stock	14	2,500,000	2,500,000
Other components of equity	14	721,900,000	475,500,000
Retained earnings	15	2,925,141,258	5,001,947,406
Treasury stock	14	(246,400,000)	-
Total equity		3,500,641,258	5,577,447,406
Liabilities			
Non-current			
Long-term lease liability	16	21,221,957	15,118,962
Deferred tax liabilities	8	12,945,000	-
Non-current liabilities		34,166,957	15,118,962
Current			
Accounts payable	13	644,437,575	792,920,972
Income taxes payable		355,000	1,231,690,815
Sales tax payables		103,869,600	-
Other creditors		4,126,662	2,595,273
Accruals		11,615,698	-
Amounts due to group companies		507,787,607	2,593,737,524
Short-term lease liability	16	16,451,436	7,575,892
Reserve for paid leave	18	6,098,505	4,254,641
Current liabilities		1,294,742,083	4,632,775,117
Total liabilities		1,328,909,040	4,647,894,079
Total Equity and liabilities		4,829,550,298	10,225,341,485

Statement of Cash Flows for MINNADEOOYASAN-HANBAI Co., Ltd.

For the years ended 31 March 2023 and 31 March 2024

In JPY	**31 March 2023**	**31 March 2024**
Operating activities		
Operating profit	731,124,143	3,173,693,948
Adjustments for:		
Depreciation and amortisation expense	3,234,326	4,638,061
Tax expense	(183,546,595)	(1,214,944,800)
Changes in operating assets and liabilities:		
Accounts receivable	(20,987)	(403,186)
Advance payment	(55,958,882)	(115,250,822)
Prepaid expenses	98,762,357	(271,756,947)
Other deposits	-	(499,620)
Amounts due from group companies	(2,043,745,189)	1,692,928,066
Short-term lease liability	2,073,331	(8,875,544)
Corporation tax receivable	(52,294,617)	58,988,285
Other debtors	-	(83,006,800)
Accounts payable	200,827,274	148,483,397
Income taxes payable	(575,038,320)	1,231,335,815
Sales tax payables	2,368,900	(103,869,600)
Other deposits	278,381	(1,531,389)
Accruals	525,371	(11,615,698)
Amounts due to group companies	349,014,892	2,085,949,917
Reserve for paid leave	1,325,294	(1,843,864)
Sales tax receivables	-	(270,097,100)
Cash (used in) provided by operating activities	**(1,521,070,321)**	**6,395,328,919**
Cash flows from investing activities		
Guarantee deposits	(1,100,000,000)	500,100,245
Property, plant, equipment and software	(1,171,200)	(3,230,481)
ROU asset/ liability	(2,104,752)	8,972,110
Net cash (used in) provided by investing activities	**(1,103,275,952)**	**505,841,874**
Net Change in Cash and Cash Equivalents	(2,624,346,273)	6,901,170,793
Cash and cash equivalents - beginning of period	2,973,697,325	349,351,052
Cash and cash equivalents - end of period	**349,351,052**	**7,250,521,845**

Statement of Changes in Equity for MINNADEOOYASAN-HANBAI Co., Ltd.

For the years ended 31 March 2023 and 31 March 2024

In JPY	Notes	*Share capital Common stock*	*Share capital Preferred stock*		*Other components of equity*	*Treasury stock*	*Retained earnings*	*Total equity*
Balance at 31 March 2022		**97,500,000**	**2,500,000**	**100,000,000**	**721,900,000**	**(246,400,000)**	**2,390,508,710**	**2,966,008,710**
Total comprehensive income		-	-	-	-	-	534,632,548	534,632,548
Balance at 31 March 2023	**14**	**97,500,000**	**2,500,000**	**100,000,000**	**721,900,000**	**(246,400,000)**	**2,925,141,258**	**3,500,641,258**
Balance at 31 March 2023		**97,500,000**	**2,500,000**	**100,000,000**	**721,900,000**	**(246,400,000)**	**2,925,141,258**	**3,500,641,258**
Total comprehensive income		-	-	-	-	-	2,076,806,148	2,076,806,148
Amortisation of treasury stock		-	-	-	(246,400,000)	246,400,000	-	-
Balance at 31 March 2024	**14**	**97,500,000**	**2,500,000**	**100,000,000**	**475,500,000**	**-**	**5,001,947,406**	**5,577,447,406**

Notes to the financial information

1. General Information

MINNADEOOYASAN-HANBAI Co., Ltd. ("MOH") was incorporated in August 1998 as a limited company, and has its registered office at 3F Grace Kojimachi, 12-3, Nibancho, Chiyoda-ku, Tokyo. Tokyo, Japan.

MOH's primary business activity revolves around serving as a funding platform that facilitates and arranges real estate crowdfunding activities in Japan. Real estate crowdfunding is a fundraising method limited to operators authorised under the "Act on Specified Joint Real Estate Ventures." Through this method, businesses can raise funds from investors online and utilise the accumulated funds as capital for engaging in real estate transactions. This segment accounted for 67 per cent. of the total revenues as of 31 March 2024.

Commencing from the fiscal year 2022 (01/04/2021-31/03/2022), MOH has broadened its operations to encompass the independent preparation, development, purchase, and sale of real estate properties.

Beginning in the fiscal year 2023 (01/04/2022-31/03/2023), MOH has entered into a "Joint Business Agreement" with its group company, TSIB and TSIF, wherein MOH will engage in the development, purchase, and sale of real estate properties in collaboration with TSIB, and sell the real estate to TSIF. This segment is referred to as "Revenue from Real Estate Joint Development Business."

During the 2023 fiscal year, MOH shared 2 per cent. of the revenue generated from the Real Estate Joint Development Business, and MOH's share increases to 5 per cent. for the 2024 fiscal year, with a further increase in its share to 10 per cent. commencing from the 2025 fiscal year. As of 31 March 2024, the revenue from Real Estate Joint Development Business constituted 33 per cent. of the total revenues.

2. Accounting policies

2.1 Basis of Accounting

Currency
MOH maintains its books and records in its local currency, Japanese YEN ("JPY"), which is a functional currency as being the primary currency of the economic environment in which its operation is conducted. Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the statement of profit or loss.

Statement of compliance
The financial statements of MOH for each of the two years ended 31 March 2024 were prepared in accordance with accounting principles generally accepted in Japan (J GAAP) as issued by the Accounting Standards Board of Japan and were audited by AKASAKA・KAIO Certified Public Accountants Joint Firm, 307 Ichigaya Hoso Building, 4-1-5 Kudan-kita, Chiyoda-Ku, Tokyo.

Adjustments were made where necessary to present this financial information in accordance with International Financial Reporting Standards (IFRS), including IFRIC interpretations issued by the International Accounting Standards Board (IASB) as adopted by the European Union and with those parts of the Act applicable to companies reporting under IFRS. The financial information has been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These policies have been consistently applied.

The preparation of financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying MOH's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3. The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's experience and knowledge of current events and actions, actual results may ultimately differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2.2 Going concern

This financial information has been prepared on the assumption that MOH is a going concern. When assessing the foreseeable future, the MOH Directors, being Makoto Oguma, Hoken Yanase and Hiromitsu Sakai, have looked at a period of at least twelve months from the date of approval of this report and the working capital requirements of MOH.

After making enquiries, the MOH Directors firmly believe that together with their support, MOH has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial information.

2.3 New and amended standards adopted by MOH

New, amended standards, interpretations not adopted by MOH.

Standard	*Description*	*Effective date*
IFRS 17	Insurance contracts	*1 January 2023

Management has not yet fully assessed the impact of these standards but does not believe they will have a material impact on the financial statements.

2.4 Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the MOH Directors. MOH's primary reporting format is determined by the geographical segment according to the location of its establishments. There is currently only one geographic reporting segment, which is Japan. All revenue and costs are derived from the single geographic segment.

2.5 Leases

MOH leases buildings and equipment.

Right-of-use assets
The right-of-use asset is recognised at the commencement date of the lease (when the asset is ready for use) and initially measured at cost. The cost includes the balance of the lease liability recognised, initial direct costs and lease payments made at or before the commencement date. In subsequent periods, the value of the right-of-use assets is adjusted for accumulated depreciation, impairment losses and remeasurement of the lease liability, if any. The depreciation is on a straight-line basis over the shorter of the estimated useful life of the underlying asset and the lease term.

Lease liabilities
At the commencement date, lease liabilities are measured at the net present value of the remaining lease payments, discounted using the interest rate implicit in the lease or, when not available, the incremental borrowing rate computed for a group of leases with similar characteristics as regards to type of asset, lease term, contract currency and economic environment. The carrying amount of the lease liabilities is subsequently increased to reflect the interest on the lease liability and decreased by the lease payments made during the period. Lease payments are split between principal elements and interest and are allocated to net cash flows from financing activities and operating activities, respectively. The carrying amount is subject to remeasurement in subsequent periods to reflect any lease modifications.

2.6 Revenue recognition

Revenue is recognised in accordance with the requirements of IFRS 15 'Revenue from Contracts with Customers'.

MOH recognises revenue at the amount to which it expects to be entitled when control of the real estate or services is transferred to its customers. Control is generally transferred when MOH has a present right to payment and title and the significant risks and rewards of ownership of products or services are transferred to its customers.

Specifically, MOH's revenue consists of Fundraising Commission Fee and Sales of Real Estate or Real Estate Joint Development Business. Concerning the Fundraising Commission Fee, control is transferred when customers sign the agreement, and funds are subsequently transferred by the customers. For Sales of Real Estate or Real Estate Joint Development Business, control is transferred on the effective date of the Transaction Contract for real estate. Payments for Fundraising Commission Fee, Sales of Real Estate, or Real Estate Joint Development Business are collected within a short period following the transfer of control which is deemed to be the fulfilment of the performance obligations or the commencement of the delivery of services, as applicable.

Cost of sales related to delivered real estate, including land development costs, and building construction costs are recognised as cost of sales as incurred.

MOH adopted IFRS 15–Revenue from contracts with customers: (1) Identify the contract; (2) Identify separate performance obligations; (3) Determine the transaction price; (3) Allocate transaction price to performance obligations; (5) Recognise revenue when each performance obligation is satisfied.

		Fees from crowdfunding	*Revenues from real estate business*
1.	**Identify the contract**		
	Approval	Joint Business Agreement Real Estate Purchase and Sale Agreement	
	Rights	Assist TSIF in the operations related to the Real Estate Specified Joint Business conducted	Develop the subject real estate and transfer the developed subject real estate to TSIF
	Payment Terms	Stated in the Real Estate Purchase and Sale Agreement	
	Commercial Substance	Revenue from service	Revenue from selling goods
	Collectability	Yes: Stated in the Real Estate Purchase and Sale Agreement	
2.	**Identify separate performance obligations**		
	Good or service	Service: operational support, mainly formation, design and selling fund products	Goods: Selling Real Estates
	Entity's promise	Promises made in contracts and agreements	
3.	**Determine the transaction price**	Prorated from the sale price of the real estate	The sale of real estate price is determined by negotiation between seller and buyer based on the market price
4.	**Allocate transaction price to performance obligations**	N/A	
5.	**Recognise revenue when each performance obligation is satisfied**		
	A point in time or over time	A point over time	A point over time

2.7 Financial assets and liabilities

Recognition and initial measurement
MOH initially recognises loans and advances, trade and other receivables/payables, and borrowings plus or minus transactions costs when and only when MOH becomes party to the contractual provisions of the instruments.

Financial assets at amortised cost
MOH's financial assets at amortised cost comprise trade and other receivables. These represent debt instruments with fixed or determinable payments that represent principal or interest and where the intention is to hold to collect these contractual cash flows.

They are initially recognised at fair value, included in current and non-current assets, depending on the nature of the transaction, and are subsequently measured at amortised cost using the effective interest method less any provision for impairment.

Financial liabilities at amortised cost
Financial liabilities at amortised cost comprise trade and other payables. They are classified as current and non-current liabilities depending on the nature of the transaction and are subsequently measured at amortised cost using the effective interest method.

Financial assets
MOH derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which MOH neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities
MOH derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

2.8 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from acquisition and subject to insignificant risk of changes in value and bank overdrafts.

2.9 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.10 Property, plant, equipment and software

Property, plant, equipment and software are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to MOH and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on Property, plant, equipment and software are calculated using the straight-line method to write off their cost over their estimated useful lives.

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Value in use is based on the present value of the future cash flows relating to the asset and is determined over periods which are deemed to appropriately

reflect the minimum expected period that the cash generating unit will operate for.

The estimated useful lives of assets are as follows:
- Buildings: 47 years
- Plant and equipment: 10 years
- Furniture and fixtures: 3 - 15 years
- lump-sum depreciable asset: 3 years

2.11 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years, and it further excludes items that are never taxable or deductible. MOH's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where MOH is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which MOH expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.12 Trade and other receivables

MOH assesses on a forward-looking basis the expected credit losses associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, MOH applies the simplified approach permitted by IFRS 9,

resulting in trade receivables recognised and carried at original invoice amount less an allowance for any uncollectible amounts based on expected credit losses. The simplified approach uses a lifetime expected loss allowance. Expected credit losses are recognised from initial recognition based on MOH's historical credit loss experience, factors specific to each receivable, the current economic climate and expected changes in forecasts of future events.

Changes in expected credit losses are recognised in the Statement of Profit or Loss and Comprehensive Income.

2.13 Intangible assets

Intangible fixed assets are stated at cost, whether purchased or developed internally, net of amortisation and any provision for impairment. Amortisation is calculated to write down the cost of all intangible fixed assets to their estimated residual value by equal annual instalments over their expected useful economic lives.

Software 3 - 15 years

Amortisation is charged to the Statement of Comprehensive Income.

3. Critical accounting estimates and judgements

MOH makes certain judgements and estimates which affect the reported amount of assets and liabilities. Critical judgements and the assumptions used in calculating estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying MOH's accounting policies, which are described above, the MOH Directors do not believe that they have had to make any assumptions or judgements that would have a material effect on the amounts recognised in the financial information.

4. Financial Risk Management

MOH's activities may expose it to some financial risks. MOH's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on MOH's financial performance.

(a) Liquidity risk

Liquidity risk is the risk that MOH will encounter difficulty in meeting obligations associated with financial liabilities. The responsibility for liquidity risks management rest with the board of directors of MOH, which has established appropriate liquidity risk management framework for the management of MOH's short term and long-term funding risks management requirements. During the period under review, MOH has not utilised any borrowing facilities. MOH manages liquidity risks by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

(b) Capital risk

MOH takes great care to protect its capital investments. Significant due diligence is undertaken prior to making any investment. The investment is closely monitored.

Financial risk management of financial instruments

All financial instruments are measured at amortised cost. Fair value hierarchy all the financial assets and financial liabilities recognised in the financial statements which are short-term in nature are shown at the

carrying value which also approximates the fair values of those financial instruments. Therefore, no separate disclosure for fair value hierarchy is required.

MOH's activities expose it to a variety of financial risks, mainly credit risk and liquidity risk.

Market risk is defined as the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. MOH's market risks arise from open positions in (a) interest bearing assets and liabilities, and (b) foreign currencies; to the extent that these are exposed to general and specific market movements (see details below).

(i) Interest rate risk: MOH's interest-bearing assets comprise of only cash and cash equivalents. As MOH's interest-bearing assets do not generate significant amounts of interest; changes in market interest rates do not have any significant direct effect on its income.

Credit risk: Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to MOH. Credit risk arises from cash balances (including bank deposits, cash and cash equivalents) and credit exposures to trade receivables. MOH's maximum exposure to credit risk is represented by the carrying value of cash and cash equivalents and other receivables.

Liquidity risk: Trade and other payables are monitored as part of normal management routine. Borrowings and other liabilities mature according to the following schedule:

	31 March 2023	*31 March 2024*
	JPY	*JPY*
Within 1 year		
Accounts payable	644,437,575	792,920,972
Other creditors	4,126,662	2,595,273

5. Revenues and cost of revenues

From 1 April 2022 to 31 March 2024, MOH generated 100 per cent. of its revenues in Japan.

	Year to 31 March 2023	*Year to 31 March 2024*
	JPY	*JPY*
Revenues		
Service over time		
Revenues from commission	3,732,000,000	7,404,500,000
	3,732,000,000	7,404,500,000
Service at a point in time		
Revenues from real estate business	-	-
Revenues from real estate business JV	1,855,263,363	3,702,250,000
	1,855,263,363	3,702,250,000
Total	5,587,263,363	11,106,750,000
Cost of revenues		
Purchases-real estate business	-	(2,647,844,739)
	-	(2,647,844,739)
Gross Profit	5,587,263,363	8,458,905,261

6. Expenses by nature and personnel

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Advertising expenses	4,549,961,807	4,908,387,002
Personnel expenses	189,252,323	188,819,389
Charge expenses	40,303,188	114,293,865
Consumables	16,263,458	12,819,927
Taxes and dues	563,486	5,660,665
Office rent	12,281,952	13,526,539
Communication expenses	59,384,273	57,010,466
Other administrative expenses	34,494,974	53,008,154
Total administrative expenses	4,902,505,461	5,353,526,007

7. Personnel

The cost of employees (including MOH Directors) during the period was made up as follows:

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Salaries	157,910,968	152,963,928
Legal welfare expenses	23,380,318	26,948,886
Commutation expenses	4,547,509	6,057,848
Welfare expenses	3,413,528	2,848,727
Personnel expenses	189,252,323	188,819,389

The number of employees and retirees of MOH are as follows:

	Monthly average employees	*Annual retirees*
April 2022 – March 2023	25	8
April 2023 – March 2024	25	8

Key management personnel are as follows:
Hiromitsu Sakai
Takehiko Oshima
Yusuke Shigetomi

Aggregate remuneration for key management personnel amounts to 2024: JPN 35,336,601 (2023: JPN 38,743,396).

8. Taxation

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Tax expense	183,546,595	1,214,944,800
Income taxes adjustment	12,945,000	(118,057,000)
Total current tax	196,491,595	1,096,887,800
Deferred tax liabilities/ (assets)	12,945,000	(105,112,000)

Deferred tax liabilities

The deferred tax liability occurred when the interim corporate income tax payment was declared on 29 November 2022. When the corporate income tax finalisation was filed on 30 June 2023, MOH revealed the occurrence of an overpayment of interim tax returns. Therefore, when the tax return was filed, it was allocated to the deferred tax liability and the business tax refund was processed at the rate of 34.59 per cent.

Tax rate

JPY	Nominal tax rate	Nominal tax amount	Tax rate on Final Tax Return	Tax amount on Final Tax Return	Effective tax rate	Effective tax amount
Profit		3,173,693,948		3,173,693,948		3,173,693,948
Taxable income		3,192,288,573		3,192,288,573		3,192,288,573
1). Corporate income tax (15% tax rate for income up to 8,000,000; 23.2% tax rate for income over 8,000,000)	23.20%	740,610,949	23.18%	739,950,500	23.20%	740,610,949
2). Local corporate tax	2.39%	76,295,697	2.39%	76,215,200	2.39%	76,295,697
3). Prefectural inhabitant tax	2.41%	76,934,155	2.36%	75,433,200	2.41%	76,934,155
4). Enterprise tax	7.48%	238,783,185	7.47%	238,560,500	7.48%	238,783,185
5). Special corporate enterprise tax	2.59%	82,680,274	2.59%	82,602,900	2.59%	82,680,274
Total (tax rate for companies with capital of 100 million or less (exceed tax rate))	1)+2)+3)+4)+5)= 38.07%	1,215,304,260		1,212,762,300	1)+2)+3)+4)+5)/(1+4+5)= 34.59%	1,104,212,617
Municipal inhabitant tax				2,182,500		
Total Tax Expense	38.07%	1,215,304,260	37.99%	1,214,944,800	34.59%	1,104,212,617
Income taxes adjustment		(118,057,000)		(118,057,000)		-

Notes:
Tax amount on final tax return omits amount numbers below JPY1,000;
Tax amount on final tax return include the income tax deduction of JPY4,278;

"The nominal tax rate is simply the sum of the tax rates for corporate taxes and other taxes specified by law. In contrast, the effective tax rate is used to calculate a tax payment amount that is more in line with the actual situation based on the nominal tax rate."

1. The tax rate of 30.62 per cent. is the statutory tax rate for corporations subject to pro forma standard taxation (ordinary corporations with paid-in capital exceeding JPY 100 million), assuming that they have offices in the 23 wards of Tokyo, but MOH applies the effective tax rate for corporations with paid-in capital of JPY 100 million or less (based on excess tax rate), so the tax rates are different.

2. Regarding the difference in tax rates in 2024, according to the corporate tax return, MOH's taxable income in 2024 is JPY 3,192,288,573. The taxes incurred by MOH are calculated at the effective tax rate (based on excess tax rate) for corporations with capital of JPY 100 million or less in Japan, using the following tax rates

- Corporate tax rate of 23.2 per cent. (Small and medium-sized corporations with capital of JPY 100 million

or less and income of JPY 8 million or less are subject to a reduced tax rate of 15 per cent.). JPY 1,200,000 for corporate tax on taxable income of JPY 8 million or less, JPY 739,950,500 for corporate tax on taxable income of JPY 8 million or more.

- Local corporate tax rate of 2.39 per cent.: JPY 76,215,200

- Prefectural corporate tax rate 2.41 per cent.: JPY 75,433,200

-Business tax rate of 7.48 per cent.: JPY 238,560,500

- Special corporate business tax rate of 2.59 per cent.: JPY 82,602,900

- The total was JPY 1,212,762,300. Adding the income tax deduction and municipal tax, the total tax amount is JPY 1,214,944,800. This was the tax amount before any adjustments were made. Therefore, this tax rate was correctly calculated without applying tax effect accounting.

9. Earnings per share

	Year to 31 March 2023	*Year to 31 March 2024*
Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:	JPY	JPY
Income after tax attributable to equity holders shares in issue during the period:	534,632,548	2,076,806,148
Basic weighted average number of common shares outstanding	327,945	327,945
Diluted weighted average number of common shares outstanding	336,345	336,345
Basic earnings per share	1,630.25	6,332.79
Diluted earnings per share	1,589.54	6,174.63

Basic earnings per share is calculated by dividing the income attributable to equity holders of MOH by the weighted average number of ordinary shares in issue during the period.

10. Capital risk management

The MOH Directors' objectives when managing capital are to safeguard MOH's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. At the date of this financial information, MOH had been financed by the introduction of capital. In the future, the capital structure of MOH is expected to consist of borrowings and equity attributable to equity holders of MOH.

11. Property, plant, equipment and software

	Property, plant, and equipment *JPY*	*Software* *JPY*	*Total* *JPY*
Cost			
At 1 April 2023	17,663,171	13,389,087	31,052,258
Additions	3,666,990	-	3,666,990
Disposals	(4,880,571)	-	(4,880,571)
At 31 March 2024	16,449,590	13,389,087	29,838,677
Depreciation and amortisation			
At 1 April 2023	8,570,988	6,998,602	15,569,590
Depreciation and amortisation	2,124,828	2,513,233	4,638,061
	(4,444,062)	-	(4,444,062)
At 31 March 2024	6,251,754	9,511,835	15,763,589
Net book value			
At 31 March 2023	9,092,183	6,390,485	15,482,668
At 31 March 2024	10,197,836	3,877,252	14,075,088

12. Cash and cash equivalents

	Year to 31 March 2023 *JPY*	*Year to 31 March 2024* *JPY*
Cash-JPY	482,485	861,318
Ordinary account	348,868,567	7,249,660,527
	349,351,052	7,250,521,845

13. Trade and other payables

	Year to 31 March 2023 *JPY*	*Year to 31 March 2024* *JPY*
Accounts payable, other	644,437,575	792,920,972
	644,437,575	792,920,972

14. Equity

Series 1 Preferred Stock

The authorised Series 1 Preferred Stock of MOH consists of 10,000 shares with no par value. There were 8,400 shares of preferred stock issued and outstanding at 31 March 2023 and 2024. The holders of Series 1 Preferred Stock are entitled to receive dividends prior to the holders of common stock. The shareholders of Series 1 Preferred Stock receive a dividend of 5 per cent. of the amount paid. The shareholders of Series 1 Preferred Stock have no voting rights.

On 16 January 2024, the 8,400 preferred stock in issue was acquired (and cancelled) by MOH in exchange for common stock.

Common stock

The authorised common stock of MOH consists of 1,300,000 shares with no par value. There were 327,945 shares of common stock issued and outstanding at 31 March 2023 and 2024. MOH has not yet set aside a dividend reserve.

The number of shares in issue were as follows:

	Share capital	
	Common stock	*Preferred stock*
	Number	*Number*
At 31 March 2023	327,945	8,400
At 31 March 2024	327,945	8,400

	Share premium		*Other components*	*Treasury*	*Retained*	*Total*
	Common stock	*Preferred stock*	*of equity*	*stock*	*earnings*	*equity*
	Number	*Number*	*JPY*	*JPY*	*JPY*	*JPY*
At 31 March 2023	97,500,000	2,500,000	721,900,000	(246,400,000)	2,925,141,258	3,500,641,258
At 31 March 2024	97,500,000	2,500,000	475,500,000	-	5,001,947,406	5,577,447,406

15. Accumulated earnings

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
At start of period	2,390,508,710	2,925,141,258
Profit for the period	534,632,548	2,076,806,148
At 31 March	2,925,141,258	5,001,947,406

16. Lease assets and liabilities

	Balance sheet classification	*31 March 2023 JPY*	*31 March 2024 JPY*
Right-of-use assets	Lease assets	37,819,821	22,744,716
Current lease liabilities	Short-term lease liability	16,451,436	7,575,892
Non-current lease liabilities	Long-term lease liability	21,221,957	15,118,962

Lease assets

	Lease assets	*Unit: JPY* *Depreciation*
31 March 2023		
Epic Tokyo	8,766,902	(8,647,854)
Xymax Osaka	12,285,258	(3,229,822)
Fuji Xerox 5570	3,429,490	(881,483)
Fuji Xerox 5571, 2271	1,387,787	(1,366,512)
Fuji Xerox 5570	692,309	(289,151)
Fuji Xerox 5570 (2)	3,058,342	(128,801)
Fuji Xerox 5570 Addition	7,423,160	(312,625)
Pitney Bowes Postal charges measure	776,574	(93,010)
31 March 2024		
Epic Tokyo	-	(8,766,902)
Xymax Osaka	9,004,427	(3,280,831)
Fuji Xerox 5570	2,534,292	(895,198)
Fuji Xerox 5571, 2271	-	(1,387,787)
Fuji Xerox 5570	398,658	(293,651)
Fuji Xerox 5570 (2)	2,537,893	(520,449)
Fuji Xerox 5570 Addition	6,159,935	(1,263,225)
Pitney Bowes Postal charges measure	636,615	(139,959)
Stage First Kagurazaka 802 Tokyo	1,472,896	(714,939)

Lease liabilities

	Interest rate	*Unit: JPY* *Lease liabilities*
31 March 2023		
Epic Tokyo	1.37%	8,766,902
Xymax Osaka	1.57%	12,285,258
Fuji Xerox 5570	1.57%	3,380,434
Fuji Xerox 5571, 2271	1.57%	1,368,350
Fuji Xerox 5570	1.57%	682,513
Fuji Xerox 5570 (2)	1.57%	3,013,950
Fuji Xerox 5570 Addition	1.57%	7,315,413
Pitney Bowes Postal charges measure	1.57%	860,574
31 March 2024		
Epic Tokyo	1.57%	-
Xymax Osaka	1.57%	9,004,427
Fuji Xerox 5570	1.57%	2,498,318
Fuji Xerox 5571, 2271	1.57%	-
Fuji Xerox 5570	1.57%	393,060
Fuji Xerox 5570 (2)	1.57%	2,501,335
Fuji Xerox 5570 Addition	1.57%	6,071,202
Pitney Bowes Postal charges measure	1.57%	753,615
Stage First Kagurazaka 802 Tokyo	2.96%	1,472,896

Maturities of lease liabilities as of 31 March 2024 are as follows:

	JPY
2025	7,575,892
2026	6,753,032
2027 and beyond	8,365,930
Total	22,694,854
Add (Less): Imputed interest	(820,914)
Present value of lease liabilities	21,873,940

17. Contingent liabilities

MOH has no contingent liabilities in respect of claims arising from the ordinary course of business.

18. Reserve for paid leave

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Reserve for paid leave	6,098,505	4,254,641

19. Guarantee deposits

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Osaka Housing land and building dealer Guaranty society	600,000	600,000
Tokyo Housing land and building dealer Guaranty society	300,000	300,000
Tokyo Baycourt Club	1,362,905	1,168,660
JCB	800,000,000	300,000,000
Tokyu Livable-Company Housing Deposit	-	94,000
TSIB	1,000,000,000	1,000,000,000
Guarantee deposits	1,802,262,905	1,302,162,660

20. Membership rights

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
Tokyo Baycourt Club	8,875,000	8,875,000
Membership rights	8,875,000	8,875,000

21. Advance payments

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
AMEX-Advertising expenses	58,708,882	172,479,954
Gift card-SMCC	-	4,535,000
TSIB	3,008,490	-
TSIF	6,280	-
Kyosei Bank Co., Ltd	40,480	-
Advance payments	**61,764,132**	**177,014,954**

22. Prepaid expenses

	Year to 31 March 2023 JPY	*Year to 31 March 2024 JPY*
TSIF-Osaka	316,245	316,245
Salesforce	22,987,240	29,023,719
SSI Laboratory	1,320,000	812,107
Commutation expense	1,475,739	-
Rent-Kyosei Bank Co., Ltd	809,600	-
Housing Construction Industries Association	50,000	50,000
Hakusyusya	5,280,000	5,280,000
Legal Force	1,407,879	-
Sansan	4,945,600	2,478,664
Agreed	1,138,500	439,747
JCS	-	3,748,824
NTT DATA	-	124,372
Other	8,676,218	277,890,290
Prepaid expenses	**48,407,021**	**320,163,968**

23. Capital commitments

There was no capital expenditure contracted for at the end of the reporting periods but not yet incurred.

24. Ultimate controlling party

As at the balance sheet date, MOH is 97.41 per cent. owned by Kyosei Bank Co., Ltd. (“KBC”), and KBC is 100 per cent. owned by Mr. Kenichi Yanase, so the ultimate controlling party of MOH is Mr. Kenichi Yanase. Since KBC owns 97.41 per cent. of MOH, KBC is the parent company of MOH as at the balance sheet date.

25. Events after the reporting period

(a) Business suspension

MOH has been subject to one (30 day) suspension ruling from 21 June 2024 to 20 July 2024. The ruling was stayed following an appeal but the suspension period was reinstated and commenced on 28 June 2024 with the end date remaining 20 July 2024.

MOH was notified of the 30-day suspension by the relevant Tokyo Government department on 17 June 2024. It was with regard to the provision of a TSIF FTK product concerning a specific land parcel ("Narita 16") within the Narita Project in May 2023 where, following a review of the development plan, TSIF and MOH sent an updated "Status Report on the Tomoiki Japan Gateway Narita Project" to investors. However, this document was deemed by the Governor of Osaka Prefecture and the Governor of Tokyo not to constitute an adequate explanation of the change in plan and therefore the decision to impose a penalty in the form of a suspension.

TSIF was also subject to suspension from 18 June 2024 to 17 July 2024 (being the operator and asset manager that sold the FTK products to investors). TSIF also experienced a short stay of execution but is also suspended until 17 July 2024.

Following the incident, MOH and TSIF continue to improve regular employee training and ongoing educational programmes, as well as thoroughly implementing refresher courses relating to the directives of regulatory authorities to prevent the issues going forward. The MOH Directors believe that the three-week suspension is not expected to have any material adverse impact on working capital.

(b) The Company was successfully admitted to the Official List of the Financial Conduct Authority and commenced trading on the Main Market of the London Stock Exchange through a reverse takeover by MOH. Full details of the transaction including terms of the sale and purchase agreement, related party transactions and ancillary transaction documents entered into by MOH can be found in Part X of the Company's prospectus dated 31 July 2024.

26. Financial Information

The financial information does not constitute Statutory Accounts as defined.

27. Related party transactions

The list of transactions with related parties is presented below.

Related Parties	*Transaction*	*Year to 31 March 2023 JPY'000*	*Year to 31 March 2024 JPY'000*
TSIB (Toshi-Souken Invest Bank Inc)	Commission income	3,732,000	7,404,500
	Real estate sales	1,855,263	3,702,250
	Operations	6,145,989	-
	Reimbursed expenses (advances and accruals)	188,366	161,346
	Reimbursed expenses (unpaid)	1,351,404	1,351,404
	Guarantee deposit	1,000,000	1,000,000
	Capital loan	5,000,663	5,078,000
		19,273,685	18,697,500
TSIF (Toshi-Souken Invest Fund Inc)	Real estate sales	-	-
	Reimbursed expenses	-	-
	Advances and accruals	756,422	746,259
	Reimbursed expenses (unpaid)	2,317	-
		758,739	746,259
KBC (Kyosei Bank Co., Ltd)	Loans borrowed	12,080,000	40,000
	Capital loan	-	72,838
	Reimbursed expenses	500,000	79,507
	(advances and accruals)	87,076	-
	Reimbursed expenses (unpaid)	6,755	-
		12,673,831	192,345

The list of balances with related parties outstanding at each period end is presented below.

Amounts owed by related parties

Related Parties	*Year to 31 March 2023 JPY*	*Year to 31 March 2024 JPY*
TSIB (Toshi-Souken Invest Bank Inc)	2,385,898,187	674,094,267
TSIF (Toshi-Souken Invest Fund Inc)	60,506,280	66,067,278
KBC (Kyosei Bank Co., Ltd)	40,480	13,355,336
	2,446,444,947	753,516,881

Amounts owed to related parties

Related Parties	*Year to 31 March 2023 JPY*	*Year to 31 March 2024 JPY*
TSIB (Toshi-Souken Invest Bank Inc)	6,596,352	2,591,602,760
TSIF (Toshi-Souken Invest Fund Inc)	254,284	215,822
KBC (Kyosei Bank Co., Ltd)	500,936,971	1,918,942
	507,787,607	2,593,737,524

All of the above balances with related parties are unsecured, repayable on demand and do not attract interest.

Ownership relationship of related parties

As at the balance sheet date, the relationship between Kyosei Bank Co., Ltd ("KBC") and Minnadeooyasan-Hanbai Co., Ltd is known as a "parent-subsidiary relationship," where KBC directly owns 97.26 per cent. (as of 31 March 2024) of MOH's outstanding common shares, making MOH a subsidiary of KBC.

Toshi-Souken Invest Bank Inc ("TSIB") directly owns 100 per cent. of the outstanding common stock of Toshi-Souken Invest Fund Inc ("TSIF"), and TSIF is a subsidiary of TSIB. Since TSIB is also a subsidiary of KBC, TSIF is recognised as a subsidiary of KBC as well.

As at the balance sheet date, MOH, TSIB, and TSIF are all considered subsidiaries of KBC because KBC directly or indirectly owns more than 50 per cent. of their outstanding shares.

Transactions with related parties during and subsequent to the reporting period

Joint Business Agreement and Addendum to the Joint Business Agreement

On 1 January 2024 MOH, TSIF and TSIB entered into the Joint Business Agreement which sets out the terms and conditions pursuant to which MOH and TSIB may purchase and develop real estate to be purchased by TSIF ("Subject Property") as well as the right to provide other services to TSIF including crowdfunding services and other assistance work including agent sales activities, management of participants and new customers, advertising and marketing, keeping of records and other incidental work (together, "TSIF Assistance Work")

in connection with specified joint real estate ventures ("FTKs") governed by the Act on Specified Joint Real Estate Ventures (1994) (Japan) ("FTK Act") to raise funds from investors for TSIF for the Subject Property. This agreement sets out the responsibilities of each of MOH and TSIB in connection with such services.

The Joint Business Agreement requires that TSIB either solely or jointly with MOH purchase real estate and carry out development and other work (together, "Commercialisation Work") to prepare the real estate for sale to TSIF for it to become Subject Property. If either MOH or TSIB carry out the Commercialisation Work solely then that party alone effects the sale of the Subject Property to TSIF.

In addition, the Joint Business Agreement authorises MOH to carry out TSIF Assistance Work for and on behalf of TSIF. TSIF is then entitled to enter into contracts ("FTK Contracts"), to raise funds for the purchase of real estate, that stipulate that: (1) one party contributes to (or invests into) the real estate property transactions being executed by the other party; (2) that the other party undertakes real estate property transactions using the investment; and (3) and that the returns generated from those real estate property transactions will be distributed. TSIF is required to then own, manage and operate such real estate. The purchase price paid for the real estate is to be agreed by the parties on a case by case basis.

The Joint Business Agreement ratifies and confirms the exclusive right granted to TSIB for TSIB and/or MOH to sell real estate to TSIF (Exclusive Sales Rights). In terms of profit distribution the Joint Business Agreement provides that if TSIB and MOH jointly provide Commercialisation Work, TSIB and MOH shall jointly sell such Subject Property to TSIF with the profit (being the sum of the sale price of the real estate less the purchase cost of such real estate) being allocated 90 per cent. to TSIB and 10 per cent. to MOH. For sales effected between 1 April 2023 to 31 March 2024 the profit allocation was 95 per cent. to TSIB and 5 per cent. to MOH. The payment of such profit shall be made on the same date that TSIF is required to pay the purchase price for the real estate as set out in the relevant sale agreement.

MOH shall also be entitled to be paid for TSIF Assistance Work which is contracted to MOH by TSIF. TSIB shall pay (on behalf of TSIF) MOH an amount equivalent to 10 per cent. of the sale price of the real estate paid by TSIF. This fee is due and payable at the end of the month falling 3 months after the conclusion of the sale contract of the relevant real estate.

In addition, the agreement provides that MOH is entitled to exclusively develop cold-chain facilities (including food processing facilities and frozen/refrigerated warehouses utilising the HybridICE patented freezing technology owned by FrostiX, a technology company based in Tokyo that is 75.8 per cent. owned by KBC). In such case, MOH is not required to share any of the profits or commissions paid to it by TSIF with TSIB or any other party.

Pursuant to an addendum to the Joint Business Agreement dated 11 June 2024 made between MOH, TSIF and TSIB, the parties have agreed that in the event TSIF receives any funding directly from investors through a software application known as "Minnadeooyasan Mini" or "MINI", which is owned and operated by TSIF and was developed in conjunction with MOH to target smaller size investors and introduce them to the FTK product range: (i) any capital raised by TSIF will be used to acquire real estate from only MOH and/or TSIB; and (ii) MOH will continue to receive fees in relation to Commercialisation Work and TSIF Assistance Work. MOH has also been granted an option to acquire the application from TSIF at any time during the duration of the Joint Business Agreement at a price equal to the development costs, application fees and any maintenance fees paid by TSIF in respect of MINI.

The Joint Business Agreement cannot be assigned by any party without the prior consent of the other parties. The term of the Joint Business Agreement is 30 years from the date of the agreement which cannot be terminated by any party save in the event that a party has breached the provision relating to anti-social forces. The Tokyo District Court shall have exclusive jurisdiction for any disputes in relation to this agreement.

The Supplemental Agreement to the Joint Business Agreement ("Supplemental Agreement")
On 5 March 2024 MOH, TSIF and TSIB entered into the Supplemental Agreement which provided that if; (i) TSIB ceases to exist as a legal entity by reason of insolvency, dissolution or liquidation or otherwise ceases to trade; (ii) TSIB loses its status as a party to the Joint Business Agreement; or (iii) any other circumstances occur that extinguish or restrict TSIB's Exclusive Sales Rights to TSIF and/or restricts MOH's ability to participate under the terms of the Joint Business Agreement, TSIF shall automatically following written notice from MOH to TSIF, directly and irrevocably and fully grant to MOH the Exclusive Sales Rights (on the same terms as granted to TSIB) to sell real estate to TSIF. The Joint Business Agreement as amended and supplemented by the Supplemental Agreement is governed by the laws of Japan and the Tokyo District Court shall have exclusive jurisdiction for any disputes in relation to this agreement.

As TSIB is MOH's primary customer and partner, MOH receives commissions and a share of the selling of real estate from TSIB. In the fiscal year 2024, the guarantee deposit balance of 1 billion JPY made by MOH to TSIB for the 'Exclusive Sales Rights' remains unchanged. Despite an increase in transaction amounts between TSIB and MOH, the accounts receivable balance decreased from JPY 2.38 billion at the end of March 2023 to JPY 633.9 million in the 2024 fiscal year.

The transactions between TSIF and MOH mainly involve reimbursed expenses for shared services. Details of related party shared services agreements can be found at paragraph 10.13 of Part X of the Company's prospectus dated 31 July 2024.
In the 2024 fiscal year, the transactions between KBC and MOH consist of reimbursed expenses for shared services.

MOH has developed the "Regulations on Related Party Transactions," which were approved by the Board on 31 January 2024, and became effective on 1 February 2024. It is expected that there will be fewer related party transactions in the future.

Related party note disclosures:
Receivables from related parties arising from MOH's trading activity are stated net of expected credit loss ('ECL') provisions where necessary, which are calculated using the simplified approach grouping receivables and contract assets on the basis of their shared credit risk characteristics and the similar nature of their underlying contracts as well as the days past due of the debts.

As a result, receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts based on expected credit losses. Where the carrying value of an assets exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are taken to the income statement and are presented as losses within operating profit. Subsequent recoveries of amounts previously written off are credited to operating profit.

MOH monitors the level of receivables on a monthly basis, continually assessing the risk of default by any counterparty.

The MOH Directors believe the credit risk attached to its customer base is relatively low. Debts from MOH's trading activity which reach 6 months overdue are considered to be in default. Based on their assessment as described above, management consider that a policy of providing for all receivables more than 6 months old provides a sufficient basis to provide for expected credit losses.

The maturity analysis of trade receivables is:

	< 1 month *JPY*	*1-3 months* *JPY*	*4-6 months* *JPY*	> 6months *JPY*	*Total* *JPY*
ECL provision applied	0%	0%	0%	100%	
31 March 2023	405,655,250	685,009,707	1,355,779,990	-	2,446,444,947
31 March 2024	119,616,881	633,900,000	-	-	753,516,881

28. Auditors fees

	Year to 31 March 2023 *JPY*	*Year to 31 March 2024* *JPY*
CPA Mitsuaki Akasaka	6,320,000	5,220,000
	6,320,000	5,220,000