



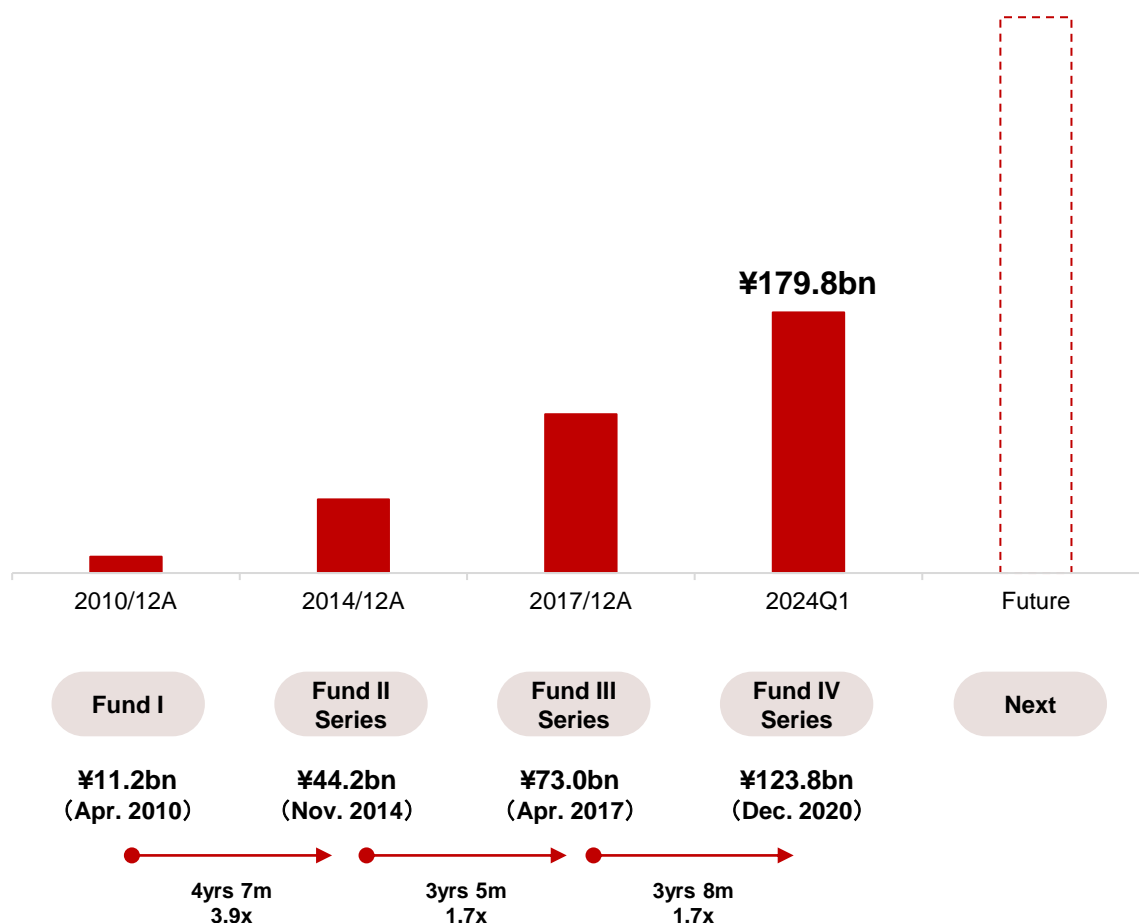
Q1 Management Presentation 2024

Integral Corporation

May 2024

Integral is a leading Japanese-Style private equity

Expanding FE AUM



Gross MOIC¹

2.5x

Gross IRR

25.8%

Investment professionals

49 / 83

Full on-site support

100%

Invested in EV of more than ¥660bn by focusing on mid-cap companies in Japan

Fund I



Manufacturer of
Customized inserters



Prominent brand
in Paris Fashion week

SHICATA co.

Design & production of
Women's bags



Planning & production
of TV commercials



Residential real estate
service



Design and sales of optical
components

Fund III Series



Telemarketing Service
provider



Professionals of IT & RPA



Fertilizer/ammonia chemical plant EPC



Independent fertilizer
manufacturer



Vending machine and refrigerated
showcase manufacturer



Conveyor belt component
manufacturer & Robot Sler



Professionals of DX/IoT



Planning and sales for
color contact



Bridal ring manufacturer

Fund II Series



Japanese-style
izakaya bar chin



Wedge-type system scaffolding
manufacturer



Low price
nail salon chain



Low price
hair cut salon chains



3rd largest airline



Import/export and wholesale
of tuna and salmon



Production of
Custom-made & ready-made wigs



Production of temperature sensors
and related electronic devices

Fund IV Series



Photo-related
service provider



Wooden furniture
manufacturer

TOPPAN PHOTOMASK CO., LTD.

photomask manufacturer for
semiconductors



Production and sale for
apartments for investment



Office coffee
service provider



Precision products
manufacturer



IT Staffing Agencies

Agenda Today

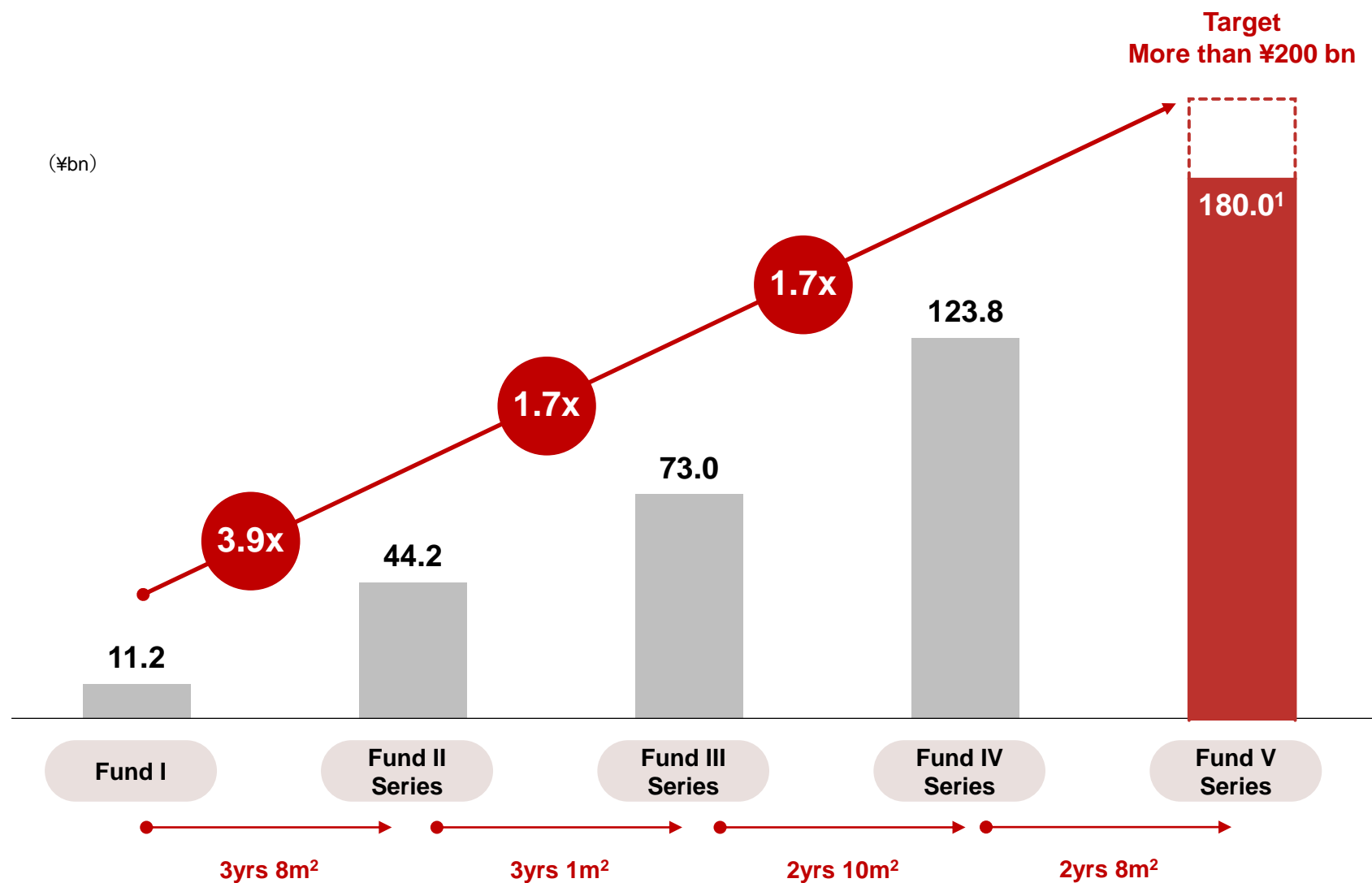
1. Q1 2024
2. Update of our 3 pillars

Appendix

1

Q 1 2 0 2 4

First closing of Fund V



1. Figure as of the first closing in Feb 2024

2. Refers to the period from the start of the investment period for each fund to the first closing of the next fund

Full exits



Exit of Fund II

Jan & Mar 2024

Share buy-back &
Transfer of shares to Suzuyo HD

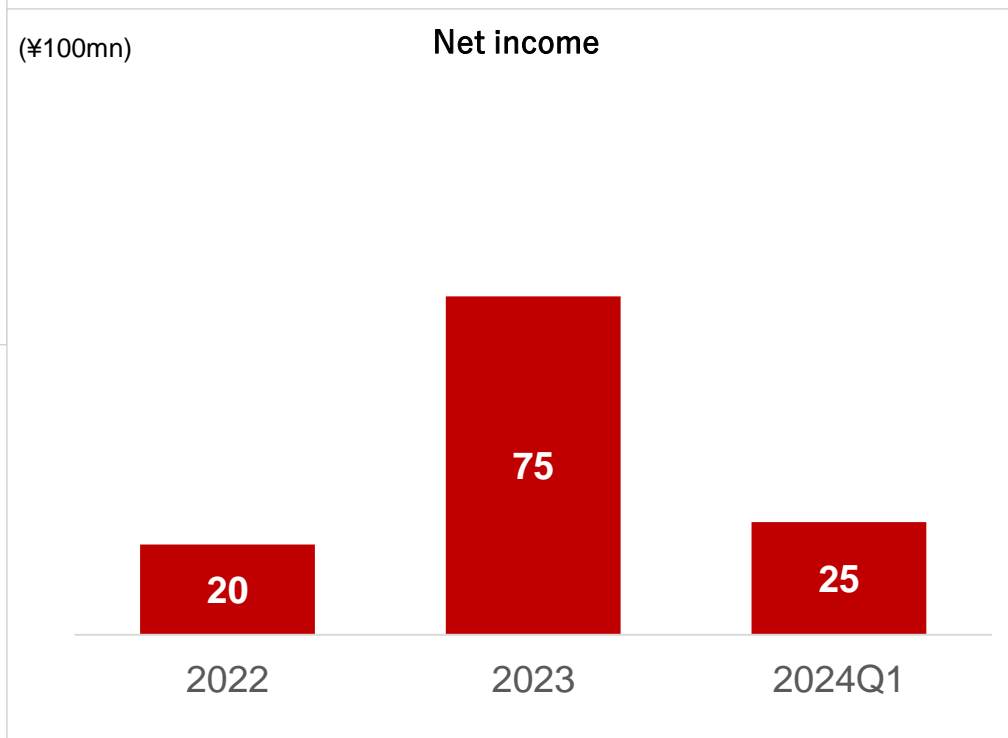
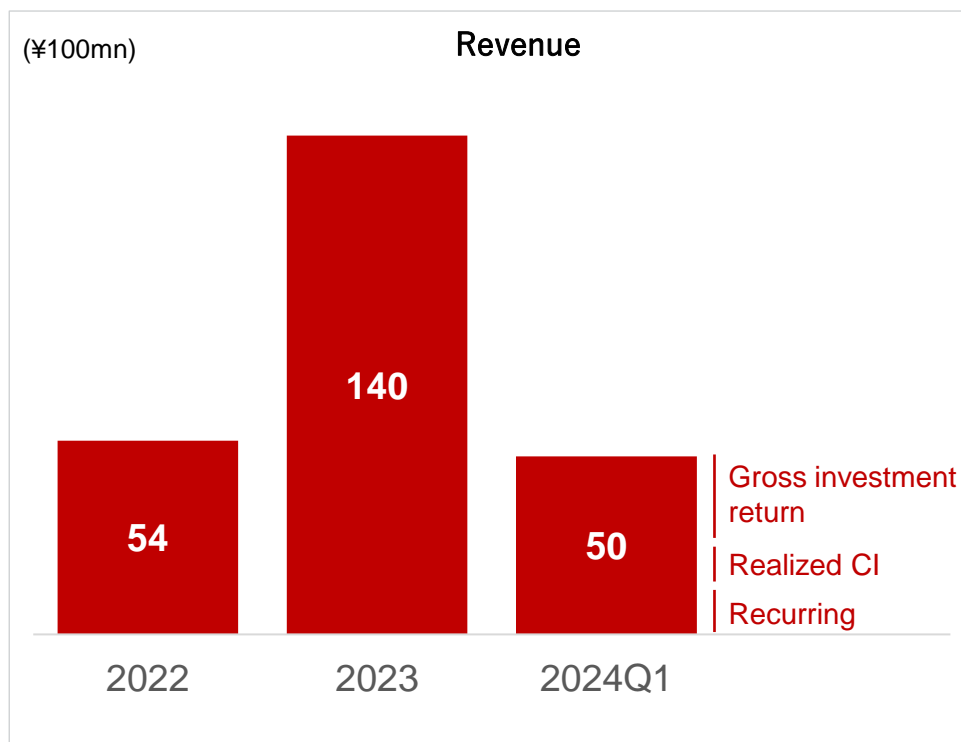


Exit of Fund III

Feb 2024

Share buy-back &
Transfer of shares to the founder

Solid growth of both revenue and profit





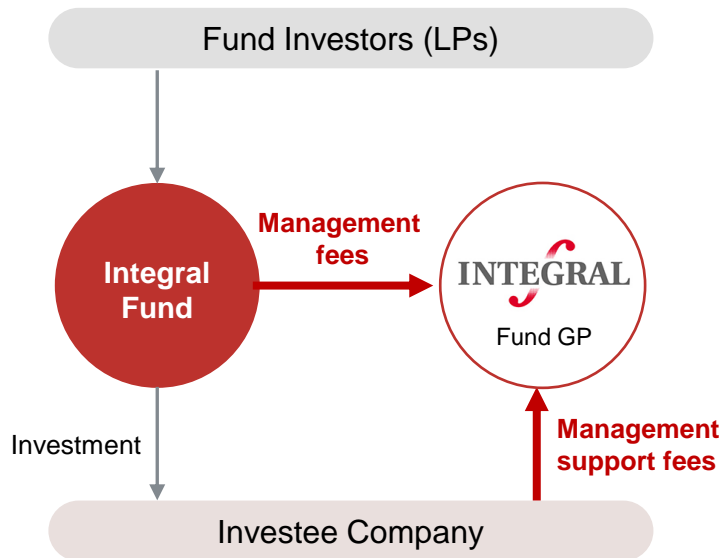
2

Update of our 3 pillars

We have 3 pillars

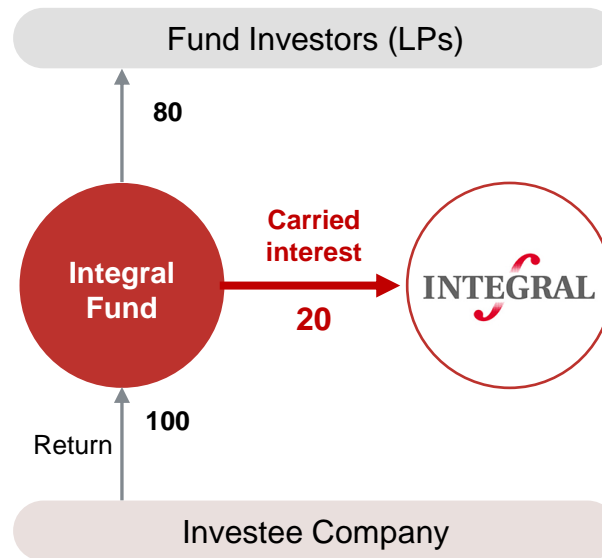
1

Integral receives quarterly fees based on FE AUM as recurring revenue



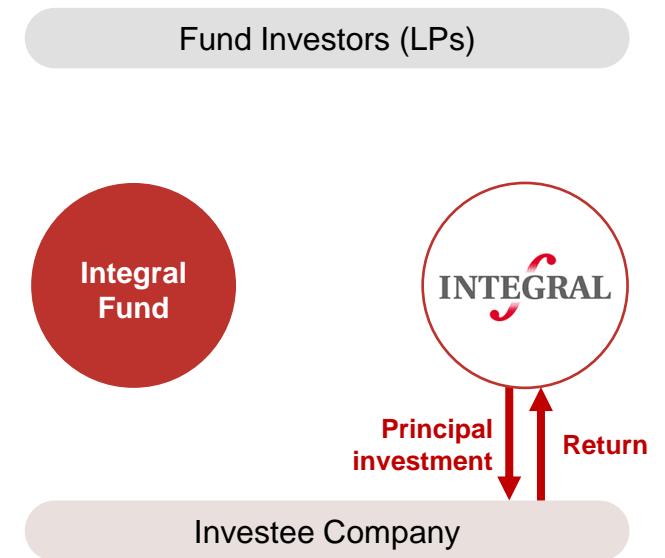
2

Upon investment exit, Integral receives certain % of return

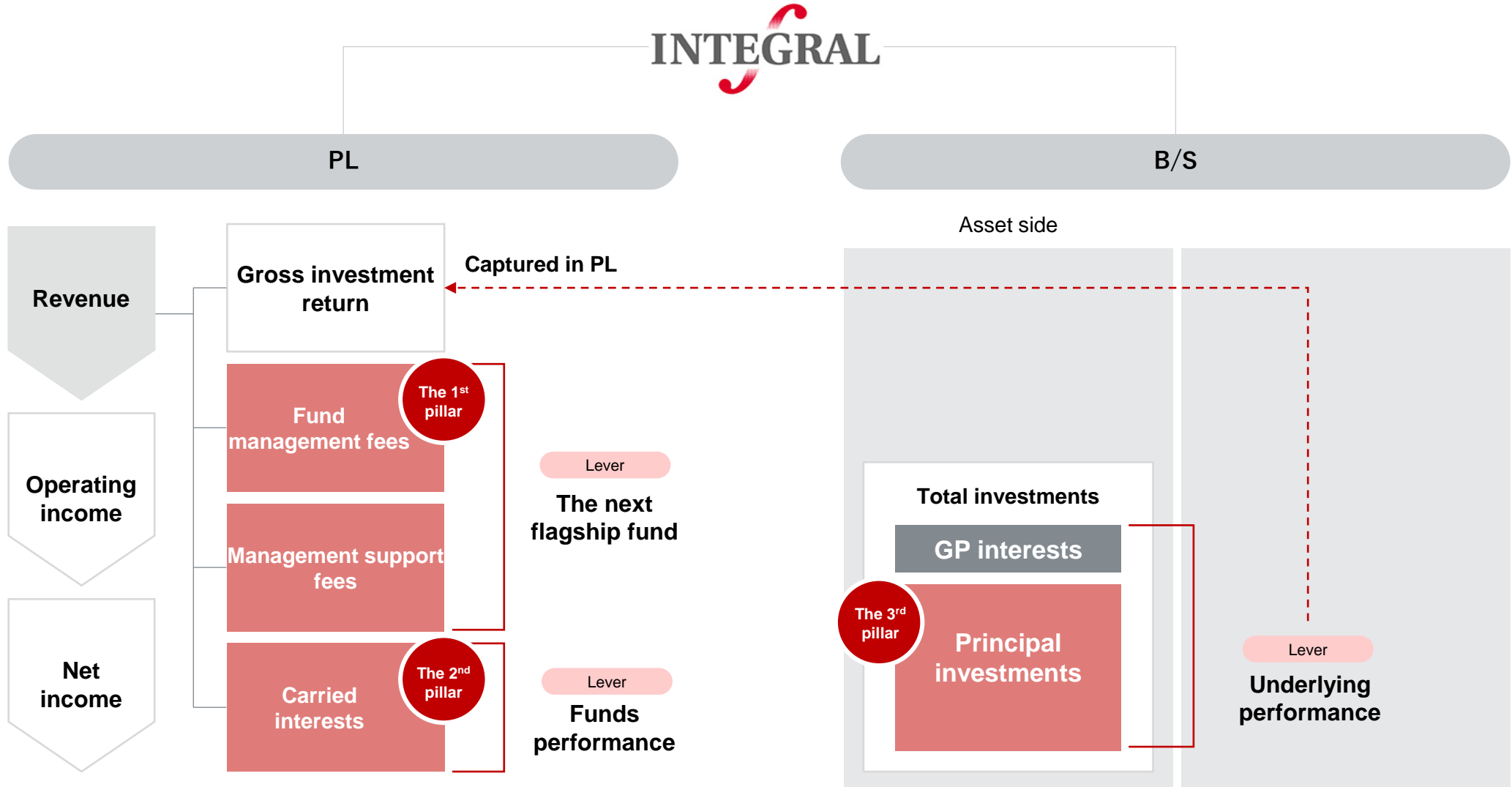


3

Integral makes a principal investment in parallel with a fund investment, leading to its competitive advantage

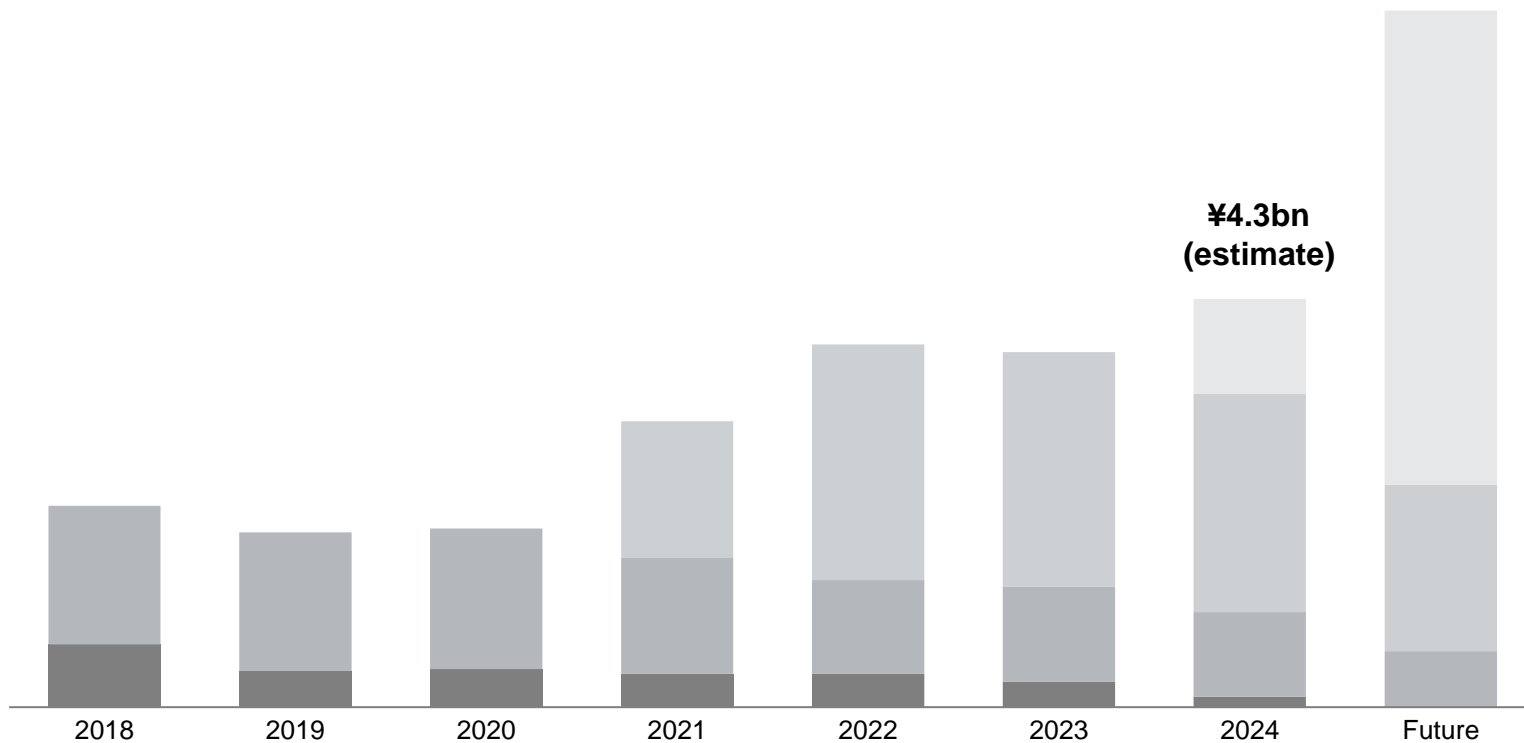


Our unique value creation model with the 3 pillars



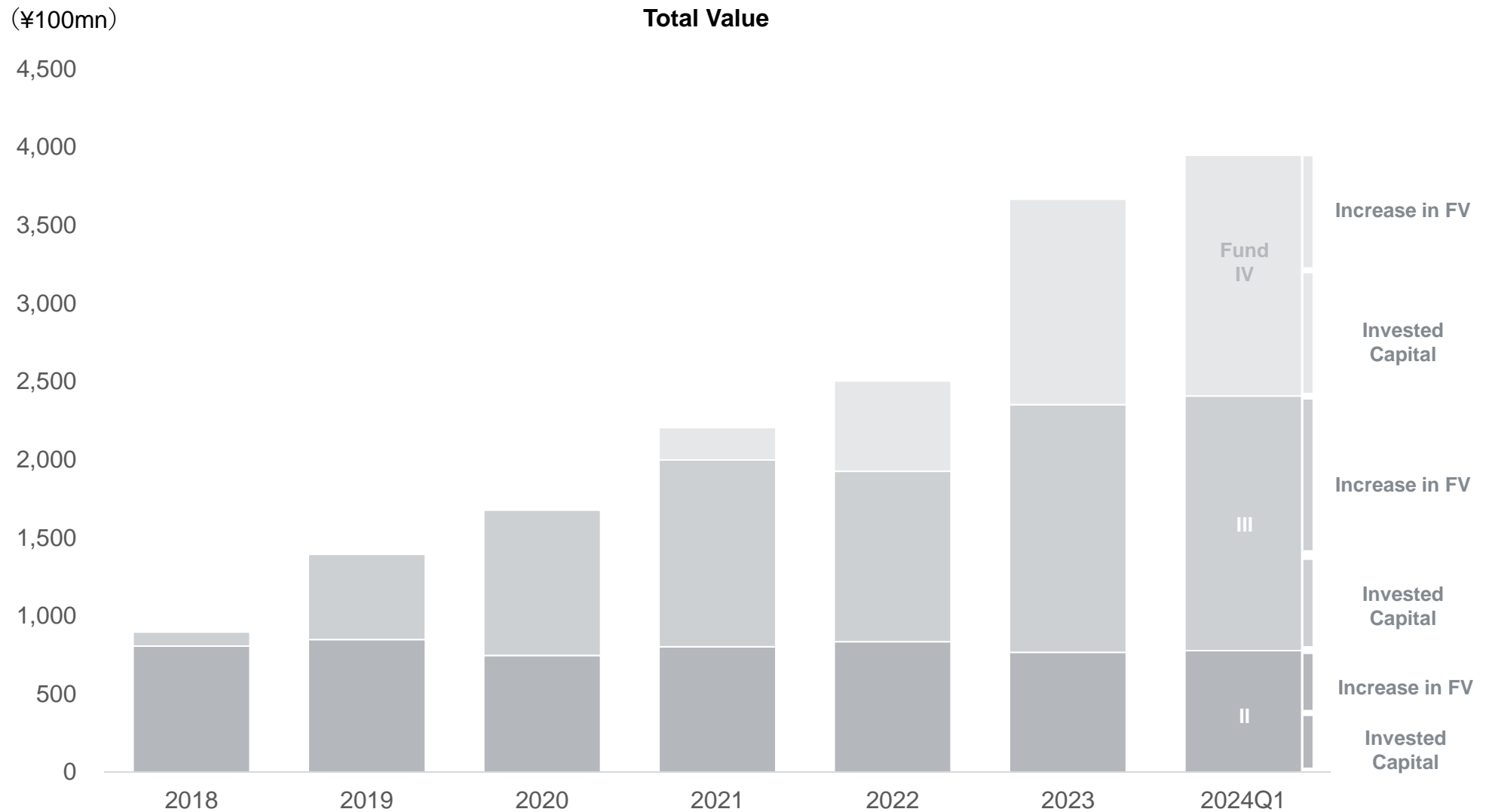
The 1st pillar

Management fees to be piled up



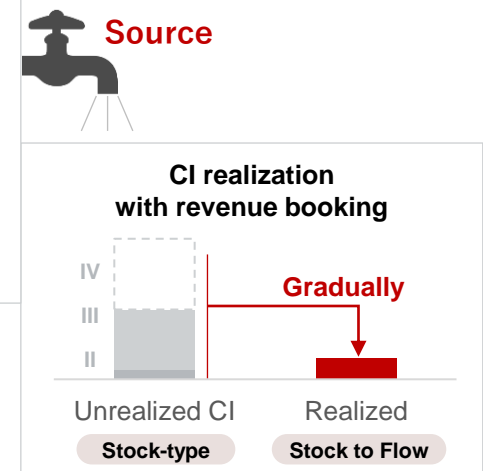
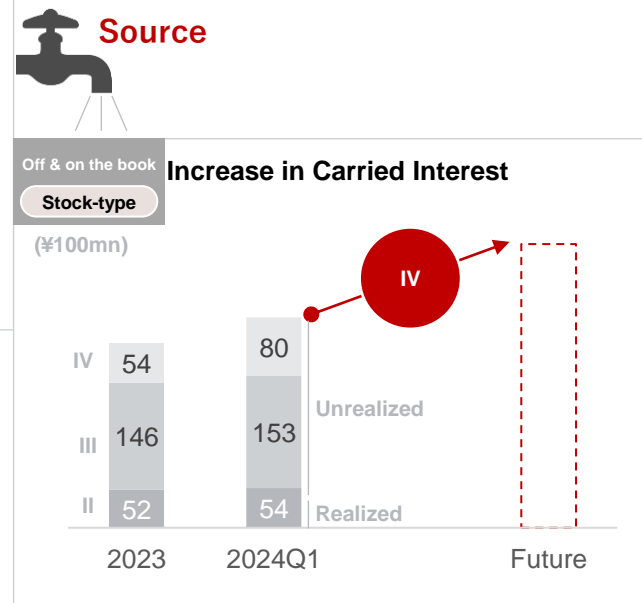
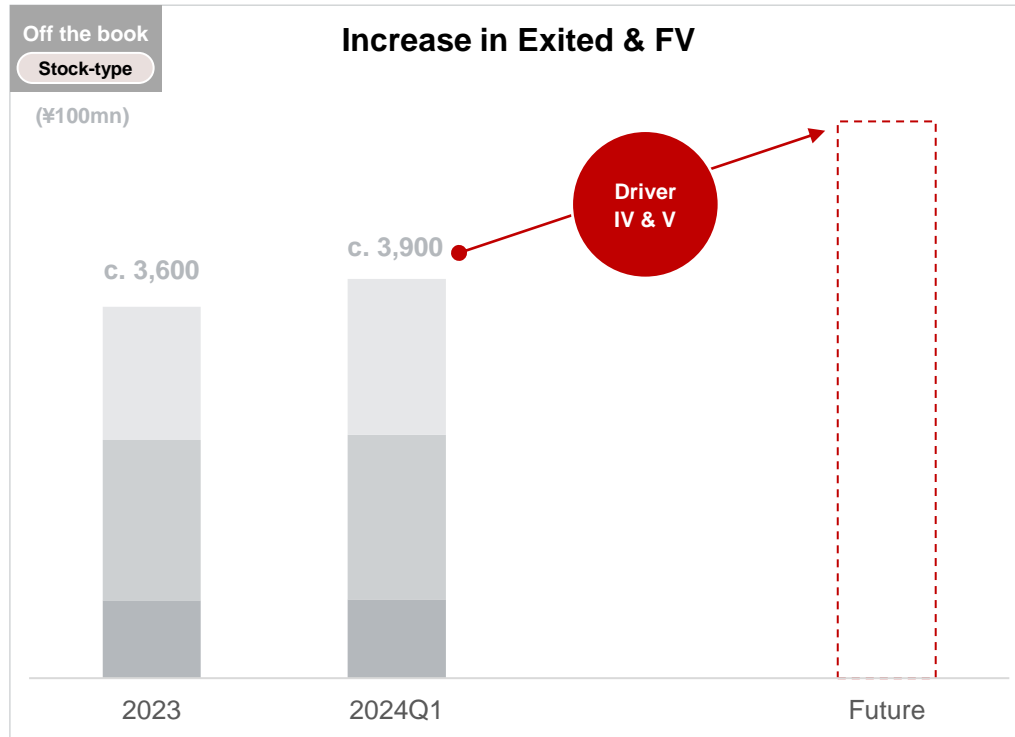
The 2nd pillar (1)

Source of Carried Interests



The 2nd pillar (2)

Investees' prosperity is our top priority, then the returns follow

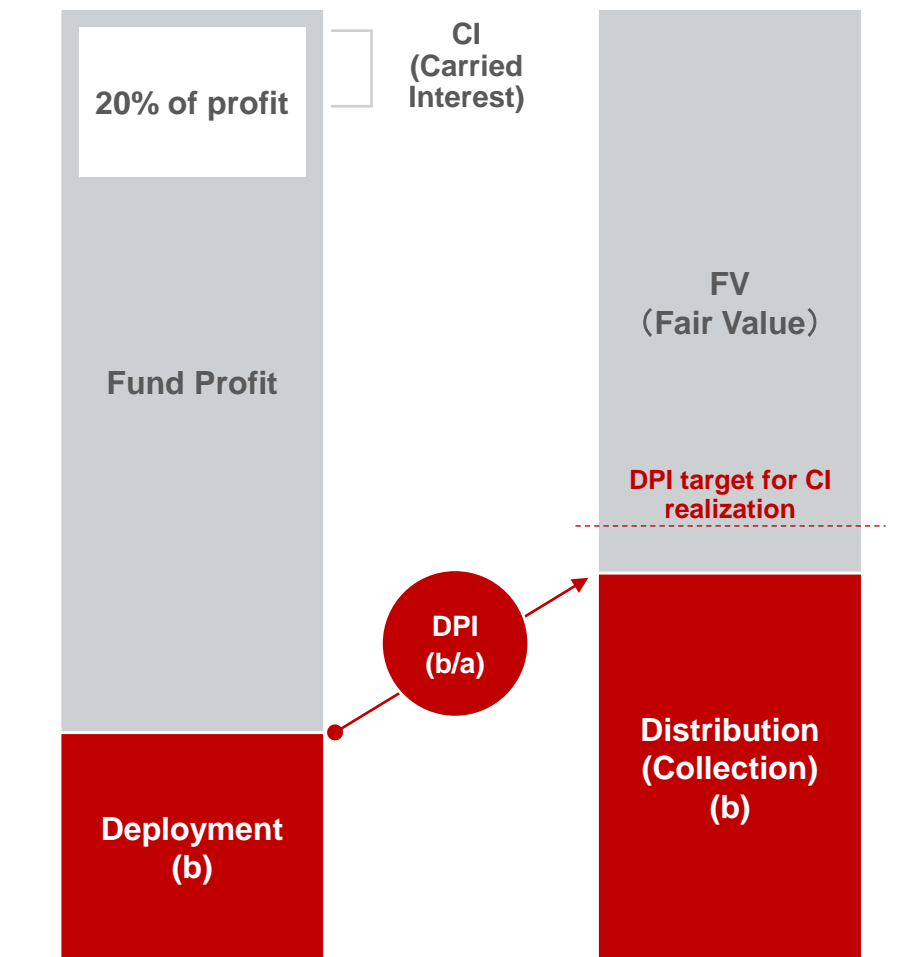


The 2nd pillar (3)

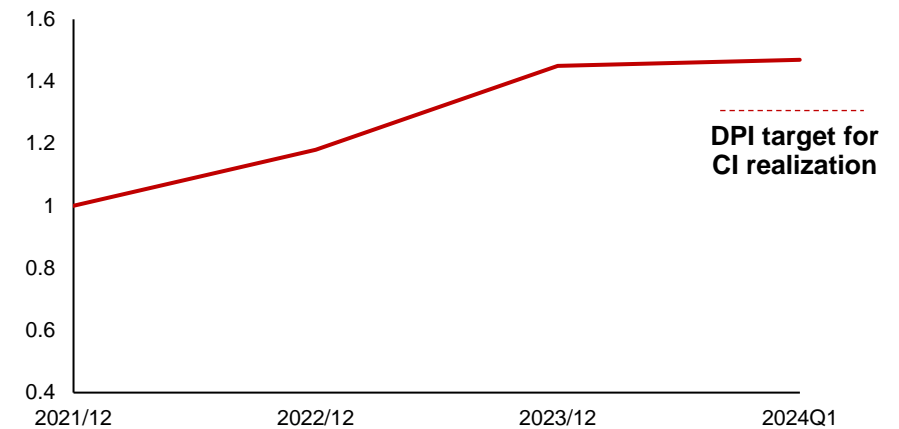
Timing of CI realization :

DPI of Fund III is also growing

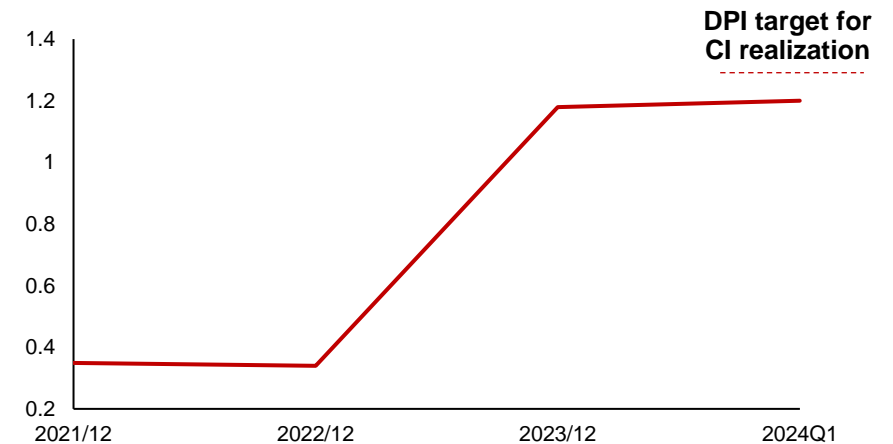
DPI(Distribution to Paid-In Capital) as a leading KPI



Fund II Series¹

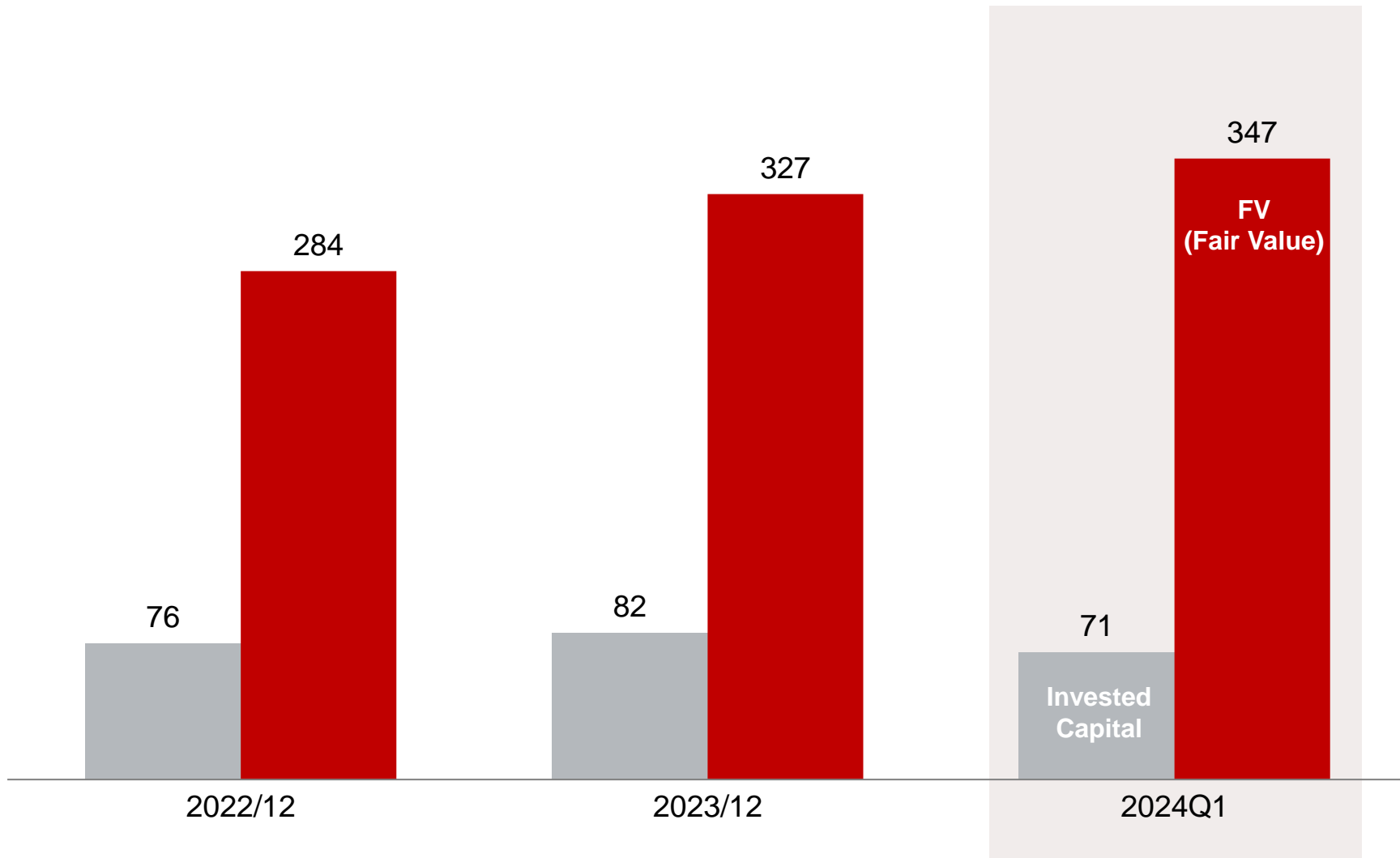


Fund III Series



The 3rd pillar Principal Investment is on track

(¥100mn)



Appendix



1



About Integral

Partner & CFO



Reijiro Yamamoto

Representative Director & Partner
(founding member)



Nobuo Sayama

Partner
(founding member)



Yoshihiro Hemmi

Director & Partner
(founding member)



Kensaku Mizutani

Director & Partner
(founding member)



Makiko Hayase

Director & Partner



Satoko Niiya

Partner
(Lawyer)



Hidetsune Goto

Partner



Tsuyoshi Yamazaki

Partner



















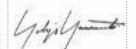











Yasuaki Sumikawa

CFO & Controller
(CPA)



Investment & Exit

Event	Fund I				Fund II Series				Fund III Series				Fund IV Series			
Fund I Investment	 Yohji Yamamoto	 SHICATA co.	 アバマンショップ													
Fund II Series Investment					 Convano	 J-Trading	 Aderans									
Fund III Series Investment									 DBTC	 日東工フラー株式会社	 MAMEZOU HOLDINGS					
Fund IV Series Investment										 サンデンリチアルシステム株式会社			 oliver	 Shoken	 Daiohs.	
	2008	2009	2010	2011/ 2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fund Exit										 アバマンショップ SHICATA co.	 日東工フラー株式会社	 (Partial Exit)	 (Partial Exit)	 (Partial Exit)	 (Partial Exit)	 (Partial Exit)

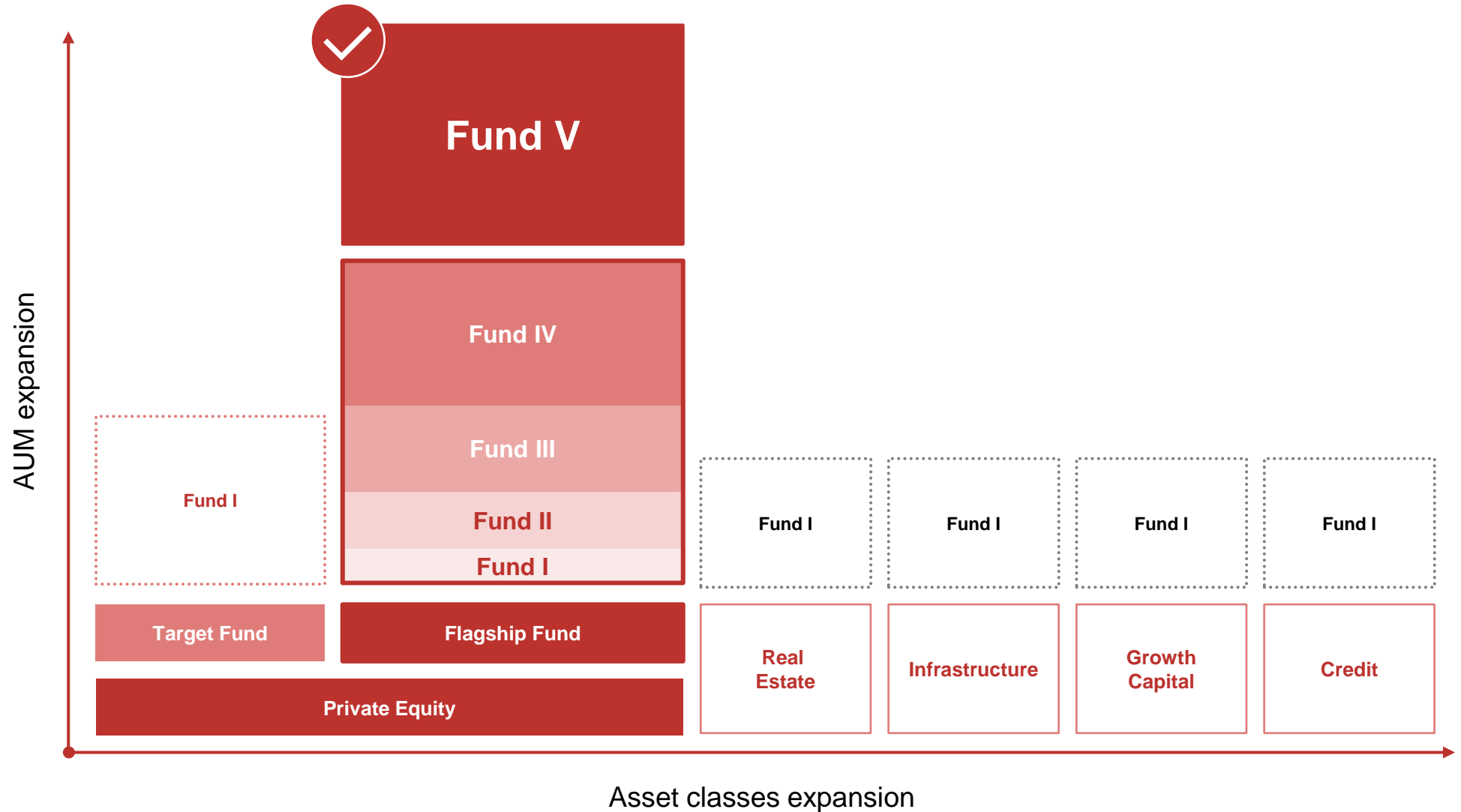


2



Our Growth Strategy

The flagship fund remains a key driver

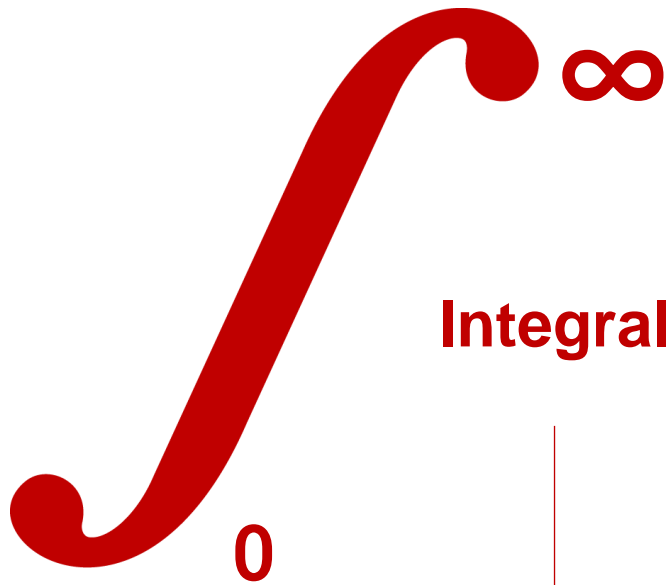




3

Integral's unique features

Our Mission



Integral

Deepest trust
and highest wisdom



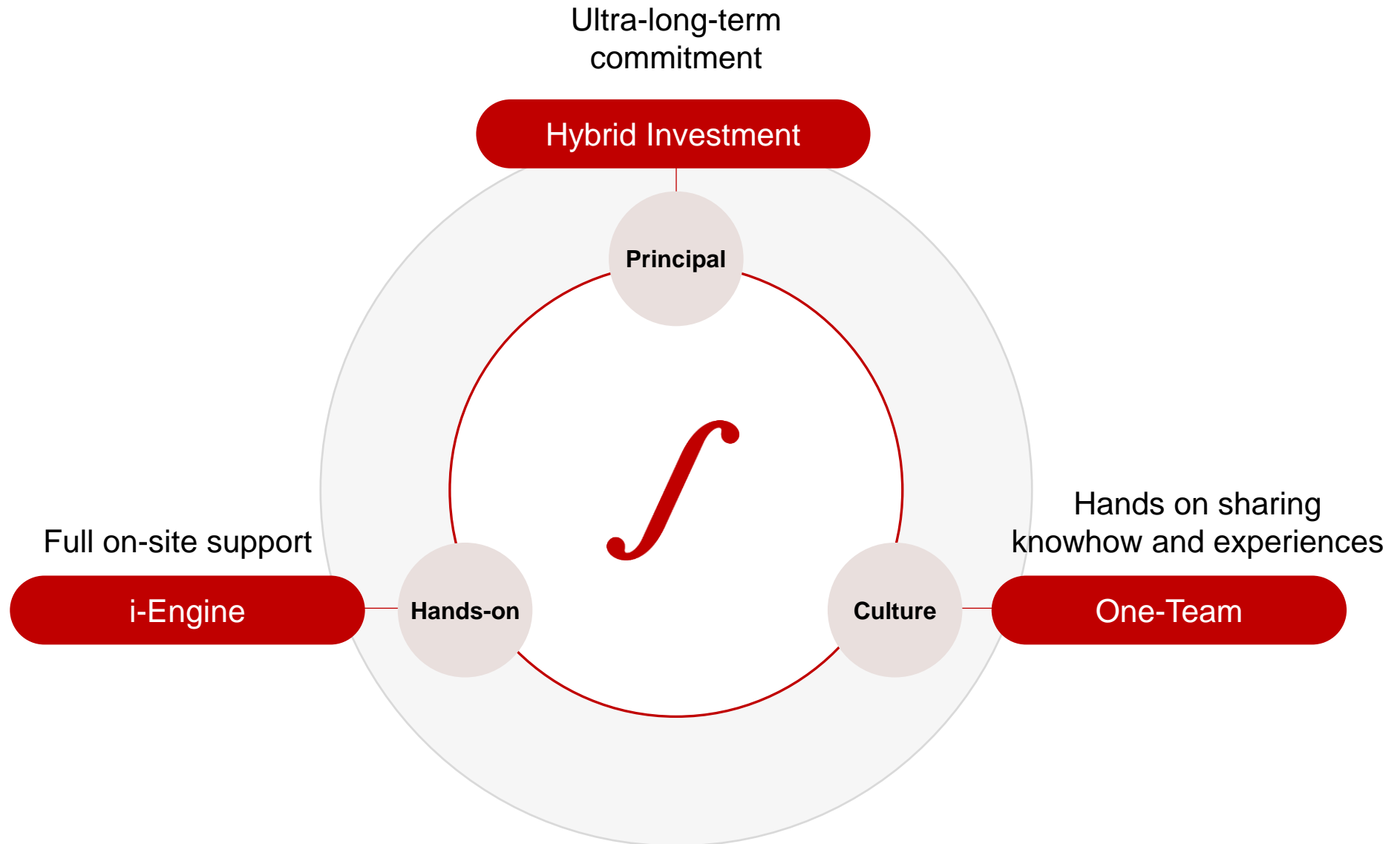
Trusted Investor

Seeing “eye-to-eye”
with management



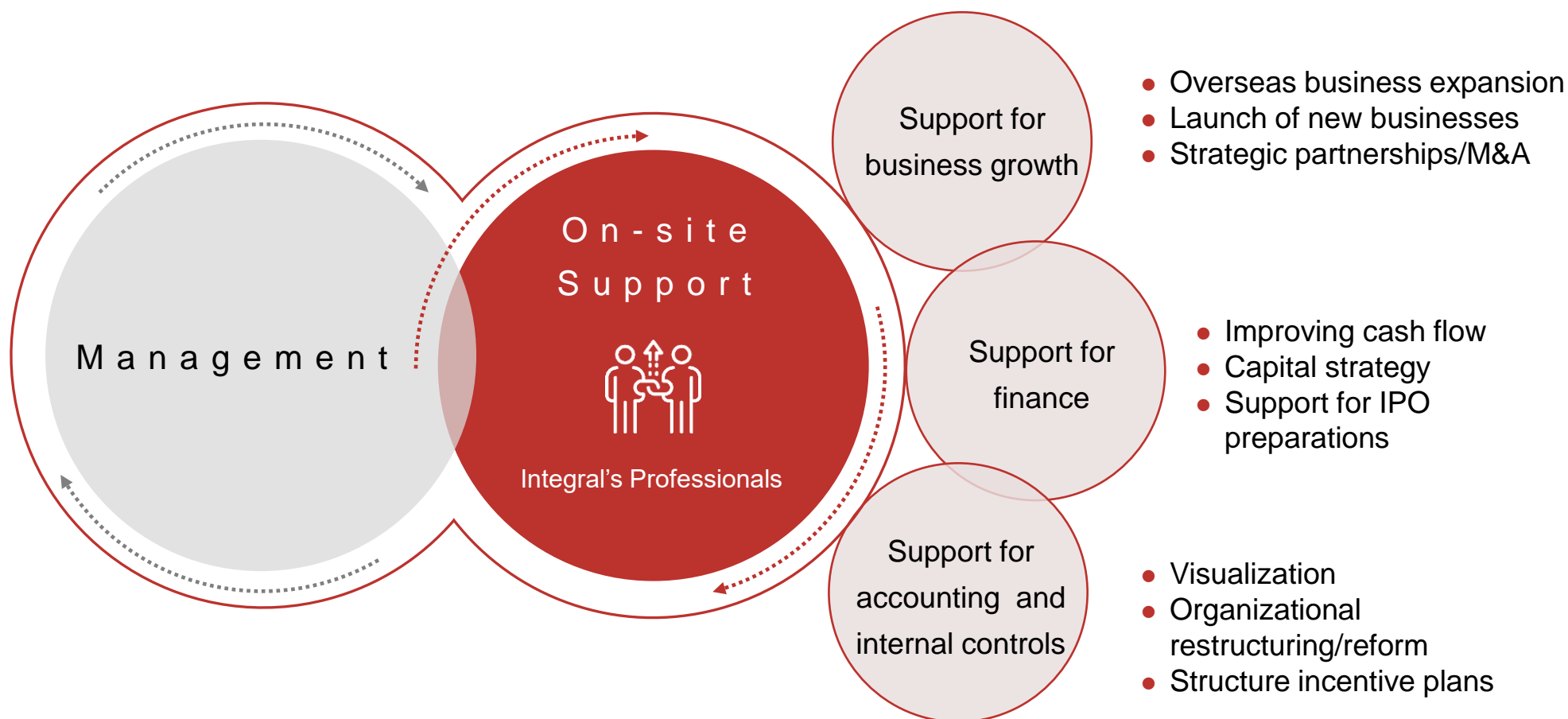
**Unique
“Japanese
Private Equity”
model**

Why Integral is differentiated from the others



What's "i-Engine"

Quickly and seamlessly strengthening internal structure
through hands-on management support

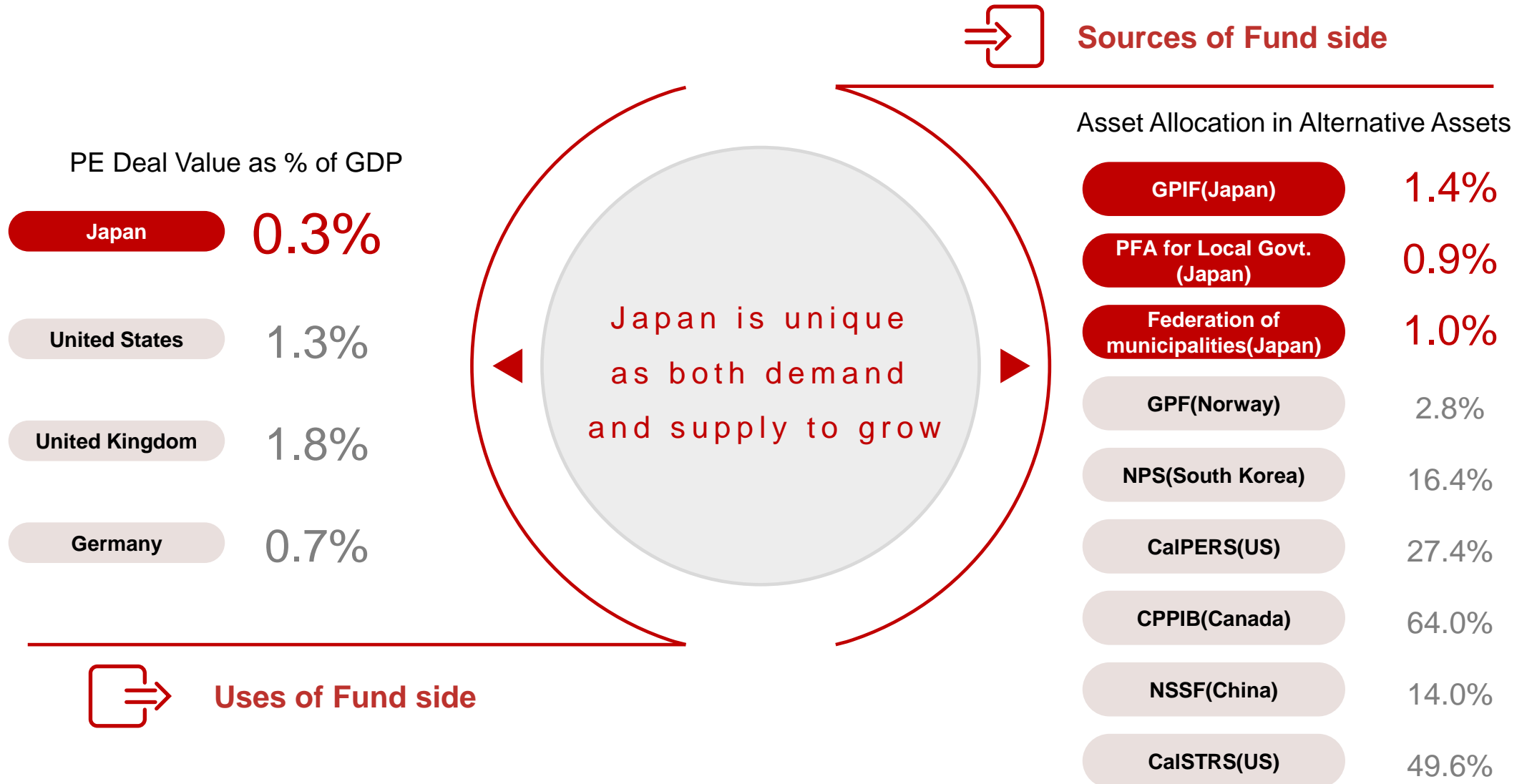




4

Ample opportunities

Huge upside in Japan...



...then Why Now?

Business Succession

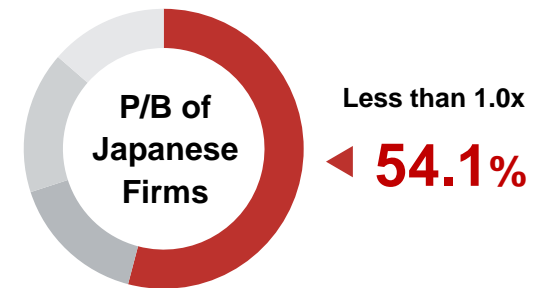
% of small to mid-cap
owners aged 70+

26.8%

Increase in
succession M&A
in the past 5 yrs

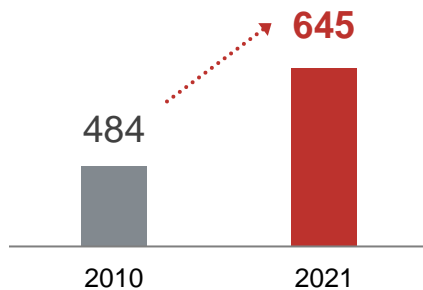
c.2.3x

Undervalued

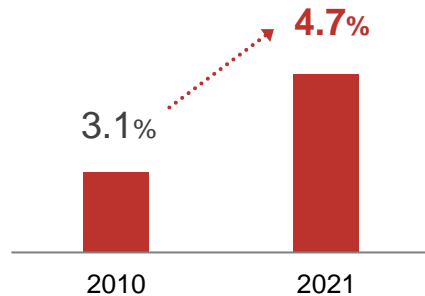


Carve-out

of transactions



% of PE involved
in carve-out



Shareholder Activism

Activist / financial investor
proposals



Hostile takeover





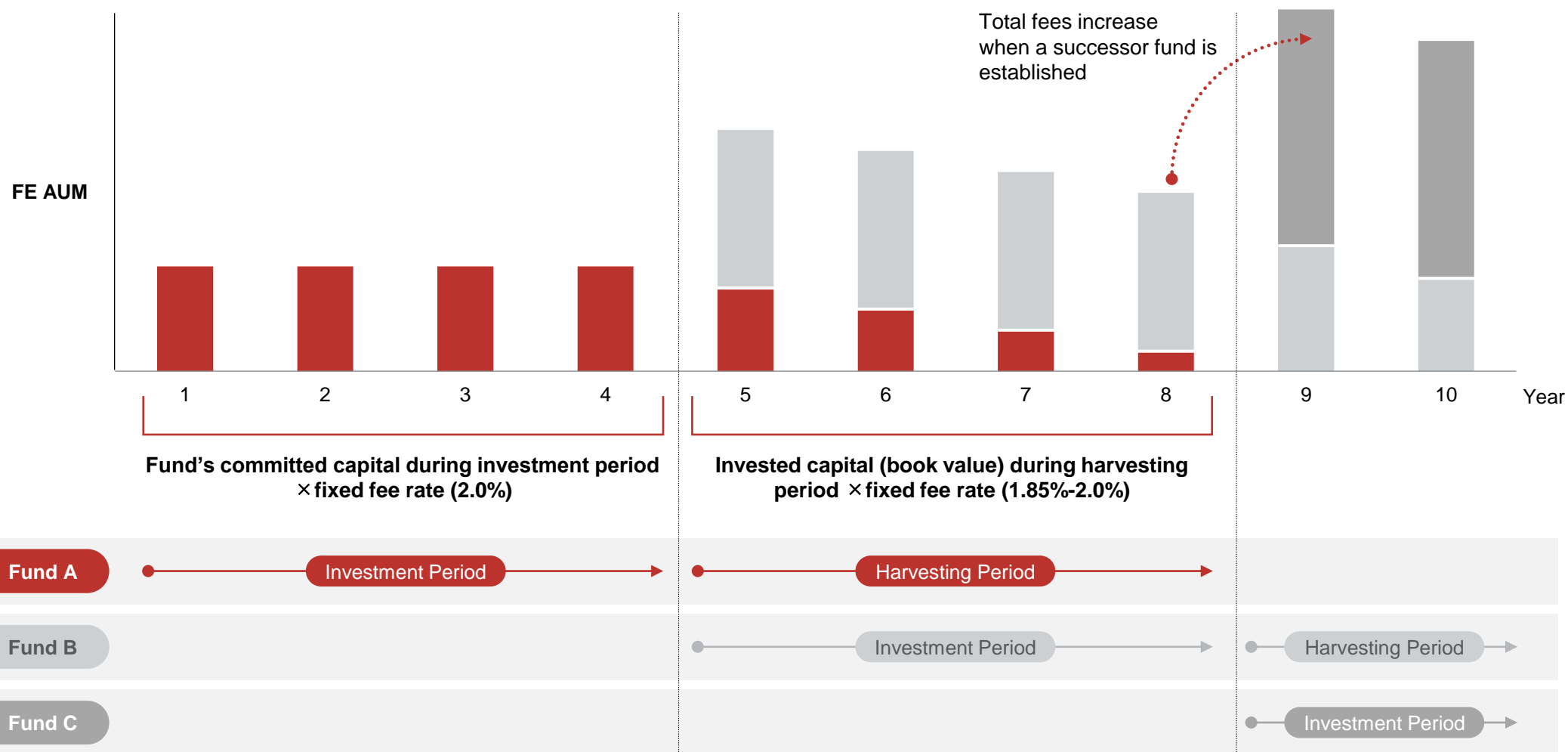
5



O u r b u s i n e s s m o d e l

Management fees are the foundation for our value expansion

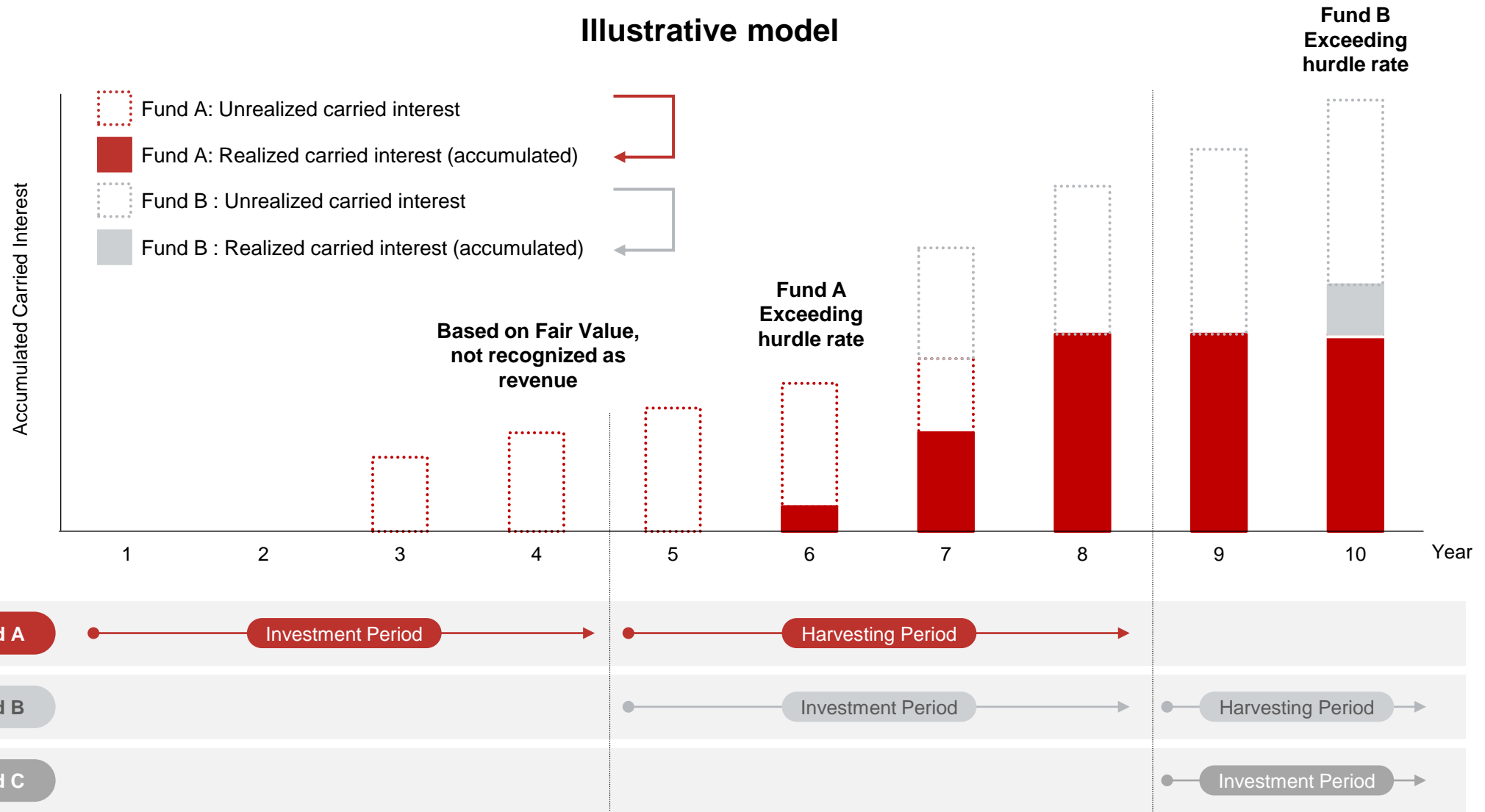
Illustrative model¹



1. Assuming that the next fund is established every 4 years and the fund size increases by 1.5 times for each subsequent fund

Carried interest is realized when the cumulative gains exceed the hurdle rate

Illustrative model



Carried interest brings higher return

Illustrative return model¹

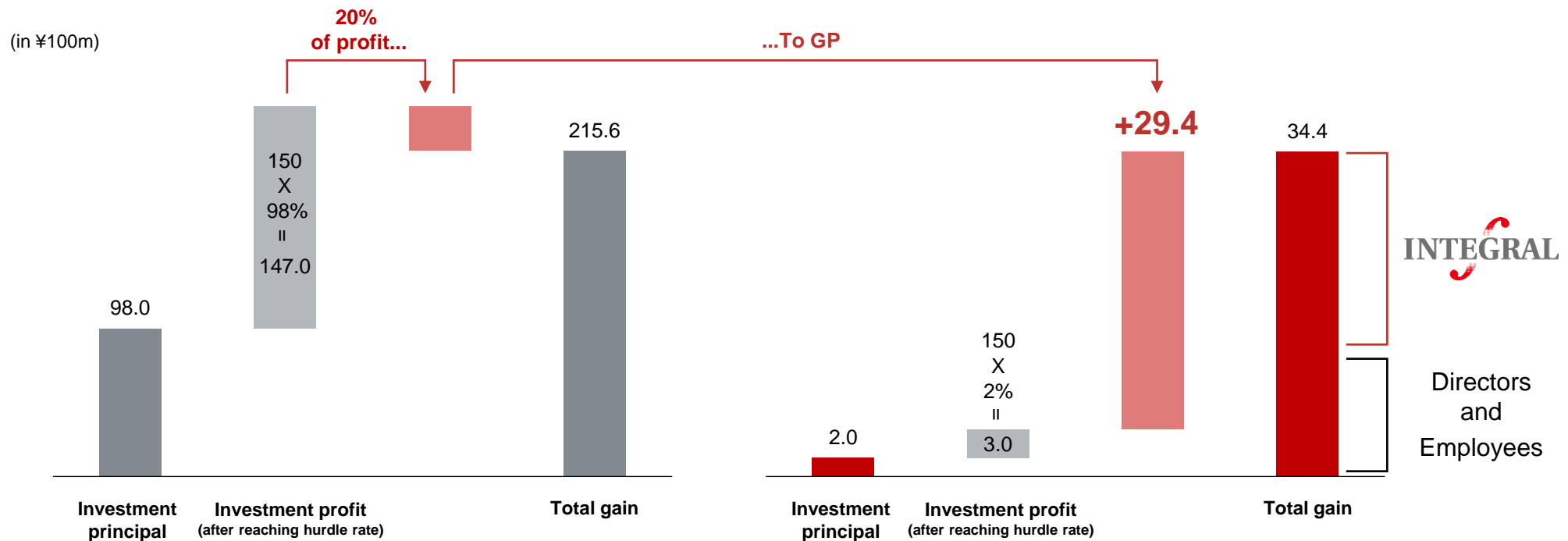
Assumption	Invested amount (LP+GP)	¥10bn	GP commitment	2%
	Investment period	4yrs	Hurdle rate	8%
	Investment proceeds	¥25bn	Hurdle return amount	¥3.6bn

LP Return

MOIC¹ 2.2x: IRR¹ 21.8%

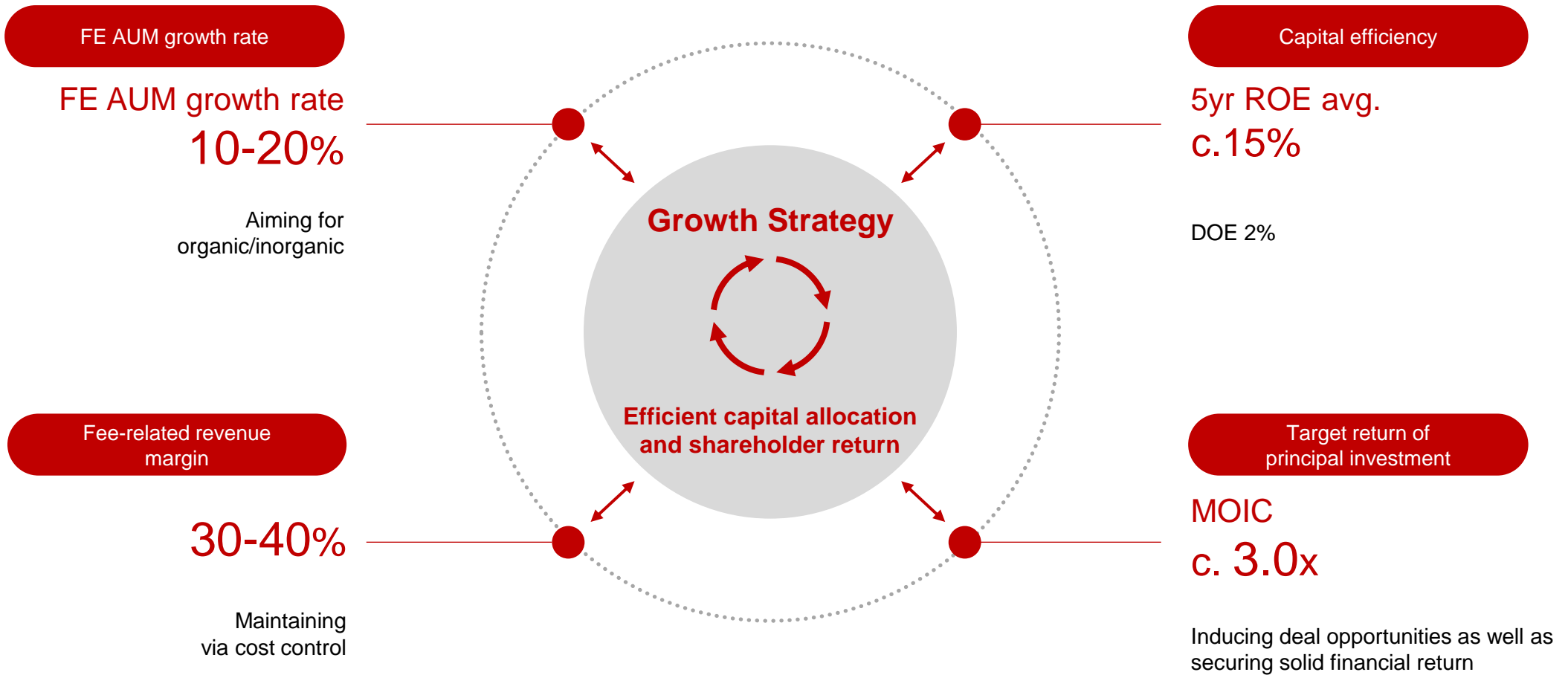
GP Return

MOIC¹ 17.2x: IRR¹ 103.6%



1. Net MOIC / IRR calculated based on assumptions. Net MOIC / IRR refer to the investment ratio and internal rate of return, respectively, based on the investment proceeds received in the project after deducting various expenses (excluding unrealized carried interest)

Target KPIs



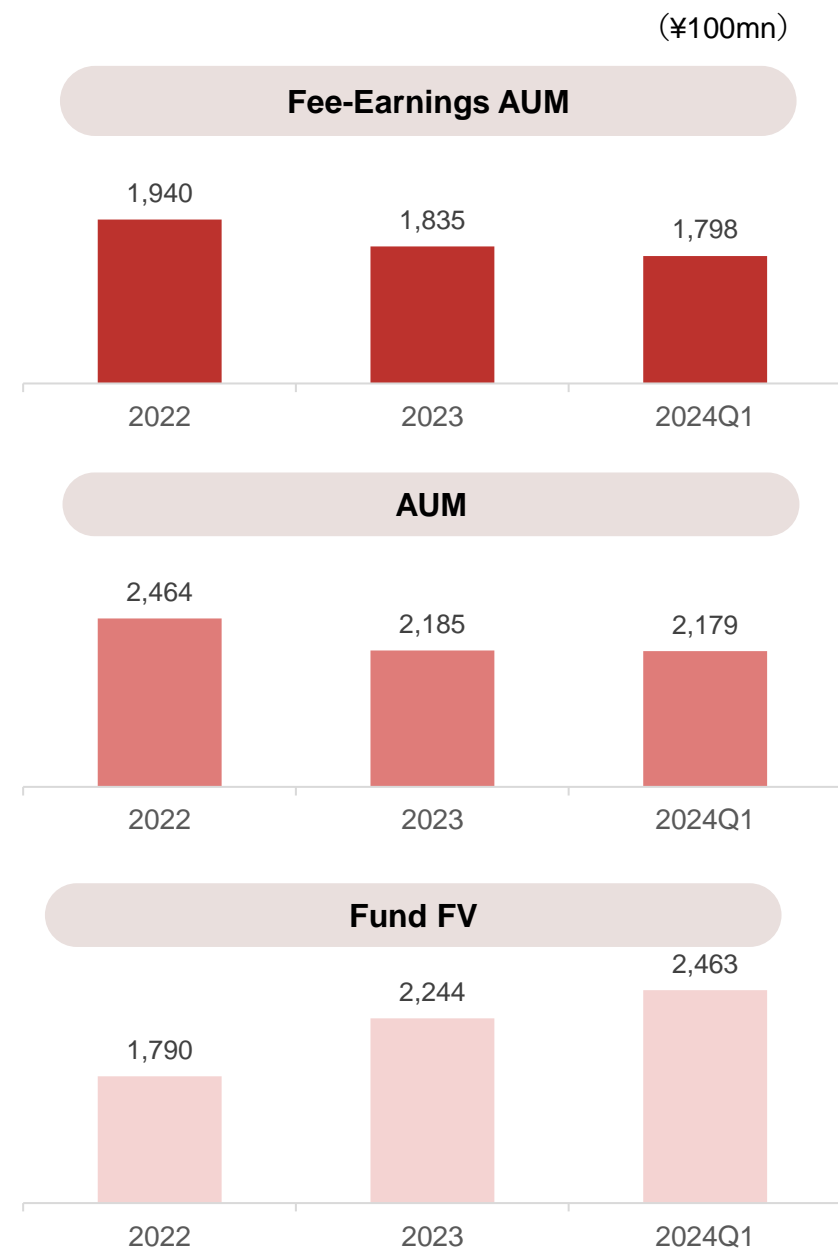
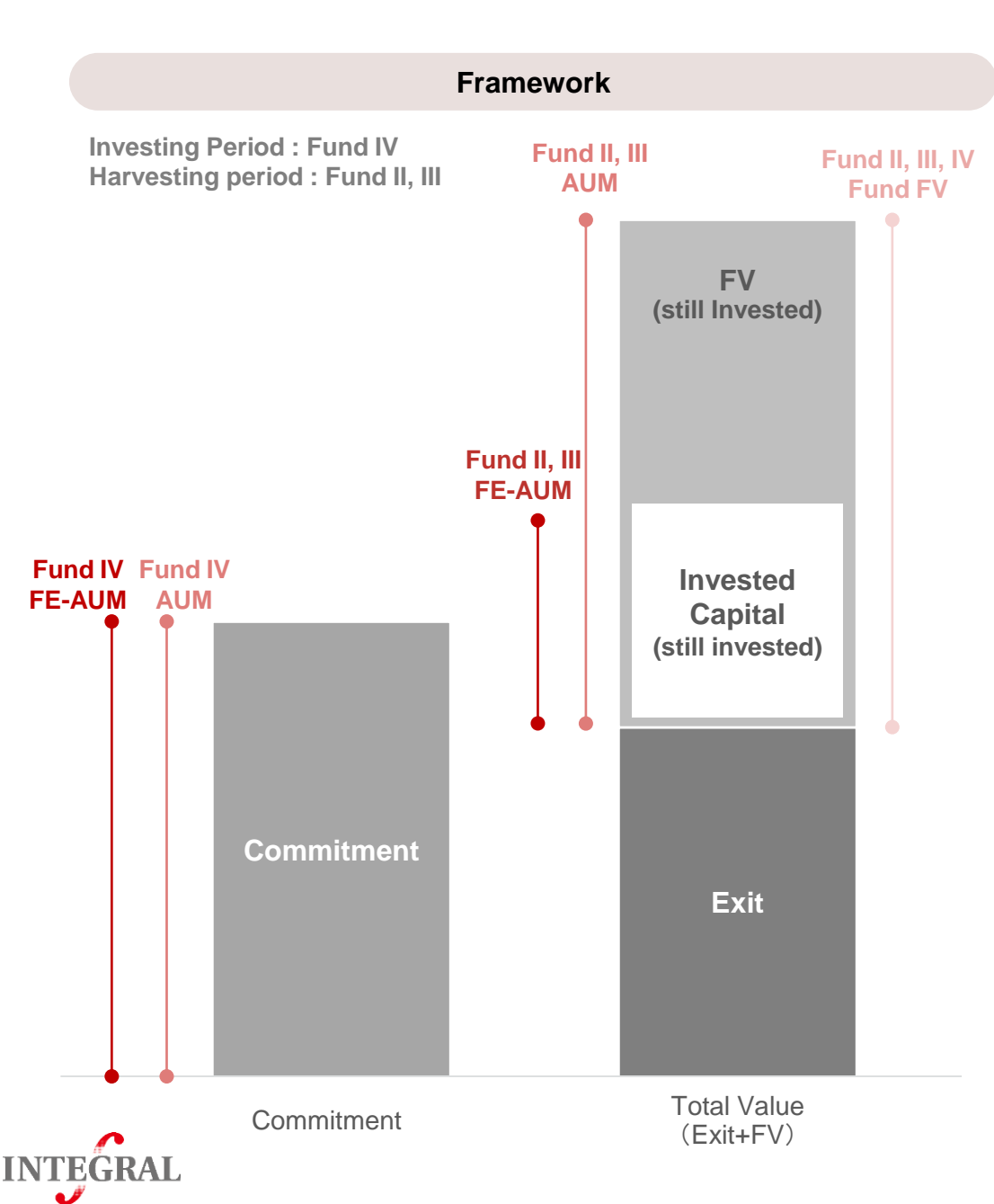


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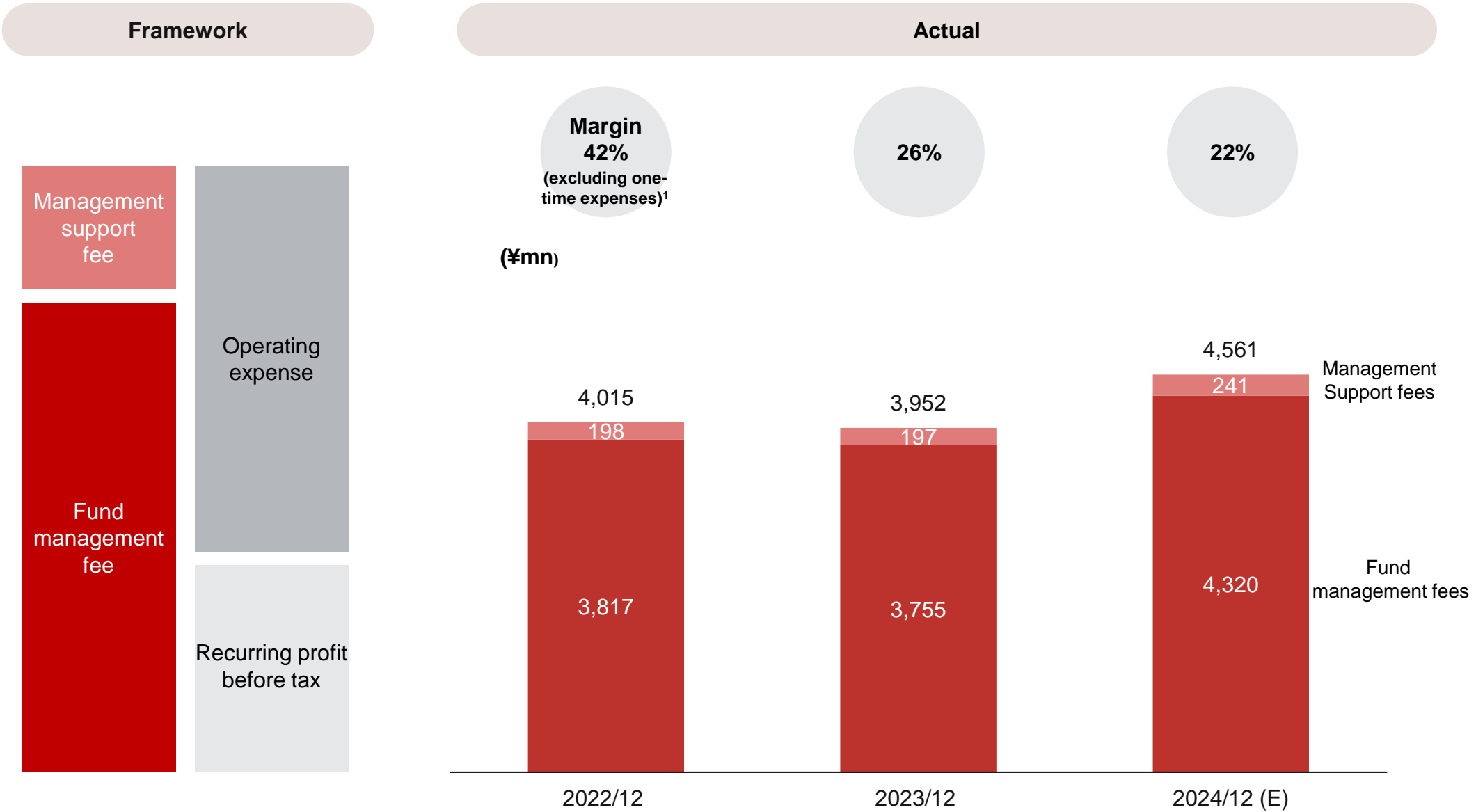


Our financials

FE AUM, AUM, and FV



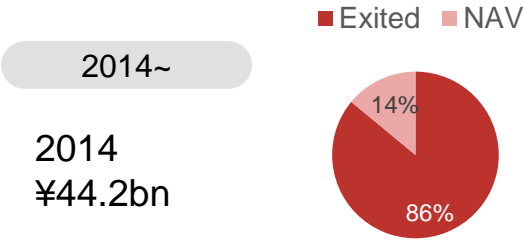
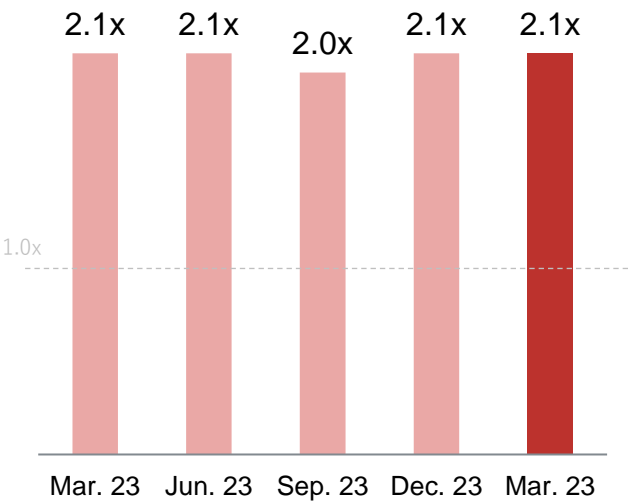
Recurring Fee



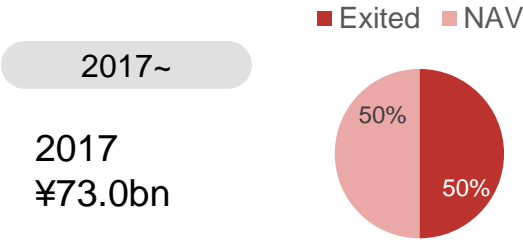
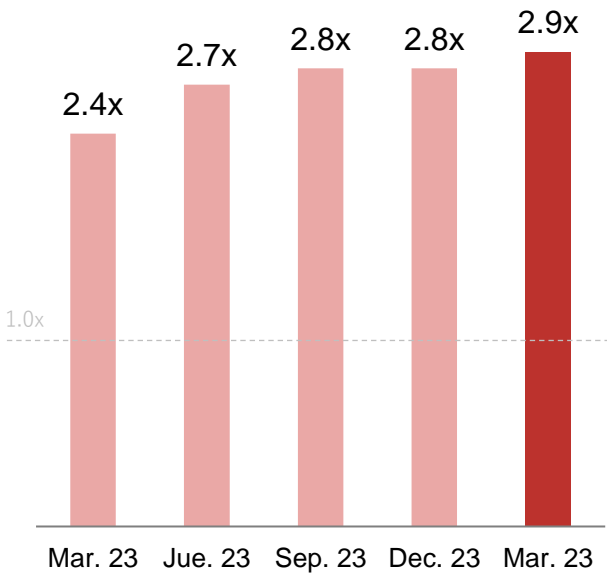
1. In calculating margins, one-time expenses are deducted from operating expenses. One-time expenses were JPY 103 mn in FY2022, JPY 151 mn in FY2023, and JPY 1,548 mn in FY2024/12 (estimate). The increase in FY2024 is mainly due to the placement agent fees related to fund raising activities for Fund V Series.

Funds performance

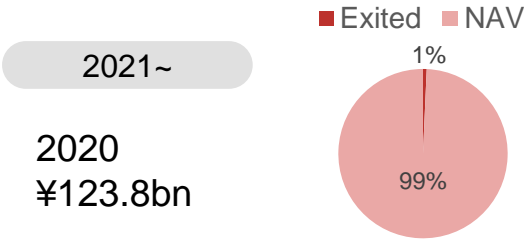
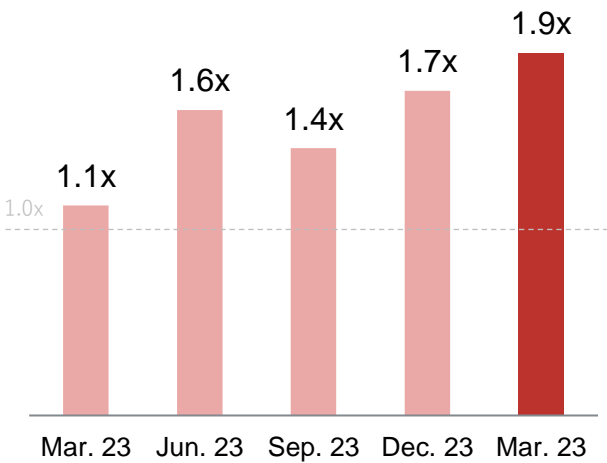
Fund II Series



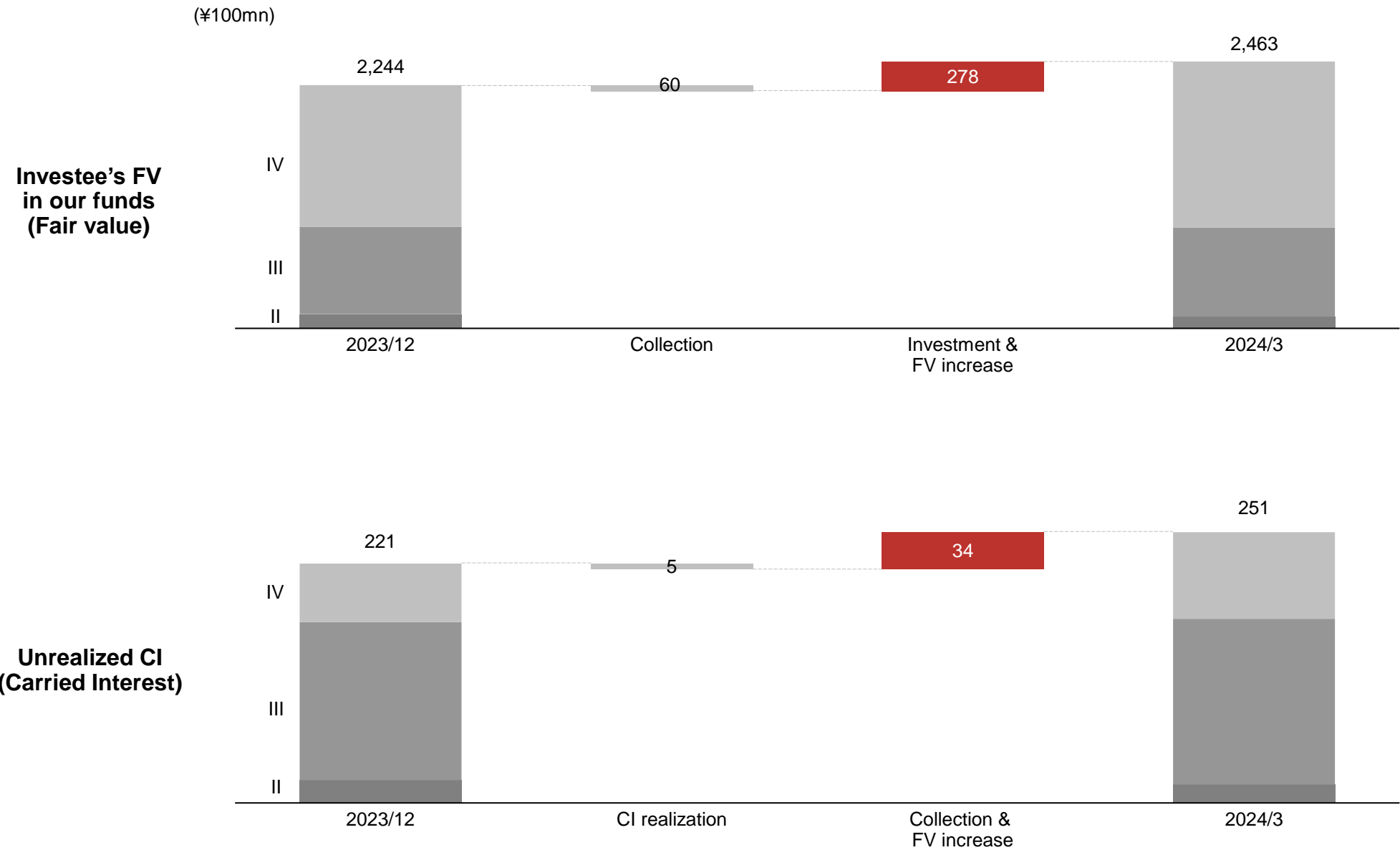
Fund III Series



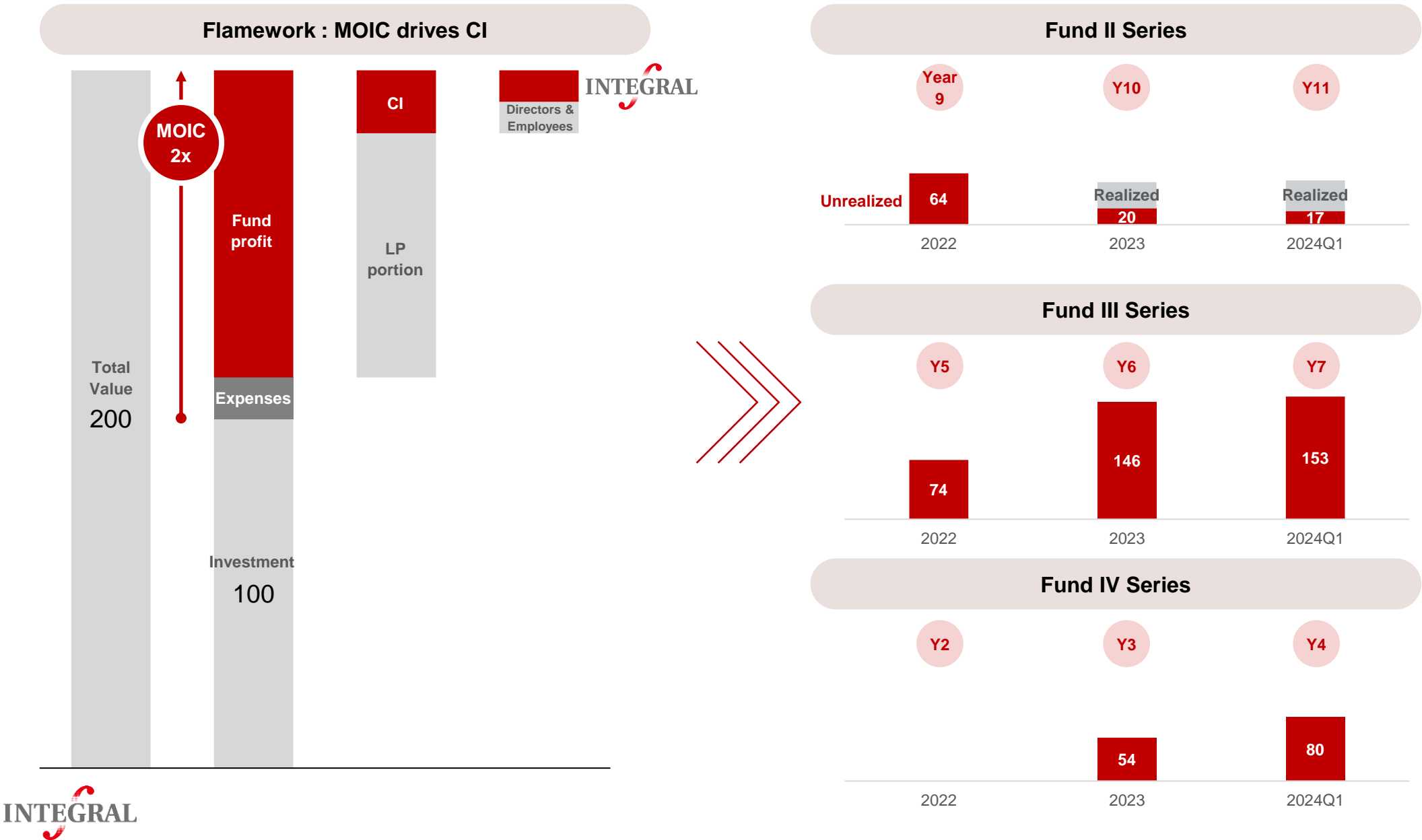
Fund IV Series



FV and Unrealized CI



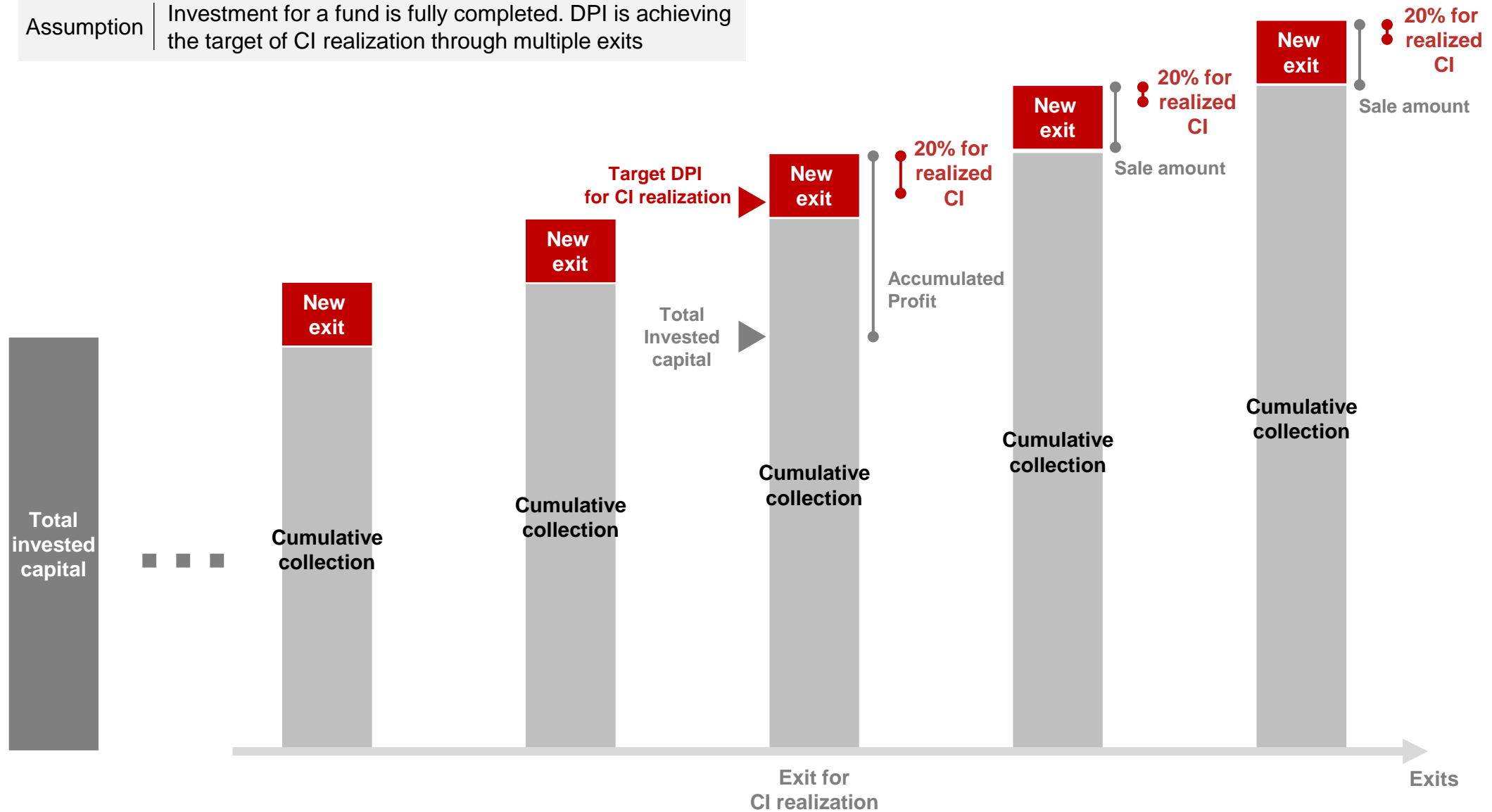
Unrealized CI by fund series



DPI and CI realization

Illustrative model

Assumption | Investment for a fund is fully completed. DPI is achieving the target of CI realization through multiple exits



Key Financials

Consolidated Statements of Profit or Loss

(¥mn)

	Dec. 31, 2022 Full Year	Dec. 31, 2023 Full Year	Mar. 31, 2024
Realized profits / (losses) on disposal of investments	(0)	1,045	-
Fair value movements on investment portfolio	(266)	2,182	524
Fair value movements on subsidiaries measured at fair value	1,665	3,605	3,034
Other investment income	16	36	3
Gross investment return	1,415	6,870	3,562
Fund management fees	3,817	3,755	886
Carried interest	—	3,254	501
Management support fees	198	197	59
Other operating income	4	5	0
Revenue	5,435	14,082	5,008
Personnel expenses	1,664	1,968	540
Other SG&A expenses	770	1,118	809
Operating expense	2,435	3,087	1,349
Operating income (loss)	3,000	10,994	3,659
Finance income	2	6	17
Finance costs	89	81	33
Profit (loss) before income taxes	2,913	10,919	3,643
Income taxes	892	3,345	1,121
Profit (loss) for the year	2,021	7,574	2,521

Key Financials

Consolidated Statements of Financial Position

	Dec. 31, 2022	Dec. 31, 2023	Mar. 31, 2024
Assets			
Current assets			
Cash and cash equivalents	2,309	18,922	17,132
Trade and other receivables	325	206	1,990
Income taxes receivable	18	0	3
Loans	-	35	35
Other current financial assets	5	15	1
Other current assets	59	49	97
Total current assets	2,718	19,229	19,260
Non-current assets			
Total investments	31,393	36,404	38,549
Investment portfolio	7,783	8,468	8,892
Investments in subsidiaries measured at fair value	23,610	27,936	29,657
Property, plant and equipment	238	208	199
Right-of-use assets	403	255	218
Intangible assets	5	3	3
Loans	-	-	2,256
Other non-current financial assets	158	194	190
Other non-current assets	—	0	-
Total non-current assets	32,200	37,066	41,417
Total assets	34,918	56,296	60,678

(¥mn)

	Dec. 31, 2022	Dec. 31, 2023	Mar. 31, 2024
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	535	781	795
Income taxes payable	61	1,477	71
Consumption taxes payable	74	36	60
Advances received	1,005	615	939
Loans	780	780	780
Loans from subsidiaries measured at fair value	4,350	3,500	3,500
Lease liabilities	141	141	141
Provision	—	66	94
Other current liabilities	101	119	100
Total current liabilities	7,050	7,519	6,482
Non-current liabilities			
Loans	1,560	759	2,625
Lease liabilities	175	35	-
Asset retirement obligations	114	114	114
Deferred tax liabilities	6,612	8,003	9,056
Total non-current liabilities	8,463	8,912	11,797
Total liabilities	15,513	16,432	18,280
Equity			
Share capital	1,077	7,634	7,634
Capital surplus	43	6,371	6,383
Retained earnings	18,292	25,866	28,388
Share acquisition rights	1	0	0
Treasury stock	(9)	(9)	(9)
Equity attributable to owners of parent	19,405	39,864	42,398
Total equity	19,405	39,864	42,398
Total liabilities and equity	34,918	56,296	60,678

Key Financials

Consolidated Statements of Financial Position

	Dec. 31, 2022	Dec. 31, 2023	Mar. 31, 2024
Cash flows from operating activities			
Profit (loss) before income taxes	2,913	10,919	3,643
Depreciation and amortization	185	185	46
Share-based payment expenses	0	0	0
Interest and dividend income	(18)	(37)	(20)
Interest expenses	89	81	33
Increase (decrease) in provision	—	66	27
Decrease (increase) in trade and other receivables	(161)	118	(1,784)
Decrease (increase) in investment portfolio	(775)	(684)	(423)
Decrease (increase) in investments in subsidiaries measured at fair value	(2,039)	(4,326)	(1,720)
Decrease (increase) in loans	-	(35)	(2,256)
Decrease (increase) in other current financial assets	26	(44)	17
Decrease (increase) in other assets	(12)	7	(30)
Increase (decrease) in trade and other payables	81	258	30
Increase (decrease) in consumption taxes payable	(11)	(37)	23
Increase (decrease) in advances received	591	(390)	324
Increase (decrease) in other liabilities	10	18	(19)
Others	(0)	(2)	-
Subtotal	877	6,099	(2,108)
Interest and dividends received			
Interest paid	17	38	4
Income taxes refund received	(73)	(93)	(49)
Cash flows from operating activities	(438)	(417)	(1,477)
Cash flows from operating activities	383	5,626	(3,632)

	Dec. 31, 2022	Dec. 31, 2023	Mar. 31, 2024
Cash flows from investing activities			
Purchase of property, plant and equipment	—	(5)	-
Purchase of intangible assets	(0)	0	-
Cash flows from investing activities	(0)	(5)	-

	Dec. 31, 2022	Dec. 31, 2023	Mar. 31, 2024
Cash flows from financing activities			
Proceeds from loans from subsidiaries measured at fair value	3,022	2,550	-
Repayment of loans from subsidiaries measured at fair value	(3,272)	(3,400)	-
Proceeds from loans	2,340	—	2,255
Repayments of loans	—	(800)	(390)
Redemption of corporate bonds	(2,360)	—	-
Repayments of lease liabilities	(139)	(140)	(35)
Proceeds from issuance of shares	—	13,113	-
Payments for issuance of shares	—	(329)	-
Proceeds from sale of treasury stock	26	0	11
Cash flows from financing activities	(382)	10,992	1,841

INTEGRAL

A stylized red integral symbol (\int) is positioned over the word "INTEGRAL". The symbol is rendered in a vibrant red color with a subtle gradient and a slight shadow, giving it a three-dimensional appearance. It is centered over the "E" and "G" of the word.