

# Q3 (FY2024) Annual Securities Report

(Third Quarter of the 52nd fiscal year)

From October 1, 2023 to December 31, 2023

MIRARTH HOLDINGS, Inc.

1-8-2, Marunouchi, Chiyoda-Ku, Tokyo

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[Filing]	Q3 (FY2024)Annual Securities Report
[Applicable provision]	Article 24-4-7(1) of the Financial Instruments and Exchange Act
[Submitted To]	Director-General of the Kanto Local Finance Bureau
[Date of submission]	February 13, 2024
[Quarterly Accounting Period]	3rd quarter for the 52nd Fiscal Period (From October 1, 2023 to December 31, 2023)
[Company name]	MIRARTH HOLDINGS, Inc.
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[Place for public inspection]	Kita-Kanto Branch of MIRARTH HOLDINGS, Inc. (1-20-1, Takahanacho, Omiya-ku, Saitama-shi, Saitama) Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I. [Company Information]

I. [Company Overview]

1[Trends in Major Management Indicators, Etc.]

Fiscal term	51st fiscal year Third quarter Consolidated Cumulative period	52nd fiscal year Third quarter Consolidated Cumulative period	51st fiscal year
Accounting period	From April 1, 2022 to December 31, 2022	From April 1, 2023 to December 31, 2023	From April 1, 2022 to March 31,2023
Net sales (Millions of yen)	95,081	93,279	153,472
Ordinary income (Millions of yen)	1,179	243	5,033
Quarterly (current term) net income (loss) (Δ) attributable to owners of the parent (Millions of yen)	1,804	Δ1,461	4,584
Quarterly comprehensive income (loss) (Millions of yen)	1,175	Δ2,071	3,852
Net assets (Millions of yen)	61,596	62,984	65,142
Total assets (Millions of yen)	327,167	378,458	341,669
Quarterly (current term) net income (loss) (Δ) per share (Yen)	16.52	Δ13.30	41.90
Quarterly (current term) net income per share (fully diluted) (Yen)	16.39	-	41.58
Equity ratio (%)	17.9	14.9	18.0

Fiscal term	51st fiscal year Third Quarter Consolidated Accounting period	52nd fiscal year Third Quarter Consolidated Accounting period
Accounting period	From October 1,2022 to December 31, 2022	From October 1, 2023 to December 31, 2023
1 Shares Quarterly net loss (Δ) (Yen)	Δ9.76	Δ14.07

(NOTE)1. We have prepared our quarterly consolidated financial statements. Therefore, we have not provided any information on the major financial indicators of Submitting Company.

2. Quarterly diluted net income per share of Third quarter Consolidated Cumulative period for the 52nd fiscal period is not stated because there is a potential Equity securities but it is a 1 Shares Per share quarterly net loss.

3. The provisional accounting treatment for the business combination conducted in 51st fiscal year Third quarter Consolidated Accounting period has been finalized in the 52nd Third quarter Consolidated Accounting period. As a result of the finalization of this provisional accounting treatment, there has been no change in the amounts of 51st fiscal year Third quarter Consolidated Cumulative period, 51st fiscal year Third quarter Consolidated Accounting period and 51st fiscal year's Be related major management indicators, etc.

2[Businesses]

There have been no material changes to Details of the business conducted by our group (us and our affiliated companies) in Third-Quarter Consolidated Cumulative period. There have also been no changes in major affiliated companies.

## II. [Business Overview]

### 1[Business Risks]

There have been no significant changes in Third-Quarter Consolidated Cumulative period to the risks of new businesses or the risks of businesses described in Prior taxable year's Securities Report Statement.

### 2[Management's Analysis of Financial Position, Operating Results and Cash Flows]

Forward-looking statements in the text are based on judgments made as of the end of the current quarterly consolidated accounting period.

#### (1)Management's discussion

##### ①Results of Operations by Segment

In Real Estate Business, Net sales for this segment was 80,108 Millions of yen (down 6.0% from the same quarter of the previous fiscal year) due to factors such as new condominiums, liquidation, new detached house sales, renewal and resale, real estate rental, real estate management, and real estate Other.

In Energy Business, Net sales of this business was 7,846 Millions of yen (up 15.9% from the same quarter of the previous fiscal year) due to the revenue from electricity sale of power generation facilities.

As for Asset Management Business, Net sales was 371 Millions of yen (down 54.4% from the same quarter of the previous fiscal year) due to management fees and other factors.

In Other Businesses, Net sales of this business was 4,952 Millions of yen (up 117.4% from the same quarter of the previous fiscal year) due to construction contracting and other factors.

Consequently, Third-Quarter Consolidated Cumulative period's results of operations are as follows: Net sales 93,279 Millions of yen (down 1.9% from the same quarter of the previous fiscal year), Operating income 2,335 Millions of yen (up 5.9% from the same quarter of the previous fiscal year), Ordinary income 243 Millions of yen (down 79.4% from the same quarter of the previous fiscal year), and net loss attributable to owners of parent 1,461 Millions of yen (compared to Net income attributable to owners of parent of 1,804 Millions of yen in the same quarter of the previous fiscal year).

##### ②Progress of contract execution

Regarding Third-Quarter Consolidated Cumulative period sales Actual, 2,168 units were contracted for Units 2,200 units scheduled to be delivered to Full year, and the progress rate is 98.5%.

#### (Contract status for new built-for-sale condominiums)

	Units scheduled for delivery	Number of contracted units scheduled for delivery	Contract progress ratio (%)	Units under contract April to December
Previous period	1,780	1,777	99.8	1,747
Current period	2,200	2,168	98.5	1,454

#### (2)Explanation of Financial Position

##### Assets, Liabilities and Net Assets

At the end of our Third-Quarter Consolidated Accounting period, Assets, Liabilities and Net Assets of Total assets increased by 36,788 Millions of yen from 378,458 Millions of yen to End of Previous Consolidated Accounting Period as a result of steady purchases of Assets for business use and other factors.

##### (Current Assets)

Thanks to steady purchases of business Assets and other factors, Current assets increased by 41,834 Millions of yen to 230,563 Millions of yen compared to End of Previous Consolidated Accounting Period.

##### (Fixed Assets)

Despite the steady purchase of Assets for business use, Fixed assets decreased by 5,063 Millions of yen compared to 147,820 Millions of yen and End of Previous Consolidated Accounting Period mainly due to the transfer to Real estate for sale.

##### (Current Liabilities)

Due to the repayment of borrowings and other factors, Current liabilities decreased by 19,884 Millions of yen to 142,273 Millions of yen compared to End of Previous Consolidated Accounting Period.

##### (Fixed Liabilities)

Fixed liabilities increased by 58,831 Millions of yen from 173,200 Millions of yen and End of Previous Consolidated Accounting Period due to an increase in borrowings associated with new purchases, etc.

(Net Assets)

Due to the recording of quarterly net loss attributable to owners of the parent and Dividend of surplus, Total of Net assets decreased by 2,157 Millions of yen compared to 62,984 Millions of yen and End of Previous Consolidated Accounting Period.

(3)Prioritized business and financial challenges

There have been no significant changes in the business and financial issues that our group should prioritize during the third quarter consolidated Cumulative period.

(4)Research and Development

Not applicable.

(5)Major factors affecting performance

Our Group's mainstay real estate sales business tends to be influenced by buyer sentiment and supplier supply trends. Purchaser confidence is affected by factors such as economic trends, interest rate trends, housing tax, consumption tax, and land price trends. In addition, supplier supply trends are susceptible to changes in the outsourcing prices of Land suppliers, general contractors and other subcontractors, the failure of subcontractors, and financial trends. Therefore, any changes in these trends could have a material impact on operating results.

3[Important Contracts Etc. Related to Management]

There have been no decisions or conclusions of significant management contracts, etc. in the third quarter consolidated Accounting period under review.

### III. [Information on the Reporting Company]

#### 1[Stock Information]

(1)[Total number of Shares, Etc.]

①[Total number of shares]

Type	Number of authorized shares (shares)
Common stock	248,000,000
Total	248,000,000

②[Issued shares]

Type	Number of shares issued as of the end of the third quarter(Shares) (As of December 31, 2023)	Number of shares issued as of the filing date (Shares) (As of February 13, 2024)	Stock exchange on which the company is listed	Details
Common stock	121,000,000	121,000,000	Tokyo Stock Exchange Prime market	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Total	121,000,000	121,000,000	-	-

(2)[Information on the Share Acquisition Rights, Etc.]

①[Details of Stock Option Plan]

Not applicable.

②[Other Subscription Rights]

Not applicable.

(3)[Exercise of Moving Strike Convertible Bonds, Etc.]

Not applicable.

(4)[Changes in Number of Shares Issued and Capital, Etc.]

Date	Change in the total number of issued shares (shares)	Total number of shares outstanding (shares)	Change in capital stock (Millions of yen)	Balance of capital stock (Millions of yen)	Change in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
October 1, 2023-December 31, 2023	-	121,000,000	-	4,819	-	4,817

(5)[Status of Major Shareholders]

This quarterly Accounting period is Accounting period for the third quarter, so there is no description.

(6)[Information on Voting Rights]

Status of voting rights" as of the end of Fiscal year's third quarter Accounting period cannot be stated because Details of the shareholder register cannot be confirmed. Therefore, the shareholder register based on the immediately preceding Record Date (September 30, 2023) is used.

①[Issued shares]

As of December 31, 2023

Category	Number of shares (shares)	Number of voting rights (units)	Details
Shares without voting rights	-	-	-
Shares with limited voting rights (including treasury shares)	-	-	-
Shares with restricted voting rights (other than the above)	-	-	-
Shares with full voting rights (including treasury shares)	Common stock 11,091,700	-	The number of shares constituting 1 unit is 100 shares, which is the standard for us with no limitation on the content of rights.
Shares with full voting rights (other than the above)	Common stock 109,840,300	1,098,403	Same as above
Shares less than 1 unit	Common stock 68,000	-	Shares less than 1 unit (100 shares)
Number of issued shares	121,000,000	-	-
Voting rights of all shareholders	-	1,098,403	-

(NOTE) The column "Shares with full voting rights (other than the above)" includes 1,600 Shares of Equity securities in the name of the JASDEC. In addition, the "Number of voting rights" column includes 16 voting rights of shares with full voting rights held under the name of Japan Securities Depository Center, Inc.

②[Treasury stock, etc.]

As of December 31, 2023

Owner's Name Title Or its name	Address of shareholder	Number of shares held under the shareholder's name (shares)	Number of shares held under other shareholders' names (shares)	Total number of shares held (shares)	Ratio of shares held to total number of shares issued (%)
MIRARTH Holdings Inc.	1-8-2, Marunouchi, Chiyoda-Ku, Tokyo	11,091,700	-	11,091,700	9.17
Total	-	11,091,700	-	11,091,700	9.17

(NOTE) We are able to confirm the actual ownership status of End of Third Quarter Accounting period, and the number of Treasury stock is 10,959,807 Shares.

2[Officers]

Not applicable.



#### IV. [Financial Information]

##### 1.Preparation of Quarterly Consolidated Financial Statements

Our quarterly consolidated financial statements have been prepared in accordance with "Regulations Concerning Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements" (Cabinet Office No. 64, 2007).

##### 2.About Audit Certification

Pursuant to the provisions of Article 193-2 1 of the Financial Instruments and Exchange Law, the quarterly consolidated financial statements of Third quarter Consolidated Accounting period (from October 1, 2023 to December 31, 2023) and Third quarter Consolidated Cumulative period (from April 1, 2023 to December 31, 2023) were reviewed by Grant Thornton Taiyo LLC. on a quarterly basis.

## 1[Quarterly Consolidated Financial Statements]

## (1)[Quarterly Consolidated Balance Sheets]

(Millions of yen)

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Third-Quarter Consolidated Accounting period (As of December 31, 2023)
<b>Assets</b>		
Current assets		
Cash and deposits	47,872	48,633
Notes, accounts receivable-trade and contract assets	3,477	4,502
Real estate for sale	※1 34,147	※1 53,370
Power generation facilities for sale	※1 3,375	※1 2,998
Real estate for sale in progress	※1 82,713	※1 102,911
Costs incurred on uncompleted contracts	0	17
Other	※1 17,415	18,405
Allowance for doubtful accounts	△275	△275
<b>Total current assets</b>	<b>188,728</b>	<b>230,563</b>
Fixed assets		
Property, plant and equipment		
Buildings and structures (net)	※1 28,879	※1 24,603
Machinery, equipment and vehicles, net	※1 48,705	※1 55,783
Land	※1 41,394	※1 33,831
Other (net)	※1 6,382	※1 4,398
<b>Total property, plant and equipment</b>	<b>125,362</b>	<b>118,616</b>
Intangible assets		
Goodwill	3,918	3,483
Other	※1 4,457	4,665
<b>Total intangible assets</b>	<b>8,376</b>	<b>8,148</b>
Investments and other assets		
Other	※1 19,148	※1 21,055
Allowance for doubtful accounts	△2	△1
<b>Total investments and other assets</b>	<b>19,145</b>	<b>21,054</b>
<b>Total fixed assets</b>	<b>152,884</b>	<b>147,820</b>
Deferred assets	56	74
<b>Total assets</b>	<b>341,669</b>	<b>378,458</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	16,342	18,365
Short-term borrowings	92,069	43,434
Current portion of bonds payable	190	206
Current portion of long-term loans payable	25,997	46,389
Income taxes payable	4,318	3,968
Allowance	1,250	974
Other	21,987	28,934
<b>Total current liabilities</b>	<b>162,157</b>	<b>142,273</b>
Fixed liabilities		
Long-term loans payable	104,828	158,314
Bonds payable	4,015	9,643
Allowance	135	89
Liabilities related to retirement benefits	1,100	1,233
Other	4,290	3,918
<b>Total Fixed liabilities</b>	<b>114,369</b>	<b>173,200</b>
<b>Total liabilities</b>	<b>276,527</b>	<b>315,473</b>

(Millions of yen)

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Third-Quarter Consolidated Accounting period (As of December 31, 2023)
<b>Net assets</b>		
Shareholders' equity		
Capital stock	4,819	4,819
Capital surplus	4,820	4,670
Retained earnings	55,971	51,874
Treasury stock	△4,174	△4,087
Total shareholders' equity	61,436	57,276
Accumulated other comprehensive income		
Net unrealized gains on available-for-sale securities	△71	96
Deferred gains or losses on hedges	-	△837
Foreign currency translation adjustments	3	12
Remeasurements of defined benefit plans	8	9
Total accumulated other comprehensive income	△59	△719
Subscription rights to shares	220	304
Non-controlling interest	3,544	6,122
Total net assets	65,142	62,984
Total liabilities and net assets	341,669	378,458

## (2)[Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income]

[Quarterly Consolidated Statements of Income]

[Third Quarter Consolidated Cumulative period]

(Millions of yen)

	Previous 3rd Quarter Consolidated Cumulative period (From April 1, 2022 to December 31, 2022)	Current 3rd Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)
Net sales	95,081	93,279
Cost of sales	75,708	73,109
Gross profit	19,373	20,169
Selling, general and administrative expenses	17,167	17,833
Operating income	2,205	2,335
Non-operating income		
Interest income	17	29
Dividend income	225	138
Commission received	56	56
Income from insurance claim	34	226
Gain from equity method investment	-	192
Miscellaneous income	155	265
Total non-operating income	489	907
Non-operating expenses		
Interest expenses	1,221	2,203
Losses from equity method investment	39	-
Arrangement fee	85	637
Miscellaneous expenses	170	158
Total non-operating expenses	1,515	3,000
Ordinary income	1,179	243
Extraordinary income		
Gain on subsequent acquisitions	601	-
Gain on sales of Fixed assets	31	-
Gain on sales of stock of affiliates	-	12
Total extraordinary income	632	12
Extraordinary loss		
Impairment loss	48	448
Office relocation expenses	26	18
Extraordinary losses Total	74	467
Current net income for the quarter before income taxes and minority interests or net loss ( $\Delta$ ) prior to distribution of gain/loss on silent partnership	1,737	$\Delta$ 212
Distribution of loss in partnership	-	86
Quarterly net income (loss) ( $\Delta$ ) before income taxes and minority interests	1,737	$\Delta$ 298
Income taxes, inhabitant taxes and business taxes	708	2,006
Income tax adjustments	$\Delta$ 621	$\Delta$ 894
Total income and other taxes	86	1,112
Quarterly net income (loss) ( $\Delta$ )	1,650	$\Delta$ 1,411
Quarterly net loss ( $\Delta$ ) attributable to Quarterly net income attributable to non-controlling interests or non-controlling interests	$\Delta$ 154	49
Quarterly net income attributable to owners of the parent or quarterly net loss attributable to owners of the parent ( $\Delta$ )	1,804	$\Delta$ 1,461

[Quarterly Consolidated Statements of Comprehensive Income]

[Third Quarter Consolidated Cumulative period]

(Millions of yen)

	Previous 3rd Quarter Consolidated Cumulative period (From April 1, 2022 to December 31, 2022)	Current 3rd Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)
Quarterly net income (loss) (△)	1,650	△1,411
Other comprehensive income		
Net unrealized gains on available-for-sale securities	△483	167
Deferred gains or losses on hedges	-	△837
Foreign currency translation adjustments	5	8
Remeasurements of defined benefit plans	3	0
Total other comprehensive income	△475	△659
Quarterly comprehensive income	1,175	△2,071
(Comprising)		
Quarterly comprehensive income attributable to owners of the parent	1,329	△2,120
Quarterly comprehensive income attributable to non-controlling interests	△154	49

[Notes]

(Notes to Quarterly Consolidated Balance Sheets)

※1 Change in holding purpose of Assets

End of Previous Consolidated Accounting Period (As of March 31,2023)

Power generation facilities for sale 1,024 Millions of yen was transferred to Machinery and equipment 1,024 Millions of yen in Current Consolidated Fiscal Year due to a change in the holding purpose from resale to Assets for business use.

In addition, as a result of the change in the holding purpose from development and lease to resale in Current Consolidated Fiscal Year, a portion of the real estate owned was transferred to Buildings and structures 5,107 Millions of yen, Tools, furniture and fixtures 32 Millions of yen ("Other (net)" by Property, plant and equipment), 8,274 Millions of yen and 2,254 Millions of yen ("Other (net)" by Property, plant and equipment), Land Lease Right 14 Millions of yen ("Land" by Intangible assets), and Software 0 ("Other" by Construction in progress 0) to Real estate for sale and Real estate for sale in progress. Certain of Assets were sold in Current Consolidated Fiscal Year and 6,765 Millions of yen of the 15,308 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, as a result of changing the holding purpose of a part of Mega solar generation Facilities to resale, Current Consolidated Fiscal Year transferred Prepaid expenses 7 Millions of yen ("Other" of Current assets), Machinery and equipment 2,579 Millions of yen, Land 60 Millions of yen, Construction in progress 525 Millions of yen ("Other (net)" of Property, plant and equipment), and long-term Prepaid expenses 235 Millions of yen ("Other" of Investments and other assets") to Power generation facilities for sale. Certain of Assets were sold in Current Consolidated Fiscal Year and 2,505 Millions of yen of the 3,408 Millions of yen transferred to Power generation facilities for sale were recorded in Cost of sales.

Third-Quarter Consolidated Accounting period (As of December 31, 2023)

As a result of the change in the holding objective from resale to Assets for business purposes, a portion of the real estate owned was transferred to Third-Quarter Consolidated Cumulative period for Power generation facilities for sale 85 Millions of yen to Machinery and equipment 83 Millions of yen and long-term Prepaid expenses 2 Millions of yen ("Other" in Investments and other assets).

In addition, as a result of the change in the holding purpose from development and leasing to resale, a portion of real estate owned has been transferred to Millions of yen and Property, plant and equipment in Third-Quarter Consolidated Cumulative period as follows: Buildings and structures 5,716 Millions of yen, Tools, furniture and fixtures 22 Real estate for sale ("Other (net)" in Real estate for sale in progress), Land 12,306 Millions of yen, and Construction in progress 842 Millions of yen ("Other (net)" in Property, plant and equipment). Certain of Assets were sold in Third-Quarter Consolidated Cumulative period and 4,633 Millions of yen of the 16,379 Millions of yen transferred to Real estate for sale were recorded in Cost of sales.

In addition, a portion of Mega solar generation Facilities was transferred to Power generation facilities for sale in Third-Quarter Consolidated Cumulative period for Machinery and equipment 29 Millions of yen and long-term Prepaid expenses 11 Millions of yen ("Other" in Investments and other assets). Assets was sold in Third-Quarter Consolidated Cumulative period, and 41 Millions of yen was recorded in Cost of sales.

2 Contingent liabilities

Guarantees for loans from financial institutions

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Current 3rd Quarter Consolidated Accounting period (As of December 31, 2023)
Joint and several guarantee obligations to financial institutions, etc. until the completion of the registration of the establishment of mortgages on our group customer housing loans	15,420Millions of yen	8,856Millions of yen
Minato Vietnam Co., Ltd.	112	615
WISE ESTATE 3 Co., Ltd.	1,615	615
WISE ESTATE 8 Co., Ltd.	246	531
WISE ESTATE 10 Co., Ltd.	237	706
Total	17,632	11,325

3 In order to raise working capital efficiently, we have entered into overdraft and loan commitment agreements with 68 Financial institutions companies (End of Previous Consolidated Accounting Period 68 companies). The balance of undrawn lines of credit under these agreements is as follows:

	End of Previous Consolidated Accounting Period (As of March 31,2023)	Current 3rd Quarter Consolidated Accounting period (As of December 31, 2023)
Maximum Overdraft Amount and Total Loan Commitments	85,033Millions of yen	96,669Millions of yen
Loan balance	51,105	69,638
Net amount	33,928	27,031

(Notes to Quarterly Consolidated Statements of Cash Flows)

Quarterly consolidated statements of cash flows pertaining to the third quarter consolidated Cumulative period have not been prepared. Depreciation and amortization (including depreciation related to Intangible assets excluding Goodwill) and Amortization of goodwill related to Third quarter Consolidated Cumulative period are as follows.

	Previous 3rd Quarter Consolidated Cumulative period (From April 1, 2022 To December 31, 2022)	Current 3rd Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)
Depreciation and amortization	1,513Millions of yen	4,006Millions of yen
Amortization of goodwill	247	381

(Shareholders' Equity)

I Previous Third Quarter Consolidated Cumulative period (From April 1, 2022 to December 31, 2022)

1.Matters concerning dividends

Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share dividends (yen)	Record Date	Effective date	Source of dividends
June 24, 2022 Annual Shareholders' Meeting	Common stock	1,526	14	March 31, 2022	June 27, 2022	Retained earnings
October 31, 2022 Board of Directors	Common stock	437	4	September 30, 2022	December 6, 2022	Retained earnings

2.Significant changes in the amount of Shareholders' equity

Not applicable.

II Third-Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)

1.Matters concerning dividends

Dividends paid

(Resolution)	Class of shares	Total dividends (Millions of yen)	Per share dividends (yen)	Record Date	Effective date	Source of dividends
June 23, 2023 Annual Shareholders' Meeting	Common stock	1,976	18	March 31,2023	June 26,2023	Retained earnings
October 30, 2023 Board of Directors	Common stock	659	6	September 30, 2023	December 4, 2023	Retained earnings

2.Significant changes in the amount of Shareholders' equity

Not applicable.

(Segment information, etc.)

[Segment Information]

I Previous 3rd Quarter Consolidated Cumulative period (From April 1, 2022 to December 31, 2022)

1.Information on the amount of Net sales and Profit or loss for each Reportable segments and breakdown information on revenue

(Millions of yen)

	Reportable segments				Others (Note)	Quarterly Consolidated Statements of Income amount posted
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net sales						
Revenue arising from contracts with customers	80,821	6,770	813	88,405	2,277	90,683
Other revenue	4,397	-	-	4,397	-	4,397
Net sales to customers	85,218	6,770	813	92,803	2,277	95,081
Intersegment net sales or transfers	-	-	-	-	-	-
Total	85,218	6,770	813	92,803	2,277	95,081
Segment income (loss) (Δ)	2,953	Δ788	293	2,458	Δ253	2,205

(NOTE)"Other" Category is a business Segment not included in Reportable segments and includes rehabilitation-oriented day services, construction subcontracting, and Hotel businesses.

2.About Assets by Reportable segments

In Third-Quarter Consolidated Accounting period, Takara Leben Infrastructure Fund Inc. and the Green Energy LLC. became Consolidated subsidiaries, and Assets amount of Third-Quarter Consolidated Accounting period's Reportable segments has increased by 74,448 Millions of yen compared to the last day of End of Previous Consolidated Accounting Period in the "Energy Business" Segment.

3.Fixed assets's Impairment loss or Goodwill, etc. per Reportable segments

(Significant changes in the amount of goodwill)

"Energy Business" is included in the scope of consolidation due to the inclusion of Takara Leben Infrastructure Fund Inc. as a Consolidated subsidiaries in Segment. The amount of Goodwill increased by 7,040 Millions of yen in the third quarter consolidated Cumulative period under review.



II Third-Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)

1.Information on the amount of Net sales and Profit or loss for each Reportable segments and breakdown information on revenue

(Millions of yen)

	Reportable segments				Others (Note)	Quarterly Consolidated Statements of Income amount posted
	Real Estate Business	Energy Business	Asset Management Business	Total		
Net sales						
Revenue arising from contracts with customers	75,730	7,846	371	83,947	4,952	88,900
Other revenue	4,378	-	-	4,378	-	4,378
Net sales to customers	80,108	7,846	371	88,326	4,952	93,279
Intersegment net sales or transfers	-	-	-	-	-	-
Total	80,108	7,846	371	88,326	4,952	93,279
Segment income (loss) (Δ)	1,650	830	Δ171	2,310	25	2,335

(NOTE)"Other" Category is a business Segment not included in Reportable segments and includes businesses such as construction and Hotel operations.

2.Fixed assets's Impairment loss or Goodwill, etc. per Reportable segments  
(Significant Impairment loss on Fixed assets)

Impairment loss of Fixed assets is recorded in Hotel business of "Real Estate Business" Segment and "Other." The recorded amount of Impairment loss is 39 Millions of yen for "Real Estate Business" Segment and 408 Millions of yen for the "Other" Hotel operation business in Third-Quarter Consolidated Cumulative period.

(Business Combinations, etc.)

(Determination of Provisional Accounting Treatment for Business Combinations)

Green Energy LLC, our Consolidated subsidiaries with November 18, 2022, conducted a business combination with Takara Leben Infrastructure Fund Inc. on a provisional basis in End of Previous Consolidated Accounting Period, but has been finalized as Third-Quarter Consolidated Accounting period. There is no change in the amount associated with the finalization of this provisional accounting treatment.

(Revenue Recognition)

Information disaggregating revenue from contracts with customers is presented in "Notes (Segment Information, etc.)."

(Per Share Information)

Quarterly net income per share or 1 Shares Per share quarterly net loss and calculation basis, Quarterly diluted net income per share and calculation basis are as follows.

	Previous Third Quarter Consolidated Cumulative period (From April 1, 2022 To December 31, 2022)	Third-Quarter Consolidated Cumulative period (From April 1, 2023 to December 31, 2023)
(1) Quarterly net income per share or 1 Shares Quarterly net loss ( $\Delta$ )	16.52 yen	$\Delta$ 13.30yen
(Basis of calculation)		
Quarterly net income attributable to owners of the parent or quarterly net loss attributable to owners of the parent ( $\Delta$ ) (Millions of yen)	1,804	$\Delta$ 1,461
Amounts not attributable to common shareholders (Millions of yen)	-	-
Quarterly net income attributable to owners of the parent or quarterly net loss attributable to owners of the parent ( $\Delta$ ) related to common stock (Millions of yen)	1,804	$\Delta$ 1,461
Average number of shares of common stock outstanding during the period (Thousands of shares)	109,275	109,889
(2) Quarterly diluted net income per share	16.39 yen	-
(Basis of calculation)		
Quarterly adjustments to net income attributable to owners of parent (Millions of yen)	-	-
Increase in common stock (thousands)	862	-
Summary of potential Equity securities that were not included in the calculation of Quarterly diluted net income per share because the effect of dilution was not Yes and there were significant changes from End of End of Previous Consolidated Accounting Period	-	-

(NOTE)Quarterly diluted net income per share of Third-Quarter Consolidated Cumulative period is not disclosed because the potential Equity securities exists but it is 1 Shares Per share quarterly net loss.

(Significant Subsequent Events)

Not applicable.

2[Other]

At Board of Directors meeting held on October 30, 2023, the Company resolved the interim dividends as follows.

(1)Total dividends: 659 Millions of yen

(2)Amount of 1 Shares Per share: 6 yen

(3)Effective date of claims and payment commencement date: December 4, 2023

(NOTE)Payments were made to shareholders of record as of September 30, 2023.

Part II. [Information Concerning Guarantors of the Reporting Company]

Not applicable.

## Independent Auditors' Quarterly Review Report

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February 9, 2024

MIRARTH HOLDINGS, Inc.

To the Board of Directors

Grant Thornton Taiyo LLC.

Tokyo Office

Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Tomohiro Ohki
Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Tetsuya Ishihara
Designated Limited Liability Partners Managing Partner	Certified Public Accountant	Takafumi Shimokawa

### Auditor's conclusion

Pursuant to the provisions of Article 193-2 I of the Financial Instruments and Exchange Act, Audit Corporation reviewed the quarterly consolidated financial statements of Consolidated Balance Sheets, Quarterly Consolidated Statements of Income, MIRARTH HOLDINGS, Inc., and March 31 for the period from April 1, 2023 to Notes, 2024 of Quarterly Consolidated Statements of Comprehensive Income for Third quarter Consolidated Accounting period (from October 1, 2023 to December 31, 2023) and Third quarter Consolidated Cumulative period (from April 1, 2023 to December 31, 2023), which are listed in the section entitled "Accounting."

In the quarterly review conducted by Audit Corporation, the aforementioned quarterly consolidated financial statements were not deemed to present fairly the financial position of MIRARTH HOLDINGS, Inc. and Consolidated subsidiaries as of December 31, 2023, and the results of their operations for Third quarter Consolidated Cumulative period then ended in conformity with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan in all material respects.

### Rationale for the auditor's conclusion

We conducted our quarterly reviews in accordance with quarterly review standards generally accepted in Japan. Audit Corporation's liability under the standards for quarterly reviews is set forth under "Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements." Audit Corporation is independent of the Corporation and its Consolidated subsidiaries in accordance with the Code of Professional Ethics in Japan. As a Audit, the Corporation fulfills its For Other ethical responsibilities. We believe that the evidence supporting the statements is available.

### Responsibilities of Management, Corporate Auditors and the Board of Corporate Auditors to the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the quarterly consolidated financial statements in accordance with the standards for the preparation of quarterly consolidated financial statements generally accepted in Japan. This includes establishing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements based on the going concern assumption, and disclosing matters related to a going concern in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan.

The responsibility of the corporate auditors and the board of corporate auditors is to monitor the execution of directors' duties in the development and operation of the financial reporting process.

#### Auditor's Responsibility for the Quarterly Review of the Quarterly Consolidated Financial Statements

The responsibility of Audit is to express an independent view on the quarterly consolidated financial statements in the quarterly review Report based on the quarterly review conducted by Audit.

In accordance with the standards of the quarterly review generally accepted in Japan, Audit shall, through the course of the quarterly review, make judgments as an professional expert and conduct the following with professional skepticism:

- Inquiries and analytical procedures mainly for management, persons responsible for financial and accounting matters, and For Other quarterly review procedures shall be implemented. Quarterly review procedures are limited compared to Audit of financial statements for the fiscal year in accordance with Audit standards generally accepted in Japan.
- In the event that the Company determines that there is significant uncertainty with respect to events or circumstances that raise substantial doubt about the Company's ability to continue as a going concern, the Company will conclude, based on the evidence obtained, whether or not there are any matters that cause the Company to believe that they are not fairly stated in the quarterly consolidated financial statements in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan. If there is a significant uncertainty regarding the Company's ability to continue as a going concern, the Company is required to draw attention to Notes matters in the quarterly consolidated financial statements in the quarterly review Report or, if Notes matters in the quarterly consolidated financial statements regarding a material uncertainty are not appropriate, to express a limited conclusion or a negative conclusion on the quarterly consolidated financial statements. Although Auditor's conclusion is based on evidence obtained through the date of the quarterly review Report, future events and circumstances may prevent an entity from continuing as a going concern.
- Evaluate whether or not the presentation of quarterly consolidated financial statements and Notes matters are deemed not to be in accordance with the standards for preparing quarterly consolidated financial statements generally accepted in Japan, as well as the presentation, composition and Details of quarterly consolidated financial statements, including Be related Notes matters, and whether or not matters are deemed not to fairly present the transactions and accounting events underlying the quarterly consolidated financial statements.
- Obtain evidence regarding the financial information of the Corporation and Consolidated subsidiaries to express a conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising and implementing the quarterly review of the quarterly consolidated financial statements. The auditor is solely responsible for the auditor's conclusion.

Audit will Report Audit & Supervisory Board Members and Audit & Supervisory Board on the scope of the planned quarterly review and the timing of its implementation, as well as on significant findings during the quarterly review.

Audit will conduct Report of Audit & Supervisory Board Members and Audit & Supervisory Board with respect to compliance with the provisions of professional ethics in Japan regarding independence and Details for matters that are reasonably likely to affect human independence, and for cases where measures are taken to eliminate impediments or where safeguards are applied to reduce the impediments to an acceptable level.

#### Interests

The Company and Consolidated Subsidiaries have no interest in the Auditing Corporation or Operating Partners that should be stated pursuant to the provisions of the Certified Public Accountants Act.

Above

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(NOTE) 1. The original of the above quarterly review Report document is stored separately by our company (Annual Securities Report Submitting Company).

2. XBRL data is not included in the scope of quarterly reviews.