

February 10, 2025

To whom it may concern:

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Notice of Recording in Loss on Valuation of Operational Investment Securities **and Revisions to Consolidated Earnings Forecast**

Mercuria Holdings Co., Ltd. (hereinafter the “Company”) has announced that it recorded in loss on valuation of operational investment securities in the fiscal year ending December 31, 2024 and revised its consolidated earnings forecast for 2024 that was announced on December 13, 2024.

1. Recording in Loss on Valuation of Operational Investment Securities

Mercuria Investment Group (hereinafter the “Group”) manages and operates funds as part of its fund management business and makes same-board investments in the funds it manages and operates as its principal investments business. This time, Buyout fund, which the Group manages and operates recorded in loss on valuation of investment, therefore the Company recorded in loss on valuation of operational investment securities of 664 million yen in operating costs as loss through the same-boat investments in the fourth quarter of 2024.

2. Revisions to the consolidated earnings forecast for 2024 (January 1, 2024 – December 31, 2024)

	Operating revenue	Operating gross profit	Operating profit	Ordinary profit	Profit attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecast (A)	5,500	5,000	1,400	1,500	900	46.54
Revised forecast (B)	5,566	4,527	975	1,157	506	26.15
Change (B – A)	66	(473)	(425)	(343)	(394)	
Percentage change (%)	1.2	(9.5)	(30.4)	(22.9)	(43.8)	
(Reference) Results for 2023	5,842	4,033	1,344	1,520	1,055	53.99

3. Reasons for revision

As a result of the above, the Company revises its earnings forecast for operating profit and profit attributable to owners of parent, as the difference between these forecasts and the previously announced forecasts is now expected to reach the disclosure standard. Incidentally, the earnings forecast for operating revenue, operating gross profit and ordinary profit have been revised accordingly.

Further the dividend forecast made at the beginning of the fiscal year remains unchanged and the dividend per share is expected to be 22 yen.

4. Reduction of Executive Compensation

Taking revisions to consolidated earnings forecast seriously, the Compensation Committee and the Board of Directors of the Company have decided to cancel the payment of compensation linked to performance fees to the Representative Director and Executive Director.

Note: The above forecast is based on assumptions judged to be valid and information available to Mercuria Holdings' management at the time this document was prepared. Actual results may differ from the forecast due to various factors.

The above is an English translation of the Japanese version provided for information purpose only. The original Japanese version was released through our website (<https://www.mercuria.jp>).

If any discrepancy is identified between this translation and the Japanese original, the Japanese original shall prevail.