

**IKIGAI VENTURES LIMITED
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

IKIGAI VENTURES LIMITED

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FOR THE YEAR ENDED 30 JUNE 2023

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IKIGAI VENTURES LIMITED

STRATEGIC REPORT: KEY FIGURES FOR THE YEAR ENDED 30 JUNE 2023

(Expressed in Pounds Sterling)

	Year ended 30 June 2023 GBP	Period ended 30 June 2022 GBP
Net Asset Value ("NAV") attributable to shareholders	1,154,685	(18,490)
Ordinary Shares		
NAV per share attributable to shareholders	0.06	(0.00)
Ordinary Shares		
Share Price	46.5	-
(Loss)/earnings per share	(3.5)p	(4.5)p
Diluted (loss)/earnings per share	(3.5)p	(4.5)p

IKIGAI VENTURES LIMITED

STRATEGIC REPORT: COMPANY OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2023

The Directors present their strategic report for Ikigai Ventures Limited (the "Company") for the year ended 30 June 2023.

PRINCIPAL ACTIVITY

The principal activity of the Company is to carry out business as an investment company. The directors of the Company (the "Directors") do not envisage any changes in this activity until such time as an acquisition is made.

Please refer to the Investment Strategy and Objectives for further information.

STRUCTURE

The Company is a Guernsey incorporated non-cellular company limited by shares, incorporated on 28 May 2021, with registered number 69265. The Company has a standard listing on the Main Market of the London Stock Exchange. There are no branches in existence.

PURPOSE

The Company was incorporated to acquire one or more businesses that have an environmental, social, and governance ("ESG") strategy or a positive social impact as part of its core business.

Please refer to the Investment Strategy and Objectives for further information.

INVESTMENT STRATEGY AND OBJECTIVES

The Company's acquisition focus is on businesses with an experienced management team with a strong reputation and a sustainable business model which will allow it to expand globally. Early stage targets may be considered if the Board of Directors ("the Board") is satisfied that the management team have the appropriate experience and strategy.

The Company has been exploring potential acquisitions since listing on the London Stock Exchange in September 2022 and has been in detailed discussions with a number of possible target companies.

It is likely that any acquisitions will be funded through a combination of the issuance of new ordinary shares or convertible debt securities to the shareholders of the acquisition target.

DIVIDEND POLICY

Prior to an acquisition it is unlikely that the Company will have any earnings but to the extent the Company has any earnings it is the Board's current intention to retain any such earnings for use in its business operations and the Board does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws and is commercially prudent.

MANAGEMENT OF THE COMPANY

The Board comprises a majority of independent non-executive directors with extensive knowledge and experience in establishing and growing businesses as well as experience of managing public companies and their operational and financial risks. The Directors are aware of the regulatory and legal framework within which the Company operates, as well as the various roles played by investment companies in shareholders' portfolios. The Board provides oversight of the Company's activities and ensures that the appropriate financial resources and controls are in place to deliver the investment strategy and manage the risks associated with such activities.

IKIGAI VENTURES LIMITED

STRATEGIC REPORT: COMPANY OVERVIEW

FOR THE YEAR ENDED 30 JUNE 2023

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors confirm that they have carried out a robust assessment of the principal and emerging risks and uncertainties facing the Company, including those that would threaten its business model, future performance, solvency, or liquidity.

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness.

The principal and emerging risks that have been identified and the steps taken by the Board to mitigate these are as follows:

A suitable acquisition opportunity may not be identified or completed

The Company's business strategy and prospects are dependent on the ability of the Directors to identify suitable acquisition opportunities. If the Directors are not able to do so, the Company may not be able to fulfil its objectives. Furthermore, if the Directors identify a suitable target, the Company may not be able to acquire it on suitable terms or at all. Aborting a proposed acquisition could mean that the Company is left with substantial unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses that may not allow it to pursue further opportunities.

The Directors' skill and experience of mergers and acquisitions and the careful selection of a suitable acquisition target and of professional advisors will reduce this risk as will the adoption of a break clause in any Heads of Terms agreement entered into with an acquisition target company.

Capital adequacy

At present, the Company remains a cash shell with no business activities or income. If the Company does not complete an acquisition it will need to raise additional capital. The Company may not receive sufficient support from its existing shareholders to raise additional equity and new equity investors may be unwilling to invest on terms that are favourable to the Company, or at all. The Directors are mitigating this risk through the active discussions being undertaken with potential acquisition targets, by managing operating costs prudently and by exploring alternative funding options.

Post-acquisition funding

On completion of an acquisition, it is likely that the Company will need to raise additional equity funding to facilitate the growth of the business and meet expenses. The current state of the capital markets creates a risk that such funding may not be available on satisfactory terms or at all. At present, global market conditions for raising equity capital remain exceptionally challenging.

To the extent that additional equity or debt financing is necessary to complete an acquisition and remains unavailable or only available on terms that are unacceptable, the Company may be compelled either to restructure or abandon an acquisition, or proceed on less favourable terms, which may reduce the Company's return on the investment.

The Directors have significant experience of equity capital markets and ongoing, early discussions with brokers and other advisors will help reduce this risk.

IKIGAI VENTURES LIMITED

STRATEGIC REPORT: COMPANY OVERVIEW FOR THE YEAR ENDED 30 JUNE 2023

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

Risks inherent in an acquisition

Although the Directors will evaluate the risks inherent in a particular target, they cannot offer any assurance that all of the significant risk factors can be identified or properly assessed or that the business acquired will prove to be successful for the growth and profitability of the Company. In particular, the Company will be reliant on the successful business performance of a completed acquisition to generate income and profits.

The Board's experience and skill in company analysis, due diligence and corporate finance are expected to mitigate these risks.

Reliance on external advisors

The Directors rely to some degree on external advisors to help identify and assess potential acquisitions and there is a risk that such advisors fail to perform as required. The Board's experience of working closely with key advisors in previous transactions is key to mitigating these risks.

Other risks

The Company operates in an uncertain environment and is subject to a number of other risk factors which are set out in these accounts or in the Company's IPO prospectus published in September 2022. The Directors have carried out a robust assessment of the risks and how best to mitigate them, although it should be noted that this list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply. Should an emerging risk be determined to have any potential impact on the Company, appropriate mitigating measures and controls will be put in place.

ADMINISTRATION ARRANGEMENTS

Administration and Company Secretarial Services are provided to the company by Intertrust International

Registrar services are provided by Link Market Services (Guernsey) Limited.

RELATED PARTIES

The Directors are considered related parties. Please refer to note 8 of the financial statements for further information.

PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

The Company is yet to complete an acquisition and so has no operations to which key performance indicators (KPIs) would be relevant. As and when the Company completes its first acquisition, financial, operational, health, safety, and other KPIs will become more relevant and reported upon as appropriate. As a result, the Directors are of the opinion that, other than the maintenance of cash and cash equivalents, analysis using KPIs is not appropriate for an understanding of the business at this time.

For and on behalf of the Board

Meriel Lenfestey

Meriel Catherine Lenfestey
Director

IKIGAI VENTURES LIMITED

STRATEGIC REPORT: CEO'S STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

CEO'S STATEMENT

The Company was established to undertake the acquisition of one or more companies or businesses with a strong positive social impact and/or environmental, social and governance strategy as part of their core business. Its shares were admitted to trading on the standard segment of the London Stock Exchange Official List on 15 September 2022 ("Admission").

Since its Admission, the Company has reviewed a significant number of acquisition opportunities and held early-stage discussions with a number of parties. Initial commercial and other due diligence has been conducted on several of those companies.

Although discussions with some of these acquisition targets have developed further, none have reached a point where the Company is ready to enter into heads of terms. It is possible that the Company will not be able to reach agreement with any of the companies that it has reviewed to date. In such circumstances, the Company will continue the search for a suitable acquisition target and an announcement will be made when and if the Company proceeds to sign a heads of terms for a proposed acquisition. However, the Board wishes to draw to the attention of shareholders the Principal Risks and Uncertainties section of these accounts, including the risk that a suitable acquisition opportunity may not be identified or completed.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The Directors submit the annual report and audited financial statements of the Company, which is incorporated in Guernsey, for the year ended 30 June 2023.

PRINCIPAL ACTIVITY

The principal activity of the Company is to carry out business as an investment company. The directors of the Company (the "Directors") do not envisage any changes in this activity until such time as an acquisition is made.

Please refer to the Investment Strategy and Objectives for further information.

DIVIDENDS

During the period ended 30 June 2023, there were no dividends paid.

RESULTS

The results of the Company for the year ended 30 June 2023 are shown in the Statement of Comprehensive Income on page 23.

DIRECTORS

The Directors of the Company during the year and for the period to the date these financial statements were signed were as follows:

Ashley Charles Paxton
Meriel Catherine Lenfestey
Nicholas Harris Bryan-Brown

Ashley Charles Paxton and Meriel Catherine Lenfestey are non-executive directors.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Nicholas Harris Bryan-Brown

Nicholas has over thirty years' experience in Asian markets. After working as a barrister in London he moved to the City, working first as a fund manager in the smaller company space, both listed and unlisted. He then moved into corporate finance advisory with Samuel Montagu (now part of HSBC) in 1984 and helped establish the smaller company advisory team responsible for IPOs, M&A, and capital raising on the predecessor smaller company markets to the London Stock Exchange's Alternative Investment Market.

In 1987 he began his career in Asia, working for HSBC and other investment banks in Hong Kong and in Singapore. His last position at HSBC was as co-head of investment banking for the Asia-Pacific region, responsible for over 100 employees across multiple markets. In 2003, he established his own vehicle for investment in smaller companies in Asia and the UK, whilst based in London, making unlisted early stage, as well as listed, investments.

In 2011, he co-founded Blackpeak Group, an international research and risk advisory firm specialised in investigative due diligence as well as business intelligence research and investigations. The business grew to become one of the leading firms in its sector, with offices in Hong Kong, Singapore, Beijing, Shanghai, Guangzhou, Tokyo, and Washington DC. ESG was at the core of Blackpeak's business and it advised major global banks and manufacturing groups, as well as leading asset management, sovereign wealth, and private equity funds, on assignments that included examination of ESG issues across all the major Asian markets.

Nicholas' role included leading many major investigations as well as ensuring compliance with relevant legislation, such as the UK Bribery and Modern Slavery Acts, the US FCPA as well as data protection and employment laws across multiple markets. As a result, he is very familiar with the key ESG issues relating to investment in Asia and has spoken at conferences and seminars in the region on ESG and corruption issues.

In 2019, Blackpeak was acquired by Acuris, a provider of global data, intelligence, research and analysis. In his eight years with Blackpeak, Nicholas was responsible for the firm's compliance and legal functions as well as leading or contributing to many investment-related investigative due diligence projects across Asia.

In 2019, he established a vehicle for investment in the early-stage venture capital market in Singapore and other SE Asian markets and has made several long-term VC investments, with exposure to markets including Singapore, Indonesia, and Hong Kong.

Nicholas is active in the voluntary sector including, since 2016, as a member of the Global Governing Council of the educational charity Enabling Leadership, which is focused on underprivileged children in India and elsewhere in Asia. He graduated with an LLB in law from the University of London in 1981 and is a member of the English Bar.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Ashley Paxton

Ashley has worked in the financial services sector for nearly 30 years. He trained as a Chartered Accountant with McIntyre & Co in London, before moving to KPMG's financial services sector upon qualification in 1996. Ashley moved to Guernsey in 2002 and in 2008 developed a Channel Islands advisory practice for KPMG, growing it into a full taxonomy of services across transactions, restructuring, management, and risk consulting.

He has provided transactions and valuations support to clients on buy and sell sides across the regulated finance sectors, including as lead advisor to Heritage's funds and fiduciary businesses, disposed of in 2017 to Estera (backed by Bridgepoint), and to Ardel, which was disposed of to Equiom in 2015 (backed by LDC). Ashley has also led a number of high profile and innovative transaction related engagements for government.

Ashley has gained deep sectoral specialism supporting the London listed fund sector throughout his 23 years with KPMG, as audit partner, as lead partner on capital market transactions, and various formal restructuring appointments. He retired from the firm in 2019. During his KPMG career, Ashley worked on various advisory assignments with a strong ESG focus, including leading KPMG's Guernsey Green Fund certification for Bluefield Solar Fund Limited, the first company to adopt Guernsey Green Fund Rules and be certified.

Ashley is a non-executive director to three other London listed entities, Chair of TwentyFour Select Monthly Income Fund Limited, Chair of the Audit and Risk Committee for Downing Renewables & Infrastructure Trust plc (an Article 9 fund pursuant to the EU taxonomy and the EU sustainable Finance Disclosure Regulations) and JZ Capital Partners Limited. Ashley also plays an important role in the local third sector as Chairman of the Youth Commission for Guernsey & Alderney.

Ashley is a Fellow of the Institute of Chartered Accountants in England and Wales and a full-time resident of Guernsey. He holds an Economics degree from the University of Warwick.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

Meriel Catherine Lenfestey

Meriel brings over 25 years of customer-centered strategic and design consultancy from a wide range of private organisations, government bodies and listed corporations. She began her career as a Product Designer with Microsoft Corporation in Seattle before returning to the UK to work for BBC Worldwide as a Development Producer.

In 1997, she founded her own company, Flow Interactive Ltd, which became a global pioneer in the usability and user experience design consultancy market at that time, with clients from the third sector as well as from the private and public sector. In 2010, with a client list of multinational corporations, including 14 of the FTSE 100, Flow Interactive Ltd. merged with Foolproof Limited to become a highly-respected provider of digital customer experience strategy, design, and research. In 2010, she also co-founded a social enterprise called Ecomodo which was one of the earliest entrants in the sharing economy.

Meriel is currently a non-executive Director and a member of the ESG committee of International Public Partnerships Ltd., a FTSE 250 Investment Company, focused on responsible investment in public infrastructure assets around the world and is also a non-executive director and chair of the ESG committee of Bluefield Solar Income Fund, a FTSE 250 renewables fund focused entirely on the generation of renewable energy and the energy transition (solar, wind, and battery). She is Chair of Jersey Telecom, which has a strong social remit across the Channel Islands and has had considerable success in generating shareholder value, and is a Non-executive Director at Boku, an AIM listed, high growth, US based technology company focused on enabling digital payments in underserved markets for the global technology giants. Prior to February 2023 she was also Chair of Gemserv, the professional services B-corp company which has a strong "profit with a purpose" mission, operating across energy, low carbon, and health sectors, and a non-executive director at Aurigny, the State owned lifeline airline serving Guernsey.

Meriel is a committee member of the Guernsey Branch of the Institute of Directors and also plays an important role in the local third sector as a director of Art for Guernsey, a Guernsey-based charity which aims to bring societal impact through the application of creative skills.

Meriel graduated from the University of Westminster, has an MA from the Royal College of Art and holds the Financial Times NED Diploma. She is resident in Guernsey.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

COMMUNICATIONS WITH SHAREHOLDERS

The main method of communication with the shareholders of the Company ("Shareholders") is through the interim and annual financial report which aims to give Shareholders a clear and transparent overview of the Company's objectives, strategy, and results.

The Company's website, www.ikigaiventuresltd.com is updated when required and provides further information about the Company, including the Company's financial reports and announcements. The maintenance and integrity of the Company's website is the responsibility of the Directors.

Information published on the internet is accessible in many countries with different legal requirements relating to the preparation and dissemination of financial statements and users of the Company's website are responsible for informing themselves of how the requirements in their own countries may differ than those of Guernsey.

The Board believes that the annual general meeting ("AGM") provides an appropriate forum for investors to communicate with the Board, and encourages participation from Shareholders. The AGM will be attended by members of the Board. There is an opportunity for individual Shareholders to question the Directors at the AGM. The Directors welcome the views of all Shareholders and place considerable importance upon them.

NOTIFICATIONS OF SHAREHOLDINGS

As at 30 June 2023, the Company has been notified in accordance with Rule 5 of the Disclosure Guidance and Transparency Rules (which covers the acquisition and disposal of major shareholdings and voting rights), of the following shareholders that had an interest of greater than 5% in the Company's issued share capital.

	Number of Shares	Percentage of Total Voting Rights (%)
TANGLIN CAPITAL LIMITED	10,000,000	48.36
XANGBO GLOBAL MARKETS PTE LTD	3,000,00	14.51
YASUHIRO SAKAMOTO	1,200,000	5.80

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

GOING CONCERN

The financial statements have been prepared using the going concern basis of accounting.

The Company at present has no business or income but is actively seeking to identify and complete a reverse takeover of an acquisition target. As noted in the CEO's report, whilst the Company has ongoing discussions with acquisition targets, none have reached a point where the Company is ready to enter into heads of terms.

At the reporting date the Company had a cash balance of GBP1,189,569 and the Directors have considered cash flow projections for a period of at least 12 months from the date of approval of these financial statements.

Based on their estimate of the operating costs of the Company the Directors have a reasonable expectation that the Company will be able to continue in operation and meet all its liabilities as they fall due.

In making their assessment the Directors:

- Have carried out an assessment of the principal and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks facing the Company and the ways they are being managed and mitigated are summarised on pages 3 and 4 above and on pages 9-18 of the Company's listing prospectus.
- Do not anticipate that the current rate of monthly expenses should materially increase from their current level.
- Have concluded that the Company should have sufficient funds to meet the estimated legal, accounting, due diligence and other costs of a reverse acquisition, based on a review of all major cost categories and estimates of each based on discussions with external advisors. As time elapses, and to the extent that the costs of a reverse acquisition do exceed such estimates, then the Directors would explore alternative funding options available to the Company. These include certain costs being met by the acquisition target from its own cash resources, success fees with certain professional advisors paid for out of post completion funds, or from a capital raise to be conducted at the time of completion of the acquisition.
- Consider that it is impossible to foresee all risks, and the combinations in which they could manifest, and there may be risks that currently or individually do not appear material that could turn out to be material, particularly if occurring in close sequence. In the worst case, the Company would be required to seek additional equity or debt capital from existing shareholders or new investors and, if no such investment could be obtained, the Directors would look to seek an orderly winding up of the Company.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

TO PROMOTE THE SUCCESS OF THE COMPANY

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- Consider the likely consequences of any decision in the long term;
- Act fairly between the members of the Company;
- Maintain a reputation for high standards of business conduct;
- Consider the interests of the Company's employees;
- Foster the Company's relationships with suppliers, customers and others; and
- Consider the impact of the Company's operations on the community and the environment.

The Company has operated as a cash shell throughout the year ended 30 June 2023 and has no employees. The Company has no operating business, no customers and only a limited number of suppliers. The Company currently has a very limited environmental impact but we recognise our environmental responsibilities and will consider the carbon footprint and other environmental impacts of any business that is acquired and investigate measures that may be taken to reduce them.

The pre-revenue nature of the business as a shell, prior to the completion of its acquisition strategy, is important to the understanding of the Company by its members and suppliers, and the Directors have been transparent about the cash position and funding requirements.

The Board is collectively responsible for the decisions made towards the long-term success of the Company and how the strategic, operational and risk management decisions have been implemented throughout the business is detailed in the Strategic Report on pages 2 to 4.

The Shareholders are vital as they provide the necessary capital for the Company to pursue its purpose and strategy. The Company engages with Shareholders by publishing the Interim Report and Annual Report and through interaction at the AGM. This provides the Shareholders with relevant information allowing them to make informed decisions about their investments.

As an investment company with no employees, the Company is reliant on its service providers to conduct its business. The Board receives formal reports from its key services providers at regular intervals. There is also frequent informal interaction with the key services providers. This enables the Board to receive appropriate and timely guidance and facilitates the effective running of the Company.

The Company recognises the benefits from the greater good for the wider community and environment that comes from all companies being good social citizens. The Company's investment strategy and objective is directly aligned with supporting innovative businesses with a strong ESG strategy.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

REAPPOINTMENT OF AUDITOR

Crowe U.K LLP has expressed its willingness to continue in office as auditor and the Board will present a resolution for the proposal of the re-appointment at the Company's AGM.

LISTING REQUIREMENTS

Since its listing on the standard segment of the main market of the London Stock Exchange, the Company has complied with the Disclosure and Transparency Rules, the Listing Rules pertinent to a standard listing, and the Market Abuse Directive (as implemented in the UK through Financial Services and Markets Authority).

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who were members of the Board at the time of approving this Report are listed on page 6. Each of those Directors confirms that to the best of their knowledge and belief, there is no information relevant to the preparation of their report of which the Company's Auditor is unaware. Furthermore, each of the Directors have taken all steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's Auditor is aware of that information.

DIRECTORS' CONFIRMATIONS

Each of the Directors confirm that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with the relevant financial reporting framework and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Directors' Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces; and
- the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

IKIGAI VENTURES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

FINANCIAL INSTRUMENTS

The Company holds cash and cash equivalents, trade and other payables.

SHARE BUYBACKS

The Company has no intention of conducting share buybacks at this time and no share buybacks were carried out in the year ended 30 June 2023.

GLOBAL GREENHOUSE GAS EMISSIONS

The Company has no scope 1 or 2 greenhouse gas emission to report from its operations for the year to 30 June 2023, nor does it have responsibility for any other emissions producing sources.

ALTERNATIVE PERFORMANCE MEASURES

In accordance with the European Securities and Markets Authority Guidelines on Alternative Performance Measures ("APMs") the Board has considered what APMs are included in the annual financial report and financial statements which require further clarification. APMs are defined as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The Board confirm that no APMs have been referenced in the annual financial report and financial statements.

For and on behalf of the Board

Meriel Lenfestey

Meriel Catherine Lenfestey

Director

IKIGAI VENTURES LIMITED

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

APPLICABLE CORPORATE GOVERNANCE CODES

The Directors recognise the importance of sound corporate governance and follow best practice requirements wherever possible. The Directors consider the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Sized Companies (the "QCA Code") is the most appropriate corporate governance code, so far as is practicable, given the Company's size and nature, to comply with certain aspects of the QCA Code from the date of admission.

CORPORATE GOVERNANCE STATEMENT

General statement

The Directors have considered how the principles and provisions of the QCA Corporate Governance Code have been applied by the Company and has reported against this Code.

However, the Company is still at an early stage of development and is in the process of developing its systems, strategy and standards to permit it to comply fully with the QCA Code once it has completed its first acquisition.

To demonstrate the Company's adherence (where practical) to the QCA Code, the Company holds regular board meetings as well as *ad hoc* meetings as issues arise which require the attention of the Board. The Board is responsible for the management of the business of the Company, setting the strategic direction and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor its business and affairs, on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Company at all times. The Board also addresses issues relating to internal controls and the Company's approach to risk management.

The Board is satisfied that it has the experience and sufficient training and qualifications to operate the business at this early stage. More detail on adherence to the QCA Code will be disclosed in future annual reports, once the Company completes an acquisition.

ANTI-BRIBERY POLICY

The Directors have undertaken to operate the business in an honest and ethical manner, and accordingly, take a zero-tolerance approach to bribery and corruption, including the facilitation of corporate tax evasion. The key components of this approach are as follows:

- The Directors are committed to acting professionally, fairly, and with integrity in all its business dealings and relationships.
- The Company implements and enforces effective procedures to counter bribery.
- The Company requires all its service providers and advisers to adopt equivalent or similar principles.

IKIGAI VENTURES LIMITED

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

DISCLOSURES REQUIRED UNDER LR 9.8.4R

The Financial Conduct Authority's Listing Rule 9.8.4R requires that the Company includes certain information relating to arrangements made between a controlling shareholder and the Company, waivers of Directors' fees and long-term incentive schemes in force. Relevant disclosures are made in notes 9 and 10 to the financial statements.

REMUNERATION COMMITTEE

Directors remuneration is shown below and in note 9 to the financial statements. Due to the size of the Company and Board, the Board do not feel that a remuneration committee is required at this time.

INTERNAL AUDIT FUNCTION

The Directors believe that as the Company delegates its day-to-day administrative operations to third-parties (which are monitored by the Directors), it does not require an internal audit function.

APPROACH TO ESG

The Company is an investment entity so its own direct environmental and social impact is minimal. The Company has chosen to focus on ESG within its investment strategy. The Company, in common with most investment companies, relies substantially on outsourced providers. Therefore, the Board's principle focus is centered around governance, ensuring that appropriate ESG policies and a sustainable investing approach is followed as well as monitoring and measuring the Company's service providers future progress towards ESG objectives. However, the Board also wants to ensure the Company makes a positive impact, for example by minimising its own carbon footprint. Both the Company and its service providers are evolving their approach.

CORPORATE SOCIAL RESPONSIBILITY

The Company aims to conduct its business with honesty, integrity and openness, respecting human rights and the interests of shareholders and all stakeholders. The Company aims to provide timely, regular, and reliable information on its business to all its shareholders and conduct its operations to the highest standards.

Once the Company makes an acquisition and has employees, it aims to establish a diverse and dynamic workforce with the experience and knowledge of relevant business operations and the markets in which we intend to operate.

TENURE POLICY

When considering its composition, the Board is strongly committed to striking the correct balance between the benefits of continuity, experience, and knowledge and those that come from the introduction of Directors with diversity of perspectives and skills. At present, it is not considered necessary to appoint additional directors but the Board will consider carefully the optimal Board composition when the first acquisition is made by the Company.

IKIGAI VENTURES LIMITED

CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED 30 JUNE 2023

DIVERSITY AND INCLUSION

The Board's aim is to ensure that the benefits of diversity are a significant consideration in all recruitment. The Company will actively consider the diversity of the Board when making future appointments. The Board currently consists of two men (including the chief executive) and one woman. The Company has no employees.

The Board recognises that diversity includes racial, socio-economic and other factors, and that different backgrounds and experiences can bring real value to the Company in terms of decision-making. The Board does not have any specific diversity targets in mind, given the range of factors that this term necessarily covers and its early stage of development, and its main priority will always be to appoint the most appropriate candidate for any role.

The Company has not met the targets on board diversity set out in the Financial Conduct Authority's Listing Rule 9.8.6R (9). As there are only three Directors, the target of 40% of directors being women has not been met and none of the Directors are from an ethnic minority. However, given the size of the Company and that it has no business or income at this stage, it is not considered appropriate to appoint any more directors at this time.

The Board confirms that, in future, when the activities of the Company require an increase in the number of Directors, or change to the Board's composition, the diversity targets set by the Financial Conduct Authority will be considered prior to any new appointments.

BOARD COMMITTEES

Due to the Company's early stage and small size, the Board does not consider it appropriate to create any committees, including a nomination, audit, risk or remuneration committee. All relevant responsibilities are undertaken by the Board as a whole. The Board will reconsider this once the Company's initial acquisition is completed.

CONFLICTS OF INTEREST

None of the Directors currently has any potential conflict of interests between their duties to the Company and their private interests or other duties. All Directors have the capacity to devote adequate time to their roles on the Board. None of the Directors are employed by the Company on a full-time basis and, as such, conflicts may arise in the future as a Director may allocate a portion of their time to other businesses leading to the potential for conflicts of interest in their determination as to how much time to devote to the Company's affairs. All of the Directors other directorships are fully disclosed and such disclosures are updated regularly.

BOARD MEETING ATTENDANCE

The Board attended the following meetings during the period:

Date of Meeting	Type of Meeting	Nick Bryan-Brown Attendance	Ashley Paxton Attendance	Meriel Catherine Lenfestey Attendance
15/06/2022	Board meeting	Yes	Yes	Yes
01/11/2022	AGM	Yes	Yes	Yes
29/03/2022	Board meeting	Yes	Yes	Yes
13/04/2022	Board Meeting	Yes	Yes	Yes

IKIGAI VENTURES LIMITED

DIRECTORS' REMUNERATION REPORT FOR THE YEAR ENDED 30 JUNE 2023

An Ordinary Resolution for the approval of the Directors' Remuneration Report will be put to shareholders at the forthcoming AGM due to be held in November 2023.

There are no long-term incentive schemes provided by the Company and no performance fees are paid to the Directors.

Each Director is appointed by a letter of appointment which sets out the terms of the appointment.

Directors are remunerated in the form of fees, payable quarterly in arrears to the Directors personally. The table below details the fees paid to each Director of the Company for the year ended 30 June 2023. The Company's Articles limit the aggregate fees payable to Directors to a maximum of £750,000 per annum.

Under the Company's Articles, Directors are entitled to additional ad-hoc remuneration for project work outside of the scope of their ordinary duties. No such payments were made in the year ended 30 June 2023.

Director	Role	Fees Paid for the 12 Months ended 30 June 2023
Ashley Charles Paxton	Director	GBP25,000
Meriel Catherine Lenfestey	Director	GBP25,000
Nicholas Bryan-Brown	Director	SGD145,596 (GBP88,311)

IKIGAI VENTURES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2023

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with the applicable Guernsey law and UK adopted International Accounting Standards ("UK IFRS "). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit and loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008, as amended. The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring that the annual report and financial statements include the information required by the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority (together, the "Rules"). They are also responsible for ensuring that the Company complies with the provision of the Rules which, with regard to corporate governance, require the Company to disclose how it has applied the principles and complied with the provisions of the corporate governance code applicable to the Company.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

APPROVED BY THE BOARD OF DIRECTORS

Meriel Lenfestey

Meriel Catherine Lenfestey

As Director of Ikigai Ventures Limited

Date: Oct 12, 2023

IKIGAI VENTURES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IKIGAI VENTURES LIMITED FOR THE YEAR ENDED 30 JUNE 2023

Opinion

We have audited the financial statements of Ikigai Venture Limited for the year ended 30 June 2023, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted International Accounting Standards (UK IAS).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included the following procedures:

The going concern assessment period used by the Directors was at least 12 months from the date of the approval of the financial statements. We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment.

We evaluated the Directors' assessment of the company's ability to continue as a going concern, including tested the integrity of the going concern model, reviewed and challenged assumptions made by management in preparing their forecast to consider whether the company has sufficient resources to continue for at least the next 12 months from the date of approval of these financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

IKIGAI VENTURES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IKIGAI VENTURES LIMITED FOR THE YEAR ENDED 30 JUNE 2023

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £30,000 (2022: £28,000), based on 2.5% of the company's net asset at the reporting year. We consider this the appropriate measure for a cash shell.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined the performance materiality to be £21,000 (2022: £19,600).

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the board of directors to report to it all identified errors in excess of £1,500 (2022: £1,400). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

We performed a fully scope audit on the company. The company's accounting records are administered from one central location, the company's registered office and our audit was conducted on these records.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. We have determined that the only key audit matter was going concern, which is dealt with in the section conclusion relating to going concern above. There are no other key audit matters to communicate in our report.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

IKIGAI VENTURES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IKIGAI VENTURES LIMITED FOR THE YEAR ENDED 30 JUNE 2023

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies (Guernsey) Law 2008.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment risk of irregularities, testing a risk-based selection of journals, reviewing accounting estimates for biases, assessing the accounting treatment of non-routine transactions, corroborating amounts and balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under UK IAS and applicable law.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law 2008. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Crowe U.K. LLP

Statutory Auditor

London

Date: 12 October 2023

IKIGAI VENTURES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

(Expressed in Pounds Sterling)

	Notes	Year ended 30 June 2023		For the period 28 May 2021 to 30 June 2022	
		GBP	GBP	GBP	GBP
EXPENSES					
Administration fees		60,229		48,836	
Accountancy fees		6,760		6,674	
Directors' remuneration	9	138,311		79,717	
Directors' fees	9	-		4,248	
Legal and professional fees		382,563		367,044	
Initiation fee		-		50,000	
Audit fees		25,000		-	
Annual registration fees		500		500	
Travel expenses	9	5,289		2,019	
Insurance		18,485		18,207	
Commission expenses		6,500		-	
Sundry expenses		8,042		1,015	
Loss on foreign exchange		3,091		571	
			(654,770)		(578,831)
OPERATING LOSS			GBP (654,770)		GBP (578,831)
Finance income			14,229		20
Finance costs			(1,784)		(679)
			12,445		(659)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			GBP (642,325)		GBP (579,490)
Taxation	6		-		-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR / PERIOD			GBP (642,325)		GBP (579,490)
EARNINGS PER SHARE					
			GBP		GBP
Earnings per share for losses attributable to the ordinary equity holders of the company:					
Basic loss per share	8		(3.5)p		(4.5)p
Diluted loss per share	8		(3.5)p		(4.5)p

The accompanying notes form an integral part of these financial statements.

IKIGAI VENTURES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

(Expressed in Pounds Sterling)

	Notes	As at 30 June 2023		As at 30 June 2022	
		GBP	GBP	GBP	GBP
CURRENT ASSETS					
Trade and other receivables	4	4,684		8,376	
Cash at bank		<u>1,189,569</u>		<u>116,157</u>	
		1,194,253		124,533	
CURRENT LIABILITIES					
Trade and other payables	5	<u>39,568</u>		<u>143,023</u>	
		39,568		143,023	
NET CURRENT ASSETS / (LIABILITIES)			1,154,685		(18,490)
NET ASSETS / (LIABILITIES)		GBP	<u>1,154,685</u>	GBP	<u>(18,490)</u>
CAPITAL AND RESERVES					
SHARE CAPITAL	7		-		-
SHARE PREMIUM			2,376,500		561,000
RETAINED LOSSES			(1,221,815)		(579,490)
		GBP	<u>1,154,685</u>	GBP	<u>(18,490)</u>

The financial statements on pages 23 to 35 were authorised for issue by the Board of Directors on 12th October 2023 and were signed on its behalf.

APPROVED BY THE BOARD OF DIRECTORS

Meriel Catherine Lenfestey

Meriel Lenfestey

As Director of Ikigai Ventures Limited

Date: Oct 12, 2023

The accompanying notes form an integral part of these financial statements.

IKIGAI VENTURES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

(Expressed in Pounds Sterling)

	Notes	Number of shares	Share Capital GBP	Share Premium GBP	Retained Losses GBP	Total Equity GBP
AT 28 MAY 2021			-	-	-	-
Issued share capital	7	16,500,001	1	561,000	-	561,001
Redemption of redeemable shares	7	(1)	(1)	-	-	(1)
Loss for the period		-	-	-	(579,490)	(579,490)
AT 30 JUNE 2022		16,500,000	-	561,000	(579,490)	(18,490)
AT 01 JULY 2022		16,500,000	-	561,000	(579,490)	(18,490)
Issued share capital	7	4,180,000	-	2,090,000	-	2,090,000
Costs attributable to issue of shares	7	-	-	(274,500)	-	(274,500)
Loss for the year		-	-	-	(642,325)	(642,325)
AT 30 JUNE 2023		20,680,000	-	2,376,500	(1,221,815)	1,154,685

The accompanying notes form an integral part of these financial statements.

IKIGAI VENTURES LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

(Expressed in Pounds Sterling)

	Year ended 30 June 2023 GBP	Period ended 30 June 2022 GBP
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before income tax for the period	(642,325)	(579,490)
Adjustments for:		
Equity settled transactions	-	50,000
OPERATING CASH FLOW BEFORE WORKING CAPITAL CHANGES	(642,325)	(529,490)
<i>Add/(deduct) working capital changes:</i>		
Decrease / (increase) in other current assets	3,692	(8,376)
(Decrease) / increase in trade and other payables	(103,455)	143,023
NET CASH USED IN OPERATING ACTIVITIES	(742,088)	(394,843)
NET CASH USED IN INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of share capital	2,090,000	511,000
Costs attributable to issue of shares	(274,500)	-
NET CASH GENERATED FROM FINANCING ACTIVITIES	1,815,500	511,000
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,073,412	116,157
Cash and cash equivalents at the beginning of the year / period	116,157	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR / PERIOD	1,189,569	116,157

The accompanying notes form an integral part of these financial statements.

IKIGAI VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

1 GENERAL INFORMATION

The Company is a listed company incorporated on 28 May 2021 in Guernsey under the Companies (Guernsey) Law, 2008, as amended and is registered in Guernsey. On 15 September 2022 the company was admitted to the main market for listed securities of the London Stock Exchange under the ticker symbol "IKIV" with shares registered with an ISIN of GG00BPG8J619 and SEDOL of BPG8J61. The address of the Company's registered office is Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB and the Company's registration number is 69265.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of Compliance

These financial statements give a true and fair view, comply with the Companies (Guernsey) Law, 2008, as amended and were prepared in accordance with the UK adopted International Accounting Standards ("UK IFRS").

2.2 Presentation of Financial Statements

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value.

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding period.

2.3 Functional and Presentation Currency

The functional and presentation currency of these financial statements is Pounds Sterling.

2.4 Financial Instruments

2.4.1 Financial Assets

The Company's financial assets are cash and cash equivalents and trade and other receivables. The classification is determined by management at initial recognition and depends on the purpose for which the financial assets are acquired.

The Company initially recognises receivables issued when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss.

Receivables are subsequently carried at amortised cost using the effective interest method. Amortised cost is the initial measurement amount adjusted for the amortisation of any differences between the initial and maturity amounts using the effective interest method. Receivables are reviewed for impairment assessment.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade and other receivables

Trade and other receivables principally consist of prepayments which are carried at amortised cost.

IKIGAI VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Financial Instruments (continued)

2.4.1 Financial Assets (continued)

The Company's trade and other receivables are subject to the expected credit loss model under IFRS 9.

As the Company's trade and other receivables consist of prepayments, these are carried at amortised and do not require testing for impairment purposes.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership or has not retained control of the financial asset.

2.4.2 Financial Liabilities

All financial liabilities are initially recognised on the trade date when the entity becomes party to the contractual provisions of the instrument.

Financial liabilities which includes trade and other payables and are recognised initially at fair value, net of directly attributable transaction costs. Financial liabilities are subsequently stated at amortised cost, using the effective interest method.

Financial liabilities are classified as current liabilities if payment is due to be settled within one year or less after the end of the reporting period (or in the normal operating cycle of the business, if longer), or the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. Otherwise, these are presented as non-current liabilities.

Financial liabilities are derecognised from the statement of financial position only when the obligations are extinguished either through discharge, cancellation or expiration. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

2.5 Equity

Share capital represents the nominal value of shares that have been issued.

Share premium includes any contributions from equity holders over and above the nominal value of shares issued. Any transaction costs associated with the issuance of shares are deducted from share premium.

Retained earnings represent all current period results of operations as reported in the statement of comprehensive income, reduced by the amounts of dividends declared.

2.6 Share based payments

Under IFRS 2, a share-based payment is a transaction in which the entity receives good or services either as consideration for its instruments or by incurring liabilities for amounts based on the price of the entity's shares or other equity instruments of the entity.

Equity-settled share-based payment transactions are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period.

IKIGAI VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Costs and expenses

Costs and expenses are recognised in profit or loss upon utilisation of goods or services or at the date they are incurred. All finance costs are reported in profit or loss on an accrual basis.

2.8 Taxation

The Company is liable to tax at the standard Guernsey rate of 0%.

2.9 Going Concern

The financial statements have been prepared using the going concern basis of accounting.

The Company at present has no business or income but is actively seeking to identify and complete a reverse takeover of an acquisition target. As noted in the CEO's report, whilst the Company has ongoing discussions with acquisition targets, none have reached a point where the Company is ready to enter into Heads of Terms.

At the reporting date the Company had a cash balance of GBP1,189,569 and the Directors have considered cash flow projections for a period of at least 12 months from the date of approval of these financial statements.

Based on their estimate of the operating costs of the Company, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet all its liabilities as they fall due.

Further analysis on the Directors assessment of going concern is given on page 11 to these financial statements.

3 Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be adjusted due to estimates and assumptions turning out to be materially different when compared to actual results.

The principal estimates and judgements are as follows:

Share-based payments:

The Company measures the cost of equity settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Judgement is required for the inputs into the valuation model specifically volatility rates and estimated life of the warrants as follows:

Risk free interest rate	5.05%
Expected volatility	15.7%
Time to maturity	3 years
Share price on warrant issue date	GBP0.50

The total share-based payment charge of £19,398 is not recognised in these financial statements on the ground of materiality level. The fair value calculation of warrant is sensitive to management's estimate of the expected volatility applied. If a higher volatility of 20% was applied, the share-based payment charge would be approximately £21,000.

IKIGAI VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

4	TRADE AND OTHER RECEIVABLES	2023	2022
		GBP	GBP
	Prepayments	4,684	8,376
		<u>4,684</u>	<u>8,376</u>
		<u><u>4,684</u></u>	<u><u>8,376</u></u>
5	TRADE AND OTHER PAYABLES	2023	2022
		GBP	GBP
	Administration fees	5,275	11,353
	Accountancy fees	1,755	-
	Directors' remuneration	-	12,500
	Legal and professional fees	7,538	115,199
	Audit fees	25,000	-
	Travel expenses	-	3,951
	Sundry expenses	-	20
		<u>39,568</u>	<u>143,023</u>
		<u><u>39,568</u></u>	<u><u>143,023</u></u>

6 TAXATION

The Company is registered in a non-tax jurisdiction. Providing detailed information on the effective tax rate is not considered to be meaningful and as such, no tax reconciliation has been provided.

IKIGAI VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

7 SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares	Ordinary shares GBP	Share Premium GBP	Total GBP
On incorporation (of £1.00 each)	1	1	-	1
Issue share capital (no par value each)	16,500,000	-	561,000	561,000
Redemption (of £1.00 each)	(1)	(1)	-	(1)
As at 30 June 2022	16,500,000	-	561,000	561,000
Issue share capital (no par value each)	4,180,000	-	2,090,000	2,090,000
Costs attributable to issue of shares	-	-	(274,500)	(274,500)
As at 30 June 2023	20,680,000	-	2,376,500	2,376,500

On incorporation, the Company issued 1 ordinary Subscriber Share of GBP1 at par of GBP1. On 29 July 2021, it was resolved to re-designate the sole ordinary share of GBP1 par value issued to Tanglin Capital Limited upon the formation of the Company as a redeemable share, and to redeem the Subscriber Share for GBP1.

On 29 July 2021, Tanglin Capital Limited invested GBP10,000 into the Company as cash consideration for 10,000,000 ordinary shares of no par value at a price of GBP0.001 per share.

On 20 August 2021 and 8 September 2021, the Company issued 3,000,000 and 2,000,000 Ordinary Shares of no par value at a price of GBP0.10 per share in connection with the pre-IPO fundraising, raising a total of GBP500,000.

On 20 August 2021 the Company issued Strand Hanson Limited GBP50,000 in equity as an initiation fee which equates to 500,000 ordinary Shares of no par value at a price of GBP0.10 per share. The Company also agreed, on admission, to issue a warrant to Strand Hanson Limited to subscribe at any time during the three years following the date of issue of the warrant for an aggregate number of shares equal to one per cent of the enlarged issued share capital of the Company. The warrant can be freely assigned by Strand Hanson Limited to any subsidiary or associated company, shareholders or employees.

As at the year end, the Directors valued the warrant using the Black Scholes Formula. Using this formula, the warrant has an estimated consideration of GBP19,398 and as such is below the materiality threshold. As a result, no liability has been recognised in relation to the warrant.

On 5 April 2022 Nicholas Harris Bryan-Brown invested GBP1,000 into the Company as cash consideration for 1,000,000 ordinary shares of no par value at a price of GBP0.001 per share.

On 15 September 2022 and on admission to the main market for listed securities of the London Stock Exchange, the Company issued 4,180,000 Ordinary Shares of no par value at a price of £0.50 each, raising a total of GBP2,090,000.

During the year the cost attributable to the share issue amount of GBP274,500 were charged against the Share Premium account in relation to the initial public offering.

IKIGAI VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

8 EARNINGS PER ORDINARY SHARE

	For the period 28 May 2021 to to 30 June 2022 GBP		
	Losses	Weighted average of number of shares	Per-share amount GBP
Losses attributable to Shareholders	(579,490)	12,902,010	(0.045)
	Year ended 30 June 2023 GBP		
	Losses	Weighted average of number of shares	Per-share amount GBP
Losses attributable to Shareholders	(642,325)	19,798,192	(0.032)

Basic loss per Ordinary Share is calculated by dividing the loss attributable to Shareholders by the weighted average number of Ordinary Shares outstanding during the period.

Diluted loss per share is calculated by adjusting the weighted average number of Ordinary Shares outstanding to assume conversion of all dilutive potential Ordinary Shares. As at 30 June 2023 (and in accordance with the warrant issued to Strand Hanson on 20 August 2021 as disclosed in note 7), there were 206,800 warrants outstanding which represented 1% of the number of Ordinary Shares in issue. The basic loss per share attributable to Shareholders as at 30 June 2023 was GBP0.03 and does not take into consideration the warrant mentioned above. As the Company has made a loss for the year, considering the warrant would have an anti-dilutive effect, making the diluted loss per share equal to the basic loss per share.

IKIGAI VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

9 RELATED PARTY TRANSACTIONS

The Directors' remuneration for Ashley Charles Paxton for the year was GBP25,000 (2022: GBP12,500)

The Directors' remuneration for Meriel Catherine Lenfestey for the year was GBP25,000 (2022: GBP12,500).

Nicholas Bryan-Brown received SGD145,596 (GBP88,311) during the year for CEO services provided by Synapse Asia Pte. Ltd (2022: SGD36,472 (GBP21,182)).

Nicholas Bryan-Brown also received GBP3,260 and SGD3,386 (GBP2,029) as reimbursement of travel and meeting expenses during the year (2022: GBP769 and SGD1,704 (GBP1,004)).

Andrew Roberto Mankiewicz OBE is not a director of the Company but is a major shareholder and, through a company wholly-owned by him, acts as a consultant to the Company. During the year the Company paid SGD3,766 (GBP2,336) as reimbursement of travel and meeting expenses and legal and professional fees paid on behalf of the company and SGD95,333 (GBP57,953) of advisory fees during the year (2022: GBP28,419). During the period ended 30 June 2022, Mr Andrew Roberto Mankiewicz OBE also received Directors' remuneration of GBP53,333.

10 ULTIMATE CONTROLLING PARTY

The directors confirm that there is no ultimate controlling party, although Tanglin Capital Limited hold the majority vote, which is ultimately controlled by Andrew Roberto Mankiewicz OBE.

IKIGAI VENTURES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

11 FINANCIAL RISK MANAGEMENT

The Company is exposed to a number of risks arising from the financial instruments it holds. The main risks to which the Company is exposed are market risk, credit risk and liquidity risk. The risk management policies employed by the Company to manage these risks are discussed below as follows:

11.1.1 Market risk

Market risk is the risk that changes in market prices such as equity prices, interest rates and foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Price risk

The Company is not directly or indirectly exposed to any significant price risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk arises on interest-bearing financial instruments recognised in the Statement of Financial Position.

Cash and cash equivalents are interest bearing but not at significant levels and there is no debt.

Currency risk

The Company is not exposed to the risk that the exchange rate of its reporting currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of the Company's financial assets or liabilities denominated in currencies other than GBP as all financial assets or liabilities are denominated in GBP.

11.1.2 Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents as well as outstanding receivables.

The Company assesses all counterparties for credit risk before contracting with them. The credit risk on cash and cash equivalents is mitigated by entering into transactions with counterparties that are regulated entities subject to prudential supervision, with high credit ratings assigned by international credit rating agencies. Cash and cash equivalents are held with Barclays Bank plc, which at the year end was assigned a credit rating of A by Standard and Poor's rating agency.

The maximum exposure to credit risk is the carrying amount of the financial assets set out below.

	2023
	GBP
Cash and cash equivalents	1,189,569
Total credit risk exposure	<u>1,189,569</u>

IKIGAI VENTURES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023

FINANCIAL RISK MANAGEMENT (continued)

11.1.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. This risk can arise from mismatches in the timing of cash flows relating to assets and liabilities. The Company receives funding from the shareholders and does not have significant ad hoc expenses to settle. The only significant expense that the Company is exposed to are general operating expenses.

The table below analyses the Company's financial liabilities into the relevant maturity groupings based on the remaining period at the reporting date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

As at 30 June 2023	Less than 1 month/on demand	1-12 months	More than 12 months	Total
Liabilities				
Trade and other payables	39,568	-	-	39,568
	39,568	-	-	39,568
As at 30 June 2022	Less than 1 month/on demand	1-12 months	More than 12 months	Total
Liabilities				
Trade and other payables	143,023	-	-	143,023
	143,023	-	-	143,023

11.2 Capital risk management

The capital of the Company is represented by the net assets attributable to the equity shareholder. The Company's objective when managing capital is to safeguard the ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders.

12 POST BALANCE SHEET EVENTS

There are no post balance sheet events to report that have not already been disclosed throughout these Financial Statements.

IKIGAI VENTURES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2023

Directors/the Board:	Ashley Charles Paxton Meriel Catherine Lenfestey Nicholas Harris Bryan-Brown
Registered Office:	Martello Court Admiral Park St Peter Port Guernsey GY1 3HB
Registered Number:	69265
Secretary:	Cosign Limited Admiral Park St Peter Port Guernsey GY1 3HB
Financial Advisor	Strand Hanson Limited 26 Mount Row London W1K 3SQ
Administrator:	Intertrust International Management Limited Admiral Park St Peter Port Guernsey GY1 3HB
Registrar:	Link Asset Services 65 Gresham Street London EC2V 7NQ
Independent Auditor:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Legal Advisor:	Pinsent Mason Mpillay 182 Cecil Street 32-01 Frasers Tower Singapore 69547
Legal Advisor:	Carey Olsen (Guernsey) LLP Carey House Les Banques St Peter Port Guernsey GY1 4BZ