

information

cloud input

big data

media

Web3.0

inforoid

artificial intelligence

solution

information

technology

**FY2025 ending March 2025/ Q1 FINANCIAL RESULTS
MINKABU THE INFONOID, Inc [4436]
August 14, 2024**

Disclaimer

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- The forward-looking information contained in this presentation is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information.
- The Company’s actual future business and its performance would differ from the prospects described in this material.
- Furthermore, the statements regarding future prospects in this document are made by the Company based on information available as of August 14, 2024, and these descriptions about the future outlook are subject to various risks and uncertainties. Therefore, actual results may differ significantly from the assumptions

big data

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solution

technology

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artificial intelligence

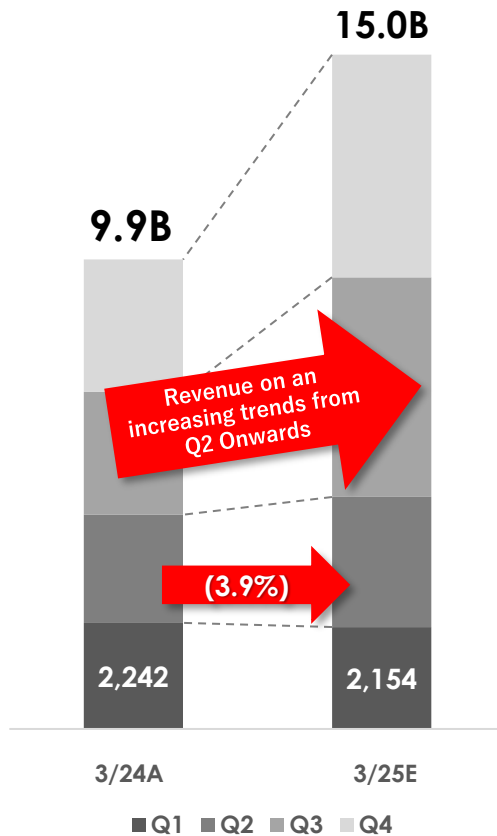
information

Q1 progressed almost as planned

Shifting to revenue-increase and profitable phase from Q2

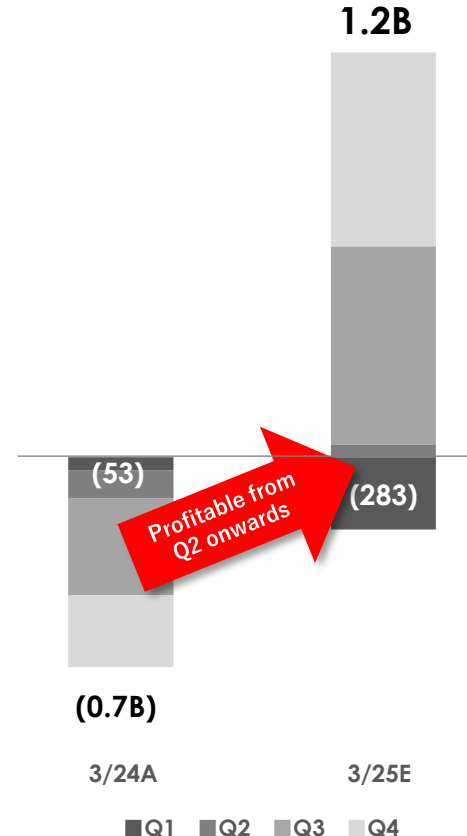
Consolidated sales revenue compared to the previous period

(million Yen)



Consolidated operating profit compared to the previous period

(million Yen)



【Consolidated basis】

- Q1 ended sales decrease and operating loss but generally as expected.
- Consolidated sales slightly decreased as a result of a decrease in solution revenue due to a reactionary decline in spot sales, while media revenue increased. We see, however, revenue growth from Q2 and onwards
- No change in the scenario of returning profitable from Q2 and onwards, although losses continued due to upfront fixed costs for projects that are expected to start contributing to earnings in the Q2

【Media segment】

- Increased revenue compared to the previous fiscal year contributed by SSG and content business despite the display advertising market remains sluggish
- The operating loss narrowed due to progress in cost reductions implemented in the previous fiscal year

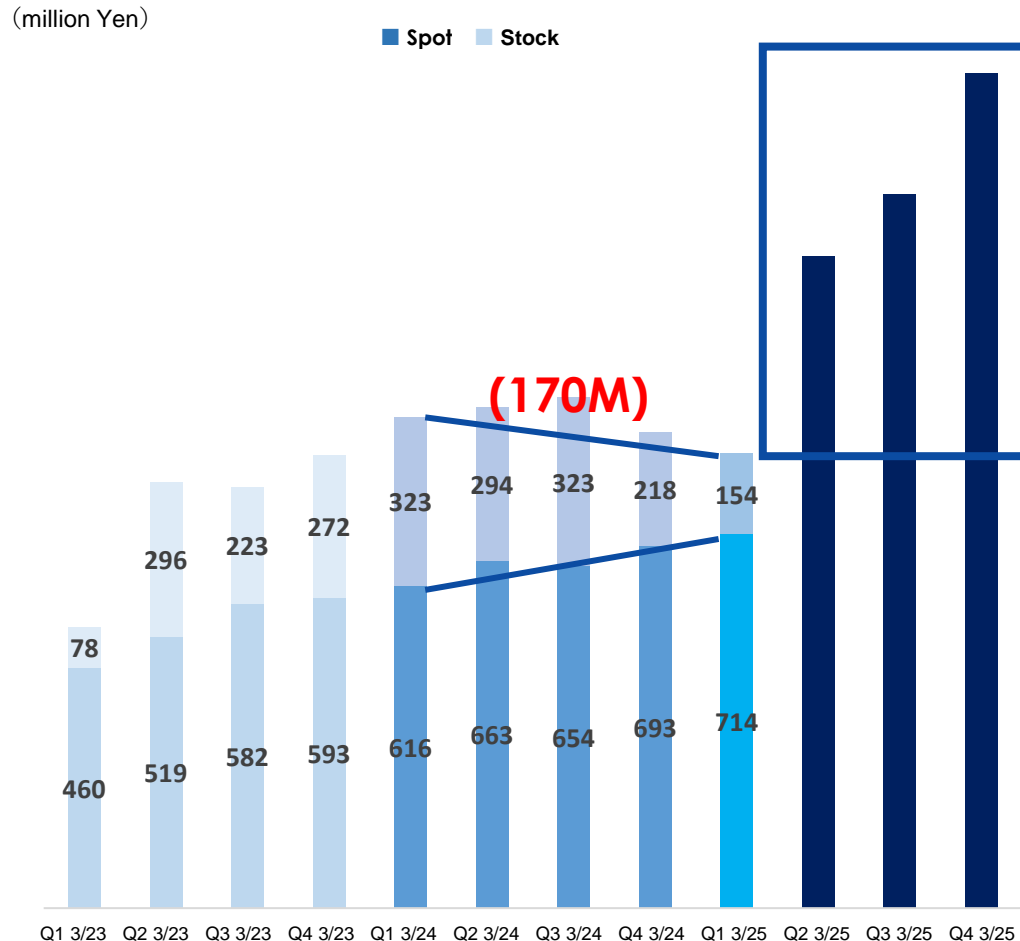
【Solution segment】

- Steadily increase in revenue of information solutions and stock search services despite a decrease in revenue and profit due to reactionary decline in sizable spot sales

*Sales revenue is the figure before deducting management fees.

Revenue down YoY due to a reactionary decline in spot sales, but largely in line with the plan Recurring revenue continues to show sustained growth

Quarterly Revenue Trend of the Solutions Business



In addition to deferred projects from previous fiscal year and planned SI and package projects, revenue contributions to start from upfront investment projects including toku-chain, Minkabu Academy, and MAP business

【Information Solution】

- Although spot revenue decreased slightly compared to the previous year, stock revenue (i.e., recurring revenue) increased due to price hikes and customer acquisition, resulting in a 6.2% increase in total revenue compared to the previous year (approximately JPY30 million)

【SI/Package-based Solution】

- Due to a large online banking project in the same period last year, there is a 48.4% decrease in revenue compared to the previous year (approximately JPY160 million). However, progress is being made in accumulating future projects

【Kabutan】

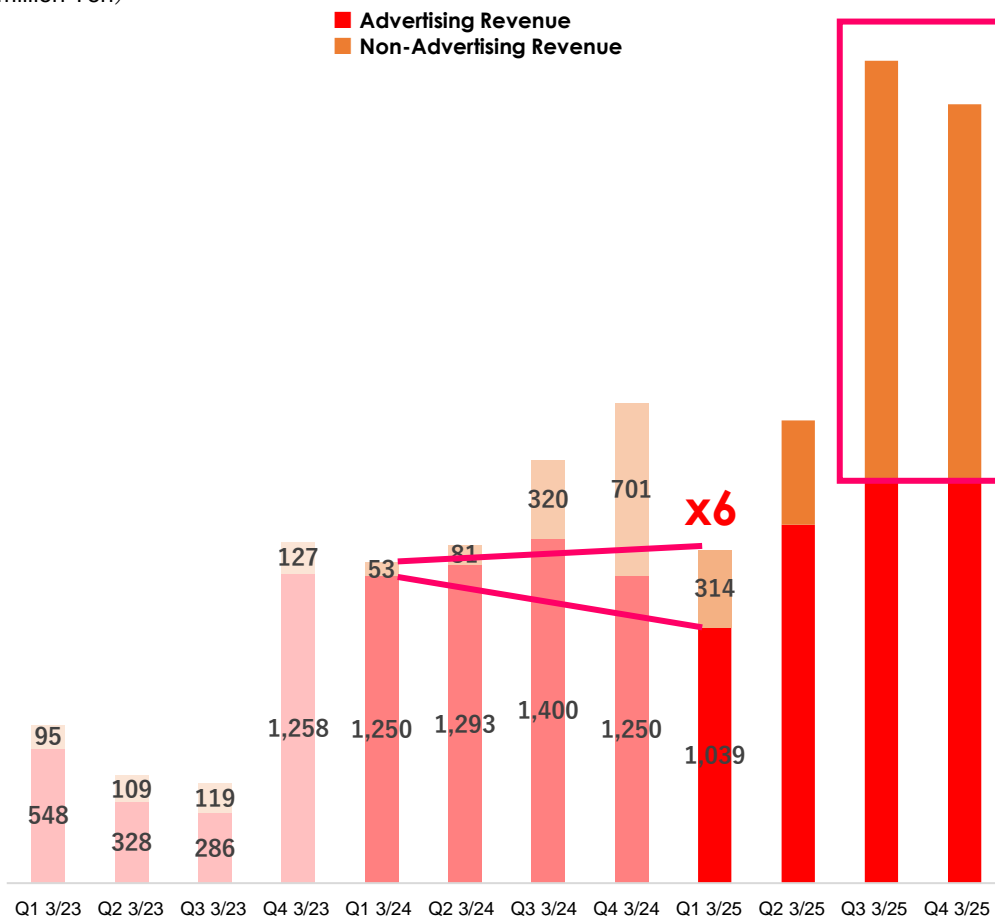
- Recurring revenue from subscription fees increased by 46.1% compared to the previous year (approximately JPY50 million)

* The figures in the graph on the left exclude the impact of PropTechplus Inc., which was sold in the fiscal year ending March 2023, and include adjustments to reflect the segment changes made to the stock search service from the previous fiscal year.

Existing businesses performed largely in line with plans New large revenue-generating projects are concentrated in the second half of the fiscal year

Quarterly Revenue Trend of the Media Business

(million Yen)



120,000 spectators expected across 3 large events
Anticipating 'Oshi-Pass' members acquisition related to these events

【Advertising Revenue】

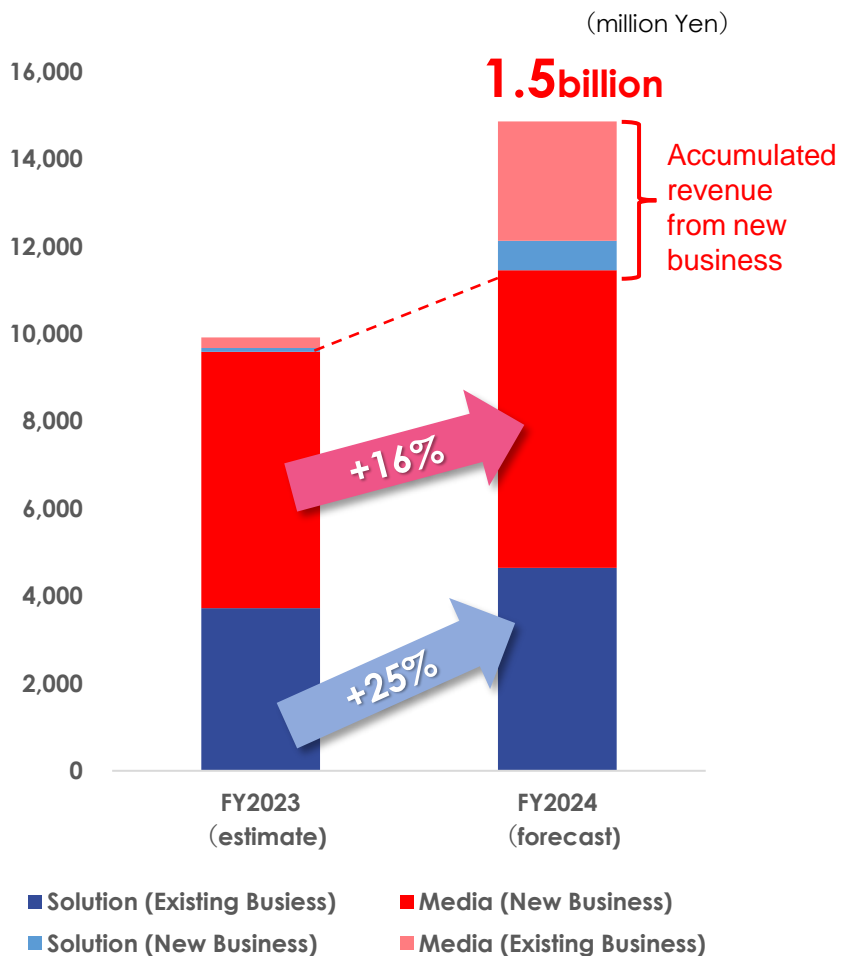
- Affiliate revenue fell short due to a sharp slowdown in the number of new NISA account openings, which is the main reason of decrease in media revenue compared to the previous fiscal year. However, SEO remains strong, so efforts are being made to secure new revenue through measures such as placing performance-based advertisements outside the main framework
- Under the prolonged sluggishness in the display advertising market environment, starting in phases to use 1st-party data for advertising menus that have been prepared since last year. This approach will be utilized not only for network advertising but also for direct advertising to boost future sales. Additionally, combined with the newly installed Overlay, this will serve as a driver for future revenue growth

【Non-Advertising Revenue】

- Due to the consolidation of SSG, revenue from facility operation, commissioned production and rights sales in the content business contributed to a sixfold increase compared to the previous fiscal year, effectively covered the shortfall in advertising revenue
- Revenue decrease QoQ is due to the revenue related to Kstyle PARTY in Q4 of the previous period. This fiscal year, as previous year, major events are scheduled for the second half.

Due to the growth of existing operations and the early realization of newly developed ventures, we are in a situation where we can achieve the largest increase in revenue since going public

The transition of revenue
by existing and new business segments



Existing
Business

Solution Business

Media Business

+9 billion Yen (+25% YoY)

- The repeat demand from existing customers of the SI package and the expanding need for U.S. stock support in the information solution business are notable.
- Kabutan is experiencing growth due to an increase in paying subscribers and price revisions.

+9 billion Yen (+16% YoY)

- Do not incorporate a full recovery of the advertising market into our projections and take into account the impact of cookie-less browsing.
- Active utilization of generated AI, the revitalization of the creator economy, and the proliferation of integrated applications

New
Business

+6 billion Yen

- Commenced offering a new benefit distribution platform utilizing Web3 technology.
- Begun contributing revenue through the provision of asset formation support services for professionals with 'Minkabu Academy' and the MAP (Minkabu Asset Planning) business.

+25 billion Yen

- Content business is expected to ramp up, anticipating growth in operating revenue from established external large-scale events and related "Oshi-pass" service.
- Mobile, EC, and banking, in the phase of proactive investment in the previous period, are now in the phase of widespread adoption."

① Status of revenue growth measures for existing business : aims for an increase of JPY900M (+25%YoY)

【Current Progress】

【Themes & Challenges】

【Response Status】

Information
Solution

- **Domestic Clients**
 - Acquired 6 additional U.S. stock information projects
 - Needs for Investment Trust DX
- **Overseas Clients**
 - Acquired a project with a major French vendor
 - Established new channels for developing other overseas clients

- Obtain a Continuous Sales Pipeline
- Capture Further Overseas Demand
- Obtain Large Projects as Outlined in the Mid-Term Plan

- **Domestic Clients**
 - Obtain large projects through a business partnership with TradeWorks
 - Acquisition and lateral development of for DX solutions business for operation reports
 - Acquisition of ongoing Kabutan Professional implementation projects
- **Overseas Clients**
 - Obtain projects for multiple locations of foreign securities firms currently under development
 - Partnerships with multiple overseas vendors

SI/Package-
based
Solution

- **Existing Clients**
 - No large projects in Q1, but acquiring projects for the full-year is in progress
- **New Clients**
 - Expanded customer outreach in other financial sectors

- Obtain a Continuous Sales Pipeline
- Acquisition of Clients in Non-Financial Sectors

- **Existing Clients**
 - Progress is being made towards accumulating a continuous stream of projects
- **New Clients**
 - Obtain projects during the review period of early DX development investments (pipeline established)
 - Cross-selling through a partnership with Project Company

Kabutan

- **Progressing as Planned**
 - Preparation for price revisions starting in October

- Expanding the Customer Base Through the Acquisition of Overseas Clients

- **Expanding the Customer Base**
 - Launch of the multilingual version of Kabutan (the English version is to be brought to the market in December as the first phase)

② Status of New Businesses: This fiscal year's plan aims for an increase of JPY600M

| | 【Current Progress】 | 【Themes & Challenges】 | 【Response Status】 |
|--|---|---|---|
| NFT Benefit Distribution PF (toku-chain) | <ul style="list-style-type: none"> ● Acquisition of Clients <ul style="list-style-type: none"> • Preparations underway for launch with online securities firms • Reaching out to multiple other clients ● Acquisition of Advertising Agencies <ul style="list-style-type: none"> • Acquired over 50 agencies already ● System Development <ul style="list-style-type: none"> • As scheduled | <ul style="list-style-type: none"> ● Launching as Planned (this fall) ● Extensive Verification Work, Including Legal Checks, for NFT Utilization ● Highly Satisfying Benefits Lineup | <ul style="list-style-type: none"> ● Towards the Launch <ul style="list-style-type: none"> • As this is an industry-first initiative, legal verification and customer system integration are underway • Promoting system development in collaboration with TradeWorks ● Prepare the Benefits Lineup <ul style="list-style-type: none"> • Receiving diverse proposals from partner advertising agencies, with client reviews currently in progress |
| MINKABU · ACADEMY | <ul style="list-style-type: none"> ● PoC (Mitsubishi UFJ Trust and Banking Corporation) <ul style="list-style-type: none"> • As scheduled | <ul style="list-style-type: none"> ● Launching as Planned (this fall) ● Acquisition of Clients in Non-Financial Sectors | <ul style="list-style-type: none"> ● Towards the Launch <ul style="list-style-type: none"> • The project for Mitsubishi UFJ Trust and Banking Corporation is progressing as planned, including discussions on the scope of customization ● Sales Expansion <ul style="list-style-type: none"> • Projects are underway to expand sales to regional banks and credit unions • Expanding sales to non-financial companies through partnerships with multiple firms, including Project Company is underway |
| MAP business | <ul style="list-style-type: none"> ● DX Solutions for Call Center <ul style="list-style-type: none"> • Starting from Q1, launching for major online securities firms ● Investment Advisory Service <ul style="list-style-type: none"> • As scheduled | <ul style="list-style-type: none"> ● Expansion of BPO Services ● Launching Investment Advisory Services as Planned | <ul style="list-style-type: none"> ● BPO Services <ul style="list-style-type: none"> • One company has been added since Q2 • Development of an efficiency system for chat bot support services utilizing generative AI ● Investment Advisory Service <ul style="list-style-type: none"> • Preparing services for major online securities firms and cryptocurrency exchanges |

① Status of revenue growth measures for existing business : aims for an increase of JPY900M (+16%YoY)

【Current Progress】

【Themes & Challenges】

【Response Status】

Response to Advertising Market Conditions

- Revamping Advertising Menus
 - Add pure ad to the livedoor media, creating cross-media menu
- Strengthening Data Marketing
 - Enhancing Data Integration and Distribution

- Revamping Advertising Menus
 - Increasing the number of cross-media proposals for owned media
- Strengthening Data Marketing
 - Achieving diversification of advertising menus through data organization

- Revamping Advertising Menus
 - Applying the collaborative menu on the occasion of the Olympics to other projects. Increase unit price by responding to client needs, including strengthening targeted delivery through a combination of mass and specialty
- Strengthening Data Marketing
 - Diversify advertising menu and increase unit price by utilizing 1st party data, as well as create new business through agency collaboration

Creator Economy (Diversification Strategies for Blog Revenue)

- Planned Advertising
 - Co-branded manga-style advertisements are performing well, with the highest number of projects to date
- Digitization into e-books
 - Continuously digitizing popular works by top creators into e-books

- Planned Advertising
 - Promoting sales through an increase in case studies
- Digitization into e-books
 - Expanding the lineup of digitized e-books

- Planned Advertising
 - Expanding sales sources to include nationwide municipal deployments of manga-style co-branded advertisements
- Digitization into e-books
 - Advancing collaborations with top creators and vertical formatting of existing works to further expand the scale. Plans include not only domestic growth but also international expansion

AGC (Strategies for Increasing Content)

- Release of "livedoor ECHOES"
 - Approximately 100 creators have already expressed their participation
- Release of the β version of the AI summary feature for financial statements
 - Tuning for the transition to the full-service launch is underway

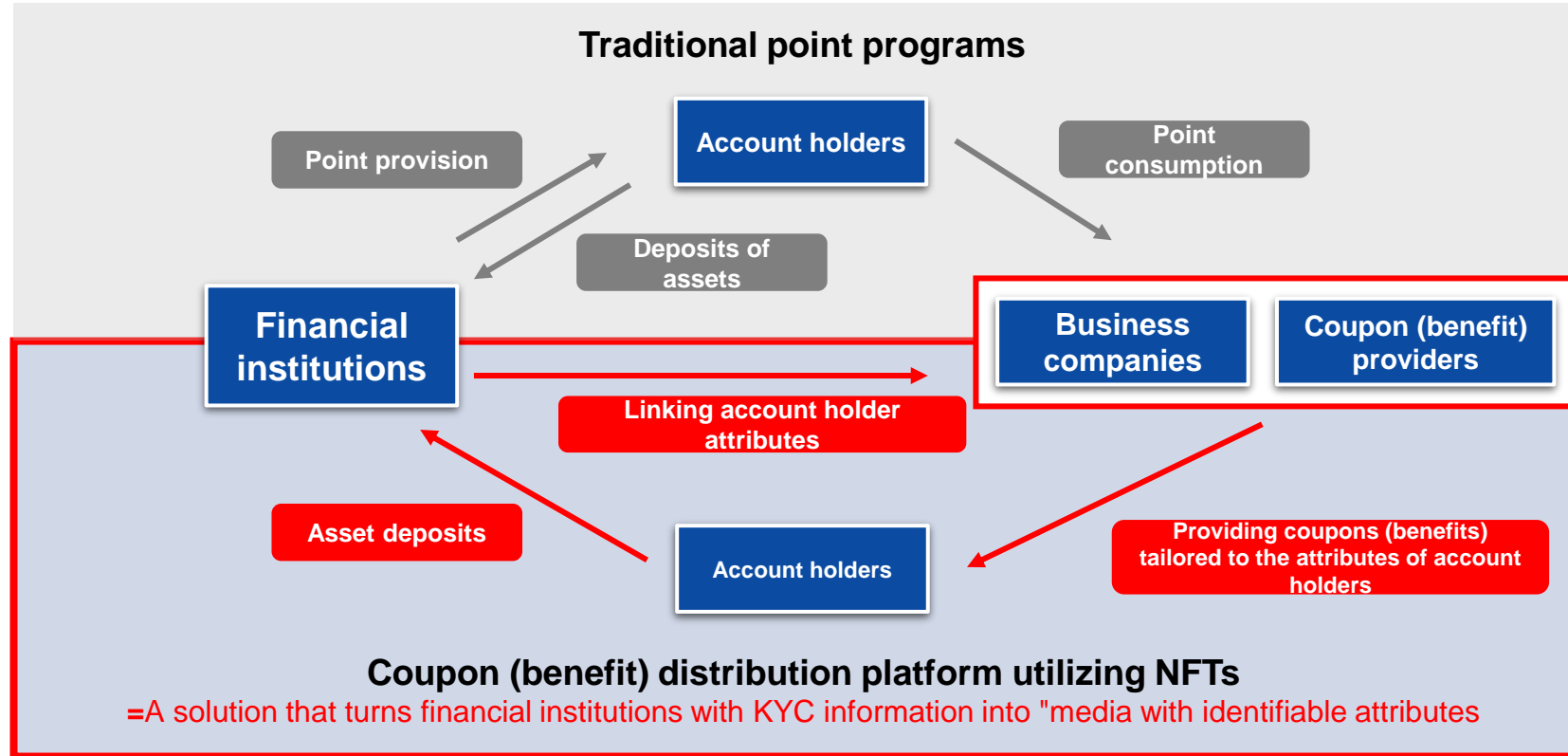
- livedoor ECHOES
 - Increasing the number of provided creators and content
- β version of the AI summary feature for financial statements and others
 - Quality improvement and expansion of coverage

- livedoor ECHOES
 - Advancing partnerships not only with individuals but also with talent agencies, MCNs, and media organizations to further scale up. Securing vertical content and enhancing personalization
- β version of the AI summary feature for financial statements and others
 - Starting to accommodate U.S. stocks

② Status of New Businesses: This fiscal year's plan aims for an increase of JPY2.5B

| | 【Current Progress】 | 【Themes & Challenges】 | 【Response Status】 |
|--------------------|--|--|---|
| Oshi-Pass | <ul style="list-style-type: none"> ● Incubation of membership acquisition strategies leveraging large-scale events as hooks | <ul style="list-style-type: none"> ● Steady acquisition of members aligned with event scheduling | <ul style="list-style-type: none"> ● Renewal of Service <ul style="list-style-type: none"> • Transitioning 'Oshi-Pass' to a standalone service that does not require a mobile contract • Using the three large-scale events as hooks for acquiring members while also renewing to high-value services |
| Event | <ul style="list-style-type: none"> ● Secured rights to host large-scale external events with proven track records, in addition to our own events <ul style="list-style-type: none"> • Hosting major K-POP events domestically, including 'Golden Wave' in October and 'Golden Disc Awards' in January | <ul style="list-style-type: none"> ● Maximizing spectator attendance (increasing from 20,000 in the previous period to 120,000 this period) ● Achieving profitability in event operations | <ul style="list-style-type: none"> ● Maximizing spectator attendance <ul style="list-style-type: none"> • Golden Wave casting is progressing as planned, while the Golden Disc Awards, being the largest K-POP music festival, will naturally attract top ● Profitability in event operations <ul style="list-style-type: none"> • Based on the cost control and successful casting achieved with Kstyle PARTY, there is an outlook to secure planned profits |
| Lifestyle Services | <ul style="list-style-type: none"> ● livedoor Shopping <ul style="list-style-type: none"> • Starting services focused on food waste reduction and low-cost products ● livedoor Bank <ul style="list-style-type: none"> • Due to the campaign effects, account openings reached 50% of the annual plan in Q1 ● livedoor MOBILE <ul style="list-style-type: none"> • Focusing on the expansion of 'Oshi-Pass' | <ul style="list-style-type: none"> ● livedoor Shopping <ul style="list-style-type: none"> • Increase in Gross Merchandise Value (GMV) ● livedoor Bank <ul style="list-style-type: none"> • Continual expansion of account numbers and improvement in revenue per account | <ul style="list-style-type: none"> ● livedoor Shopping <ul style="list-style-type: none"> • Sequentially introducing products that have high compatibility with specialized media such as Kstyle, Peachy, and sportsKstyle. ● livedoor Bank <ul style="list-style-type: none"> • Leveraging synergies with group services through campaigns like the Stock Search Premium subscriber campaign |

Launching an NFT-based coupon (benefit) distribution platform this fall
Acquiring 50 agencies to support the acquisition of client financial institutions and stable supply from advertisers

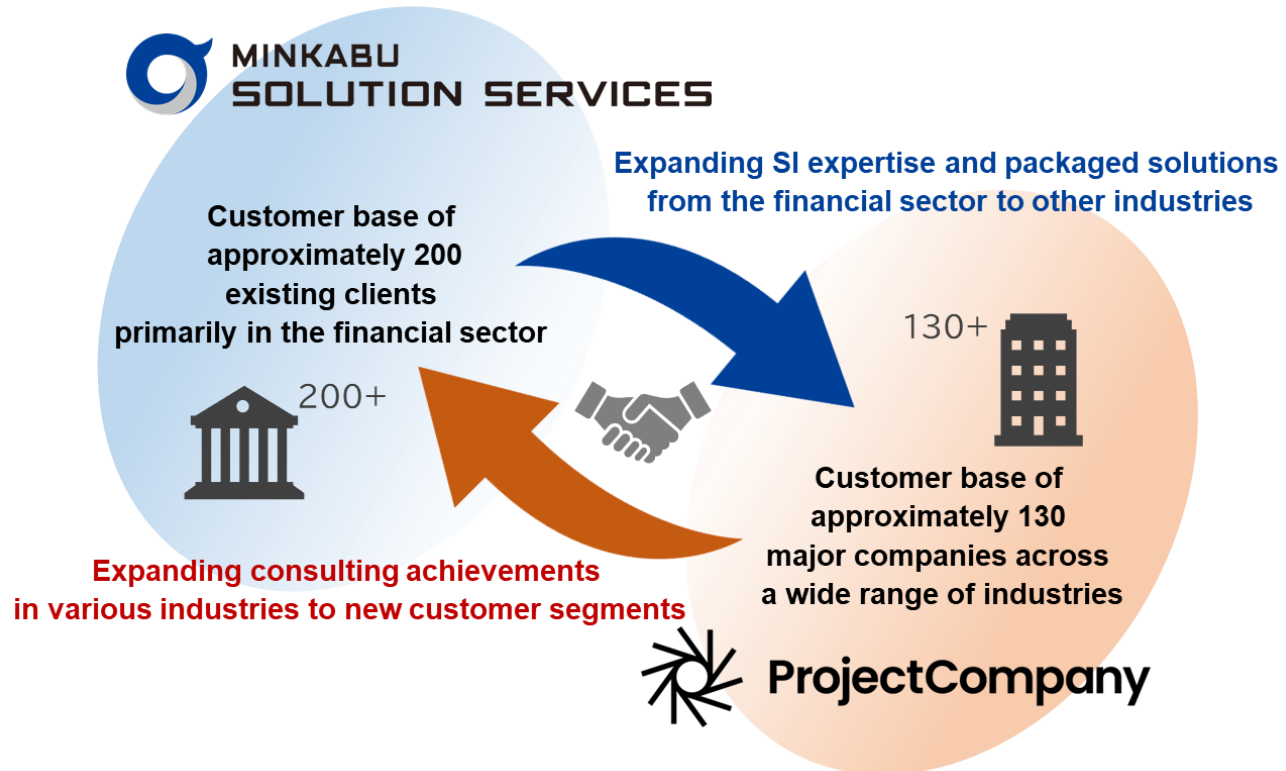


| Traditional point programs | NFT Based Coupon(Benefit)Program |
|--|---|
| Financial institutions mainly provide points Financial institutions bear the cost = revenue for the business company | Coupon (benefit) providers offer benefits Benefit providers bear the cost as promotional expenses = revenue for financial institutions |
| What is received is a substitute for cash Points are distributed equally according to the point distribution rules | Offering coupons (benefits) aligned with customer attributes Benefit providers approach their target audience more efficiently than traditional advertising |

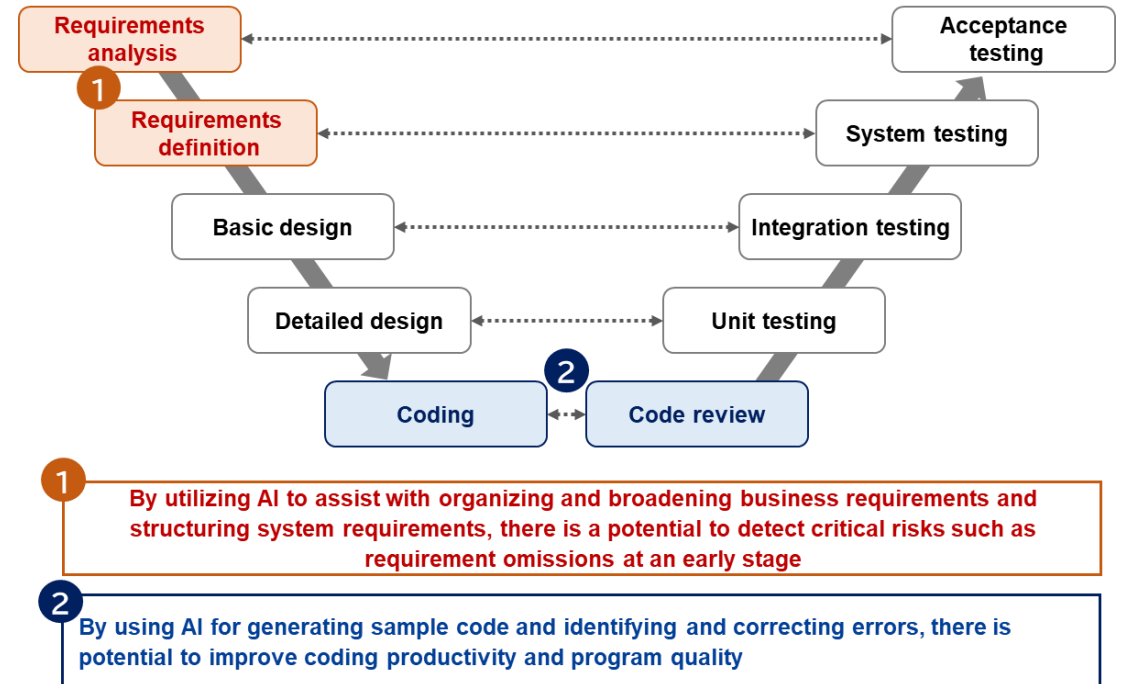
Tie-up with Project Company Inc., which specializes in consulting services in the DX field

Based on the existing collaboration, further development into a partnership to leverage both companies' customer bases and strengths more effectively

【 Partnership Details ① Joint Sales and mutual resale】

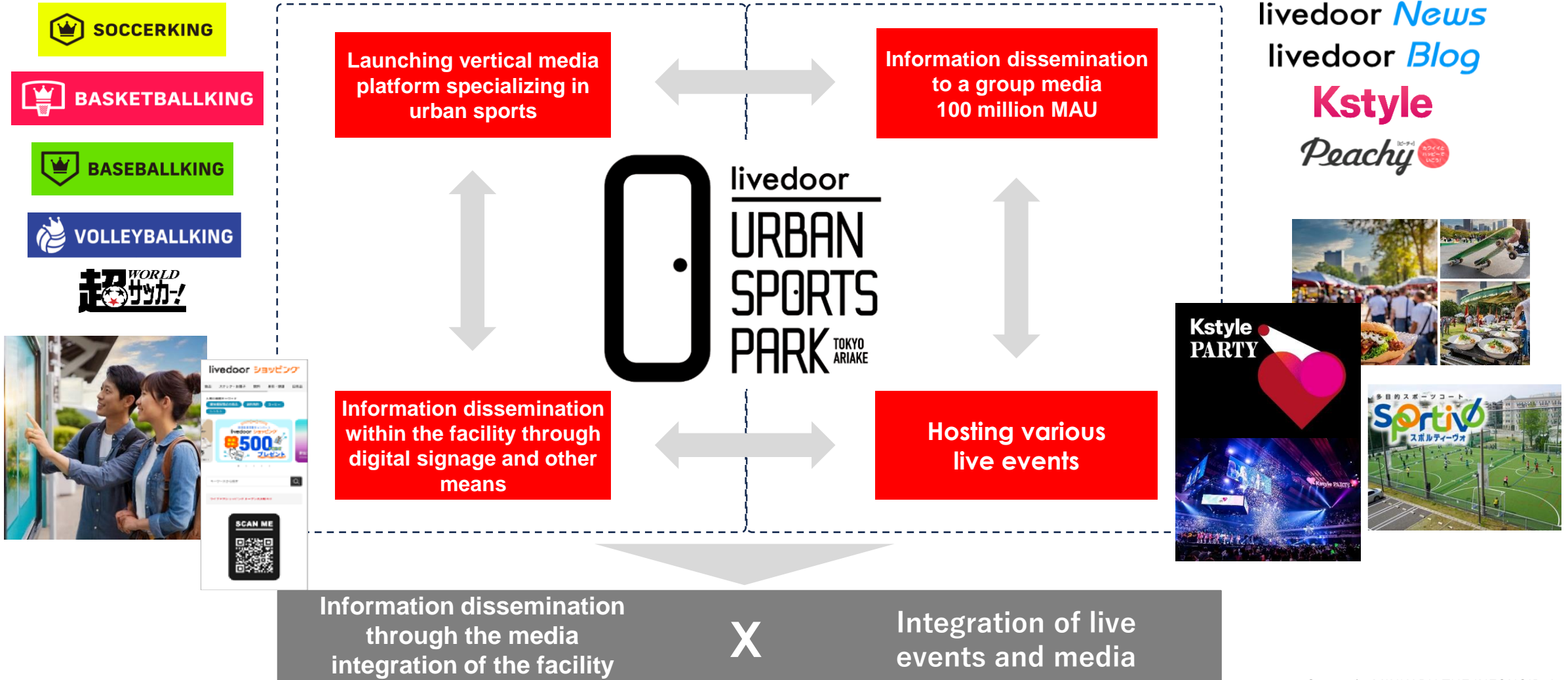


【 Partnership Details ② AI-powered solution planning】

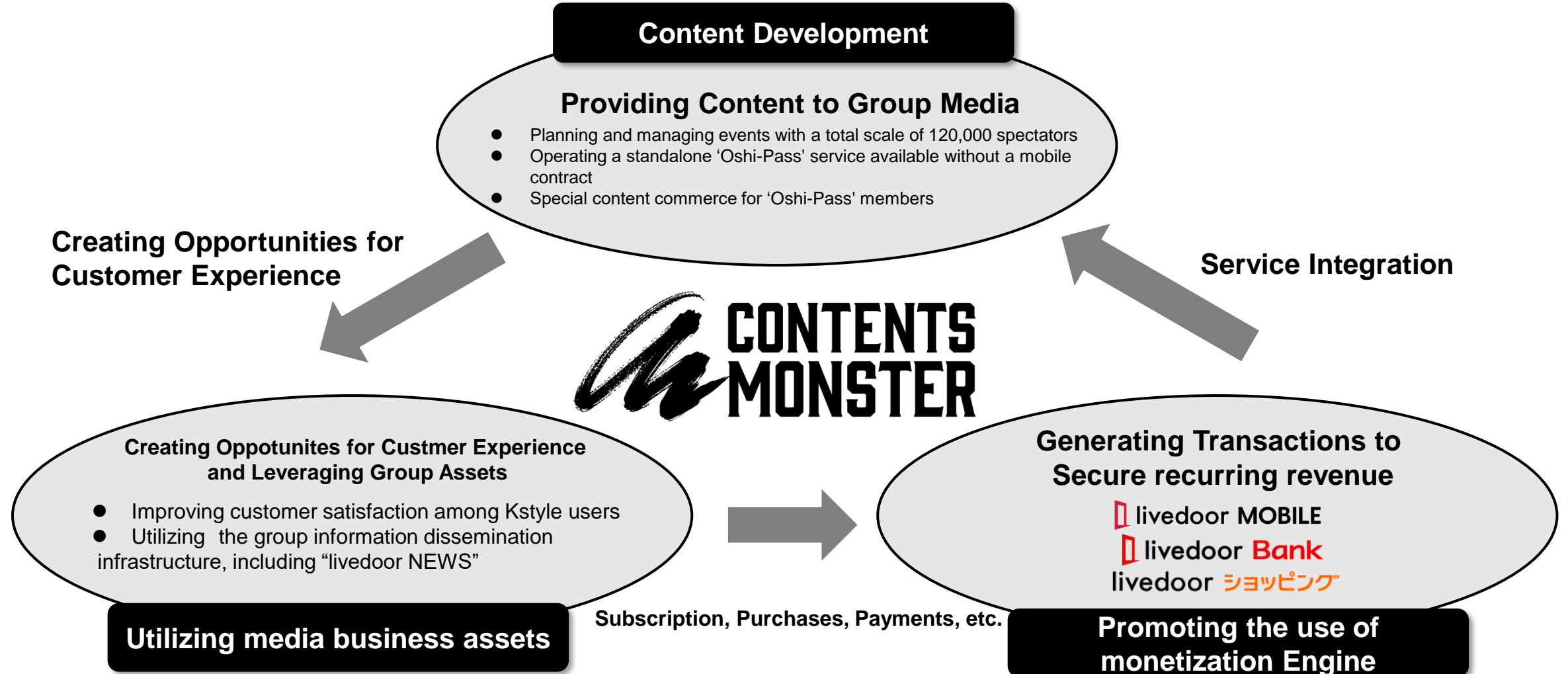


'livedoor URBAN SPORTS PARK' will open in October on the 3.1ha site of the Tokyo Olympic venue

Aiming to build new revenue streams unique to media operators through collaboration with a large facility capable of hosting major events



Acting as the hub for the creation of various content and services centered around large-scale events, efforts to maximize revenue from media business assets are progressing smoothly



**Preparations for hosting large-scale events with Content Monster are progressing smoothly
Significant revenue contribution is expected in the second half of the year,
with 'Oshi-Pass' subscription income**



Golden Wave in Tokyo

- Scheduled to be held in October 2024 at the Tokyo Musashi no Mori General Sports Plaza.
- This will be the first event in Tokyo in four years, with plans to attract over 20,000 spectators over two days



Golden Disc Awards

- Scheduled to be held in January 2025 at the Mizuho PayPay Dome in Fukuoka.
- This will be the first time in 13 years that Korea's largest 39th music festival is held in Japan, with plans to attract 70,000 spectators over two days



Kstyle PARTY 2025

- To be held this year too, with plans to attract over 20,000 spectators over two days
- Positioned as an annual large-scale K-POP event

**Won the rights to host major K-POP events by leveraging industry acclaim
from the Kstyle PARTY and Kstyle's media influence
Expecting to attract a total of 120,000 spectators across the 3 events this fiscal period,
aiming to drive subscriptions to 'Oshi-Pass.'"**

Typically, ticket competition rates are
3 to 5 times the venue capacity



Attracting an audience
of 120,000



Targeting conversions from approximately
600,000 core K-POP fans

‘Oshi-Pass’ has transitioned to a standalone service

Significantly revamping the service, including high-value features, to accelerate member acquisition



Subscription-based fan club to
deepen your love for your favorite
("Oshi")

¥1,540/month(incl. tax)

👍 No need to subscribe to livedoor
Mobile to use this service anymore!

👍 Service renewal brings enhanced
exclusive benefits for members!

At the start of the service

- Due to the inability to announce the following event and not having prepared interim benefits other than early ticket access, the strategy relied on single events for attracting customers. This led to some potential subscribers either postponing their decision or canceling their subscription after the event took place
- Because it is an optional service for mobile phone plans, it presents unnecessary hurdles for subscription



With this renewal

- Hosting 3 large-scale events consecutively is unprecedented, increasing expectations for continued events in the following years
- In addition to exclusive benefits such as special videos and limited-edition products for members, 'Oshi-Pass' will offer high-value services unique to the platform, including access to red carpets and rehearsals
- Transitioning to a standalone service that can be instantly applied for via smartphone



Encouraging continued subscription

- Achieving results that allow for the attraction of additional events in the following years
- Considering overseas events
- Full-scale implementation of measures to improve ticket winning chances through long-term contracts and friend referrals

livedoor merges with SSG

Achieving increased revenue and cost reduction through resource optimization

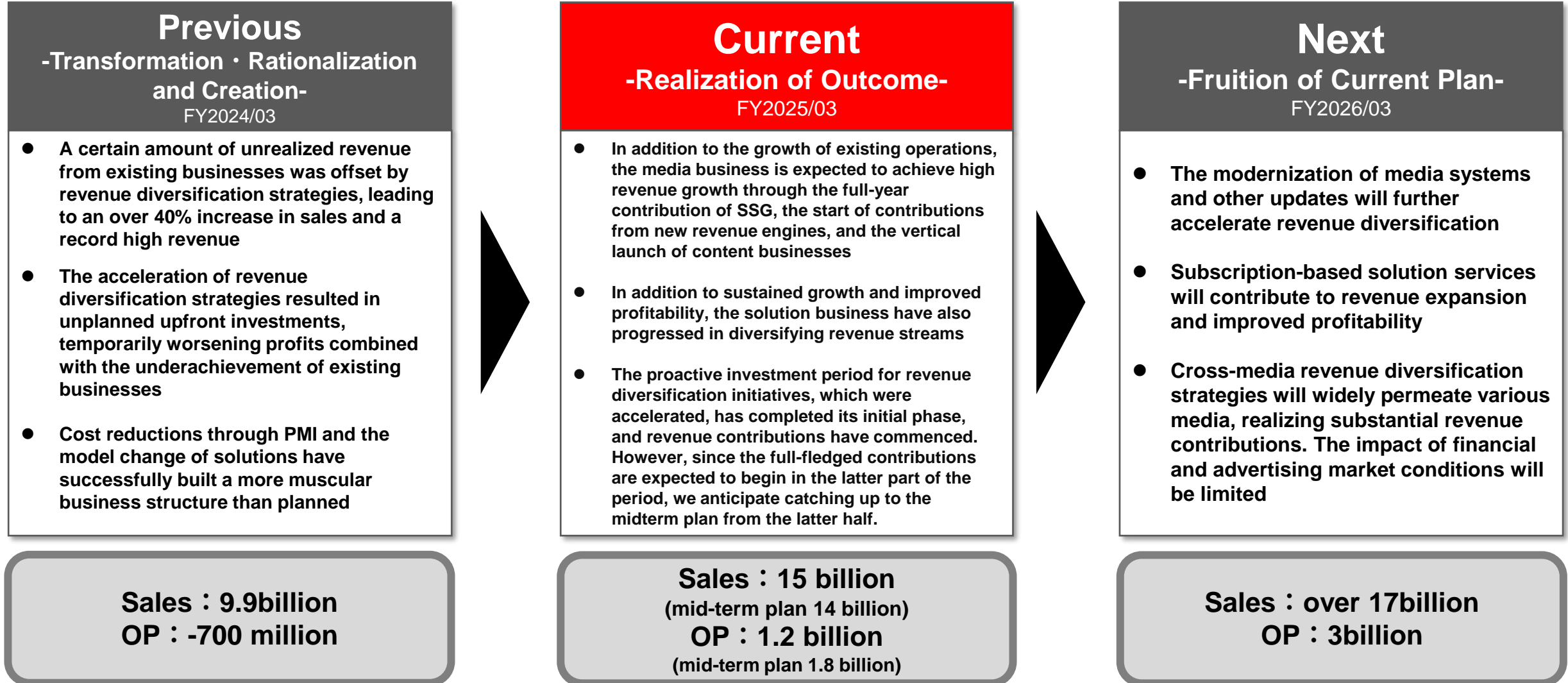


4 synergy effects expected from the merger

| Increased Revenue through Data Organization and Expansion of the System | Service Growth through Strengthening of Editing and Programming Structure | Creation of New Growth Opportunities through Expansion of Business Partners | Cost Reduction through Management Efficiency Improvement |
|---|--|--|--|
| <ul style="list-style-type: none"> Meeting a Wide Range of Client Needs through the Strengthening and Expansion of the Sales and Video Production Frameworks Seamlessly acquiring 1st-party data from mass to vertical markets, accelerating data organization, strengthening data-driven marketing, and offering new packaged services | <ul style="list-style-type: none"> Sharing expertise in SEO, AI utilization, and other areas across services to expand content services Consolidating the management of social media (over 6.1 million followers) and LINE (over 21 million) into a single framework to further strengthen user engagement | <ul style="list-style-type: none"> Creating new markets by leveraging approximately 400 business partners of livedoor in mass media and around 100 partners of SSG in the sports sector, including various leagues and clubs (e.g., collaborating regional sports clubs with gourmet services and e-commerce services, hosting events utilizing expertise in park operations and school management, etc.) | <ul style="list-style-type: none"> Integrating marketing and promotion areas, reviewing overlapping activities and campaigns, and optimizing expenditure costs Identifying tasks that can be internalized through strengthening the system and reducing costs by consolidating and reorganizing external contractors |

While OP for FY 2025/03 would fall below the mid-term plan due to upfront investments prioritized for mid- to long-term growth, sales expansion pace to exceed the mid-term plan.

There is no change for FY2026/03 target, the final year of the mid-term plan



income statement

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, **the Company has presented the figures as previously disclosed, excluding management fees**, for the sake of disclosure continuity. The figures including management fees are listed on pages 22-23

(JPY in million)

| | Fiscal Year ended March 31, 2023 | Fiscal Year ended March 31, 2024 | Consolidated Financial Forecasts Fiscal Year ending March 31, 2025 | | FY2024 Q1 | FY2025 Q1 | |
|--|-------------------------------------|-------------------------------------|---|----------------|--------------|--------------|---------------|
| | Consolidated | Consolidated | Consolidated | Changes | Consolidated | Consolidated | Changes |
| Net Sales | 6,836 | 9,920 | 15,000 | +51.2% | 2,242 | 2,154 | -3.9% |
| MEDIA | 2,525 | 6,348 | 10,200 | +60.7% | 1,304 | 1,354 | +3.9% |
| SOLUTION (8.) | 4,352 | 3,783 | 5,200 | +37.4% | 938 | 869 | -7.4% |
| Adjustment (1.) | -41 | -212 | -400 | - | - | -69 | - |
| Operating Profit | 111 | -699 | 1,200 | - | -157 | -283 | - |
| MEDIA (7.) | 160 | -236 | 1,300 | - | -90 | -61 | - |
| SOLUTION (7.) (8.) | 829 | 428 | 1,100 | +157.0% | 176 | 30 | -82.7% |
| Adjustment (2.) | -878 | -891 | -1,200 | - | -243 | -252 | - |
| Ordinary Profit | -207 | -790 | 1,100 | - | -175 | -300 | - |
| Profit attributable to Parent Company | 726 | -1,180 | 700 | - | -164 | -237 | - |
| EBITDA (3.) | 1,019 | 492 | 2,300 | +366.7% | 144 | 3 | -97.6% |

1. Re-allocation of inter-segment sales
2. Elimination of inter-segment and unallocated operating expenses
3. Calculation formula of EBITDA is Operating income+depreciation+amortization of goodwill
4. Among the billing revenue of media business, that from Kabutan Premium has been reclassified to the stock revenue of the solution business from the third quarter of the fiscal year ended March, 2024. Figures for the fiscal year ended March 2023 are reflected this classification changes
5. Acquired livedoor Co., Ltd on December 28, 2022 and made it a consolidated subsidiary. Since the deemed acquisition date is December 31, 2022, only the balance sheet was consolidated as of December 31, 2022.
6. Acquired FromOne, Inc. on September 1, 2023 and made it a consolidated subsidiary. Since the deemed acquisition date is September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
7. Starting from July 1, 2023, the Company has been collecting management fees from group companies. Management fees of the media business and solution business were 226 million yen and 136 million yen, respectively and thus, segment losses with these fees for media business and solution business were 287 million yen and 106 million yen respectively.
8. As of March 30, 2023, the Company has sold its subsidiary, Prop Tech Plus Co., Ltd
9. Figures are all in Japanese Yen and rounded down to the nearest million yen.

sales by segments

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, **the Company has presented the figures as previously disclosed, excluding management fees**, for the sake of disclosure continuity. The figures including management fees are listed on pages 22-23

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|-------------------------------|-------------------------------------|-------------------------------------|---|---------------|--------------|--------------|--------------|
| | Consolidated | Consolidated | Consolidated | Changes | Consolidated | Consolidated | Changes |
| MEDIA | 2,525 | 6,348 | 10,200 | +60.7% | 1,304 | 1,354 | +3.9% |
| Ad revenue | 2,420 | 5,193 | 6,000 | +15.5% | 1,250 | 1,039 | -16.8% |
| Subscription revenue (2.)(3.) | 65 | 129 | 320 | +147.5% | 35 | 27 | -23.3% |
| Others | 38 | 1,026 | 3,880 | +278.1% | 18 | 287 | +1,465.5% |
| SOLUTION (6.) | 4,352 | 3,783 | 5,200 | +37.4% | 938 | 869 | -7.4% |
| Subscription revenue (3.) | 3,097 | 2,626 | 3,620 | +37.8% | 615 | 714 | +16.1% |
| Billing revenue(3.) | 346 | 440 | 550 | +24.8% | 106 | 126 | +18.2% |
| Initial revenue | 1,254 | 1,157 | 1,580 | +36.5% | 322 | 154 | -52.2% |
| Adjustment (1.) | -41 | -212 | -400 | - | - | -69 | - |
| Net Sales | 6,836 | 9,920 | 15,000 | +51.2% | 2,242 | 2,154 | -3.9% |

1. Re-allocation of inter-segment sales
2. Subscription revenue includes monthly subscription fees, initial fees and monthly fees for OEM services.
3. Allocation of billing revenue for Kabutan Premium in media business have been allocated to Solution Business revenue from FY2024/03
4. Acquired livedoor Co., Ltd on December 28, 2022 and made it a consolidated subsidiary. Since deemed acquisition date is December 31, 2022, only the balance sheet was consolidated as of December 31, 2022.
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7. Figures are all in Japanese Yen and rounded down to the nearest million yen.

income statement

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, we have presented the figures including management fees

(JPY in million)

| | Fiscal Year ended March 31, 2023 | Fiscal Year ended March 31, 2024 | Consolidated Financial Forecasts Fiscal Year ending March 31, 2025 | | FY2024 Q1 | FY2025 Q1 | |
|--|-------------------------------------|-------------------------------------|---|----------------|--------------|--------------|---------------|
| | Consolidated | Consolidated | Consolidated | Changes | Consolidated | Consolidated | Changes |
| Net Sales | 6,836 | 9,920 | 15,000 | +51.2% | 2,242 | 2,154 | -3.9% |
| MEDIA | 2,525 | 5,877 | 9,300 | +58.2% | 1,304 | 1,128 | -13.5% |
| SOLUTION (8.) | 4,352 | 3,493 | 4,900 | +40.2% | 938 | 732 | -21.9% |
| Adjustment (1.) | -41 | 548 | 800 | +45.9% | - | 293 | - |
| Operating Profit | 111 | -699 | 1,200 | - | -157 | -283 | - |
| MEDIA (7.) | 160 | -706 | 400 | - | -90 | -287 | - |
| SOLUTION (7.) (8.) | 829 | 138 | 800 | +477.8% | 176 | -106 | - |
| Adjustment (2.) | -878 | -131 | - | - | -243 | 110 | - |
| Ordinary Profit | -207 | -790 | 1,100 | - | -175 | -300 | - |
| Profit attributable to Parent Company | 726 | -1,180 | 700 | - | -164 | -237 | - |
| EBITDA (3.) | 1,019 | 492 | 2,300 | +366.7% | 144 | 3 | -97.6% |

1. Re-allocation of inter-segment sales
2. Elimination of inter-segment and unallocated operating expenses
3. Calculation formula of EBITDA is Operating income+depreciation+amortization of goodwill
4. Among the billing revenue of media business, that from Kabutan Premium has been reclassified to the stock revenue of the solution business from the third quarter of the fiscal year ended March, 2024. Figures for the fiscal year ended March 2023 are reflected this classification changes
5. Acquired livedoor Co., Ltd on December 28, 2022 and made it a consolidated subsidiary. Since deemed acquisition date is December 31, 2022, only the balance sheet was consolidated as of December 31, 2022.
6. Acquired FromOne, Inc. on September 1, 2023 and made it a consolidated subsidiary. Since the deemed acquisition date is September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
7. Starting from July 1, 2023, the Company has been collecting management fees from group companies. Management fees of the media business and solution business were 226 million yen and 136 million yen, respectively and thus, segment losses with these fees for media business and solution business were 287 million yen and 106 million yen respectively.
8. As of March 30, 2023, the Company has sold a subsidiary, Prop Tech Plus Co., Ltd
9. Figures are all in Japanese Yen and rounded down to the nearest million yen.

sales by segments

The Company has been collecting management fees from various group companies as internal transactions since the second quarter of the current consolidated accounting period. In terms of the table below, we have presented the figures including management fees

(JPY in million)

| | Fiscal Year ended March 31, 2023 | Fiscal Year ended March 31, 2024 | Consolidated Financial Forecasts Fiscal Year ending March 31, 2025 | | FY2024 Q1 | FY2025 Q1 | |
|--|-------------------------------------|-------------------------------------|---|---------------|--------------|--------------|---------------|
| | Consolidated | Consolidated | Consolidated | Changes | Consolidated | Consolidated | Changes |
| MEDIA | 2,525 | 5,877 | 9,300 | +58.2% | 1,304 | 1,128 | -13.5% |
| Ad revenue | 2,420 | 5,193 | 6,000 | +15.5% | 1,250 | 1,039 | -16.8% |
| Subscription revenue (2.)(3.) | 65 | 129 | 320 | +147.5% | 35 | 27 | -23.3% |
| Others | 38 | 1,026 | 3,880 | +278.1% | 18 | 287 | +1,465.5% |
| Others(management fee deduction) (6.) | - | -470 | -900 | - | - | -226 | - |
| SOLUTION (7.) | 4,352 | 3,493 | 4,900 | +40.2% | 938 | 732 | -21.9% |
| Subscription revenue (3.) | 3,097 | 2,626 | 3,620 | +37.8% | 615 | 714 | +16.1% |
| Billing revenue(3.) | 346 | 440 | 550 | +24.8% | 106 | 126 | +18.2% |
| Initial revenue | 1,254 | 1,157 | 1,580 | +36.5% | 322 | 154 | -52.2% |
| Others(management fee deduction) (6.) | - | -289 | -300 | - | - | -136 | - |
| Adjustment | -41 | 548 | 800 | +45.9% | - | 293 | - |
| Adjustment (1.) | -41 | -212 | -400 | - | - | -69 | - |
| Adjustment (management fee deduction) (6.) | - | 760 | 1,200 | +57.8% | - | 363 | - |
| Net Sales | 6,836 | 9,920 | 15,000 | +51.2% | 2,242 | 2,154 | -3.9% |

1. Re-allocation of inter-segment sales
2. Subscription revenue includes monthly subscription fees and initial fees and monthly fees for OEM services.
3. Allocation of billing revenue for Kabutan Premium in media business will be altered to Solution Business revenue from FY2024/03
4. Acquired livedoor Co., Ltd on December 28, 2022 and made it a consolidated subsidiary. Since deemed acquisition date is December 31, 2022, only the balance sheet was consolidated as of December 31, 2022.
5. Acquired FromOne, Inc. on September 1, 2023 and made it a consolidated subsidiary. Since the deemed acquisition date is September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
6. Since July 1, 2023, the Company has been collecting management fees from each group company. The segment sales of each business segment are presented after deducting these management fees, and the collected management fees are included in the adjustment amount.
7. As of March 30, 2023, the Company has sold a subsidiary, Prop Tech Plus Co., Ltd
8. Figures are all in Japanese Yen and rounded down to the nearest million yen.

balance sheet items

(JPY in million)

| | Fiscal Year ended March 31, 2023 | Fiscal Year ended March 31, 2024 | Fiscal Year ended June 30, 2025 | |
|---------------------------|-------------------------------------|-------------------------------------|---------------------------------|---------------|
| | Consolidated | Consolidated | Consolidated | Changes |
| Current assets | 6,567 | 4,132 | 3,825 | -7.4% |
| (Cash and deposit) | 4,463 | 2,047 | 1,570 | -23.3% |
| Non - current assets | 9,967 | 10,706 | 10,643 | -0.6% |
| Assets | 16,534 | 14,838 | 14,468 | -2.5% |
| Current Liabilities | 1,926 | 2,734 | 3,206 | +17.3% |
| Non-Current Liabilities | 6,752 | 5,919 | 5,700 | -3.7% |
| Liabilities | 8,678 | 8,654 | 8,907 | +2.9% |
| Capital stock | 3,533 | 3,534 | 320 | -90.9% |
| Capital surplus | 4,194 | 3,806 | 6,632 | +74.2% |
| Retained earnings | -18 | -1,199 | -1,436 | - |
| Others | 55 | 28 | 32 | +17.2% |
| Non-controlling interests | 91 | 14 | 13 | -7.5% |
| Net assets | 7,855 | 6,184 | 5,561 | -10.1% |

1. Acquired livedoor Co., Ltd on December 28, 2022 and made it a consolidated subsidiary. Since deemed acquisition date is December 31, 2022, only the balance sheet was consolidated as of December 31, 2022.
2. Acquired FromOne, Inc. on September 1, 2023 and made it a consolidated subsidiary. Since the deemed acquisition date is September 30, 2024, only the balance sheet was consolidated as of September 30, 2023.
3. As of March 30, 2023, the Company has hold sold a subsidiary, Prop Tech plus Co., LTD.
4. Figures are all in Japanese Yen and rounded down to the nearest million yen.



The information contained in this document, other than historical facts, includes information regarding future prospects. Information about future prospects is based on predictions, expectations, assumptions, plans, evaluations, etc., at the current time, based on information currently available to us, and includes risks and uncertainties. We cannot guarantee that the periodic forecasts, evaluations, and other information used in the description of future prospects are accurate, or that they will turn out as such in the future. The information contained in this document was created on the date stated in this document and reflects our views at that time, and therefore, should be considered in light of the circumstances at that time. Please be aware of this. We are not obligated to periodically update and report the information contained in this document to reflect events that occurred after the date of creation of the information.