

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

November 10, 2025

Consolidated Financial Results for the Nine Months Ended September 30, 2025 (Under Japanese GAAP)



Company name: ibis inc.
Listing: Tokyo Stock Exchange
Securities code: 9343
URL: <https://www.ibis.ne.jp/>
Representative: Eiji Kamiya, Chief Executive Officer
Inquiries: Hidekazu Yasui, Chief Financial Officer
Telephone: +81-52-587-5007
Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended September 30, 2025	3,638	—	847	—	852	—	565	—
September 30, 2024	—	—	—	—	—	—	—	—

(Note) Comprehensive income For the nine months ended September 30, 2025: ¥ 565 million [- %]
For the nine months ended September 30, 2024: ¥ - million [- %]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended September 30, 2025	30.91	29.38
September 30, 2024	—	—

- (Note) 1. As quarterly consolidated financial statements have been prepared since the first quarter of the fiscal year ending December 2025, the figures for the third quarter of the fiscal year ended December 2024 and the percentage change from the same period of the previous year as well as the percentage change from the same period of the previous year for the third quarter of the fiscal year ending December 2025 are not stated.
2. The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. Earnings per share and diluted earnings per share presented are calculated assuming that the stock split was implemented at the beginning of the fiscal year ended December 31, 2024.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of September 30, 2025	3,464	2,574	72.5
December 31, 2024	—	—	—

(Reference) Equity: As of September 30, 2025 ¥ 2,513 million
As of December 31, 2024 ¥ - million

(Note) As quarterly consolidated financial statements have been prepared since the first quarter of the fiscal year ending December 2025, the figures for the fiscal year ended December 2024 are not stated.

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2024	—	0.00	—	40.00	40.00
Fiscal year ending December 31, 2025	—	0.00	—		
Fiscal year ending December 31, 2025 (Forecast)				10.00	—

(Note) 1. Revisions to the forecast of cash dividends most recently announced: None

2. The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. The forecasted year-end dividend per share for the fiscal year ending December 31, 2025 reflects the impact of the stock split. The forecasted year-end dividend per share for the fiscal year ending December 31, 2025 is 50.00 yen if the impact of the stock split is not considered.

3. Consolidated financial result forecasts for the fiscal year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	5,025	—	1,175	—	1,179	—	818	—	44.75

(Note) 1. Revisions to the financial result forecast most recently announced: None

2. As quarterly consolidated financial statements have been prepared since the first quarter of the fiscal year ending December 2025, the percentage changes from the corresponding period of the previous fiscal year are not presented.
3. The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. The forecasted net income per share for the fiscal year ending December 31, 2025 reflects the impact of the stock split. Net income per share for the fiscal year ending December 31, 2025 is ¥223.73 if the impact of the stock split is not considered.

* Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 1 companies (Techno-Speech, Inc.)

Excluded: — companies ()

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(Note) For details, please refer to page 9 of the attached materials, “2. Consolidated Quarterly Financial Statements and Primary Notes

(3) Notes to Quarterly Consolidated Financial Statements (Notes on Changes in Accounting Policies).”

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of September 30, 2025	18,300,220 shares
As of December 31, 2024	18,300,220 shares

(ii) Number of treasury shares at the end of the period

As of September 30, 2025	330 shares
As of December 31, 2024	330 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended September 30, 2025	18,299,890 shares
Nine months ended September 30, 2024	18,224,220 shares

(Note) The Company implemented a five-for-one stock split of its common shares effective October 1, 2025. “Average number of shares outstanding (cumulative from the beginning of the fiscal year)” for the fiscal year ended December 31, 2024 is calculated assuming that the stock split was implemented at the beginning of the fiscal year ended December 31, 2024.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The financial results forecast and other forward-looking statements in this document are based on information available to ibis inc. (the “Company”) as of the date of this document and certain assumptions it considers reasonable. The Company does not promise that these will be achieved. Actual results may differ significantly from these forecasts due to various factors. Please refer to page 4 of the attached document ‘1. Qualitative Information on Quarterly Financial Results (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information’ for the conditions that serve as the basis for the performance forecast and notes regarding the use of the performance forecast.

* Contents of Attachments

1. Qualitative Information on Quarterly Financial Results	2
(1) Explanation of Operating Results.....	2
(2) Explanation of Financial Position	4
(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information	4
2. Quarterly Consolidated Financial Statements and Primary Notes	5
(1) Quarterly Consolidated Balance Sheet	5
(2) Quarterly Consolidated Statements of Income and Comprehensive Income.....	7
Quarterly Consolidated Statement of Comprehensive Income	8
(3) Notes to Quarterly Consolidated Financial Statements	9
(Notes on Going Concern Assumption)	9
(Notes in Cases of Significant Changes in the Amount of Shareholders' Equity).....	9
(Notes on Changes in Accounting Policies).....	9
(Changes in the Scope of Consolidation or the Scope of Application of Equity Method)	9
(Segment Information).....	9
(Notes to Statements of Cash Flows)	10
(Business Combinations, Etc.).....	10
(Revenue Recognition)	11
(Significant Subsequent Events).....	11

1. Qualitative Information on Quarterly Financial Results

As quarterly consolidated financial statements have been prepared since the first quarter of the fiscal year ending December 2025, a comparative analysis with the corresponding period of the previous fiscal year (nine months ended September 30, 2024) and the previous fiscal year has not been conducted.

(1) Explanation of Operating Results

In the nine months ended September 30, 2025, the Japanese economy remains on a moderate recovery trend, with wage increases and continued improvements in the employment and income environment. On the other hand, prices will continue to rise due to fluctuations in foreign exchange rates and persistently high energy and raw material prices, raising concerns about downside risks to private consumption. Furthermore, the outlook for the economy remains uncertain due to the impact of international geopolitical risks such as U.S. trade policy, the slump in the Chinese real estate market, the prolonged conflict between Russia and Ukraine, and the tensions in the Middle East.

In this environment, the Company conducted aggressive business development in the following two existing businesses of the Mobile business, which is a self-produced product segment focusing on profitability as a high growth business; and Solutions business, which has been highly evaluated since its establishment as a stable growth business, as well as AI Singing Voice Synthesis segment, a venture segment originating from Nagoya Institute of Technology aiming to disseminate the world's most advanced voice-related technologies, which was established in April 2025 as its third reportable segment.

In the Mobile segment, we conducted business centered on the development and operation of ibisPaint series of mobile paint applications. "ibisPaint" is used in more than 200 countries and regions worldwide, and we focused on offering trend-driven new features and services for digitally illustrating users. We also worked to enhance monetization through subscriptions and other means for sustainable growth.

In the "Solution Segment," we supported the development of applications for smartphones, tablets and other internet devices. Against the backdrop of growing social needs for the use of information technology, such as the DX of companies promoted by the Ministry of Economy, Trade and Industry, we continued to recruit and train IT engineers, whose demand is growing, and strengthened our proposal-based sales activities for corporate customers.

In the "AI Singing Voice Synthesis segment," we developed a product strategy centered on the AI Singing Voice Synthesis application "VoiSona" targeting a wide range of creators users in the music production market. We expanded our voice library by renowned artists in Japan and overseas, expanded it into the mobile domain, and built a stable revenue model based on subscriptions.

As a result, we recorded net sales of 3,638,603 thousand yen, operating profit of 847,421 thousand yen, ordinary profit of 852,151 thousand yen, and profit attributable to owners of parent of 565,675 thousand yen recorded for the nine months ended September 30, 2025.

Results by business segment are as follows.

< Mobile segment >

During the nine months ended September 30, 2025, ibisPaint, our mainstay product, reached a record 500 million downloads as of September 10, 2025, marking 503.57 million downloads as of the end of September 2025, thanks to accumulated series downloads. We have consistently supported creative activities, such as by continuously improving our app (Ver. 12.2.13~Ver. 13.1. 12), posting picture course videos on YouTube, holding themed contests tailored to seasons and trends (45~47th edition), and adding a wealth of free materials. In addition, following a major update on March 5, 2025, the Company released a total of nine new tools, including new features such as "Original Brush Pattern," which allows users to create and share original brush patterns, and the "Filling Tool: Filling/Filling & Erasing," which enables users to instantly fill a closed area within a selection with a designated color and remove fills. Some of these new tools are offered as premium members-only tools and have achieved a certain amount of sales, such as an increase in the number of subscriptions immediately after their release and an increase in the number of subscriptions over the medium to long term. In addition, on August 28, 2025, we released "ibisPaint for Mac," laying the foundation for our entry into the professional market by supporting all of the major devices: Windows, Mac, iPhone/iPad and Android. This further strengthens our brand and assures a solid position in the creative field, with the trust of even more users customers. In April, the Company added "ibisPaint Edu for Android" to its "ibisPaint Edu" product for educational institutions, making it compatible with both iOS and Android. This has resulted in a steady increase in the number of applications at educational institutions, and we have prepared an environment to support students in registering for paid membership in the future through using the school handsets. In addition, the Company has progressed development of services that can be useful in business settings other than creative activities by leveraging the technologies it has developed through the development of mobile apps. In June, the Company launched the AI minutes service "ibisScribe" and aims to acquire a new users through collaboration with the storage service "ibisScribe."

As a result, sales amounted to 2,056,665 thousand yen. Domestic Sales and Overseas Sales by sales category are as follows:

		Nine months ended September 30, 2025 (From January 1, 2025 to September 30, 2025)	
		Amount (thousands of yen)	Composition (%)
In-app Advertising	Domestic Sales	207,544	20.4
	Overseas Sales	809,803	79.6
	Total	1,017,348	100.0
Subscription	Domestic Sales	234,536	28.0
	Overseas Sales	602,323	72.0
	Total	836,859	100.0
One-time Purchase App	Domestic Sales	47,048	23.7
	Overseas Sales	151,741	76.3
	Total	198,789	100.0
Total (including others)	Domestic Sales	492,022	23.9
	Overseas Sales	1,564,642	76.1
	Total	2,056,665	100.0

In in-app advertising, which serves as the primary source of sales for this business, the Company continued to steadily acquire the free users and DAU (Daily Active Users) continued to remain at a high level in Trends due to high engagement. On the other hand, advertising market conditions remained weak, compounded by changes in ad delivery algorithms, and eCPM (effective Cost Per Mille) declined to 1,017,348 thousand yen in sales. To improve advertising sales, the Company has been working on efforts to increase advertising effectiveness by analyzing and reviewing operations based on users' behavior data while looking at changes in advertising delivery algorithms, movements of competing apps, and the balance with the Company's advertising strategy. On the other hand, in in-app purchase, subscriptions continued to be strong, and the addition of various new tools and promotion measures for existing users were successful. As a result, sales reached 836,859 thousand yen with 351,351 members. This stabilized the regular revenue source and strengthened the revenue base. In one-time purchase app, subscriptions were promoted to both mobile and PC platforms, resulting in sales of 198,789 thousand yen and 113,131 units sold (Note). From the nine months ended September 30, 2025, sales of in-app purchase (total of subscriptions and one-time purchase app) amounted to 1,035,649 thousand yen, surpassing in-app advertising sales of 1,017,348 thousand yen for the first time. As a result, charges revenue is becoming a mainstay in the revenue structure.

As a result of shifting to organic growth from the previous fiscal year and implementing effective advertising investment, segment profit amounted to 1,066,539 thousand yen.

(Note) ibisPaint Edu is excluded from the sales of one-time purchase starting from the third quarter of the fiscal year ending December 31, 2025 because it is provided free of charge.

< Solution segment >

During the nine months ended September 30, 2025, amid the advance use of generative AI and Copilot, interest in improving efficiency and productivity in corporate application development continued to remain at a high level. In this environment, the need for application development support for the Company has steadily increased, and in particular, there has been progress in the acquisition of contract development projects through direct transactions with end users.

In the Contract Development business, although orders for scratch-type application development projects continue to be restrained in some areas, the number of contracted projects has been on an increasing trend, mainly for high value-added projects, and strengthening our development system centering on the web application domain is bearing fruit. Behind this, improvements in the skills of participating engineers and optimization of the development process using AI tools have contributed. In addition, the Company continues to promote sophistication of its AI-driven business operations, and we are striving to both improve work efficiency and improve skills through support using tools such as Copilot, as well as through inhouse workshops and e-learning training. This has led to a reduction in overtime hours and an improvement in the retention rate of human resources, thereby stabilizing the on-site structure. At the same time, a system has been in place to advance multiple projects in parallel, and productivity has also improved. In IT Engineers Dispatch Services business, throughout the nine months ended September 30, 2025,, we have experienced stable acceptance by several corporate customers.

In addition, recruitment activities are on a recovery trend, and the foundation is being laid for the stabilization of development resources. As a result, the stability of the field system and the facilitation of operations have further progressed.

Furthermore, the organizational reforms implemented in the first quarter aimed at strengthening collaboration between sales and

technical departments and speeding up decision-making process continued to operate stably, and the number of IT engineers recovered from 241 at the end of the first quarter to 255 in the third quarter, indicating the recovery of the field system. This is expected to contribute to business performance in the fourth quarter and beyond.

As a result, sales were 1,509,828 thousand yen, consisting of 364.39 million yen of Contract Development business and 1,145,438 thousand yen in IT Engineers Dispatch Services business. Segment income was 209,779 thousand yen, partially driven by the continued promotion of initiatives to invest in engineers such as the recruitment of highly skilled IT engineers.

< AI Singing Voice Synthesis Segment >

In the AI Singing Voice Synthesis segment, we promoted the VoiSona business (BtoC) and Contract Development business (BtoB), and carried out business activities with the use of AI-based Speech Synthesis Technology. In the VoiSona business, sales increased due to the release of 4 new song voice libraries (1 of which is Chinese) and 1 new talk voice library. In particular, “VoiSona Ui (CV: Shigureui)” attracted attention as a user’s music video ranked 6th in Japan on YouTube’s music video ranking (Note) immediately after the release. In addition, to enhance user experience, we added the “10 Second Trial Tool” to the PC Song App, “Audio Track Tool” to the PC Talk App, and “Vertical View Tool” to the iOS Song App. Furthermore, in September, certain song voice libraries were updated to support multi-language (English, Japanese, Chinese) mixed tracks. In the Contract Development business, we secured stable sales by providing licenses on a continuous basis and conducted advanced R&D on multi-task models for both speech and singing voice synthesis. Both businesses are strengthening their marketing and sales activities to attract new customers.

As a result, sales came to 72,109 thousand yen, VoiSona accounted for 59,679 thousand yen, and Contract Development accounted for 12,429 thousand yen. Also, goodwill amortization of 37,657 thousand yen was recorded, resulting in a segment loss of 60,457 thousand yen.

(Note) YouTube Music Global Charts “Top 100 Popular Music Videos,” as of the end of June 2025.

(2) Explanation of Financial Position

(Assets)

Total assets at the end of the third quarter of the fiscal year ending December 2025 amounted to 3,464,216 thousand yen at the end of fiscal year end. This was mainly due to cash and deposits of 2,010,054 thousand yen and accounts receivable and contract assets of 507,597 thousand yen.

(Liabilities)

Total liabilities at the end of the third quarter of the fiscal year ending December 2025 amounted to 889,415 thousand yen. This was mainly due to income taxes payable of 89,224 thousand yen and provision for bonuses of 64,994 thousand yen.

(Net assets)

Total net assets at the end of the third quarter of the fiscal year ending December 2025 amounted to 2,574,801 thousand yen. This was mainly due to retained earnings of 1,735,618 thousand yen and stated capital of 390,087 thousand yen.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

There are no changes to the consolidated financial results forecast for the fiscal year ending December 2025 from the “Consolidated Financial Results for the Three Months Ended March 31, 2025 (Japanese GAAP)” announced on May 9, 2025.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

As of September 30, 2025

Assets	
Current assets	
Cash and deposits	2,010,054
Accounts receivable-trade, and contract assets	507,597
Merchandise and finished goods	1,863
Work in process	3,725
Supplies	130
Allowance for doubtful accounts	(2,000)
Other	120,343
Total current assets	2,641,715
Non-current assets	
Property, plant and equipment	22,664
Intangible assets	
Goodwill	414,227
Other	197,938
Total intangible assets	612,165
Investments and other assets	187,671
Total non-current assets	822,501
Total assets	3,464,216
Liabilities	
Current liabilities	
Accounts payable	4,933
Current portion of long-term borrowings	14,400
Income taxes payable	89,224
Provision for bonuses	64,994
Other	643,002
Total current liabilities	816,554
Non-current liabilities	
Long-term borrowings	11,200
Provision for retirement benefits for directors (and other officers)	56,640
Other	5,021
Total non-current liabilities	72,861
Total liabilities	889,415

(Thousands of yen)	
As of September 30, 2025	
Net assets	
Shareholders' equity	
Share capital	390,087
Capital surplus	387,688
Retained earnings	1,735,618
Treasury shares	(275)
Total shareholders' equity	2,513,118
Share acquisition rights	61,682
Total net assets	2,574,801
Total liabilities and net assets	3,464,216

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

	(Thousands of yen)
	For the nine months ended September 30, 2025
Net sales	3,638,603
Cost of sales	1,439,366
Gross profit	2,199,236
Selling, general and administrative expenses	1,351,815
Operating profit	847,421
Non-operating income	
Interest income	1,349
Refund of defined contribution pension plan	1,472
Received incentive	3,152
Other	1,274
Total non-operating income	7,249
Non-operating expenses	
Interest expenses	352
Foreign exchange losses	2,044
Other	121
Total non-operating expenses	2,519
Ordinary profit	852,151
Extraordinary income	
Other	2,863
Total extraordinary income	2,863
Extraordinary losses	
Loss on retirement of non-current assets	0
Total extraordinary losses	0
Profit before income taxes	855,014
Income taxes - current	255,520
Income taxes - deferred	33,817
Total income taxes	289,338
Profit	565,675
Profit attributable to owners of parent	565,675

Quarterly Consolidated Statement of Comprehensive Income

	(Thousands of yen)
	For the nine months ended September 30, 2025
Profit	565,675
Other comprehensive income	
Comprehensive income	565,675
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	565,675

(3) Notes to Quarterly Consolidated Financial Statements

(Notes on Going Concern Assumption)

Not applicable.

(Notes in Cases of Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Notes on Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes" etc.)

The Company has adopted the new accounting standard, "Accounting Standard for Current Income Taxes" ASBJ Statement No. 27, October 28, 2022, from the beginning of the first quarter of the fiscal year ending December 31, 2025. The changes in accounting policies have no impact on the quarterly consolidated financial statements.

(Changes in the Scope of Consolidation or the Scope of Application of Equity Method)

Techno-Speech, Inc. is included in the scope of consolidation from the first quarter of the fiscal year ending December 31, 2025 as the Company acquired all of its shares and made it a wholly-owned subsidiary.

(Segment Information)

[Segment Information]

Nine months ended September 30, 2025 (From January 1, 2025 to September 30, 2025)

1. Information on sales and the amount of profit or loss by reportable segment

(thousands of yen)

	Reportable Segment				Adjustments (Note 2)	Nine months ended Consolidated Profit or Loss Amount Recorded in the Statement of Income (Note 3)
	Mobile	Solution	AI Singing Voice Synthesis (Note 1)	Total		
Net sales						
Sales to external customers	2,056,665	1,509,828	72,109	3,638,603	—	3,638,603
Internal Sales between segments or transfers	—	—	—	—	—	—
TOTAL	2,056,665	1,509,828	72,109	3,638,603	—	3,638,603
Segment profit or loss	1,066,539	209,779	(60,457)	1,215,861	(368,440)	847,421

Notes: 1. Segment loss of 60,457 thousand yen in AI Singing Voice Synthesis business includes amortization of goodwill of -37,657 thousand yen.

2. Adjustment of segment loss of 368,440 thousand yen is not allocated to each reportable segment. Company-wide expenses is mainly general and administrative expenses not attributable to reportable segments.

3. Segment profit or loss is reconciled with Operating Profit in the quarterly consolidated statements of income.

2. Matters related to changes in reportable segments

During the interim accounting period, the Company acquired all of the shares of Techno-Speech, Inc. and made it a wholly-owned subsidiary. Accordingly, the "AI Singing Voice Synthesis" segment was added to the reportable segments.

Since quarterly consolidated financial statements have been prepared since the first quarter of the fiscal year ending December 31, 2025, segment information for the nine months ended September 30, 2024 is not stated.

3. Information on impairment losses on non-current assets or goodwill by reportable segment

(Significant changes in the amount of goodwill)

During the interim accounting period, the Company acquired all shares of Techno-Speech, Inc. and made it a wholly-owned subsidiary. As a result, goodwill was recognized in the AI Singing Voice Synthesis segment.

The increase in goodwill resulting from the event was 414,227 thousand yen.

The amount of goodwill is calculated provisionally as the allocation of acquisition cost has not been completed.

(Notes to Statements of Cash Flows)

The Company has not prepared quarterly consolidated statements of cash flows for the nine months ended September 30, 2025. Depreciation and amortization (Including amortization of intangible assets.) for the nine months ended September 30, 2025 are as follows.

	Nine months ended September 30, 2025 (From January 1, 2025 To: September 30, 2025)
Depreciation	78,835 thousand yen
Amortization of goodwill	37,657 thousand yen

(Business Combinations, Etc.)

(Business Combinations through Acquisition)

(1) Overview of the Business Combination

① Name of the Acquired Company and Its Business Description

Name of the Acquired Company: Techno-Speech, Inc.

Business Description: AI-based Speech Synthesis Technology-related business

② Main Reasons for the Business Combination

Since its listing on the Growth Market of the Tokyo Stock Exchange on March 23, 2023, the Company has made efforts to further expand its existing Mobile business and Solutions business. In April 2024, we launched an M&A (corporate mergers and acquisitions) investigation to establish a foundation for more sustainable growth. Under such circumstances, with world-class technology and development capabilities of Techno-Speech, Inc., which operates AI-based Speech Synthesis Technology-related business, as well as the growth potential of the market for such technologies, the Company has determined that high synergies can be expected with the Company's flagship product, the mobile paint app "ibisPaint," and that the corporate value of the Company will be further enhanced, and has decided to acquire all of the shares of Techno-Speech, Inc.

Techno-Speech, Inc. was established in November 2009 with the aim of disseminating the world's most advanced speech-related technologies developed mainly by the Nagoya Institute of Technology. Mainly in the entertainment business field, the Company is enhancing its technical and development capabilities by performing ongoing services entrusted to it by major companies (the B-to-B business, which is its core business). In addition to the "CeVIO" project jointly developed with 4 major companies, which started providing services in 2013, the "VoiSona" project, which started providing services in 2022, is expected to further expand our business as a growing business, mainly in the B-to-C field. In particular, both "VoiSona," a singing compositing app that realistically reproduces human singing using the latest AI technology, and "ibisPaint," the Company's mobile painting app, are compatible with creative cultures such as Japanese illustrations, music, music videos, etc., and both are creative products for B-to-C and close to user targets..

By making Techno-Speech, Inc. a wholly-owned subsidiary, the Company will accelerate the global expansion of "VoiSona," an AI singing voice synthesis application, and, like "ibisPaint," evolve "VoiSona" into a product that users loves around the world.

③ Business Combination Date

January 31, 2025

④ Legal Form of Business Combination

Acquisition of shares for cash

⑤ Name of Combined Company

There will be no change.

⑥ Percentage of Voting Rights Acquired

100%

⑦ Main Rationale for Determining the Acquired

The Company acquired its shares for cash.

(2) Period of the Acquired Company's Results Included in the Quarterly Consolidated Statements of Income

From April 1, 2025 to September 30, 2025

(3) Breakdown of the Acquisition Cost of the Acquired Companies and Type of Consideration

Acquisition Consideration	Cash	512 million yen
Acquisition cost	Cash	512 million yen

(4) Amount of Goodwill Recognized, Reason for Recognition, Amortization Method, and Amortization Period

① Amount of Goodwill Recognized

451 million yen

As the allocation of acquisition cost has not been completed at the end of the nine months ended June 30, 2025, provisional accounting is applied based on available reasonable information.

② Reason for Recognition of Goodwill

This is attributable to future excess profitability expected to be generated by future business development.

③ Amortization Method and Period

Straight-line depreciation over six years

(Revenue Recognition)

Breaking down revenue arising from contracts with customers

Nine months ended September 30, 2025 (from January 1, 2025 to September 30, 2025)

(thousands of yen)

	Reporting segment			Total
	Mobile	Solutions	AI Singing Voice Synthesis	
In-app Advertising	1,017,348	—	—	1,017,348
Subscription	836,859	—	—	836,859
One-time Purchase App	198,789	—	—	198,789
IT Engineers Dispatch Services	—	1,145,438	—	1,145,438
Contract Development	—	364,390	12,429	376,819
VoiSona	—	—	59,679	59,679
Other	3,666	—	—	3,666
Revenue arising from contracts with customers	2,056,665	1,509,828	72,109	3,638,603
Other revenue	—	—	—	—
Sales to external customers	2,056,665	1,509,828	72,109	3,638,603

(Significant Subsequent Events)

At its board of directors meeting held on October 30, 2025, the Company resolved to acquire 100% of the shares of Zeroichi Start Inc. and make it a subsidiary, and concluded a share transfer agreement as of the same date.

(1) Overview of Business Combination

① Name of Acquired Company and Its Business Description

Name of the Acquired Company

Zeroichi Start Inc.

Business Description

No-code and low-code system development business

② Main Reasons for the Business Combination

Since its listing on the Growth Market of the Tokyo Stock Exchange on March 23, 2023, the Company has made efforts to further expand its existing Mobile business and Solutions Business. In April 2024, we launched an M & A (corporate mergers and acquisitions) investigation to establish a foundation for more sustainable growth. Under such circumstances, the Company has decided to acquire all shares of Zeroichi Start Inc., which is engaged in the development of no-code and low-code systems, as it has concluded that its three strengths - (1) business consulting insight, (2) knowledge in the operation of no-code tools with extremely high development productivity, and (3) up-to-date and massive SEO (search engine optimization) know-how - can be expected to create high synergy effects with the Company's Solutions business and further enhance the Group's corporate value.

Zeroichi Start Inc. is a company mainly engaged in product development for new businesses utilizing the no-code tool Bubble. President and Representative Director Masahiro Morimoto founded the company after graduating from the Faculty of Engineering at Kyoto University, by leveraging his 5 years of experience as an engineer and marketing planner for existing and new businesses at Recruit Co., Ltd. Zeroichi Start Inc. develops a variety of systems for corporate customers, including medical apps, sales support apps, real estate management systems, and platform services, and provides one-stop support for the success of customers' new businesses by accompanying them from the formulation of business plans and validation plans. However, while Zeroichi Start Inc. has inbound capability to acquire many prospective corporate clients through SEO and proposal capabilities based on consulting, the overwhelming lack of IT engineers to implement large-scale development projects has been a major issue in its growth strategies.

As such, the Company has determined that by organically integrating Solutions business's strengths, which it has cultivated since its foundation — namely, mobile app and web system development technology and adoption capabilities — which it has cultivated since its founding with the aforementioned strengths (1) - (3) of Zeroichi Start Inc., it can expect high synergy effects, particularly a significant boost in sales capabilities.

The Company aims to increase sales productivity not only in the Mobile business but also in Solutions business, and enhance the corporate value of Ibis by making Zeroichi Start Inc. a consolidated subsidiary and thereby making a full-scale shift from IT Engineers Dispatch Services, the Company's main Solutions business services, to system integration services such as IT consulting/contract development from 2026 onward.

③ Business Combination Date

November 21, 2025 (scheduled)

④ Legal Form of Business Combination

Acquisition of shares for cash

⑤ Name of Combined Company

There will be no change.

⑥ Percentage of Voting Rights to Be Acquired

100%

⑦ Main Rationale for Determining the Acquired

The Company acquired its shares for cash.

(2) Breakdown of the Acquisition Cost of the Acquired Companies and Type of Consideration

Acquisition Consideration	Cash	350 million yen
Acquisition cost		350 million yen

(3) Details and Amounts of Main Acquisition-related Costs

Advisory expenses, etc. (estimated) 35 million yen

(4) Amount of Goodwill Recognized, Reason for the Recognition, the Amortization Method, and the Amortization Period

Not determined at present.

(5) Amount and Breakdown of Assets Acquired and Liabilities Assumed as of the Date of the Business Combination

Not confirmed at this point in time.