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August 8, 2025

## Consolidated Financial Results for the First Six Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: IBJ, Inc.  
Listing: Tokyo Stock Exchange  
Securities code: 6071  
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Scheduled date of filing semi-annual report: August 14, 2025  
Scheduled date of commencing dividend payments: —  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

### 1. Consolidated quarterly financial results for the first six months of the fiscal year ending December 31, 2025 (from January 1, 2025 to June 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 |      |
|------------------|-----------------|------|------------------|------|-----------------|------|---|------|
| Six months ended | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                         | %    |
| June 30, 2025    | 9,734           | 13.6 | 1,793            | 41.2 | 1,780           | 40.4 | 1,096                                   | 26.6 |
| June 30, 2024    | 8,566           | 10.9 | 1,270            | 31.7 | 1,268           | 26.3 | 866                                     | 7.5  |

Note: Comprehensive income For the six months ended June 30, 2025: ¥1,188 million [31.9%]  
For the six months ended June 30, 2024: ¥900 million [96.7%]

|                  | Basic earnings per share | Diluted earnings per share |
|------------------|--------------------------|----------------------------|
| Six months ended | Yen                      | Yen                        |
| June 30, 2025    | 29.00                    | —                          |
| June 30, 2024    | 22.75                    | —                          |

#### (2) Consolidated financial position

|                   | Total assets    | Net assets      | Equity-to-asset ratio | Net assets per share |
|-------------------|-----------------|-----------------|-----------------------|----------------------|
| As of             | Millions of yen | Millions of yen | %                     | Yen                  |
| June 30, 2025     | 21,286          | 9,922           | 43.5                  | 244.51               |
| December 31, 2024 | 18,465          | 8,970           | 45.4                  | 221.93               |

Reference: Equity  
As of June 30, 2025: ¥9,260 million  
As of December 31, 2024: ¥8,386 million

## 2. Dividends

|   | Annual dividends per share |                    |                   |                 |             |
|---|----------------------------|--------------------|-------------------|-----------------|-------------|
|   | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total       |
| Fiscal year ended December 31, 2024             | Yen<br>—                   | Yen<br>0.00        | Yen<br>—          | Yen<br>8.00     | Yen<br>8.00 |
| Fiscal year ending December 31, 2025            | —                          | 0.00               |                   |                 |             |
| Fiscal year ending December 31, 2025 (Forecast) |                            |                    | —                 | 8.00            | 8.00        |

Note: Revision to the forecast for dividends announced most recently: None

## 3. Consolidated financial results forecast for the fiscal year ending December 31, 2025 (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 | 19,405          | 9.4 | 3,124            | 21.1 | 3,085           | 20.4 | 1,989                                   | 30.6 | 52.65                    |

Note: Revision to the financial results forecast announced most recently: None

**\* Notes**

- (1) Significant changes in the scope of consolidation during the period: Yes  
Newly included: 2 companies (Decollte Holdings Corporation, GROWBING, Inc.)  
Excluded: – companies (–)
- (2) Accounting methods adopted particularly for the preparation of semi-annual 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

(4) Number of issued shares (ordinary shares)

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

|                         |                   |
|-------------------------|-------------------|
| As of June 30, 2025     | 42,000,000 shares |
| As of December 31, 2024 | 42,000,000 shares |

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

|                         |                  |
|-------------------------|------------------|
| As of June 30, 2025     | 4,128,206 shares |
| As of December 31, 2024 | 4,212,206 shares |

- (iii) Average number of shares during the period (semi-annual)

|                                |                   |
|--------------------------------|-------------------|
| Six months ended June 30, 2025 | 37,819,417 shares |
| Six months ended June 30, 2024 | 38,084,729 shares |

\* The semi-annual financial results reports are exempt from review by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

(Notes regarding forward-looking statements, etc.)

Financial results forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors.

Please refer to “1. Qualitative information for the first half of the fiscal year ending December 31, 2025, (3) Overview of consolidated financial results forecast and other forward-looking information” on page 5 of this financial results report (attached materials) for conditions forming the basis for financial results forecasts, notes regarding the use of financial results forecasts, and other information.

(How to obtain the supplementary material on financial results and the contents of the financial results briefing)

The Company plans to hold a financial results briefing for institutional investors and analysts on Tuesday, August 12, 2025. A video of the meeting will be posted on the Company’s website as soon as possible after the meeting. Supplementary materials for the financial results will be posted on the Company’s website today.

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## 1. Qualitative information for the first half of the fiscal year ending December 31, 2025

### (1) Operating results

In the first half of the fiscal year under review, although the Japanese economy continued to show signs of recovery centered on domestic demand, there were concerns over impact on personal consumption from the increase in living costs due to the prolonged price increases and the impact of yen depreciation.

Meanwhile, structural issues such as the declining birthrate and aging population as well as the shrinking labor force population are persisting, in addition to the downward trend in the number of marriages in Japan. The annual number of marriages reached a record low in 2024, and the social environment surrounding marriage is becoming increasingly severe.

In the kon-katsu (marriage-hunting) market, while the use of marriage-matching applications is continuously expanding, needs for safe and secure marriage services are further increasing, as matching efficiency is reduced due to the increase in users, and problems such as identity fraud and scams are becoming exceptionally serious. Accordingly, in the marriage consulting agency industry, demand is rising for ensuring reliability through requiring submission of various certificates, enhancement of fine-tuned support by counselors, and improvement of the overall quality of the marriage-hunting process.

In addition, private-public initiatives aimed at addressing the falling birthrate and revitalizing local regions are expanding nationwide. The number of community-based marriage support programs implemented in collaboration with local governments and local companies is also increasing.

Amid this operating environment, the Group continues to strive to expand our business and improve our corporate value by enhancing marketing measures that will achieve both improved brand recognition and improved customer satisfaction and by expanding provision of services that help address societal issues through collaboration with local governments and private companies, toward realizing the aims of the Mid-Term Management Plan (January 2021 to December 2027): “20,000 marriages,” “7,000 affiliated consultation offices,” and “140,000 the number of IBJ paying members.”

As a result, consolidated net sales in the first half of the fiscal year under review came to 9,734,294 thousand yen (up 13.6% year on year), operating profit was 1,793,507 thousand yen (up 41.2% year on year), ordinary profit was 1,780,945 thousand yen (up 40.4% year on year), and profit attributable to owners of parent was 1,096,693 thousand yen (up 26.6% year on year).

Net sales and divisional profit by each segment are shown below.

From the first half of the current fiscal year, the Group has newly added the “K Village Business” as a reportable segment. This decision was made to strengthen management by separating the business of K Village Inc., which had been operating within the hobby and community business under the Life Design Business, from the Life Design Business, in light of the business’s growing scale. As a result, segment classification has been revised for greater clarity. Segment information for the first half of the previous fiscal year has been prepared and presented in accordance with the revised segment classification.

For details, please refer to “3. Items related to changes in reportable segments” in “2. Semi-annual consolidated financial statements and major notes, (4) Notes to semi-annual consolidated financial statements, (Segment information), Segment Information.”

Divisional profit is defined as operating income + depreciation + amortization of goodwill + amortization of long-term prepaid expenses (after adjusting internal transactions).

#### <Affiliate Business>

In the Affiliate Business, during the first half of the fiscal year under review, an increase in the franchise opening fees resulted in an improvement of unit prices, but growth of the number of openings in local areas slowed at the Agency Opening Support Business. Going forward, the business will aim at an increase in the number of members and further improvement of unit prices through development of new products.

On the other hand, at the Affiliate Business, the increase in the franchise opening fees resulted in an increase in new affiliate consultation offices with higher business motivation, and the ability to acquire new members has been improved. Consequently, the number of new members and the number of IBJ paying members remained strong, which were 26,007 (up 34.9% year on year) and 102,344 (up 36.9% year on year), respectively. Members’ activity within the platform also gained momentum, and the number of arranged marriage meetings was 330,625 (up 26.5% year on year), continuously showing a remarkable growth.

As a result, the segment net sales amounted to 1,777,331 thousand yen (up 9.8% year on year) and divisional profit was 1,178,125 thousand yen (up 7.2% year on year).

#### <Directly-Managed Lounge Business>

As for the Directly-Managed Lounge Business, during the first half of the fiscal year under review, IBJ Members and Sunmarie strengthened cooperation with IBJ Matching (marriage-hunting party), and ZWEI strengthened its marketing strategies, including advertising in mass media. Consequently, the number of new members increased by 11,599 (up 9.0% year on year), and, in line with this, the number of arranged marriage meetings remained strong at 172,807 (up 5.0% year on year).

As a result, segment net sales amounted to 4,631,320 thousand yen (up 5.5% year on year) and divisional profit was 1,110,767 thousand yen (up 13.8% year on year).

#### <Matching Business>

In the Matching Business, during the first half of the fiscal year under review, implementation of marketing measures aimed at acquisition of new customers (such as discounts for first-time participants) and introduction of new functions in the application resulted in a firm growth of the number of events held and the number of participants.

As a result, segment net sales amounted to 744,457 thousand yen (down 8.6% year on year) and divisional profit was 174,748 thousand yen (up 53.3% year on year).

#### <Life Design Business>

In the Life Design Business, during the first half of the fiscal year under review, as the number of new members has increased in the Directly-Managed Lounge Business, the number of photo shoots for arranged marriage meetings saw a significant increase to 4,994 (up 32.0% year on year).

In addition, the number of marriages increasing continuously from the previous year and strengthened cooperation with the Directly-Managed Lounge Business has resulted in the number of successful contracts in the wedding business reaching 649 (up 35.2% year on year). In line with this, the number of insurance contracts saw rapid growth to 930 (up 33.2 % year on year).

As a result, segment net sales amounted to 908,701 thousand yen (up 93.8% year on year) and divisional profit was 322,695 thousand yen (up 129.5% year on year).

#### <K Village Business>

In the K Village Business, during the first half of the fiscal year under review, the number of students significantly increased. This was because NAYUTAS, which offers voice training and other services, continuously focused on the franchise business and provided extensive support, including training before business launch, to each franchisee.

At the Korean language schools as well, efforts to enhance instructor skills led to the prevention of student withdrawals. Consequently, the number of students significantly increased to reach 16,090 (up 15.8% year on year).

As a result, segment net sales amounted to 1,672,483 thousand yen (up 31.1% year on year) and divisional profit was 247,658 thousand yen (up 57.4% year on year).

## (2) Overview of financial position

### (i) Assets, liabilities and net assets

#### (Assets)

Current assets as of June 30, 2025 amounted to 9,052,899 thousand yen, up 134,298 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 585,666 thousand yen in operational investment securities, despite decreases of 337,584 thousand yen in cash and deposits and 107,543 thousand yen in deposits paid.

Non-current assets were 12,233,912 thousand yen, up 2,686,881 thousand yen from the end of the previous fiscal year. This was mainly due to increases of 1,511,681 thousand yen in investment securities, 715,950 thousand yen in goodwill, and 454,761 thousand yen in guarantee deposits.

Consequently, total assets came to 21,286,811 thousand yen, up 2,821,179 thousand yen from the end of the previous fiscal year.

#### (Liabilities)

Current liabilities as of June 30, 2025 amounted to 7,311,997 thousand yen, up 2,091,021 thousand yen from the end of the previous fiscal year. This was mainly due to increases of 933,822 thousand yen in current portion of long-term borrowings, 700,000 thousand yen in short-term borrowings, and 191,209 thousand yen in income taxes payable.

Non-current liabilities were 4,052,443 thousand yen, down 221,930 thousand yen from the end of the previous fiscal year. This was mainly due to a decrease of 268,796 thousand yen in long-term borrowings.

Consequently, total liabilities came to 11,364,441 thousand yen, up 1,869,091 thousand yen from the end of the previous fiscal year.

#### (Net assets)

Net assets as of June 30, 2025 stood at 9,922,370 thousand yen, up 952,088 thousand yen from the end of the previous fiscal year. This was mainly due to increases of 794,391 thousand yen in retained earnings and 71,919 thousand yen in non-controlling interests.

Consequently, the equity-to-asset ratio was 43.5% (compared to 45.4% at the end of the previous fiscal year).

### (ii) Cash Flows

Cash and cash equivalents (hereinafter referred to as “Funds”) in the first half of the fiscal year under review amounted to 3,934,403 thousand yen, down 439,431 thousand yen from the end of the previous fiscal year.

The status of each cash flow and their main factors in the first half ended June 30, 2025 are as follows.

#### (Cash flows from operating activities)

Funds provided by operating activities in the first half of the fiscal year under review amounted to 1,516,211 thousand yen (Funds used in the same period of the previous year amounted to 104,423 thousand yen).

The main factors of the increase were a 1,764,492 thousand yen in profit before income taxes, 297,659 thousand yen in depreciation, 96,671 thousand yen in amortization of goodwill, and such. The main factors of the decrease were 239,232 thousand yen of decrease in accounts payable – other, and accrued expenses, 40,929 thousand yen of decrease in advances received, and such.

#### (Cash flows from investing activities)

Funds used in investing activities in the first half of the fiscal year under review amounted to 3,051,540 thousand yen (Funds used in the same period of the previous year amounted to 625,906 thousand yen).

The main factor of the increase was 200,000 thousand yen in proceeds from sale of investment securities and such. The main factors of the decrease were 1,671,196 thousand yen in purchase of investment securities, 900,819 thousand yen in purchase of shares of subsidiaries resulting in change in scope of consolidation, 456,126 thousand yen in payments of leasehold and guarantee deposits, and such.

(Cash flows from financing activities)

Funds provided by financing activities in the first half of the fiscal year under review amounted to 1,099,738 thousand yen (Funds used in the same period of the previous year amounted to 1,203,769 thousand yen).

The main factors of the increase were 2,700,000 thousand yen in proceeds from short-term borrowings, 900,000 thousand yen in proceeds from long-term borrowings, and such. The main factors of the decrease were 2,000,000 thousand yen in repayments of short-term borrowings, 301,920 thousand yen in dividends paid, 282,329 thousand yen in repayments of long-term borrowings, and such.

(3) Overview of consolidated financial results forecast and other forward-looking information

There has been no change from the consolidated financial results forecast for the fiscal year ending December 31, 2025 announced in the “Consolidated Financial Results for the Fiscal Year Ended December 31, 2024” on February 12, 2025.



## 2. Semi-annual consolidated financial statements and major notes

### (1) Semi-annual consolidated balance sheet

(Unit: thousands of yen)

|   | Previous consolidated fiscal year<br>(December 31, 2024) | First half of FY2025<br>(June 30, 2025) |
|---|--|---|
| <b>Assets</b>                                 |  |   |
| Current assets                                |  |   |
| Cash and deposits                             | 4,198,305  | 3,860,721                               |
| Accounts receivable – trade                   | 1,904,190  | 1,924,507                               |
| Operational investment securities             | 2,139,445  | 2,725,111                               |
| Merchandise and finished goods                | 10,448   | 16,418                                  |
| Raw materials and supplies                    | 2,105  | 5,275                                   |
| Advance payments to suppliers                 | 26,390   | 8,573                                   |
| Prepaid expenses                              | 372,840  | 430,055                                 |
| Current portion of long-term loans receivable | 1,999  | 1,833                                   |
| Deposits paid                                 | 190,910  | 83,367                                  |
| Other   | 92,594   | 20,881                                  |
| Allowance for doubtful accounts               | -20,631  | -23,846                                 |
| Total current assets                          | 8,918,600  | 9,052,899                               |
| Non-current assets                            |  |   |
| Property, plant and equipment                 |  |   |
| Buildings                                     | 2,442,154  | 2,561,193                               |
| Accumulated depreciation                      | -1,127,589   | -1,190,362                              |
| Buildings, net                                | 1,314,564  | 1,370,831                               |
| Vehicles                                      | 31,426   | 31,576                                  |
| Accumulated depreciation                      | -8,488   | -11,141                                 |
| Vehicles, net                                 | 22,938   | 20,434                                  |
| Tools, furniture and fixtures                 | 611,349  | 625,600                                 |
| Accumulated depreciation                      | -546,514   | -546,853                                |
| Tools, furniture and fixtures, net            | 64,834   | 78,746                                  |
| Land  | 1,538,479  | 1,538,479                               |
| Leased assets                                 | 43,229   | 43,967                                  |
| Accumulated depreciation                      | -30,827  | -32,949                                 |
| Leased assets, net                            | 12,401   | 11,017                                  |
| Total property, plant and equipment           | 2,953,219  | 3,019,509                               |
| Intangible assets                             |  |   |
| Goodwill                                      | 1,320,307  | 2,036,257                               |
| Software                                      | 969,167  | 924,042                                 |
| Software in progress                          | 11,151   | 39,739                                  |
| Trademark right                               | 19,982   | 71                                      |
| Other   | –  | 16,477                                  |
| Total intangible assets                       | 2,320,608  | 3,016,589                               |
| Investments and other assets                  |  |   |
| Investment securities                         | 1,604,165  | 3,115,847                               |
| Long-term prepaid expenses                    | 146,644  | 180,023                                 |
| Long-term loans receivable                    | 833  | –                                       |
| Deferred tax assets                           | 644,436  | 570,056                                 |
| Insurance funds                               | 279,309  | 279,309                                 |
| Guarantee deposits                            | 1,591,125  | 2,045,886                               |
| Other   | 6,690  | 6,690                                   |
| Total investments and other assets            | 4,273,203  | 6,197,812                               |
| Total non-current assets                      | 9,547,030  | 12,233,912                              |
| Total assets                                  | 18,465,631   | 21,286,811                              |

(Unit: thousands of yen)

|   | Previous consolidated fiscal year<br>(December 31, 2024) | First half of FY2025<br>(June 30, 2025) |
|---|--|---|
| <b>Liabilities</b>                                    |  |   |
| Current liabilities                                   |  |   |
| Accounts payable – trade                              | 281,764  | 370,601                                 |
| Short-term borrowings                                 | 1,160,000  | 1,860,000                               |
| Current portion of long-term borrowings               | 468,198  | 1,402,020                               |
| Account payable – other                               | 748,974  | 643,444                                 |
| Accrued expenses                                      | 841,468  | 732,422                                 |
| Income taxes payable                                  | 400,819  | 592,028                                 |
| Accrued consumption taxes                             | 312,390  | 212,010                                 |
| Advances received                                     | 649,637  | 598,206                                 |
| Lease obligations                                     | 6,847  | 6,093                                   |
| Provision for bonuses                                 | –  | 17,862                                  |
| Other   | 350,875  | 877,308                                 |
| Total current liabilities                             | 5,220,976  | 7,311,997                               |
| Non-current liabilities                               |  |   |
| Long-term borrowings                                  | 3,537,516  | 3,268,720                               |
| Lease obligations                                     | 5,064  | 5,093                                   |
| Asset retirement obligations                          | 718,664  | 766,115                                 |
| Other   | 13,129   | 12,514                                  |
| Total non-current liabilities                         | 4,274,373  | 4,052,443                               |
| Total liabilities                                     | 9,495,349  | 11,364,441                              |
| <b>Net assets</b>                                     |  |   |
| Shareholders' equity                                  |  |   |
| Share capital   | 699,585  | 699,585                                 |
| Capital surplus                                       | 929,640  | 937,276                                 |
| Retained earnings                                     | 9,272,311  | 10,066,702                              |
| Treasury shares                                       | -2,436,380   | -2,384,213                              |
| Total shareholders' equity                            | 8,465,156  | 9,319,350                               |
| Accumulated other comprehensive income                |  |   |
| Valuation difference on available-for-sale securities | -78,980  | -59,238                                 |
| Total accumulated other comprehensive income          | -78,980  | -59,238                                 |
| Share acquisition rights                              | 37,512   | 43,745                                  |
| Non-controlling interests                             | 546,592  | 618,512                                 |
| Total net assets                                      | 8,970,281  | 9,922,370                               |
| Total liabilities and net assets                      | 18,465,631   | 21,286,811                              |

## (2) Semi-annual consolidated statements of income and comprehensive income

## Semi-annual consolidated statement of income

(Unit: thousands of yen)

|  | First half of FY2024<br>(from January 1, 2024 to<br>June 30, 2024) | First half of FY2025<br>(from January 1, 2025 to<br>June 30, 2025) |
|--|--|--|
| Net sales  | 8,566,169  | 9,734,294  |
| Cost of sales                                    | 591,767  | 868,431  |
| Gross profit                                     | 7,974,401  | 8,865,862  |
| Selling, general and administrative expenses     | 6,704,224  | 7,072,355  |
| Operating profit                                 | 1,270,177  | 1,793,507  |
| Non-operating income                             |  |  |
| Interest income                                  | 69   | 1,691  |
| Foreign exchange gains                           | 5,355  | —  |
| Subsidy income                                   | 312  | 1,455  |
| Equity in earnings of affiliates                 | —  | 68,178   |
| Other  | 3,448  | 2,979  |
| Total non-operating income                       | 9,186  | 74,304   |
| Non-operating expenses                           |  |  |
| Interest expenses                                | 9,152  | 20,227   |
| Loss on investments in investment partnerships   | 117  | 439  |
| Commission expenses                              | 1,779  | —  |
| Loss on valuation of securities                  | —  | 60,737   |
| Other  | 7  | 5,461  |
| Total non-operating expenses                     | 11,056   | 86,866   |
| Ordinary profit                                  | 1,268,307  | 1,780,945  |
| Extraordinary income                             |  |  |
| Gain on sale of non-current assets               | 1,591  | —  |
| Gain on reversal of share acquisition rights     | 82,210   | —  |
| Gain on reversal of asset retirement obligations | —  | 647  |
| Total extraordinary income                       | 83,801   | 647  |
| Extraordinary losses                             |  |  |
| Loss on retirement of non-current assets         | —  | 17,101   |
| Loss on sale of investment securities            | 23,548   | —  |
| Total extraordinary losses                       | 23,548   | 17,101   |
| Profit before income taxes                       | 1,328,560  | 1,764,492  |
| Income taxes – current                           | 405,050  | 532,693  |
| Income taxes – deferred                          | 16,029   | 63,185   |
| Total income taxes                               | 421,080  | 595,878  |
| Profit   | 907,480  | 1,168,613  |
| Profit attributable to non-controlling interests | 40,875   | 71,919   |
| Profit attributable to owners of parent          | 866,605  | 1,096,693  |

## Semi-annual consolidated statement of comprehensive income

(Unit: thousands of yen)

|   | First half of FY2024<br>(from January 1, 2024 to<br>June 30, 2024) | First half of FY2025<br>(from January 1, 2025 to<br>June 30, 2025) |
|---|--|--|
| Profit  | 907,480  | 1,168,613  |
| Other comprehensive income                            |  |  |
| Valuation difference on available-for-sale securities | -6,577   | 19,741   |
| Total other comprehensive income                      | -6,577   | 19,741   |
| Comprehensive income                                  | 900,903  | 1,188,355  |
| Comprehensive income attributable to:                 |  |  |
| Owners of parent                                      | 860,028  | 1,116,435  |
| Non-controlling interests                             | 40,875   | 71,919   |

## (3) Semi-annual consolidated cash flow statement

(Unit: thousands of yen)

|   | First half of FY2024<br>(from January 1, 2024 to<br>June 30, 2024) | First half of FY2025<br>(from January 1, 2025 to<br>June 30, 2025) |
|---|--|--|
| Cash flows from operating activities                                  |  |  |
| Profit before income taxes  | 1,328,560  | 1,764,492  |
| Depreciation  | 275,898  | 297,659  |
| Amortization of goodwill  | 82,717   | 96,671   |
| Amortization of long-term prepaid expenses                            | 1,412  | 6,044  |
| Increase (decrease) in allowance for doubtful accounts                | 5,918  | 3,142  |
| Increase (decrease) in provision for bonuses                          | 15,705   | 19,897   |
| Interest and dividend income  | -69  | -1,691   |
| Share of loss (profit) of entities accounted for using equity method  | —  | -68,178  |
| Interest expenses   | 9,152  | 20,227   |
| Loss (gain) on sale of investment securities                          | 23,548   | —  |
| Loss on retirement of non-current assets                              | —  | 17,101   |
| Loss (gain) on valuation of investment securities                     | —  | 60,737   |
| Loss (gain) on investments in investment partnerships                 | 117  | 439  |
| Gain on reversal of share acquisition rights                          | -82,210  | —  |
| Decrease (increase) in trade receivable                               | 22,225   | -1,709   |
| Decrease (increase) in advance payments to suppliers                  | 162  | 17,817   |
| Decrease (increase) in deposits paid                                  | -3,586   | 5,695  |
| Decrease (increase) in inventories                                    | -1,046,085   | -595,195   |
| Increase (decrease) in trade payables                                 | -183,661   | 87,700   |
| Increase (decrease) in advances received                              | 35,954   | -40,929  |
| Increase (decrease) in accounts payable – other, and accrued expenses | -288,720   | -239,232   |
| Increase (decrease) in accrued consumption taxes                      | 68,878   | -113,436   |
| Other   | 241,563  | 599,806  |
| Subtotal  | 507,483  | 1,937,059  |
| Interest and dividends received                                       | 69   | 1,691  |
| Interest paid   | -8,696   | -21,204  |
| Income taxes paid   | -603,280   | -401,335   |
| Net cash provided by (used in) operating activities                   | -104,423   | 1,516,211  |

(Unit: thousands of yen)

|  | First half of FY2024<br>(from January 1, 2024 to<br>June 30, 2024) | First half of FY2025<br>(from January 1, 2025 to<br>June 30, 2025) |
|--|--|--|
| Cash flows from investing activities   |  |  |
| Purchase of property, plant and equipment  | -122,211   | -121,383   |
| Purchase of intangible assets  | -177,182   | -132,550   |
| Purchase of investment securities  | -248,219   | -1,671,196   |
| Proceeds from sale of investment securities                                      | -  | 200,000  |
| Proceeds from collection of loans receivable                                     | 999  | 999  |
| Payments of leasehold and guarantee deposits                                     | -97,085  | -456,126   |
| Proceeds from refund of leasehold and guarantee deposits                         | 17,748   | 29,547   |
| Purchase of shares of subsidiaries resulting in change in scope of consolidation | -  | -900,819   |
| Other  | 42   | -9   |
| Net cash provided by (used in) investing activities                              | -625,906   | -3,051,540   |
| Cash flows from financing activities   |  |  |
| Proceeds from short-term borrowings  | 1,130,000  | 2,700,000  |
| Repayments of short-term borrowings  | -2,786,817   | -2,000,000   |
| Proceeds from long-term borrowings   | 1,460,000  | 900,000  |
| Repayments of long-term borrowings   | -177,071   | -282,329   |
| Dividends paid   | -232,445   | -301,920   |
| Purchase of treasury shares  | -593,032   | -  |
| Other  | -4,402   | 83,987   |
| Net cash provided by (used in) financing activities                              | -1,203,769   | 1,099,738  |
| Effect of exchange rate change on cash and cash equivalents                      | 5,355  | -3,841   |
| Net increase (decrease) in cash and cash equivalents                             | -1,928,744   | -439,431   |
| Opening balance of cash and cash equivalents                                     | 4,805,205  | 4,373,834  |
| Ending balance of cash and cash equivalents                                      | 2,876,461  | 3,934,403  |

(4) Notes to semi-annual consolidated financial statements

(Note on entity's ability to continue as going concern)

Not applicable

(Notes in the event of substantial changes in shareholders' equity)

Not applicable

(Changes in accounting policies)

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

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27; October 28, 2022, hereinafter referred to as 'Revised Accounting Standard 2022') and other related accounting standards have been applied from the beginning of the first half of the fiscal year under review. Revisions in the accounting classification of current income taxes (taxes on other comprehensive income) have been applied in accordance with the transitional treatments stipulated in the proviso of Paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatments stipulated in the proviso of Paragraph 65-2 (2) of the "Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28; October 28, 2022, hereinafter referred to as 'Revised Guidance 2022')." These changes in accounting policies had no impact on the semi-annual consolidated financial statements.

With respect to revisions regarding reviews on treatments in the consolidated financial statements in the case that gains or losses associated with sales of shares, etc. of subsidiaries among consolidated companies are deferred for tax purposes, the Revised Guidance 2022 has been applied from the beginning of the first half of the fiscal year under review. These changes in accounting policies have been retrospectively applied and the semi-annual consolidated financial statements for the first half of the previous fiscal year and the consolidated financial statements for the previous fiscal year have been prepared after the retrospective application of the changes. These changes in accounting policies had no impact on the semi-annual consolidated financial statements for the first half of the previous fiscal year and the consolidated financial statements for the previous fiscal year.

## (Segment information)

## Segment Information

## I First half ended June 30, 2024 (from January 1, 2024 to June 30, 2024)

## 1. Disclosure of sales, profit (loss), and breakdown of revenue for each reportable segment

(Unit: thousands of yen)

|  | Reportable segment |                                  |                   |                      |                    |           | Adjustments | Per semi-annual consolidated financial statements |
|--|--------------------|----------------------------------|-------------------|----------------------|--------------------|-----------|-------------|---|
|  | Affiliate Business | Directly-Managed Lounge Business | Matching Business | Life Design Business | K Village Business | Total     |             |   |
| Sales                                      |                    |                                  |                   |                      |                    |           |             |   |
| Services at transferred at a point in time | 989,746            | 1,499,496                        | 468,001           | 291,656              | 391,782            | 3,640,681 | —           | 3,640,681   |
| Services transferred over time             | 628,869            | 2,889,458                        | 346,324           | 86,610               | 883,640            | 4,834,903 | —           | 4,834,903   |
| Revenue from contracts with customers      | 1,618,615          | 4,388,955                        | 814,325           | 378,266              | 1,275,422          | 8,475,585 | —           | 8,475,585   |
| Other revenues                             | —                  | —                                | —                 | 90,583               | —                  | 90,583    | —           | 90,583  |
| Revenues from external customers           | 1,618,615          | 4,388,955                        | 814,325           | 468,850              | 1,275,422          | 8,566,169 | —           | 8,566,169   |
| Transactions with other segments           | 71,452             | 25,143                           | 37,581            | 338                  | —                  | 134,515   | -134,515    | —   |
| Total                                      | 1,690,067          | 4,414,098                        | 851,906           | 469,189              | 1,275,422          | 8,700,684 | -134,515    | 8,566,169   |
| Segment profit (loss)                      | 1,075,883          | 820,174                          | 72,000            | 110,689              | 119,815            | 2,198,563 | -928,386    | 1,270,177   |

- Notes:
1. Adjustments to segment profit (loss) are corporate expenses that are not allocated to each reportable segment and consist of general and administrative expenses.
  2. Segment profit (loss) is adjusted with the operating profit in the semi-annual consolidated financial statements.
  3. "Other revenues" are transactions related to financial instruments based on the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019) and real estate rental income, etc. based on the "Accounting Standard for Lease Transactions" (ASBJ Statement No. 13, March 30, 2007).

## 2. Disclosure of impairment losses of non-current assets and goodwill, etc., for each reportable segment

(Significant impairment losses regards to non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

Not applicable



## II First half ended June 30, 2025 (from January 1, 2025 to June 30, 2025)

### 1. Disclosure of sales, profit (loss), and breakdown of revenue for each reportable segment

(Unit: thousands of yen)

|  | Reportable segment |                                  |                   |                      |                    |           | Adjustments | Per semi-annual consolidated financial statements |
|--|--------------------|----------------------------------|-------------------|----------------------|--------------------|-----------|-------------|---|
|  | Affiliate Business | Directly-Managed Lounge Business | Matching Business | Life Design Business | K Village Business | Total     |             |   |
| Sales                                      |                    |                                  |                   |                      |                    |           |             |   |
| Services at transferred at a point in time | 923,884            | 1,533,739                        | 441,904           | 617,214              | 547,164            | 4,063,907 | —           | 4,063,907   |
| Services transferred over time             | 853,447            | 3,097,581                        | 302,552           | 105,012              | 1,125,318          | 5,483,912 | —           | 5,483,912   |
| Revenue from contracts with customers      | 1,777,331          | 4,631,320                        | 744,457           | 722,227              | 1,672,483          | 9,547,820 | —           | 9,547,820   |
| Other revenues                             | —                  | —                                | —                 | 186,474              | —                  | 186,474   | —           | 186,474   |
| Revenues from external customers           | 1,777,331          | 4,631,320                        | 744,457           | 908,701              | 1,672,483          | 9,734,294 | —           | 9,734,294   |
| Transactions with other segments           | 87,350             | 28,726                           | 56,320            | 3,820                | —                  | 176,217   | -176,217    | —   |
| Total                                      | 1,864,681          | 4,660,047                        | 800,777           | 912,522              | 1,672,483          | 9,910,511 | -176,217    | 9,734,294   |
| Segment profit (loss)                      | 1,151,048          | 949,149                          | 134,605           | 270,586              | 204,988            | 2,710,378 | -916,871    | 1,793,507   |

- Notes:
- Adjustments to segment profit (loss) are corporate expenses that are not allocated to each reportable segment and consist of general and administrative expenses.
  - Segment profit (loss) is adjusted with the operating profit in the semi-annual consolidated financial statements.
  - “Other revenues” are transactions related to financial instruments based on the “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019) and real estate rental income, etc. based on the “Accounting Standard for Lease Transactions” (ASBJ Statement No. 13, March 30, 2007).

### 2. Disclosure of impairment losses of non-current assets and goodwill, etc., for each reportable segment

(Significant impairment losses regards to non-current assets)

Not applicable

(Significant changes in the amount of goodwill)

GROWBING, Inc. has been included in the scope of consolidation from the first half of the fiscal year under review, as a result of share acquisition. The increase in the amount of goodwill caused by this event was 812,621 thousand yen for the “Life Design Business” segment.

### 3. Items related to changes in reportable segments

From the first half of the fiscal year under review, the Group has newly added the “K Village Business” as a reportable segment. This change was made in light of the growing scale of the business operated by K Village Inc. within the hobby and community business of the Life Design Business, and the decision to separate this business from the existing Life Design Business was made in order to further strengthen management control and clarify segment classification. Segment information for the first half of the previous fiscal year has been prepared and presented in accordance with the revised segment classification.

(Revenue recognition)

Breakdown information for revenue from contracts with the Group’s customers are as shown in “Notes (Segment information).”