

The following English translation is for reference purposes only, as it was originally prepared and published by the Company in Japanese and is qualified in its entirety by the original Japanese version submitted to the Tokyo Stock Exchange. Please refer to the Japanese version in the event of any discrepancy between the English and Japanese versions.



March 14, 2025

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Business Report FY2025 Q2 (Summary)

Ateam Inc. disclosed the “Business Report FY2025 Q2” on March 14, 2025 in Japanese. This document has been translated from a part of 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.

1. Changes in Performance Indicators

I. Introduction of Adjusted EBITDA

To comprehensively measure the profitability of our core business in a way that cannot be discerned through accounting profit, we have adopted an adjusted EBITDA. Outlined below are the adjustments we have made:

- ① Exclusion of one-time expenses related to M&A
- ② Deduction of expenses related to crypto assets associated with the start of consolidation of Paddle

Adjustment of financial accounting costs deducted in ② to correspond with actual operational expenses

During the six months ended January 31, 2025, adjusted EBITDA was 711 million JPY.

	(Million JPY)
Operating Income	92
+) Amortization of goodwill	121
+) Depreciation	46
EBITDA	260
+) M&A related expenses	25
+) Provision of allowance for sales promotion expenses (related to crypto assets)	432
+) Sales promotion expenses (related to crypto assets)	52
—) Crypto asset equivalent of points granted	60
Adjusted EBITDA	711

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II. Changes in Financial Accounting due to the Consolidation of Paddle Inc.

New accounting procedures were adopted as a result of our consolidation (November 2024) of Paddle Inc. (hereafter "Paddle"), which operates a crypto asset-related business, as a provision is necessary for the points redeemable for crypto assets granted to users of services such as "BitWalk" and "Bit Start". If the market price of crypto assets (bitcoin, etc.) rises, the provision amount will increase, so operating income will decrease, but ordinary income will increase due to the recording of gain on valuation of crypto assets. Conversely, if the market price of crypto assets declines, operating income will increase due to a decrease in the provision amount, but ordinary income will decrease due to a loss on valuation of crypto assets. Among the effects of fluctuations in the market price of crypto assets, there will be a partial offset between expenses and gains on its valuation. Going forward, we believe that it is appropriate to evaluate financial standing based on ordinary income

2. Financial Highlights

Adjusted EBITDA and ordinary income increased significantly compared to the previous fiscal year due to strong performances from each segment.

	Revenue	Adjusted EBITDA	Ordinary Income	Net Income
FY2025 Q2 (million JPY)	5,862	400	543	430
YoY (%)	98.7	1604.6	15303.6	-
QoQ (%)	103.2	129.1	233.5	332.5

3. M&A Results and Progress

As of February 2025, we have conducted two M&A transactions. We will continue to increase and accelerate the volume of our activities while actively pursuing our M&A strategy.

I. WCA INC.

Please refer to "[Notice Regarding Acquisition of Shares in WCA INC. \(Consolidation\)](#)" disclosed on December 26, 2024.

II. Strainer, Inc.

Please refer to "[Notice Regarding Acquisition of Shares in Strainer, Inc. \(Consolidation\)](#)" disclosed on February 13, 2025.

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III. M&A Activities

	Up to FY2025 Q1	Up to FY2025 Q2	Rate of Increase
Number of Companies Contacted	205	216	+5.4%
Number of Interviews with Top Candidates	35	39	+11.4%
Purchase Agreement	2	4	+100 %