

Translation

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Summary of Consolidated Financial Results for the Three Months Ended March 31, 2025 (Based on IFRS)

May 14, 2025

Company name: ORO Co., Ltd
 Stock exchange listing: TSE
 Stock code: 3983 URL <https://www.oro.com>
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: None

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended March 31, 2025 (from January 1, 2025 to March 31, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended March 31, 2025	1,980	3.1	664	(4.3)	591	(21.9)	413	(20.7)
Three months ended March 31, 2024	1,920	20.8	694	17.6	757	28.2	521	28.5
	Profit attributable to owners of parent		Total comprehensive income		Basic earnings per share		Diluted earnings per share	
	Millions of yen	%	Millions of yen	%	Yen		Yen	
Three months ended March 31, 2025	409	(21.6)	408	(23.5)	25.66		—	
Three months ended March 31, 2024	521	28.4	534	27.9	32.36		—	

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Millions of yen	Millions of yen	Millions of yen	%
As of March 31, 2025	12,661	9,858	9,856	77.8
As of December 31, 2024	13,590	10,281	10,283	75.7

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended December 31, 2024	—	0.00	—	35.00	35.00
Year ending December 31, 2025	—	—	—	—	—
Year ending December 31, 2025 (Forecast)	—	0.00	—	50.00	50.00

Note: Revisions to the most recently released dividend forecast : None

3. Forecast of consolidated financial results for the year ending December 31, 2025 (from January 1, 2025 to December 31, 2025)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
As of June 30, 2025	4,163	9.1	1,187	(9.4)	1,204	(16.6)	835	(15.7)	835	(16.1)	52.47
Full year	9,142	15.7	2,985	9.7	3,020	5.7	2,099	1.4	2,099	1.3	131.80

Note: Revisions to the most recently released earnings forecast : None

4. Notes

- (1) Changes in significant subsidiaries during the Period
(changes in specified subsidiaries resulting in the change in scope of consolidation): None
- (2) Changes in accounting policies and changes in accounting estimates
- Changes in accounting principles required by IFRS: None
- Changes in accounting policies due to other reasons: None
- Changes in accounting estimates: None

(3) Number of issued shares (common shares)

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

As of March 31, 2025	16,156,453 shares	As of December 31, 2024	16,156,453 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	230,905 shares	As of December 31, 2024	115,305 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2025	15,951,190 shares	Three months ended March 31, 2024	16,126,171 shares
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- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

- * Explanation concerning appropriate use of the earnings forecast and other matters to note

(Caution regarding forward-looking statements)

Earnings forecasts and other forward-looking statements contained in this document are based on information available at the time of this document's preparation and on certain assumptions that are deemed to be reasonable. These forward-looking statements do not guarantee future performance, and actual results, performance, achievements or financial position may differ materially from those expressed or implied herein due to a range of factors.

(Method of obtaining supplementary materials to quarterly financial results)

Supplementary materials for the financial results are disclosed on TDnet and the Company's website on the same day.

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1. Overview of Operating Results

(1) Overview of Consolidated Operating Results for the Three months ended March 31, 2025

For the fiscal year spanning January 1, 2025, to March 31, 2025, the Japanese economy has been gradually recovering overall, driven by an increase in service demand and inbound tourism, as well as growth in capital investment, including software, despite some areas experiencing stagnation. However, uncertainties persist due to ongoing inflation, geopolitical risks, concerns over overseas economies, and fluctuations in financial markets.

In the domestic information services sector, the demand for cloud services in corporate systems has been continuously increasing. Additionally, as enterprises pursue digital transformation (DX), there's a growing demand for information systems that offer superior cost efficiency and convenience for enhancing productivity and operational efficiency.

In the internet industry, while the DX trend continues to reshape existing business models and industry structures, primarily among major players, the advertising market is evolving to include not just a digital shift in media but also an integrated approach to customer engagement that incorporates traditional legacy media.

Against this backdrop, our group has continued to offer cloud services and support corporate marketing efforts, maintaining an integrated manufacturing and sales system. Our cloud solution business's flagship products, Cloud ERP "ZAC" and "Reforma PSA," have seen stable growth and contributed significantly to our performance, demanded broadly across sectors that require project management. In our marketing solutions business, we have provided a range of solutions to support clients in implementing their marketing strategies by translating these strategies into actionable tactics, including strategy formulation, management, and performance evaluation of web advertising based on data analytics, creation of websites and digital content, and planning and development of applications and SNS strategy. Efforts have also been made to enhance corporate value sustainably by acquiring new clients, deepening relationships with key accounts, investing in marketing initiatives and research and development, as well as bolstering recruitment.

Consequently, the consolidated results for this fiscal year were as follows: revenues reached 1,980,261 thousand yen (an increase of 3.1% year on year), operating profit was 664,547 thousand yen (a decrease of 4.3% year on year), profit before tax stood at 591,411 thousand yen (a decrease of 21.9 % year on year), and profit attributable to owners of parent was 409,308 thousand yen (a decrease of 21.6% year on year).

Segment wise performance is detailed as follows:

(a) Cloud Solutions Business

The revenues reached 1,339,134 thousand yen (an increase of 15.9% year on year), operating profit was 625,067 thousand yen (an increase of 23.0% year on year). Revenue and operating profit remained steady.

(b) Marketing Solutions Business

The revenues reached 641,127 thousand yen (a decrease of 16.2% year on year), operating profit was 39,251 thousand yen (a decrease of 78.9% year on year). Against the initial plan, revenue remained steady, and operating profit exceeded the initial plan, due to the effects of controlling outsourcing expenses and labor costs.

(2) Overview of consolidated financial position as of March 31, 2025

Total assets as of March 31, 2025, decreased by 928,776 thousand yen from the end of the prior fiscal year to 12,661,408 thousand yen. This was mainly due to decreases of 371,834 thousand yen in cash and cash equivalents, and 211,785 thousand yen in contract assets. Total liabilities were reduced by 505,831 thousand yen compared to the end of the prior fiscal year, totaling 2,802,727 thousand yen. This was mainly due to reductions of 167,799 thousand yen in contract liabilities, 194,904 thousand yen in trade and other payables, and 105,328 thousand yen in income tax payables. Total equity was 9,858,680 thousand yen decreased by 422,944 thousand yen from the end of the previous fiscal year. This was mainly due to an increase of 409,308 thousand yen in the recording of profit attributable to owners of the parent, offset by a reduction of 561,440 thousand yen in the cash dividends paid and 274,597 thousand yen in share repurchases.

(3) Forecast for consolidated financial results

There are no changes to the consolidated financial results forecasts for the six months and the full year ending December 31, 2025, as announced in the "Summary of Consolidated Financial Results for the Fiscal Year Ended December 31, 2024", released on February 14, 2025.

2. Condensed quarterly consolidated financial statement and key notes

(1) Condensed quarterly consolidated statement of financial position

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and cash equivalents	9,903,123	9,531,288
Trade and other receivables	974,577	1,000,300
Contract assets	434,012	222,227
Other financial assets	746,188	711,652
Other current assets	397,363	138,577
Total current assets	12,455,265	11,604,046
Non-current assets		
Property, plant and equipment	574,214	501,410
Intangible assets	119,889	146,810
Other financial assets	113,626	113,008
Deferred tax assets	287,019	245,509
Other non-current assets	40,169	50,623
Total non-current assets	1,134,918	1,057,361
Total assets	13,590,184	12,661,408

(Thousands of yen)

	As of December 31, 2024	As of March 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	472,523	277,618
Contract liabilities	1,600,707	1,432,908
Lease liabilities	140,310	97,913
Income tax payables	233,141	127,813
Provisions	45,396	1,996
Other current liabilities	494,532	554,429
Total current liabilities	2,986,612	2,492,679
Non-current liabilities		
Lease liabilities	195,519	183,695
Provisions	126,427	126,352
Total non-current liabilities	321,946	310,048
Total liabilities	3,308,559	2,802,727
Equity		
Capital stock	1,193,528	1,193,528
Capital surplus	1,095,202	1,095,202
Treasury shares	(313,398)	(582,094)
Retained earnings	8,202,954	8,049,544
Other components of equity	105,470	100,657
Equity attributable to owners of the parent	10,283,756	9,856,837
Non-controlling interests	(2,131)	1,842
Total equity	10,281,625	9,858,680
Total liabilities and equity	13,590,184	12,661,408

(2) Condensed quarterly consolidated statement of income and consolidated statement of comprehensive income

Condensed quarterly consolidated statement of income

Three months ended March 31, 2025

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Revenue	1,920,022	1,980,261
Cost of sales	621,341	658,016
Gross profit	1,298,680	1,322,244
Selling, general and administrative expenses	583,925	643,907
Research and development	20,895	14,017
Other income	780	253
Other expenses	25	24
Operating profit	694,614	664,547
Finance income	64,410	7,081
Finance costs	1,682	80,218
Profit before tax	757,342	591,411
Income tax expenses	236,154	178,151
Profit	521,188	413,259
Profit attributable to:		
Owners of parent	521,869	409,308
Non-controlling interests	(681)	3,951
Profit	521,188	413,259
Earnings per share		
Basic earnings per share (Yen)	32.36	25.66
Diluted earnings per share (Yen)	-	-

Condensed quarterly consolidated statement of comprehensive income

Three months ended March 31, 2025

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Profit	521,188	413,259
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	12,941	(4,790)
Total of items that may be reclassified subsequently to profit or loss	12,941	(4,790)
Other comprehensive income, net of taxes	12,941	(4,790)
Comprehensive income	534,130	408,469
Attributable to:		
Owners of the parent	534,808	404,495
Non-controlling interests	(678)	3,973
Comprehensive income	534,130	408,469

(3) Condensed quarterly consolidated statement of changes in equity

Three months ended March 31, 2024

(Thousands of yen)

	Equity attributable to owners of parent			
	Capital stock	Capital surplus	Treasury shares	Retained earnings
Balance on January 1, 2024	1,193,528	1,095,202	(112,862)	6,620,867
Profit				521,869
Other comprehensive income				
Total comprehensive income	-	-	-	521,869
Restricted Stock-based payment transactions			7,819	(3,196)
Dividends				(483,785)
Total transactions with owners	-	-	7,819	(486,981)
Balance on March 31, 2024	1,193,528	1,095,202	(105,042)	6,655,755

	Equity attributable to owners of parent				
	Other components of equity		Total	Non-controlling interests	Equity
	Exchange differences on translation of foreign operations	Total			
Balance on January 1, 2024	87,318	87,318	8,884,053	227	8,884,280
Profit			521,869	(681)	521,188
Other comprehensive income	12,938	12,938	12,938	3	12,941
Total comprehensive income	12,938	12,938	534,808	(678)	534,130
Restricted Stock-based payment transactions			4,623		4,623
Dividends			(483,785)		(483,785)
Total transactions with owners	-	-	(479,161)	-	(479,161)
Balance on March 31, 2024	100,256	100,256	8,939,700	(451)	8,939,248

Three months ended March 31, 2025

(Thousands of yen)

	Equity attributable to owners of parent			
	Capital stock	Capital surplus	Treasury shares	Retained earnings
Balance on January 1, 2025	1,193,528	1,095,202	(313,398)	8,202,954
Profit				409,308
Other comprehensive income				
Total comprehensive income	-	-	-	409,308
Restricted Stock-based payment transactions			5,900	(1,277)
Dividends				(561,440)
Share repurchase			(274,597)	
Total transactions with owners	-	-	(268,696)	(562,717)
Balance on March 31, 2025	1,193,528	1,095,202	(582,094)	8,049,544

	Equity attributable to owners of parent		Non-controlling interests	Equity	
	Other components of equity				Total
	Exchange differences on translation of foreign operations	Total			
Balance on January 1, 2025	105,470	105,470	10,283,756	(2,131)	10,281,625
Profit			409,308	3,951	413,259
Other comprehensive income	(4,812)	(4,812)	(4,812)	22	(4,790)
Total comprehensive income	(4,812)	(4,812)	404,495	3,973	408,469
Restricted Stock-based payment transactions			4,623		4,623
Dividends			(561,440)		(561,440)
Share repurchase			(274,597)		(274,597)
Total transactions with owners	-	-	(831,414)	-	(831,414)
Balance on March 31, 2025	100,657	100,657	9,856,837	1,842	9,858,680

(4) Condensed quarterly consolidated statements of cash flows

(Thousands of yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	757,342	591,411
Depreciation and amortization	88,851	89,341
Finance income	(68,089)	(7,081)
Finance costs	808	72,281
Decrease (increase) in trade and other receivables	(244,135)	(29,368)
Decrease (increase) in contract assets	246,501	211,474
Increase (decrease) in trade and other payables	(119,536)	(195,954)
Increase (decrease) in contract liabilities	(45,871)	(167,501)
Increase (decrease) in provision	(22,466)	(43,318)
Other	74,062	44,403
Subtotal	667,467	565,689
Interest received	7,774	7,596
Interest paid	(808)	(754)
Income taxes paid	(248,413)	(241,968)
Cash flows from operating activities	426,020	330,562
Cash flows from investing activities		
Payments into time deposits	(6,561)	(6,363)
Purchase of property, plant and equipment	(31,829)	(9,632)
Purchase of intangible assets	(10,092)	(36,194)
Other	9,627	-
Cash flows from investing activities	(38,856)	(52,189)
Cash flows from financing activities		
Repayments of lease liabilities	(48,698)	(51,192)
Cash dividends paid	(481,639)	(559,239)
Payments for acquisition of treasury shares	-	(274,597)
Decrease (increase) in deposits for acquisition of treasury shares	-	274,831
Cash flows from financing activities	(530,338)	(610,198)
Net increase (decrease) in cash and cash equivalents	(143,174)	(331,825)
Cash and cash equivalents at beginning of period	8,707,486	9,903,123
Effect of exchange rate change on cash and cash equivalents	26,442	(40,009)
Cash and cash equivalents at end of period	8,590,754	9,531,288

(5) Notes on condensed quarterly consolidated financial statements

(Note on the going-concern assumption)

Not applicable

(Applicable financial reporting framework)

The Company's condensed quarterly consolidated financial statements (condensed quarterly consolidated statements of financial position, condensed quarterly consolidated statements of profit or loss, condensed quarterly consolidated statements of comprehensive income or loss, condensed quarterly consolidated statements of changes in equity, condensed quarterly consolidated statements of cash flows, and notes) have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements of Tokyo Stock Exchange, Inc. (however, omission of description specified in Article 5, Paragraph 5 of the said standards is applied), and some of disclosure items and notes required by IAS 34 "Interim Financial Reporting" are omitted.

(Segment information)

1. Revenues and results for each reportable segment

Three months ended March 31, 2024

	Reportable Segment			Adjustments (Note 1)	(Thousands of yen)
	Cloud Solutions	Marketing Solutions	Total		Consolidated
Revenue					
Revenue from external customers	1,155,131	764,890	1,920,022	—	1,920,022
Intersegment revenue	—	—	—	—	—
Total	1,155,131	764,890	1,920,022	—	1,920,022
Segment income	508,068	185,791	693,860	754	694,614
Finance income					64,410
Finance costs					1,682
Profit before tax					757,342
Other					
Depreciation and amortization	58,501	30,350	88,851	—	88,851

(Note)

1. The adjustment of 754 thousand yen to segment income mainly consists of "Other income" and "Other expense" that are not attributable to any reportable segment.
2. Segment income corresponds to operating profit in the consolidated statements of income.
3. Segment assets, segment liabilities, and capital expenditures are not presented since they are not subject to a review to determine the allocation of management resources and evaluate financial results.

Three months ended March 31, 2025

	Reportable Segment			Adjustments (Note 1)	(Thousands of yen)
	Cloud Solutions	Marketing Solutions	Total		Consolidated
Revenue					
Revenue from external customers	1,339,134	641,127	1,980,261	—	1,980,261
Intersegment revenue	—	—	—	—	—
Total	1,339,134	641,127	1,980,261	—	1,980,261
Segment income	625,067	39,251	664,319	228	664,547
Finance income					7,081
Finance costs					80,218
Profit before tax					591,411
Other					
Depreciation and amortization	59,068	30,273	89,341	—	89,341

(Note)

1. The adjustment of 228 thousand yen to segment income mainly consists of “Other income” and “Other expense” that are not attributable to any reportable segment.
2. Segment income corresponds to operating profit in the consolidated statements of income.
3. Segment assets, segment liabilities, and capital expenditures are not presented since they are not subject to a review to determine the allocation of management resources and evaluate financial results.

(Notes to revenue)

The breakdown of revenue from contracts with customers

The Group establishes Cloud Solutions and Marketing Solutions as two separate reportable segments. The breakdown of revenue from contracts with customers in each business segment is as follows:

	Three months ended March 31, 2024			Three months ended March 31, 2025		
	Cloud Solutions	Marketing Solutions	Total	Cloud Solutions	Marketing Solutions	Total
ZAC license fee, maintenance fee, and SaaS and other monthly service fees	881,114	—	881,114	1,030,246	—	1,030,246
ZAC ERP installation consultation, customization	151,018	—	151,018	172,427	—	172,427
Reforma PSA	41,910	—	41,910	53,008	—	53,008
dxeco, Semrush, and other products, etc.	81,088	—	81,088	83,451	—	83,451
Marketing / promotion	—	355,053	355,053	—	292,578	292,578
System / website integration, etc.	—	248,736	248,736	—	189,041	189,041
Operation support / operation office	—	161,100	161,100	—	159,507	159,507
Total	1,155,131	764,890	1,920,022	1,339,134	641,127	1,980,261

Cloud Solutions Business

1. The business segment “ZAC license fee, maintenance fee, and SaaS and other monthly service fees” includes sales of software license, maintenance of systems, provision of cloud environment and monthly service on SaaS contract, with regard to “ZAC.” The Company provides a combination of software licensing, system maintenance, cloud environment provision, and other services that are necessary for customers to use the systems to allow the customers to enjoy the benefits of using the systems, and thus these are considered a single performance obligation. There are two types of software licensing contracts: one-time purchase contract and SaaS contract.

Under a one-time purchase contract, software license fees are received in a lump sum at the time of the conclusion of a contract, and maintenance and other fees are received monthly. Software licensing and maintenance and other services are recognized together as a single performance obligation to be satisfied over time during the period such fees are expected to provide the customer with material rights. Since the contract period is not specified in the contracts concluded with customers, the period the fees are expected to provide the customer with material rights is determined by considering the characteristics of the software licensing and related services (history of continued use by the customer, quality, etc.). Specifically, as the one-time purchase fee is approximately equivalent to the 30-month fee of a SaaS contract, the amount of such a one-time purchase fee is allocated to the material right and recognized as revenue over the 30 months.

Under a SaaS contract, software license fees are received monthly, the same as system maintenance fees, cloud environment provision service

fees and other monthly service fees under a one-time purchase contract. These performance obligations are primarily satisfied over time, and thus the monthly fees are recognized as revenue monthly over the service provision period.

2. The business segment “ZAC ERP installation consultation, customization” includes installation support service related to “ZAC” and additional development required at the time of installation. If the contract amount or the total cost to completion can be estimated reliably, revenue is recognized as the performance obligation is satisfied based on the progress towards satisfaction of the performance obligation measured as of the end of the reporting period. The progress towards satisfaction of the performance obligation is measured using the input method (the cost-to-cost method) at the costs incurred relative to the estimated total cost to completion. If the contract amount or the total cost to completion cannot be estimated reliably, revenue is recognized in an amount equal to the portion of the costs incurred that is considered highly recoverable (the cost recovery method).

3. The business segment “Reforma PSA” includes provision of monthly license for Reforma PSA. Its performance obligation is to provide an environment for the use of software. This performance obligation is primarily satisfied over time, and thus revenue is recognized over the period the service is rendered.

4. The business segment “dxeco, Semrush, and other products, etc.” includes monthly service fee for SaaS contracts of dxeco and sales of an agent of software developed by other vendors.

For SaaS contracts related to the SaaS management tool “dxeco,” software license fees are collected monthly. The performance obligation is primarily fulfilled over time, so the monthly fee is recognized as revenue monthly throughout the service provision period.

Regarding the sale of third-party software as an agent, the performance obligation for these sales is satisfied when the contractual delivery conditions are met, such as when the product is transferred to, or accepted, by the customer, and thus revenue is recognized at that point in time. As the Group is considered to be an agent in the nature of the business, given its primary responsibility for fulfilling promises, its exposure to inventory risk, and its discretion in establishing prices, revenue is recognized in the net amount of consideration received as a fee from the customer for the services rendered, less related costs, or in the amount of consideration as a certain fee in the form of a commission.

Marketing Solutions Business

5. The business segment “Marketing / promotion” includes planning of customer’s marketing and promotion, placement of advertisements, and research (including sales from advertisement management and those achieved as an agency). Revenue is recognized depending on the nature of the rights granted to the customer. When the rights are transferred to the customer at a certain point in time, revenue is recognized at that point in time, and when the rights are available for use by the customer over a certain period of time, revenue is recognized over that period of time. For sales from advertisement management and those achieved as an agency, the Group is considered to be an agent in the nature of the business, given its primary responsibility for fulfilling promises, its exposure to inventory risk, and its discretion in establishing prices, revenue is recognized in the net amount of consideration received as a fee from the customer for the services rendered, less related costs, or in the amount of consideration as a certain fee in the form of a commission.

6. The business segment “System / website integration, etc.” includes construction and renewal of websites, and contracted development and maintenance of systems as a system integrator, etc. For construction and renewal of websites and contracted development, if the contract amount or the total cost to completion can be estimated reliably, revenue is recognized as the performance obligation is satisfied based on the progress towards satisfaction of the performance obligation measured as of the end of the reporting period. The progress towards satisfaction of the performance obligation is measured using the input method (the cost-to-cost method) at the costs incurred relative to the estimated total cost to completion. If the contract amount or the total cost to completion cannot be estimated reliably, revenue is recognized in an amount equal to the portion of the costs incurred that is considered highly recoverable (the cost recovery method). For maintenance of systems, etc., revenue is recognized when the services are completed and billable.

7. The business segment “Operation support / operation office” includes operation, updating and other services on websites. The performance obligation is satisfied when the service rendered is accepted by the customer, and thus revenue is recognized at that point in time.

(Subsequent events)

(Share cancellation)

The Company has resolved to cancel treasury shares at the meeting of the Board of Directors held on April 15, 2025, pursuant to Article 178 of the Companies Act.

1. Reasons for share cancellation

To eliminate concerns about potential future stock dilution.

2. Details of share cancellation

(1) Class of shares to be cancelled:	Common stock
(2) Total number of share cancelled:	207,400 shares (equivalent to 1.28% of the total issued shares before cancellation)
(3) Date of cancellation:	April 30, 2025
(4) Total number of issued shares after the cancellation:	15,949,053 shares

(Share repurchase)

The Company has decided on a specific method to repurchase shares at the meeting of the Board of Directors held on May 14, 2025, pursuant to Article 156 of the Companies Act after applying the regulations of Article 165, Paragraph 3 of said law.

1. Reasons for share repurchase

To strengthen shareholder returns and improve capital efficiency.

2. Details of share repurchase

(1) Class of shares to be repurchased:	Common stock
(2) Total maximum number of shares to be repurchased:	Up to 500,000 shares (representing 3.14% of the total issued shares, excluding treasury stock)
(3) Total maximum repurchase price of shares:	Up to 1,000 million yen
(4) Repurchase period:	From May 15, 2025 to November 30, 2025
(5) Method of repurchase:	Market purchases on the Tokyo Stock Exchange

The Company is planning to cancel all treasury shares to be acquired in this transaction, except for the number of shares required for restricted stock compensation and other purposes.

(Reference)

Number of shares of treasury stock (as of March 31, 2025)

(1) Total number of issued shares excluding treasury stock:	15,925,548 shares
(2) Number of shares of treasury stock:	230,905 shares