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

November 14, 2025

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 Listing: Growth Market, Tokyo
 Securities code: 4436
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 Dividend payable date (as planned) —
 Supplemental material of results: Yes
 Convening briefing of results: Yes (for institutional investors and analysts)

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

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

(1) Consolidated operating results (cumulative)

(% indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2025	4,299	(9.1)	610	88.0	201	—	126	—	179	—
September 30, 2024	4,729	5.1	325	(4.6)	(251)	—	(289)	—	(292)	—

Note: Comprehensive income For the six months ended September 30, 2025 371Millions yen (—%)
 For the six months ended September 30, 2024 (254)Millions yen (—%)

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2025	11.87	11.87
September 30, 2024	(19.55)	—

Note: 1. As for diluted net income per share for the interim period, although there are potential shares, it has not been disclosed due to the net loss per share for the interim period.

2. EBITDA (Operating profit + Depreciation + Amortization of Goodwill)

(2) Consolidated financial position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
September 30, 2025	9,897	882	8.9	57.41
March 31, 2025	9,982	319	3.1	20.60

Reference: Owner's equity As of September 30, 2025 882Million yen
 As of March 31, 2025 308Million yen

2. Cash dividends

	Annual dividend				
	First quarter	Second quarter	Third quarter	Year end	Annual
Fiscal year ended March 31, 2025	Yen —	Yen 0.00	Yen —	Yen 0.00	Yen 0.00
Fiscal year ending March 31, 2026	—	0.00			
Fiscal year ending March 31, 2026 (Forecast)			—	0.00	0.00

Note: Revisions to the forecast of cash dividends most recently announced : None

3. Consolidated financial forecast for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Fiscal year ending March 31, 2026	8,800	(16.5)	1,300	—	400	—	250	—	350	—	23.15

Note:1.Revisions to the earnings forecasts most recently announced : None

2.EBITDA (Operating profit + Depreciation + Amortization of Goodwill)

* Notes

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

Newly included: — companies (Company name),

Excluded: 1 company (Company name) MINKABU WEB3 WALLET, Inc.

Note: For details, please refer to the attached document on p.11, "2. Interim Consolidated Financial Statements and Main Notes (4) Notes to Interim Consolidated Financial Statements (Significant Changes in Subsidiaries during the Current Interim Consolidated Accounting Period).

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements : Yes

Note: For details, please refer to the attached document on p.11, "2. Interim Consolidated Financial Statements and Main Notes (4) Notes to Interim Consolidated Financial Statements (Application of Specific Accounting Treatments for Preparing Interim Consolidated Financial Statements).

(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 : None

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

(iii) Changes in accounting estimates : None

(iv) Restatement : None

(4) Number of issued shares (common shares)

① Number of issued and outstanding shares at the period end (including treasury stock)

As of September 30, 2025	15,369,700shares
As of March 31, 2025	14,985,800 shares

② Number of treasury stock at the period end

As of September 30, 2025	53 shares
As of March 31, 2025	53 shares

③ Average number of shares (quarterly period-YTD)

Six months ended September 30, 2025	15,118,246shares
Six months ended September 30, 2024	14,983,010shares

* The quarterly financial results for the second quarter (interim period) are not subject to review by a certified public accountant or an auditing firm. : None

* Proper use of earnings forecasts, and other special matters

(Proper use of earnings forecasts, and other special matters)

The forward-looking statements, such as performance forecasts presented in this document, are based on information currently available to the Company and on certain assumptions deemed reasonable, and the company does not promise or guarantee that these forecasts will be achieved. However, actual results may differ significantly due to various factors. For conditions underlying these forecasts and important considerations for their use, please refer to the attached document on p.4, “1. Qualitative Information on the Current Interim Financial Results (3) Explanation of Forward-Looking Information such as Consolidated Earnings Forecasts.”

(How to Obtain the Financial Results Supplementary Materials and Presentation Content)

We plan to hold a financial result briefing for institutional investors and analysts on November 14, 2025. The recorded briefing and presentation material will be available promptly after the meeting on our website.

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1 . Overview of Operating Results, etc.

(1) Overview of Operating Results for the Current Interim Period

Financial results for the six months ended September 30, 2025 were as follows: net sales amounted to 4,299,006 thousand yen (a decrease of 9.1% year-on-year), operating profit was 201,311 thousand yen (compared to an operating loss of 251,884 thousand yen in the same period of the previous year), ordinary profit was 126,098 thousand yen (compared to an ordinary loss of 289,860 thousand yen in the same period of the previous year), and profit attributable to owners of the parent was 179,409 thousand yen (compared to a net loss attributable to owners of the parent of 292,893 thousand yen in the same period of the previous year). EBITDA (Operating profit + Depreciation + Amortization of Goodwill) was 610,959 thousand yen (an 88.0% increase year-on-year).

At the end of the previous consolidated fiscal year, the Company changed its business policy, including structural changes such as withdrawing from unprofitable businesses that were still in the growth investment phase, to return to a structure capable of generating profits. As a result of these efforts, the Company returned to a consolidated operating profit in the first quarter (from April to the end of June 2025), and also achieved monthly operating profit for all months in the second quarter (from July to the end of September 2025), showing the establishment of a stable revenue system, which is our immediate management challenge, progressed as planned.

The business performance by reportable segment is as follows:

(Media Business)

The Media business operates a comprehensive internet media business, which consists of UGC (User Generated Content) media centered on "livedoor Blog," PGC (Professional Generated Content) media centered on "livedoor News," as well as sports information media including "SOCCERKING," the asset-building information media "MINKABU," the Korean entertainment media "Kstyle," and the affiliate site "MINKABU Choice." The company records revenue from advertising income, commissioned work income, and subscription fees from paid services obtained through the operation of these media sites.

During the current interim consolidated accounting period, while the advertising market continued to be sluggish, the Company focused on strengthening the creator economy-related business and improving network advertising slots, in addition to withdrawing from unprofitable businesses under growth investment, which was decided at the end of the previous consolidated fiscal year.

As a result, net sales amounted to 2,283,960 thousand yen (a 2.9% decrease year-on-year), and the segment loss was 7,646 thousand yen (compared to a segment loss of 514,581 thousand yen in the previous interim consolidated period), marking a significant improvement. However, this includes 283,900 thousand yen in management fees and other payments under the holding company structure. Adjusting for these, net sales amounted to 2,567,860 thousand yen (a 8.4% decrease year-on-year), and segment profit on the same basis was 276,253 thousand yen.

(Solution Business)

The Solutions business operates "Kabutan," a media platform specializing in stock information, and provides information solution services for B2B and B2B2C use. These services involve converting various financial information content and applications for a diverse range of financial institutions and then customizing them to meet their specific differentiation needs. In addition, with the aim of expanding our customer base and acquiring solution expertise in the solutions field for financial institutions, we are developing SI and package solution services. These services utilize applications and APIs (Application Programming Interfaces) uniquely developed by our group and are primarily intended to contribute to the sophistication and efficiency of financial institutions' internal systems.

For information solution services, we primarily record initial setup fees as one-time sales from providing cloud-based ASP, and subscription revenue based on monthly fixed fees and per-ID usage. For SI and package solution services, we record spot revenue from custom system development based on client requirements, including planning and consulting, as well as recurring revenue from maintenance and operation services. Furthermore, for "Kabutan," we record revenue from subscription fees from its paid services.

During the current interim consolidated accounting period, although net sales decreased due to the reaction to the previous year's highly profitable large-scale spot revenue in the SI and package solution services, recurring revenue from monthly usage fees, which are highly repeatable B2B business streams mainly in information solution services, grew steadily. In addition, "Kabutan Premium", the paid services, performed well, due to an increase in paid subscribers on the back of a favorable stock market and growth in advertising revenue, as well as the effect of the monthly fee hike implemented in October 2024. On the expense side, the Company advanced reductions in fixed cost of sales and selling, general and administrative expenses.

As a result, net sales for the current interim consolidated accounting period amounted to 1,706,071 thousand yen (a 4.5%

decrease year-on-year), and segment profit was 68,463 thousand yen (a 402.9% increase year-on-year). Net sales before deducting management fees and other expenses (219,440 thousand yen) amounted to 1,925,511 thousand yen, and segment profit on the same basis was 287,903 thousand yen.

(2) Overview of Financial Position for the Current Interim Period

(i) Assets, Liabilities, and Net Assets

(Assets)

Current assets as of the end of the current interim consolidated accounting period totaled 2,173,226 thousand yen, an increase of 133,946 thousand yen compared to the end of the previous fiscal year. This was mainly due to an increase in cash and deposits of 362,622 thousand yen, resulting from the normalization of profitability, improved cash flow, and the sale of shares in minority-owned investees, while a decrease in accounts receivable of 232,003 thousand yen.

Non-current assets totaled 7,724,772 thousand yen, a decrease of 218,334 thousand yen compared to the end of the previous fiscal year. This was mainly due to the decrease included a 173,698 thousand yen decrease in deferred tax assets due to the reversal of temporary differences related to impairment losses on fixed assets impaired in the past, recorded in the pre-merger fiscal year-end financial statements of one consolidated subsidiary, a decrease in guarantee deposits of 171,817 thousand yen due to the refund of deposits accompanying office downsizing, a decrease of 148,526 thousand yen from the amortization of goodwill and customer-related assets, and a decrease of 35 thousand yen from the depreciation of property, plant and equipment. On the other hand, factors contributing to an increase of 210,893 thousand yen in the fair value assessment of listed shares held, and a total increase of 92,102 thousand yen in software and software in progress due to software development investments.

As a result of these factors, total assets amounted to 9,897,999 thousand yen, a decrease of 84,388 thousand yen from 9,982,387 thousand yen at the end of the previous fiscal year.

(Liabilities)

Current liabilities as of the end of the current interim consolidated accounting period totaled 8,535,619 thousand yen, an increase of 4,159,436 thousand yen compared to the end of the previous fiscal year. This was mainly due to the reclassification of all long-term borrowings to short-term borrowings. This reclassification is based on the revised agreements concluded with all lending financial institutions on June 20, 2025, stipulate an initial maturity date at the end of June 2026, with an annual extensions thereafter, contingent on business performance. On the other hand, short-term borrowings decreased by 200,000 thousand yen due to a debt-for-equity swap involving a contribution in kind of borrowings from the former Representative Director and Chairman. Other decreases included unearned revenue (down 106,180 thousand yen), provision for loss on business liquidation (down 105,255 thousand yen), accrued consumption taxes (down 63,906 thousand yen), provision for shareholder benefits (down 63,600 thousand yen), accrued expenses (down 61,877 thousand yen), and accounts payable (down 37,766 thousand yen).

Non-current liabilities totaled 480,042 thousand yen, a decrease of 4,806,173 thousand yen compared to the end of the previous fiscal year. This was mainly due to the aforementioned reclassification of borrowings from long-term to short-term.

As a result of these factors, total assets amounted to 9,015,661 thousand yen, a decrease of 646,737 thousand yen from 9,662,399 thousand yen at the end of the previous fiscal year.

(Net Assets)

At the end of the current interim consolidated accounting period, total net assets amounted to 882,337 thousand yen, an increase of 562,348 thousand yen compared to the end of the previous consolidated fiscal year. This was mainly due to an increase in retained earnings of 179,409 thousand yen, an increase of 193,532 thousand yen in valuation difference on available-for-sale securities due to the fair value assessment of listed shares held, and increases of 100,372 thousand yen each in share capital and capital surplus resulting from the issuance of new shares associated with a debt-for-equity swap.

As a result, the equity ratio was 8.9% (compared to 3.1% at the end of the previous consolidated fiscal year).

(ii) Cash Flow

At the end of the current interim consolidated accounting period, the balance of cash and cash equivalents amounted to 905,232 thousand yen increased by 362,622 thousand yen compared to the end of the previous consolidated fiscal year. The cash flow situation for each category during the current interim consolidated accounting period and their contributing factors are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities were 297,220 thousand yen. This was mainly due to profit before income taxes of 315,871 thousand yen, depreciation expenses totaling 308,159 thousand yen, primarily associated with software investments for medium-term growth, a decrease in accounts receivable of 231,288 thousand yen, and amortization of goodwill of 101,489 thousand yen, offset by factors including gains on sales of securities of 184,528 thousand yen, an increase in inventories of

63,816 thousand yen, a decrease in other current liabilities of 237,736 thousand yen, and a decrease in other provisions totaling 172,397 thousand yen.

(Cash flows from investing activities)

Net cash provided by investing activities were 64,755 thousand yen. This was mainly due to expenditures of 335,772 thousand yen for the acquisition of intangible fixed assets, primarily from software development investments, offset by proceeds of 228,300 thousand yen from the sale of investment securities and 151,869 thousand yen from the refund of leasehold and guarantee deposits resulting from office downsizing.

(Cash flows from financing activities)

Net cash provided by financing activities were 647 thousand yen. This was mainly due to proceeds from the issuance of shares through the exercise of stock options amounting to 750 thousand yen, offset by dividend payments of 102 thousand yen related to the previous consolidated fiscal year.

(3) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Information

At the end of the previous consolidated fiscal year, the Company shifted its business policy, including structural changes such as withdrawing from unprofitable businesses that were still in the growth investment phase, to return to a structure capable of generating profits.

As a result, the Company returned to a consolidated operating profit in the first quarter of the consolidated fiscal year (from April to the end of June 2025) and achieved monthly operating profit for all months in the second quarter (from July to the end of September 2025), marking two consecutive quarters of consolidated operating profit. The trend has continued in October, seeing consolidated operating profit stabilized. Cash flow has also improved, and so there are currently no financial concerns regarding the operation of existing businesses.

During the current interim consolidated accounting period, both the Solution Business and the Media Business made steady growth in net sales, and the efficiency of head office expenses also progressed. In addition, the Company recorded extraordinary income from the partial-sale of investment securities.

In light of these factors, the Company revised upward its consolidated financial forecasts for the fiscal year ending March 31, 2026, on October 30, 2025. The revised forecasts are: consolidated net sales of 8,800 million yen, consolidated operating profit of 400 million yen, consolidated ordinary profit of 250 million yen, profit attributable to owners of parent of 350 million yen, and EBITDA of 1,300 million yen.

This revision reflects the favorable performance of both the Solution Business and the Media Business during the current interim consolidated accounting period, good progress in the efficiency of head office expenses, and the recording of extraordinary income from the partial-sale of investment securities. The revised forecast figures reflect only the upward results seen in the current interim consolidated accounting period, and the forecast for the second half of the fiscal year (October 1, 2025, to March 31, 2026) remains unchanged from the initial plan.

The Company will continue to focus on maximizing revenue by leveraging existing business assets and promoting new growth strategies and business development that leverage our characteristics as an information distribution vendor utilizing technology, including AI.

2. Interim Consolidated Financial Statements and Principal Notes

(1) Interim Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	542,610	905,232
Accounts receivable - trade	1,082,271	850,267
Merchandise	911	1,028
Work in process	37,268	101,007
Supplies	2,219	2,180
Other	379,479	317,792
Allowance for doubtful accounts	(5,480)	(4,283)
Total current assets	2,039,279	2,173,226
Non-current assets		
Property, plant and equipment	521,149	482,879
Intangible assets		
Goodwill	2,913,014	2,811,525
Customer related assets	1,161,290	1,114,253
Technical assets	37,034	33,904
Software	1,220,054	1,228,236
Software in progress	882,531	966,450
Other	30,408	29,344
Total intangible assets	6,244,333	6,183,716
Investments and other assets		
Investment securities	438,832	649,725
Guarantee deposits	418,500	246,682
Deferred tax assets	314,090	140,392
Other	10,821	25,998
Allowance for doubtful accounts	(4,621)	(4,621)
Total investments and other assets	1,177,624	1,058,177
Total non-current assets	7,943,107	7,724,772
Total assets	9,982,387	9,897,999

(Thousands of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	284,794	247,028
Short-term borrowings	2,100,000	7,717,500
Current portion of long-term borrowings	1,025,000	-
Income taxes payable	56,670	87,693
Provision for loss on business liquidation	156,503	51,247
Other provisions	73,678	6,536
Other	679,536	425,613
Total current liabilities	4,376,183	8,535,619
Non-current liabilities		
Long-term borrowings	4,792,500	-
Asset retirement obligations	114,409	114,409
Other	379,306	365,633
Total non-current liabilities	5,286,215	480,042
Total liabilities	9,662,399	9,015,661
Net assets		
Shareholders' equity		
Share capital	320,815	421,187
Capital surplus	6,632,867	6,733,240
Retained earnings	(6,725,484)	(6,546,074)
Treasury shares	(111)	(111)
Total shareholders' equity	228,086	608,241
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	80,562	274,095
Total accumulated other comprehensive income	80,562	274,095
Non-controlling interests	11,338	-
Total net assets	319,988	882,337
Total liabilities and net assets	9,982,387	9,897,999

(2) Interim Consolidated Statements of Income and Comprehensive Income
(Interim Consolidated Statement of Income)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Net sales	4,729,050	4,299,006
Cost of sales	2,650,796	2,356,333
Gross profit	2,078,253	1,942,673
Selling, general and administrative expenses	2,330,137	1,741,362
Operating profit (loss)	(251,884)	201,311
Non-operating income		
Interest income	156	558
Dividend income	220	260
Reversal of allowance for doubtful accounts	1,389	-
Other	4,308	1,607
Total non-operating income	6,075	2,426
Non-operating expenses		
Interest expenses	38,617	59,551
Guarantee commission	496	743
Loss on investments in investment partnerships	4,884	3,310
Foreign exchange losses	36	173
Other	16	13,859
Total non-operating expenses	44,051	77,638
Ordinary profit (loss)	(289,860)	126,098
Extraordinary income		
Gain on sale of non-current assets	-	229
Gain on sale of investment securities	20,000	184,528
Gain on sale of shares of subsidiaries	-	8,353
Other	-	7,814
Total extraordinary income	20,000	200,926
Extraordinary losses		
Loss on retirement of non-current assets	1,126	-
Loss on valuation of investment securities	-	4,998
Loss on liquidation of business	-	6,154
Total extraordinary losses	1,126	11,153
Interim profit (loss) before income taxes	(270,987)	315,871
Income taxes	22,966	137,707
Interim profit (loss)	(293,953)	178,163
Interim loss attributable to non-controlling interests	(1,060)	(1,246)
Interim profit (loss) attributable to owners of parent	(292,893)	179,409

(Interim Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Interim net profit (loss)	(293,953)	178,163
Other comprehensive income		
Valuation difference on available-for-sale securities	39,792	193,532
Total other comprehensive income	39,792	193,532
Interim Comprehensive income	(254,161)	371,695
Interim Comprehensive income attributable to		
Interim Comprehensive income attributable to owners of parent	(253,101)	372,942
Interim Comprehensive income attributable to non-controlling interests	(1,060)	(1,246)

(3) Interim Consolidated Statement of Cash Flows

(Thousands of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Interim Profit (loss) before income taxes	(270,987)	315,871
Depreciation	441,505	308,159
Amortization of goodwill	135,442	101,489
Increase (decrease) in allowance for doubtful accounts	(2,079)	(1,197)
Increase (decrease) in other provisions	(42,466)	(172,397)
Interest and dividend income	(377)	(818)
Interest expenses	38,617	59,551
Loss (gain) on sale and retirement of non-current assets	1,126	(229)
Loss (gain) on sale of securities	(20,000)	(184,528)
Loss (gain) on sale of shares of subsidiaries	—	(8,353)
Loss (gain) on valuation of securities	—	4,998
Decrease (increase) in trade receivables	346,866	231,288
Decrease (increase) in inventories	(24,799)	(63,816)
Decrease (increase) in other current assets	(1,146,167)	58,231
Increase (decrease) in trade payables	5,122	(35,081)
Increase (decrease) in other current liabilities	(75,044)	(237,736)
Decrease (increase) in guarantee deposits	420	18,840
Other, net	(42,676)	7,412
Subtotal	(655,497)	401,683
Interest and dividends received	377	818
Interest paid	(38,107)	(63,946)
Income taxes refund	112,807	-
Income taxes paid	(37,792)	(41,335)
Net cash provided by (used in) operating activities	(618,211)	297,220
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	—	30,000
Purchase of property, plant and equipment	(102,834)	(27,343)
Purchase of intangible assets	(650,510)	(335,772)
Purchase of investment securities	(14,760)	-
Proceeds from sale of investment securities	120,000	228,300
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	—	17,001
Payments of leasehold and guarantee deposits	(20,207)	-
Proceeds from refund of leasehold and guarantee deposits	—	151,869
Other, net	—	700
Net cash provided by (used in) investing activities	(668,312)	64,755
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	692,000	-
Repayments of long-term borrowings	(567,500)	-
Proceeds from issuance of shares	180	750
Dividends paid	(388,935)	(102)
Net cash provided by (used in) financing activities	(264,255)	647
Net increase (decrease) in cash and cash equivalents	(1,550,779)	362,622
Cash and cash equivalents at beginning of period	2,047,745	542,610
Cash and cash equivalents at end of interim period	496,965	905,232

(4) Notes to Interim Consolidated Financial Statements

(Notes to Going Concern Assumption)

In the previous fiscal year, the Company recorded a significant operating loss, ordinary loss, and net loss. The revised repayment agreements concluded with all lending financial institutions on June 20, 2025, stipulate an initial maturity date at the end of June 2026, with annual extensions thereafter, contingent on business performance. Based on this, as of the end of the current interim consolidated accounting period, the amount of borrowings due within one year (7,717,500 thousand yen) continues to be substantial compared to cash on hand (905,232 thousand yen). Therefore, we recognize that events or conditions exist that may cast significant doubt on the Company's ability to continue as a going concern.

On the other hand, as a result of implementing large-scale business and asset restructuring, including withdrawing from unprofitable businesses, and executing fixed cost reductions, based on the business policy changes to “prioritization and concentration” from focus on expansion made at the end of the previous fiscal year, Company returned to a consolidated operating profit in the first quarter consolidated accounting period (from April 1 to June 30, 2025). In the following second quarter consolidated accounting period (from July 1 to September 30, 2025), the Company also maintained profitability, achieving consolidated operating profit for two consecutive quarters. Cash flow has also improved.

By continuing to generate a consolidated operating profit, the certainty of maturity date extensions will increase, which is expected to resolve the situation where borrowings due within one year are substantial compared to cash on hand. However, depending on the future business situation, there is a possibility of a significant impact on future cash flow. Therefore, a material uncertainty regarding the going concern assumption is recognized to exist at the present time. The interim consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern, and the effects of this material uncertainty regarding the going concern assumption have not been reflected in the interim consolidated financial statements.

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

I For the six-month period ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

1. Dividend payment amount

Resolutions	Type of stock	Total amount of dividends (Thousands of JPY)	Dividends per share (JPY)	Record date	Effective Date	Source of dividends
Board of Directors meeting on May 28, 2024	common stock	389,557	26	31 March 2024	June 29, 2024	Capital surplus

2. Significant Changes in the Amount of Shareholders' Equity

Based on the resolution of the Annual General Meeting of Shareholders held on June 28, 2024, the reduction of capital became effective on the same date, and the Company reduced its capital by 3,214,975 thousand yen and its capital reserve by 2,654,975 thousand yen, transferring the entire amounts to other capital surplus.

As a result, as of the end of the first quarter of the consolidated fiscal period, the capital amounted to 320,000 thousand yen and the capital surplus amounted to 6,632,052 thousand yen.

There were no significant changes in the total amount of shareholders' equity.

II For the six-month period ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

1. Dividend payment amount

None

2. Significant Changes in the Amount of Shareholders' Equity

As a result of the third-party allotment by way of a debt-for-equity swap with a payment date of July 30, 2025, based on a resolution of the Board of Directors meeting held on July 14, 2025, the amounts of capital stock and capital surplus increased by 99,997 thousand yen each. With this, as of the end of the interim consolidated accounting period, the capital amounted to 421,187 thousand yen and the capital surplus amounted to 6,733,240 thousand yen.

(Changes in Significant Subsidiaries during the Cumulative Period)

In the first six months of the consolidated fiscal year, we sold all shares of our sub-subsidiary, MINKABU Web3 Wallet, Inc. As a result, it has been excluded from the scope of consolidation.

(Adoption of Accounting Treatment Specific to Interim Consolidated Financial Statements)

(Calculation of tax expenses)

We reasonably estimate an effective tax rate after applying tax effect accounting to income before income taxes for the consolidated fiscal year under review, including the current interim period, and adopt a method to calculate tax expenses by multiplying interim income before taxes by the estimated effective tax rate.

(Segment Information)

I For the six-month period ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

1 . Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments			Reconciling items (Notes 1)	Per quarterly consolidated financial statements (Note 2)
	Media business	Solutions business	Reportable segments		
Net sales	2,125,354	—	2,125,354	—	2,125,354
Advertising	56,284	—	56,284	—	56,284
Subscription	582,946	—	582,946	—	582,946
Media and Others	—	1,333,959	1,333,959	—	1,333,959
Recurring Revenue	—	630,504	630,504	—	630,504
Initial/one-time revenue	2,764,585	1,964,464	4,729,050	—	4,729,050
Revenue from contracts with customers	—	—	—	—	—
Other revenue	2,764,585	1,964,464	4,729,050	—	4,729,050
Revenues from external customers	(413,422)	(178,053)	(591,475)	591,475	—
Transactions with other segments	2,351,163	1,786,411	4,137,574	591,475	4,729,050
Net sales	(514,581)	13,612	(500,969)	249,085	(251,884)
Segment profit pr loss					

Notes:

- 1 . The adjustment for segment profit (loss), which amounts to 249,085 thousand yen, represents company-wide revenues and expenses that have not been allocated to each reportable segment. Company-wide revenues primarily consist of management fees from each business segment, while company-wide expenses are mainly general and administrative expenses not attributable to the reportable segments. Starting from the previous interim consolidated accounting period, we have been collecting management fees from each group company. The segment profit (loss) for each business segment is the amount after deducting these management fees. The management fees included in the segment loss of 514,581 thousand yen for the Media business were 453,000 thousand yen, making the segment loss before deducting these fees 61,581 thousand yen. The management fees included in the segment profit of 13,612 thousand yen for the Solutions business segment were 275,537 thousand yen, making the segment profit before deducting these fees 289,149 thousand yen.
- 2 . The segment profit or loss is reconciled to the operating loss (after amortization of goodwill) on the Interim Consolidated Statement of Income.

2 . Information on impairment loss or goodwill of fixed assets by reporting segment

(Significant impairment loss on fixed assets)

None

(Significant changes in the amount of goodwill)

None

(Significant gain on negative goodwill)

None

II For the six-month period ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

1. Information regarding net sales and operating profit or loss by the reportable segments

(Thousands of yen)

	Reportable segments			Reconciling items (Notes 1)	Per quarterly consolidated financial statements (Note 2)
	Media business	Solutions business	Reportable segments		
Net sales	2,004,091	—	2,004,091	—	2,004,091
Advertising	—	—	—	—	—
Subscription	49,476	—	49,476	—	49,476
Media and Others	475,561	—	475,561	—	475,561
Recurring Revenue	—	1,401,670	1,401,670	—	1,401,670
Initial/one-time revenue	—	368,206	368,206	—	368,206
Revenue from contracts with customers	2,529,130	1,769,876	4,299,006	—	4,299,006
Other revenue	—	—	—	—	—
Revenues from external customers	2,529,130	1,769,876	4,299,006	—	4,299,006
Transactions with other segments	(245,170)	(63,804)	(308,974)	308,974	—
Net sales	2,283,960	1,706,071	3,990,031	308,974	4,299,006
Operating profit or loss	(7,646)	68,463	60,816	140,494	201,311

Notes:

1. The adjustment of 140,494 thousand yen to segment profit represents company-wide revenues and expenses that have not been allocated to each reporting segment. The company-wide revenues are primarily management fees from each business segment, and the company-wide expenses are mainly general and administrative expenses not attributable to the reporting segments. Effective the second quarter of the fiscal year ended March 2024, management fees have been collected from each group company. As a result, the segment profit (loss) for each business segment is stated after the deduction of these management fees. The management fees included in the Media business's segment loss of 7,646 thousand yen amount to 283,900 thousand yen, making the segment profit before the deduction of these fees 276,253 thousand yen. Similarly, the segment profit for the Solutions business segment, which is 68,463 thousand yen, includes management fees of 219,440 thousand yen, and the segment profit before the deduction of these fees is 287,903 thousand yen.
2. Segment profit or loss is reconciled to operating profit (after amortization of goodwill) on the interim consolidated statements of income.

2. Information on impairment loss or goodwill of fixed assets by reporting segment

(Significant impairment loss on fixed assets)

None

(Significant changes in the amount of goodwill)

None.

(Significant gain on negative goodwill)

None

(Notes to Business Combinations, etc.)

Our consolidated subsidiary, MINKABU SOLUTION SERVICES, Inc., based on prior approval at our Board of Directors meeting held on February 14, 2025, resolved at its Board of Directors meeting on May 26, 2025, to transfer all of our shares of its consolidated subsidiary, MINKABU WEB3 WALLET, Inc. (hereinafter "MWW"), and the transfer was completed on June 2, 2025.

As a result, MWW was excluded from the scope of our consolidation, with June 30, 2025, being treated as the deemed date of sale.

1. Summary of Share Transfer

(1) Name of Transferee

TRADE WORKS Co., Ltd.

(2) Name and Business of Transferred Subsidiary

Name MINKABU WEB3 WALLET, Inc.

Business NFT marketplace business and NFT-based personal activity certification business

(3) Reason for Share Transfer

Based on the Group's strategic shift to "selection and concentration," it was determined that greater business synergies could be created for MWW with its business partner, TRADE WORKS Co., Ltd. Therefore, the decision was made that transferring the shares to the said company was the best course of action.

(4) Date of Share Transfer

June 2, 2025 (Date of share transfer)

June 30, 2025 (Deemed date of sale)

(5) Other matters concerning the outline of the transaction, including its legal form.

Share transfer with consideration consisting solely of cash and other assets.

2. Overview of Accounting Treatment

(1) Gain or Loss on Transfer

Gain on sale of shares of a subsidiary: 8,353 thousand yen

(2) Appropriate book value of assets and liabilities of the transferred subsidiary and their major breakdown

Current assets: 5,651 thousand yen

Non-current assets: 47,000 thousand yen

Total assets: 52,651 thousand yen

Current liabilities: 10,361 thousand yen

Non-current liabilities: 19,305 thousand yen

Total liabilities: 29,666 thousand yen

(3) Accounting Treatment

The difference between the sale price of the transferred shares and their book value on a consolidated basis has been recognized as "gain on sale of shares of a subsidiary" under extraordinary income.

3. Name of reporting segment that included the business of the transferred subsidiary

Solutions Business

4. Estimated amount of profit or loss of the transferred subsidiary recorded in the quarterly consolidated statement of income for the first quarter of the current fiscal year

Net sales: -

Operating loss: 6,054 thousand yen

(Significant subsequent events)

(Absorption-type Merger of a Consolidated Subsidiary)

At a meeting of our Board of Directors held on May 22, 2025, our company resolved to conduct an absorption-type merger, effective October 1, 2025, in which our company would be the surviving company and our consolidated subsidiary, MINKABU SOLUTION SERVICES, INC. (hereinafter "MSS"), would be the absorbed company. This resolution was approved at our 19th Annual General Meeting of Shareholders held on June 26, 2025, and our company absorbed MSS on October 1, 2025.

1. Outline of the Transaction

(1) Names of the combining entities and their business descriptions

Surviving company

Name MINKABU THE INFONOID, INC.

Business Solution and Media Business

Absorbed company

Name MINKABU SOLUTION SERVICES, INC.

Business Solution Business

(2) Date of business combination

October 1, 2025

(3) Legal form of business combination

An absorption-type merger with our company as the surviving company and MSS as the absorbed company.

(4) Name of the entity after combination

MINKABU THE INFONOID, INC.

(5) Other matters concerning the outline of the transaction

As part of our group's reorganization, our company implemented this business combination with MSS in order to promote "selection and concentration," based on the perspective of facilitating thorough cost reductions and having all group executives and employees work together towards business recovery.

2. **Outline of Accounting Treatment to be Implemented**

The transaction has been accounted for as a transaction under common control based on the "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, January 16, 2019) and the "Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, January 16, 2019).

Furthermore, in the "Notice Concerning the Absorption-type Merger of a Wholly-Owned Subsidiary (Progress of Disclosed Matters)" dated October 1, 2025, we announced that a gain on extinguishment of shares of subsidiary (the difference between the net assets received from the absorbed company, MSS, and the book value of the subsidiary's shares held by our company) was expected to be recorded in our company's non-consolidated financial statements on the effective date of the merger, October 1, 2025. However, following subsequent confirmation and scrutiny, it is now expected that an extraordinary loss (loss on extinguishment of shares of subsidiary) of approximately 45 million yen will be recorded.

This extraordinary loss will be eliminated in the consolidated financial statements, and therefore will have no impact on the consolidated financial statements.