

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

March 14, 2025

Company name: Link-U Group Inc.
 Stock exchange listing: Tokyo
 Stock code: 4446
 URL: <https://link-u.group/>
 Representative: Representative Director Group CEO Yuuki Matsubara
 Inquiries: Director Group CAO Takahiro Fujita
 TEL: 03(6260)9279
 Scheduled date to file semi-annual securities report: March 14, 2025
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended January 31, 2025 (from August 1, 2024 to January 31, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

| | Revenue | | Operating profit | | Profit before tax | | Profit | |
|------------------|-----------------|------|------------------|------|-------------------|------|-----------------|-------|
| Six months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| January 31, 2025 | 2,624 | 58.7 | 303 | 11.8 | 298 | 10.8 | 167 | (0.9) |
| January 31, 2024 | 1,653 | – | 271 | – | 269 | – | 169 | – |

| | Profit attributable to owners of parent | | Total comprehensive income | | Basic earnings per share | Diluted earnings per share |
|------------------|---|--------|----------------------------|--------|--------------------------|----------------------------|
| Six months ended | Millions of yen | % | Millions of yen | % | Yen | Yen |
| January 31, 2025 | 95 | (39.9) | 182 | (13.4) | 6.74 | 6.72 |
| January 31, 2024 | 159 | – | 210 | – | 11.22 | 11.18 |

(2) Consolidated financial position

| | Total assets | Total equity | Equity attributable to owners of parent | Ratio of equity attributable to owners of parent |
|------------------|-----------------|-----------------|---|--|
| As of | Millions of yen | Millions of yen | Millions of yen | % |
| January 31, 2025 | 6,107 | 3,068 | 2,699 | 44.2 |
| July 31, 2024 | 5,040 | 2,885 | 2,588 | 51.4 |

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 July 31, 2024 | — | 0.00 | — | 0.00 | 0.00 |
| Year ending July 31, 2025 | — | 0.00 | | | |
| Year ending July 31, 2025 (Forecast) | | | — | 0.00 | 0.00 |

Note: Revisions to the forecast of cash dividends most recently announced: No

3. Forecast of consolidated financial results for the year ending July 31, 2025 (from August 1, 2024 to July 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 | % | |
| Full year | 5,272 | 43.6 | 717 | 129.7 | 708 | 128.2 | 466 | 106.3 | 352 | 124.2 | Yen 24.89 |

Note: Revisions to the financial results forecasts most recently announced: No

*** Notes**

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies and changes in accounting estimates

(i) Changes in accounting policies required by IFRS: No

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(3) Number of issued shares (common shares)

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

| | |
|------------------------|-------------------|
| As of January 31, 2025 | 14,172,900 shares |
| As of July 31, 2024 | 14,172,900 shares |

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

| | |
|------------------------|-----------|
| As of January 31, 2025 | 68 shares |
| As of July 31, 2024 | 68 shares |

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

| | |
|-----------------------------------|-------------------|
| Six months ended January 31, 2025 | 14,172,832 shares |
| Six months ended January 31, 2024 | 14,171,632 shares |

*** Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.**

*** Proper use of financial results forecasts, and other special items**

Notes on forward-looking statements

The forward-looking statements, including financial results forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. These statements do not purport that the Company pledges to realize such statements. Actual business and other results may differ substantially due to various factors.

Condensed semi-annual consolidated financial statements

Condensed semi-annual consolidated balance sheets

(Thousands of yen)

| | Date of transition to IFRS (August 1, 2023) | As of July 31, 2024 | As of January 31, 2025 |
|--|---|---------------------|---------------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 1,757,169 | 1,907,085 | 2,571,149 |
| Trade and other receivables | 1,075,877 | 1,057,563 | 1,171,874 |
| Other current assets | 159,450 | 450,891 | 402,011 |
| Total current assets | 2,992,497 | 3,415,539 | 4,145,036 |
| Non-current assets | | | |
| Property, plant and equipment | 168,339 | 165,041 | 170,880 |
| Right-of-use assets | 210,196 | 203,477 | 427,172 |
| Goodwill | 240,731 | 579,953 | 579,953 |
| Intangible assets | 49,495 | 96,713 | 123,177 |
| Investments accounted for using equity method | 250,812 | 117,866 | 128,671 |
| Other financial assets | 503,566 | 416,736 | 440,799 |
| Deferred tax assets | 22,817 | 43,537 | 90,202 |
| Other non-current assets | 1,206 | 2,063 | 1,603 |
| Total non-current assets | 1,447,166 | 1,625,390 | 1,962,461 |
| Total assets | 4,439,663 | 5,040,930 | 6,107,498 |

| | (Thousands of yen) | | |
|---|---|---------------------|---------------------------|
| | Date of transition to IFRS (August 1, 2023) | As of July 31, 2024 | As of January 31, 2025 |
| Liabilities and equity | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 877,963 | 853,364 | 966,514 |
| Borrowings | 44,040 | 44,040 | 659,594 |
| Provisions | 4,666 | — | — |
| Lease liabilities | 114,218 | 96,830 | 162,554 |
| Income taxes payable | 106,132 | 110,531 | 126,167 |
| Other current liabilities | 154,162 | 147,170 | 141,517 |
| Total current liabilities | 1,301,183 | 1,251,936 | 2,056,348 |
| Non-current liabilities | | | |
| Borrowings | 640,660 | 756,620 | 610,854 |
| Provisions | 49,322 | 51,156 | 54,674 |
| Lease liabilities | 85,996 | 94,113 | 251,761 |
| Deferred tax liabilities | 105 | 1,217 | 65,559 |
| Total non-current liabilities | 776,084 | 903,108 | 982,849 |
| Total liabilities | 2,077,268 | 2,155,045 | 3,039,197 |
| Equity | | | |
| Share capital | 477,054 | 477,140 | 477,140 |
| Capital surplus | 368,957 | 369,042 | 369,042 |
| Retained earnings | 1,407,527 | 1,617,394 | 1,712,937 |
| Treasury shares | (135) | (135) | (135) |
| Other components of equity | 67,454 | 125,509 | 140,206 |
| Total equity attributable to owners of parent | 2,320,859 | 2,588,951 | 2,699,190 |
| Non-controlling interests | 41,535 | 296,934 | 369,109 |
| Total equity | 2,362,395 | 2,885,885 | 3,068,300 |
| Total liabilities and equity | 4,439,663 | 5,040,930 | 6,107,498 |

Condensed semi-annual consolidated statement of profit or loss and semi-annual consolidated statement of comprehensive income

Condensed semi-annual consolidated statement of profit or loss

(Thousands of yen)

| | Six months ended January 31, 2024 | Six months ended January 31, 2025 |
|--|--------------------------------------|--------------------------------------|
| Revenue | 1,653,945 | 2,624,509 |
| Cost of sales | 618,184 | 1,355,753 |
| Gross profit | 1,035,760 | 1,268,755 |
| Selling, general and administrative expenses | 784,589 | 1,022,679 |
| Other income | 15,232 | 10,873 |
| Other expenses | 333 | 2,464 |
| Share of profit of investments accounted for using equity method | 5,124 | 48,805 |
| Operating profit | 271,194 | 303,292 |
| Finance income | 1,345 | 1,512 |
| Finance costs | 2,672 | 5,863 |
| Profit before tax | 269,867 | 298,941 |
| Income tax expense | 100,555 | 131,184 |
| Profit | 169,312 | 167,756 |
| Profit attributable to | | |
| Owners of parent | 159,024 | 95,543 |
| Non-controlling interests | 10,287 | 72,213 |
| Profit | 169,312 | 167,756 |
| Earnings per share | | |
| Basic earnings per share | 11.22 | 6.74 |
| Diluted earnings per share | 11.18 | 6.72 |

Condensed semi-annual consolidated statement of comprehensive income

(Thousands of yen)

| | Six months ended January 31, 2024 | Six months ended January 31, 2025 |
|--|--------------------------------------|--------------------------------------|
| Profit | 169,312 | 167,756 |
| Other comprehensive income | | |
| Items that will not be reclassified to profit or loss | | |
| Financial assets measured at fair value through other comprehensive income | 37,376 | 14,468 |
| Total of items that will not be reclassified to profit or loss | 37,376 | 14,468 |
| Items that may be reclassified to profit or loss | | |
| Share of other comprehensive income of investments accounted for using equity method | 3,633 | — |
| Total of items that may be reclassified to profit or loss | 3,633 | — |
| Total other comprehensive income | 41,010 | 14,468 |
| Comprehensive income | 210,322 | 182,225 |
| Comprehensive income attributable to | | |
| Owners of parent | 199,992 | 110,050 |
| Non-controlling interests | 10,330 | 72,174 |
| Comprehensive income | 210,322 | 182,225 |

Condensed semi-annual consolidated statement of changes in equity

Six months ended January 31, 2024 (from August 1, 2023 to January 31, 2024)

(Thousands of yen)

| | Equity attributable to owners of parent | | | | | | |
|--------------------------------|---|-----------------|-------------------|-----------------|--|---|--------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | |
| | | | | | Financial assets measured at fair value through other comprehensive income | Exchange differences on translation of foreign operations | Share acquisition rights |
| Balance as of August 1, 2023 | 477,054 | 368,957 | 1,407,527 | (135) | 67,034 | — | 420 |
| Profit | — | — | 159,024 | — | — | — | — |
| Other comprehensive income | — | — | — | — | 37,334 | 3,633 | — |
| Total comprehensive income | — | — | 159,024 | — | 37,334 | 3,633 | — |
| Transfer to retained earnings | — | — | 52,503 | — | (52,503) | — | — |
| Total transactions with owners | — | — | 52,503 | — | (52,503) | — | — |
| Balance as of January 31, 2024 | 477,054 | 368,957 | 1,619,055 | (135) | 51,865 | 3,633 | 420 |

| | Equity attributable to owners of parent | | | |
|--------------------------------|---|---|---------------------------|-----------|
| | Other components of equity | Total equity attributable to owners of the parent | Non-controlling interests | Total |
| | Total | | | |
| Balance as of August 1, 2023 | 67,454 | 2,320,859 | 41,535 | 2,362,395 |
| Profit | — | 159,024 | 10,287 | 169,312 |
| Other comprehensive income | 40,968 | 40,968 | 42 | 41,010 |
| Total comprehensive income | 40,968 | 199,992 | 10,330 | 210,322 |
| Transfer to retained earnings | (52,503) | — | — | — |
| Total transactions with owners | (52,503) | — | — | — |
| Balance as of January 31, 2024 | 55,919 | 2,520,851 | 51,866 | 2,572,717 |

Six months ended January 31, 2025 (from August 1, 2024 to January 31, 2025)

(Thousands of yen)

| | Equity attributable to owners of parent | | | | | | |
|--------------------------------------|---|-----------------|-------------------|-----------------|--|---|--------------------------|
| | Share capital | Capital surplus | Retained earnings | Treasury shares | Other components of equity | | |
| | | | | | Financial assets measured at fair value through other comprehensive income | Exchange differences on translation of foreign operations | Share acquisition rights |
| Balance as of August 1, 2024 | 477,140 | 369,042 | 1,617,394 | (135) | 117,454 | 7,635 | 420 |
| Profit | — | — | 95,543 | — | — | — | — |
| Other comprehensive income | — | — | — | — | 14,507 | — | — |
| Total comprehensive income | — | — | 95,543 | — | 14,507 | — | — |
| Issuance of share acquisition rights | — | — | — | — | — | — | 189 |
| Total transactions with owners | — | — | — | — | — | — | 189 |
| Balance as of January 31, 2025 | 477,140 | 369,042 | 1,712,937 | (135) | 131,961 | 7,635 | 609 |

| | Equity attributable to owners of parent | | | |
|--------------------------------------|---|---|---------------------------|-----------|
| | Other components of equity | Total equity attributable to owners of the parent | Non-controlling interests | Total |
| | Total | | | |
| Balance as of August 1, 2024 | 125,509 | 2,588,951 | 296,934 | 2,885,885 |
| Profit | — | 95,543 | 72,213 | 167,756 |
| Other comprehensive income | 14,507 | 14,507 | (38) | 14,468 |
| Total comprehensive income | 14,507 | 110,050 | 72,174 | 182,225 |
| Issuance of share acquisition rights | 189 | 189 | — | 189 |
| Total transactions with owners | 189 | 189 | — | 189 |
| Balance as of January 31, 2025 | 140,206 | 2,699,190 | 369,109 | 3,068,300 |

Condensed semi-annual consolidated statement of cash flows

(Thousands of yen)

| | Six months ended January 31, 2024 | Six months ended January 31, 2025 |
|---|--------------------------------------|--------------------------------------|
| Cash flows from operating activities | | |
| Profit before tax | 269,867 | 298,941 |
| Depreciation and amortization | 108,450 | 126,794 |
| Impairment losses | — | 1,832 |
| Share of profit (loss) of investments accounted for using equity method | (5,124) | (48,805) |
| Finance income | (80) | (227) |
| Finance costs | 2,672 | 5,863 |
| Decrease (increase) in trade and other receivables | 178,463 | (114,311) |
| Increase (decrease) in trade and other payables | (81,032) | 123,316 |
| Other | (218,039) | 17,008 |
| Subtotal | 255,178 | 410,412 |
| Interest and dividends received | 40,007 | 227 |
| Interest paid | (2,810) | (6,233) |
| Income taxes paid | (105,044) | (77,661) |
| Net cash provided by (used in) operating activities | 187,330 | 326,744 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (18,148) | (17,779) |
| Proceeds from sale of property, plant and equipment | — | 463 |
| Purchase of intangible assets | (9,694) | (73,460) |
| Payments of leasehold and guarantee deposits | (27,443) | (3,565) |
| Proceeds from refund of leasehold and guarantee deposits | — | 400 |
| Purchase of investments accounted for using equity method | (391,995) | — |
| Proceeds from sale of investment securities | 274,955 | 38,000 |
| Net cash provided by (used in) investing activities | (172,326) | (55,941) |
| Cash flows from financing activities | | |
| Proceeds from long-term borrowings | 100,000 | 600,000 |
| Repayments of long-term borrowings | (22,020) | (130,212) |
| Repayments of lease liabilities | (61,053) | (81,907) |
| Net cash provided by (used in) financing activities | 16,926 | 387,880 |
| Effect of exchange rate change on cash and cash equivalents | 1,472 | 5,380 |
| Net increase (decrease) in cash and cash equivalents | 33,403 | 664,064 |
| Cash and cash equivalents at beginning of period | 1,757,169 | 1,907,085 |
| Cash and cash equivalents at end of period | 1,790,573 | 2,571,149 |