

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

**Consolidated Financial Results
for the Six Months Ended December 31, 2025
[Japanese GAAP]**



February 12, 2026

Company name: freee K.K.
 Listing: Tokyo Stock Exchange
 Securities code: 4478
 URL: <http://www.freee.co.jp>
 Representative: Daisuke Sasaki, Representative Director and CEO
 Inquiries: Ami Tsuboi, CFO
 TEL: +81-3-6683-0242

Scheduled date to file semi-annual securities report: February 12, 2026
 Scheduled date to commence dividend payment: -
 Preparation of supplementary materials on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded down, unless otherwise noted)

**1. Consolidated financial results for the first six months of the fiscal year ending June 30, 2026
(from July 1, 2025 to December 31, 2025)**

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted operating profit		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended December 31, 2025	19,941	30.8	1,352	(7.1)	531	(38.8)	332	(58.2)	305	(61.6)
December 31, 2024	15,250	29.6	1,456	-	868	-	795	-	797	-

Notes: 1. Comprehensive income Six months ended December 31, 2025: ¥ 335 million ((56.0)%)
 Six months ended December 31, 2024: ¥ 763 million (-%)

2. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
December 31, 2025	5.17	5.14
December 31, 2024	13.59	13.47

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	53,370	20,152	37.5
June 30, 2025	52,595	19,663	37.1

Reference: Equity

As of December 31, 2025: ¥ 20,037 million
 As of June 30, 2025: ¥ 19,512 million

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended June 30, 2025	Yen —	Yen 0.0	Yen —	Yen 0.0	Yen 0.0
Fiscal year ending June 30, 2026	—	0.0			
Fiscal year ending June 30, 2026 (Forecast)			—	0.0	0.0

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

3. Consolidated earnings guidance for the fiscal year ending June 30, 2026 (from July 1, 2025 to June 30, 2026)

For the fiscal year ending June 30, 2026, we forecast net sales of 41,930 million yen (up 26.0% compared to net sales for Platform business (*2) for the fiscal year ended June 30, 2025) backed by the expansion of our customer base in the SaaS business, enhancement in customer value, etc. Adjusted operating profit (*3) is expected to be 2,520 million yen and adjusted free cash flow (*4) is expected to be 1,260 million yen to 2,520 million yen.

For details, please refer to "1. Qualitative information regarding results for the period, (4) Explanation of consolidated earnings guidance and other forward-looking statements".

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted operating profit		Adjusted free cash flow	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending June 30, 2026	41,930	26.0	2,520	33.7	1,260 ~2,520	(8.8) ~82.5

Notes: 1. Revisions to the earnings guidance most recently announced: Yes

2. Platform business: Business consisting of the integrated cloud ERP offering for small businesses and financial services, etc.

3. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

4. Adjusted Free Cash Flow Definition: Starting with common free cash flow (cash flows from operating activities + cash flows from investing activities), this metric is adjusted to exclude the impact of fluctuations in advances paid incurred in the credit card business and fluctuations in purchased receivables incurred in the factoring business from operating cash flow, and M&A-related payments and proceeds from investing cash flow.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Application of specific accounting for preparing the semi-annual consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement
- a. Changes in accounting policies due to revisions to accounting standards and other regulations : None
- b. Changes in accounting policies other than a. above : None
- c. Changes in accounting estimates : None
- d. Retrospective restatement : None

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(4) Number of issued shares (Common stock)

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

As of December 31, 2025	59,665,161 shares
As of June 30, 2025	59,221,680 shares

b. Number of treasury stock at the end of the period

As of December 31, 2025	434,221 shares
As of June 30, 2025	62,551 shares

c. Average number of outstanding shares during the period

Six months ended December 31, 2025	59,182,983 shares
Six months ended December 31, 2024	58,681,487 shares

(Note) In calculating the number of treasury shares to be deducted in determining the number of treasury shares at the end of the period and the average number of shares outstanding during the period, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets under the Employee Stock Ownership Plan (J-ESOP) are included.

* This consolidated financial results are exempt from semi-annual review conducted by certified public accountants or audit firms.

* Proper use of earnings guidance, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. The achievement of said forecasts cannot be promised. Results may differ materially from the consolidated forecasts due to various factors.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Table of contents

1. Qualitative information regarding results for the period	2
(1) Explanation of operating results	2
(2) Explanation of financial position	3
(3) Explanation of cash flows	3
(4) Explanation of consolidated earnings guidance and other forward-looking statements	4
2. Semi-annual consolidated financial statements and significant notes thereto	5
(1) Semi-annual consolidated balance sheet	5
(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income	7
(3) Semi-annual consolidated statement of cash flows	9
(4) Notes to semi-annual consolidated financial statements	11
Notes on going concern assumption	11
Notes on significant changes in the amount of shareholders' equity	11
Additional information	11
Notes on segment information	11

1. Qualitative information regarding results for the period

(1) Explanation of operating results

We estimate that the TAM (*1) for cloud accounting and HR software for small businesses (*2) is approximately 1.7 trillion yen (*3). At present, however, among small businesses with less than 1,000 employees and self-employed that use software of financial applications, the percentage of spending on cloud solutions is 48.4% (*4). We believe that the cloud ERP market has a lot of potential to further expand. In line with our corporate mission "Empower Small Businesses to Take Center Stage," we develop and offer services aimed at realization of "Integrated Management Platform for Everyone to Manage Business Freely."

In the second quarter of the consolidated fiscal year, our Group implemented development investments aimed at functional improvements of our main services, 'free Accounting' and 'free HR,' toward the realization of our mission. We also promoted new customer acquisition by building partnerships with accounting firms and accelerated cross-selling to our existing customer base. Furthermore, we expanded our service lineup to enhance platform value through both organic and inorganic growth. This includes leveraging AI for the 'free Survey' and 'AI Year-end Tax Adjustment' features, as well as launching 'free Consolidated Accounting' to support growing companies.

As a result of initiatives including the above, at the end of the second quarter, for Platform business, Platform ARR(*5) increased year-over-year by 26.0% to 39,151 million yen, the number of paying customers(*6) by 13.3% to 643,027, and ARPU(*7) by 11.2% to 60,892 yen. Moreover, for the first six months of Platform business, net sales increased by 30.8% to 19,941 million yen year-over-year and adjusted operating profit(*8) decreased by 7.1% to 1,352 million yen.

As a result, for the first six months of consolidated fiscal year under review, net sales increased by 30.8% year-over-year to 19,941 million yen, adjusted operating profit decreased by 7.1% to 1,352 million yen, operating profit decreased by 38.8 % to 531 million yen, ordinary profit decreased by 58.2% to 332 million yen. Profit attributable to owners of parent decreased by 61.6% to 305 million yen.

Trends in Platform ARR, Number of Paying Customers and ARPU

	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Dec. 31, 2024	Dec. 31, 2025
ARR (¥ million)	20,998	26,834	35,796	31,071	39,151
Number of paying customers	452,923	534,819	609,292	567,355	643,027
ARPU (¥)	46,372	50,174	58,750	54,765	60,892

Trends in Subscription ARR, Number of Paying Customers and ARPU

	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Dec. 31, 2024	Dec. 31, 2025
ARR (¥ million)	20,579	26,087	34,393	30,015	37,236
Number of paying customers	451,088	532,637	606,533	564,828	639,960
ARPU (¥)	45,622	48,977	56,704	53,140	58,187

Notes:1. TAM: Total Addressable Market. This figure is our estimate of the maximum amount of revenue we could possibly generate and is not intended as an objective indicator of the size of the market for our businesses as of the date of disclosure of this material. Our estimate of the TAM for each product is based on the statistical data and publications from external sources as well as the status of our business initiatives, including product lineup expansion and price revisions. Actual market size may differ from this estimate due to the limitations peculiar to such statistical data and publications in terms of their accuracy.

2. Small Businesses refers to businesses with or less than 1,000 employees as well as self-employed individuals.

3. Total annual spending of all potential customers assuming that all potential customers in Japan adopted free Accounting and free HR. All potential customers are the total of self-employed and small businesses with less than 1,000 employees. (Number of businesses in each category among all potential customers of free Accounting and free HR (National Tax Agency "Tax Statistics 2023" and Ministry of Internal Affairs and Communications

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

- “2021 Economic Census for Business Activity ”) × Estimated annual charge of free Accounting and free HR for each category).
4. International Data Corporation(IDC), “Worldwide Software and Public Cloud Services Spending Guide_2025V2 ” .
 5. Platform Annual Recurring Revenue (ARR): a metric calculated based on recurring revenue from the Group's Platform business into an annualized amount, excluding one-time revenue. Platform ARR consists of Subscription ARR and Transaction ARR. Subscription ARR is calculated by multiplying Monthly Recurring Revenue(MRR) for the last month of relevant period by 12. MRR is defined as the amount of fees contracted to be paid by customers on a monthly basis as of the end of a particular month. Transaction ARR is a metric that annualizes usage-based and fee-based revenue by multiplying revenue for the last month of the period by 12. Note that the metric referred to as ARR until the previous consolidated fiscal year has been renamed to Subscription ARR effective from the current consolidated fiscal year, but there is no change to the underlying calculation methodology.
 6. Refers to both self-employed and corporations that use our services.
 7. Average Revenue Per User(ARPU). Subscription Annual Recurring Revenue as of the end of the relevant period divided by the number of paying customers as of the end of the same period.
 8. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

(2) Explanation of financial position

(Assets)

Total assets at the end of the period under review amounted to 53,370 million yen, an increase of 774 million yen from the end of the previous consolidated fiscal year. This was primarily due to a decrease of 5,944 million yen in cash and deposits, and increases in advances paid of 1,573 million yen, purchased receivables of 1,537 million yen, segregated deposits of 1,492 million yen, software of 1,437 million yen, allowance for doubtful accounts of 1,044 million yen, and other current assets of 991 million yen.

(Liabilities)

Total liabilities at the end of the period under review came to 33,217 million yen, an increase of 284 million yen from the end of the previous consolidated fiscal year. This was mainly due to an increase of 1,480 million yen in short-term borrowings, and decreases in other payable of 672 million yen, other current liabilities of 466 million yen, and unearned revenue of 464 million yen.

(Net assets)

Total net assets at the end of the period under review were 20,152 million yen, an increase of 489 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in common stock of 845 million yen, capital surplus of 845 million yen, and retained earnings of 305 million yen from the recognition of profit attributable to owners of parent for the quarter, partially offset by a 1,499 million yen increase in treasury stock.

(3) Explanation of cash flows

Cash and cash equivalent (hereinafter “cash ”) as of December 31, 2025 stood at 29,844 million yen. Net cash flows and factors associated therewith for six months ended December 31, 2025 are as stated below.

(Cash flows from operating activities)

Net cash used in operating activities amounted to 4,622 million yen. This was mainly due to increases in advances paid by 1,573 million yen, segregated deposits by 1,492 million yen, and prepaid expenses by 1,267 million yen, despite recording a profit before income taxes of 323 million yen.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 2,829 million yen. This was mainly due to a payment for purchase of intangible assets of 2,017 million yen.

(Cash flows from financing activities)

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Net cash provided by financing activities amounted to 1,504 million yen. This was mainly due to a net increase in short-term borrowings of 1,480 million yen.

(4) Explanation of consolidated earnings guidance and other forward-looking statements

Our SaaS business, which generates the highest proportion of our earnings, provides services to users in the subscription-based recurring revenue business model, in which earnings are built up through users' continuous subscription of services over time. Meanwhile, this business model is characterized by upfront investment in development and acquisition of customers, which generally entails an operating loss in the short term. Until the fiscal year ended June 30, 2024, our Group recorded operating losses due to prior investments in development and acquisition of customers. However, in the fiscal year ended June 2025, we achieved profitability on an operating profit basis.

For the fiscal year ending June 30, 2026, we initially forecasted net sales of 40,930 to 41,590 million yen (up 23.0% to 25.0% YoY(*1)), aiming to expand our customer base and enhance value on our established revenue foundation. However, reflecting the robust sales growth in the first half, we have upwardly revised our full-year net sales earnings guidance to 41,930 million yen (up 26.0% YoY). Regarding profits, we continue to implement strategic investments for mid-to-long-term growth while simultaneously improving productivity. Consequently, Adjusted Operating Profit (*2) has been increased to 2,520 million yen (up 33.7% YoY), maintaining the initial margin guidance of 6.0%. Adjusted Free Cash Flow (*3) has also been increased to a range of 1,260 to 2,520 million yen ((8.8)% to 82.5% YoY), while maintaining the initial margin guidance at 3.0% to 6.0%.

Notes:1.Platform business: Business consisting of the integrated cloud ERP offering for small businesses and financial services, etc.

2.Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

3. Adjusted Free Cash Flow Definition: Starting with common free cash flow (cash flows from operating activities + cash flows from investing activities), this metric is adjusted to exclude the impact of fluctuations in advances paid incurred in the credit card business and fluctuations in purchased receivables incurred in the factoring business from operating cash flow, and M&A-related payments and proceeds from investing cash flow.

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

2. Semi-annual consolidated financial statements and significant notes thereto**(1) Semi-annual consolidated balance sheet**

(Thousands of yen)

	As of June 30, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	35,789,632	29,844,959
Accounts receivable - trade	3,619,898	3,656,414
Purchased receivables	-	1,537,231
Advances paid	3,982,166	5,555,456
Segregated deposits	957,968	2,450,056
Other	1,558,998	2,550,674
Allowance for doubtful accounts	(33,756)	(1,040,662)
Total current assets	45,874,908	44,554,130
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	18,685	249,614
Accumulated depreciation	(7,086)	(10,884)
Facilities attached to buildings, net	11,598	238,730
Tools, furniture and fixtures	87,542	224,866
Accumulated depreciation	(30,751)	(51,332)
Tools, furniture and fixtures, net	56,791	173,533
Construction in progress	-	112,129
Total property, plant and equipment	68,390	524,393
Intangible assets		
Goodwill	590,517	543,381
Software	2,547,104	3,984,552
Software in progress	978,639	1,161,156
Total intangible assets	4,116,261	5,689,090
Investments and other assets		
Investment securities	424,016	430,770
Deferred tax assets	982,403	974,501
Lease and guarantee deposits	904,807	1,072,441
Other	322,502	260,493
Allowance for doubtful accounts	(97,606)	(135,523)
Total investments and other assets	2,536,123	2,602,683
Total non-current assets	6,720,774	8,816,166
Total assets	52,595,683	53,370,297

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(Thousands of yen)

	As of June 30, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Short-term borrowings	9,600,000	11,080,000
Other payable	1,835,436	1,163,166
Accrued expenses	2,683,193	2,827,484
Income taxes payable	139,296	158,599
Unearned revenue	14,665,191	14,200,217
Provision for bonuses	588,950	460,620
Other provisions	199,304	353,262
Other	1,599,434	1,132,678
Total current liabilities	31,310,806	31,376,027
Non-current liabilities		
Asset retirement obligation	1,533,896	1,755,307
Long-term other payable	10,000	–
Other provisions	28,797	76,090
Other	48,899	9,891
Total non-current liabilities	1,621,593	1,841,290
Total liabilities	32,932,399	33,217,317
Net assets		
Shareholders' equity		
Common stock	27,043,623	27,888,684
Capital surplus	574,738	1,419,800
Retained earnings (Accumulated deficit)	(8,133,721)	(7,828,385)
Treasury stock	(650)	(1,500,380)
Total shareholders' equity	19,483,989	19,979,719
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,040	48,513
Deferred gains or losses on hedges	4,321	2,171
Foreign currency translation adjustment	4,706	7,295
Total accumulated other comprehensive income	28,069	57,980
Stock acquisition rights	151,224	115,280
Total net assets	19,663,283	20,152,980
Total liabilities and net assets	52,595,683	53,370,297

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(2) Semi-annual consolidated statement of income and semi-annual consolidated statement of comprehensive income

Semi-annual consolidated statement of income

	(Thousands of yen)	
	For the six months ended December 31, 2024	For the six months ended December 31, 2025
Net sales	15,250,934	19,941,241
Cost of sales	2,622,986	3,860,154
Gross profit	12,627,948	16,081,086
Selling, general and administrative expenses	11,759,905	15,549,561
Operating profit	868,042	531,524
Non-operating income		
Interest income	3,913	22,419
Lecture fee and other income	427	2,332
Gain on expired points	12,789	-
Share of profit of entities accounted for using equity method	-	8
Other	4,804	8,720
Total non-operating income	21,935	33,481
Non-operating expenses		
Interest expenses	26,526	66,549
Foreign exchange losses	8,958	26,651
Loss on amortization of restricted stock remuneration	53,562	71,387
Commission expenses	52	53,010
Share of loss of entities accounted for using equity method	585	-
Other	4,798	14,700
Total non-operating expenses	94,483	232,298
Ordinary profit	795,493	332,707
Extraordinary income		
Gain on sale of non-current assets	17,940	10
Gain on reversal of stock acquisition rights	-	23,392
Total extraordinary income	17,940	23,403
Extraordinary losses		
Loss on valuation of investment securities	-	32,711
Other	-	0
Total extraordinary losses	-	32,711
Profit before income taxes	813,433	323,399
Income taxes - current	12,222	14,776
Income taxes - deferred	3,510	2,635
Total income taxes	15,732	17,412
Profit	797,700	305,986
Profit attributable to owners of parent	797,700	305,986

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Semi-annual consolidated statement of comprehensive income

	(Thousands of yen)	
	For the six months ended December 31, 2024	For the six months ended December 31, 2025
Profit	797,700	305,986
Other comprehensive income		
Valuation difference on available-for-sale securities	339	29,472
Deferred gains or losses on hedges	(33,812)	(2,150)
Foreign currency translation adjustment	(1,017)	2,588
Total other comprehensive income	(34,489)	29,910
Comprehensive income	763,211	335,897
Comprehensive income attributable to		
Owners of parent	763,211	335,897

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

(3) Semi-annual consolidated statement of cash flows

	(Thousands of yen)	
	For the six months ended December 31, 2024	For the six months ended December 31, 2025
Cash flows from operating activities		
Profit before income taxes	813,433	323,399
Depreciation	64,107	426,991
Amortization of goodwill	20,455	70,191
Stock-based compensation expenses	474,850	463,475
Increase (decrease) in allowance for doubtful accounts	17,447	(23,092)
Increase (decrease) in provision for bonuses	(44,748)	(128,330)
Loss (gain) on valuation of investment securities	-	32,711
Loss (gain) on sale of property, plant and equipment	(17,940)	(10)
Loss on amortization of restricted stock remuneration	53,562	71,387
Decrease (increase) in trade receivables	(82,773)	(65,166)
Decrease (increase) in purchased receivables	-	(48,536)
Decrease (increase) in advances paid	(985,184)	(1,573,288)
Decrease (increase) in segregated deposits	(959,522)	(1,492,088)
Decrease (increase) in prepaid expenses	(1,319,994)	(1,267,295)
Increase (decrease) in accounts payable - other	(385,374)	(768,452)
Increase (decrease) in accrued expenses	14,295	144,280
Increase (decrease) in unearned revenue	377,844	(471,880)
Other, net	76,021	(251,412)
Subtotal	(1,883,518)	(4,557,114)
Interest received	3,913	22,419
Interest paid	(26,526)	(66,549)
Income taxes paid	(20,592)	(21,168)
Net cash provided by (used in) operating activities	(1,926,723)	(4,622,413)

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

	(Thousands of yen)	
	For the six months ended December 31, 2024	For the six months ended December 31, 2025
Cash flows from investing activities		
Purchase of property, plant and equipment	(8,073)	(287,172)
Proceeds from sale of property, plant and equipment	17,940	10
Purchase of intangible assets	(2,070,450)	(2,017,842)
Payments for acquisition of businesses	–	(21,922)
Purchase of investment securities	(24,910)	(9,984)
Payments of leasehold and guarantee deposits	(14,048)	(168,360)
Proceeds from collection of leasehold and guarantee deposits	500	4,169
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(380,979)	(328,481)
Other, net	429	–
Net cash provided by (used in) investing activities	(2,479,591)	(2,829,582)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,800,000	1,480,000
Proceeds from issuance of common stock	64,581	25,111
Purchase of treasury stock	(292)	(377)
Net cash provided by (used in) financing activities	1,864,289	1,504,734
Effect of exchange rate change on cash and cash equivalents	(1,017)	2,588
Net increase (decrease) in cash and cash equivalents	(2,543,043)	(5,944,672)
Cash and cash equivalents at beginning of period	31,750,897	35,789,632
Cash and cash equivalents at end of period	29,207,853	29,844,959

(4) Notes to semi-annual consolidated financial statements (Notes on going concern assumption)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Based on the resolution of the Board of Directors on July 18, 2025, the Company issued 386,101 shares of new common stock through a third-party allotment in connection with the introduction of the Employee Stock Ownership Plan (J-ESOP), and allocated them to Custody Bank of Japan, Ltd. (Trust Account E). As a result, treasury stock increased by 1,500,002 thousand yen, and common stock and capital surplus each increased by 750,001 thousand yen.

At the end of the semi-annual consolidated fiscal period, "Common stock" amounted to 27,888,684 thousand yen, "Capital surplus" amounted to 1,419,800 thousand yen, and "Treasury stock" amounted to 1,500,380 thousand yen.

(Additional information)

(Incentive plan to grant company shares to employees through a trust)

At the Board of Directors meeting on July 18, 2025, the Company resolved to introduce the Employee Stock Ownership Plan (J-ESOP) (hereinafter referred to as "the Plan"), an incentive plan to grant the Company's shares to its employees.

1. Outline of the Transaction

The Plan is a scheme under which the Company grants its employees who meet certain requirements the Company's shares and cash equivalent to the fair value of such shares, based on the Stock Provision Rules stipulated by the Company.

In order to acquire the shares to be granted in the future, the Company entrusts money to Custody Bank of Japan, Ltd. (Trust Account E) as trust assets for the Plan and the Custody Bank of Japan, Ltd. acquires the Company's shares by subscribing for the new shares issued by the Company using the entrusted money.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as "Treasury Shares" under net assets at the book value in the trust (excluding incidental costs).

The book value and number of such treasury shares are 1,500,002 thousand yen and 386,101 shares, respectively, as of the end of the semi-annual consolidated fiscal period.

(Notes on segment information)

<Segment information>

For the six months ended December 31, 2024

The group engages in a single segment, namely, the platform business; therefore, segment information is not presented.

For the six months ended December 31, 2025

The group engages in a single segment, namely, the platform business; therefore, segment information is not presented.