



Materials for the Briefing Session on the Financial Results for the Second Quarter of the Fiscal Year Ending June 30, 2025

Solvvy Inc.

February 13, 2025

The Tokyo Stock Exchange

Growth Market (7320)

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1 Net sales increased 129.9% YoY, the highest ever results for the second quarter

P.3

With steady growth in our two main businesses, we are solidly on track to achieving both the fiscal year plan and the Medium-Term Plan.

2 Operating profit and ordinary profit exceeded both the YoY numbers and the plan targets by a wide margin

P.3

In particular, the profit margin for the HomeworthTech business improved considerably, and ongoing DX investments bore fruit, leading to a significant reduction in SG&A expenses.

3 Demonstrating ongoing business integration synergies

P.12

In addition to the consolidation of Media Seek Inc.'s business results from November 2024, synergies from the business integration are producing results one after another in the form of new product releases and large client orders.

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Financial Results for the Second Quarter of the Fiscal Year Ending June 30, 2025

Explanation of Financial Results for the Second Quarter of the Fiscal Year Ending June 30, 2025

- 1 Financial results for Q2 FY2025
- 2 Topics
- 3 Appendix [About Solvvy Inc./Medium Term Earnings Forecast]

Summary of FY2025 Q2 Consolidated Financial Results

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Achieved significant YoY increases for both net sales and profit

Progress in Q2 outpaced the plan, thanks to large YoY increases of over 120% for both net sales and operating profit due to steady progress in our two main businesses and the consolidation of Media Seek, as well as ordinary income being up by more than 130% YoY through fund management that takes advantage of our abundant financial resources. As for net sales, although delays in launching some projects related to in-person services (e.g., inspection and repair services) caused the planned net sales to be postponed to 2H, the impact on profit was minimal due to the high-cost ratio of these products. Meanwhile, SG&A expenses have been substantially reduced as ongoing DX investments are bearing fruit. With solid performance also anticipated in 2H, we expect to achieve the full-year business plan targets for net sales, operating profit, and ordinary profit.

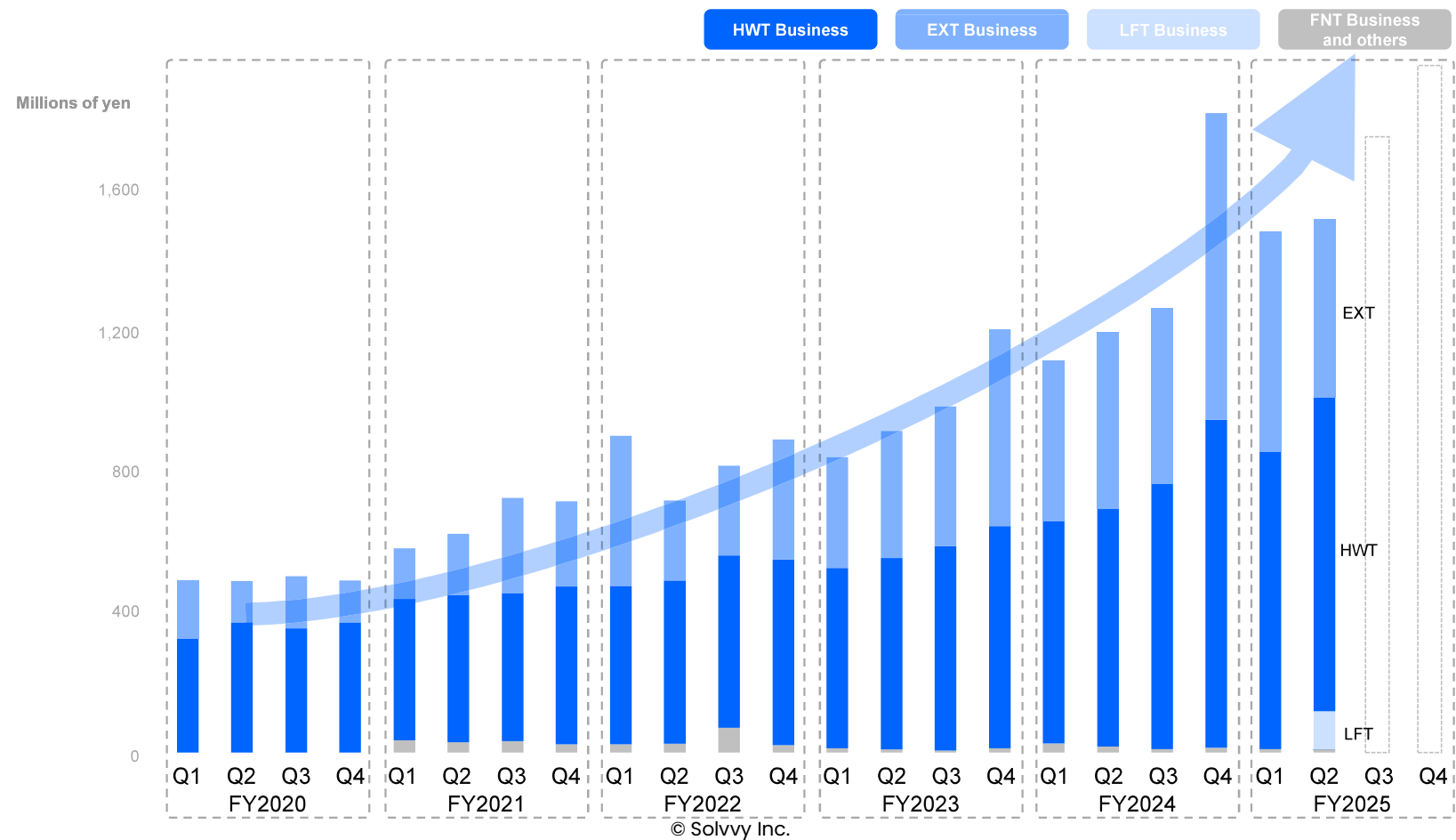
Millions of yen	FY2024.6 Q2 Results	FY2025.6 Q2 Results	YoY	1H Plan	Progress of 1H Plan
Net sales	2,295	2,980	129.9%	3,179	93.8%
Operating profit	537	668	124.4%	558	119.8%
Ordinary profit	651	857	131.5%	729	117.6%
Net income for the quarter attributable to parent company shareholders	444	573	129.1%	535	107.3%

*In conjunction with a share exchange conducted on November 1, 2024, which made Solvvy Inc. the wholly owning parent company and Media Seek Inc. a wholly owned subsidiary, Media Seek Inc. and its subsidiaries, Start Media Japan Co., Ltd. and Media Seek Capital Co., Ltd., were included in the scope of consolidation during the current interim consolidated accounting period.

Trends in Net Sales for Each Quarter

While the trend is for net sales to be skewed toward 2H, Q2 net sales were a record high

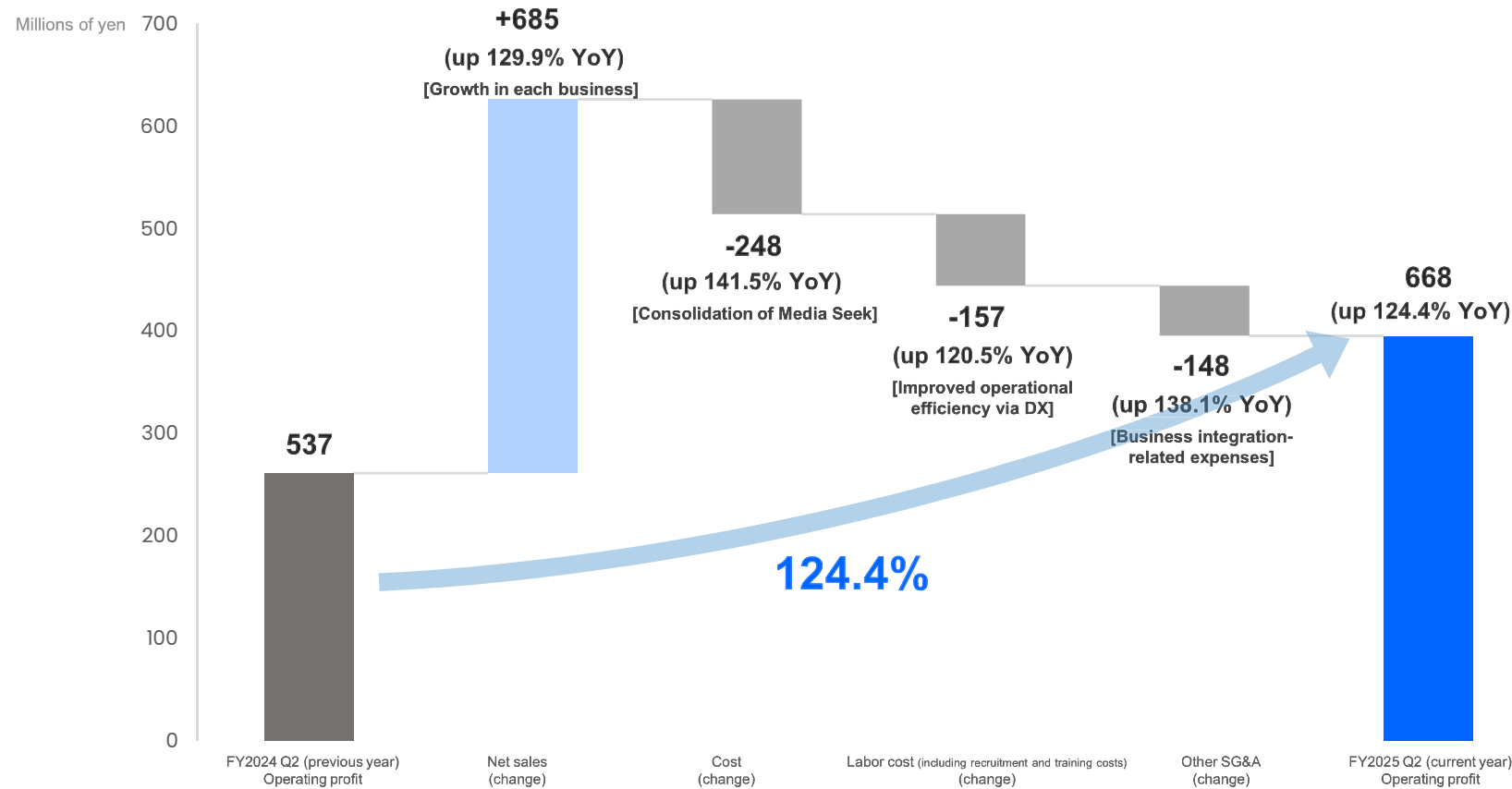
Although the growth rate of the EXT business has been temporarily impacted by net sales and profit originally scheduled to be recorded in Q2 having been recorded ahead of schedule in Q4 of the previous fiscal year and Q1 of the current fiscal year, the forecast for the full-year results remains unchanged.



FY2025 Q2 Operating Profit Analysis

Robust growth in existing businesses coupled with successful curbing of SG&A expenses through promoting business DX contributed to a large increase in profits

Net sales increased significantly by 129.9% YoY due to strong growth in each business compared to the same period last year, along with an increase in sales resulting from the consolidation of Media Seek. Costs increased 141.5% YoY, partly due to the impact of recording engineering expenses as costs associated with the Media Seek integration. As for SG&A expenses, improvement of operational efficiency through DX has exceeded initial expectations and labor costs and various fees were reduced, so even though expenses were incurred related to the integration, operating profit improved significantly YoY, increasing by 124.4%.



FY2025 Q2 Consolidated Financial Results by Segment

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Both net sales and profit increased significantly YoY in our two main businesses, HWT and EXT

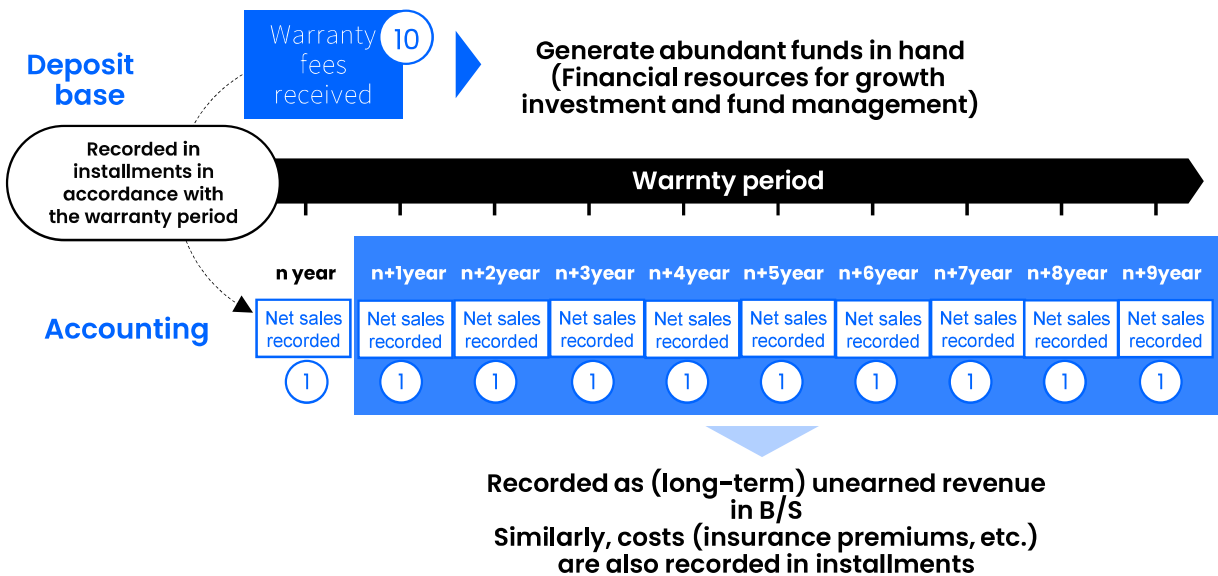
Profit margins for the HWT business improved thanks to products with high gross profit margins (e.g., building warranty services) making up a larger share of the sales mix. In order to evaluate and manage the results for each reporting segment more appropriately following the business integration, we revised the standards for allocating company-wide expenses and changed the method for calculating profit or loss by business segment. In conjunction with these changes, the disclosed segment information for the previous term has been prepared based on the new reporting segment categories and calculation methods.

Millions of yen	FY2024.6 Q2 Results	FY2025.6 Q2 Results	YoY
Net sales	2,295	2,980	129.9%
HomeworthTech business	1,300	1,727	132.9%
ExtendTech business	952	1,126	118.3%
LifeTech business	0	108	-
FinTech business and others	41	18	44.0%
Head office	0	0	-
Operating profit	537	668	124.4%
HomeworthTech business	289	610	211.3%
ExtendTech business	764	826	108.0%
LifeTech business	0	9	-
FinTech business and others	38	-3	-
Head office	-555	-774	-

Long-term warranty services have a structure that tends to see profits squeezed in the expansion stage of business due to accounting treatment

- With respect to long-term warranty contracts in the HomeworthTech business, while net sales and costs are recorded on a pro rata basis in accordance with the warranty period, selling, general and administrative expenses are recorded en bloc, making the Company's earnings structure into one that tends to see profits squeezed in the expansion stage of business.
- The maturing of business (an increase in an outstanding balance of warranty contracts) has turned it into the long-term stable earning structure.
- Long-term warranty contracts generate abundant funds in hand as warranty fees are obtained en bloc at the time of conclusion of contracts.

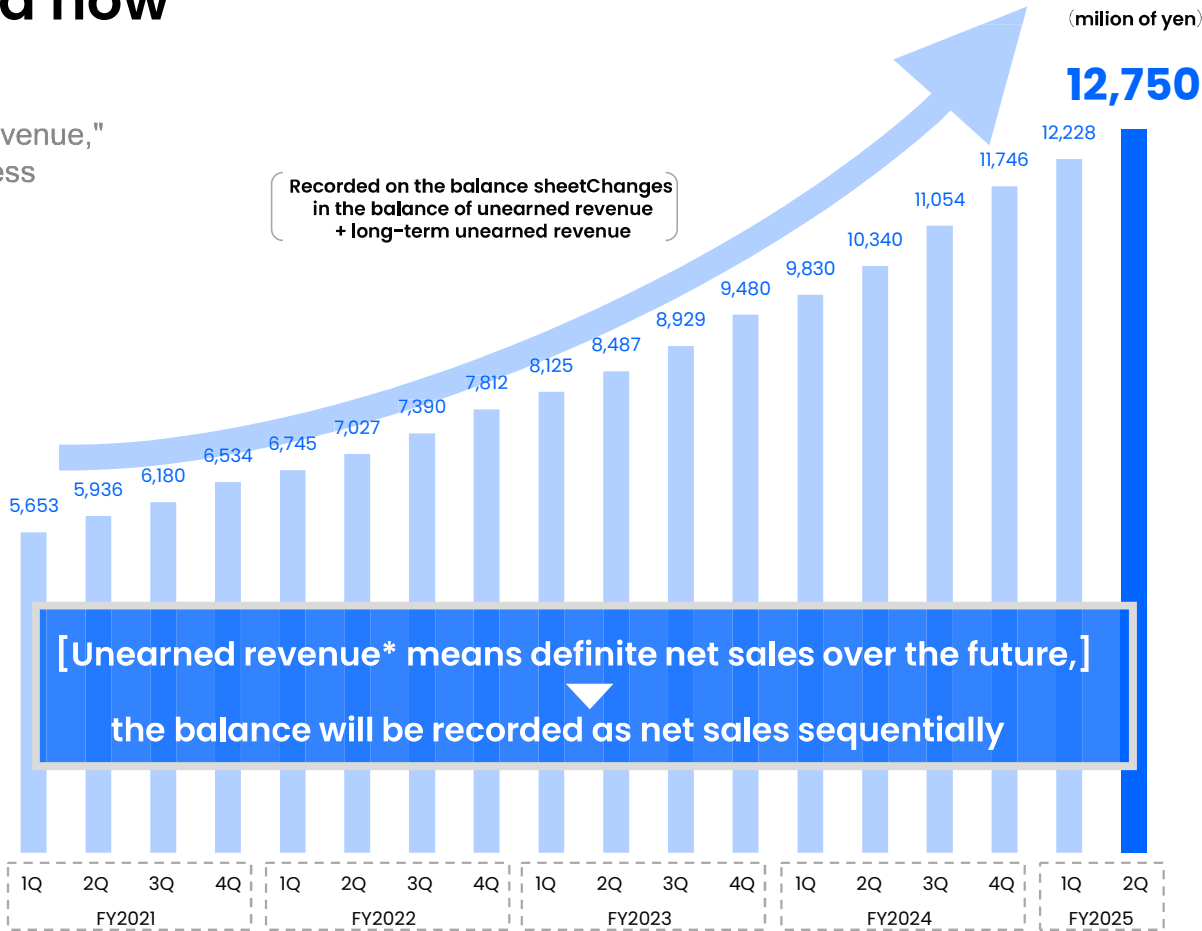
(Example) the case where warranty fees for the 10-year equipment warranty are received en bloc in the n year.



Unearned revenue, or unrecorded sales, has steadily accumulated and now exceeds 12.7 billion yen

*Total value of "unearned revenue + long-term unearned revenue," which corresponds to unrecorded sales for the HWT business

- Unearned revenue,* positioned as a major KPI for the HWT business, topped 12.7 billion yen at the end of the current quarter
- Of warranty fee revenues, those not yet recorded as net sales were recorded as unearned revenue + long-term unearned revenue on the balance sheet
- Unearned revenue* means definite net sales over the future, and thus the balance will be recorded as net sales sequentially to underpin future profitability



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Topics

Explanation of the major topics during the current fiscal year.

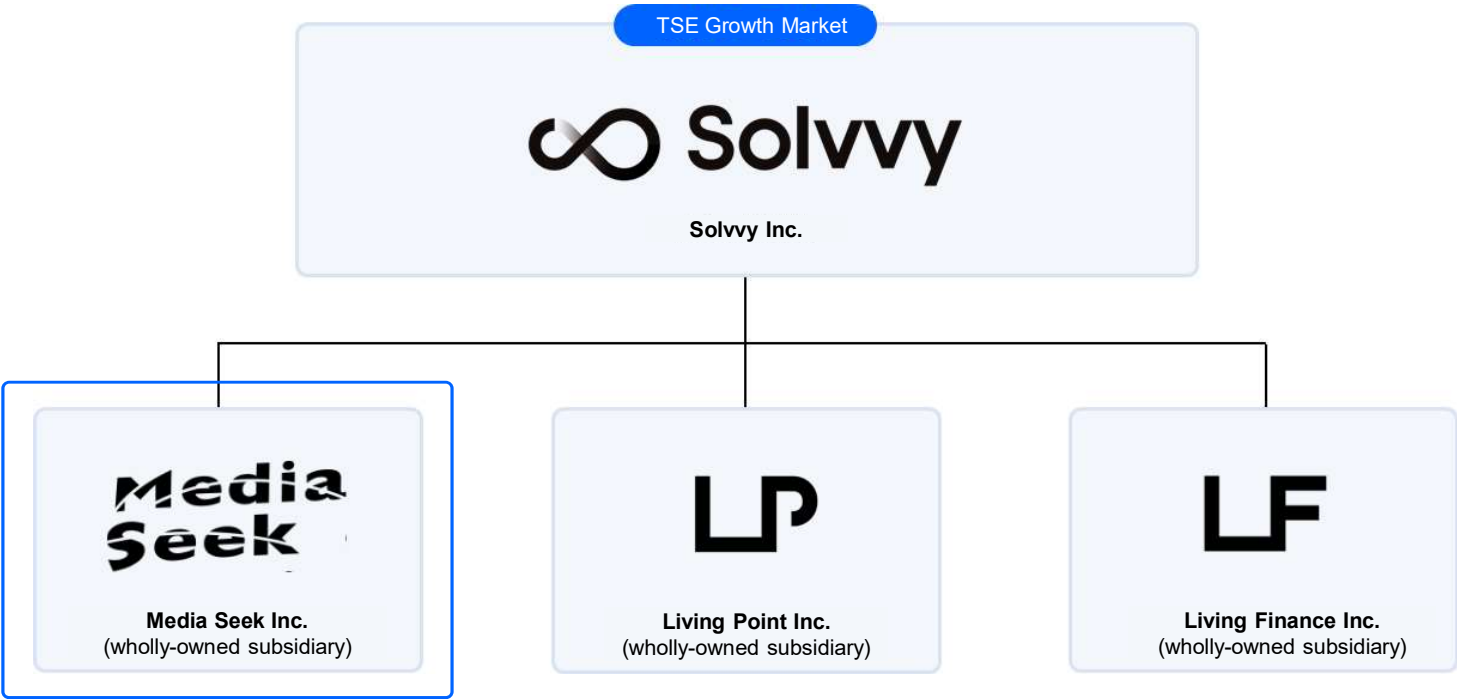
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Completed management integration with Mediaseek Inc.

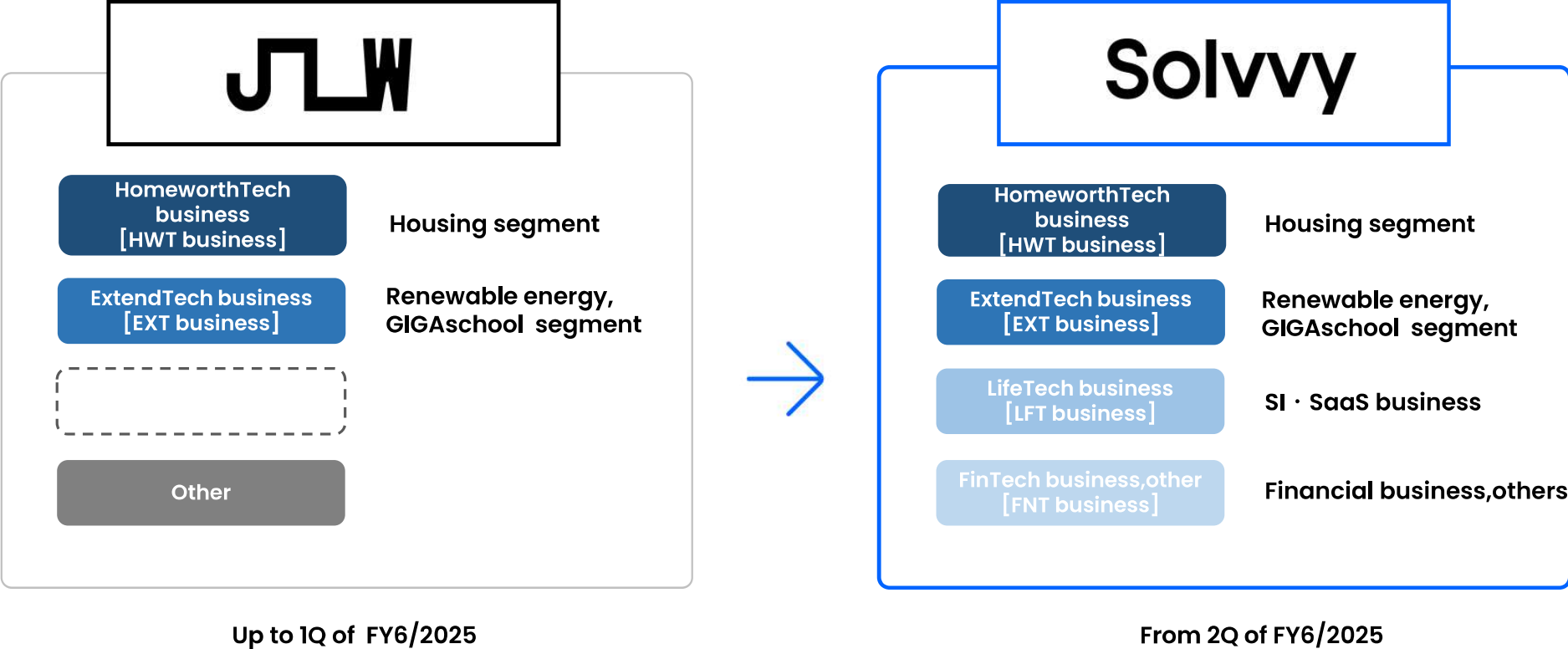
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November 1, 2024 Completion of business integration with Mediaseek Inc. (making Mediaseek a wholly owned subsidiary through a share exchange) and change of the Company's trade name

As announced on August 9, 2024 in the press release titled “Execution of Share Exchange Agreement and Management Integration Agreement between Japan Living Warranty and Mediaseek Inc.. through a share exchange effective November 1, 2024. Ltd. changed its trade name to Solvvy Inc. on the same date.



Revision of business segments from the interim financial results for the fiscal year ending June 30, 2025 due to the business integration.



*Following the November 1, 2024, business integration, the LifeTech business was added as a segment for reporting due to the inclusion of Media Seek Inc. and its two subsidiaries in the scope of consolidation during the current interim consolidated accounting period. In addition, various financial service businesses that had not been included in the reporting segments thus far were recategorized under the reporting segment "FinTech Business and others" to promote business development from a medium- to long-term perspective.

Topic (1) [Expansion into New Areas] Large Contract in the Educational Sector Utilizing B-to-B Marketing Functions

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Large contract order placed by a well-known private university for the school management system “MyClass”

By leveraging Solvvy's strengths in inside sales and other B-to-B marketing functions, we received a large contract (worth several hundred million yen) with a famous private university for “MyClass,” a school management system provided by Media Seek. In addition, we have received many inquiries as local governments accelerate their efforts to support lifelong learning, and we expect further growth in this area in the future. Going forward, we will take on the challenge of pursuing business utilizing our B-to-B marketing functions.

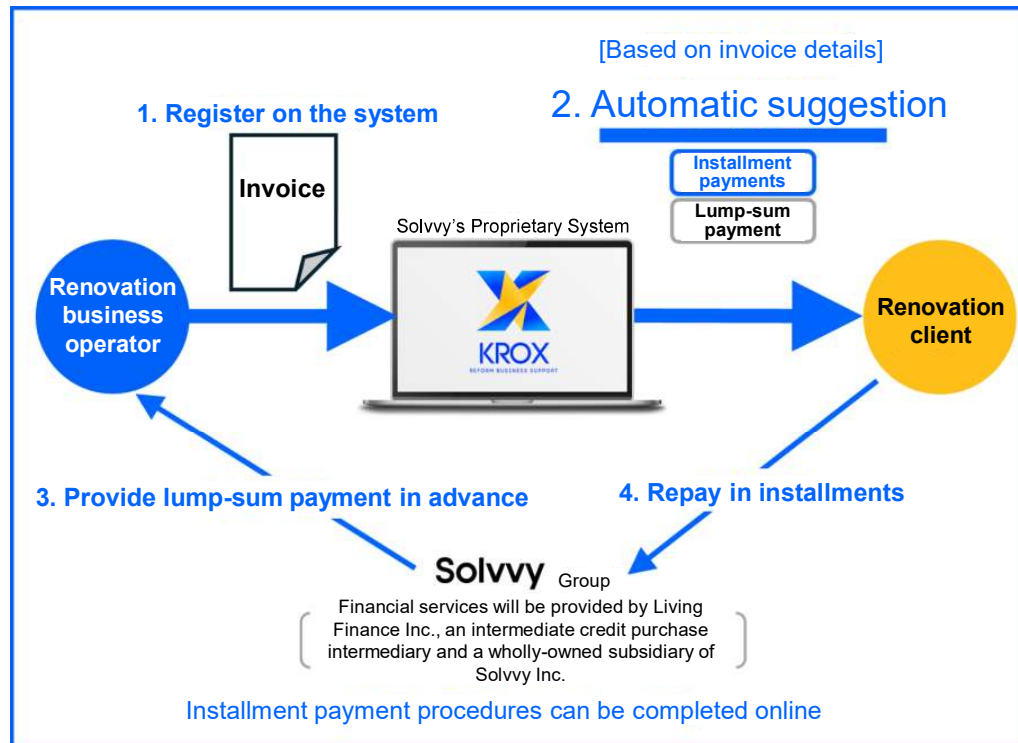


Topic (2) [Expansion into New Areas] Launch of New FinTech Service

Began providing installment payments for renovations through KROX, a SaaS for home renovation work

We have begun offering installment payment functions (customer finance) to pay for home renovation through KROX, a SaaS for home renovation work. Compared to conventional renovation loans and similar financing, this function will help renovation business providers improve both their order rates and the monetary amount of orders placed, and will dramatically improve usability for renovation clients, as all of the procedures can be completed online.

Through the business integration, Solvvy was able to efficiently utilize Media Seek's development resources, enabling the service to be released earlier than originally planned.



[For details, please see the press release distributed on February 7, 2025](#)

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Appendix

Explanation About Solvvy Inc./Medium Term Earnings Forecast

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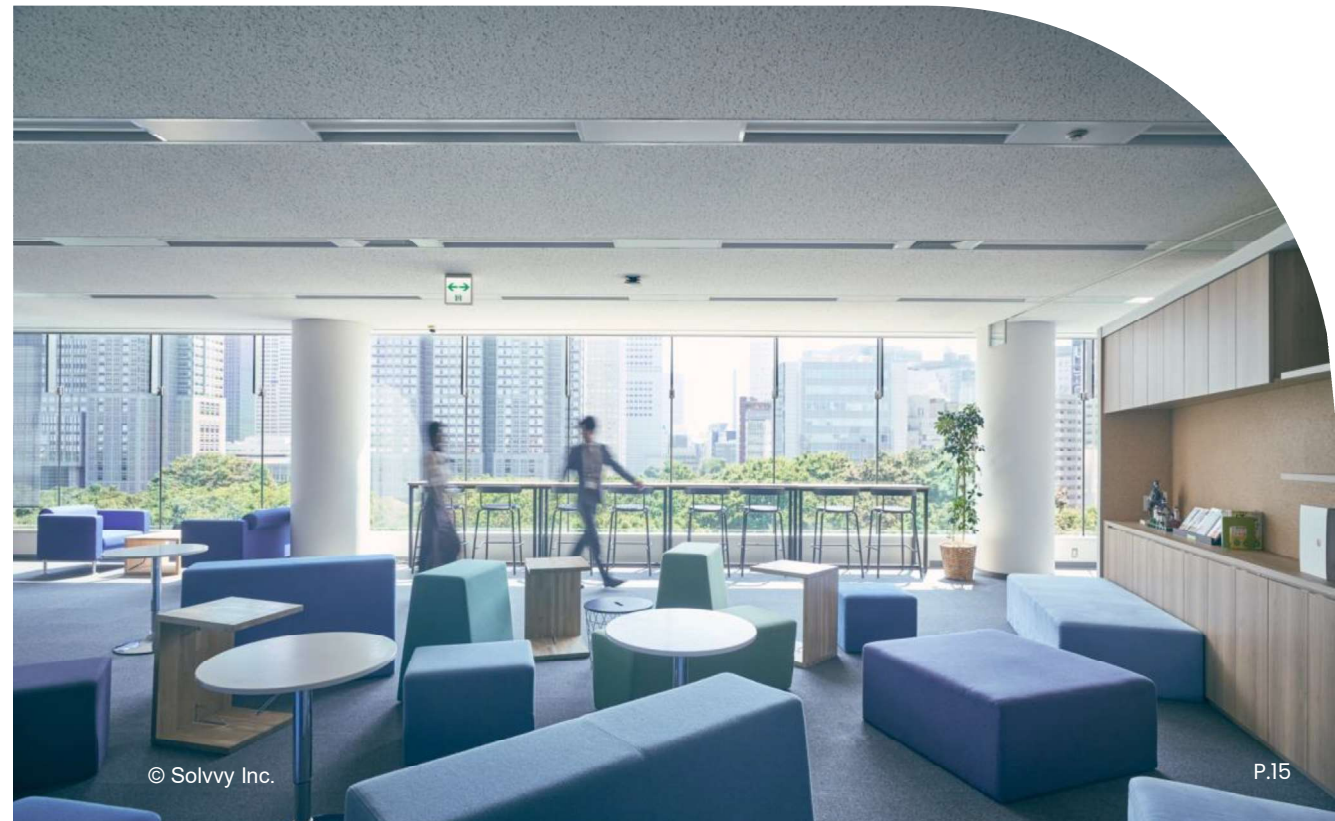
With the November 2024 business integration, we began to operate as a business consulting firm.

On November 1, 2024, Japan Living Warranty Inc. was reborn as Solvvy Inc. through our business integration with Media Seek Inc.

In this era of accelerating changes in the way we live, the way we do business, and even people's values, the challenges facing companies are becoming increasingly complex. Solvvy proposes new ways to solve these issues that cannot be handled by in-house ideas and resources alone.

“Solve with idea, Solve with you.”

Our mission and identity is to contemplate and solve a variety of issues with a wealth of ideas together. We are not a top-down consulting firm, nor are we a business-like subcontractor. We want to be a co-creation partner, sharing joy, anger, sorrow, and pleasure.





Providing answers the world has never seen before, together.

Society is evolving and becoming increasingly complex.
New solutions are required in the business world as well.

We want to respond to every challenge with creative ideas.
At Solvvy, we work closely with our partners to solve problems together.

For example, when creating stock-type businesses,
we improve business sustainability by providing comprehensive support
from structuring to monetization.

Beyond being a solutions provider, we look forward to a society that thinks
and solves problems together.

Providing answers the world has never seen before, together with Solvvy.

Purpose

Providing answers the world has never seen before, together.

Vision

A co-creation B for B company

Mission

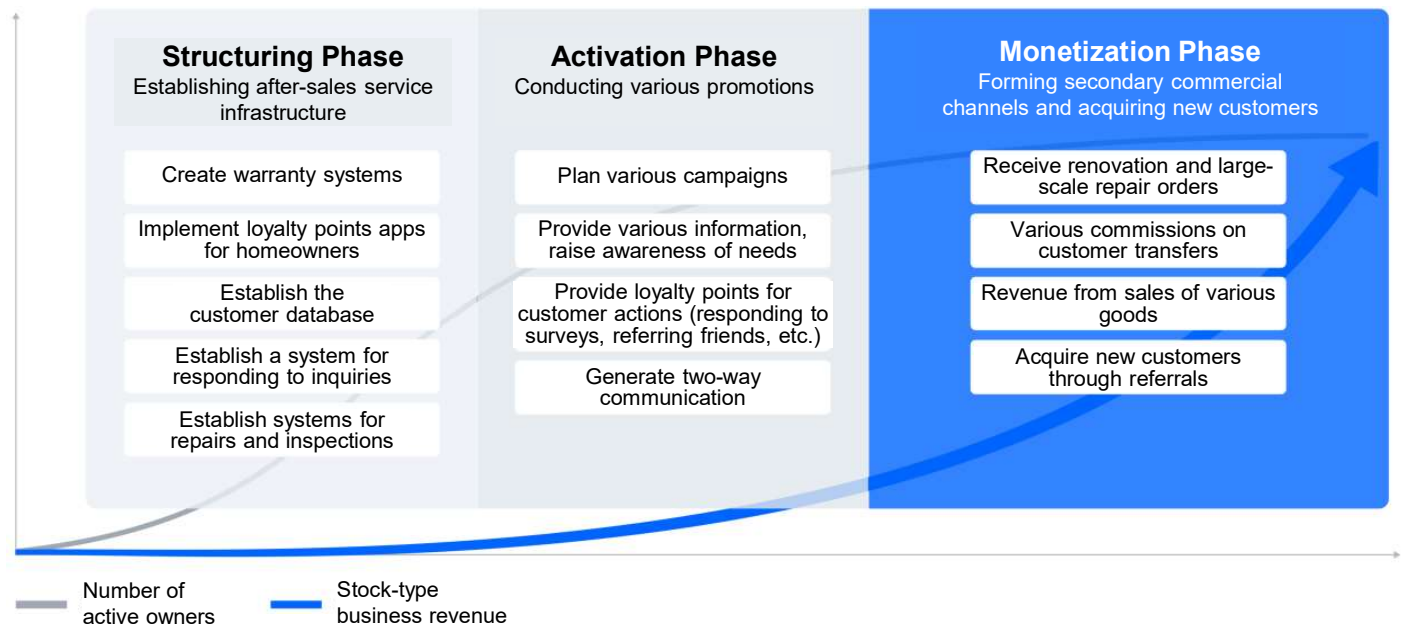
Provide leading stock business consulting

Stock-type Business consulting, after-sales service as a base

Combining various solutions such as warranties, we support the structuring necessary for stock business creation, as well as activation and monetization through customer approach.

In the housing area in particular, we support leading home builders and condominium developers as well as small and medium-sized building firms, and there are many examples of our advanced support services.

[Examples of Support in the Housing Area]



Our unique SAaaS method

SAaaS

Smart Assurance as a Service

This is Solvvy's unique method which we have developed in order to provide companies with comprehensive support for growing their stock-type businesses.

Combining various solutions beginning with assurance, we use a customer approach to support activation and monetization, in addition to the structuring necessary for creating a stock-type business.



Assurance

We extend the scope and methods of warranty provision not only to products (things), but also to services and businesses (experiences), and establish a system.

Digital Marketing

We achieve one-to-one marketing by creating a customer database and ensuring that it stays fresh.

System Integration

We handle all kinds of system-related issues and requests, from modifications of existing systems to developing cutting-edge technology.

Business Operation

We provide both in-person and digital support for various business operations that are indispensable for business execution.

Embedded Finance

We provide cutting-edge embedded finance services such as issuance of loyalty points and electronic money and credit functions.

Name of the Company	Solvvy Inc.	Capital stock	212,336thousand Yen (*As of Dec,2024)
Founded	March,2009	Stock Exchange Listings	Tokyo Stock Excnge Growth Market (7320)
Representative	Yoshitaka Adachi Representative Director and President	Correspondent Banks	• Mizuho BK • Sumitomo Mitsui BK • Mitsubishi UFJ BK • Chiba BK
Number of Employees	Approx. 370 (*As of Dec.2024)	Licenses held <small>※Including those held by subsidiaries</small>	• General Construction License • Qualified Architect Office • Issuer of third-party prepaid means of payment • Individual credit purchase brokerage business
Head Office Address	4-33-4,Nishishinjuku,Shinjuku,Tokyo		
Other Offices	Oska • Fukuoka • Nagoya • Sendai		

Representatives and Management Members

Solvvy



Executive President and Representative Director

Yoshitaka Adachi

Upon graduating from School of Engineering, Tokyo Institute of Technology, joined Sanwa Bank (currently MUFJ Bank), and was engaged in trading of interest rates of major countries and foreign exchange, and marketing of derivatives products. Later joined the Japanese subsidiary (Marsh Japan) of Marsh Inc., and handled PL risk countermeasures for a major medical equipment manufacturer and provided consulting services for captive investment deals. Took office as the Company's Representative Director in September 2013.



Executive Vice President
Takuya Arakawa



Executive Vice President
Naoki Nishio



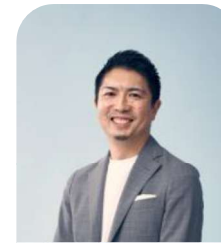
Outside Director
Fujio Nakagawa



Senior Executive Officer
Miyoko Kido



Senior Executive Officer
Atsushi Yoshikawa



Senior Executive Officer
Kosuke Kato



Senior Executive Officer
Naoki Watabe



Senior Executive Officer
Ikuko Washizu



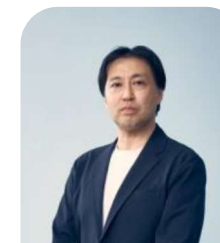
Senior Executive Officer
Koji Ueda



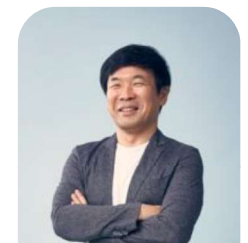
Executive Officer
Tadashi Nomura



Executive Officer
Yuichiro Nakane



Executive Officer
Kazuya Otomo



Executive Officer
Osamu Matsumoto



- **2009**
 - .03 Japan Living Warranty Inc. established
 - .09 Began providing Housing Equipment Anshin Support (housing equipment maintenance warranty)
- **2012**
 - .08 Living Point Inc. (wholly-owned subsidiary) established
- **2015**
 - .11 Obtained a PrivacyMark (P-Mark)
- **2016**
 - .06 Began providing Housing Equipment Anshin Support Premium (housing equipment maintenance warranty × Ouchi points)
- **2017**
 - .04 Began providing Sales Anshin Support (inspection/warranty service when buying or selling an existing house)
 - .08 Began providing a long-term maintenance system (bundled support plan for after-sales operations)
- **2018**
 - .03 Newly listed on the Tokyo Stock Exchange Growth Market (formerly the Mothers Market)
- **2019**
 - .07 Osaka Branch Office opened
 - .08 Started accepting applications for Uchimo Keeping, a total home support service
- **2020**
 - .03 Fukuoka Branch Office opened
 - .04 Nagoya Branch Office opened
 - .04 Began providing warranties for PCs and tablets used in the GIGA School Program
 - .07 Began full-fledged expansion of the building 20-year warranty backup service (long-term building warranty)
- **2021**
 - .01 Release of the After-sales Customer Service Platform, a digital platform for warranty service applications
 - .04 Living Finance Inc. (wholly-owned subsidiary) established
 - .09 Began providing 20-year energy storage system equipment warranties
 - .10 Began providing Ouchi Manager
- **2022**
 - .07 Began providing Earthquake Anshin Support
 - .11 Began providing the EV Charger Warranty, a long-term warranty service for charging equipment for EVs (electric vehicles)
- **2023**
 - .09 Began providing the ESS Warranty System, a warranty service for large-scale storage batteries for industrial and power grid use
 - .12 Began providing Ouchi Bot to support customer service operations of housing business operators
- **2024**
 - .07 Sendai Branch Office opened
 - .07 Began handling coverage for building foundations
 - .08 Began providing KROX, a new SaaS×Fintech service
 - .11 Media Seek Inc. was made a wholly-owned subsidiary
 - .11 Trade name was changed to Solvvy Inc.
- **2025**

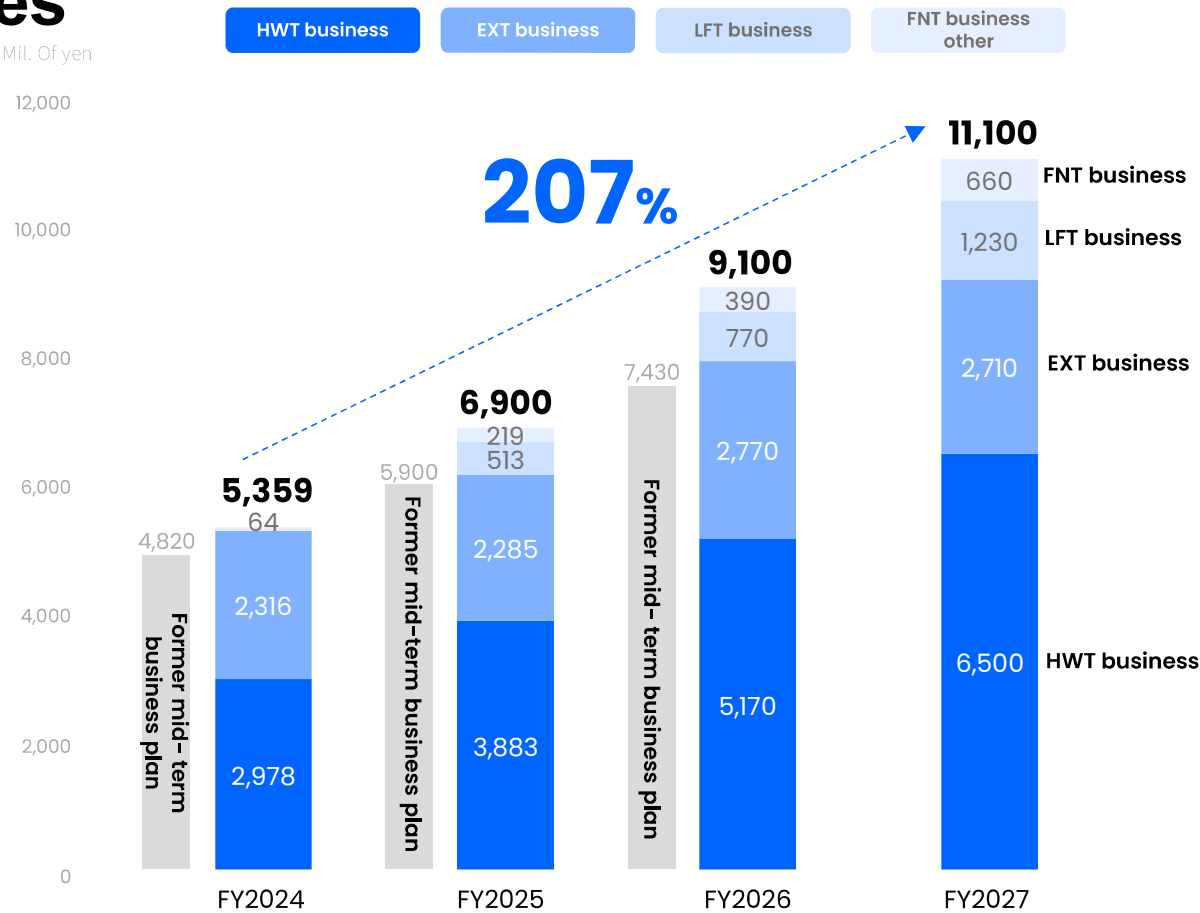
Business integration synergies expected to double net sales

[HWT Business]
We expect a significant increase in the number of building warranty acquisitions thanks to more comprehensive solution-providing capabilities accompanying the expansion of our service lineup. In addition, the contribution to P/L of unearned revenue related to equipment warranties will increase

[EXT Business]
Although the FY2025 plan is conservative due to the revision of the recording policy for net sales (change in the ratio for installment recording) and the fact that some sales originally planned for FY2025 were recorded in advance in 4Q FY2024, we expect to see significant progress over the three-year medium-term plan period thanks to continued strong progress in renewable energy-related equipment warranties and the timing of the replacement of educational ICT devices based on the GIGA School Program.

[LFT Business]
Significant progress is expected in systems consulting and SaaS sales, thanks to increased system development resources resulting from the business integration. In addition, we anticipate full-fledged development of LFT into a 3rd business by expanding the SAaaS method to new areas.

[FNT Business]
With the launch of renovation loans through KROX, contribution to net sales is expected from this fiscal year. We aim to establish FNT as a new business and expand it across various business areas.





Solvvy Inc.

<https://solvvy.co.jp/>

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- In addition to facts established in the past and thought to be accurate, the estimation of numerical forecasts requires the use of certain assumptions.
- These facts and assumptions can potentially change, with no objective guarantee as to the accuracy of these, nor to the accuracy regarding future developments. Numerous risks and uncertainties are associated with these facts and assumptions, such as, but not limited to, the existence of possible inaccuracies and a failure of predicted future developments to materialize.
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