

Consolidated Financial Results for the Three Months Ended June 30, 2025 [IFRS] (Abridged)

Listed Company Name: LITALICO Inc.

URL: <https://litalico.co.jp/en/>

Dividend payment commencement date: ---

Explanatory materials for financial results: Yes

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Listed Exchange: Tokyo Stock Exchange (Ticker: 7366)

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Briefing on financial results: No

(rounded to the nearest million yen)

1. Consolidated Financial Results for the Three Months Ended June 30, 2025 (Apr 1, 2025 to June 30, 2025)**(1) Consolidated Operating Results**

(% figures show year-on-year change)

	Net Sales		Operating Profit		Pre-tax Profit		Net Profit		Quarterly Profit Attributable to the Owners of the Parent		Total Comprehensive Quarterly Income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	9,209	28.4	948	271.6	857	256.4	564	265.1	564	265.1	482	63.4
Three months ended June 30, 2024	7,175	1.6	255	(57.0)	240	(85.3)	155	(89.3)	155	(89.3)	295	(80.1)

	Basic Earnings per Quarterly Share	Diluted Earnings per Quarterly Share
	Yen	Yen
Three months ended June 30, 2025	15.83	15.80
Three months ended June 30, 2024	4.33	4.32

(Note) Since LITALICO have, in March 2025, sold all shares of nCS Inc. that were held by LITALICO, the business of nCS Inc. was classified as discontinued operations under item (5) of IFRS. Accordingly, net sales, operating profit, and pre-tax profit for the previous consolidated quarter have been reclassified to amounts from continuing operations, excluding discontinued operations.

(2) Consolidated Financial Position

	Total Assets	Total Equity	Equity Attributable to Owners of the Parent	Ratio of Equity Attributable to Owners of the Parent
	Million yen	Million yen	Million yen	%
Three months ended June 30, 2025	37,200	12,420	12,420	33.4
Fiscal Year Ended March 31, 2025	32,724	12,469	12,469	38.1

2. Dividends

	Annual Dividends per Share				
	First Quarter End	Second Quarter End	Third Quarter End	Fiscal Year End	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year Ended March 31, 2025	—	0.00	—	9.00	9.00
Fiscal Year Ending March 31, 2026	—				
Fiscal Year Ending March 31, 2026 (Forecast)		0.00	—	11.00	11.00

(Notes) Revisions to forecasts of results recently announced: None

3. Forecast for the Consolidated Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% shows the rate of an increase or decrease compared to the previous year)

	Net Sales		Operating Profit		Profit Attributable to Owners of the Parent		Basic Earnings per Share
Full Year	Million yen 36,500	% 9.9	Million yen 4,000	% 15.0	Million yen 2,500	% 4.1	Yen 70.13

(Notes) Revisions to forecasts of results recently announced: None

※ Notes

- (1) Changes in significant subsidiaries during the period (changes in specific subsidiaries accompanying changes in scope of consolidation): None
- (2) Changes in accounting policies and accounting estimates:
 - (i) Changes in accounting policies required by IFRS: None
 - (ii) Changes in accounting policies other than in item (i) above: None
 - (iii) Changes in accounting estimates: None

(3) Number of shares issued (common stock)

(i) Number of shares outstanding at the end of the period (including treasury shares)	As of June 30, 2025	35,712,312	As of Mar 31, 2025	35,711,612
(ii) Number of treasury shares at the end of the period	As of June 30, 2025	168,779	As of Mar 31, 2025	18,879
(iii) Average number of shares during the period (twelve months)	As of June 30, 2025	35,646,933	As of June 30, 2024	35,722,068

4. Qualitative Information on Quarterly Financial Results

(1) Explanation of Businesses

Under the vision of “creating a society without obstacles,” LITALICO group has been developing businesses in the area of welfare for persons with disabilities since its establishment in 2005. Current services include learning, vocational training, living assistance and nursing care, provided about 400 facilities nationwide. In addition, we are also expanding into general education fields such as computer programming. We are also developing internet platform-based services in the disability welfare field by utilizing the expertise we have cultivated through the operation of these facilities. With integration of facility-based and platform-based business, we aim to provide higher quality services to more people through the realization of our vision.

Our group offers five services for individuals: LITALICO Works, LITALICO Junior (Welfare), LITALICO Junior (Private), LITALICO Wonder, and LITALICO Life. Additionally, LITALICO Development Navi, LITALICO Work Navi, and LITALICO Career are internet platform-based services for welfare facilities and its workers.

LITALICO Works is a vocational training and job placement service for people with disabilities, which provides training such as PC skills and resume creation, as well as coordination with corporate HR departments. Retention support after placement is also available. The legally mandated employment rate of persons with disabilities, first set at 1.6% in 1988, has been raised to 2.5% as of April 2024, with its scope expanded to include persons with mental disabilities in 2018. However, only 46.0% of companies in Japan had met the mandated employment rate as of 2024, leaving considerable room for expansion of our employment support services.

LITALICO Junior operates special needs classrooms for children in pre-school to grade 12, which offer learning programs tailored to the individual needs of each child, such as language development, cognitive training, social skills, as well as parent training. Children eligible to attend special needs classrooms in addition to their normal school classrooms continue to increase, despite the overall declining number of children in Japan. With increasing social awareness regarding the necessity for specialized developmental learning, we believe individually tailored services such as those provided by LITALICO are becoming essential.

LITALICO Junior (Welfare) provides child development classrooms and after-school daycare services, as well as visitations to kindergartens, elementary schools and daycare centers to offer direct or indirect support. LITALICO Junior (Private) especially offers short-term, intensive, substantial educational programs.

LITALICO Wonder provides a learning space that nurtures the unique ingenuity of each child through creative projects that utilize technology such as programming and robotics, offered both in-class and online. Our exclusive ability to integrate human services know-how in formulating individualized learning programs is featured in this service. Demand continues to expand as subjects such as programming have become compulsory.

LITALICO Life provides information and life planning based on an individual's interests and needs. Utilizing the insights we have gained from consulting with many families over the years, we are able to provide pertinent life planning advice for the child's educational path, employment potential, and retirement funding, etc.

LITALICO Development Navi operates a website platform, “LITALICO Hattatsu Navi,” that provides essential information for families raising children with developmental concerns. Online consultation services “Development Navi PLUS,” are also available for families with challenged children. In addition, the platform provides services geared towards other child welfare service providers, offering support in areas such as customer acquisition, operation and management, and human resources development.

LITALICO Work Navi operates the employment information site, “LITALICO Shigoto Navi,” where people with disabilities can search for suitable employment opportunities. In addition, we provide recruitment agency services for corporates looking to hire persons with disabilities, as well as user attraction support for other vocational training facilities.

LITALICO Career provides recruitment agency services, both for industry workers searching for employment, and welfare facilities searching for staff. The number of welfare workers continue to increase yearly, and the demand for matching services between facilities and workers is expected to rise going forward.

In addition, we operate the following six companies: 1) Plus One Solutions Inc., a provider of the billing management system “Nursing Net Plus One” mainly for nursing care facilities, 2) Amu Inc., an operator of visiting nursing stations specialized in psychiatry, 3) HumanGrow Inc., a provider of vocational training for people with disabilities, 4) unico Inc., a provider of developmental support for children with disabilities, and 5) VISIT Inc., a home nursing care provider. Furthermore, we have acquired Developmental Disability Center of Nebraska, LLC, an overseas service provider for individuals with severe disabilities, located in Nebraska, U.S.

LITALICO group operates 1) LITALICO Works and HumanGrow businesses in the “Vocational Welfare” business segment to provide vocational welfare services, 2) LITALICO Junior (Welfare) and unico businesses in the “Child Welfare” business segment to provide child welfare services, 3) LITALICO Development Navi, LITALICO Work Navi, LITALICO Career, and Plus One Solutions businesses in the “Platform” business segment to provide platform-based services for facilities and industry workers, and 4) businesses of Developmental Disability Center of Nebraska, LLC in the “Overseas” business segment. All four are reportable segments.

(2) Operating Results for the Three Months

(Unit: Million Yen)

Consolidated Results	Three months ended June 30, 2024 (Apr 1, 2024 to Jun 30, 2024)	Three months ended June 30, 2025 (Apr 1, 2025 to Jun 30, 2025)	Comparison	
Net Sales	7,175	9,209	+2,035	+28.4 %
Operating Profit	255	948	+693	+271.6 %
Quarterly Profit Attributable to Owners of the Parent Company	155	564	+410	+265.1 %

(Unit: Million Yen)

Segment Results		Three months ended June 30, 2024 (Apr 1, 2024 to Jun 30, 2024)	Three months ended June 30, 2025 (Apr 1, 2025 to Jun 30, 2025)	Comparison	
Vocational Welfare	Net Sales	3,074	3,324	+250	+8.1 %
	Profit	1,139	1,041	(97)	(8.6) %
Child Welfare	Net Sales	1,980	2,580	+601	+30.4 %
	Profit	(310)	(31)	+279	— %
Platform	Net Sales	1,162	1,405	+243	+20.9 %
	Profit	384	585	+201	+52.4 %
Overseas	Net Sales	—	870	+870	— %
	Profit	—	199	+199	— %
Others	Net Sales	959	1,029	+70	+7.3 %
	Profit	70	68	(2)	(0.3) %

(3) Explanation of Operating Results

Vocational Welfare Segment

Vocational Welfare business launched two new sites during this consolidated cumulative first quarter, bringing the total to 163 facilities. While the pace of job placements remained elevated, the number of new users expanded steadily, bringing segment sales for this consolidated cumulative first quarter to 3,324 million yen (8.4% increase versus the same quarter of the previous year). Furthermore, the segment profit was 1,041 million yen (8.6% decrease versus the same quarter of the previous year), as the Company conducted an enhancement of marketing and corporate culture, and temporary investment towards measures, etc. for development of human resources.

Child Welfare Segment

The Child Welfare businesses operates 180 facilities. The facility operation rate is stable, due to a return to short-duration support program. On the other hand, advance payments for future site launches has been temporarily focused on this quarter, bringing segment sales for this consolidated cumulative first quarter to 2,580 million yen (30.4% increase versus the same quarter of the previous year), and segment profit to a loss of 31 million yen (an increase of 279 million yen from the same quarter of the previous year).

Platform Segment

The Platform business continued to see steady acceleration in the pace of new contract acquisitions mainly for SaaS related products, while continuing with aggressive upfront investments such as staff fortification. In addition, recruitment support services expanded at LITALICO Career. The result of segment sales for this consolidated cumulative first quarter was 1,405 million yen (20.9% increase versus the same quarter of the previous year), and segment profit was 585 million yen (52.4% increase versus the same quarter of the previous year).

Overseas

This segment develops overseas business mainly at Developmental Disability Center of Nebraska, LLC, an overseas service provider for individuals with severe disabilities. The business performance was incorporated into our performance from July 2024. The result of segment sales for this consolidated cumulative first quarter was 870 million yen, and segment profit was 199 million yen.

Others

The Others segment consists of LITALICO Junior (Private), LITALICO Wonder, LITALICO Life and other new businesses. Each business proceeded firmly, we are continuing to invest in business expansion. The result of segment sales for this consolidated cumulative first quarter resulted in 1,029 million yen (7.3% increase versus the same quarter of the previous year), and segment profit resulted in 68 million yen (3.0% decrease versus the same quarter of the previous year).

Overall, sales amounted to 9,209 million yen (28.4% increase versus the same quarter of the previous year), and operating profit was 948 million yen (271.6% increase versus the same quarter of the previous year). Furthermore, profit attributable to owners of the parent company was 564 million yen (265.1% increase versus the same quarter of the previous year).

5. Description of Financial Position

(1) Assets

Total assets at the end of the current fiscal year consolidated accounting period increased by 4,476 million yen versus the end of the previous consolidated fiscal year, to 37,200 million yen. This was mainly due to additional investments towards businesses and facilities in the U.S., resulting in an increase of 2,987 million yen in tangible fixed assets and an increase of 1,385 million yen in goodwill.

(2) Debt

Total liabilities at the end of the current fiscal year consolidated accounting period increased by 4,525 million yen versus the end of the previous consolidated fiscal year, to 24,780 million yen. Main factors were an increase of loans for the purpose of investing additionally towards businesses and facilities in the U.S.

(3) Capital

Capital at the end of the current fiscal year consolidated accounting period decreased by 49 million yen versus the end of the previous consolidated fiscal year, to 12,420 million yen. The main increase was the quarterly profit attributable to owners of the parent company, which was 564 million yen. The main decrease is due to (i) dividend payments, which was 321 million yen, (ii) increase of treasury stocks, which was 192 million yen, and (iii) exchange differences on

translation of foreign operations, which was 81 million yen.

6. Explanations Regarding Future Expectations Such As Consolidated Performance Forecast

Although the number of openings in the employment support business will be temporarily limited in order to strengthen the internal structure, we expect an increase in both sales and income.

In the child welfare business, demand remains strong, and we plan to aggressively open facilities in a short-time support-centered management format. Although the opening of new facilities and related expenses will be concentrated until the first quarter, we expect the business to be profitable from the second quarter onward.

In the platform business, we expect to increase revenues and profits while continuing to invest aggressively and grow profits at the same time.

In the overseas business, we expect stable expansion, and while we factor in additional investments for growth, we also expect an increase in both sales and profit.

In other businesses, we expect both sales and income to increase, while incorporating medium- and long-term investments, as each business steadily expands.

For the fiscal year ending March 31, 2026, we forecast consolidated net sales of 36,500 million yen, operating income of 4,000 million yen, and net income attributable to owners of the parent of 2,500 million yen.

Our shareholder return policy is to repurchase treasury stock in accordance with the level of profits and financial position of the company, while maintaining both active investment in growth and stable dividend increases.

For the fiscal year ending March 31, 2026, we forecast a year-end dividend of 11 yen and will execute share buybacks up to a maximum of 500 million yen.

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