

おうちの設備、コスパ良く！  
 **交換できるくん**

**Change your life,  
like changing your  
clothes**



**1Q FY2026  
Financial Results  
Briefing Materials**

Koukandekirukun, Inc.

[Tokyo Stock Exchange Growth Market: 7695]

# FY2026 Q1

April 2025 to June 2025

Following the 100% acquisition and consolidation of IPS, Inc. in January 2024, its IT-related operations are classified under Solutions Business, while our legacy “Koukandekirukun” business is positioned as Housing DX Business.

1. 1Q Financial Results for FY2026
2. Company Overview
3. Introduction to Housing DX Business
4. Introduction to Solutions Business
5. Frequently Asked Questions

# 1 | 1Q Financial Results for FY2026

## Overview of Consolidated Results (Statement of Income)

### Consolidated Revenue Increased 15.9% Year-on-Year

- The gross profit margin of the Housing DX business temporarily declined due to strategic sales of air conditioners
- SG&A expenses increased due to upfront investment in brand advertising

[Unit: Millions of yen]

	Fiscal year ended March 2025 Cumulative Q1	Fiscal year ended March 2026 Cumulative Q1	Change amount	Rate of change
Net sales	2,198	<b>2,548</b>	+350	<b>+15.9%</b>
Gross profit	496	<b>521</b>	+25	<b>+19.2%</b>
Gross profit margin	22.6%	<b>20.5%</b>	△2.1pt	—
Operating profit	△28	<b>△131</b>	△103	—
Operating profit margin	△1.3%	<b>△5.2%</b>	△3.9pt	—
Ordinary profit	△22	<b>△128</b>	△106	—
Net income	△18	<b>△88</b>	△70	—

\* Elimination of intercompany transactions (net sales)

\* Amortization of Goodwill

390million yen  
14million yen

## Overview of Segment Results

### Revenue in Housing DX Business grew steadily, up 19.4% year on year

- The negative operating profit in Solutions business for Q1 was due to seasonality

\* Following the 100% acquisition and consolidation of IPS, Inc. in January 2024, its IT-related operations are classified under Solutions Business, while our legacy “Koukandekirukun” business is positioned as Housing DX Business.

\* Segment results are presented before inter-company transactions are eliminated.

◆ Breakdown of internal transactions

IPS - Koukandekirukun contracted development	38Million yen
IPS - Requestwise ( Repair Management System Usage Fees )	2Million yen
Koukandekirukun - IPS management advisory fees	1Million yen

[Unit: Millions of yen]

Housing DX Business	Fiscal year ended March 2025 Cumulative Q1	Fiscal year ending March 2026 Cumulative Q1	Change amount	Rate of change
Net sales	1,951	<b>2,330</b>	+379	+19.4%
Gross profit	487	<b>515</b>	+27	+5.7%
Gross profit margin	25.0%	<b>22.1%</b>	△2.9%	—
Operating profit	△12	<b>△106</b>	△93	—
Operating profit margin	—	—	—	—
Solutions Business	Fiscal year ended March 2025 Cumulative Q1	Fiscal year ending March 2026 Cumulative Q1	Change amount	Rate of change
Net sales	262	<b>259</b>	△2	△0.9%
Gross profit	25	<b>34</b>	+9	+37.3%
Gross profit margin	9.7%	<b>13.4%</b>	+3.7%	—
Operating profit	△15	<b>△18</b>	△3	—
Operating profit margin	—	—	—	—

- Segment results are presented before inter-company transactions are eliminated.
- FY2024 for solutions segment reflects only the three-month performance from January to March, due to the acquisition of IPS , Inc. shares in January 2024.

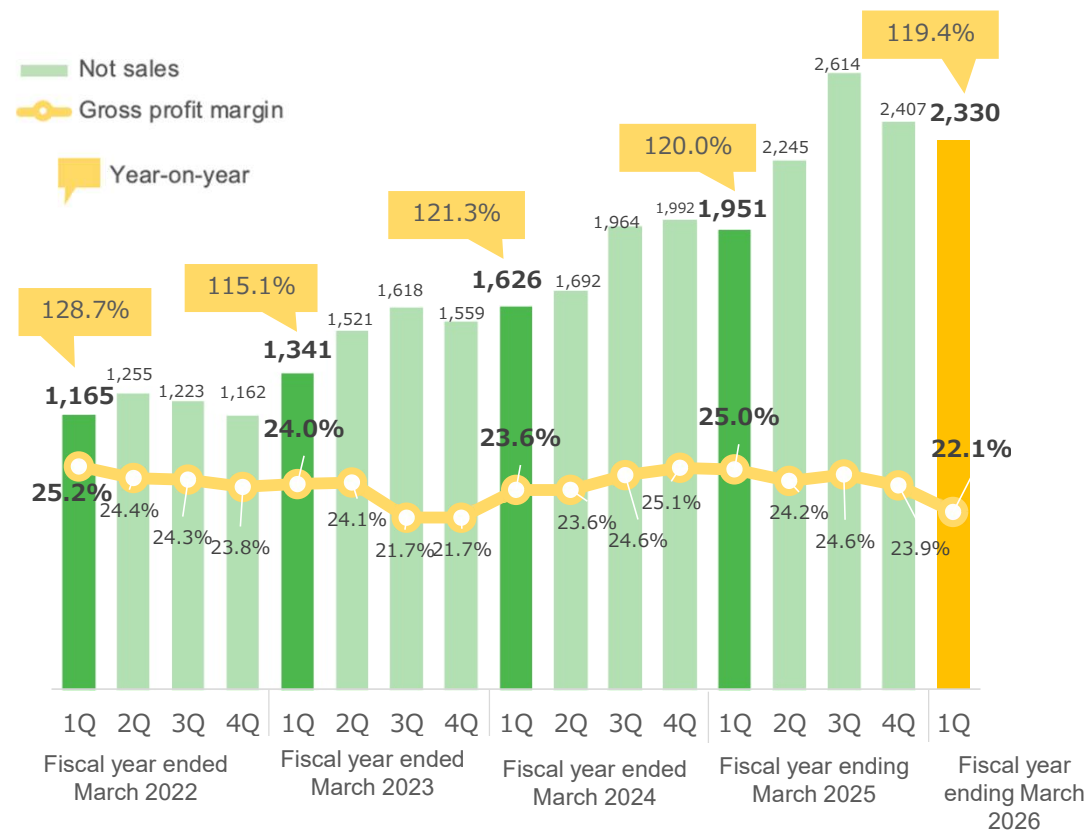
## Segment Results (Housing DX Business)

### Revenue and gross profit margin trends (quarterly)

#### Housing DX Business achieved record-high in Q1 revenue

- Gross profit margin temporarily declined due to sales promotions for air conditioners and reinforcement of installation capabilities

[Unit: Millions of yen]



\* Segment results are presented before inter-company transactions are eliminated.

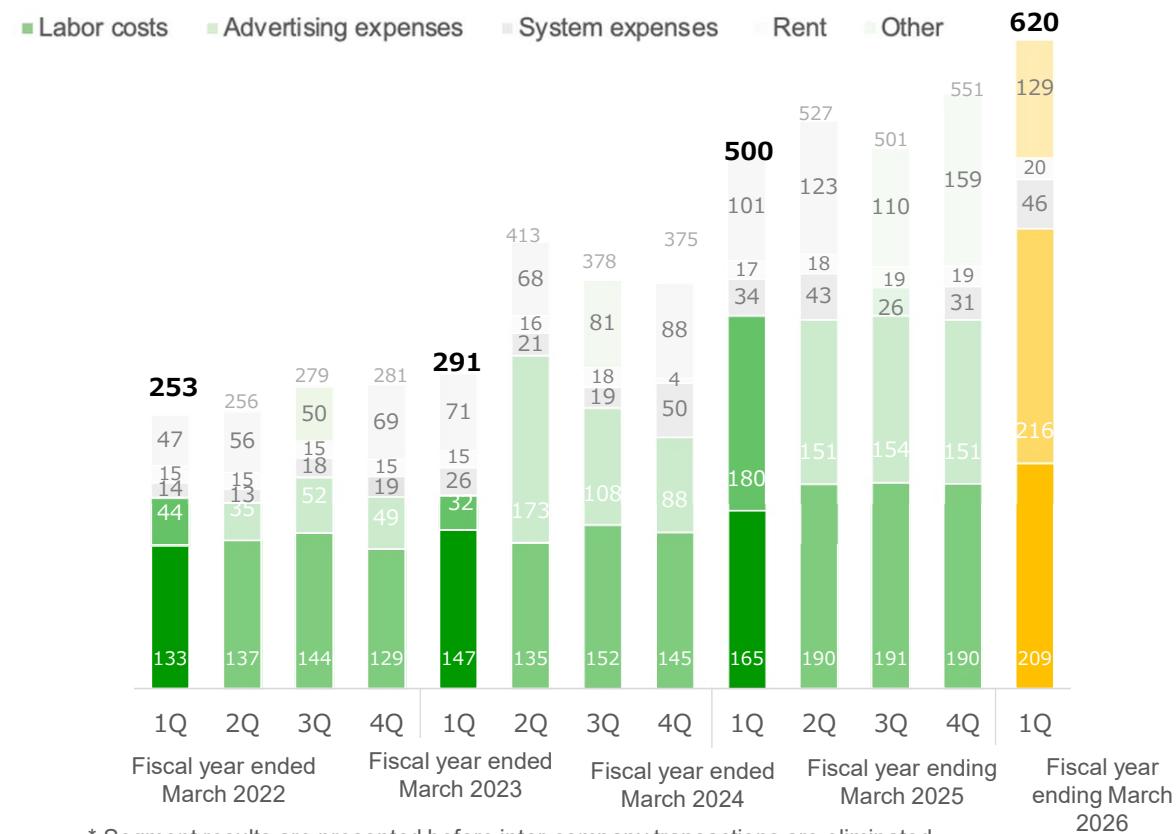
## Segment Results (Housing DX Business)

### SG&A expense trends (quarterly)

[Unit: Millions of yen]

#### Accelerated investment ahead of schedule

- SG&A expenses increased due to upfront investment in brand advertising



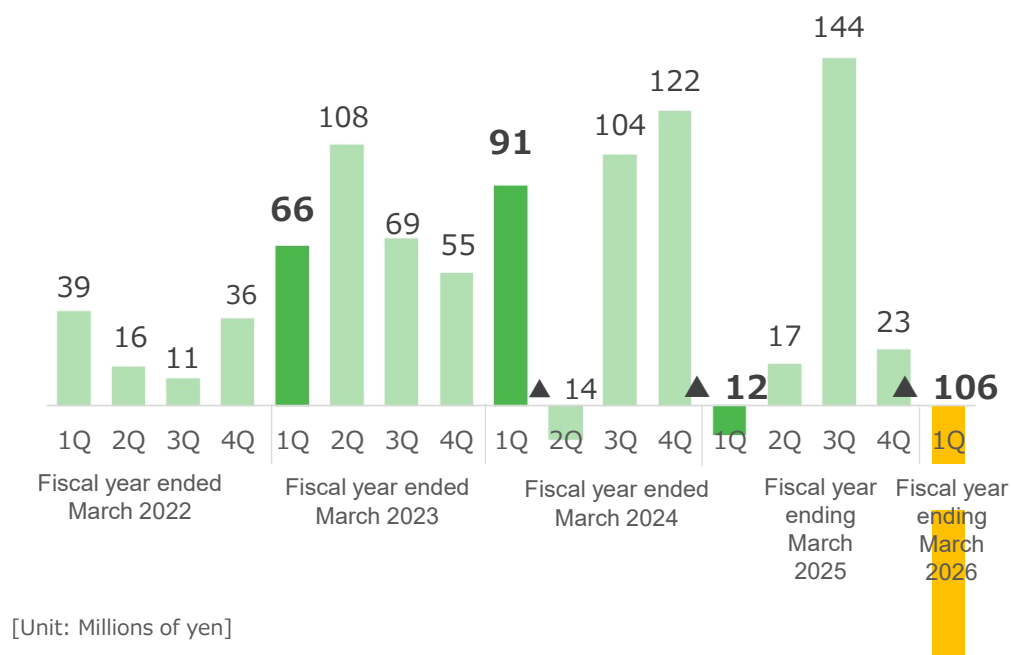
\* Segment results are presented before inter-company transactions are eliminated.

\* From the current consolidated fiscal year, goodwill amortization is recorded by segment, and figures for prior fiscal years have also been restated to reflect goodwill amortization.

## Segment Results (Housing DX Business)

### Operating profit trends (quarterly)

Operating profit turned negative due to the implementation of strategic initiatives for growth



\* Segment results are presented before inter-company transactions are eliminated.

\* From the current consolidated fiscal year, goodwill amortization is recorded by segment, and figures for prior fiscal years have also been restated to reflect goodwill amortization.



## Segment Results (Housing DX Business)

### Installation count trends (quarterly)

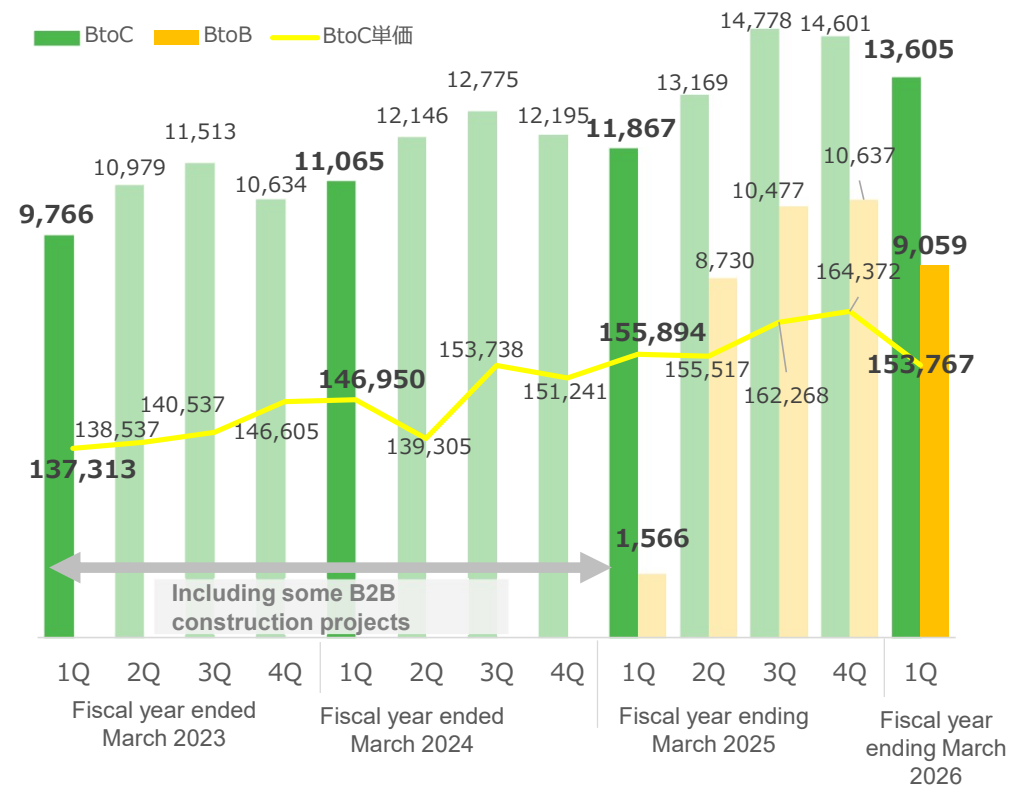
**With the enhancement of installation capacity, no concerns over project completion**

\* From 3Q onward, the number of B2C and B2B installations has been categorized separately. The B2B count includes installations that involve only installation without product sales, as well as repair contract cases.

\* Please note that there may be slight discrepancies in the reported figures due to cases where it is difficult to accurately categorize projects, such as those involving corporate clients using Koukandekirukun, or entire building projects.

[Unit: Projects] [Unit: yen]

Trends in the number of construction projects and revenue per project (B2C)

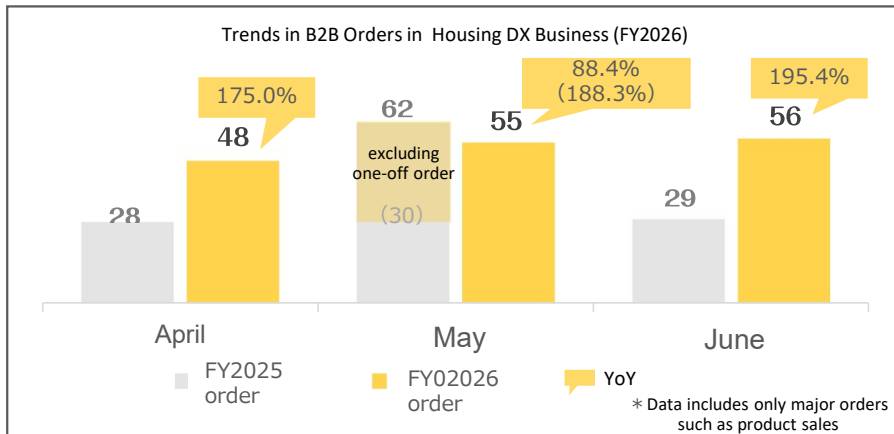


## Segment Results (Housing DX Business)

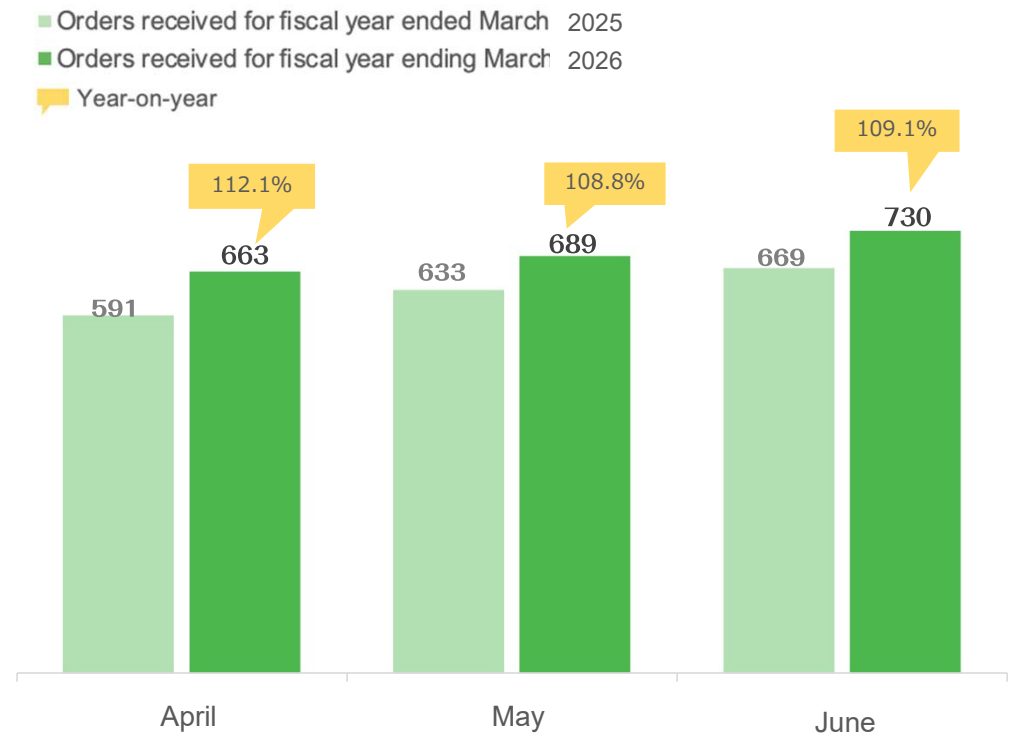
### Forecast for Q2 FY2026

#### Orders in Housing DX Business (B2C) increased by approximately 10% Year-on-Year

- Considering the overall economic environment, B2C orders remained solid, while B2B orders continued to grow steadily



Trend in orders received in Housing DX Business for FY2026



[Unit: Millions of yen]

\* Please note that the timing of order receipt and project completion does not necessarily coincide; the data should be regarded as a general reference for future outlook.

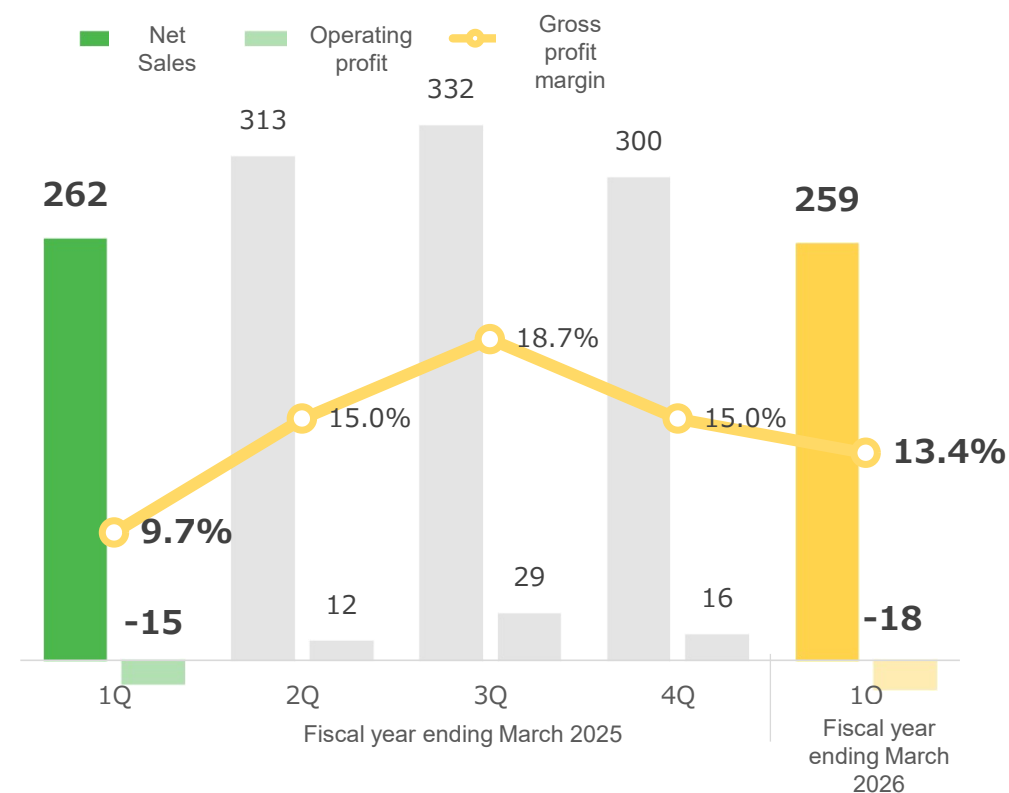
## Segment Results (Solutions Business)

# Revenue, Operating profit and Gross profit margin

### Solutions Business progressing as planned

- Strengthening organizational structure to accelerate growth from Q2 onward

[Unit: Millions of yen]



\* Segment results are presented before inter-company transactions are eliminated.

## Summary of Consolidated Results (Balance Sheet)

[Unit: Millions of yen]

### Increase in fixed assets due to software asset growth

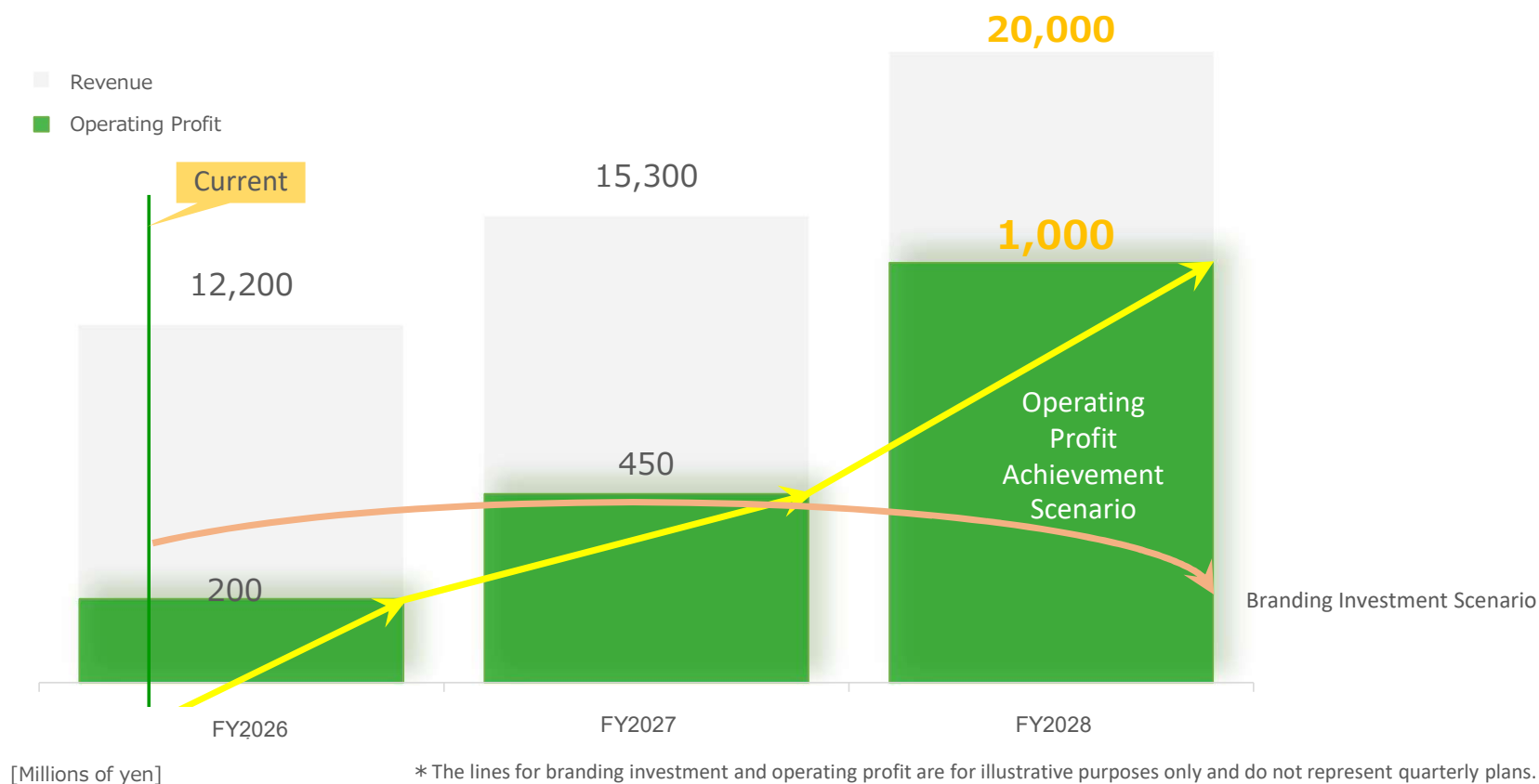
- Continued investments in system development has led to an increase in fixed assets with some amortization now underway

			Fiscal year ending March 2025	Fiscal year ending March 2026 Q1	Change
Assets	Current assets	Cash and deposits	832	698	△134
		Merchandise	358	368	10
		Other	930	846	△84
	Non-current assets		1,854	1,920	65
Total assets			3,975	3,834	△141
Liabilities	Interest-bearing liabilities		590	550	△40
	Other		1,694	1,676	△18
Net assets	Share capital (including capital surplus)		771	774	2
	Retained earnings		912	823	△88
	Treasury shares		△0	△0	△0
	Other		7	11	4
Total liabilities/Net assets			3,975	3,834	△141
Equity ratio			42.3%	41.6%	△0.7%

## Three-Year Consolidated Mid-Term Business Plan and Operating Profit Achievement Scenario

In particular, in Q1—the initial phase of the mid-term plan—the ratio of branding investments to sales is high  
As the mid-term plan progresses, we expect a shift toward profit generation

Three-Year Consolidated Revenue and Operating Profit Plan with Conceptual Diagram of Branding Investment and Profit Scenario





## Topics

### Launch of Replaform Service

The first service site using Replaform has been launched: Itochu Enex Home Life Co., Ltd. “e-Koto Mall!”



e-Koto Mall!  
Replaform

<https://ekotomall.jp>  
<https://replaform.net>

Second phase: B2B e-commerce site with installation services for residential equipment, operated by KD Service

## Topics

# Accelerating Business Alliances in B2B

### Business Alliance with Panasonic Homes

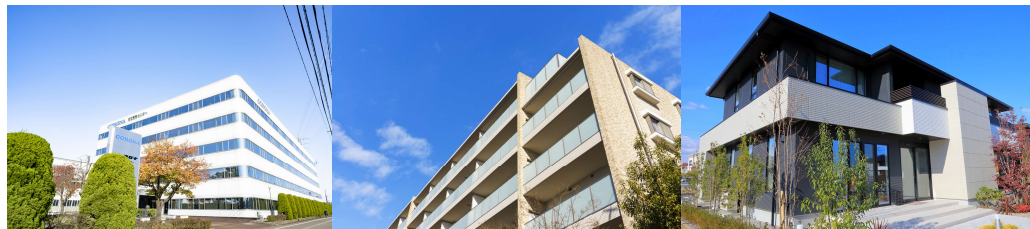
KD Service supports Panasonic Homes by addressing single-unit housing equipment replacement needs that arise during renovation proposals



### Leading Company in Residential equipment Replacement

- Establishing the Koukandekirukun brand
- Collaborations with major companies
- Driving DX(Digital Transformation) in the residential equipment industry

### Driving Digital Transformation in the Residential Equipment Replacement Market + Replaform



### Accelerating Growth in B2B Operations

( Housing equipment manufacturers, homebuilders, Condominium developers, etc. )

### Business Alliances and Comprehensive Contracts with Major Industry Players

- ◆ Supporting Smart DX of Residential Equipment Replacement and Renovation
  - Residential equipment replacement for rental properties
  - Small-scale renovation work for detached houses
  - Installation and repair services for residential equipment manufacturers



## 2 | **Company Overview**

# Company Overview

## Company Overview

### Koukandekirukun, Inc.

Tokyo Tatemono Higashi Shibuya Bldg 7F, 1-26-20 Higashi,  
Shibuya-ku, Tokyo

#### Date of establishment

November 13, 1998

#### Management

President and CEO, Masaru Kurihara	[Auditor and Supervisory Committee]
Director and Vice President, Koji Sato	Outside Director, Kengo Suzuki
Director, Masahiro Yoshida	Outside Director, Yuko Noda
Outside Director, Noboru Yoshino	Outside Director, Michiko Hattori

#### No. of staff [As of end of June 2025 (consolidated)]

Employees: 230 / Contracted partners: 249

#### Securities code

7695 [Tokyo Stock Exchange Growth Market]



# Company Overview

## Corporate Philosophy

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### For the "I'm glad I found you"

We strive to be a company that continues to be essential to society; where both customers can truly say, "I'm glad I chose them," and employees can wholeheartedly feel, "I'm glad I work here."

To achieve this, we prioritize honesty above all. We never deceive our customers, nor do we ever let them down. This commitment is our pride, and we uphold it with unwavering dedication.



# Company History

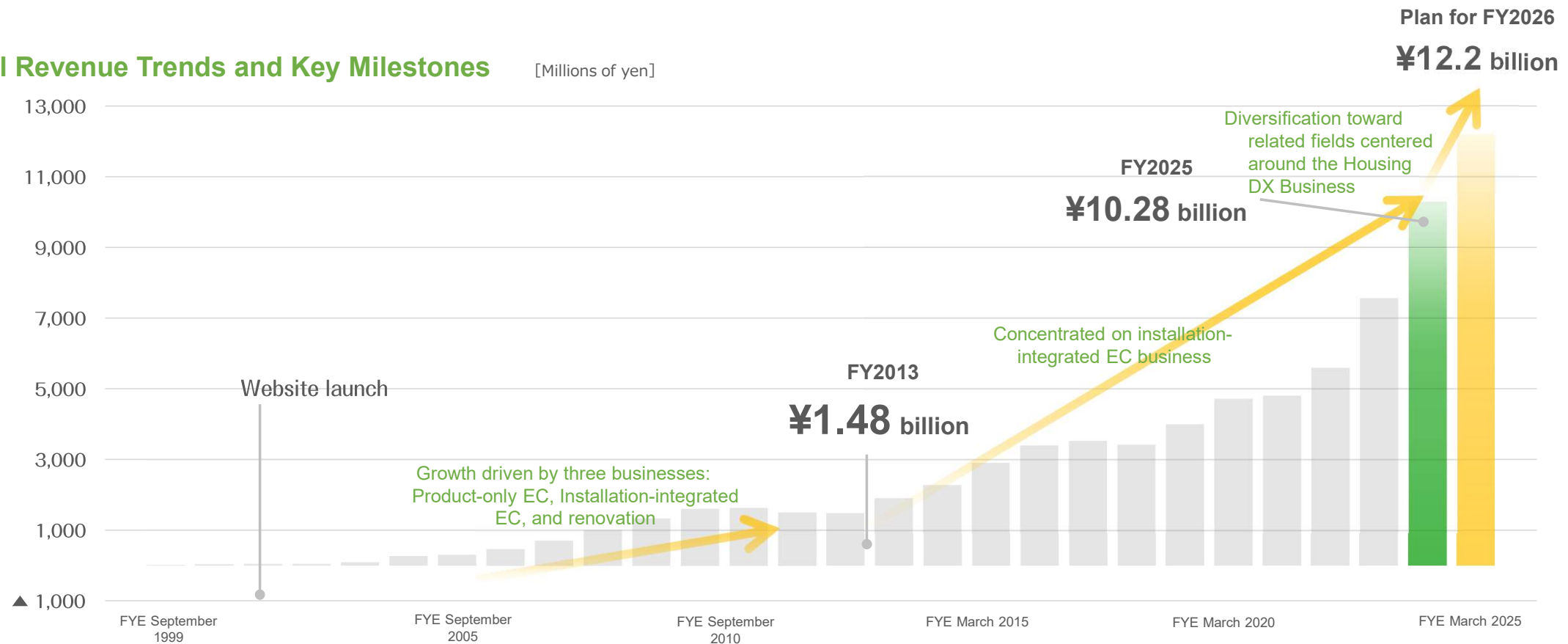
Since concentrating resources on the installation-integrated EC business in FY2013, revenue has significantly increased

With the expansion of the EC market, its media presence as a replacement installation platform has strengthened

Following the 2024 M&A, we aim for further rapid growth through diversification

## I Revenue Trends and Key Milestones

[Millions of yen]



\* Following the change in fiscal year-end from September to March effective from the fiscal year ended March 2013, the figures are presented on a twelve month basis, incorporating the results of the first half of the subsequent fiscal year.

## Group Overview

Leveraging the expertise cultivated through Koukandekirukun, we aim to maximize synergies within the Group while enabling each group company to pursue its own growth



Established November 13, 1998  
 Capital ¥427.14 million  
 Representative President & CEO, Masaru Kurihara  
 Head office 1-26-20 Higashi, Shibuya-ku, Tokyo  
 No. of employees 90  
 Other Listed on the Tokyo Stock Exchange Growth Market (7695)

**Internet-based  
B2C sales of  
residential  
equipment with  
installation  
services**

### Business Partnership



Established: November 25, 2015  
 Capital: ¥10 million  
 Representative: Representative Director Katsuyuki Atsuki  
 Head office: 4-4-13-1B Haccho-bori, Chuo-ku, Tokyo  
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.  
 Registration: Registered as a non-life insurance agent (No. 20825014804)

**Long-term Warranty Services  
for Residential Equipment**

External Companies

### Installation Partnership



Established: July 1, 2021  
 Capital: ¥50 million  
 Representative: Representative Director Masahiro Yoshida  
 Head office: 1-26-20 Higashi, Shibuya-ku, Tokyo  
 No. of employees: 69; Contract workers: 249  
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.  
 Product centers: Nine locations nationwide

**Residential Equipment Installation  
and B2B Housing DX Services**

External Companies

### Development Partnership



Established: March 14, 1985  
 Capital: ¥15 million  
 Representative: Representative Director Mikio Harada  
 Head office: 6-1-1 Tabata, Kita-ku, Tokyo  
 No. of employees: 66  
 Shareholder: Wholly owned subsidiary: Koukandekirukun, Inc.

**Development of Business Systems**

External Companies

Sales Partnership

New business  
(Replaform)

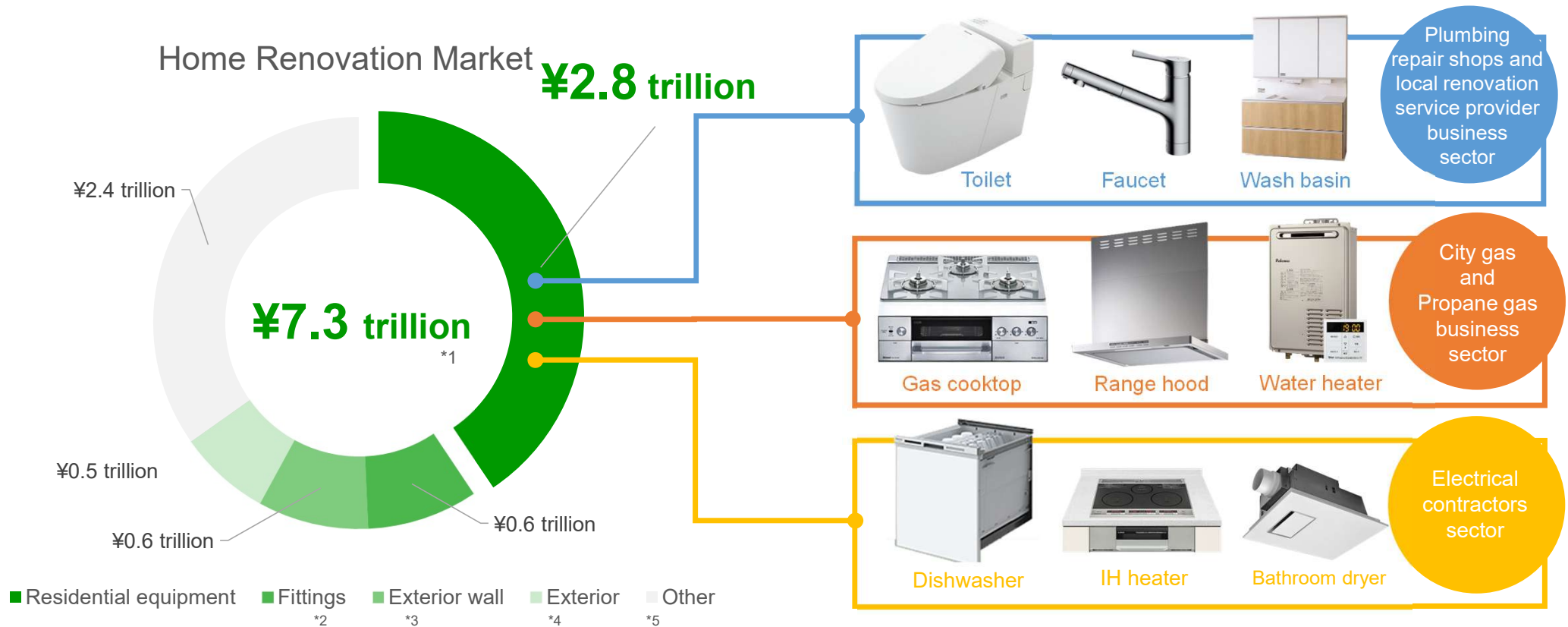
# 3 | Introduction to Housing DX Business

# Order Residential Equipment Replacement Online



# Market Size

Valued at **¥7.3 trillion**, the residential equipment market is the largest within the home renovation sector



[Sources]

\*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

\*3 Prepared by the Company based on the press release dated July 18, 2019, titled "Survey of the Domestic Market for 100 Residential Equipment and Building Materials Products" by FUJI KEIZAI CO., LTD.

\*5 Prepared by the Company based on "Q2 FY1/2021 Financial Results" by TAKASHO CO., LTD.

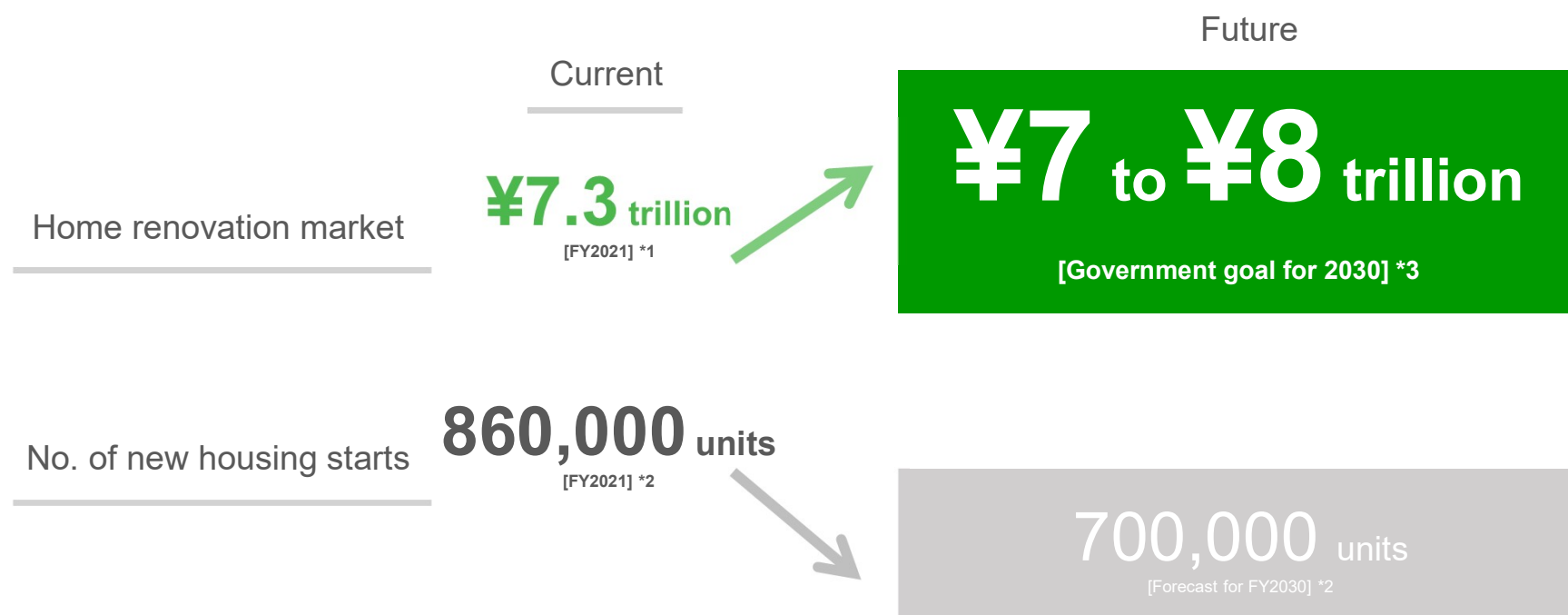
\*2 Prepared by the Company based on the press release dated July 16, 2020, titled "Survey of the Domestic Market for Residential Equipment, Building Materials & Housing Services" by FUJI KEIZAI CO., LTD.

\*4 Prepared by the Company based on the press release dated October 19, 2020, titled "Exterior Wall Materials Market in Japan: Key Research Findings" ed by by Yano Research Institute Ltd.



# Extensive Opportunities Exist within the Home Renovation Market

While the number of new housing starts is expected to decline in the future, the renovation market is projected to see long-term growth



[Sources]

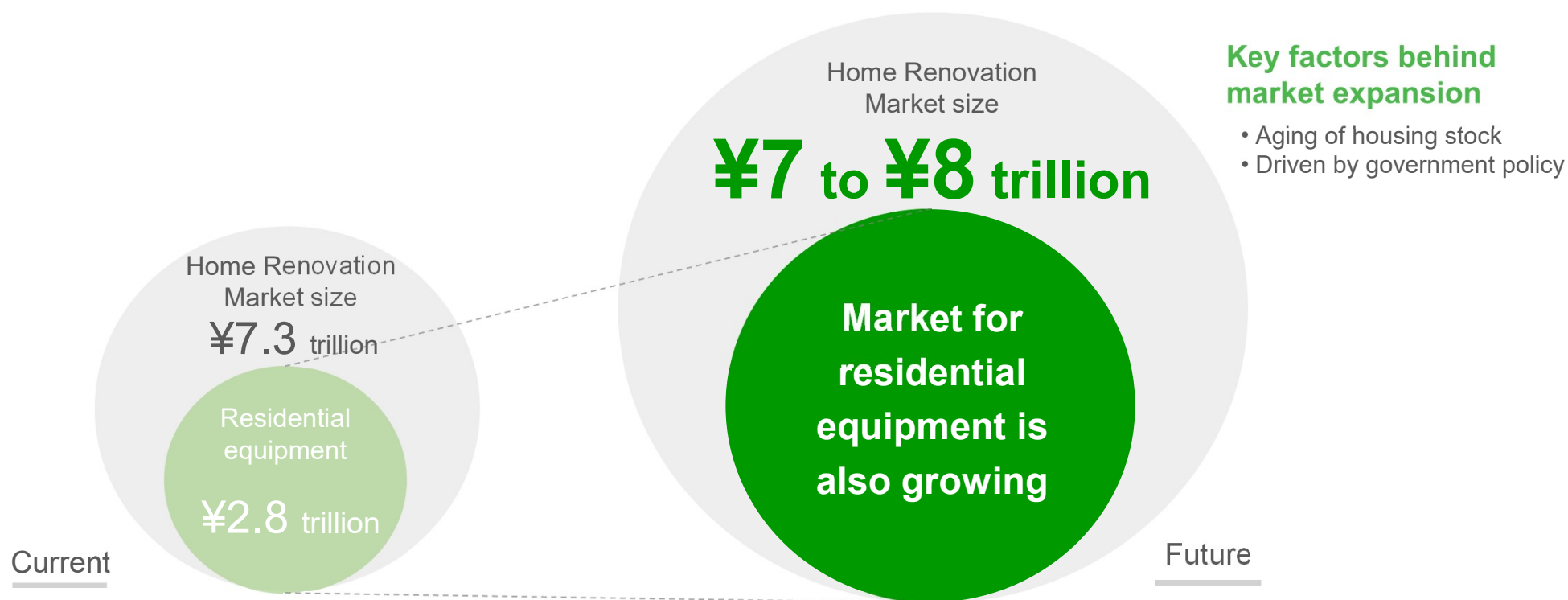
\*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

\*2 Prepared by the Company based on "Outlook and Challenges for the Housing Market in 2040" by Nomura Research Institute, Ltd.

\*3 Prepared by the Company based on "Home Renovation Market 2022" by Yano Research Institute Ltd.

# Extensive Opportunities Exist within the Home Renovation Market

**Shift from new construction to stock housing** is expected to lead to further business opportunities



[Sources]

\*1 Prepared by the Company based on the "Home Renovation Market in Japan: Key Research Findings (2023)" by Yano Research Institute Ltd.

\*2 Prepared by the Company based on "Outlook and Challenges for the Housing Market in 2040" by Nomura Research Institute, Ltd.

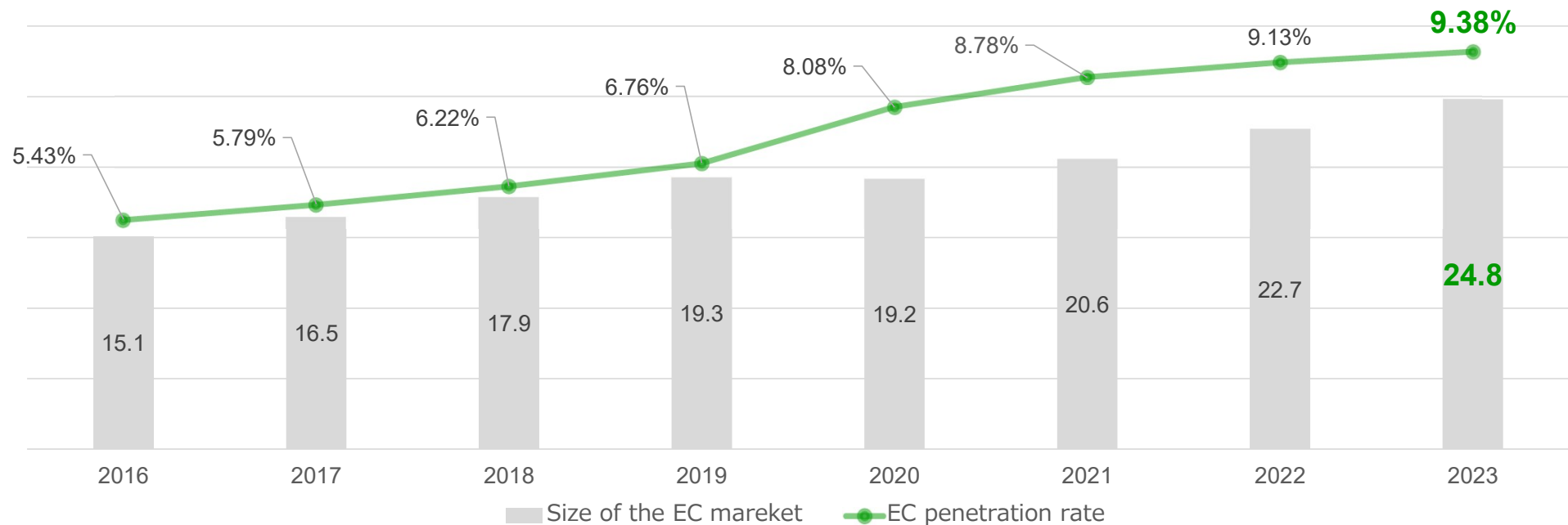
\*3 Prepared by the Company based on "Home Renovation Market 2022" by Yano Research Institute Ltd.

## Expansion of the EC Market

While some sectors contracted due to COVID-19, the size of the B2C EC market in 2022 was **¥22 trillion**

The EC penetration rate has increased to **9%**, and is expected to continue growing

Trends in B2C EC Market Size and Retail EC Penetration Rate [Trillions of yen]



[Sources]  
\* Prepared by the Company based on "FY2022 Digital Transaction Environment Improvement Project (E-Commerce Market Survey)" by Ministry of Economy, Trade and Industry

# Gaps Exist, and a Market Has Not Been Established

## Customer needs and concerns

We want to easily replace **individual residential equipment** without major construction

**Installation pricing is unclear**  
and difficult to understand...

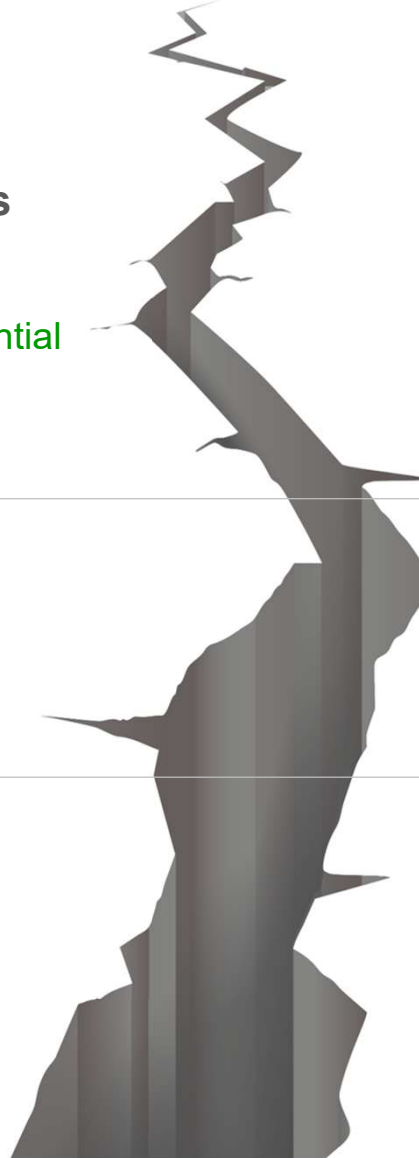
**We are not sure** where to ask for help

## The true intentions of businesses

Smaller-scale projects tend to be unprofitable  
**We want to get orders for bathroom and kitchen renovations**

Smaller-scale projects tend to be unprofitable  
**We can only recoup costs by** adding a markup to the installation prices





Smaller-scale projects tend to be unprofitable  
**We do not want to take on these jobs**  
if it can be avoided



# Renovation Industry






Almost no companies specialize in single-item replacements for residential equipment, and **surrounding industry players tend to handle this sector reluctantly**

**The lack of transparency in installation pricing** is fostering distrust within the industry

	Renovation			Repair
	Large-scale renovations	General renovations	Replacement of residential equipment	Repairs/small-scale work
Type of construction	 <ul style="list-style-type: none"> <li>• Renovations</li> <li>• Design-focused renovations</li> <li>• Expansion</li> </ul>	 <ul style="list-style-type: none"> <li>• System kitchens</li> <li>• Bathroom units</li> <li>• Exterior walls</li> <li>• Flooring interior finishing</li> </ul>	 <ul style="list-style-type: none"> <li>• Built-in dishwashers</li> <li>• Built-in gas stoves</li> <li>• Range hoods</li> <li>• Toilets</li> </ul>	 <ul style="list-style-type: none"> <li>• Toilet water leak repairs</li> <li>• Clogged pipes</li> <li>• Residential equipment repairs</li> <li>• Wallpaper repairs</li> </ul>
Projected expenses	¥3 million ~	¥0.5 ~ ¥3 million	Increased opaqueness	¥10,000 ~ ¥50,000
Market leaders	<ul style="list-style-type: none"> <li>• House builders</li> <li>• Renovation companies</li> </ul>	<ul style="list-style-type: none"> <li>• Renovation companies</li> <li>• Home electronics retailers</li> </ul>	No market leaders	<ul style="list-style-type: none"> <li>• Plumbing repair shops</li> <li>• Decorative work shops, handyman services</li> </ul>

# Business Domain

Koukandekirukun aims to develop evolving business domains and establish itself as a market leader

	Renovation		Replace	Repair
	Large-scale renovations	General renovations	Replacement of residential equipment	Repairs/small-scale work
Type of construction	 <ul style="list-style-type: none"> <li>• Renovations</li> <li>• Design-focused renovations</li> <li>• Expansion</li> </ul>	 <ul style="list-style-type: none"> <li>• System kitchens</li> <li>• Bathroom units</li> <li>• Exterior walls</li> <li>• Flooring interior finishing</li> </ul>	 <ul style="list-style-type: none"> <li>• Built-in dishwashers</li> <li>• Built-in gas stoves</li> <li>• Range hoods</li> <li>• Toilets</li> </ul>	 <ul style="list-style-type: none"> <li>• Toilet water leak repairs</li> <li>• Clogged pipes</li> <li>• Residential equipment repairs</li> <li>• Wallpaper repairs</li> </ul>
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# DX of Replacement work through Web-based Quotes

**Web-based quotes** eliminate the need for sales representative visits, allowing customers to place orders easily while enabling businesses to take a proactive approach

## (1) Request for Quote

Send photos of the equipment model number and measurement details

## (2) Online Quote

No need for an on-site estimate!

## (3) Place order

Order online 24/7, 365 days a year

## (4) Installation

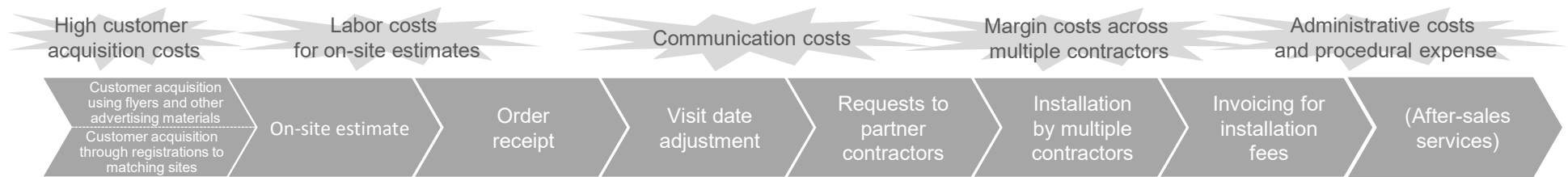
Presence required only on the day of installation



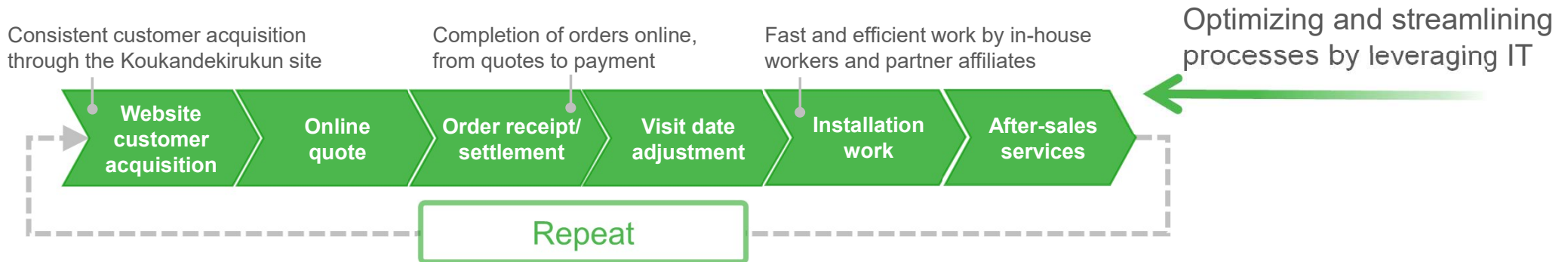
# Achieving One-stop Residential Equipment Ordering

Creation of a business flow dedicated to single-item residential equipment orders to **achieve profitability**

## I Traditional business flow



## I Koukandekirukun's business flow





# Strengths of Our Business

Provide valuable information to users to drive site traffic. As a result, increasing orders lead to enhanced content capabilities

As site traffic continues to increase, the growth cycle of the media has enabled **high profitability and a reduction in advertising costs**

## (1) Koukandekirukun website

- Offering the latest products from leading domestic manufacturers
- Bestseller ranking
- Over 25,000 installation examples
- Over 18,000 user reviews

**Number of page views:  
Over 30 million (annual)**

## (4) Robust customer success system

- Finely-tailored support, including inquiries on equipment use
- Immediate all-hands response to any issues of products and installation
- All products come with a 10-year warranty, no repair costs during this period

**Customer success support:  
Approx. 14,000 (annual)**



## (2) High estimate accuracy without on-site inspections

- Quick quotes with no hassle for customers
- Transparent pricing with no additional costs at the time of installation

**Number of quotes:  
Approx. 97,000 (annual)**

## (3) Orders completed in-house through to installation

- Responsible installation carried out by a wholly-owned subsidiary
- Efficient project completion through cross-trained installation specialist in short timeframes, eliminating the need for multiple specialized workers

**Number of installation projects: Approx. 48,000 (annual)**

# Mega Site Specializing in Residential Equipment



## Extensive volume of information

- Over 60,000 pages of unique content
- More than 33,000 accumulated user reviews
- A collection of over 28,000 installation examples

## Increase in site inflow

- Large-scale site with over 35 million page views annually
- Site visits are expected to continue to increase



# No On-site Estimates! Completed Online!

- ✓ No on-site estimates required!  
Just attach photos and send them online!  
Quick and hassle-free.
- ✓ Product cost + full service pack = Payment amount  
Single price that remains the same for every customer
- ✓ Transparent pricing with **no additional charges on the day of the installation**



Over 20 years  
of trial and error  
**Highly accurate  
estimation  
expertise**

# Improving Productivity through Schedule-Managed Installation

**Specializing in single-unit replacements** for residential equipment **improves quality and reduces work time**

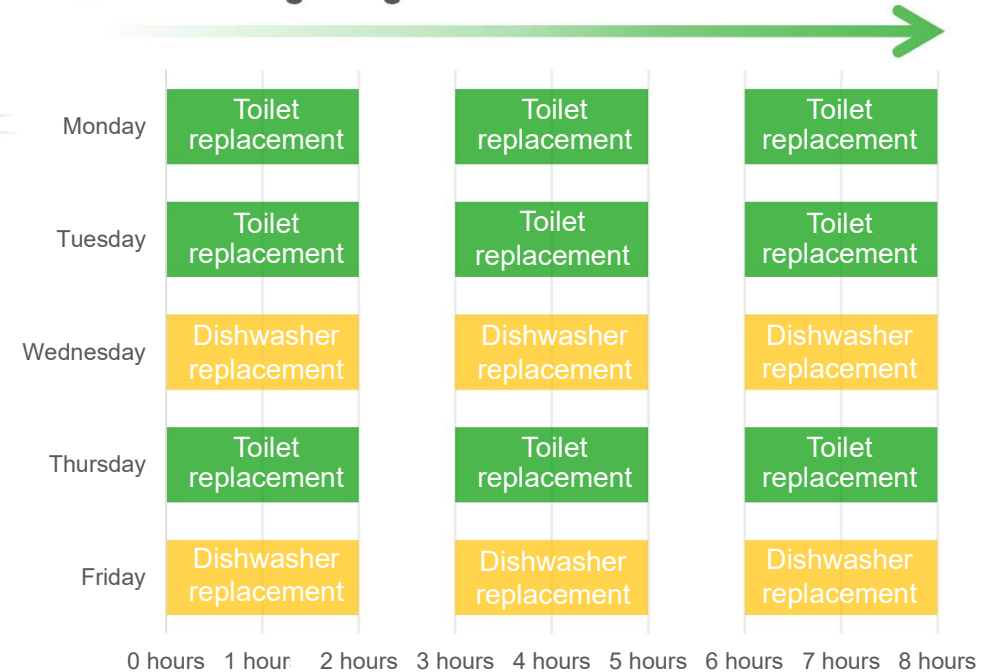
**Improved productivity through efficient scheduling** by bringing schedule management in-house



| Typical Scheduling Image of General Renovation Company



| Scheduling Image of Koukandekirukun





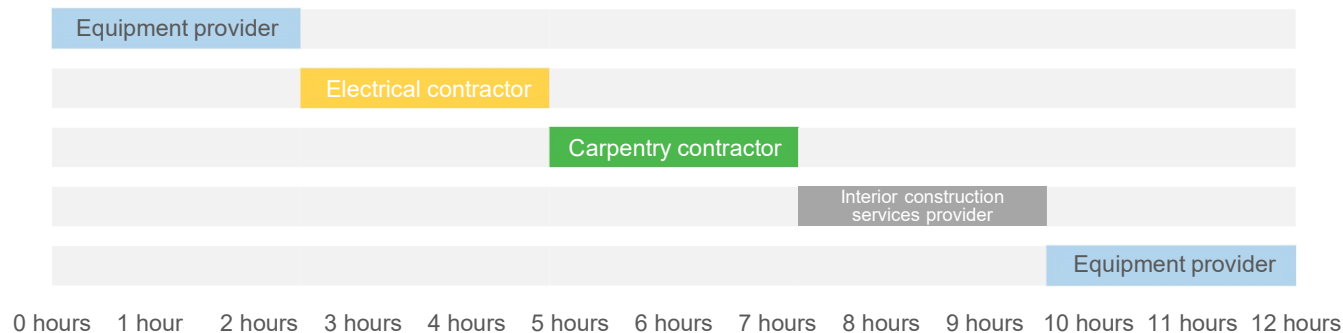
# Productivity Improvement through Cross-Trained Workforce

Even for simple projects such as toilet renovations, which could be completed by a single worker in an hour, multiple workers were previously required on-site

Conventional construction work **can now be completed by a single worker within one day**, leveraging an **in-house training program** that develops carpenters into cross-trained specialists

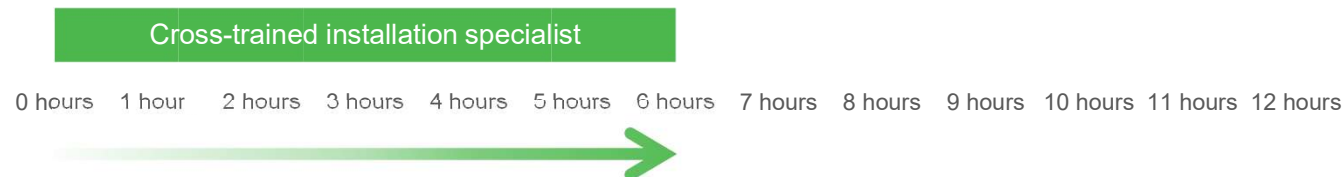
Easy scheduling and cost reduction lead to high price competitiveness and **increased wages for workers**

## I Site image of system toilet and toilet interior construction



**Various workers rotate in and out during installation**

While larger construction projects can remain profitable, toilet renovation projects often lead to downtime, increasing costs and prolonging schedules



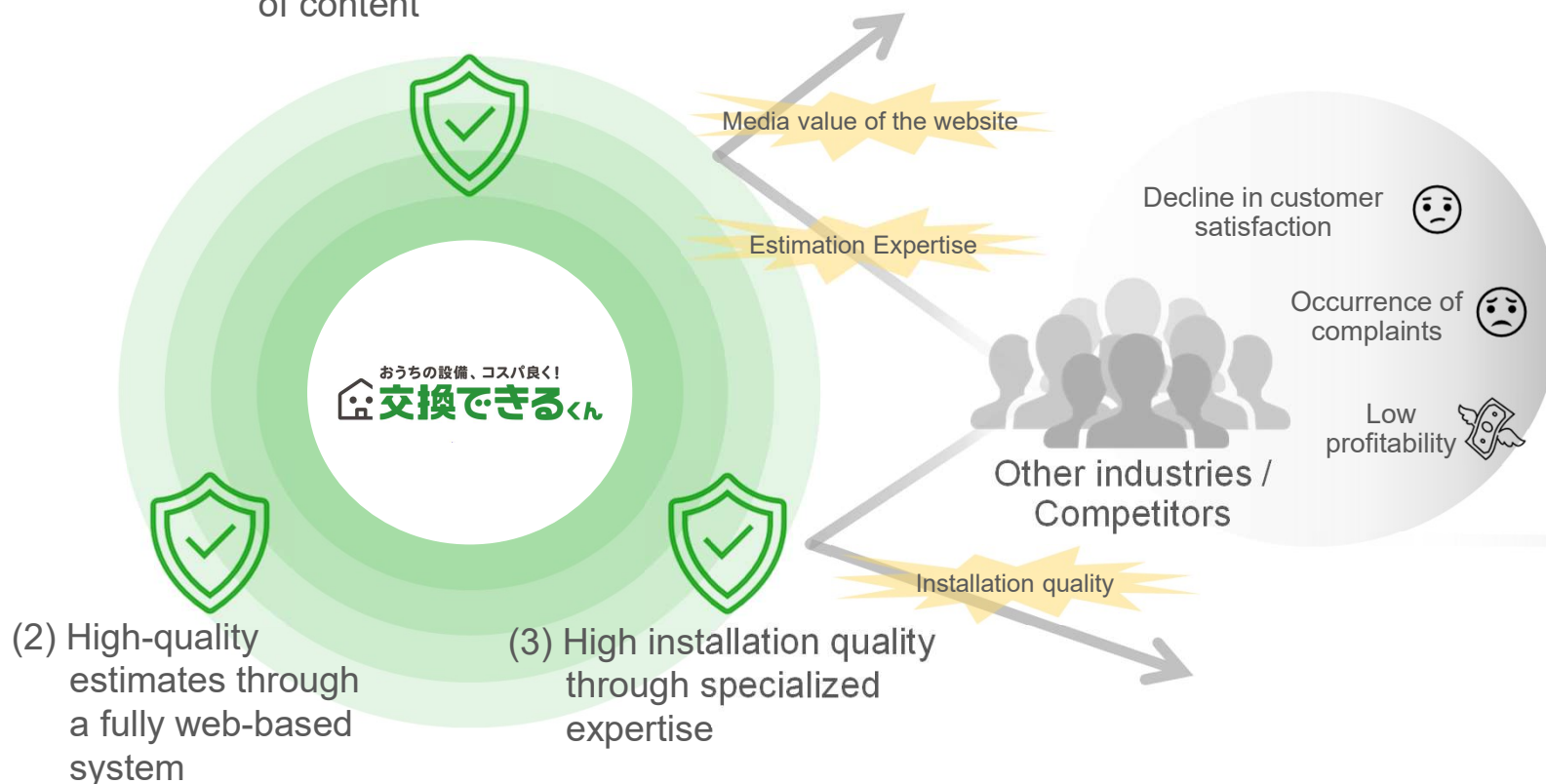
**A single, skilled specialist completes the work in 6 hours**

Specialized expertise ensures **cost-effective, fast, and high-quality**

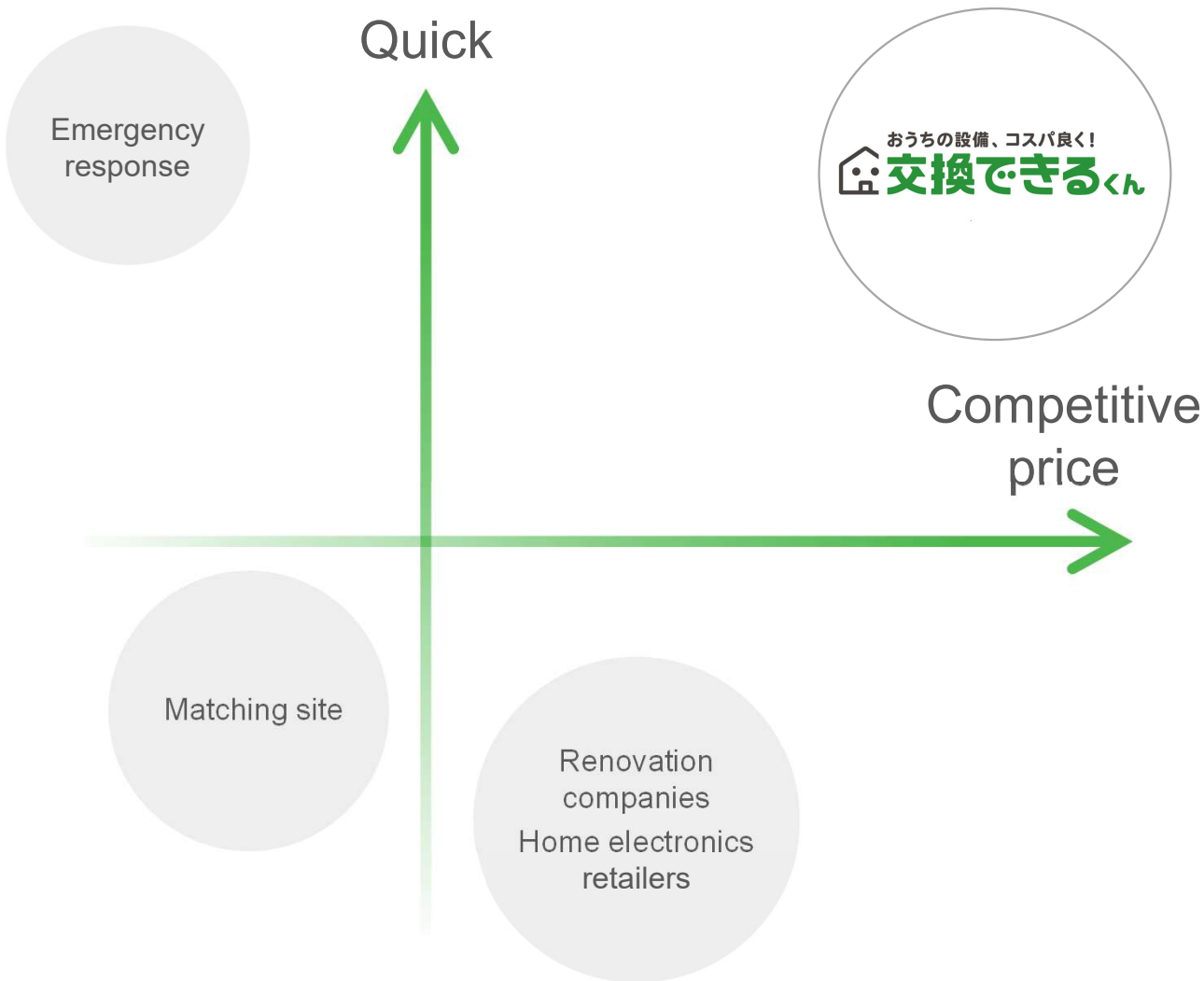
## Entry Barriers in the IT × Residential Equipment Single-Unit Replacement Market

By leveraging IT and strategically specializing in the challenging market of single-unit residential equipment replacement **where costs are high and profitability is difficult**, we have built **a strong entry barrier that cannot be easily replicated overnight**

(1) Website with over 50,000 pages of content



## Established a Unique Position



### Unique position

- Established a unique position **to provide high quality** residential equipment installation at a **low cost and fast pace**
- Specialized in online services and residential equipment
- Competitive pricing, speed, and convenience of online sales

### Installation managed in-house

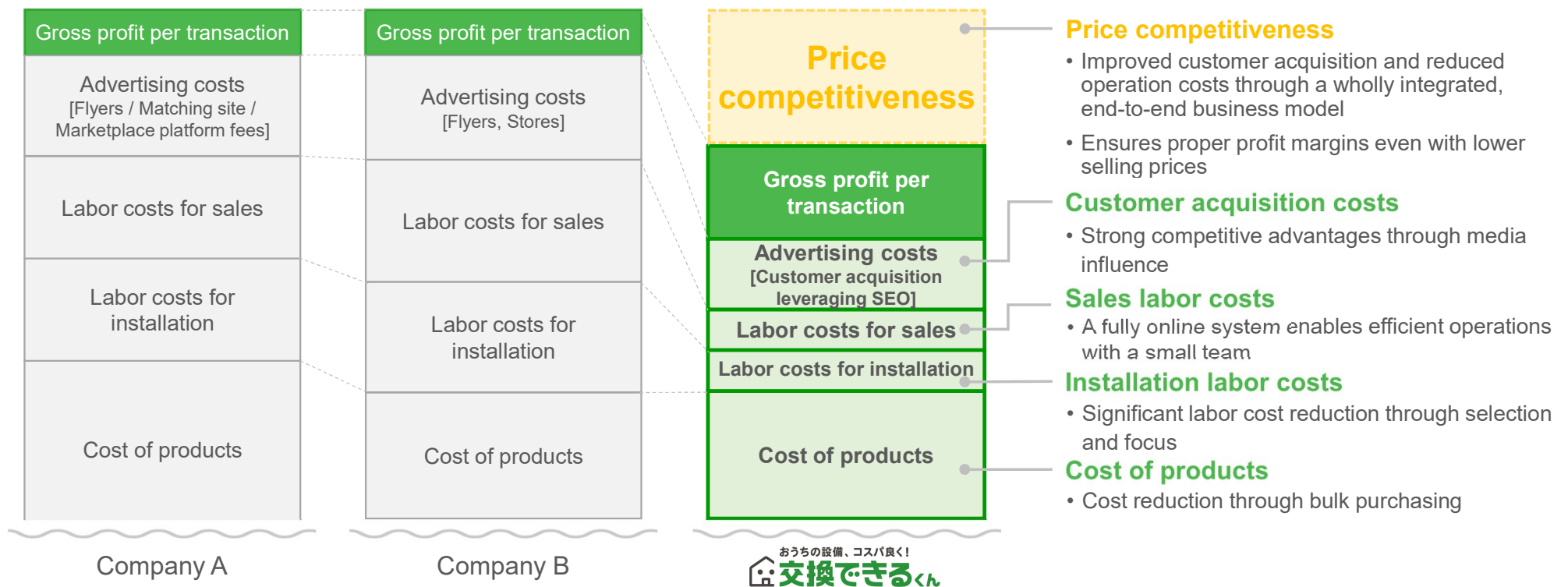
- Installation is **all managed in-house without offloading responsibility elsewhere**
- Managing after-sales service in-house, **strengthens customer success and ensures continuous improvement in service quality**

# Cost Advantages

Digitizing the estimation and ordering process and **focusing exclusively on the residential equipment replacement on the largest market segment**, rather than general renovation or repair services, have allowed us to optimize operational costs

**Achieving profitability in the replacing domain** where monetization was difficult and the market was not yet established

## | Comparison of profit and cost structures





# Examples of Quote Comparison

## Built-in dishwasher replacement

### I Replacement image



### I Competitor quote image

Item	Details	Amount (JPY)
Products	Panasonic built-in dishwasher NP-45MD9S Recommended retail price: ¥246,400 30% OFF (tax included)	172,480
Disassembly and removal	Removal of existing built-in dishwasher	8,800
Facility construction	Plumbing and drainage system renovation	22,000
Installation	Installation of built-in dishwasher	13,200
Disposal cost	Disposal of existing dishwasher and associated waste materials	11,000
Other	Miscellaneous expenses (site protection and management costs)	11,000
Total (tax included)		238,480

### I Koukandekirukun, Inc. quote

\* As of January 31, 2025

Item	Details	Amount (JPY)
Products	Panasonic built-in dishwasher NP-45MD9S Recommended retail price: ¥246,400 50% OFF (tax incl.)	123,200
Basic installation	All-in-one service pack (dishwasher) *	39,800
Total (tax included)		163,000

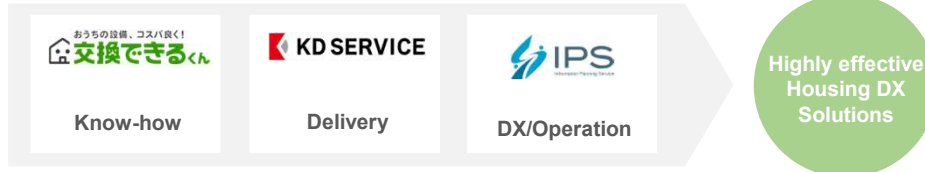
In addition

Both product and installation come with a free  
10-year warranty

Approx. **2/3**  
of the competitor's price

# Growth Image

## (3) Commercialization of DX initiatives in the residential equipment/home renovation sector



Provided as housing DX solutions

## Solution Business

Housing DX Business  
B2B domain

## (2) Strategic partnerships with companies providing lifestyle solutions



Facilitating the development of a smart renovation business through DX and residential equipment replacement



## Market: Delays in promoting DX within the industry

Market: Forecast for a decline in the number of new construction starts  
-> Strengthening the renovation business of companies providing lifestyle solutions

## (1) Strengthen brand power

Establishing “residential equipment replacement = Koukandekirukun” in the lexicon

## Housing DX Business B2C “Koukandekirukun” domain

Market: Residential equipment market  
¥2.8 trillion  
-> Less than 1% market share

**Service quality/Enhanced DX/Installation framework**

# 4

## **Introduction to Solutions Business**

# Business Model of IPS, Inc.

## Software development services and housing DX solutions

### Size of the IT service market

¥6.4608 trillion

(6.0% Growth YoY)

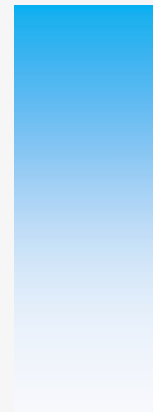


2023

Average annual  
growth rate 4.8%

¥8.1495 trillion

(Forecast)



2028

\*IDC Japan survey held in July 2024



Business characteristics  
and future strategic outlook



Energy



Pharmaceuticals

### Core business

Provision of enterprise software  
development services for large  
companies

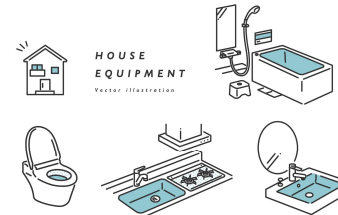
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### Phase 1

Promote system platform  
development for the Housing  
DX Business

+



### Phase 2

Provision of B2B  
housing DX solutions



# 5 | **Frequently Asked Questions**

# Frequently Asked Questions (1)

Frequently Asked Questions	Answer
Could you provide an update on recent business performance?	In accordance with our disclosure policy, we refrain from responding to questions concerning financial results prior to their release in order to ensure fairness in the information provided to all investors. Please wait until the announcement of our next financial results.
Is there seasonality in quarterly sales?	Regarding revenue, based on past trends, the annual distribution between the first half [April to September] and the second half [October to March] is approximately 45:55. In particular, during Q1 [April to June], demand tends to weaken due to factors such as extended holidays.
Are there sufficient installation resources, including an adequate number of skilled workers?	With the current number of skilled workers, we have allocated personnel capable of meeting planned targets, ensuring sufficient capacity. Looking ahead, we will continue recruitment efforts as needed in alignment with our business expansion and revenue growth.
What type of user demographic utilizes Koukandekirukun's services? Additionally, what is the repeat usage rate?"	Homeowners across all age groups use our services, with our core customer segment being in their 40s and 50s. While we do not disclose specific repeat usage rates, many customers who have experienced our service appreciate its convenience and quality. As a result, when they face equipment failures or seek upgrades, they naturally return to use our service again, making repeat customers a common occurrence.
What are the benefits of choosing Koukandekirukun among various companies?	Beyond competitive pricing, our specialization in the replacement of residential equipment allows us to provide accurate estimates based on years of installation experience. With reliable workmanship and excellent customer support, we ensure a service that our customers can trust with confidence.
What are the entry barriers and Koukandekirukun's strengths in the future digitalization of renovation businesses and cross-industry market entry by e-commerce operators?	Our company has strategically specialized in the replacement of individual residential equipment, a market that is costly and challenging to monetize within the industry. This specialization has allowed us to develop three key strengths that are difficult to replicate overnight: 1) significant media presence, a website with over 50,000 pages, 2) high-quality estimates and customer service through a fully online process, and 3) superior installation quality backed by expertise in residential equipment replacement. By meticulously refining these aspects over the years and accumulating over 20 years of trial and error, we have established a unique operational advantage. This enables us to offer more competitive pricing than renovation companies or major retailers while securing an appropriate profit margin. Considering the challenges new entrants must navigate to reach this level of expertise, our company remains significantly ahead in the market.

## Frequently Asked Questions (2)

Frequently Asked Questions	Answer
Do you have any plans to expand to regional cities?	We currently have a presence in seven major metropolitan areas including Sapporo, Sendai, and Hiroshima, in addition to the Kanto, Tokai, and Kansai regions. These areas still have significant scope for further development, and we are focusing efforts on deepening our presence within these areas. As part of this expansion, we have extended our coverage to the Toyohashi/Hamamatsu areas in July 2024. Moving forward, we plan to continue expanding into highly populated regional cities surrounding these seven metropolitan areas.
Does the founder and CEO have hands-on field experience?	Our founder and CEO spent approximately 10 years actively working on-site, handling installation, site management, and overseeing field operations from the early days of the company. Additionally, with a deep understanding of on-site work and expertise in marketing, he leads the company with a well-rounded approach to management.
How many employees and skilled workers work for your company?	As of June 2025, our consolidated workforce consists of 230 employees, including 16 in-house skilled workers. Additionally, the total number of skilled workers comprises 16 in-house professionals and 249 contracted partners, bringing the total workforce in this category to 265.
What is your dividend policy?	Since our establishment, we have prioritized strengthening human resource investment, system development, and financial stability to enhance business performance, and as such, we have not implemented dividend payments. We recognize shareholder returns as a key management issue and intend to consider dividends while ensuring necessary internal reserves for future business expansion and strengthening our management structure. However, at this time, the possibility and timing of dividend payments remain undecided.

## Notes on the Handling of this Document

The information provided in this document contains forward-looking statements.

These are based on current expectations, forecasts, and assumptions that involve risks.

These statements contain uncertainties that could lead to results materially different from those described.

These risks and uncertainties include general industry and market conditions, interest rates, exchange rate fluctuations, and other domestic and international economic factors.



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